

 CviLux Group CviLux Corporation

2023 SUSTAINABILITY REPORT

*Connect the World
Conserve the Earth* **Let's
ESG** 

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About the report

CviLux Corporation ("CviLux") issued its first sustainability report (the "Report") in 2022. The compilation of this report summarizes the aspects of business operation development, sustainable partnership, R&D and innovation, environmental protection, happy workplace, social care and public welfare participation in the previous year. This report is available in Chinese and English for download by stakeholders in the download center of the Company's ESG website.

CviLux ESG corporate sustainability
[Sustainability report download→](#)



Report boundaries

The 2023 CviLux Sustainability Report mainly discloses the following business locations:

- ◎ Taiwan: CviLux Corporation (Headquarters and Factory)
- ◎ China: CviLux Electronics (Dongguan) Co., Ltd. (Dongguan Factory)
Dongguan Qunhan Electronics Co., Ltd. (Qunhan Factory)
CviLux Electronic Technology (Suzhou) Co., Ltd. (Suzhou Factory)
CviLux Technology (Chongqing) Corporation (Chongqing Factory)

Report issuance

- ◎ This release date: August 2024
- ◎ Last published: September 2023
- ◎ Next release date: June 2025

Editorial Guidelines

In order to pursue corporate sustainability and enhance information transparency, CviLux issued the 2023 Sustainability Report (hereinafter referred to as the "Report"), through which we explain to stakeholders the measures and performance of the Company in terms of building operational performance, customer service, and implementing environmental protection and occupational safety under the goal of sustainable operation. We hope that our stakeholders will continue to pay attention to us and give valuable suggestions, so that the company can make great strides forward on the road of implementing corporate sustainability.



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Basis for writing and how to confirm the information

◎ This report is prepared in accordance with the GRI Standards 2021 issued by the Global Reporting Initiative (GRI). 「Listed companies and OTC companies Operating Measures for the Preparation and Filing of Sustainability Reports」 request and use Task Force on Climate-related Financial Disclosures (TCFD) 、 Sustainability Accounting Standards Board (SASB) .An index of GRI Standards is provided in the Appendix to this report 、 SASB criterion and The United Nations Global Compact Comparison Table Index is available for stakeholders' reference.

◎ The consolidated financial data disclosed in this report have been verified by KPMG in accordance with the International Financial Reporting Standards (IFRS) and are calculated in NT\$1,000. The data on environmental protection, employees and occupational safety are compiled by the responsible departments themselves, and confirmed by the department heads, and presented in the form of international common indicators.

◎ In order to improve the disclosure quality of the report, CviLux has commissioned GREAT Certification to conduct a Type 1 medium assurance level verification based on AA1000AS v3 to confirm compliance with the GRI Standards 2021 standard and obtain a warranty statement, which is also provided in the appendix of this report.

◎ There will be no recompilation in 2023.

Feedback

If you have any comments or suggestions about the contents of this report, please feel free to contact us.

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Chairman's words

In this era of rapid change, CviLux, as a member of the electronics manufacturing industry, is deeply aware of the importance of integrating ESG (Environmental, Social and Governance) core values into business strategies to promote the sustainable development of the company. We are committed to comprehensively promoting ESG sustainable governance, responding to market and regulatory expectations, continuously implementing our sustainable vision, and working with global partners to create a future of symbiosis and co-prosperity.

In terms of the environment, we are committed to reducing pollution and waste emissions in the manufacturing process, and continuously improving the efficiency of resource use. By promoting the green design of products, we help customers reduce their carbon footprint, actively promote the application of renewable energy, and further implement the concept of green life.

In terms of social responsibility, we are committed to providing a safe and healthy working environment and are committed to building an equal, diverse and inclusive corporate culture. We also respect human and labor rights in our supply chain, actively participate in and contribute to local communities.

In terms of governance, CviLux focuses on establishing a transparent and efficient corporate governance mechanism, ensuring the disclosure of information and transparency of communication by improving the quality and efficiency of management, while adhering to corporate social responsibility and integrity and ethical standards, and pursuing the long-term healthy development of the enterprise.

Embedding ESG principles in the company's operations and decision-making not only reflects CviLux's long-term commitment to shareholders, employees, supply chain and society, but is also part of our culture. By realizing a sustainable development strategy, CviLux will continue to be a pioneer in the industry, make positive contributions to sustainable development with integrity, responsibility and sustainability, and jointly create a more prosperous future.



Steve Yang, Chairman of CviLux Group



Sustainable Performance Highlights

Govern

- ★ Ranked in the top 6%~20% of listed companies in the 2023 Corporate Governance Evaluation.
- ★ Ranked in the top 36%~50% of listed companies in the 2022 Corporate Governance Evaluation

Environment

- ★ Received a C management grade from the International Carbon Disclosure Program.
- ★ Participate in TCFD initiatives.
- ★ The Group's organizational greenhouse gas emissions decreased by 26.1% compared to the base year of 2021.

Society

- ★ Tamshui Factory was awarded RBA (Responsible Business Alliance) 「VAP (Validated Audit Process) – Rated Silver」.
- ★ Suzhou Factory was awarded RBA (Responsible Business Alliance) 「VAP (Validated Audit Process) – Rated Silver」.
- ★ Tamshui Factory was awarded EcoVadis (EcoVadis Sustainability Rating) Commitment Award.
- ★ Suzhou Factory was awarded EcoVadis (EcoVadis Sustainability Rating) Bronze Medal Award.

External Initiatives

As a member of the global environmental community, CviLux actively participates in the 17 sustainable development goals set forth by the United Nations SDGs (Sustainable Development Goals, SDGs) and select the objectives that are relevant to CviLux Limited's operations, continue to pay attention to the indicators of each sustainable development alliance, and support the United Nations Global Compact (The United Nations Global Compact, UNGC) the Ten Principles of the Principles. Provide employees with a safe and stable working environment, continuously improve working conditions, establish a healthy workplace, and effective labor and employment communication; Strengthen competitiveness, continuously improve management capabilities, strengthen supply chain management, and develop towards sustainable management.

◎ In 2022, CviLux participated in the CDP (formerly Carbon Disclosure Program) to disclose carbon conservation management questionnaires such as carbon emission inventory equivalents, strengthen the resilience to climate change, assess issues such as energy depletion, resource shortage, extreme weather, and sea level rise, so as to reduce operational risks and costs, and further transform various risks into green circular economy business opportunities, so as to improve the sustainability of corporate operations.

◎ Based on the TCFD climate-related financial disclosure standards, we introduce a management framework based on four aspects: governance, strategy, risk management, and indicators and targets, and take stock of the management status of climate change risks and opportunities, and disclose them in the annual sustainability report.

◎ Follow the Code of Conduct - Responsible Business Alliance (RBA), for labor, Health & Safety, Environmental, Ethics, Management System, etc., and actively obtained international certification. In addition to increasing the trust of customers, employees and suppliers, it also serves the environmental, economic and social good corporate responsibility.

◎ Participated in the "Yushan ESG Sustainability Initiative" and became a corporate advocacy partner.



Responsible Business Alliance
Advancing Sustainability Globally

Participation in external organizations

In addition to improving the competitiveness of its own products, CviLux also actively communicates with stakeholders from all walks of life, and has a positive interaction with members of the association to understand the latest development trends of the industry through the opportunity of participating in industry-related associations.

external organization

organization	Position
Taiwan Electronic and Electrical Industry Association	Member
Taiwan Electronic Connector Industry Association	Chairman/ Supervisor
Taipei Computer Association	Member
Taiwan Advanced Automotive Technology Development Association(TADA)	Member
USB Association	Member
Internal Audit Association	Member
HDMI Association	Member
Responsible Business Alliance RBA	Member
Taiwan Business Negotiation	Member
TIRI Investor Relations Institute	Member

Sustainability Management System & Certification

CviLux continuously improves and innovates the company's processes, products and services, and meets the requirements of products that do not contain harmful substances, providing customers with the highest value and most competitive solutions. Since 1996, it has successively obtained ISO 9001 quality management system, ISO 14001 environmental management system, QC 080000 hazardous substance management system, ISO 27001 information security management system and ISO 14064-1 greenhouse gas inventory certification.

Classify	Standard	淡水廠	東莞廠	群瀚廠	蘇州廠	重慶廠
Quality	ISO9001 : 2015 Quality management system	✓	✓	✓	✓	✓
Quality	IATF 16949 : 2016 Automotive quality management system	✓	✓	✓	✓	
Quality	ISO13485 : 2016 Medical device management system			✓		
Environment	ISO14001 : 2015 Environmental Management System	✓	✓		✓	✓
Environment	QC080000 : 2017 Hazardous Substance Management System	✓	✓	✓	✓	✓
Environment	ISO14064-1 : 2018 Greenhouse Gas Inventory Standards	✓				
Society	ISO45001 : 2018 Occupational health and safety management system	✓	✓	✓	✓	✓
Society	RBA Responsible Business Alliance Code of Conduct Review	✓			✓	
Corporate Governance	ISO27001 : 2013 Information security management system	✓				

CviLux passed the certificate

[Quality policy and various certification downloads→](#)



01

Sustainable governance system

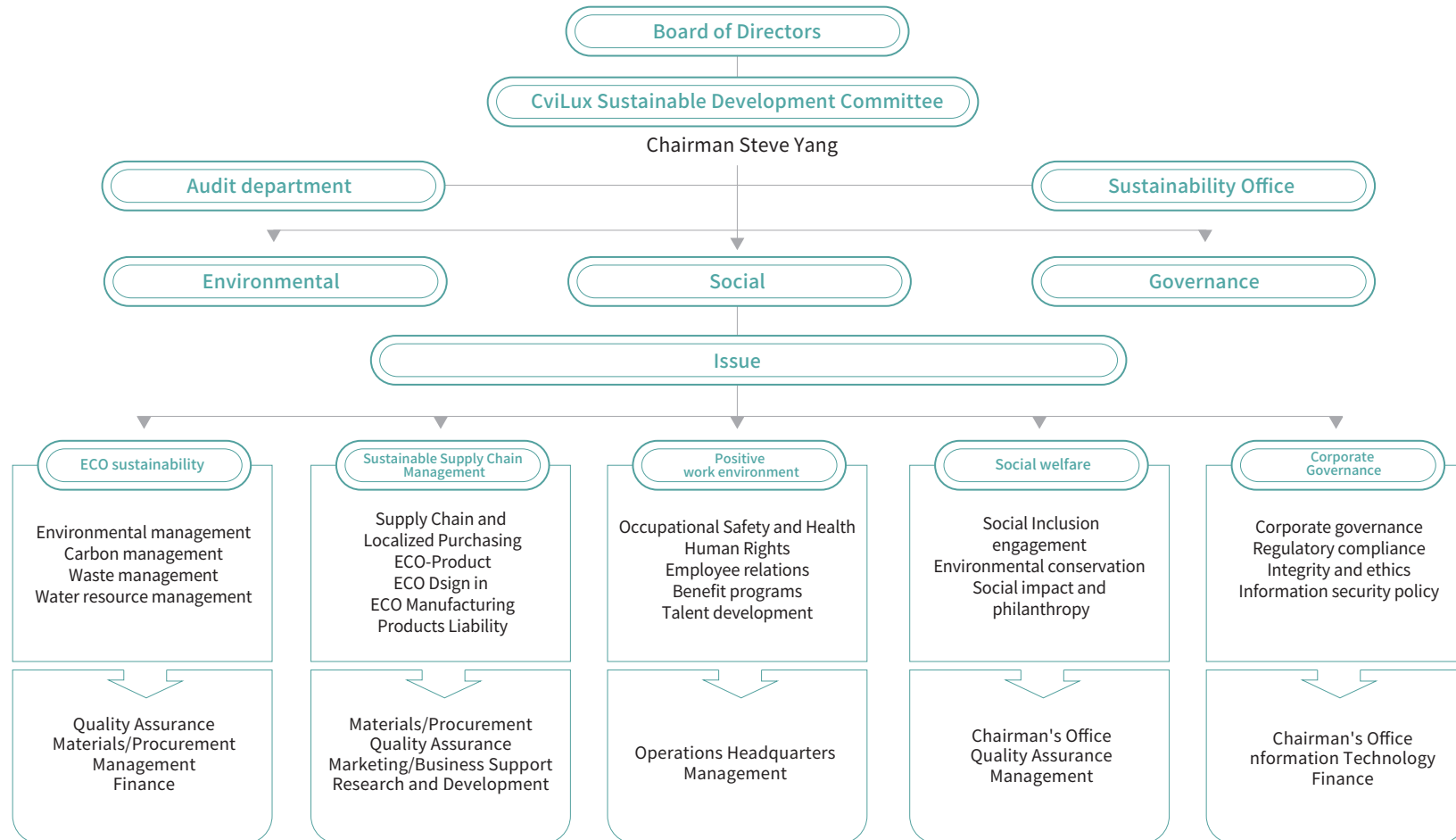
Vision & Strategy

With its corporate philosophy and vision, CviLux formulates corporate governance strategies, carries out various sustainability policies, and moves towards sustainable development through consultation with stakeholders. In accordance with the United Nations' 2030 Sustainable Development Goals (SDGs) and ISO26000 social responsibility guidelines, we formulate and implement performance targets to create sustainable value. Examine the results based on the concerns of stakeholders, adjust strategies when necessary, ensure the achievement of performance goals, use multiple channels to disclose relevant implementation results, meet the expectations of stakeholders, and serve as the driving force for the company to continue to promote sustainability.

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1.1 Organizational Context - Sustainability Committee (2-12、2-13、2-14)

In order to implement the sustainable business philosophy, the chairman of the board of directors serves as the convener and the chief sustainability officer, and a sustainability committee is established. Under the Committee, the Sustainability Office has set up functional groups including green sustainability, sustainable supply chain, happy workplace, social participation and corporate governance according to environmental, social and governance issues, and the supervision department collects stakeholders' concerns about the environment, occupational safety, human rights, operational performance and corporate governance, respects the rights and interests of stakeholders, and sets up a stakeholder section on the company's website to respond to their important concerns. The head of governance of CviLux regularly reports to the board of directors on the implementation of sustainable development, so that the board of directors can fully understand the company's measures related to sustainable development, and gradually integrate the sustainable business philosophy into the company's culture.



1.2 Analysis of stakeholders and major topics

Stakeholder identification

The key to the sustainable operation of CviLux is the voice and expectations of stakeholders, so we are committed to establishing good communication channels with internal and external stakeholders to actively obtain and respond to the expectations of internal and external stakeholders.

CviLux AA1000SES refers to the AA1000 Stakeholder Engagement Standard and the five principles of Stakeholder Engagement Standards: Responsibility, Influence, Tension, Diverse Perspectives and Dependency. and identify groups or individuals that will affect or affect the Company's operations, products or services in accordance with the Consultation and Communication Management Process; Six types of major stakeholders were identified according to the degree of relationship, including investors/shareholders, customers, employees, suppliers, communities, government agencies/schools, and a total of 18 aspects of communication.

Main Stakeholders	Focus on the topic	Communication Channels / Communication Frequency	2023 results
Investors / Shareholders	<ol style="list-style-type: none"> Operational performance Ethics and Sincerity Innovative R&D Information Security/Trade Secret Protection Energy Conservation and Carbon Reduction (Greenhouse Gas Emissions) Labor-management communication 	<ol style="list-style-type: none"> Regularly hold shareholders' meetings and legal meetings (one shareholder meeting has been held in 2023; legal meetings have been held four times). Public Information Observatory (irregular). An annual report is published once a year. Investor area of the company's official website (as required by law/irregularly). Participation in seminars invited by corporations (irregularly). Corporate Sustainability Report (published annually). 	<ol style="list-style-type: none"> Ranked among the top 6%~20% of listed companies in the 2023 Corporate Governance Assessment.
Client	<ol style="list-style-type: none"> Operational performance Product Liability/Product Safety Customer service Energy Conservation and Carbon Reduction (Greenhouse Gas Emissions) Labor-management communication 	<ol style="list-style-type: none"> Customer satisfaction survey (once a year) Emails, business meetings, and audits (Irregular) Company Official Website (Irregular) Corporate Sustainability Report (published annually) RBA、EcoVadis Platform (irregular) Customer database platform (irregular) Customer-held training and seminars (irregularly) 	<ol style="list-style-type: none"> In 2023, there were no complaints of invasion of customer privacy or loss of customer information The overall satisfaction rate of the 2023 Customer Satisfaction Survey is 88.4% Received a grade of C from the CDP Climate Questionnaire The Tamsui Factory and the Suzhou Factory obtained RBA silver licenses
Staff	<ol style="list-style-type: none"> Operational performance Compensation and benefits Labor-management communication Occupational safety Talent cultivation Human rights protection 	<ol style="list-style-type: none"> Corporate website, internal email, press releases, social media (from time to time). The Employee Welfare Committee is convened at least once a quarter. At least once a quarter, a labor-management meeting, a workers' congress and an occupational safety and health committee will be held. Corporate sustainability-related education and training (at least one session per year). Corporate Sustainability Report (published annually) 	<ol style="list-style-type: none"> In 2023, there will be no violations of human rights such as forced labor, child labor, labor disputes, violations of gender equality, and sexual harassment. There will be no occupational disasters or occupational diseases in 2023
Supplier	<ol style="list-style-type: none"> Sustainable supply chain Energy Conservation and Carbon Reduction (Greenhouse Gas Emissions) Waste management Green products Labor-management communication 	<ol style="list-style-type: none"> Supplier CSR Code of Conduct Sign-back (Irregular) Regular evaluation and on-site audit (Irregular) Supplier Corporate Sustainability Advocacy Conference (once a year) Corporate Sustainability Report (published annually) 	<ol style="list-style-type: none"> 100% Responsible Sourcing Commitment Signoff Rate 100% sign-back rate of CMRT/EMRT Questionnaire Supplier Corporate Sustainability Advocacy Conference, with a participation rate of 89% 100% sign-off rate of supplier CSR Code of Conduct

Main Stakeholders	Focus on the topic	Communication Channels / Communication Frequency	2023 results
Community	<ol style="list-style-type: none"> Operational performance Energy Conservation and Carbon Reduction (Greenhouse Gas Emissions) Water management Waste management Labor-management communication Participate in public welfare 	<ol style="list-style-type: none"> E-mail, telephone contact (irregular) Community public welfare activities (irregular) Corporate Sustainability Report (published annually) Company official website, press releases, social media sites (irregular) 	<ol style="list-style-type: none"> Total greenhouse gas emissions decreased by 26.1% compared to the base year of 2021 No complaints were received from the community Regular testing is carried out in accordance with regulatory requirements and does not affect the community
Government Offices / Schools	<ol style="list-style-type: none"> Operational performance Information Security/Trade Secret Protection Energy conservation and carbon reduction (greenhouse gas emissions) Sustainable supply chain Participate in public welfare 	<ol style="list-style-type: none"> Regularly report relevant information as required by government agencies (irregularly) Regulatory Audit (Monthly) Participation in activities of relevant corporations/associations (irregularly) Company Official Website (Irregular) Random inspection visit to the factory (irregular) Corporate Sustainability Report (published annually) 	<ol style="list-style-type: none"> In 2023, there were no violations of laws and regulations Actively participate in government/school/community activities

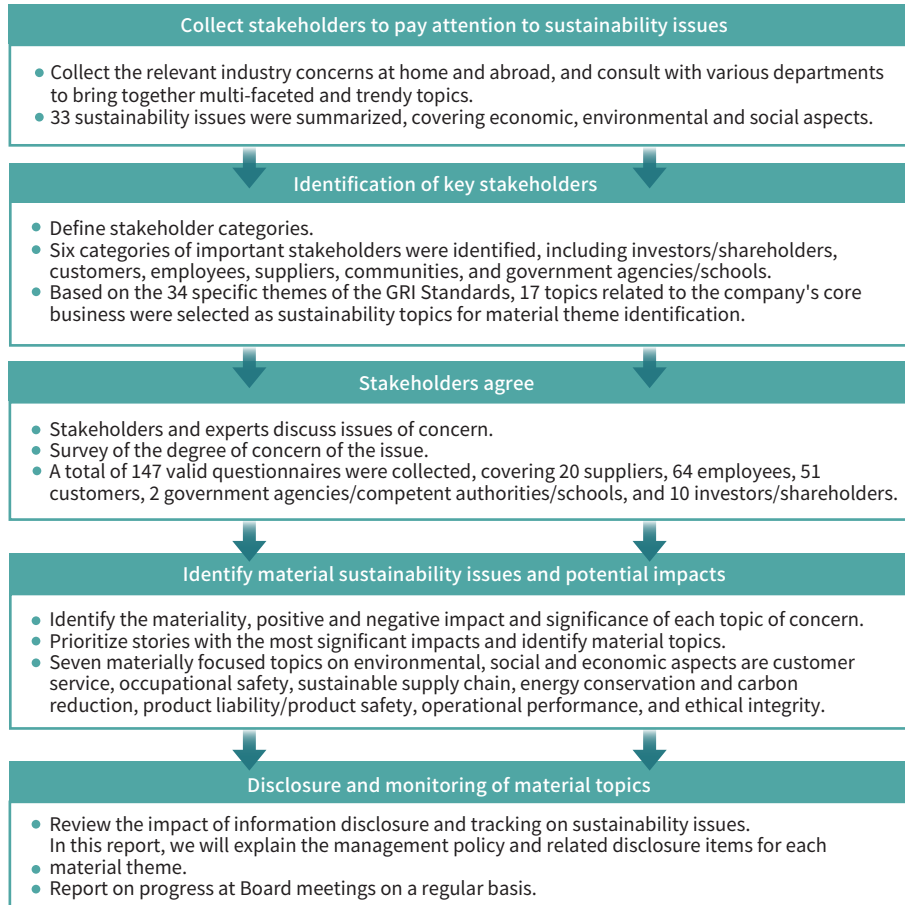
1.3 Key stakeholders focus on the topic (2-29)

CviLux follows the GRI3 principles to solicit opinions from internal and external stakeholders, and uses risk assessment techniques to comprehensively consider the internal and external impacts of sustainability themes in the value chain, and evaluate the positive (scale and scope of the impact) / negative (severity of the impact) The degree of impact and probability of occurrence were identified to identify the actual and potential impact of each topic on the "economy, environment, and society"; 17 sustainable topics were summarized, covering economic, environmental, and social aspects, and the main interests were reported to the board of directors every year communication with people to ensure that the sustainability information disclosed by CviLux meets the integrity and diversity required by GRI standards.

Orientation	Identification of sustainability issues with material themes (17 items)
Environmental Aspects	Water management \ Energy conservation and carbon reduction (greenhouse gas emissions), waste management, sustainable supply chain, green products
Social aspects	Compensation and welfare, labor-management communication, occupational safety, talent development, human rights protection, participation in public welfare, product liability/product safety, customer service
Economy	Ethical integrity, operational performance, innovation and R&D, information security/trade secret protection

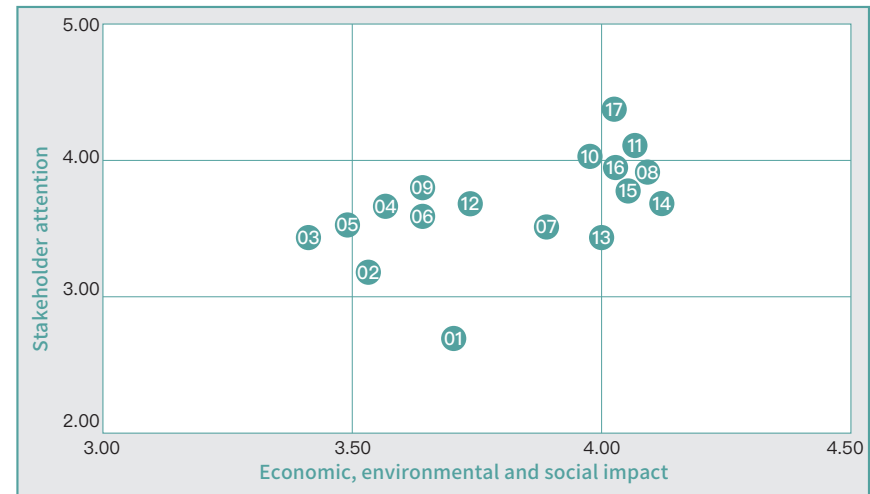
1.4 Identification of material topics (3-1)

Stakeholder and material topic identification process



In 2023, refer to the 2021 edition of the GRI General Criteria to identify material topics as the evaluation principle for whether the topics are material. A total of 147 valid questionnaires were collected to survey stakeholders' attention to sustainability issues, and 17 major themes were evaluated by the core members of the sustainability committee according to their attention and impact level, which were environmental, social (including human rights) and economic aspects. According to the degree of impact and the probability of occurrence, a comprehensive assessment is carried out and summarized into the impact on ESG.

Analysis chart of major issues



- 01 E-Water Resources Management
- 02 S-Participate in public welfare
- 03 E-Waste Disposal
- 04 S-Salary and benefits
- 05 E-green products
- 06 S-Labour-management communication
- 07 S-Human rights protection
- 08 E-Energy Saving and Carbon Reduction
- 09 S-talent cultivation
- 10 S-Information Security/ Business Secret Protection
- 11 E-Product Liability/Product Safety
- 12 G-Innovation R&D
- 13 G-Ethical Integrity
- 14 G-Customer Service
- 15 E-sustainable supply chain
- 16 S-Occupational Safety
- 17 G-Operational Performance

Major themes have a positive or negative impact

Orientation	Sustainability issues
Environmental aspect	Sustainable Supply Chain (Positive)
Social aspects	Occupational Safety (Positive), Product Liability /Product Safety (Positive), Customer Service (Positive)
Economic aspect	Operational Performance (Positive), R&D (Positive), Information Security/Trade Secret Protection (Positive)

Ranking of major topics

The Sustainability Committee lists the top one to two sustainability issues from the three aspects of environment, society and economy as seven major themes this year, and prioritizes them for disclosure, namely 1. Operational performance, 2. Product responsibility/product safety, 3. Occupational safety, 4. Information security/business secret protection, 5. Energy conservation and carbon reduction, 6. Sustainable supply chain, 7. Customer service.

Ranking of major themes in 2023	Ranking of major themes in 2022	Topic	Importance/risks and opportunities for the organization	Strategic objectives	Comply with the GRI guidelines General Disclosure/ Specific Subject Indicators	Corresponding chapters
1	1	Operational performance	The pursuit of maximum profit is the goal of the company's corporate sustainability efforts, which can not only enhance the confidence of shareholders, employees and supply chain, but also the key to sustainable operation.	1. Continued earnings (operating income, after-tax surplus) . 2. The same ratio as last year's dividend policy (dividend distribution).	Economic performance GRI2016	2.7
2	3	Product Liability / Product Safety	Build trust and cooperation with customers through product responsibility and safety.	1. There were 0 incidents of products and services violating health and safety laws and regulations or receiving complaints from customers. 2. The product structure design does not introduce 100% materials containing harmful substances.	Customer health and safety GRI 416 Marketing & Labeling GRI 417	3.2
3	4	Occupational safety	CviLux creates a healthy workplace environment for employees, based on maintaining the normal operation of the safety management system, so as to effectively prevent potential workplace risks and reduce accidents.	We provide a safe working environment and strive for zero accidents.	Occupational health and safety GRI 403	5.6
4	6	Information Security / Trade Secret Protection	In view of the fact that information security is the foundation for maintaining the safe operation of various services, in order to ensure that the Group has a common understanding and implements the mission of information security, the Group's information security management system focuses on the management of the Company's important information assets, and is established and maintained in the PDCA mode to ensure the effective operation of this system, and all activities must be properly documented or recorded.	0 major information security incidents such as violation of customer privacy.	Customize the theme	2.8
5	-	Energy saving and carbon reduction	Set the Group's carbon reduction targets, advocate and communicate externally, and promote the sustainable operation of the enterprise. Failure to properly implement carbon reduction and climate resilience actions will increase operating costs and have a negative impact on the economy and the environment.	1. According to ISO14064-1, carbon emission inventory is checked and confirmed, and energy conservation and carbon reduction measures are implemented . 2. Carbon emissions will be reduced by 30% from 2025 to 2030.	Emission GRI 305	4.2
6	5	Sustainable supply chain	CviLux regards suppliers as important business partners, and hopes to introduce sustainability issues into the new supplier selection and supplier audit projects, promote the positive cycle of the industry and supply chain, and achieve the purpose of sustainable operation.	1. The sustainability risk assessment rate of major supplier enterprises reached 90%. 2. The amount of local procurement > 80%.	Procurement Practices GRI204 Supplier environmental assessment GRI 308 Supplier Social Assessment GRI 414 GRI301 : material	3.5
7	7	customer service	Provide high-standard and innovative products and services through excellent execution, create value for customers, and become the best partner for customers.	Customer satisfaction score of 85 or more.	Customer Privacy GRI418-1	3.4

Note 1: Corporate governance, risk management, and ethical integrity are required to be disclosed in the GRI Sustainability Reporting Standards 2021 (GRISTandards:2021).





Explanation of the changes and differences between the materiality theme and the previous year




In response to the increasing attention paid to climate change issues and ESG in recent years, CviLux analyzed the results of the 2023 material theme with "GRI 305 emissions" to replace the self-defined material theme "innovation and R&D" in 2022 with the "energy conservation and carbon reduction" project of "GRI 305 emissions", and there was no major change in the other projects.

1.5 Combined with the material theme of sustainability goals

Sustainable Development Goals(SDGs) It is a plan released by the United Nations in 2015, proposing 17 sustainable development goals and 169 sub-goals as the guiding principles for Member States and global enterprises to practice sustainable development by 2030.

CviLux integrates sustainable development goals into the company's business strategy, expands the company's previous thinking model of focusing on economic performance to take into account environmental protection and other regulatory compliance, increase employee compensation to retain outstanding talents, eliminate various unequal conditions in the workplace, slow down the discharge of waste water and greenhouse gases, and invite suppliers to work together to improve the environment and improve workplace treatment ◦

SDGs	Objective	CviLux action	2023 Results
 <p>4 Quality Education</p>	<p>4.7 Promote sustainable development education, sustainable lifestyle, human rights, gender equality, peace and non-violence.</p>	<ul style="list-style-type: none"> Continue to cooperate with domestic colleges and universities to promote social employment. 	<ul style="list-style-type: none"> CviLux continues to cooperate with domestic colleges and universities, and from 2020 to 2023, the Information Center will join Ming Chi University of Technology as an intern.
 <p>5 Gender Equality</p>	<p>5.1 Eliminate any form of discrimination against women. 5.5 Ensure women's full participation in political, economic and public decision-making, and ensure that women have equal opportunities to participate in decision-making and leadership at all levels.</p>	<ul style="list-style-type: none"> Comply with relevant laws and international human rights conventions, such as the right to gender equality, the right to work and the right to non-discrimination. Establish at least one female director of the company. 	<ul style="list-style-type: none"> Female supervisors account for 30%. Women account for 14% of the directors.
 <p>8 Decent Work and Economic Growth</p>	<p>8.4 Improve energy use and production efficiency. 8.5 Achieve full and productive employment, with a good job for all men and women, including young people and people with disabilities, and equal pay for equal work. 8.7 Prohibit child labor and eliminate oppressed labor. 8.8 Protect the rights and interests of workers and promote a safe working environment, especially for women and workers performing hazardous work.</p>	<ul style="list-style-type: none"> Reduce resource and energy consumption of products and services. Comply with internationally recognized labor human rights, such as freedom of association, the right to collective bargaining, care for vulnerable groups, prohibition of child labor, elimination of all forms of forced labor, elimination of employment and employment discrimination, etc. Provide a safe and healthy working environment for employees, including providing necessary health and first aid facilities, and strive to reduce the risk factors to the safety and health of employees to prevent occupational accidents. Assess the impact of the company's operations on the community, and appropriately employ manpower in the places where the company operates, so as to enhance community recognition. Establish and implement reasonable employee welfare measures (including salary, leave and other benefits, etc.), and appropriately reflect business performance or results in employee remuneration to ensure the recruitment, retention and encouragement of human resources. 	<ul style="list-style-type: none"> The hydraulic injection molding machine was replaced with an electric energy-saving injection molding machine to reduce energy consumption. Regularly implement employee representative meetings, labor-management meetings and retirement committees. In accordance with RBA and ISO 45001 specifications, all of which ensure labor safety, and there will be 0 occupational accidents in 2023. In 2023, there were no child labor and labor complaints. Local supervisors accounted for 64 per cent. According to the performance evaluation system, the promotion system and the rotation system cooperate with the awarding of bonuses. Cooperate with employee satisfaction and communicate with employees. Enhance the career development of employees according to the education and training plan. In 2023, domestic and foreign staff tours, staff annual meetings and New Year's Day gifts will be distributed.
 <p>9 Industry, Innovation and Infrastructure</p>	<p>9.5 Increase R&D personnel to encourage innovation, increase R&D spending, and increase the company's patents.</p>	<ul style="list-style-type: none"> Increase R&D investment. Increase the number of R&D teams and product patents year by year. 	<ul style="list-style-type: none"> R&D expenses accounted for 5% of revenue in 2023, a slight increase from 3% in the previous year. CviLux has acquired intellectual property (including patents): the total number of patents applied for in Taiwan has reached nearly 302. Trademarks: The total number of trademark applications in Taiwan has reached nearly 120.

SDGs	Objective	CviLux action	2023 Results
	<p>12.5 By 2030, significantly reduce waste generation through prevention, reduction, recycling and reuse.</p> <p>12.6 Encourage companies to adopt sustainable business practices, especially for large and multinational corporations, and to incorporate sustainability information into their reporting cycles.</p>	<ul style="list-style-type: none"> • Reduce the discharge of pollutants, toxic substances and waste, and properly dispose of waste. • Improve the recyclability and reuse of raw materials or products. • Establish a supplier sustainability management policy, and require suppliers to comply with relevant norms on issues such as environmental protection, occupational safety and health, or labor human rights. 	<ul style="list-style-type: none"> • In 2023, the recycling rate of industrial waste will be 47%, an increase of 15% from the previous year. • In 2023, we will conduct a supplier corporate sustainability risk assessment survey - all major suppliers will sign back. • In 2023, we will conduct an on-site physical audit of the supplier's corporate sustainability risk assessment. • In January 2024, the ESG Sustainable Supply Chain Conference will be held to advocate ESG-related initiatives, policies and sustainable goals.
	<p>13.3 Improve education, raise awareness, and empower people and institutions to mitigate, adapt, reduce impacts, and early warning of climate change.</p>	<ul style="list-style-type: none"> • Based on the results of the operation and greenhouse gas inventory, the company formulates energy conservation, carbon reduction and greenhouse gas reduction strategies, and increases the use of green energy or renewable energy to reduce the impact of the company's operations on the natural environment. • Import ISO14064-1 execution. 	<ul style="list-style-type: none"> • The Group's greenhouse gas emissions decreased by 10.2% compared to the base year of 2021. • The Chongqing Factory has introduced photovoltaic power generation, and the proportion of green electricity in 2023 will be 6.89%. • The Suzhou Factory will start photovoltaic green power generation in December 2024.
	<p>16.6 Develop effective, accountable and transparent systems at all levels.</p> <p>16.7 Ensure that decision-making at all levels is responsive to public opinion, inclusive, participatory and representative.</p>	<ul style="list-style-type: none"> • The risks and impacts of the implementation of Corporate Governance 3.0, the development of a sustainable environment and the maintenance of social welfare on the Company's operations and financial condition. • Through stakeholder communication, understand the requirements and expectations of the company, etc., and report to the board of directors on a regular basis. 	<ul style="list-style-type: none"> • Ranked in the top 6%~20% of listed companies in the 2023 Corporate Governance Evaluation. • The average customer satisfaction rate in 2023 is 88.4%. • The Employee Welfare Committee is convened at least once a month. • Hold at least one labor-management meeting and employee representative meeting every quarter. <p>Quarterly corporate information sessions are held to disclose the company's operating performance and future prospects, and provide opportunities for investors to express their opinions and communicate with the company in both directions.</p>

02

About CviLux

CviLux is committed to providing components in the global electronics industry supply chain, which are a small part of the products, and we hope to contribute to the convenience brought by electronic products to all mankind.



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Annual performance

- Ranked in the top 6%~20% of listed companies in the 2023 Corporate Governance Evaluation.
- In the past three years, there have been no major violations of labor and human rights laws and regulations, anti-competition, anti-monopoly, integrity management, etc.
- In 2023, the Board of Directors and member performance self-evaluation were completed, with scores of 4.83 and 4.86 (out of 5), respectively, with a rating of excellent and good.
- 14% of directors are women; Independent directors accounted for 57.14%

2.1 Company Profile

Founded in 1990, CviLux Corporation (hereinafter referred to as CviLux) is a professional manufacturer of electronic components, focusing on R&D, manufacturing and sales of electronic connectors, flexible cables and cable components, and its products are used in the electronics industry, including: industrial, medical, NB, automotive, server, network communication, optoelectronics, AIOT and other fields, and its products are marketed worldwide. Found throughout Europe, Asia and the Americas.

Note: For the important history of CviLux, please refer to the 112th Annual Shareholders Meeting Annual Report

Company name	CviLux Corporation
Industry	1.Electronic components industry 2.Technology & Communications - Hardware
Headquarters location	9th Floor, No. 9, Lane 3, Section 1, Zhongzheng East Road, Tamsui District, New Taipei City, Taiwan
Amount of capital	789,561 (Unit: NT\$ thousand)
Shareholding structure	Domestic legal entities 20.4%、Individuals in their own countries 68.69%、Foreign Institutions vs. Foreign Individuals 7.9%、other 0.05%
Consolidated revenue for the year	2,958,621 (Unit: NT\$ thousand)
Number of employees	Taiwan : 172 Overseas : 1047
Operational bases	<p>Taiwan Head Office : 9th Floor, No. 9, Lane 3, Section 1, Zhongzheng East Road, Tamsui District, New Taipei City</p> <p>CviLux Technology (Suzhou) Co., Ltd: No. 245, Donggang Road, Fenu High-tech Zone, Wujiang District, Suzhou City, Jiangsu Province</p> <p>Dongguan Qunhan Electronics Co., Ltd: Changping Town, Dongguan City, Guangdong Province, No. 3, Taihe Road, Zhuli</p> <p>CviLux Electronics (Dongguan) Co., Ltd: No. 2, Taihe Road, Changping Town, Dongguan City, Guangdong Province</p> <p>CviLux Technology (Chongqing) Corporation: No. 2609, Xinglong Avenue, Phoenix Lake Industrial Park, Yongchuan, Chongqing</p> <p>CviLux Technology (Shenzhen) Corporation: 2404A2, Block A, Tian'an Digital Times Building, Tairan Road, Tian'an Community, Shatou Street, Futian District, Shenzhen</p>

Operational bases	<p>Cvicloud Corporation: 25147 11th Floor, No. 9, Lane 3, Section 1, Zhongzheng East Road, Tamsui District, New Taipei City</p> <p>Anhui CviLux Technology Co., Ltd: Building A4, Industrial Investment SME Park, Hangbu Town, Shucheng County, Lu'an City, Anhui Province</p> <p>Cvilux Lao Co., Ltd: KM10, Route No.9 Nongdeun Village, Kaysone Phomvihance District, Savannakhet Province, LAO PDR</p> <p>CviLux USA Corporation: 16000 Bothell -Everett Hwy, Suite 170-Mill Creek, WA 98012</p> <p>CviLux KOREA Corporation: 14,Baranmanse-gil,Hyangnam-eup,Hwaseong-si Gyeonggi-do,Republic of Korea.</p>
Key products/services	CviLux branded connectors and cable assemblies
Output of main products (Unit: thousand/PCS)	9,808,646
The proportion of sales of major products	Connector (66.82%) Cable assemblies (27.19%)
The proportion of revenue in each district	<p>Taiwan (8.69%) China (58.34%) Vietnam (4.22%) Belgium (3.16%) Italy (2.73%) Germany (2.73%) France (2.62%) other (17.51%)</p>

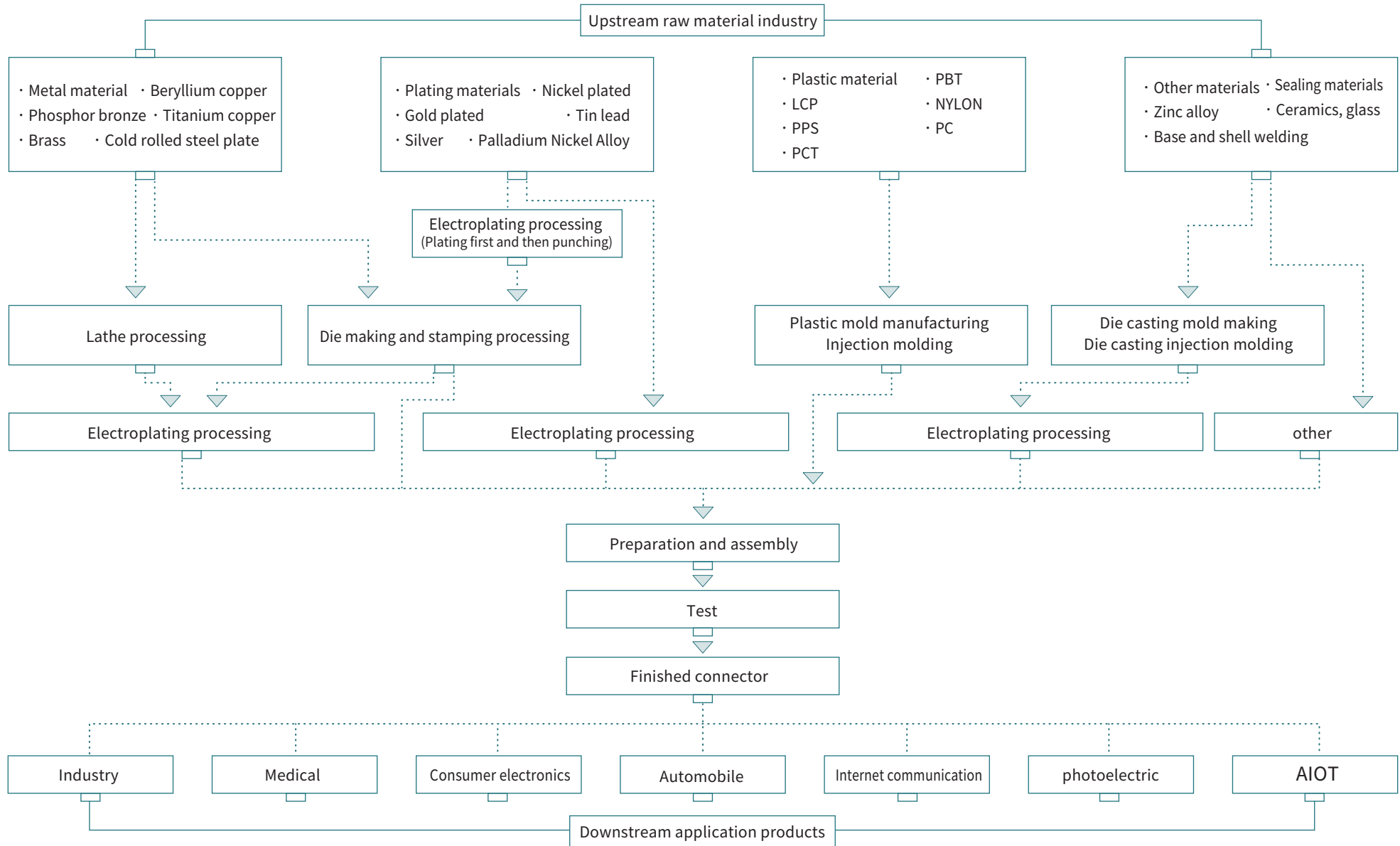


CviLux products

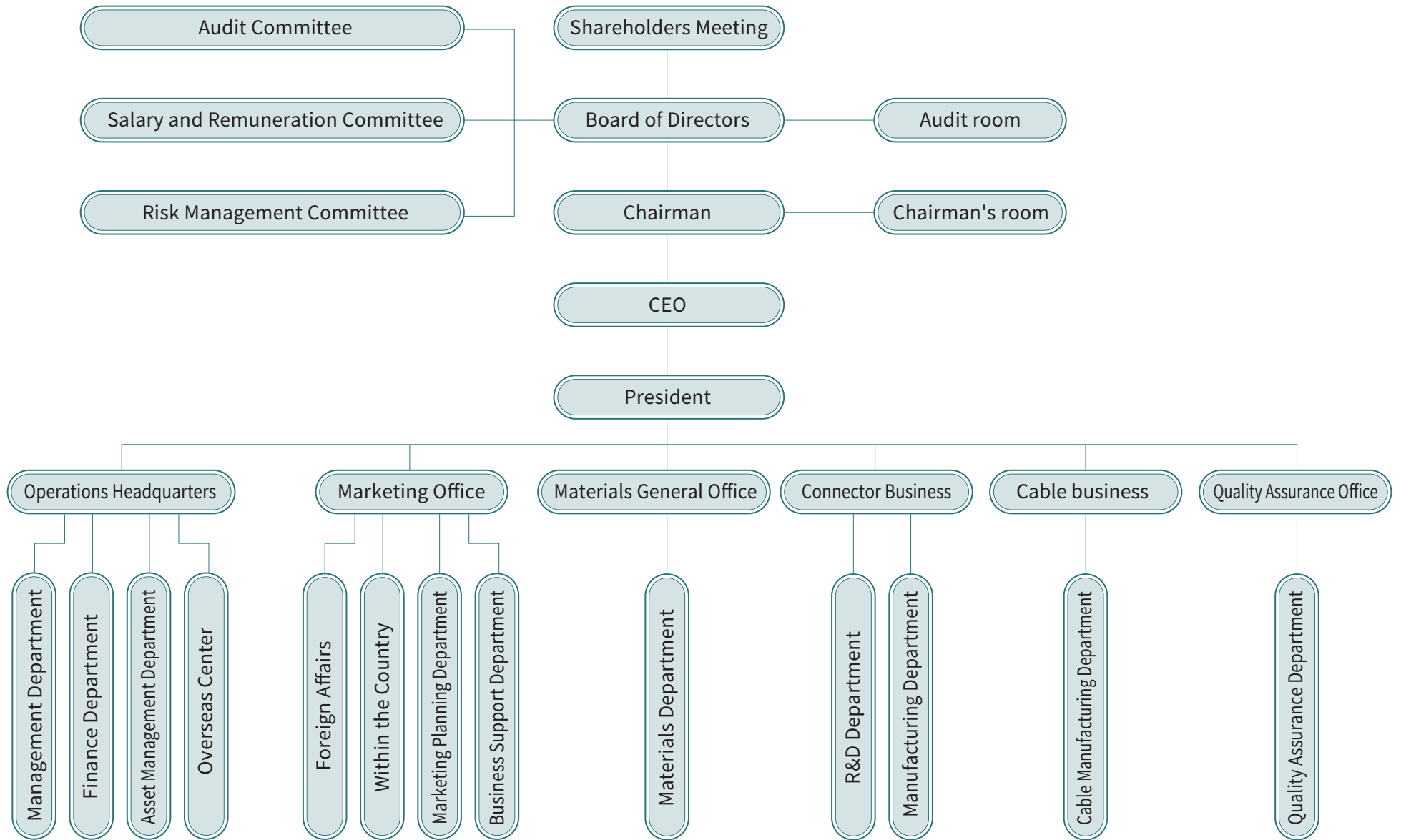
Note: Data statistics are until the end of 2023.

Map of the upstream, midstream and downstream of the overall industrial chain

Source: ITRI Institute of Materials IT IS Plan



Organizational structure



2.2 Business philosophy

Outlook

CONNECT THE WORLD CONSERVE THE EARTH

CviLux is committed to providing components for the global electronics industry supply chain. Components are a small part of the product. We hope to contribute to the convenience of life brought by electronic products to all mankind.

Mission

Providing components to the global electronics industry, we hope that CviLux can contribute to the convenience of life brought by electronic products to all mankind.

In addition to continuing to operate steadily and profitably to reward employees and shareholders, we also practice "environmental, social and corporate governance" in accordance with the ESG concept to allow the company to continuously exert its value.

Core value

"Integrity" 、"Responsibility" 、"Sustainability"

We are committed to becoming a responsible enterprise, contributing to society and the environment, and are committed to creating sustainable value for shareholders, employees and society, continuing to improve, pursuing excellence, and achieving long-term sustainable development of the enterprise.

2.3 Awards and honors

Awards over the years :

- Silver Award for Sustainability Initiatives
- The 10th Outstanding Taiwanese Business Innovation and Transformation Award
- The CEO was awarded the 100 MVP Manager by Manager Magazine
- Outstanding Taiwanese Business Award
- Lite-On Group 2023 Supplier Excellent Quality Award



Silver Award for Sustainability Initiatives



The 10th Outstanding Taiwanese Business Innovation and Transformation Award



CEO Lawrence Yang was awarded the 100 MVP Manager by Manager Magazine



CviLux 「Pass certificate」

[CviLux Quality policy and various certification downloads→](#)



2.4 Governance practice (GRI 2-9~2-13、2-15~2-18、2-21、2-25、2-26)

Sound corporate governance includes a sound board of directors, a rigorous internal control system and stable financial control, which can not only help reduce the company's operational risks, but also enhance the company's competitiveness and create brand value. Building a corporate culture of integrity and responsibility and abiding by various laws and regulations to implement ethical management, while a well-functioning corporate governance structure can ensure the sound development of the company's operations and protect the rights and interests of investors and other stakeholders.

In Taiwan order to strengthen the protection of shareholders' rights and interests, strengthen the functions of the Board of Directors, respect the rights and interests of stakeholders, and enhance information transparency, the Board of Directors has adopted the "Corporate Governance Code of Practice", which implements a fair, just and open director selection process, and appoints independent directors to strengthen the management and supervision function of the Board of Directors. The Board of Directors has also adopted a Code of Ethics that prohibits insiders, such as directors, managers and employees, from profiting from information that is not available in the market. In addition, CviLux also adheres to the principles of correct, timely and fair disclosure, and has established a complete information disclosure system to provide various information related to operations, finance, board of directors and shareholders' meetings on the company's website and public information observatory (8103) to ensure that shareholders can obtain the latest information related to the company.

The shareholders' meeting is composed of all shareholders, makes decisions on major matters of the company, regularly listens to the report of the board of directors, and is the highest decision-making organ of the company. The Chief Executive Officer assists the Chairman in formulating the Company's business policy and formulating the sustainable development strategy, and the Board of Directors reviews the financial performance, sustainability strategy, etc., and ensures that the Company's operations comply with various laws and regulations. In order to improve the operation of corporate governance and strengthen the competitiveness of the company, the board of directors has set up an audit committee, a remuneration committee and a risk management committee to improve the operation of the board of directors. There is also an independent audit office under the Board of Directors, which regularly conducts audit work and reports the audit results to the Audit Committee and the Board of Directors.



Company website



Corporate Governance
Code of Practice

CviLux attaches great importance to corporate governance, pursues sustainable growth and honest management, continuously strengthens its corporate governance structure, upholds information transparency, and cooperates with an effective internal control system to protect the rights and interests of stakeholders. In accordance with the guidelines for the establishment of internal control systems by public companies, CviLux designs and implements internal control systems based on the overall operating activities of the company, and reviews them from time to time to respond to changes in the internal and external environment to ensure that the design and implementation of the internal control system are continuously and effectively. Through a sound management mechanism to improve the performance of operations, to achieve the goal of sustainable operation.

In order to strengthen the Company's support for directors to perform their duties and enhance the effectiveness of the Board of Directors, a corporate governance officer has been established to assist Directors in performing their duties, providing required information and arranging further education, handling matters related to the meetings of the Board of Directors and shareholders' meetings in accordance with the law, and assisting the Company in complying with the relevant resolutions of the Board of Directors and the Shareholders' Meeting and maintaining investor relations; The Head of Corporate Governance attended 12 hours of courses related to corporate governance in the current year. In 2023, the results of the 10th Listed Company Governance Evaluation have advanced to 6%~20%, which is two notches higher than the previous ranking of 36% to 50%, and has achieved the affirmation of the best top 20% listed companies, with outstanding performance. It shows that CviLux has been operating effectively and well in all aspects of corporate governance under the leadership of the Head of Corporate Governance, and the Company will strive to improve the overall performance of corporate governance and strengthen the trust of stakeholders in CviLux in the future.

At the same time, the company's financial statements are entrusted to the accounting firm to check the visa on a regular basis, and the information disclosure required by laws and regulations can be completed correctly and in a timely manner, and the responsible personnel are responsible for the external disclosure of the company's information, and there is a spokesperson system to ensure that all material information can be disclosed in a timely and timely manner, so that shareholders and stakeholders can refer to the company's financial business related information.

Looking ahead, it is the goal of CviLux to strengthen the operation of the Board of Directors, enhance information transparency, and gradually integrate the sustainable governance strategy into the corporate governance structure.

2.4.1 Board of directors

The Board of Directors shall draw up the Company's business strategy, be responsible to shareholders and other stakeholders, and the Directors shall faithfully perform business and fulfill the duty of care as a good manager, and exercise their powers in a prudent manner. The Articles of Association of CviLux stipulate that the election of directors adopts a candidate nomination system and operates through regular re-election. At the same time, in accordance with the provisions of the Code of Corporate Governance Practice, in addition to the number of directors who are also managers of the Company, no more than one-third of the board members, in order to strengthen corporate governance and promote the sound development of the composition and structure of the board of directors, we also advocate the policy of diversity of directors, which is believed to help improve the overall performance of the company. The members of the board of directors are selected on the basis of merit, and have multiple complementary capabilities across industries, including age, gender, nationality, culture and other basic components, as well as industry experience (e.g., finance, finance, software information, etc.) and professional capabilities (e.g., law, accounting, finance, marketing, technology). In order to strengthen the functions of the board of directors and achieve the ideal goals of corporate governance, Article 22 of the Code of Practice on Corporate Governance stipulates that the overall competencies of the board of directors include business judgment, accounting and financial analysis, business management, crisis management, industry knowledge, international market outlook, leadership and decision-making skills, etc. At the same time, the directors of CviLux have professional capabilities and rich practical experience in the industry, and are familiar with the pulse of industry development. The Board of Directors currently has 7 directors (including 4 independent directors) with a term of 3 years, and the Board of Directors shall be convened at least once a quarter in accordance with the law, and the Board of Directors shall be convened 7 times during the year, with an average attendance rate of 95.92%.

Note: For the main experience (education) qualifications, concurrent positions and list of major shareholders of CviLux's directors, please refer to the company's official website.

Diversified statistics / yearly			2021		2022		2023	
			Number	percentage	Number	percentage	Number	percentage
Director	Gender	Man	6	86%	6	86%	6	86%
		Woman	1	14%	1	14%	1	14%
	Age	Under 50 years old	1	14%	1	14%	2	29%
		50~60	2	29%	2	29%	1	14%
		Over 60 years old	4	57%	4	57%	4	57%
	Degree	Institute	3	43%	3	43%	4	57%
		Specialty	4	57%	4	57%	3	43%
		other	0	0%	0	0%	0	0%

Diverse core projects

Job title	Chairman	Director			Independent Director			
Name	Steve Yang	Lawrence Yang	Glen Chu	Alex Huang	Shuling Lin	Yingjun Zhuang	Alan Yu	Weber Lin
Ability to exercise operational judgment	V	V	V	V	V	V	V	V
Management ability	V	V	V	V	V	V	V	V
Crisis management	V	V	V	V	V	V	V	V
International market view	V	V	V	V	V	V	V	V
Leadership decision-making skills	V	V	V	V	V	V	V	V

Attendance of the Board of Directors

Job title	Name	The actual number of seats	Actual attendance rate (%)	Notes
Chairman	Steve Yang	7	100%	
Director	Glen Chu	7	100%	
Director	Lawrence Yang	5	71%	
Director	Alex Huang	3	100%	Resigned on 6/19
Independent Director	Shuling Lin	7	100%	
Independent Director	Yingjun Zhuang	7	100%	
Independent Director	Alan Yu	7	100%	
Independent Director	Weber Lin	4	100%	Inaugurated on June 20



Board of Directors Rules of Procedure



Board performance evaluation method

The main responsibilities of the Board of Directors are to improve the supervisory function and strengthen the management function, and the operation mode is handled in accordance with the "Board of Directors Meeting" of the Company, and at the same time to ensure that independent directors can maintain independence when performing business. Specify the scope of duties of independent directors to be followed. The directors also uphold a high degree of self-discipline in the spirit of interest recusal, and those who have an interest in the board of directors and themselves or the legal person they represent shall not participate in the discussion and voting if there is a risk of harm to the interests of the company in the deliberations of the board of directors, and shall not recuse themselves from the discussion and voting, and shall not exercise their voting rights on behalf of other directors, except for the important contents of their interests in the current board of directors. At the same time, in order to improve the quality of the Board's decision-making, the Board of Directors has also adopted the "Board Performance Evaluation Measures", which conducts an annual internal evaluation of the performance of the Board of Directors, individual Board members and functional committees (Audit Committee, Remuneration Committee and Risk Management Committee), which is distributed by the Board of Directors to the Board members in the form of a questionnaire self-evaluation, and is evaluated by an external professional independent organization or an external team of experts and scholars every three years. The results of the performance evaluation of the board of directors may be used as a reference for the selection or nomination of directors in the future; The results of the performance evaluation of individual directors can also be used as a reference basis for determining their individual remuneration.

Board performance evaluation mechanism	2023 performance self-evaluation results	Reinforcement program
<ul style="list-style-type: none"> • Annual self-assessment questionnaire • Evaluation by external experts every three years 	<ul style="list-style-type: none"> • The average score of the board of directors is 4.83~5 • The average score of board members is 4.86~5 • The average audit committee performance is 4.75~5 • The average performance of the remuneration committee is 4~4.83 • The average performance of the Risk Management Committee is 4~4.83 • (Full score 5 points) 	<ul style="list-style-type: none"> • The number of employees on the board of directors is less than one-third of the director seats • Add one new independent director seat • Develop risk management policies and procedures approved by the board of directors • Evaluate the independence and competency of certified accountants with reference to the Audit Quality Index (AQI)

In the event of a potential negative impact on each other between the stakeholders and the company, the responsible department will conduct due diligence on the stakeholders in finance, company operations, legal compliance records, environmental pollution, infringement of employees' human rights and health, etc., and report the results of the investigation to the general manager and chairman of the board. The chairman of the board of directors will evaluate whether to report to the board of directors according to whether the specific results cause significant harm to the company's overall operation, and finally the board of directors will make a resolution on the due diligence report and hand it over to the company's responsible departments for implementation. In 2023, there were no potential negative material impact events between CviLux and stakeholders, so there was no record of reporting to the Board of Directors. In practice, it will make CviLux's due diligence of stakeholders and the role of the board of directors in the face of potential negative and significant impacts more complete.

In order to effectively manage risk and increase the willingness of professionals to serve as directors, CviLux has taken out liability insurance of US\$3 million for directors, so that directors can be relieved of worries when performing business, and at the same time reduce and disperse the risk of significant damage to the company and shareholders caused by directors' mistakes or negligent acts.

Considering the issues of compliance with laws and regulations and governance practices that directors may face when participating in the company's operational decision-making, CviLux actively encourages and arranges directors to pursue relevant professional courses, with a total of 48 hours of continuing education for all directors in the current year, and the head of corporate governance will also plan to increase the number of courses related to corporate sustainability for directors in the future. CviLux believes that under the leadership of the Board of Directors with integrity and rich industry experience, the company's operations will be more vigorous and continue to make great strides on the road of sustainable operation.

2.4.2 Functional committees (GRI 2-19~2-20)

In order to improve the supervisory function and strengthen the management function, the Board of Directors has set up an Audit Committee, a Remuneration Committee and a Risk Management Committee, and the functional committees shall be responsible to the Board of Directors except for those who shall exercise their powers independently in accordance with laws and regulations, and submit the proposals to the Board of Directors for resolution.

Audit Committee

The Audit Committee assists the Board in monitoring the quality of the Company's accounting, auditing, financial reporting processes and financial controls, and submits the results of the evaluation to the Board for discussion. The Board of Directors of CviLux has adopted the "Organizational Regulations of the Audit Committee" to set up an audit committee in the board of directors, with 4 independent directors serving as audit members, one of whom is the convener, and at least one of whom has accounting or financial expertise, and meets at least once a quarter, with a total of 7 audit committee meetings held during the year, with a 100% attendance rate.

The head of internal audit shall hold a closed-door meeting with all independent directors at least once a quarter to report on the implementation of the company's internal audit, and the independent directors and the head of audit shall hold a total of 4 meetings during the year; In addition, the independent directors also held four meetings with the accountants during the year, during which the accountants not only reported to the independent directors on the results of the audit of the financial reports, but also conducted legal advocacy and exchanged views at the meetings. The overall communication between the independent directors and the head of internal audit and the accountant is smooth.



Responsibilities and
Operations of the Audit
Committee

Attendance of the Audit Committee

Job title	Name	Actual number of attendances	Actual attendance(%)	Notes
Independent Director	Shuling Lin	7	100%	
Independent Director	Yingjun Zhuang	7	100%	
Independent Director	Alan Yu	7	100%	
Independent Director	Weber Lin	4	100%	Newly appointed on 6/20

Remuneration Committee

In order to improve the remuneration system for directors and managers, and to evaluate whether the operating performance of directors and managers and the remuneration they receive are fair and reasonable, the board of directors adopted the organizational regulations of the remuneration committee and set up a remuneration committee in the board of directors, with at least one independent director participating in the committee, and currently the three members are all independent directors, and a total of 5 meetings were held that year, with a total attendance rate of 100%.

The main functions and powers of the remuneration committee are to establish and regularly review the system and standards for the performance and remuneration of directors and managers, and to evaluate the remuneration of directors and managers on a regular basis. At the same time, the remuneration committee shall comprehensively consider the following principles when conducting the evaluation: the company's remuneration complies with relevant laws and regulations and is sufficient to attract outstanding talents; The performance evaluation and remuneration of directors and managers should refer to the usual level of payment in the same industry, and consider the time invested, the responsibilities assumed, the achievement of personal goals, the performance of other positions, the remuneration of those who have been given the same positions by the Company in recent years, and the reasonableness of the relationship between personal performance and the Company's operating performance and future risks based on the achievement of the Company's short-term and long-term business goals and the Company's financial situation. directors and managers should not be instructed to engage in behaviors that exceed the company's risk appetite in pursuit of remuneration; The proportion of short-term performance remuneration for directors and senior managers and the timing of payment of part of the change in remuneration should be determined by taking into account the characteristics of the industry and the nature of the company's business.

In practice, the Remuneration Committee adheres to the duty of care of good managers, faithfully performs its functions and powers to establish and regularly review the policies, systems, standards and structures for the performance evaluation and remuneration of directors and managers, and to regularly evaluate and determine the remuneration of directors and managers, and submits its recommendations to the Board of Directors for discussion.

The articles of association of the company stipulate that if there is a profit in the current year, 5%~12% will be allocated for employee remuneration, which will be distributed by the board of directors in stock or cash, and the distribution object may include employees of subordinate companies who meet certain conditions; The company shall allocate no more than 3% of the above profit amount to the remuneration of directors by the resolution of the board of directors. However, if the company still has accumulated losses, it shall reserve the amount of compensation in advance, and then allocate the rest according to the above proportion. Proposals for the distribution of employee remuneration and directors' remuneration shall be made by a special resolution of the board of directors and submitted to the shareholders' meeting.

The remuneration of the managers of CviLux is formulated in accordance with the salary policy of the Company and the level of the peers. The bonus is based on the company's annual operating performance, financial status, operating status and personal work performance; In addition, if the company makes a profit in the current year, 5% to 12% of the company's articles of association will be allocated for employee remuneration in accordance with Article 19 of the company's articles of association. Every year, according to the performance index score of the manager as the reference basis for the issuance of the manager's bonus, the performance evaluation project of the manager is divided into 1. Quantitative indicators: the project includes and incorporates the consideration of ESG goals and performance including economic, environmental and human rights impacts, accounting for 90% of the total performance; 2. Qualitative indicators: the practice of the company's core values, the ability to operate and manage, and the participation in sustainable operation, calculate the remuneration of its business performance, and its systems and standards are formulated by the remuneration committee and reviewed in a timely manner.

The number of full-time employees who have not held supervisory positions in Taiwan, as well as the average and median salaries, can be found at the Public Information Observatory.

Attendance status of the Salary and Remuneration Committee

Job title	Name	Actual number of attendances	Actual attendance(%)
Independent Director	Shuling Lin	5	100%
Independent Director	Yingjun Zhuang	5	100%
Independent Director	Alan Yu	5	100%



Responsibilities and operation of the Remuneration Committee

Risk Management Committee

In order to implement corporate governance and improve the risk management system, CviLux has set up a risk management committee. There are 4 members of the Committee, all of whom are independent Directors, whose term of office is the same as that of the Board appointed. The members of the Committee shall faithfully perform the following duties and be accountable to the Board of Directors with the care of good stewards and submit their recommendations to the Board for discussion:

Review risk management policies.

- Review the adequacy of the risk management framework.
- Review material risk management strategies, including risk tolerance.
- Review management reports on material risk issues and supervise improvement mechanisms.
- Report to the Board of Directors on the implementation of risk management on a regular basis.

The convener, Ms. Shuling Lin, is a certified public accountant and can give professional advice to CviLux on financial and tax planning, financial risks and the use of funds. Mr. Yingchun Zhuang, a member of the committee, specializes in corporate information security and software development; Mr. Alan Yu, a member of the committee, specializes in product development and subsidiary operation practices; Mr. Weber Lin is a solicitor with expertise in intellectual property, insurance and employment matters.

Risk Management Committee Attendance

Job title	Name	Actual number of attendances	Actual attendance(%)
Convener	Shuling Lin	1	100%
Committee member	Yingjun Zhuang	1	100%
Committee member	Alan Yu	1	100%
Committee member	Weber Lin	1	100%

2.4.3 Internal Audit

The purpose of the Company's internal audit is to assist the Board of Directors and managers to inspect and review the internal control system, measure the effectiveness and efficiency of the operation, and provide suggestions for improvement in a timely manner to ensure the continuous and effective implementation of the internal control system, and serve as the basis for reviewing and amending the internal control system. In accordance with the provisions of the "Guidelines for the Establishment of Internal Control System in Public Companies", CviLux considers the overall operation activities of itself and its subsidiaries, establishes an effective internal control system, and reviews and improves it from time to time to ensure that the design and implementation of the internal control system can be continuously and effectively implemented in response to changes in the company's internal and external environment.

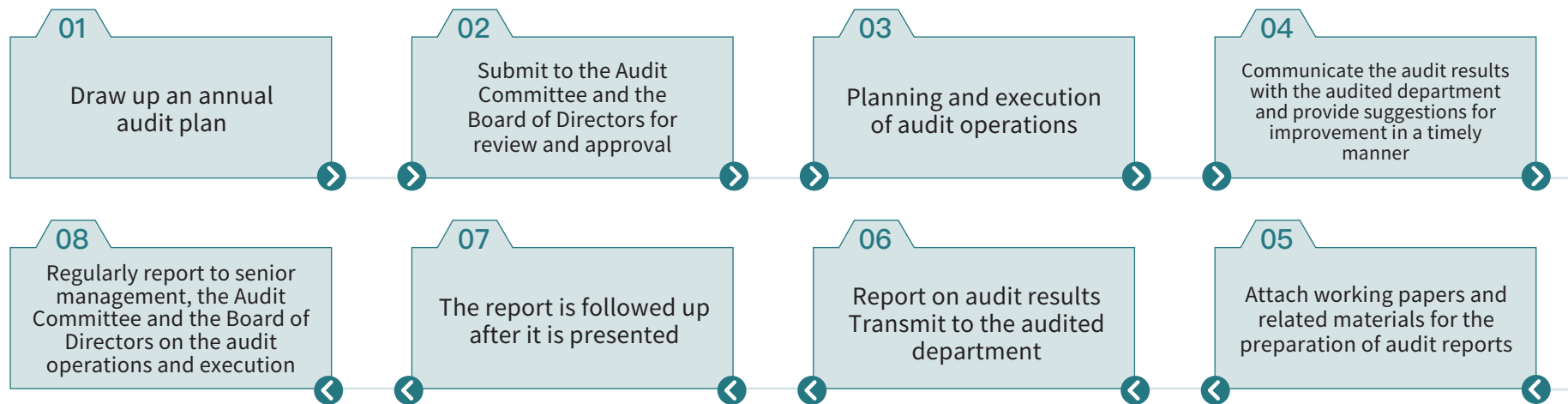
In order to ensure that the auditors uphold a fair and detached stance in the implementation of audit work, CviLux has set up an independent audit office under the board of directors in accordance with the law, with a total of 2 audit supervisors and their subordinate auditors, and it is clearly stipulated in the "Internal Audit Implementation Rules" that the appointment and dismissal of the audit supervisor shall be approved by the audit committee and submitted to the board of directors for resolution; In addition, the appointment, dismissal, evaluation, salary and remuneration of internal auditors shall be signed by the audit supervisor and submitted to the chairman for approval.

In addition to the self-assessment of the internal control system, the Board of Directors and the management review the results of the self-assessment of each department and the audit report of the Audit Office at least annually. The audit supervisor attends the board of directors to report on the implementation of the audit business, and attends the audit committee meeting at least once a quarter to report to the independent directors on the implementation of the company's internal audit and the operation of internal control.

Secondly, the Audit Office reviews the self-assessment report of the internal control system of each unit and subsidiary of the Company every year, and provides the Board of Directors and the Chairman of the Board of Directors with the improvement of the internal control deficiencies and abnormal matters found as the basis for evaluating the effectiveness of the overall internal control system and issuing the statement of the internal control system. In addition, in order to strengthen the professional ability of auditors, arrange for auditors to continue their training and participate in internal audit seminars held by institutions designated by the competent authority, so as to improve and maintain their audit quality and implementation effectiveness, auditors were trained 2 times for a total of 72 hours in the current year.

CviLux continuously monitors the company's implementation of various operating systems through auditors, establishes good governance practices and risk control mechanisms, and creates a sustainable business environment. During the year, the audit office carried out a total of 82 audit operations, and there were no major non-conformities, and the non-conformities were completed and closed within the time limit.

Audit flow chart



2.4.4 Ethics and Sincerity (GRI 2-23~2-24)

In order to ensure that the integrity business philosophy can be implemented within the company, the company has always attached great importance to the moral character of its employees, and regularly advocates the precautions of laws and regulations to internal personnel by email every month, such as integrity and prohibition of insider trading, and the chairman's office conducts education and training on integrity management and prevention of insider trading for colleagues at least once a year, so as to cultivate the integrity awareness of colleagues; At least once a year, the Board of Directors shall report on the promotion of corporate integrity management, and at the same time, the management shall set an example and abide by the principle of integrity, so as to subtly shape the integrity culture of the Company as a whole.

Internally, CviLux takes the Chairman's Office as the unit responsible for promoting the integrity management policy, and formulates the Code of Integrity Management, the Integrity Management Operating Procedures and Conduct Guidelines, the Company's Handling of Cases of Reporting Illegal, Unethical or Dishonest Behaviors, the Code of Ethics for Directors and Managers, and the Management of Internal Material Information and Operational Information and other internal regulations, and passed by the resolution of the board of directors; Disclose the internal rules of integrity on the company's official website for stakeholders to inquire, set up corresponding contact windows for stakeholders to reflect their opinions, and colleagues can not only inquire on the company's internal rules of integrity on their own website, but also consult through email.

At the same time, CviLux has established multiple reporting channels, and stakeholders can submit reports through the mailboxes and telephone numbers of each contact window in the stakeholder area of the company's official website, and the corresponding window unit will conduct an investigation, and the whistleblower shall, in principle, report by name and provide the relevant history of the reported incident, including but not limited to the name of the person being reported, the time and place of the incident, the circumstances involved in the case and other basic content and evidence; However, if the anonymous whistleblower has attached relevant specific evidence, the corresponding window personnel can also conduct a follow-up investigation; In the event that the corresponding window personnel have an interest in the informant or the person being reported, or have a relationship that may affect the handling of the case, they should take the initiative to inform and avoid the investigation by other personnel, and at the same time, the investigation process should be handled impartially and strictly confidential, and the identity of the informant shall not be exposed. If the subject of the report is a supervisor at or above the managerial level, it will be reported to the independent director. During the year, CviLux did not receive any reports or appeals.

In terms of business interactions, in the course of performing business, CviLux employees should explain the company's integrity management policy and relevant regulations to the counterparties, and clearly refuse to directly or indirectly offer, promise, request or accept improper benefits in any form or name; At the same time, attention should be paid to avoid engaging in commercial transactions with agents, suppliers, customers or other business partners involved in dishonest behavior, and if it is found that the business dealings or cooperation partners have dishonest behavior, they should be assessed whether to list them as refusal objects, so as to implement the company's integrity management policy; Finally, when signing a contract with a counterparty, CviLux shall fully understand the integrity of the other party, and incorporate the compliance with CviLux 's integrity management policy into the terms of the contract between the two parties, and enter into a contract clause in the contract that includes, but is not limited to, that if either party knows that a person has violated the other party's prohibition on accepting commissions, kickbacks or other improper benefits, it shall immediately inform the other party of the identity, manner, amount or other benefits of such personnel, and provide relevant evidence and cooperate with the other party's investigation; If one party suffers damage as a result, it may claim damages from the other party for a percentage of the contract amount, which may be deducted from the contract price payable. If either party is involved in dishonest conduct in business activities, the other party reserves the right to terminate or rescind the contract at any time and unconditionally.

In order to make the concept of ethics and integrity more deeply rooted in the business process of employees, the head of corporate governance will gradually plan to conduct online integrity training for in-service colleagues in the future; Regularly arrange senior executives to use the meeting to promote the importance of corporate integrity culture to colleagues; At the same time, the management shall check and evaluate whether the preventive measures established by the implementation of integrity management are effectively operational, and evaluate the compliance of relevant business processes, and report the implementation results to the board of directors every year; The audit office will then supervise and check the implementation of the company's overall integrity, and report to the board of directors as necessary.

CviLux conducts internal control and internal audit systems to monitor and examine corruption incidents, and the significant corruption risks identified through risk assessment include breach of trade secrets, embezzlement of public funds, theft of company property, receipt of kickbacks or improper benefits. As of the end of 2023, the Company has not detected or received any reports related to violations of professional ethics.



Code of Ethical Management

2.5 Risk management (GRI 2-23)

In order to strengthen corporate governance and improve risk management operations, CviLux has formulated "Risk Management Policies and Procedures". The risk management structure is centered on each responsible department and carries out relevant risk assessment operations, based on the probability of risk occurrence and the impact on CviLux. degree assessment, and then carry out risk responses for specific high-risk projects to ensure that the company achieves the goal of sustainable operations.

CviLux Risk Management Organization and Responsibilities

Responsible departments	Duty
board of directors	<ul style="list-style-type: none"> Review the company's risk management policies and select members of the risk management committee to ensure the effectiveness of the risk management mechanism.
Risk Management Committee	<ul style="list-style-type: none"> Guide and approve risk control priorities. Supervise the continuous improvement of risk management and report to the Board of Directors. The implementation results of various risk identification, risk analysis, risk assessment and risk response are summarized and submitted to the board of directors.
Permanent Committee	<ul style="list-style-type: none"> Stakeholders in the planning, execution and sustainable development of related businesses. The results of various ESG risk identification, risk analysis, risk assessment, and risk response implementations are summarized and submitted to the board of directors in a report.
Risk Management Facilitator Group	<ul style="list-style-type: none"> Including operations and manufacturing, information technology, human resources, financial accounting, procurement materials, legal affairs and other units. Identify various risks faced, and perform necessary operations and risk management tasks in compliance with regulations to ensure that the risks involved are controlled within an acceptable range.
Audit Office	<ul style="list-style-type: none"> Risk management review provides management with timely information on existing or potential risks in internal control. Regularly review the risk control implementation status of each business unit based on the company's internal control and audit plan. Prepare audit reports based on the audit results and report to the board of directors regularly.

Risk Category	Risk Statement	Risk management strategies
Operational Risk	Concentration of sales or purchases	<ul style="list-style-type: none"> • In response to the Sino-US trade war, striving for diversification in supply and demand will effectively prevent excessive concentration of purchases or sales. • Continue to engage in vertical integration and strategic alliances to seek new opportunities.
	Expected benefits of expanding the plant	<ul style="list-style-type: none"> • Taking advantage of the production capacity and geographical advantages of the plant, it can serve local customers in ASEAN member countries nearby, disperse the group's production bases, and reduce the crisis of supply chain disruption. • Reduce idle assets and capital exposure through asset activation.
Financial risk	exchange rate	<ul style="list-style-type: none"> • Depending on the capital demand and exchange rate changes, currency conversion is adopted, and the purchase and sales revenue and expenditure and foreign currency claims and debts are offset to create a natural hedging effect and reduce the impact of exchange rate changes on the company's operations.
	interest rate	<ul style="list-style-type: none"> • Prudently assess the risk of interest rate changes, taking into account capital flow and security.
	Investment and financial management	<ul style="list-style-type: none"> • Transactions to acquire or dispose of assets, lend funds to others, and endorse guarantees are handled accurately and in accordance with procedures.
	Inflation is rising	<ul style="list-style-type: none"> • Control costs and expenses and pay attention to market price fluctuations at all times. • Maintain good relationships with suppliers and customers.
Product safety risks	Smart manufacturing	<ul style="list-style-type: none"> • Continue the CG2020 policy, promote intelligent production, intelligent logistics, and quality management, and move towards the smart factory policy. • Improve production yield and efficiency continuously.
	Supplier evaluation mechanism	<ul style="list-style-type: none"> • Regular supplier assessments are conducted to evaluate suppliers' quality, cost, delivery time and services. • Conduct supplier coaching on abnormal items to request improvements.
	Product service policy	<ul style="list-style-type: none"> • Consolidate existing customers and continue to improve customer relationship management. • Proactively care about customer concerns and provide timely customer service and response mechanisms.
Litigation and intellectual property risks	legal changes	<ul style="list-style-type: none"> • Immediately pay attention to changes in laws, policies, and litigation practices related to company operations. • Conduct personnel education and training to implement risk control and intellectual property protection.
	Litigation	<ul style="list-style-type: none"> • The legal department keeps abreast of major litigation events and related response measures of the group company.
	Intellectual property rights	<ul style="list-style-type: none"> • Pay attention to and defend the intellectual property rights of independent research and development, and protect product patent rights.

Risk Category	Risk Statement	Risk management strategies
Environmental safety risks	Environmental, safety and health certification	<ul style="list-style-type: none"> • Obtained ISO14001 environmental management system certification. • We continue to be committed to compliance with laws and regulations, production waste reduction, green design, education and training, and implement environmental protection in our work.
	Green supply chain	<ul style="list-style-type: none"> • The electronics industry is facing environmental, social, and governance trends such as RBA (Responsible Business Alliance), carbon trading tax, and ESG (Sustainable Business Reporting). It needs to make timely preparations to prevent pollution and save energy, and reduce energy consumption and greenhouse gas emissions.
Information security risk	Information security policy	<ul style="list-style-type: none"> • Import the ISO 27001 security framework for compliance. • Ensure the safe and normal operation of the group's servers, network equipment and network communications. • Effectively reduce the risk of information assets being stolen, improperly used, leaked, tampered with or destroyed due to human negligence (intentional) or natural disasters
	Information security organization	<ul style="list-style-type: none"> • The Information Security Management Committee is composed of the Asset Management Department and holds regular management review meetings to ensure the implementation of information security-related plans. • The results of its information security review are reported to the Board of Directors and the Audit Committee every year.
	Information security protection	<ul style="list-style-type: none"> • Continuous improvement and strengthening: critical infrastructure security, network connection security, data security protection, device security protection and other protections.

2.6 Compliance (GRI 2-27)

Establish a compliance system to prevent and monitor misconduct and illegal acts, and ensure that the relevant activities and operations of the enterprise comply with relevant government laws, ordinances, orders, rules and practices. In addition to advocating integrity and internal rules to new employees when they report to them, due to the wide variety of laws and regulations, each department learns about the relevant laws and regulations in a timely manner through interaction with government agencies or media reports, and then conducts internal and external training for department colleagues to ensure that the company's operation complies with various laws and regulations. 100% coverage of employee ethics and integrity training and advocacy.

First of all, in terms of corporate governance, CviLux has set up a functional committee to oversee the company's financial operation and internal control system, and adopted the "Corporate Governance Best Practice Principles" and the "Board Performance Evaluation Method" to promote the board of directors to actively participate in the company's important decision-making. At the same time, a corporate governance officer will be appointed to assist the operation of the board of directors and provide professional advice to strengthen the functions of the board of directors. In the future, CviLux will continue to comply with the Corporate Governance Evaluation and Corporate Governance Code of Practice, and strive to enhance the legal compliance awareness of the company's colleagues.

Secondly, in terms of personnel management, CviLux has formulated relevant internal rules on integrity, continuously advocated the company's core value of honesty and integrity, and built a perfect legal compliance firewall through a series of mechanisms such as the formulation of laws and regulations, implementation and implementation, self-review, smooth reporting channels and protection of whistleblowers. The management leads by example, requiring each employee to ensure that his or her relevant business activities comply with laws and regulations, the company's policies and internal regulations, review compliance through annual internal control self-assessment, and accept internal audits; Formulate guidelines for employees to follow in the execution of business, requiring all colleagues in all group companies to abide by the "Code of Ethical Management" and the "Code of Ethical Conduct for Directors and Managers" regardless of their position, rank and location, including the working environment code, equal opportunities, confidentiality clauses, prohibition of part-time jobs and avoidance of conflicts of interest, giving or accepting gifts and shopping mall etiquette, respect for employees and customers, reporting, protection and exemption, etc., so as to gain public trust, enhance the corporate image, and ensure the sustainable operation and development of the company; In order to prevent and avoid the company from being punished for violating fair competition and antitrust regulations, the relevant code of conduct is specially formulated as a code of conduct for the company's management and employees when engaging in business conduct, and to reduce the risk of violating the law. Participate in industrial competition with the principle of integrity and fairness, create a corporate culture that abides by laws and regulations, and establish a trustworthy and respected company reputation.

In addition, in terms of personnel training, in order to enhance employees' awareness of professional ethics and compliance with laws and regulations, CviLux regularly conducts training for colleagues in different departments and ranks on the laws and regulations involved in business management in accordance with laws and regulations and internal regulations, such as corresponding training content for employees due to different business responsibilities, including newcomer training, physical courses, advocacy of various units and external training, etc., and provides compliance guidelines through the company's internal website, so that employees can contact and obtain legal knowledge at any time.

Finally, in terms of environment, safety and health, CviLux has formulated relevant supervision, measurement and performance management measures to ensure that the company should comply with the requirements of environmental protection laws and regulations during the product life cycle, effectively operate environmental and occupational safety management, discover possible potential problems through the management cycle, and take timely control measures to avoid damage to the company.

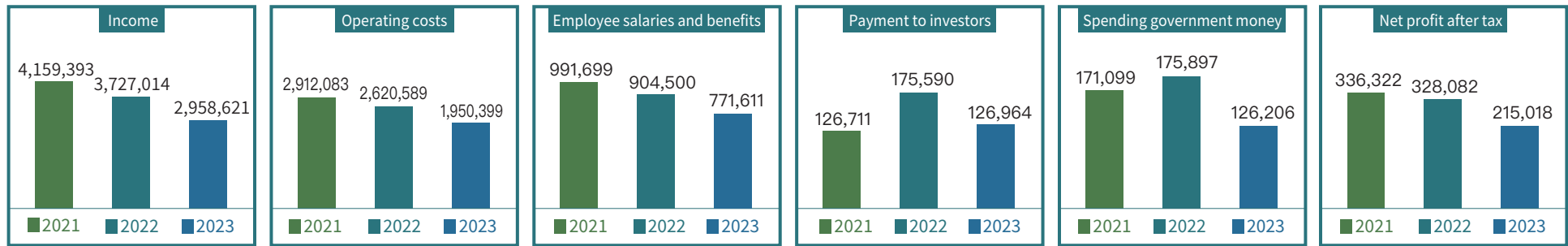
In 2023, CviLux will not have any violations of local laws and regulations or major litigation events (more than NT\$100,000 or lawsuits related to product transactions).

2.7 Operational performance (GRI3-3、GRI 201-1~201-4)

Description of major subject impact - operating performance

Materiality analysis		<ul style="list-style-type: none"> The pursuit of maximum profit is the goal of the company's corporate sustainability efforts, which can not only enhance the confidence of shareholders, employees and the value chain, but also the key to sustainable operation.
Policies/Commitments		<ul style="list-style-type: none"> The Company continued to improve its business performance through integration strategies and strengthening its core competitiveness.
Objective	Short term	<ul style="list-style-type: none"> Corporate governance evaluation has improved by one level Continued earnings (operating income, after-tax surplus) Construct operating system platform resources to achieve professional division of labor, integration of production and marketing, improve efficiency, reduce costs, and reduce inventory.
	Long term	<ul style="list-style-type: none"> Implement the product profit center system and promote the succession plan of the business group: establish a "team" succession culture, recruit talents from all walks of life, accumulate experience, complete all-round multi-functional talents, improve internal talent training methods, and establish a corporate recruitment, appointment, promotion and reward system to attract professional senior managers and team retention system, and then continue to cultivate human capital for the long-term stability of the enterprise. Resource integration and cross-plant efficiency improvement: The business group concentrates capital-intensive, technology-intensive processes and technical talents in major production plants. In line with the development trend of the industrial market, we will expand investment in research and development of innovative applications such as new energy vehicles, green energy, and HPC, as well as AIoT software and hardware integration products, improve diversified product lines, continue to optimize intelligent manufacturing systems, and strengthen product competitiveness; With marketing, the supply chain will be coherent and customer relationship management will be formed, and the industrial value chain will be formed to maintain the comprehensive competitiveness of enterprise production and marketing. Integrate enterprise resources and internal control mechanisms, implement and strengthen [robotic process automation RPA] and [artificial intelligence (AI)], and then establish a comprehensive audit mechanism for Xingli to eliminate errors and prevent fraud, so as to ensure the operation of each operation cycle. In addition to the integration of internal resources, it also assists the supervisors of each operation cycle to effectively divide labor and team cooperation, actively control the process and formulate real-time countermeasures, effectively integrate enterprise resources and activate assets, and achieve predetermined goals. In addition to financial performance, we also pay attention to corporate sustainability responsibilities and focus our business scope on green energy and energy conservation. In the unity of all employees, we will continue to firmly practice the concept of environmental, social and corporate governance. In terms of corporate governance, digital transformation, green products, environmental sustainability, and employee care and cultivation, we will continue to strengthen the company's constitution and practice the road to a sustainable enterprise.
Reporting and Grievance Channels		<ul style="list-style-type: none"> E-mail : cg.law@cvilux-group.com
Performance		<ul style="list-style-type: none"> Ranked in the top 6%~20% of listed companies in the 2023 Corporate Governance Evaluation. In 2023, the operating revenue was NT\$2,958,621 thousand. Earnings per share in 2023 will be \$2.76 In 2023, the Group's total inventory decreased by 25.73% compared to 2022.

In 2018, CviLux launched the CG2020 intelligent manufacturing project, with the goal of implementing the implementation of the Manufacturing Execution System (MES) and Intelligent Warehousing System (WMS) and the establishment of a monitoring and data collection system (SCADA) in the Group's production plants by 2022. Under the premise of customer products and industry trends, we will cooperate with suppliers to professionally divide labor and collaborate in production, reduce variable costs, and actively promote the transformation of digital production. CviLux has completed digital transformation, data middle platform and cloud platform construction, and will continue to develop data applications, AI, system development, production, sales, human resources, development, finance, information security, and intelligent management platforms. Strengthen the technical energy of the company's intelligent operation, so that information and data can flow from the "equipment layer" of the factory all the way to the "management" of the enterprise. Under the diversified operation, we continue to deepen the R&D and capabilities of components, break through the management bottleneck with digital transformation, lead the subjective consciousness of people with data, and improve the speed and quality of decision-making by using the intelligent decision-making process to improve the speed and quality of decision-making based on the subjective consciousness of data leaders, and use data to manage production and marketing, establish a manufacturing data database, so that the management link can form an automated intelligent decision-making process based on objective data and overcome industrial trends. Seek strategic partners with complementary cross-border resources, work together to strengthen the all-round competitiveness of production and marketing, and pursue the maximization of business performance. In terms of operation and management, we continued to improve quality, reduce costs, reduce inventory, cultivate talents, increase per capita output value, implement the centralization of the Group's profits, simplify the functional organizational structure, and improve various operation cycles; Implement the "Prosperity and Eliminate Drawbacks" to promote the balance of production and sales, break through the bottleneck of revenue, and achieve the operational goal of increasing revenue and after-tax profit.



Unit: NT\$1,000

Note 1: The definition of income includes net sales plus income from financial investments and asset sales.

Note 2: The definition of operating costs includes cash outlays payable to non-organisations for the purchase of raw materials, product parts, site facilities and services.

Note 3: The definition of employee salary and benefits includes the total salary (including the employee's salary and the amount paid to the government on behalf of the employee) plus the total benefit note (excluding the cost of education and training, protective equipment or other cost items directly related to the employee's job duties).

Note 4: Payment of Investors Defined as Dividends paid to all shareholders, plus interest paid to the borrowers.

Note 5: The definition of government payments includes all taxes and penalties paid by an organization in accordance with international, domestic and local standards. Taxes can include business tax, income tax, and property tax.

Note 6: Community investment will not be disclosed because there is no data disclosure mechanism established in 2022 and 2023.

2.8 Information security protection (GRI 3-3, Customize the theme)

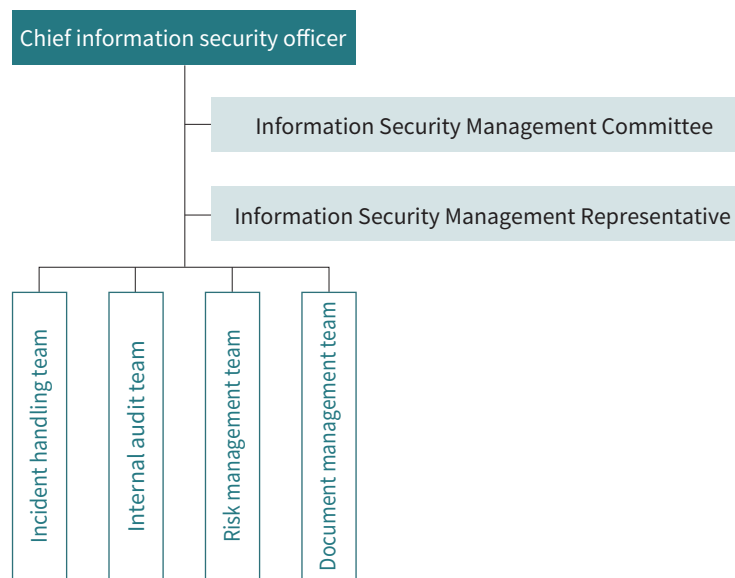
Explanation of major subject impact - information security/trade secret protection

Materiality analysis		In view of the fact that information security is the foundation for maintaining the safe operation of various services, in order to ensure that the Group has a common understanding of the mission of information security, the Group's information security management system, focusing on the management of the Company's important information assets, is established and maintained in the PDCA model to ensure the effective operation of this system, all activities must be properly documented or recorded.	Performance	<ul style="list-style-type: none"> • Maintain ISO 27001 information security management system effectiveness and control measures in line with standards. • Completed the business continuity exercise in March 2023 • Conduct an OSP test and review in 2023. • In 2023, a total of 139 key sensitive personnel will complete 278 hours of education and training, with a compliance rate of 100%. • There will be no information security incidents in 2023.
Policies/Commitments		Comply with relevant laws and regulations and protect the Group's information assets (including data, software, hardware equipment, etc.) from the risk of tampering, disclosure, destruction or loss due to external threats or improper management and use by internal personnel.		
Objective	Short term	<ol style="list-style-type: none"> 1. At least one business continuity drill per year. 2. Perform important system restoration tests annually to meet RTO compliance rates. 3. Employees, including key sensitive personnel, should receive at least 2 hours of information security-related education and training every year. 4. Zero information security incidents occur. 	Invest resources in the current year	<ul style="list-style-type: none"> • Analyze the group's firewall logs with third-party technology providers, and integrate external threat databases for risk level interpretation. • Continued to increase the number of SPAM-anti-virus module and advanced defense module licenses. • Upgrade the uninterruptible power supply system (UPS) of the equipment in the data center: Increase the continuous power supply time, which is estimated to supply power to the equipment room for five hours in the event of a power outage, so as to maintain the reliability of the system. • Continue to cooperate with cloud service providers to back up their data or files to the cloud to achieve their off-site backup.
	Long term	<ol style="list-style-type: none"> 1. Continue to pay attention to the core system and its potential risks, propose improvement plans and security metrics for information security risks, and establish a group endpoint detection and response mechanism to detect and respond to suspicious activities in the host and endpoint connections, so that the information security team can quickly discover and cross-analyze various activities to generate high-confidence detection events, which can be provided to senior executives to implement risk decisions and priorities. 2. Zero information security incidents occur 		
Reporting and Grievance Channels		e-mail : cg.law@civilux-group.com		

In order to continuously promote the effectiveness of information security management, the Chief Information Security Officer was appointed to supervise information security related matters, and regularly report to the Board of Directors on the effectiveness of information security management, information security-related issues and directions.

The Information Security Management Committee (ISC) has four sub-committees responsible for various ICT security projects :

- (1) Risk Management Team : Inventory and risk assessment of information and communication systems.
- (2) Document Control Team : Formulate company information security-related rules, procedures and system documents, and ensure that the documents comply with legal and contractual requirements.
- (3) Internal audit team: handle internal audit of information and communication security.
- (4) Incident Handling Team: Notification of information and communication security incidents and implementation of response mechanism.



In order to effectively implement information security management, through the "information team" covering all units of Taiwan factories and overseas subsidiaries, regular meetings are held to develop, maintain and continuously improve a documented information security management system in accordance with the "planning-implementation-audit-correction" model of ISO/IEC 27001:2013 guidance specification The Information Security Management Committee reports on the effectiveness of the implementation.

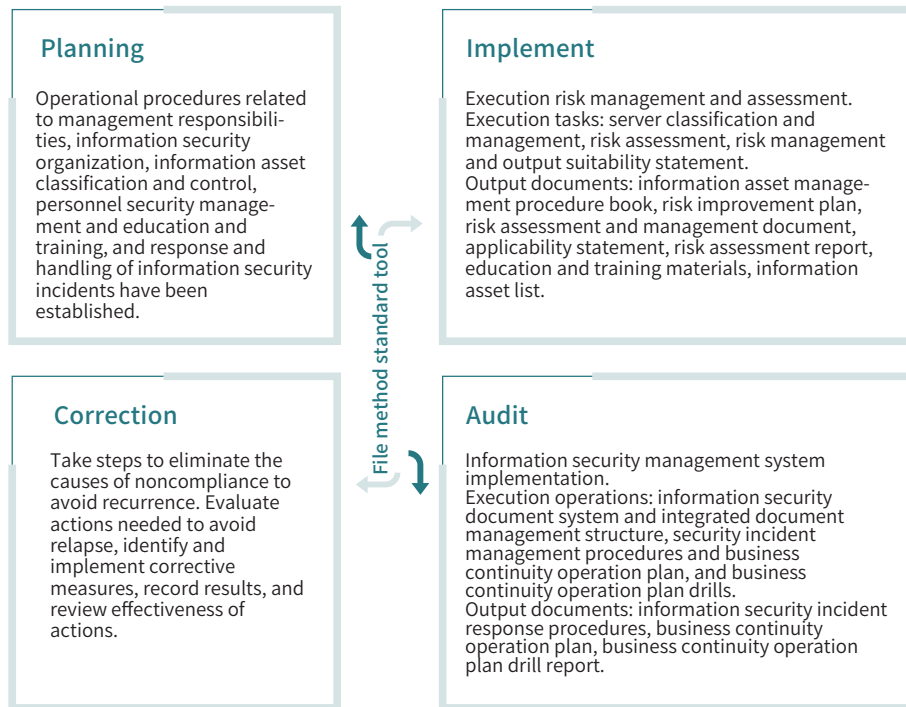
Information Security Management Solution:

1. Protection system: Strengthen the security of servers with delivery functions, such as anti-virus software central control, AD servers, asset management systems, etc., due to the software delivery function, it is necessary to pay more attention to security updates; By minimizing the setting of open ports, ransomware may use exposed services and open ports (such as RDP port 3389 and SMB port 445) to spread across the network, and in addition to confirming the necessity of their openness, you should also confirm that the objects that use these services are trustworthy
2. Strengthen network firewall and network control: In order to prevent the spread of computer viruses and prevent any network connection with known malicious IPs and URLs, it is forbidden to use any rules that allow any connection, and only allow connections to external service IPs and DNS; Implement the principle of least access to personnel, reduce the chance of attackers gaining administrative privileges, control and restrict access privileges, provide only the minimum privileges necessary for users other than administrators, regularly review and disable inactive accounts, implement multi-factor authentication, etc.
3. Raise awareness of information security: Provide training to employees to establish good information security awareness and network usage habits, such as identifying suspicious emails, not clicking on links, and not opening attachments to emails from unknown or untrusted sources; Any internal and external information confidentiality awareness can not be photocopied or faxed to the outside at will, and there must be a review mechanism to carry out the operation.
4. Protect data: Maintain updated backups and keep them offline, perform regular backups and drills; Encrypt important or sensitive data, import software with file encryption function and file security management system to avoid sensitive data leakage; Implement the 3-2-1 backup principle; According to the

requirements of RTO, RPO and MTPD, important systems are selected to create image files, which can be used to achieve rapid deployment and recovery.

5. Prepare an incident response plan: Formulate an incident response plan and conduct drills before an incident occurs, and also prepare external information security units, police checklists and contact information that can be used for assistance in the event of an incident. When the monitoring system, computer room and other units notify the incident, the emergency response operation will be initiated and an emergency response team will be established to confirm the level and scope of the incident while investigating the problem and proposing solutions, and decide and implement the response measures, and carry out recovery operations and record the incident after the incident is resolved.

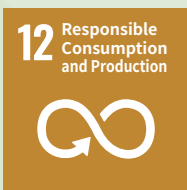
Information Security Risk Management and Continuous Improvement Framework



03

Green product value chain

The core philosophy of CviLux is to take design as the starting point and carry out strict green design control to reduce the environmental impact of the product production process.



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Annual performance

- In 2023, the target number of global patent applications was 25, and the actual number of applications was 28, achieving the target.
- In the past three years, there have been no customer privacy or customer information leakage, product safety, violation of laws and regulations, false labeling, etc.
- The product complies with 100% compliance rate with relevant regulations and customer specifications without hazardous substances.
- The average customer satisfaction rate in 2023 is 88.4%
- Local procurement in 2023 is greater than 96%
- 154 copies of the Responsible Minerals Procurement Commitment were issued, and 154 were signed, with a sign-back rate of 100% ;
- 154 copies were sent out and 154 copies were signed, with a sign-off rate of 100%
- At the CviLux Sustainable Supplier Conference, 70 invitations were issued and 62 participated, with a participation rate of 89%
- Signing of the Supplier's Corporate Social Responsibility Code of Conduct; 70 copies were sent out, 70 copies were signed, and the sign-back rate was 100%

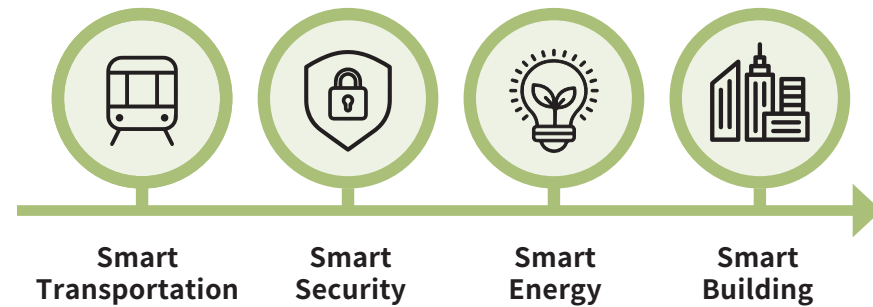
R&D strategy

CviLux takes design as the starting point and implements strict green design control to avoid producing products that have an impact on the environment. In the future, we will continue to deploy advanced technologies, continue to develop energy-saving, energy storage, high-frequency, and high-speed products in the fields of medical and energy vehicles, improve the added green value of existing products through new technologies and new applications, and strengthen our competitiveness in the market for high-end new application products.

CviLux product research and development is oriented towards five major areas:



In recent years, with the main goal of technology-intensive fields, we have continued to develop products for energy market applications; Such as smart transportation, smart security, smart energy, smart buildings.



R&D investment	2021	2022	2023
R&D investment (NT\$ million)	89,557	115,875	135,884
R&D expenditure to revenue ratio (%)	2%	3%	5%
R&D personnel (person)	57	71	84
Ratio of R&D personnel to employees (%)	4%	5%	7%
Number of patents	23	25	28

3.1 Intellectual property management

Cvilux's product R&D, design and technological innovation are the main key factors for Cvilux's sustainable development, and we cooperate with customer design. At the same time, we pay more attention to maintaining customer safety and intellectual property management as the core of the group. The market competitiveness of heart technology. According to the degree of commercialization of R&D technology, feasibility and importance, intangible assets. Property Management Measures", conducting patent searches and complete planning of trademark and patent protection.

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In 2023, the target number of global patent applications was 25, and the actual number of applications was 28, achieving the target. The number of global patent applications in 2024 is 30. The target for the number of technologies or products successfully developed in 2024 is 8.



3.2 Product Liability/Product Safety (GR13-3 · Major themes)

In addition to maintaining a good and smooth communication channel with customers, Cvilux attaches more importance to the health and safety of customers' products. In addition to complying with laws and regulations, we have formulated "Operation Specifications for Environmentally Controlled Substances", "Operation Specifications for Halogen-free Products" and internal production safety related regulations. In order to avoid the impact of the organization's reputation, reduce financial risks and legal cases, it is necessary to have a high degree of safety and quality control in process management, supply chain management and product transportation and distribution, continuously control product production safety risks, provide products that comply with safety regulations and are free of harmful substances, and strive to gain customer trust with high-quality service and health and safety.

Explanation of major subject impact - product liability/product safety

Materiality analysis		<ul style="list-style-type: none"> In addition to satisfying the quality and functional needs of customers, the products independently developed or developed in collaboration with customers not only meet the quality and functional needs of customers, but also take the health and safety of customers as an important goal, and regularly set safety responsibility targets to achieve the commitment of product health and safety.
Policies/Commitments		<ul style="list-style-type: none"> The health and safety of our customers is our commitment and an important responsibility of Cvilux, not only to have healthy and safe product production management, but also to ensure that our products comply with various safety regulations.
Objective	Short term	<ul style="list-style-type: none"> There are 0 incidents of products and services violating health and safety laws and regulations or being complained by customers. 100% of materials containing harmful substances are not introduced into the product structure design.
	Medium - to long - term	<ul style="list-style-type: none"> All development and use of plastic, 100% through safety certification.
Reporting and Grievance Channels		e-mail : cg.law@cvilux-group.com
Executive performance		<ul style="list-style-type: none"> In 2023, all plastics developed and designed for use have passed safety certification, with a compliance rate of 100% In 2023, there will be 0 incidents of products and services violating health and safety laws and regulations or being complained by customers.

3.3 Green Products (GRI3-3, Custom Themes)

In this rapidly changing world, every step we take is a reflection of CviLux Group. In the future, based on a thoughtful sense of environmental responsibility and a vision for the future, we have a responsibility to lead the change, to drive the entire industry towards sustainable development, we believe that through the power of innovation and technology, it is possible to produce products that meet the needs of the market and are environmentally friendly.

Green products are the core strategy of CviLux, and we are committed to promoting ESG (Environmental, Social and Governance) sustainable development. Through a structured and phased approach, these principles are integrated into the product life cycle, including design, production, supply chain management and end-of-life. Ensure that every step of the transition to green production is effectively supported by planning and implementing a series of production strategies for green products; For example, consider the impact of products on the environment from the design stage, select supply chains that are in line with sustainable procurement, safe and qualified raw materials, modules and optimized design, production energy management, logistics optimization, resource reuse, etc., to ensure that the principles of environmental protection and sustainability are effectively integrated in product design, manufacturing, supply chain management and product life cycle management.

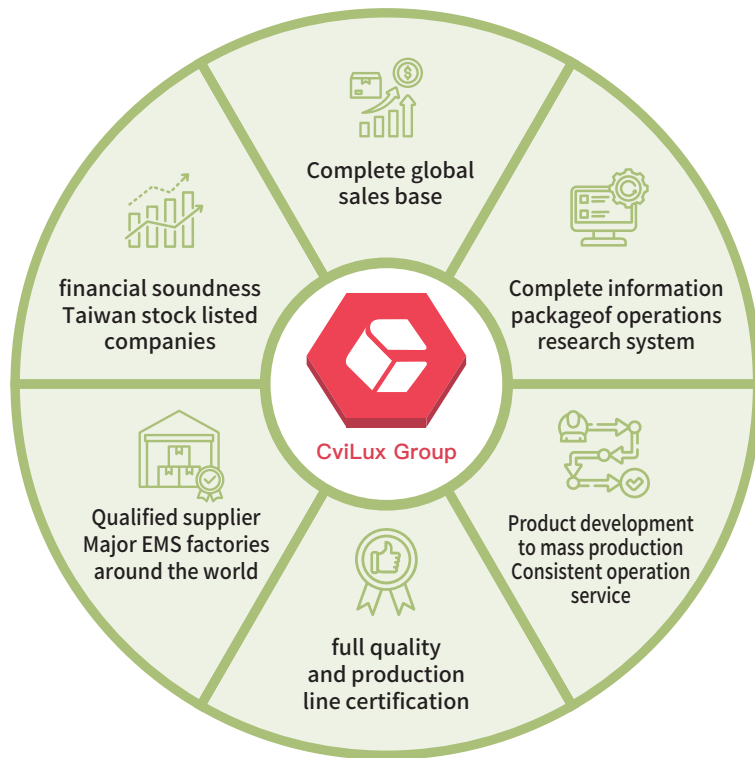
Policies/Commitments	<ul style="list-style-type: none"> Consider the environmental impact of our products from the design stage and select a supply chain that complies with sustainable sourcing. Actively utilize renewable energy through energy audits and investment in energy-saving technologies. Continuously carry out staff training to enhance the awareness of environmental protection among team members at all stages and practice green concepts.
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3.4 Customer service (GRI 3-3, 418-1)

Explanation of major subject impact - customer service

Materiality analysis		<ul style="list-style-type: none"> Provide high-standard and innovative products and services through excellent execution, create value for customers, and become the best partner for customers.
Policies/Commitments		<ul style="list-style-type: none"> We are committed to quality improvement and stability, and strive for customer trust and satisfaction.
Objective	Short term	<ul style="list-style-type: none"> The average customer satisfaction rate is more than 85% every year. There are 0 customer complaints about products and health and safety.
	Medium - to long -term	<ul style="list-style-type: none"> Continuously improve the customer service management process and aim to maximize customer satisfaction. Cooperate with marketing to connect the supply chain and manage customer relations, form an industrial value chain, and maintain the comprehensive competitiveness of production and marketing.
Reporting and Grievance Channels		e-mail : cg.law@cvilux-group.com
Executive performance		<ul style="list-style-type: none"> In 2023, there were no substantiated complaints of invasion of customer privacy or loss of customer information. In 2023, there were no customer complaints about products and health and safety. 88.4% average customer satisfaction in 2023.

CviLux is a professional manufacturer focusing on the production and sales of connectors, flexible cables and cable assemblies, and provides first-class technology and high-quality services to meet customer needs. The products are widely used in networking, notebook computers, optoelectronics, medical, automotive and industrial applications and other related industries.

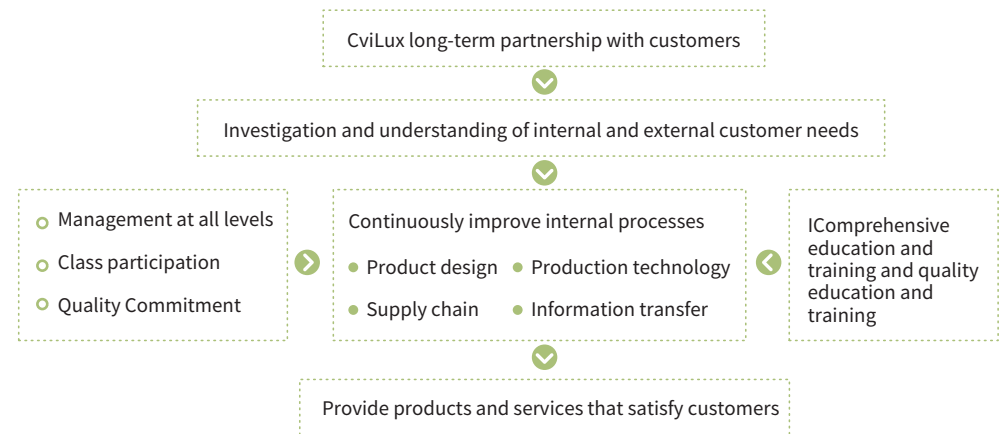


Customer satisfaction is an important basis for the continuous improvement of products and services, and the company has established the "Customer Satisfaction Assessment Management Procedure", which investigates the customer's satisfaction with the company's products and services, including analyzing and evaluating the performance of the quality/HSF (no hazardous substances) management system.

CviLux takes the initiative to issue customer satisfaction surveys for major customers every year, formulates improvement plans based on the results, and sets the improvement of customer evaluation scores as the performance indicators of each relevant unit. If the customer satisfaction score is less than 85 points, the relevant functional departments will propose improvement measures, and the business department will track the improvement status and complete the improvement plan within the specified time to achieve customer satisfaction.

In addition to the business support unit, CviLux serves customers with the spirit of customer service for all employees. The business unit is responsible for business undertaking, the R&D unit is responsible for product R&D and manufacturing, the quality assurance unit is responsible for quality, and the business support unit is responsible for delivery, cost and after-sales service. In order to meet the real-time delivery needs of customers, we will use the ERP system as the basis for the operation of procurement, operation research, logistics, cash flow and other processes, and integrate the data of external suppliers, customers and banks to ensure the accuracy and real-time management information and delivery. In a customer-friendly manner, we have production plants, subsidiaries and shipping warehouses around the world to meet customer needs in real time.

Customer service process



3.5 Sustainable supply chain

Explanation of major subject impact - sustainable supply chain

Materiality analysis		CviLux regards its suppliers as important business partners, and assists suppliers to avoid violations of environmental or human rights laws and regulations, pay attention to environmental impact in the procurement of products, and continuously avoid the depletion of natural resources caused by excessive consumption.
Policies/Commitments		Adopt sustainable environment as a sustainable procurement strategy, conduct supplier due diligence, and assist in identifying relevant regulations to reduce operational risks and impact supply chain impacts.
Objective	Short term	<ul style="list-style-type: none"> The sustainability risk assessment rate of major suppliers reached 90% 2 supplier enterprise sustainability advocacy conferences per year. Local procurement volume is greater than 96%.
	Medium - to long -term	<ul style="list-style-type: none"> Assist suppliers in implementing CviLux's sustainability policies to create a win-win situation and achieve better corporate governance. The main supplier enterprise's perpetual risk evaluation level is 90% of A -level manufacturers.
Reporting and Grievance Channels		e-mail : cg.law@cvilux-group.com
Executive performance		<ul style="list-style-type: none"> 154 copies of the Responsible Minerals Procurement Commitment were issued, and 154 were signed, with a sign-back rate of 100% 154 copies were sent out and 154 copies were signed, with a sign-off rate of 100% At the Supplier Enterprise Sustainability Advocacy Conference, 70 invitations were issued and 62 participated, with a participation rate of 89% Signing of the Supplier's Corporate Social Responsibility Code of Conduct; 70 copies were sent out, 70 copies were signed, and the sign-back rate was 100%

CviLux has close long-term cooperation with high-quality suppliers, jointly pursues to create a win-win niche, and takes sustainable operation as the ultimate goal. Assist suppliers to improve their environmental, social and governance sustainability performance in accordance with the company's sustainable supplier code of conduct, and jointly solve the challenges of sustainable development.

Carry out risk identification and assessment according to the standard process of sustainable management, evaluate suppliers, and guide those who do not meet the standards to make continuous improvements. Through continuous circulation, we ensure that our suppliers meet our standards, reduce supply chain risks, and improve the sustainable performance of our suppliers. Praise or downgrade or stop trading with suppliers, and implement sustainable supply chain management in a concrete and complete manner.

Well-established supply chain processes	
New supplier onboarding	New suppliers should be reviewed with the 'Supplier Evaluation Form' and passed the quality management requirements, and the main raw materials and service-oriented suppliers need to complete the 'Supplier Corporate Sustainability Risk Assessment and Assessment Review Form' and sign the 'Supplier Corporate Social Responsibility Code of Conduct' in order to become qualified suppliers of the company.
Regular written assessment and monitoring	Schedule an annual plan to review and monitor the ESG responsibility performance of eligible suppliers, and record it in the 'Supplier Corporate Sustainability Risk Assessment and Assessment Review Form'. The purchasing unit shall monitor the performance of the supplier after the document review, and if there is any non-conformity, the 'Supplier Social Responsibility Abnormal Handling Form' shall be recorded and handled, and shall take the initiative to put forward an explanation or improvement plan as required; if there is no appropriate correction result or if it causes an event that may cause a bad social perception and seriously affect the goodwill, the procurement shall apply for the disqualification of the supplier.

Well-established supply chain processes

Live audit	<ul style="list-style-type: none"> • Arrange on-site audits and select audit targets according to the assessment results of the 'Supplier Enterprise Sustainability Risk Assessment and Assessment Review Form' and the supervisor's resolution (depending on the internal and external concerns of the current year) or arrange at least one audit a year (unless special reasons are not suitable for on-site audits). • Schedule an annual supplier sustainability audit schedule (at least once), and in addition to reviewing various documents, recording abnormal events and assessment scores, it can also cooperate with quality audit activities at any time and conduct ESG on-site audits at the same time. • The results of the on-site audit are recorded in the 'Supplier Enterprise Sustainability Risk Assessment and Assessment Review Form', and if there is any abnormality, the supplier is required to make improvements, and the procurement unit evaluates according to the report results, and arranges a review audit or studies to replace the supplier if necessary.
Advocacy and communication	<ul style="list-style-type: none"> • CviLux announced through the official website announcement, company mail and regular conferences, etc. to publicize the sustainable policies of the supplier. • CviLux holds supplier training and sustainable policy promotion each year. • CviLux set up a unified window providing opinions and feedback on the internal and external internal and external internal and external internal and external internal and external.
Local Sourcing Policy	<ul style="list-style-type: none"> • In order to reduce carbon emissions during the transportation of raw materials, improve the speed of delivery, and optimize the geographical distribution of the supply chain, our raw material sourcing strategy will prioritize local sourcing. This not only enhances our operational flexibility, but also fosters local economic growth, creates jobs, and supports the advancement of local industrial technologies. For raw materials that must be imported from overseas, we will further reduce the carbon footprint of the supply chain by accurately planning delivery times and reducing the number of shipments to reduce the cost of incoming goods and shipments from suppliers. • Local procurement of raw materials accounted for 96%, an increase of 4% over last year.
Due diligence	<ul style="list-style-type: none"> • Human Rights & Labour: Compliance with Laws and Regulations, Diversity & Inclusion, Child Labor, Forced Labor & Modern Slavery, Discrimination, Bullying & Harassment, Paid Hours, Freedom of Association. • Business ethics: conflict of interest, collusion, theft, deception, fraud, extortion, money laundering, embezzlement. • Health & Safety: Occupational Safety, Emergency Response, Occupational Injuries & Illnesses, Industrial Hygiene, Heavy Labor, Machinery Safety, Food, Public Health & Accommodation, Health & Safety Communications. • Sustainable environmental development: environmental permitting and reporting, pollution prevention and resource conservation, hazardous substances, solid waste, exhaust emissions, product content restrictions, water management, energy consumption and greenhouse gas emissions. • Whistleblowing, information security: sensitive information, personally identifiable information, intellectual property and other important trade secrets. • Responsible Mineral Sourcing Investigation: Whether products contain metals (including tantalum, tin, tungsten, gold and cobalt) are required to sign the "Supplier Corporate Social Responsibility Code of Conduct" and the "Responsible Mineral Sourcing Commitment" and send back the "Supplier Social Responsibility Risk Assessment and Assessment Review Form", which is used as the basis for advocating ESG-related issues of the Group's suppliers and their assessment results as the basis for rewards and punishments for sustainable procurement.

3.6 Responsible Sourcing of Minerals

Responsible Minerals Sourcing Policy

CviLux formulates a conflict minerals procurement policy (gold, tin, tantalum, tungsten, cobalt, mica and other materials) and discloses the procurement policy on its official website. Conduct due diligence on the production and sale of minerals from sources in accordance with the OECD Minerals Due Diligence Guidance, communicate the Responsible Minerals Sourcing Policy to suppliers, and require suppliers to comply with the Conflict Minerals Report template issued by the RMI.

04

Green sustainability

CviLux mitigates the impact of climate factors through technological transformation, actively reduces carbon emissions and increases the use of renewable energy, formulates climate plans, develops energy monitoring systems and promotes environmental protection and energy conservation measures in daily life. Such as lighting and air-conditioning energy-saving equipment, and promote green office low-carbon life, with energy reduction and carbon reduction as the main business direction. It is expected to introduce international initiatives and standards such as science-based carbon reduction targets (SBTi) audits and greenhouse gas inventories, and actively work with value chain partners to practice low-carbon transformation.



4.1 Climate-related Financial Disclosures (TCFD)	45
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Annual performance

- In 2023, the group's greenhouse gas volume decreased by 26% compared to 2021.
- In 2022, the CDP carbon disclosure questionnaire was submitted, and the review was completed in 2023, with a grade of C.
- 98.5% of the Group's environment-related training rate.
- The Chongqing plant started the solar photovoltaic system, with 184,508.00 kWh of spontaneous solar energy.
- In the past three years, there has been no violation of environmental protection laws and fines.

4.1 Climate-related financial disclosures (TCFD)

In recent years, global warming caused by greenhouse gas emissions has brought huge risks to the economy, forced to raise awareness of the global climate crisis, and directly or indirectly affected the operation of enterprises and the consumption behavior of consumers. Therefore, we refer to the TaskForce on Climate-Related Financial Disclosures (TCFD) and manage it according to the four core values of governance, strategy, risk management, and metrics and targets, and present it in the sustainability report. It is hoped that stakeholders will understand the impact of climate change-related risks and opportunities on CviLux and how to reduce their risks.

TCFD Risk management process



4.1.1 Climate change management framework

<p>Govern</p>	<p>CviLux Championship mainly discusses and evaluates climate risk management by the Sustainability Committee, and then reports the results of the climate change resolution through the head of the sustainability team on the implementation performance and recommendations for improvement. It will report to the Board of Directors on a regular and annual basis, revise it according to the opinions of the Board of Directors, and include issues related to climate change risks and its management objectives.</p>
<p>Tactics</p>	<p>Refer to the impact of the issues on the Company's strategy and planning in the TCFD climate-related risks and financial impact examples, and formulate corresponding measures through qualitative and quantitative analysis of climate-related scenario analysis. Referring to the 2°C scenario (2DS), the Company discussed the definitions of short-term, medium-term and long-term intervals as "1-5 years", "6-10 years" and "more than 10 years" in the Sustainability Committee meeting, respectively. Climate risks and opportunities are assessed according to the definition of this interval. There are two types of climate risks: transition risks and physical risks, which are further divided into policies and regulations, markets, and immediate and long-term risks. Opportunities are divided into three categories: resource efficiency, energy sources, and products and services.</p>
<p>Risk management</p>	<p>Through the Sustainability Committee, CviLux called for the completion of risk identification in the "TCFD Climate Change Related Financial Disclosure Discussion Meeting", and discussed the risks and opportunities that may cause the company's operational transformation and physical changes caused by climate change factors provided by each unit.</p>
<p>Metrics & Goals</p>	<p>In order to reduce the impact of our operations on the surrounding environment, we have invested considerable resources in all environmental indicators, such as energy conservation and carbon reduction, waste management, pollution prevention and control in pursuit of sustainable development.</p>

4.1.2 TCFD Climate Risks and Opportunities

Risk issues	Risk level	Shock	Opportunity issues	Opportunity Levels	Shock
A carbon tax is levied on greenhouse gas emissions(EPA)	low	short term	Adopt a more efficient mode of transportation	middle	short term
A carbon tax is levied on greenhouse gas emissions((CBAM)	low	Long term	Use more efficient production and distribution processes	high	medium term
Carbon emission information disclosure	middle	short term	Recycling	short	short term
Requirements and regulation of existing products and services	middle	short term	Use low-carbon energy sources	middle	short term
Changes in customer behavior	middle	short term	Participate in the carbon trading market	middle	long-term
Rising raw material costs	high	short term	Develop and/or increase low-carbon goods and services	middle	medium term
The severity of extreme weather events such as typhoons and floods has increased	low	Long term			
Changes in rainfall (water) patterns and extreme changes in climate patterns	low	medium term			
Average temperatures are rising	low	medium term			

4.1.3 Identification of climate change risks

Climate -related risks and potential consequences have diverse and persistent characteristics, full of high uncertainty, and difficult to sort in quantitative ways. Therefore, in order to respond to climate change, CviLux's operating risk scale was in charge of the Sustainable Commission's Sustainable and Sustainable Committee. To formulate effective management strategies to achieve the purpose of risk avoidance, slowing or transfer. Enhance the company's operating toughness with the effectiveness of continuous tracking strategies and target achievements with rolling management.

Type	Issues	Climate-related risks	Potential financial risks	Risk countermeasures
Transition risk	Policies and Regulations	Carbon emission information disclosure	<ol style="list-style-type: none"> 1. Increase operating costs 2. Decrease output value 3. Decrease in revenue 	<ol style="list-style-type: none"> 1. Implement the ISO14064 system investigation to understand the carbon ranking of production processes and administration. 2. Carbon reduction and introduction of energy management solutions.
	Market	Changes in customer behavior	<ol style="list-style-type: none"> 1. Decreased goods and service demand 2. Increase production cost 3. Changes in energy costs 	<ol style="list-style-type: none"> 1. Increase the ISO14064 into the supplier evaluation to increase the toughness of the supply chain. 2. Increase the number of local procurement and reduce the cost of raw material transportation.
		Requirements and regulation of existing products and services		
Opportunity	Opportunities for	Adopt a more efficient mode of transportation	<ol style="list-style-type: none"> 1. Reduce operating costs 2. Improve production capacity 3. Increase the value of fixed assets 	<ol style="list-style-type: none"> 1. Promote the purchase of electric vehicles and oil and electricity mixed vehicles. 2. The procurement policy gives priority to energy-saving machines. 3. Introduction of energy-saving air compressors. 4. The production line is mainly automated assembly. 5. Renewable energy usage and usage ratio.
		Adopt more efficient production processes		
	Low -carbon energy			
	Product and service opportunities	Develop or increase low-carbon goods and services	<ol style="list-style-type: none"> 1. Reduce operating costs 2. Improve competitive position 	<ol style="list-style-type: none"> 1. Electronicization of administrative-related and general affairs items. 2. The research and development direction is based on lightness, thinness and compactness, and continues to develop green and high value-added products.

4.2 Energy and greenhouse gas management

In order to ensure the achievement of the annual carbon reduction targets of each production base, we will continue to implement the international standard management system, including: ISO14001 environmental management system, ISO14064-1 greenhouse gas inventory, independent carbon disclosure of overseas production bases, formulate the best energy resource saving and improvement plan, and effectively manage the annual energy resource use and greenhouse gas emissions; In 2023, it joined the Carbon Disclosure Program (CDP) and supported the TCFD initiative to implement greenhouse gas reductions and mitigate the impact of climate change. Reduce the risk of the business environment in which you operate. It also plans to introduce a ISO50001 energy management system.

Explanation of Major Subject Shocks - Energy Saving and Carbon Reduction (Energy and Greenhouse Gas Management)

Materiality analysis		<ul style="list-style-type: none"> Promoting environmental sustainability is the company's mission, and CviLux has identified energy conservation and carbon reduction issues that are important and most important to manage through material theme analysis. Based on this theme, we will expand the management of environmental issues that affect each other, including water resources and waste management.
Policies/Commitments		<ul style="list-style-type: none"> Comprehensively formulate and implement environmental management measures, actively move towards low-carbon transformation in the face of the opportunities and challenges brought about by climate change and energy management, build climate resilience, and enable corporate sustainable development and environmental sustainability to practice together.
Objective	Short term	<ul style="list-style-type: none"> Tamshui plant completes 2023 greenhouse gas verification Water resources education and promotion 1 piece/year Water consumption dropped by 1% Business waste recycling rate is greater than 40% (Note: Base year 2021)
	Long term	<ul style="list-style-type: none"> The Group's greenhouse gas emissions in 2025 will decrease by 20% compared with the base year of 2021. In compliance with the 2027 Act, Greenhouse Gas Inventory and Disclosure of Expanded Consolidated Statements of Subsidiaries The group will complete greenhouse gas verification in 2029 The Group's greenhouse gas emissions in 2030 will decrease by 40% compared with the base year of 2021.
Reporting and Grievance Channels		e-mail : cg.law@cvilux-group.com
Executive performance		<ul style="list-style-type: none"> The Group's greenhouse gas emissions in 2023 will decrease by 26% compared to 2021 Complete the CDP carbon disclosure questionnaire in 2023, with a grade of C The group's environment-related training rate is 98.5% The Chongqing factory started the solar photovoltaic system and generated 184,526.00 kilowatt-hours of self-generated green electricity.

Energy management strategies

According to the framework of the environmental management system, we regularly review environmental issues, continue to promote energy-saving plans, set carbon reduction targets, promote the gradual replacement of equipment with poor energy efficiency at the production end, replace energy-saving equipment and upgrade automated production lines, and implement renewable energy-related measures.

Group energy management situation

Type	Measure
Energy saving in production	The automation of the production line has been improved.
Production equipment	<ul style="list-style-type: none"> Replacement of variable frequency air compressor. Confirm that the air supply pressure of the air compressor is normal, conduct regular inspections to eliminate air leakage in the air pipe, and avoid idling the air compressor to waste electricity. Gradually replace large energy-consuming production equipment, such as injection molding machines.
Lighting is energy-efficient	Install automatic sensors in public areas or less crowded areas to reduce lighting energy consumption.
Lighting is energy-efficient	Gradually replace energy-saving lamps.
Air conditioning is energy efficient	Gradually replace inverter air conditioners and maintain them regularly to reduce power consumption.
Air conditioning is energy efficient	Turn on the air conditioner when the temperature is above 28 degrees Celsius, and when the temperature is lower than 10 degrees, turn on the heater.
Official Vehicles	Continue to gradually replace and purchase hybrid or all-electric official vehicles.
Low carbon transition digital management	LCSM (Low-carbon Smart manufacturing)
	MES (Manufacturing Execution Systems)
	WMS (Warehouse management system)
	WES (Warehouse execution system)
	WCS (Warehouse control system)
	EMS (Environmental monitoring system)
	IOM (Intelligent operations management)

Energy saving performance in 2023

Specific items	Category	Description of energy-saving measures	Energy Saving Performance(KWh)
Replace the all-electric injection molding machine	Power saving	<ul style="list-style-type: none"> Based on the 24-hour operation of the injection molding machine, the power consumption is calculated. Traditional hydraulic injection molding machines consume electricity. 11.16x24H/dayx26day/monthx-12month/year=83566.08KWH Electric injection molding machines consume electricity. 4.88 x24H/dayx26day/monthx-12month/year=36541.44KWH Reducing electricity consumption every year after replacing an electric injection molding machine. 83566.08-36541.44=47024.64 	47,024.64
Solar photovoltaic construction	Power saving	<ul style="list-style-type: none"> The Chongqing plant started the solar photovoltaic system, generating 184,526.00 kWh of green electricity. 	184,526.00
Outsourcing of green certificates	/	<ul style="list-style-type: none"> The Group purchased 4,450 green certificates of 1MW each, saving a total of 445,000KWh of electricity. 	445,000
Total energy efficiency			658,729.2

Electricity usage in 2023

Factory	Annual Electricity Usage (kWh)	Annual Electricity Usage (GJ)
Tamshui plant	421,299	1,516.6794
Dongguan plant	4,945,331	17,803.1916
Qunhan Plant	1,653,339	5,952.0204
Suzhou plant	4,274,226	15,387.2136
Chongqing plant	2,491,550	8,969.58

Statistics of the group's electricity consumption in the past three years

Unit: degrees

Factory	2021 year	2022 year	2023 year	Compare the year-on-year increase or decrease of the benchmark
Tamshui plant	449,714	411,704	421,299	-6%
Dongguan plant	6,044,904	5,871,646	4,945,331	-18%
Qunhan Plant	1,462,729	1,475,936	1,653,339	13%
Suzhou plant	6,639,780	4,732,286	4,274,226	-36%
Chongqing plant	3,279,855	2,919,821	2,491,550	-24%

Renewable energy

CviLux has been increasing the ratio of renewable energy use to electricity use year by year to reduce the environmental impact caused by electricity use.

The Group's use of renewable energy is as follows

1. In 2023, the Chongqing plant will enable photovoltaic solar power generation, with 184,526.00 kWh of spontaneous green electricity, and renewable energy groups will account for 1.34%

2. The Suzhou plant will be signed for photovoltaic solar power generation in 2023 and is expected to be completed and put into use in 2024.

3. Tamshui plants purchase small green electricity vouchers, which will be put into operation in 2024.

Greenhouse gas management strategies

In recent years, a number of reports have pointed out that the earth's climate and environment are being affected by the greenhouse effect, and with the increase of greenhouse gas emissions, the environment will continue to deteriorate. Further promote plans related to voluntary greenhouse gas reductions.

Greenhouse gas inventory and results

Since 2021, the Tamshui plant has been inspected according to the ISO14064-1:2018 standard and obtained a reasonable guarantee level from a third-party impartial unit. If you want to reduce greenhouse gas emissions, reducing the use of electricity is the most direct way, and each plant will carry out improvement measures such as process energy control, equipment efficiency improvement and energy-saving system introduction, and manage it with the goal of reducing greenhouse gas emission intensity by 1% year by year.

The results of the 2023 greenhouse gas inventory of freshwater plants include qualitative and quantitative inventory of Category 1 in-plant greenhouse gas emissions and Category 2 indirect greenhouse gas emissions. The greenhouse gas carbon emissions in 2023 will be 291.190 metric tons of CO₂e, mainly from the indirect emissions of Category 2 input electricity, which will generate 208.1217 metric tons of CO₂e in 2023, and Category 1 will be official vehicles and office administrative equipment, such as refrigerators and water dispensers. 40.6187 metric tons of CO₂e were generated, and 42.4494 metric tons of CO₂e were generated by waste and purchased energy in category 4, and 71.47% of the greenhouse gases produced in 2023 came from purchased electricity.

Overseas factories use gasoline burned from fossil fuels in IPE Category 1, and the greenhouse gas emission accounting results have been reviewed by IPE and are all Level 3.

Emission sources		Note	Total emissions
Category 1: Direct GHG emissions and removals			40.6187
1.2	Direct emissions from mobile combustion.		14.3967
1.4	Direct fugitive emissions from anthropogenic systems due to the release of greenhouse gases		26.2220
Category 2: Indirect greenhouse gas emissions from input energy			208.1217
2.1	Indirect emissions from input electricity.	Greenhouse gas emissions from input electricity.	208.1217
Category 4: Indirect greenhouse gas emissions from products used by the organization			42.4494
4.1	Purchase of goods	The emissions from the life cycle of purchased energy (electricity and oil) are not included in categories 1 and 2.	42.4494

Emission type	facility	Emission sources	Type of emitted gas	Data source
migration	Official Vehicles	Gasoline	CO ₂ 、CH ₄ 、N ₂ O	Gas station electronic invoice certificate
Escape	Fire extinguishers, air conditioners, refrigerators, refrigerants for official vehicles, constant temperature and humidity machines, water dispensers (ice water), water chillers, septic tanks, dehumidifiers	carbon dioxide、R-134a、R-410a、R-23、R-404a、R-600a、R408、R32、Fertilizer	CO ₂ 、CH ₄ 、HFCs	Fire extinguisher purchase invoices, equipment nameplates, equipment maintenance manufacturers to provide information, car factory information, employee payroll

Note: The greenhouse gas inventory adopts ISO14064-1:2018, and the gasoline emission factor is based on the "Greenhouse Gas Emission Factor Management Table of the Environmental Protection Administration of the Executive Yuan (Version 6.0.4), Global Warming Potential (GWP), and the latest warming potential value of the IPCC Sixth Assessment Report in 2021".

Statistics of the Group's greenhouse gas emissions in the past three years

Unit: metric tons CO₂e

Factory	In 2021			In 2022			In 2023		
	Category I	Category II	total	Category I	Category II	total	Category I	Category II	total
Tamshui plant	30.51	228.90	259.41	41.55	203.79	245.3421	40.6187	208.1217	248.7404
Dongguan plant	130.38	3,186.29	3,316.67	2.31	3,094.94	3,097.25	5.56	2,606.68	2,612.24
Qunhan Plant	--	711	--	1.85	777.97	779.82	2.44	871.47	873.91
Suzhou plant	193.47	4,671.08	4,864.55	23.68	3,329.16	3,352.84	38.38	3,006.92	3,045.30
Chongqing plant	66.94	1,724.22	1,791.16	38.87	1,534.95	1,573.82	35.78	1,309.81	1,345.59

Note 1: In 2021, the Qunhan plant did not upload the IPE website, so there is no data

Statistics on the Group's greenhouse gas emission intensity in the past three years

Currency: NTD

Greenhouse gas emissions intensity	CviLux		
	Annual revenue (million yuan)	Total Emissions (Metric Tons CO ₂ e)	Unit revenue intensity
2021	4,159	10,711.87	2.58
2022	3,727	9,032.16	2.42
2023	2,959	8,086.07	2.73

4.3 Waste disposal

CviLux effectively collects and treats the business waste generated by the company, and strives to recycle resources to achieve the purpose of reducing environmental pollution. All factories continue to promote product design and process improvement, reduce the use of copper plate and plastic raw materials from the source, extend the service life of resources through reuse, reduce energy and raw material use, and reduce the impact on the environment. It is also committed to waste recycling, and the waste or waste generated by production is handed over to qualified recyclers to reduce the burden on the environment through recycling, so as to effectively slow down the depletion of the earth's metal resources.

Water consumption at the Group's operating sites

Unit: (million liters).

Factory	Total water consumption	
	In 2022	In 2023
Tamshui plant	3.267	4.140
Dongguan plant	103.626	92.658
Qunhan Plant	21.143	20.944
Suzhou plant	21.030	14.777
Chongqing plant	19.127	18.159

4.4 Waste disposal

CviLux effectively collects and treats the business waste generated by the company, and strives to recycle resources to achieve the purpose of reducing environmental pollution. All factories continue to promote product design and process improvement, reduce the use of copper plate and plastic raw materials from the source, extend the service life of resources through reuse, reduce energy and raw material use, and reduce the impact on the environment. It is also committed to waste recycling, and the waste or waste generated by production is handed over to qualified recyclers to reduce the burden on the environment through recycling, so as to effectively slow down the depletion of the earth's metal resources.

Waste disposal measures

Waste disposal measures details	
Type	Measure
Waste reduction in production	Promote design and process improvement to reduce the use of raw materials.
Reuse of original materials	Reuse, manufacture and reuse production materials to reduce energy and raw material consumption.
Waste reduction in production	The waste or waste generated from production is handed over to qualified recyclers for recycling.

Waste disposal sorting

Factory	General Waste		Hazardous Industrial Waste (Hazardous Waste)		Waste recycling (%)
	quantity	Disposal method	quantity	Disposal method	
Tamshui plant	4.08	Recycling	0	-	100%
Dongguan plant	98	Recycling	2	Incineration / landfilling	98%
Qunhan Plant	2.8	Recycling	1	Incineration / landfilling	73.68%
Suzhou plant	280	Recycling	8.95	Incineration / landfilling	96.9%
Chongqing plant	135	Recycling	0.68	Incineration / landfilling	99.5%

05

Happy workplace

CviLux's employee policy is to be suitable for the right person, reasonable salary and benefits, and career growth. CviLux hopes that employees can enjoy life with their families in addition to work, grow side by side with employees and partners with empathy, create a safe working environment, and work together with CviLux now and in the future to create a win-win vision for labor and management.



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Annual performance

- 30% of the Group's senior executives are women.
- In the past three years, there have been no human rights violations such as forced labor, child labor, labor disputes, violations of gender equality and sexual harassment.
- In the past three years, there have been no occupational accidents or occupational diseases.
- We have cooperated with domestic colleges and universities to promote social employment, and have provided a total of 12 internship opportunities in the past three years.

5.1 Human rights management

Human Rights & Labor Policy

In accordance with the United Nations Universal Declaration of Human Rights, the United Nations Global Compact, the United Nations International Labor Organization and other relevant international human rights standards, CviLux has formulated the Company's human rights and labor policies and related practices, including respecting employees' freedom of association, diversity and inclusion, caring for vulnerable groups, prohibiting child labor, eliminating all forms of forced labor, modern slavery, eliminating discrimination in employment and employment, eliminating any violations and violations of human rights, ensuring gender equality, and treating all employees fairly. Assist staff in maintaining physical and mental health and work balance.

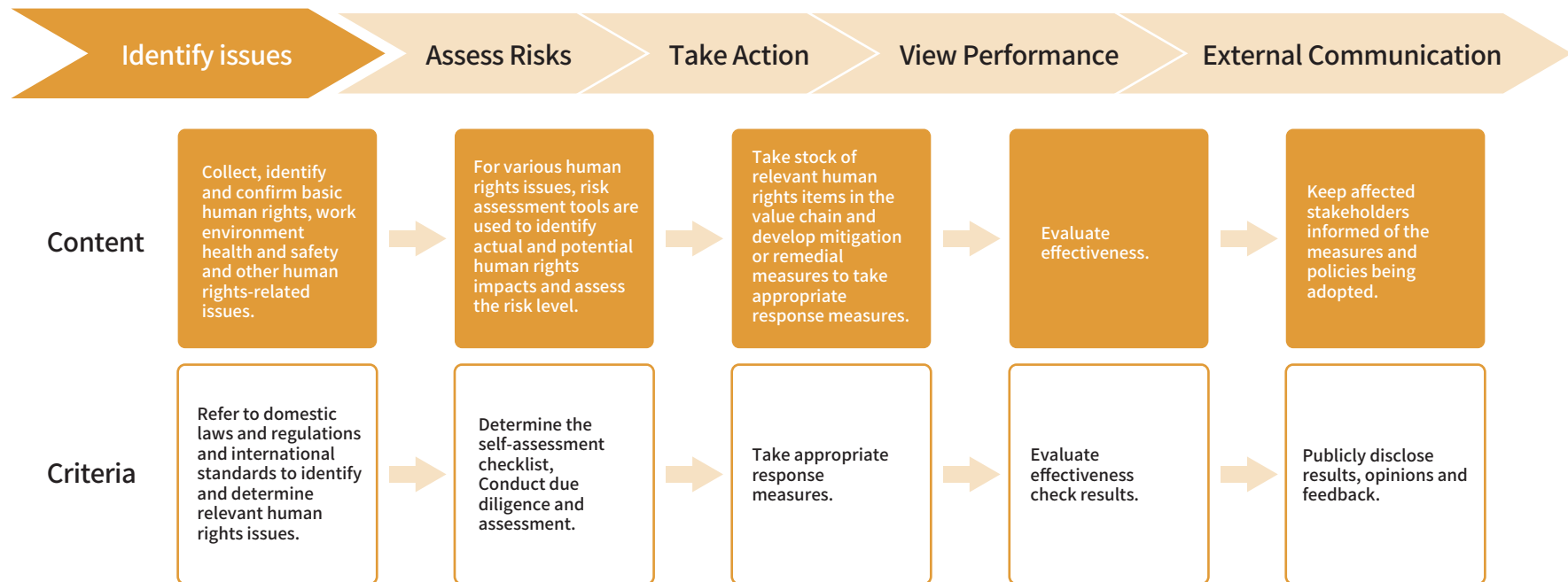
CviLux strictly abides by the relevant laws and regulations of the local government, and has also obtained the certification of the Responsible Business Alliance (RBA), and regularly reviews CviLux's human rights and labor policies, management and practices to prevent any human rights violations and violations. In 2023, CviLux Group continued to protect labor rights and interests without any human rights violations.

Freedom to Choose a Career	It is prohibited to collect fees from workers (zero fee policy), deposits, and seize documents. It is strictly prohibited to use involuntary and exploitative prison labor, indentured labor, bonded labor, forced labor, abduction, slave labor, and human trafficking.	Humane Treatment	It is strictly prohibited to use punishment as a means of forced or involuntary labor, and it is also prohibited to take disciplinary wage deduction management measures.
Child labor, Youth labor and Maternal Protection	Do not employ child labor (under 16 years old) and establish protection measures to protect child labor misuse, including job applications when they become adults. At the same time, we ensure the physical and mental health and safety of pregnant, lactating colleagues and underage employees, prohibit hazardous work, overtime and night shifts, and provide necessary health examinations.	No discrimination, No harassment	Eliminate harassment and discrimination based on race, color, age, gender, sexual orientation, gender identity and expression, race or ethnicity, disability, pregnancy, creed, political stance, or group background in matters such as hiring, compensation, training, promotion, and dismissal. , zodiac sign, blood type, place of origin, veteran status, protected genetic information, marital status or filing a complaint, etc. All discriminatory behaviors are based on the personnel's work ability.
Suitable Working hours	Comply with the regulations on working hours required by applicable laws, industry standards and customer codes of conduct. All working hours, rest periods and vacation periods are provided in accordance with the law.	Reasonable Place of Worship	Provide appropriate places for personnel to use, and provide assistance when necessary without affecting normal work and safety.
Reasonable Remuneration	The remuneration given to employees meets the basic requirements of laws and regulations (excluding any overtime pay and other subsidies), and the working hours meet the prescribed requirements, and the weekly working hours must not exceed 60 hours.	Freedom of association and peaceful assembly	We respect employees' rights to freedom of association and collective bargaining, and employees also have the right to avoid participating in such activities.

Human rights due diligence

CviLux regularly conducts human rights due diligence and fulfills its commitment and responsibility to defend human rights through the process of identifying, assessing, taking action, reviewing effectiveness and communicating with external parties on potential human rights issues.

Due diligence process



Due diligence risk issue assessment actions

Major human rights issues	Risk description	Regulations	Mitigation measures	Remedy
child labor	<ul style="list-style-type: none"> Failure to check whether there is any false declaration of the age of new recruits resulting in the employment of child labor. 	<ul style="list-style-type: none"> Prohibition of child labor and misuse of remedial practices. 	<ul style="list-style-type: none"> Formulate and follow the operation specifications; Establish a process for verifying age in the recruitment process to avoid misuse. 	<ul style="list-style-type: none"> Initiation of remediation procedures for misuse of child labor.
Man-hours	<ul style="list-style-type: none"> Overtime (more than 60 hours per week) Continuous work (more than 7 consecutive days of attendance) 	<ul style="list-style-type: none"> Measures for the Administration of Leave for Attendance of Employees. 	<ul style="list-style-type: none"> Initiate the working hours control mechanism and issue regular working hour warning notices. 	<ul style="list-style-type: none"> Formulate a better management system and follow it. Do a good job in production scheduling planning and reasonable task arrangement; Avoid manpower shortages and replenish manpower. Overtime pay and leave shall be provided in accordance with the law for appropriate rest.
Discriminatory /harassment	<ul style="list-style-type: none"> Employees are subjected to any threats, abuse, exploitation, discrimination, or sexual harassment. 	<ul style="list-style-type: none"> Anti-Slavery and Human Trafficking Code of Practice. 	<ul style="list-style-type: none"> Improve internal complaint communication channels and implement relevant education and training. 	<ul style="list-style-type: none"> Appropriate measures of protection are provided to complainants against retaliation or unfair treatment.
Forced labor	<ul style="list-style-type: none"> Employees are subjected to forced labor, such as forced work, restrictions on movement, restrictions on employees' leave, forced overtime, etc. Violence, intimidation, threat or unlawful restriction of personal liberty to force employees to work, such as paying a deposit at the time of employment, withholding documents, etc. 	<ul style="list-style-type: none"> Anti-punishment, forced labor, and prison work norms. 	<ul style="list-style-type: none"> According to the operation specifications, and the implementation of the implementation, annual irregular audit. 	<ul style="list-style-type: none"> Violators shall be corrected immediately as appropriate. Carry out relevant concept promotion and training
Professional health and safety	<ul style="list-style-type: none"> An employee's health hazard in the workplace requires treatment to fully or partially recover. Such as: work-related injuries, occupational diseases, use of hazardous substances, working in hazardous working environments, etc. 	<ul style="list-style-type: none"> Occupational health and safety management procedures. 	<ul style="list-style-type: none"> Regularly carry out risk identification, maternal care, employee assistance programs, provide regular health check-ups for employees, implement work environment monitoring, and eliminate workplace hazards. 	<ul style="list-style-type: none"> Provide real-time medical and emergency treatment. Provide necessary health guidance. Provide the necessary compensation for compensation.
Suppliers	<ul style="list-style-type: none"> Suppliers do not follow the RBA Code of Conduct. Suppliers directly or indirectly use conflict minerals raw materials. 	<ul style="list-style-type: none"> Corporate Sustainable Supplier Operation Specifications. Code of Practice for Responsible Mineral Sourcing. 	<ul style="list-style-type: none"> Annual Supplier Advocacy Meeting. Suppliers are required to sign the Supplier CSR Code of Conduct to ensure compliance with relevant laws and regulations and the RBA Code of Conduct. 	<ul style="list-style-type: none"> If the audit finds any non-conformities, the supplier is required to make improvements within a time limit; If the circumstances are serious, the cooperation will be suspended.

The results of the due diligence risk issue assessment

CviLux collects human rights and labor risk issues with reference to domestic and foreign regulations and international standards. In 2023, five human rights and labour risk issues were identified as the main human rights risk issues, including "child labor", "working hours", "discrimination/harassment", "forced labor and modern slavery", and "occupational health and safety". The results of the 2023 risk assessment are all classified as "low" except for working hours, and the risk level for working hours is "moderate", and mitigation measures have been taken for working hours.

Human rights and labour awareness training

In addition to advocating human rights and labor policies, we also enhance employees' awareness of human rights, including the RBA Code of Conduct, Employee Code of Ethics, Anti-Forced Labor, Anti-Discrimination, Diversity and Inclusion, and Sexual Harassment Prevention, with a completion rate of 98.5% in 2023. The human rights awareness training rate of new employees is 100%.

Appeal channel

Complaint and reporting channels of CviLux Group		Number of report	Number of accepted documents	Number of cases closed
Dedicated mailbox	cg_ta100@cvilux-group.com	0	0	0
Dedicated telephone	02-2620-1000#11308	0	0	0
Opinion Box	Physical suggestion box	0	0	0

Multiple communication channels (402-1、2-30)

CviLux attaches great importance to two-way effective communication between the company and its employees, and has set up multiple and smooth communication channels to better understand employees' needs, opinions and feedback, and create a workplace environment with harmonious labor relations.

Communication channels	Frequency of communication	Communication characteristics
Opinion Box	Not regularly	There is a physical suggestion box, where employees can fully express their opinions on the company, and the dedicated unit is responsible for handling and giving feedback on a regular basis.
Labor-management meetings	Quarterly	CviLux has set up a labor-management meeting and a workers' congress to communicate with labor representatives on issues such as working conditions, living conditions, welfare, and proposals.
Employee satisfaction surveys	Annually	Surveys are conducted on job satisfaction, well-being and employee development, leadership and management, performance management, teamwork, quality perception, etc.
discrimination, harassment, and unlawful infringement of complaint channels in the workplace	Not regularly	Complaints of discrimination, harassment, and workplace wrongdoing.
Integrity and ethics appeal channels	Not regularly	Integrity and ethics case reporting and appeal.
CviLux electronic newspaper	weekly	Internal Information Release.

Ratio of the number of workers at the Labor-Management Meeting/Workers' Congress

category	Tamshui plant	Dongguan plant	Qunhan Plant	Suzhou plant	Chongqing plant
The number of representatives of the management side	5	3	3	3	3
Number of labor representatives	5	11	9	13	15
The number of voters at the time of the election	107	339	120	287	222
Labor representatives as a percentage of employees on 12/31	3%	3%	7%	5%	5%
Election date	2023/6/5	2023/11/24	2023/11/24	2023/12/28	2021/1/16

Employee satisfaction surveys

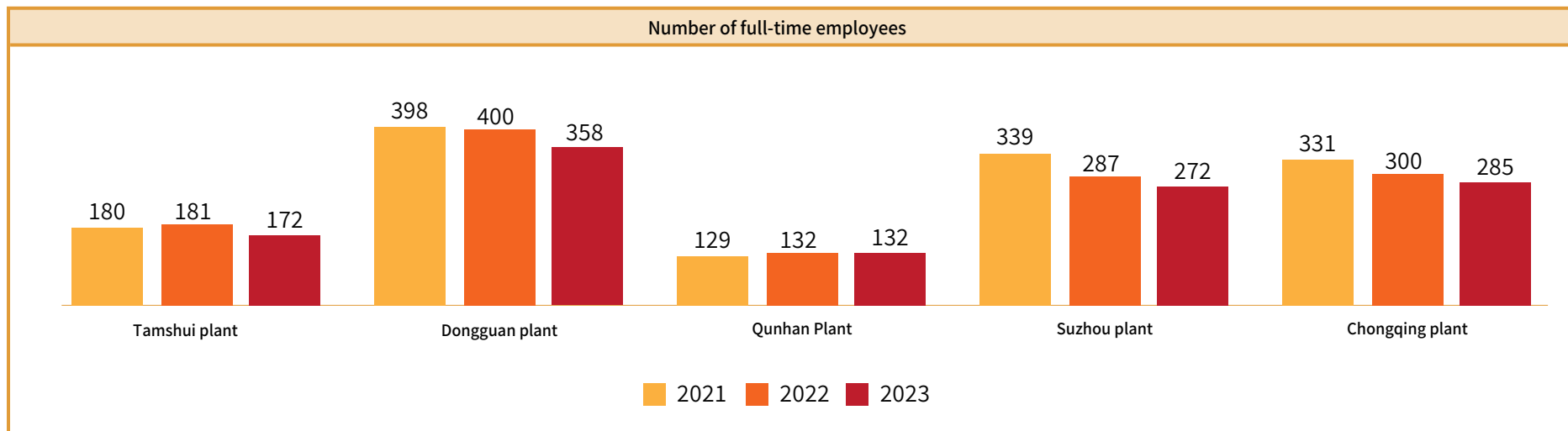
CviLux attaches great importance to employee opinions and conducts employee satisfaction surveys every year on job satisfaction, benefits and employee development, leadership and operation management, performance management, teamwork, quality concepts, etc. to understand and collect opinions as a reference for planning employee-related measures. Improve employee satisfaction, engagement and sense of accomplishment, and achieve a happy enterprise with employees' physical and mental health, work-life balance and labor-management harmony.

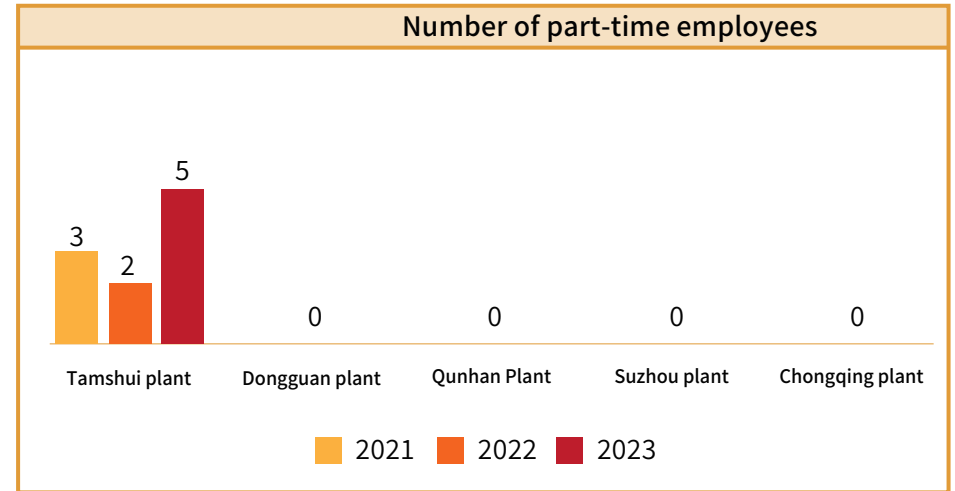
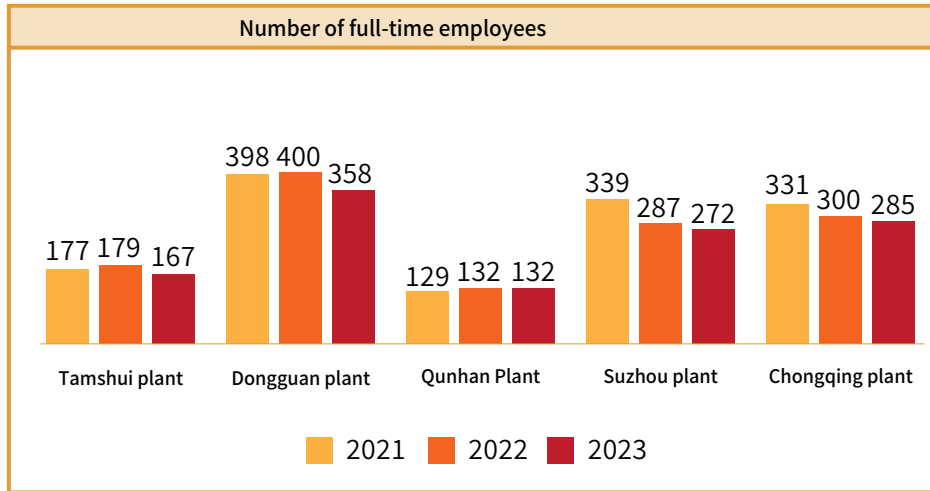
Factory	Number of people surveyed	Employee satisfaction	The main reaction is oriented
Tamshui plant	171	80%	Salary and benefits
Dongguan plant	140	70%	Company benefits and remuneration
Qunhan Plant	43	70%	Company benefits and remuneration
Suzhou plant	234	81%	Improvement of canteen environment and food
Chongqing plant	114	84%	Company benefits and rewards and performance

5.2 Employee profile (GRI2-7、2-8、202-2、401-1、405-1)

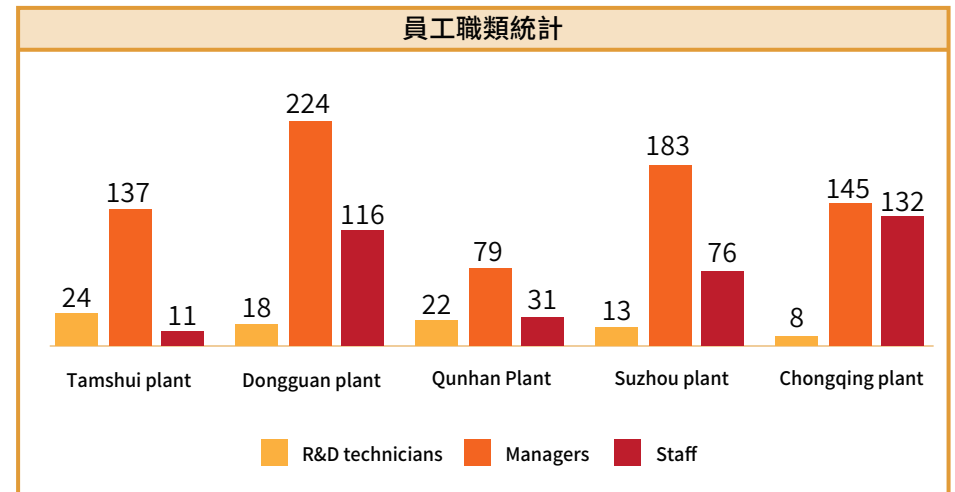
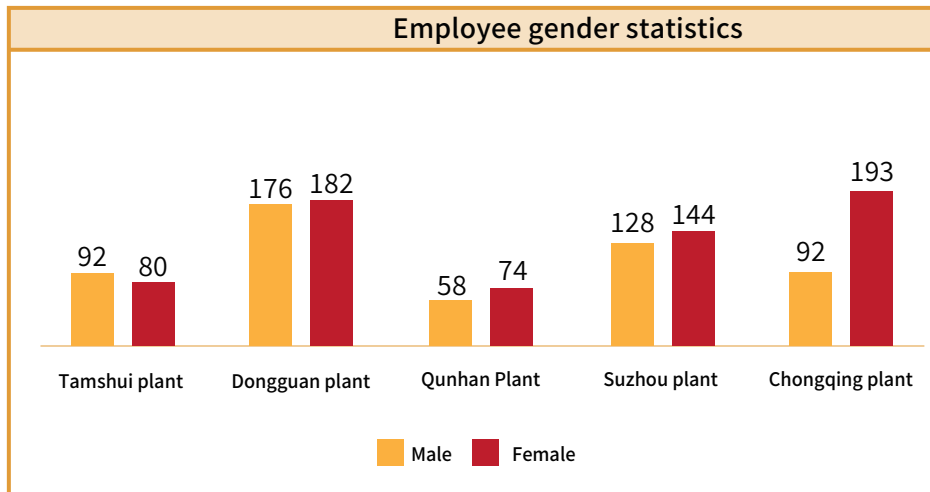
As of the end of December 2023, the total number of employees of the Group is 1,219, including 172 in Tamsui Plant, 358 in Dongguan Plant, 132 in Qunhan Plant, 272 in Suzhou Plant and 285 in Chongqing Plant, of which about 45% are men and 55% are women.

Annual Factory	In 2021				In 2022				In 2023			
	Male	Female	Total	Proportion of total enrollment	Male	Female	Total	Proportion of total enrollment	Male	Female	Total	Proportion of total enrollment
Tamshui plant	94	86	180	13%	95	86	181	13%	92	80	172	12%
Dongguan plant	194	204	398	29%	189	211	400	29%	176	182	358	26%
Qunhan Plant	65	64	129	9%	57	75	132	10%	58	74	132	10%
Suzhou plant	155	184	339	25%	140	147	287	21%	128	144	272	20%
Chongqing plant	119	212	331	24%	97	203	300	22%	92	193	285	21%
Total	627	750	1,377		578	722	1,300		546	673	1,219	





Note 1: Full-time employees refer to employees whose weekly working hours have reached the statutory working limit; Part-time employees refer to those whose weekly working hours do not reach the statutory working hours limit and are only partially working, such as work-study students and part-time workers.



Note 1: R&D designer: Employees responsible for product development and design (R&D expenses)
 Note 2: Managers: Employees in charge of administration, sales, and materials (management, sales, and overhead).
 Note 3: Workers: Employees in charge of production-related work (direct costs)

Age/seniority

In terms of the proportion of all employees, 69% of the employees aged 30-50 are the highest, and 9% are over 50 years old, representing the company's middle-aged and middle-aged employees at this stage. 51% with less than 5 years of experience, 20% with 5-10 years, and 71% with less than 10 years in total.

Annual		In 2023					
Category		Number of males	accounted for this group proportion	Number of women	Accounted for this group proportion	Total	Accounted for all employees proportion
Age	30 years of age or younger	148	27%	129	19.17%	277	23%
	31-50 years old	342	63%	496	73.70%	838	69%
	50 years of age or older	56	10%	48	7.13%	104	9%
Seniority	Less than 5 years	282	52%	337	50.07%	619	51%
	5-10 years	94	17%	149	22.14%	243	20%
	10-15 years	75	14%	120	17.83%	195	16%
	15-20 years	56	10%	40	5.94%	96	8%
	20-25 years	32	6%	20	2.97%	52	4%
	More than 25 years	7	1%	7	1.04%	14	1%

Note 1: The calculation is as follows:

Percentage of direct employees under the age of 30 = (Total number of direct employees under the age of 30 at the end of the year/Total number of employees at the end of the year) * 100%

Non-employee workers

As of December 31, 2023, CviLux had no non-employee employees.

Employment status of women and local supervisors

In 2023, there will be a total of 59 women serving as senior executives, accounting for 30% of the total number of senior executives. In addition, "employing local talents for supervisors" is listed as a key goal, actively employing and cultivating local elite talents, and each factory has launched different recruitment strategies according to the needs of local manpower, and strengthened the implementation of the concept of talent localization.

Factory	Number of senior executives	Female executives		Proportion of female executives at the plant	Local executives		The proportion of local executives in the number of employees in the plant
		Number	Proportion of senior executives		Number	Proportion of senior executives	
Tamshui plant	95	31	16%	18%	95	100%	55%
Dongguan plant	30	8	4%	2%	3	10%	1%
Qunhan Plant	24	4	2%	3%	2	8%	2%
Suzhou plant	30	12	6%	4%	14	47%	5%
Chongqing plant	15	4	2%	1%	10	67%	4%
Total	194	59	30%	5%	124	64%	10%

Note 1: Senior executives are defined as employees with grade 7 or above.

Note 2: Local personnel are defined as employees in the province where the factory is located.

Employment status of ethnic minorities and persons with disabilities

Factory	2021		2022		2023	
	Physical and mental disabilities	Minority	Physical and mental disabilities	Minority	Physical and mental disabilities	Minority
Tamshui plant	2	1	2	2	2	2
Dongguan plant	5	8	5	9	5	6
Qunhan Plant	1	4	1	4	1	5
Suzhou plant	6	4	6	5	6	4
Chongqing plant	7	3	5	2	5	2
Total	21	20	19	22	19	19

Note 1: Definition of ethnic minorities: Taiwan is an indigenous people, and China is an ethnic group other than the Han people

Note 2: Definition and calculation of persons with disabilities: Taiwan is an employee who has received a disability certificate, and China is counted as an employee with a disability certificate.

Annual Onboarding and Departure Analysis Form

Career Analysis Project/Year		In 2021		In 2022		In 2023	
		Number of people	Proportion (Note)	Number of people	Proportion (Note)	Number of people	Proportion (Note)
Factory	Tamshui plant	32	4%	29	4%	15	3%
	Dongguan plant	189	24%	265	37%	179	37%
	Qunhan Plant	152	19%	135	19%	67	14%
	Suzhou plant	241	30%	166	23%	136	28%
	Chongqing plant	186	23%	127	18%	91	19%
	Total	800		722		488	
Age	30 years of age or younger	480	60%	415	57%	306	63%
	31-50 years old	309	39%	299	41%	174	36%
	50 years of age or older	11	1%	8	1%	8	2%
Gender	Male	440	55%	353	49%	239	49%
	Female	360	45%	369	51%	249	51%

Exit Analysis Project/Year		In 2021		In 2022		In 2023	
		Number of people	Proportion (Note)	Number of people	Proportion (Note)	Number of people	Proportion (Note)
Factory	Tamshui plant	29	3%	29	4%	28	5%
	Dongguan plant	219	25%	240	31%	222	39%
	Qunhan Plant	111	13%	131	17%	67	12%
	Suzhou plant	319	36%	228	29%	141	25%
	Chongqing plant	200	23%	154	20%	106	19%
	Total	878		782		564	
Age	30 years of age or younger	499	57%	459	59%	318	56%
	31-50 years old	365	42%	312	40%	227	40%
	50 years of age or older	14	2%	11	1%	19	3%
Gender	Male	443	50%	397	51%	266	47%
	Female	435	50%	385	49%	298	53%

Note 1: The total number of employees as of the end of the year (12/31) is counted.

Note 2: Entry rate = (total number of employees in the specific category in the current year / total number of employees in the specific category at the end of the year) * 100%.

For example, the rate of female employees = (total number of female employees in the current year / total number of female employees at the end of the year) * 100%.

Turnover rate = (total number of employees leaving the specific category in the current year / total number of employees in the specific category at the end of the year) * 100%.

For example, the rate of employees under the age of 30 who leave = (the total number of employees under the age of 30 in the current year / the total number of employees under the age of 30 at the end of the year) * 100%.

5.3 Employee compensation and benefits (GRI2-20、2-21、401-2、405-2)

CviLux attaches great importance to the labor rights and interests of its employees and proposes a human rights labor policy, and the remuneration and benefits provided are better than those required by local laws and regulations, and are never lower than the basic salary of laws and regulations. All employees are entitled to the insurance and pension plan stipulated by law, and adopt the salary policy of equal pay for equal work, without discrimination based on race, region, ethnicity, growth background, social class, ancestry, religion, physical disability, gender, sexual orientation, pregnancy, marital status, trade union membership, political opinions, age, and establish a reward system based on the concept of considering the overall salary and living standard, including salary, benefits, bonuses, remuneration, etc.; Provide market-competitive salary levels, improve the centripetal force of colleagues to the company, reduce frequent personnel turnover, and make the company's operation develop steadily, the number of full-time employees and the average salary and median salary of previous non-supervisor positions in Taiwan can be queried at the Public Information Observatory. CviLux sets performance targets based on the performance appraisal system, conducts performance appraisals and interviews at the end of each year, and uses the appraisal results as the basis for promotion, salary adjustment, bonus and remuneration payment. Through the employee appraisal linkage bonus system with the company's operating performance and annual net profit, and in accordance with the company's articles of association, 5%~12% of the employee's remuneration is allocated according to the profit, and after considering their seniority and annual performance appraisal, it is distributed to all colleagues to motivate all colleagues to work together for the goals of the group.

Salary ratio of grassroots personnel

Unit:Dollar

Factory	Basic salary	Average monthly fixed salary	Proportion/Multiple
Tamshui plant	25,250	26,668	1.06
Dongguan plant	1,920	2,402	1.25
Qunhan Plant	1,920	2,547	1.33
Suzhou plant	2,280	2,418	1.06
Chongqing plant	2,100	2,120	1.01

Note 1: The basic salary of local laws and regulations refers to the 2023/1/1 data of each region

Note 2: The currency of Tamsui plant is TWD, and the currency of other Chinese plants is RMB

Retirement system and social insurance

In order to ensure the financial planning of employees' retirement, CviLux has implemented employee retirement measures in accordance with the Labor Standards Act in 1998 and established the "Labor Pension Reserve Supervision Committee" to review the amount and payment of labor retirement reserves and other matters; in 2023 4% of the total salary is allocated to the pension fund on a monthly basis and stored in a special pension account at the Bank of Taiwan; as of the end of 2023, the balance of the special pension account is TWD 17,593,000; For those who are applicable to the Labor Pension Ordinance System, 6% of the employees' total insured salary will be withdrawn every month and deposited into the Labor Insurance Bureau's personal pension account. The pension fee transferred to the Labor Insurance Bureau in 2023 will be TWD6,861,000. In accordance with the "Social Insurance Law", each affiliated enterprise will allocate a certain proportion of money from employees and the company to the government social insurance account every month for employees to use when they are old, sick, disabled, unemployed, have children, or face difficulties in life; The pension expenses and basic pension insurance expenses in 2023 will be TWD39,315,000.

Ratio of men's and women's salaries to salaries

Factory	Category	Male	Female
Tamshui plant	supervisor	1.36	1
	Indirect	1.04	1
	Operator	0.99	1
Dongguan plant	supervisor	1.25	1
	Indirect	1.08	1
	Operator	1.00	1
Qunhan Plant	supervisor	1.17	1
	Indirect	1.12	1
	Operator	0.99	1
Suzhou plant	supervisor	1.12	1
	Indirect	1.06	1
	Operator	0.98	1
Chongqing plant	supervisor	1.19	1
	Indirect	1.26	1
	Operator	1.01	1

Childcare stays

CviLux attaches great importance to the needs and care of female employees, creates a safe and warm working environment, and provides various facilities or services exclusively for female employees to ensure that employees with childcare needs can balance family and work without worries. Regardless of gender, employees of the Tamsui plant can apply for childcare leave in accordance with the "Gender Equality in Work Act" for a period of up to two years, after which the company will arrange for them to return to their original employers and provide relevant skills courses. CviLux provides maternity leave, maternity examination leave, paternity leave, physiological leave (exclusive to Taiwan), safe pregnancy leave, family care leave and breastfeeding leave in accordance with the law, and sets up a safe and warm nursing room.

Number of childcare leave without pay applications/reinstatement in Taiwan				
Employee childcare stay/year	Gender	Statistics		
		In 2021	In 2022	In 2023
The number of employees who are eligible to stay in childcare.	male	6	7	4
	female	5	2	5
The number of employees who applied for childcare stay.	male	0	1	0
	female	2	0	1
Number of employees who should be reinstated after the expiration of the childcare period (A).	male	0	0	1
	female	1	1	2
"Number of employees who actually returned to work after the expiration of the childcare period (B)(including early reinstatement)".	male	0	0	1
	female	0	0	1
Dismissal rate (B/A).	male	0%	0%	100%
	female	0%	0%	50%
The number of employees who have been in service 12 months after the expiration of the childcare period in the previous year and have returned to work (C).	male	0	-	-
	female	1	-	-
Retention rate (C/previous year B).	male	0%	-	-
	female	50%	-	-

Note 1: In 2023, there is a female employee who resigned due to personal reasons, so she was not reinstated

Note 2: "-" indicates that there were no reinstatement officers in the previous year, so the retention rate is 0

Number of maternity/paternity leave applied for in China					
Annual maternity/paternity leave statistics	Gender	Dongguan plant	Qunhan Plant	Suzhou plant	Chongqing plant
		The actual number of people who took leave.	male	3	0
female	4		2	2	5
Number of persons to be reinstated in the current year (A).	male	2	0	2	2
	female	2	2	5	4
Actual number of reinstated persons (B).	male	2	0	2	2
	female	1	2	1	0
Reinstatement rate (B/A).	male	100%	-	100%	100%
	female	50%	100%	20%	0%
The number of employees who are still in service twelve months after reinstatement(C).	male	0	0	2	2
	female	1	0	1	0
Retention rate (current year C/previous year B).	male	0%	-	100%	100%
	female	100%	0%	100%	-

Note 1: "-" indicates not applicable

Note 2: The number of persons who should be reinstated is based on the date of reinstatement in the current year

Note 3: Reinstatement rate = (total number of employees who actually reinstated in the current year / total number of employees who should be reinstated in the current year) * 100%.

Note 4: Retention rate = (total number of employees still in service 12 months after reinstatement / actual number of employees reinstated in the previous year) * 100%.

Employee benefits

In order to create a happy and healthy workplace, CviLux plans a variety of employee benefits, so that all employees can experience a high-quality workplace environment and a healthy and happy corporate culture, provides employees with a variety of welfare measures and a comfortable office environment, and organizes various employee welfare activities from time to time, so that employees can reduce work pressure and enhance positive interaction between colleagues.

Superior to laws and regulations and special benefits

Employee benefits programs	Applicable to the factory		Employee benefits programs	Applicable to the factory	
	Taiwan	China		Taiwan	China
58 days of maternity leave is better than the Labor Standards Act	✓		Family Day	✓	✓
An additional 7 days of family care leave is better than the Labor Standards Act	✓		Flexible commuting	✓	
Group insurance	✓	✓	Parking spaces for employees cars and motorcycles	✓	✓
Year-end bonus	✓	✓	Staff cafeteria	✓	✓
Employee dividends	✓		Staff easy afternoon tea coffee bar	✓	✓
Employee Stock Ownership Trusts	✓		Staff dormitories	✓	✓
Performance bonuses	✓	✓	Stress-relieving massage	✓	✓
Wedding money	✓	✓	Nursing room	✓	✓
Birthday gifts, cash gifts	✓	✓	Year-end tail teeth	✓	✓
Maternity incentives	✓	✓	Regular health check-ups	✓	✓
Funeral grants	✓	✓	Functional coats are given away	✓	
New Year's events or bonuses	✓	✓	Red envelopes for starting work	✓	✓
New Year's gifts	✓	✓	Night shift allowance	✓	✓
Travel grants	✓	✓	Introducing bonuses		✓
Group tours	✓	✓	Long-term bonus	✓	✓

Family Day Events

CviLux holds the Employee Family Day every year, in order to improve the physical and mental health of employees and enhance the parent-child relationship of the family.

The content of the activity is very rich, exciting, diverse and interesting, through the activities to make the family members of employees more harmonious, to achieve the purpose of holding the employee parent-child family day, and to implement the employee care policy.



5.4 Talent training and development

CviLux firmly believes that the continuous learning and growth of employees is the core of the sustainable development of the enterprise. We are committed to providing comprehensive education and training at all stages from entry to on-the-job to strengthen the professional skills of our employees and improve their work quality and professional ability.

We pay attention to the feedback from our employees during the training process as a key reference for future career development. Based on the annual operating plan, we develop and execute training plans according to our functions to ensure that the training objectives are met. The induction training needs form is specially designed to cultivate employees' innovative thinking and improve work efficiency.

New employees will receive a detailed introduction to the company's regulations and occupational safety, and will be specially trained by their departments. We encourage our employees to participate in business-related professional courses and provide a variety of learning pathways to support their personal and professional growth.

The department head is responsible for enhancing the professional skills of employees and providing individual coaching training when necessary to ensure that the company's standards for information systems, work processes and skills are met. All training results will be recorded in the employee's personal training resume, providing a valuable resource for their future career development.

The average number of hours of education and training in each plant

General education and training		Supervisor		Indirect		Operator		Total	
		Male	Female	Male	Female	Male	Female	Male	Female
Tamshui plant	Number	64	31	27	39	1	10	92	80
	Total training hours	912	876	243	456	11	102	1,166	1,434
	Average number of training hours	14.24	28.24	9.00	11.69	11.00	10.20	12.67	17.92
Dongguan plant	Number	22	8	119	93	35	81	176	182
	Total training hours	331	100	1,211	966	435	1,016	1,976	2,082
	Average number of training hours	15.05	12.50	10.17	10.39	12.41	12.54	11.23	11.44
Qunhan Plant	Number	20	4	28	49	10	21	58	74
	Total training hours	258	52	314	551	173	293	745	896
	Average number of training hours	12.90	13.00	11.21	11.24	17.30	13.95	12.84	12.11
Suzhou plant	Number	18	12	86	80	24	52	128	144
	Total training hours	317	281	830	926	214	496	1,360	1,702
	Average number of training hours	17.58	23.38	9.65	11.57	8.92	9.53	10.63	11.82
Chongqing plant	Number	11	4	61	77	20	112	92	193
	Total training hours	136	58	609	830	190	1,342	935	2,230
	Average number of training hours	12.36	14.50	9.98	10.77	9.50	11.98	10.16	11.55

The average number of hours of training for each functional skill in each factory area

Technical skills training		Supervisor		Indirect		Operator		Total	
		Male	Female	Male	Female	Male	Female	Male	Female
Tamshui plant	Number	64	31	27	39	1	10	92	80
	Total training hours	655	433	155	311	3	17	813	761
	Average number of training hours	10.23	13.97	5.74	7.97	3.00	1.70	8.84	9.51
Dongguan plant	Number	22	8	119	93	35	81	176	182
	Total training hours	131	43	791	585	129	186	1,050	814
	Average number of training hours	5.93	5.31	6.64	6.29	3.69	2.30	5.97	4.47
Qunhan Plant	Number	20	4	28	49	10	21	58	74
	Total training hours	117	25	195	576	118	138	430	738
	Average number of training hours	5.85	6.25	6.96	11.74	11.75	6.55	7.41	9.97
Suzhou plant	Number	18	12	86	80	24	52	128	144
	Total training hours	498	423	1,164	1,304	109	232	1,771	1,958
	Average number of training hours	27.67	35.21	13.53	16.29	4.54	4.46	13.83	13.6
Chongqing plant	Number	11	4	61	77	20	112	92	193
	Total training hours	122	76	457	898	151	1,108	730	2,081
	Average number of training hours	11.05	19.00	7.49	11.66	7.55	9.89	7.93	10.78

Integrity management training courses and status in 2023

The name of the training session	Total annual headcount	Trainees	Number of participants	Training rate
Integrity management, corporate governance, internal control management courses	7	Member of the Board of Directors	7	100%
	3	Corporate governance-related units	3	100%
Integrity management education and training (Integrity, Conflict of Interest, Anti-Bribery, Gifts and Hospitality, Protection and Use of Company Resources, Intellectual Property Rights and Confidentiality, Fair Competition Transactions, Money Laundering Control)	1,201	Employees of CviLux Group	1,201	100%

Human rights and labor training courses and status in 2023

The name of the training session	Course Duration: (hours)	Attend the training Number	Training rate
Induction education and training for new employees(Employee ethics, corporate sustainability policy, etc.)	1	487	100%
Human rights policy and anti-forced labor, etc.	1	1,201	98.5%
Human rights policy and anti-forced labor, etc.	1	1,201	98.5%

2023 Environmental Training Courses and Status

Hazardous Substances Regulations	Attend the training Number	Number of class hours
Hazardous Substances Regulations	186	186
Low blue color life course	186	186
Energy saving, carbon reduction and water conservation management	1,201	1,201

Note 1: The training object of the lecture on hazardous substance regulations and low-carbon green life is the supervisor of the group at or above the school level, and the training object of energy conservation, carbon reduction and water conservation management is all employees of the group

Performance appraisal system

CviLux has established a performance appraisal system, sets performance targets every year, conducts performance appraisals and interviews at the end of each year, and uses the appraisal results as the basis for promotion, salary adjustment, bonus issuance and remuneration payment. Through the employee appraisal linkage bonus system with the company's operating performance and annual net profit, and in accordance with the company's articles of association, 5%~12% of the employee's remuneration is allocated according to the profit, and after considering their seniority and annual performance appraisal, it is distributed to all colleagues to motivate all colleagues to work together for the goals of the group.

Number of people participating in the annual assessment		Supervisor		Indirect		Operator		Total	
		Male	Female	Male	Female	Male	Female	Male	Female
Tamshui plant	Number of people to be assessed	64	31	27	39	1	10	92	80
	Total number of people	64	31	21	36	1	10	86	77
	Assessment proportion	100%	100%	78%	92%	100%	100%	93%	96%
China factory	Number of people to be assessed	71	28	294	299	89	266	454	593
	Total number of people	71	28	291	294	89	266	451	588
	Assessment proportion	100%	100%	99%	98%	100%	100%	99%	99%

Note 1: In 2023, the personnel who did not participate in the assessment of the Tamsui Plant are employees who have not participated in the assessment for less than 3 months, and the Suzhou Plant is a cleaner

5.5 Occupational safety and health (403 - Occupational Safety Management System)

Description of major subject impact - occupational safety and health Materiality analysis

Materiality analysis		CviLux attaches great importance to the health, safety and health of its employees, and strictly requires the normal operation of the management system to effectively prevent potential workplace risks and reduce accidents.
Policies/ Commitments		Provide employees with a safe and healthy working environment, and manage business activities in accordance with the ISO45001 system and RBA Responsible Business Alliance guidelines to effectively prevent occupational accidents.
Objective	Short term	<ol style="list-style-type: none"> 0 fire accidents Health and safety promotion 1 time/half a year The number of occupational safety violations is 0 0 major occupational accidents 90% achievement rate of employees' annual health check-up
	Long term	<ol style="list-style-type: none"> We aim for zero accidents
Reporting and Grievance Channels		<ul style="list-style-type: none"> In 2023, the Group did not have any occupational accidents In 2023, the Group's occupational safety and health courses will be completed twice a year and the total number of classes will be 1,219 In 2023, the freshwater plant will obtain ISO45001 certification In 2023, Tamsui Plant and Suzhou Plant will obtain RBA certification
Grievance channels		cg_ta100@cvilux-group.com

5.5.1 Occupational health and safety management system (GRI403-1)

CviLux has introduced the ISO45001 system and RBA guidelines for the health and safety operation of employees, and all business activities follow the system specifications and operate effectively, creating a workplace environment that meets the requirements of laws and regulations, so as to achieve the sustainable business philosophy of protecting the environment and maintaining the health and safety of employees. Identify and effectively control the hazards related to the company's operational activities, implement the management of various departments to prevent occupational disasters, regularly plan crisis response projects and plans, implement emergency response drills, and manage and continuously improve accident investigations to achieve an occupational health and safety environment.

The scope of ISO45001 and RBA is as follows:

Factory	ISO45001	RBA
Tamshui plant	✓	✓
Dongguan plant	✓	
Qunhan Plant	✓	
Suzhou plant	✓	✓
Chongqing plant	✓	

5.5.2 Occupational Health, Safety and Health Committee (GRI403-4)

In order to maintain the health and safety operation of all workplaces, prevent accidents, establish a good working environment, implement the company's environmental safety and health policy and hierarchical responsibility management mechanism, and achieve the goal of all employees attaching importance to occupational safety and health, the committee holds quarterly meetings in accordance with the ISO45001 occupational health and safety management system specifications, and the meeting content includes daily collection of information and materials of all departments, relevant questionnaire investigations, first-aid materials inspection, etc. Identify and evaluate various safety and health risks and preventive measures, track the implementation of the target plan and conduct a review of the effectiveness, and submit the meeting minutes to the top authority and responsible supervisor, so as to facilitate internal and external stakeholders to communicate, consult and ensure the safety of the working environment of employees.

Occupational Safety and Health Committee/Employee Congress Headcount Ratio

Factory	Tamshui plant	Dongguan plant	Qunhan Plant	Suzhou plant	Chongqing plant
The number of representatives of the management side	5	3	3	3	3
Number of labor representatives	5	11	9	13	15
Proportion of labor representatives on the committee	50%	79%	75%	81%	83%

Consultation and communication

CviLux organizes an Occupational Health and Safety Committee to identify risks, and conduct internal and external consultation and communication.

Internal communication

- Occupational health and safety management information and management representative appointment letter, through documents, reports, training, meetings, electronic networks, announcements, etc., to ensure that employees are timely aware of and actively participate in occupational health and safety affairs.
- The company conducts internal communication with personnel at different levels of each department and contractors or visitors entering the workplace.
- Employee representatives gather opinions and suggestions and negotiate with managers at all levels.
- The internal information in the process of the activities of the system should be communicated to the relevant departments and personnel through appropriate means to receive, record and reply.

External Communications

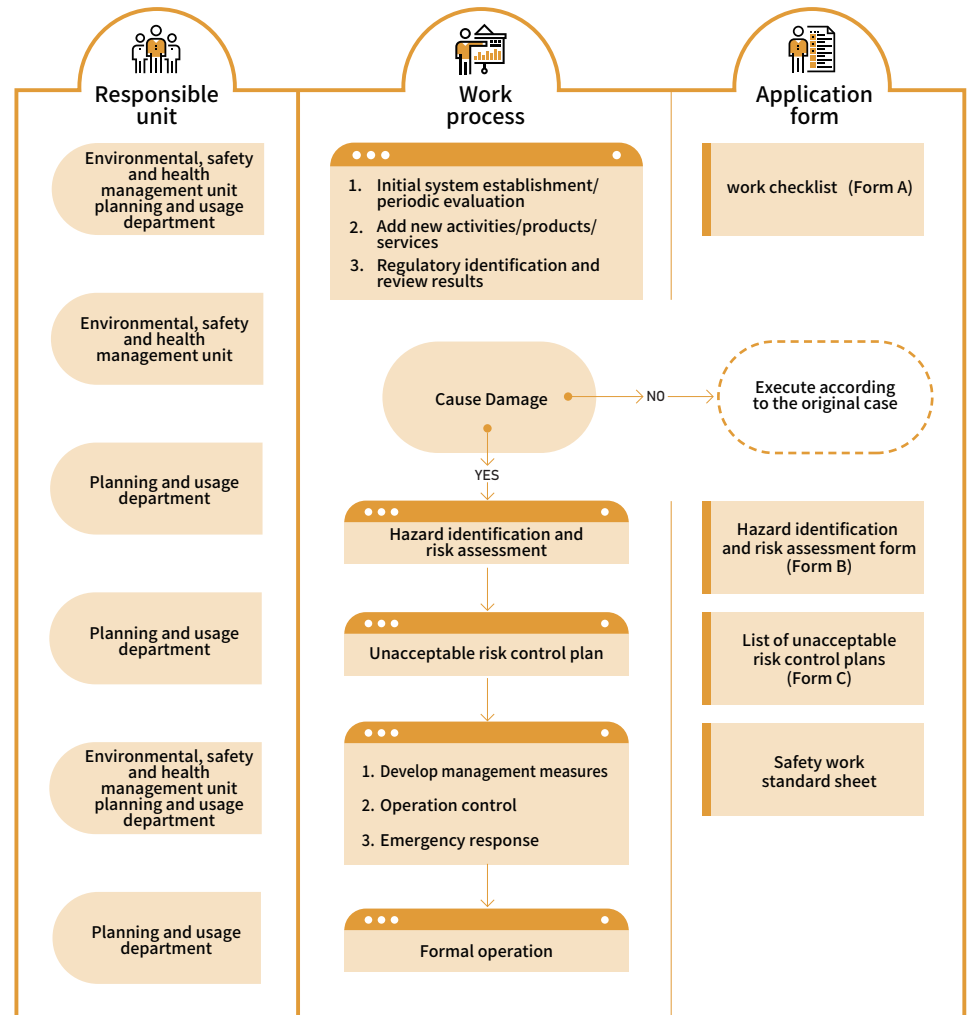
- When necessary, external stakeholders should be informed of the activities required by the company's occupational health and safety management system, ensure that they understand the relevant needs and supplies, and collect, record and process information feedback through information exchange with external parties.
- Negotiate with external stakeholders in a timely manner on changes that affect their occupational health and safety, and ensure that the relevant occupational health and safety matters are not affected by the external stakeholders.

Hazard identification and risk assessment(GRI403-2)

In order to avoid the health and safety hazards that may occur in the daily operation of each factory, resulting in the health, safety and financial losses of the personnel in the factory or the people outside the factory. Formulate hazard identification risk assessment management procedures, implement health, safety and health hazard identification and risk assessment, take appropriate preventive measures or implement necessary control methods, and then control the impact and risk to an acceptable level.

The scope includes the internal and external work activities of all personnel, the operation of facilities in the factory and outside the workplace that may affect the health, safety and health of the personnel under the control of the organization. Identify and assess the hazards of infrastructure, equipment and materials in the workplace by each department; Management representatives are required to conduct regular meetings to identify hazards and update risk assessments.

Identification and evaluation flowcharts



Risk assessment results

In 2023, all of the five production sites of CviX have identified and evaluated the issues of labor health, safety and health risks; The four major occupational health, safety and health risk issues are "human factors engineering", "traffic accidents", "mechanical injuries, electric shock" and "fire". The risk assessment results are all rated as "low".

Risk issues	Description of Risk Issues	Risk Assessment Tools	Risk Level
Human Factors Engineering	Vision loss, poor posture, hearing impairment	<ul style="list-style-type: none"> Hazard source identification and risk assessment form 	Low
Traffic accident	Accidents on the way to and from get off work		Low
Mechanical injury, electric shock	Machinery operation accidents that occur during work		Low
Fire	Fire accident in factory pipeline		Low

Regular risk checks

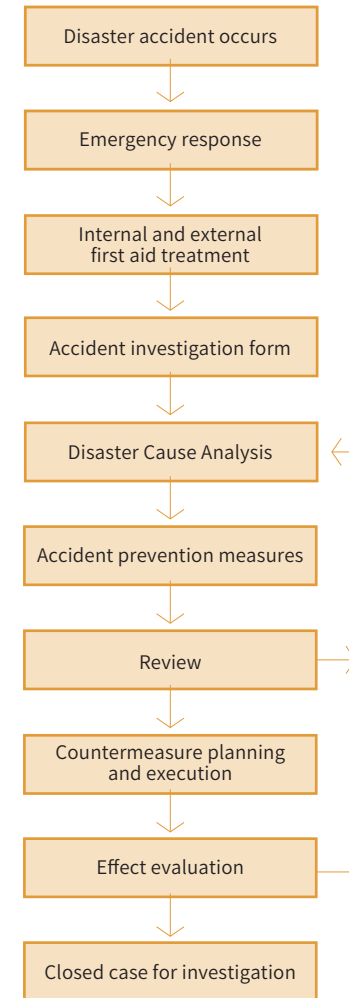
In order to ensure the effectiveness of the operation of the environmental, safety and health management system, internal audits are conducted on the operation of the environmental, safety and health management system on a regular basis to facilitate real-time improvement and prevention. An audit team should be organized by auditors with relevant qualifications, and an internal audit plan should be formulated and reviewed by the management representative, and the progress should be scheduled according to the operation status of each unit. The arrangement of auditors shall take into account the independence of the audit, the audit results shall be kept with relevant records, the audited unit shall take corrective measures for the non-conformities found in the audit and submit an improvement report, and the implementation status and effectiveness of the corrective measures shall be checked. The results of the internal audit shall be one of the topics to be tracked and discussed in the management review meeting.

In 2023, there was no abnormality in the 5 production bases of CviLux after risk check, and the system was operating normally.

Accident investigation (GRI 403-2)

The main purpose of the accident investigation and accident reporting operation code is to enable effective rescue and disposal in the event of an accident, investigate the cause of the disaster, and develop improvement measures to reduce the recurrence rate and ensure the occupational safety and health of workers.

Procedures for handling disaster accidents



In order to effectively prevent occupational disasters, take effective rescue and disposal immediately when an accident occurs, investigate the causes of disasters, develop improvement measures to reduce the recurrence rate, and ensure the occupational safety and health of workers, CviLux has formulated the "Accident Investigation and Accident Reporting Practice Specification".

1. When an accident occurs, the accident unit should fill in the 'false alarm/occupational accident notification form' within three days.
2. When a major disaster occurs, the supervisor of the accident unit shall fill in the 'false alarm/occupational disaster accident notification form' within 24 hours and send it to the occupational safety and health room; If you are unable to complete the written form within the time limit, you should notify the Occupational Safety and Health Office orally or by phone and send it back within three days.
3. After receiving the 'false alarm/occupational accident notification form', the occupational safety and health office shall initiate the investigation and handling procedure, investigate the cause of the accident, the accident prevention countermeasures, track the improvement situation, and fill out the 'false alarm/accident investigation form'.
4. Filing of accident investigation reports.
5. The accident unit shall submit relevant reports and review countermeasures in the management meeting, and inform the relevant precautions
6. When there is an immediate danger in the workplace, you can stop the operation and evacuate to a safe place.

The content of the accident report generally includes:

1. In the event of an occupational accident or false alarm in the company's workplaces or contractors, the accident unit shall notify the supervisor and management unit of the unit by telephone or verbally within one hour for support, and if there is a casualty, the emergency medical treatment will be carried out to avoid secondary injuries caused by the expansion of the disaster.
2. In accordance with Article 37, Paragraph 2 of the Occupational Safety and Health Law (hereinafter referred to as the "Occupational Safety Law"), the freshwater plant stipulates:

In the event of a major occupational accident in the Company, the Occupational Safety and Health Office shall notify the labor inspection agency within eight hours, and the definition of a major occupational disaster is as follows:

- Fatal disasters occur.
- The number of people affected by the disaster is more than three.
- In the event of a disaster, the number of people affected by the disaster is more than one person and hospitalization is required.
- Other disasters that have been designated and announced by the central competent authority.

3. According to Article 2 of the Regulations on the Reporting, Investigation and Handling of Production Safety Accidents, the Chinese plant stipulates: In the event of a major occupational accident in the Company, the employer shall notify the inspection agency within 24 hours, and the definition of a major occupational disaster is as follows:

- Extraordinarily serious accidents: refers to accidents that cause more than 30 deaths, or more than 100 serious injuries (including acute industrial poisoning, the same below), or direct economic losses of more than 100 million yuan .
- Major accident: refers to the death of more than 10 people and less than 30 people, or serious injuries of more than 50 people and less than 100 people, or more than 50 million yuan 1 Accidents with direct economic losses of less than 100 million yuan.
- Serious accident: refers to the death of 3 to 10 people, or serious injuries of 10 to 50 people, or 10 to 500 yuan Accidents with direct economic losses of less than 10,000 yuan.
- General accident: refers to an accident that causes the death of less than 3 people, or the serious injury of less than 10 people, or the direct economic loss of less than 10 million yuan.

4. In the event of a major occupational disaster, the scene shall not be moved or destroyed without the permission of the judicial organ or labor inspection agency, except for necessary first aid and rescue.

Statistics of occupational accidents and work-related injuries in each plant

Factory	Number of public injuries		Incapacitating injury frequency		Disabling injury severity rate		Occupational Disease Rate		Lost Time Rate		Total working hours	
	Male	Female	Male	Female	Male	Female	Male	Female	Male	Female	Male	Female
Tamshui plant	0	0	0%	0%	0%	0%	0%	0%	0%	0%	108,745	133,271
Dongguan plant	0	0	0%	0%	0%	0%	0%	0%	0%	0%	477,906	549,935
Qunhan Plant	0	0	0%	0%	0%	0%	0%	0%	0%	0%	152,429	195,582
Suzhou plant	0	0	0%	0%	0%	0%	0%	0%	0%	0%	295,464	405,615
Chongqing plant	0	0	0%	0%	0%	0%	0%	0%	0%	0%	151,253	346,184

Occupational Accident Injury Calculation Formula:

Frequency of Disabling Injuries = (Number of work-related injuries × 1,000,000) / Total working hours

Severity Rate of Disabling Injuries = (Total number of days of work-related injury leave × 1,000,000) / Total working hours

Occupational Disease Rate (ODR) = (Number of occupational disease cases / Total working hours) × 200,000

Lost Day Rate (LDR) = (Number of lost workdays due to injuries / Total working hours) × 200,000

The number of work-related injuries and days of work-related injury leave exclude traffic accidents that occur while commuting to and from work.

Shocking Incidents in 2023: 1 incident occurred in the Tamsui Plant, 2 incidents in the Dongguan Plant, 1 incident in the Qunhan Plant, 2 incidents in the Suzhou Plant, 3 incidents in the Chongqing Plant.

Occupational safety education and training(GRI403-5)

In order to improve employees' occupational health and safety and disaster response capabilities, and to meet the requirements of laws and regulations, CviLux has divided environmental safety and health training into pre-employment and on-the-job training. The types of training include environmental safety and health or production safety personnel, environmental safety and health related business supervisors, hazardous machinery and equipment operators, special operation personnel, fire prevention and fire protection, use of protective equipment, 5S assessment personnel, environmental safety and health personnel and other training designated by the central competent authority.

In 2023, after receiving occupational safety and health-related training, there were 0 occupational injuries and occupational diseases in that year.

Training course name	Number of people attending class	Number of class hours
Disaster prevention knowledge promotion	1,201	1,201
fire drill	1,201	2,402
On-the-job safety and health education and training for first responders	1	3
Radiation operator training	2	21
ISO45001 Control Key Points/Hazard Source Identification	186	186
Production Safety Management Course	1,201	1,201
Chemical use, radiation safety and first aid training	1,201	1,201

Note 1: The training objects of ISO45001 control focus/hazard identification are the supervisors above the class level of the group, and the training objects of the rest of the courses are all employees of the group.

Measures to prevent external environmental safety and health shocks (GRI403-7)

In order to strengthen the control of the safe operation of external construction personnel in the factory and avoid the threat to the property and the life safety of both companies due to the lack of understanding of the production situation of our company, CviLux has formulated the environmental safety and health regulations in accordance with the Occupational Safety and Health Law and other relevant laws and regulations to manage the impact of environmental safety and health and prevent occupational disasters.

All contractors are required to attach the 'Contractor's Environmental, Safety and Health Management Agreement' when signing written contracts; The safety and health management personnel or on-site person in charge reported by the contractor or sub-contractor shall keep in touch with the company's supervisors and safety and health management personnel, and be responsible for and implement the safety and health management work at the work site in accordance with the inspection priorities and occupational safety and health related laws and regulations.

5.6 Employee health management and health promotion (GRI403-3、403-6)

Since 2023, the Tamsui Plant has provided employee health check-ups, and arranged free health check-ups for employees every two years, and overseas factories have conducted annual or biennial check-ups for employees who have been employed for one year, the previous health check-up of the Tamsui plant was in 2022, and the number of health check-ups in overseas factories in 2023 was 1,021. The health screening rate was 97.52%.

The Tamshui plant arranges on-site services from specialists and nurses every quarter, provides health-related medical consultation and health education for employees, and formulates four major labor health protection plans: overwork plan, human cause injury plan, illegal infringement plan, and maternal health plan, so that employees can work in a safer and more appropriate way, avoid health hazards in the workplace or at work, and implement personal health protection and health management. CviLux encourages employees to participate in after-work sports clubs, such as jogging clubs, yoga clubs, etc. In addition to the regular labor occupational safety and health courses, Chinese medicine talks about pain relief, CPR+AED+Hamlich teaching... and other courses and pressure relief massage services for the visually impaired to enhance employees' self-health awareness. For the workplace, medical boxes are set up in each area for employees to use; Regularly measure the working environment and make the results known (e.g., carbon dioxide, lighting, and noise); Regularly replace drinking water filters and conduct E. coli tests in accordance with regulations, so that employees can drink with peace of mind.

Tamshui plants use stress relief massages for people

Annual	Person-times
In 2023	1,500
In 2022	1,500
In 2021	1,500

Number of on-site services provided by the Tamshui plant

Annual	Service Hours	Number of interviews			
		Health Consultation/ Health Examination Abnormal Health Education	Human factors and overload counseling	Unlawful Infringement Publicity	Maternal protection and health education/middle-aged and elderly counseling
In 2023	112	99	92	117	44
In 2022	112	84	59	54	14

Percentage of overseas factories receiving health inspections

Category	Dongguan plant	Qunhan Plant	Suzhou plant	Chongqing plant	Overseas Factories Total
Number of health checkers	332	132	272	285	1,021
Percentage	92.74%	100%	100%	100%	97.52%
Total number of people	358	132	272	285	1,047

First aid course teaching



06

Social care

CviLux exerts a positive influence in conjunction with the SDGs goals, echoes the values of symbiosis with the earth, unites stakeholders and integrates resources to contribute to sustainable development and social progress.

As a member of the whole society, the company is interdependent with investors, employees, local communities and other stakeholders, and we cooperate with local organizations to ensure that resources can be provided to those who are truly in need. In addition to devoting itself to public welfare in its own name, CviLux also responds to the group's call to donate funds to charities in need, and is committed to making the most effective use of resources by gathering the kindness of all people, and striving to make the society a better place.



| 6.1 Participate in social welfare

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Annual performance

- "Do something for Tamsui River" action initiative "Water system citizen natural ecological visit activity"
- Support World Vision Taiwan's rescue of children in Turkey and Syria with NT\$150,000

6.1 Participate in social welfare

Local Care

Headquartered in Tamshui, CviLux is far away from the city, making it more difficult to recruit talent than companies located in the city center. Therefore, CviLux has been committed to the economic development and social contribution of Tamsui region, and has formulated reasonable compensation and welfare policies to provide employment opportunities for residents of Tamsui, Sanzhi and Jinshan, reduce commuting time and costs, and improve the quality of life of employees. At the same time, it has also promoted the industrial transformation and upgrading of Tamsui, and Tamsui Corporation employs 50% of local manpower. We are deeply honored to have grown with the Freshwater community and to enhance the community's interaction and recognition with us.

Do One Thing for the Tamshui River

Since 2019, CviLux has participated in and continued to respond to this activity, eliminating 3% of severe pollution together, showing its support with action, and it is expected that we will make a contribution to the recovery of water resources with the "Care for the Health of Freshwater River". CviLux is committed to doing the following for Tamsui River.

- Re-understand the Tamsui River, take photos of the river near offices or factories, and care about the health of the Tamshui River. ◦
- Encourage employees to actively participate in the public governance of the freshwater river system and be responsible water system corporate citizens.

Disaster Relief Donation

Support World Vision Taiwan to rescue children in Turkey and Syria with NT\$150,000



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 彭一正、葉健和、廖裕輝、鍾明道

林啟禎
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 財團法人新光吳火獅文教基金會
 瀚荃股份有限公司
 任晶晶
 詹小燕
 劉志忠

Responding to biodiversity


CviLux

MAY 22
 International Day for Biological Diversity

22 Actions
We Can Do !


BIODIVERSITY
DAY 22 MAY

Respond to "Earth Hour", Reduce Carbon and Love the Earth



07

Appendix

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Appendix 1 - Verification Statement



Independent Assurance Statement Based on 2023 Sustainability Report of Cvilux Corporation

Statement No.: 2407007

Cvilux Corporation (hereinafter referred to as Cvilux) and GREAT International Certification Co., Ltd. (hereinafter referred to as GREAT) are independent companies and organizations. Except for the evaluation and verification of the company's 2023 sustainability report, GREAT has no financial relationship with Cvilux.

The purpose of this independent assurance statement (hereinafter referred to as the Statement) is only to serve as the conclusion of guaranteeing the relevant matters within the scope defined in the following relevant Cvilux's Sustainability Report, and not for other purposes. Except for the Statement for fact verification, GREAT does not bear any relevant legal or other responsibilities for the use of other purposes, or anyone who reads this Statement.

This Statement is based on the conclusions made by the relevant information verification provided by Cvilux to GREAT. Therefore, the scope of the review is based on and limited to the content of the information provided. GREAT believes that the information content is complete, accurate and precise. Any questions about the content of this Statement or related matters will be answered by Cvilux.

The Scope of Assurance

The verification scope of Cvilux and GREAT agreement includes:

- The contents of the entire sustainability report and all operating performance of Cvilux from January 1, 2023 to December 31, 2023;
- According to the type 1 of AA1000 Assurance Standard v3, evaluate the nature and degree of Cvilux's compliance with the AA1000 Accountability Principles (2018), excluding the verification of the reliability of the information/data disclosed in the report.
- This Statement is made in Chinese and translated into English for reference.

Verification Opinion

We summarize the content of Cvilux 's sustainability report, and provide a fair standpoint of Cvilux 's related operations and performance. We believe that the specific performance indicators of Cvilux in 2023, such as environment, society and corporate governance, are presented correctly. The performance indicators disclosed in the report demonstrate Cvilux 's expectations and efforts to identify and satisfy stakeholders.

Our verification work is carried out by a group of teams with verification capabilities according to the AA1000 Assurance Standard v3, as well as the planning and execution of this part of the work to obtain the necessary information data and instructions. We believe that the evidence provided by Cvilux is sufficient to show that its reporting method and self-declaration in accordance with the AA1000 Assurance Standard v3 and its 2018 appendix are in line with the GRI Sustainability Reporting Guidelines.

Verification method

To gather the evidence relevant to the conclusions, we performed the following:

- To conduct a senior management review of issues from external parties related to Cvilux 's corporate policies to confirm the appropriateness of the statement in this report;
- To discuss with the managers of Cvilux about the way of stakeholder participations, and have no direct contact with external stakeholders;
- To interview with employees related to the preparation of the sustainability report and information provision;
- To audit the performance data of Cvilux on a sampling basis;
- To evidence supporting the claims made in the review report;
- To Review the management process of the principles of inclusivity, materiality, responsiveness, and impact described in the company report and its related AA1000 Accountability Principles (2018).

Conclusion

The results of a detailed review of the AA1000 Accountability Principles (2018) including inclusivity, materiality, responsiveness, impact and GRI sustainability reporting standards are as follows:

- **Inclusivity**

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Cvilux has established a process of cooperation with major stakeholders, including investors/shareholders, customers, employees, suppliers, community and government agencies/schools, etc., and will launch a series of stakeholder activities in 2023, involving economy, environment, society and a series of major themes. In terms of our professional opinion, this report covers the inclusivity issues of Cvilux.

- Materiality

The report has stated that Cvilux focuses on economy, environment, society topics, and identified 7 major topics including operating performance, innovative R&D, information security/business secret protection, sustainable supply chain, occupational safety, product responsibility/product safety and customer services, etc. In terms of our professional opinion, this report appropriately covers the materiality issues of Cvilux.

- Responsiveness

Cvilux responds to requests and opinions from stakeholders. Implementation methods include shareholders meeting, corporate briefing session, public information observatory, annual report, company website's investor area, customer satisfaction survey, employee welfare committee, labor-management meeting, regular supplier evaluation/on-site audit, community welfare activities, government agency regulations review/factory random inspection visits, those numerous internal and external stakeholder communication mechanisms, as an opportunity to provide further responses to stakeholders, and to promptly respond to stakeholder concerns. In terms of our professional opinion, this report covers the responsiveness issues of Cvilux.

- Impact

Cvilux has identified and fairly demonstrated its impact with balanced and effective measurement and disclosure. Cvilux has established a process for monitoring, measuring, evaluating and managing impacts, which helps to achieve more effective decision-making and results management within the organization. In terms of our professional opinion, this report covers the impact issues of Cvilux.

- GRI Guidelines

Cvilux provides the self-declaration of compliance with the GRI Sustainability Reporting Standards and relevant information. Based on the results of the review, we confirm that the report refers to the social responsibility and sustainability of the GRI Sustainability Reporting Standards. Relevant disclosure items for developments have been disclosed, partially disclosed, or omitted. In terms of our professional opinion, this self-declaration covers Cvilux 's social responsibility and sustainability themes.

Assurance level

According to the AA1000 Assurance Standard v3 and its 2018 Appendix, we have verified that this Statement is a moderate level of assurance, as described in the scope and methods of this Statement.

Responsibility

The responsibility of the sustainability report, as stated in this Statement, is owned by the person in charge of Cvilux. The responsibility of GREAT is solely to provide professional opinions based on the scope and methods described, and to provide a Statement for the stakeholders.

Ability and Independence

GREAT is composed of experts in various management system fields. The verification team is composed of members with professional background, who have received training in a series of sustainable development, environmental and social management standards such as AA1000 AS v3, ISO 9001, ISO 14001 and ISO 45001, and are qualified as lead auditors.

On behalf of the assurance team AUG. 01, 2024

GREAT International Certification Co., Ltd.

Taiwan, Republic of China

Signed by General Manager W. J. Chen



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Appendix 2 - GRI Guidelines Comparison Table

★Major Themes

Statement of use	CviLux has reported content from January 1 to December 31, 2023 in accordance with GRI guidelines
GRI 1 used	GRI 1 : Basics 2021
Applicable GRI Industry Code	Our company is in the electronic components industry and there are no applicable GRI industry standards.

Topic	Reveal project	Project description	chapter	page	Omit reasons/necessary explanations	GRI Industry Code Revealed Projects in Reference number
GRI 2: General Disclosure 2021						
Organization and reporting practices	2-1	Organization details	2.1 Company Profile	16		
	2-2	Entities included in organizational sustainability reporting	About the report	02		
	2-3	Reporting period, frequency and contact person	About the report	02		
	2-4	Information rearrangement	About the report	02		
	2-5	external assurance/assurance	About the report	02		
Activities and Workers	2-6	Activities, value chains and other business relationships	2.1 Company Profile	16		
	2-7	staff	5.2 Employee Profile	60		
	2-8	non-employee workers	5.2 Employee Profile	60		
Governance	2-9	Governance structure and composition	2.4 Governance practices	20		
	2-10	Nomination and selection of the highest governance unit	2.4 Governance practices	20		
	2-11	Chairman of the highest governance unit	2.4 Governance practices	20		
	2-12	The role of the highest governance unit in monitoring impact management	1.1 Organizational context-Sustainability Committee	07		
	2-13	Head of Impact Management	1.1 Organizational context-Sustainability Committee	07		
	2-14	The role of the highest governance unit in sustainable reporting	1.1 Organizational context-Sustainability Committee	07		
	2-15	conflict of interest	2.4 Governance practices	20		
	2-16	Communicate key events	2.4 Governance practices	20		
	2-17	Crowd intelligence in the highest governance unit	2.4 Governance practices	20		
	2-18	Performance evaluation of the highest governance unit	2.4 Governance practices	20		
	2-19	remuneration policy	2.4.2 Functional Committee	23		
	2-20	Salary Decision Process	2.4.2 Functional Committee	23		
	2-21	Annual total remuneration ratio	5.3 Employee compensation and benefits	64		

Topic	Reveal project	Project description	chapter	page	Omit reasons/necessary explanations	GRI Industry Code Revealed Projects in Reference number
GRI 2: General Disclosure 2021						
Strategy, Policy and Practice	2-22	Statement on sustainable development strategy	Chairman's message	03		
	2-23	policy commitments	2.4.4 Ethical integrity	26		
			3.5 Sustainable supply chain	42		
	2-24	Incorporate policy commitments	2.4.4 Ethical integrity	26		
			3.5 Sustainable supply chain	42		
	2-25	Procedures for remediating negative shocks	2.4 Governance practices	20		
2-26	Mechanisms for seeking advice and raising concerns	2.4 Governance practices	20			
	2-27	Compliance	2.6 Compliance with regulations	31		
Stakeholder discussion	2-28	Membership of public associations	Public association information	05		
	2-29	Stakeholder discussion policy	1.2 Stakeholder identification and analysis of major themes	08		
	2-30	group agreement	5.1 Human Rights Management	55		
GRI3: Key Themes 2021						
Major themes	3-1	Process for deciding major topics	1.2 Stakeholder identification and analysis of major themes	08		
	3-2	List of major topics	1.2 Stakeholder identification and analysis of major themes	08		
Economic aspect						
★Economic performance						
GRI3 : Major Themes 2021	3-3	Major theme management	2.7 Operational performance	32		
GRI201 : Economic Performance 2016	201-1	The direct economic value generated and distributed by the organization	2.7 Operational performance	32		
	201-2	Financial impacts and other risks and opportunities arising from climate change	4.1 Climate-related financial disclosures	45		
	201-3	Defining Benefit Plan Obligations and Other Retirement Plans	5.3 Employee compensation and benefits	64		
	201-4	Financial subsidies from the government	2.7 Operational performance	32		
Economic aspect						
★Purchasing Practice						
GRI 3 : Major Themes 2021	3-3	Major theme management	3.5 Sustainable supply chain	42		
GRI 204 : Procurement Practice 2016	204-1	Proportion of procurement spend from local suppliers	3.5 Sustainable supply chain	42		

Topic	Reveal project	Project description	chapter	page	Omit reasons/necessary explanations	GRI Industry Code Revealed Projects in Reference number
Economic aspect						
★Economic performance						
GRI3 : Major Themes 2021	3-3	Major theme management	2.7 Operational performance	32		
GRI201 : Economic Performance 2016	201-1	The direct economic value generated and distributed by the organization	2.7 Operational performance	32		
	201-2	Financial impacts and other risks and opportunities arising from climate change	4.1 Climate-related financial disclosures	45		
	201-3	Defining Benefit Plan Obligations and Other Retirement Plans	5.3 Employee compensation and benefits	64		
	201-4	Financial subsidies from the government	2.7 Operational performance	32		
★Information security/business secret protection						
GRI 3 : Major Themes 2021	3-3	Major theme management	3.5 Sustainable supply chain	34		
Information security/operational secret protection	-	Proportion of procurement spend from local suppliers	3.5 Sustainable supply chain	34		
★ Emissions						
GRI 305 :Emissions 2016	305-1	Direct (Scope 1) greenhouse gas emissions	4.2 Energy and Greenhouse Gas Management	48		
	305-2	Energy indirect (scope 2) greenhouse gas emissions	4.2 Energy and Greenhouse Gas Management	48		
	305-3	Other indirect (Scope 3) greenhouse gas emissions	4.2 Energy and Greenhouse Gas Management	48		
	305-4	Greenhouse gas emission intensity	4.2 Energy and Greenhouse Gas Management	48		
	305-5	Greenhouse gas emission reduction	4.2 Energy and Greenhouse Gas Management	48		
waste						
GRI 306 : Waste 2020 Management Policy	306-1	Waste generation and significant waste-related impacts	4.4 Waste disposal	53		
	306-2	Managing significant waste-related impacts	4.4 Waste disposal	53		
GRI 306 : Waste 2020 Management Policy	306-3	waste generation	4.4 Waste disposal	53		
	306-4	Waste disposal and transfer	4.4 Waste disposal	53		
	306-5	Direct disposal of waste	4.4 Waste disposal	53		
★Supplier environmental assessment						
GRI 3 : Major Themes 2021	3-3	Major topic management	3.5 Sustainable supply chain	42		
GRI 308 : Supplier Environmental Assessment 2016	308-1	Use environmental criteria to screen new suppliers	3.5 Sustainable supply chain	42		
	308-2	Negative environmental impacts of supply chains and actions taken	3.5 Sustainable supply chain	42		

Topic	Reveal project	Project description	chapter	page	Omit reasons/necessary explanations	GRI Industry Code Revealed Projects in Reference number
Social aspect						
Labor-employer relationship						
GRI 401 : Employment Relations 2016	401-1	New and retired employees	5.2 Employee Profile	60		
	401-2	Benefits provided to full-time employees (excluding temporary or part-time employees)	5.3 Employee compensation and benefits	64		
	401-3	parental leave	5.3 Employee compensation and benefits	64		
Labor/management relations						
GRI 402 : Labor/ Management Communication 2016	402-1	The notice period for major changes in the company's operations is handled in accordance with local laws and regulations.	5.1 Human Rights Management	55		
★Occupational safety and health						
GRI 3 : Major Themes 2021	3-3	Major topic management	5.5 Occupational safety and health	71		
GRI 403 : Occupational Safety and Health 2018 Management Policy	403-1	Occupational safety and health management system	5.5 Occupational safety and health	71		
	403-2	Hazard identification, risk assessment, and accident investigation	5.5 Occupational safety and health	71		
	403-3	occupational health services	5.5 Occupational safety and health	71		
	403-4	Worker participation, consultation and communication on occupational safety and health	5.5 Occupational safety and health	71		
	403-5	Worker training on occupational safety and health	5.5 Occupational safety and health	71		
	403-6	worker health promotion	5.5 Occupational safety and health	71		
	403-7	Prevent and mitigate the impact of occupational safety and health directly related to business relationships	5.5 Occupational safety and health	71		
GRI 403 : Occupational Safety and Health 2018	403-8	Workers covered by the occupational safety and health management system	5.5 Occupational safety and health	71		
	403-9	occupational injuries	5.5 Occupational safety and health	71		
	403-10	occupational diseases	5.5 Occupational safety and health	71		
Training and education						
GRI 404 : Training and Education 2016	404-1	Average hours of training per employee per year	5.4 Talent training and development	68		
	404-2	Enhancement of employee functions and transition assistance programs	5.4 Talent training and development	68		
	404-3	Percentage of employees who receive regular performance and career development reviews	5.3 Employee compensation and benefits	64		
Employee Diversity and Equal Opportunities						
GRI 405 : Employee Diversity and Equal Opportunities 2016	405-1	Diversity of governance units and employees	5.2 Employee Profile	60		

Topic	Reveal project	Project description	chapter	page	Omit reasons/necessary explanations	GRI Industry Code Revealed Projects in Reference number
social aspect						
★Supplier social assessment						
GRI 3 : Major Themes 2021	3-3	Major topic management	3.5 Sustainable supply chain	42		
GRI 414 : Supplier Social Assessment 2016	414-1	New suppliers screened using social criteria	3.5 Sustainable supply chain	42		
	414-2	Negative social impacts in supply chains and actions taken	3.5 Sustainable supply chain	42		
★Customer health and safety						
GRI 3 : Major Themes 2021	3-3	Major topic management	3.2 Product Responsibility and Safety	39		
GRI 416 : Customer Health and Safety 2016	416-1	Assess the impact of product and service categories on health and safety	3.2 Product Responsibility and Safety	39		
	416-2	Breach of health and safety regulations regarding products and services	3.2 Product Responsibility and Safety	39		
★Marketing and Labeling						
GRI 3 : Major Themes 2021	3-3	Major topic management	3.2 Product Responsibility and Safety	39		
GRI 417 : Marketing & Signage 2016	417-1	Product and service information and labeling requirements	3.2 Product Responsibility and Safety	39		
	417-2	Incidents of failure to comply with regulations on information and labeling of products and services	3.2 Product Responsibility and Safety	39		
	417-3	Incidents of failure to comply with laws and regulations regarding marketing communications	3.2 Product Responsibility and Safety	39		
★Customer service						
GRI 3 : Major Themes 2021	3-3	Major topic management	3.4 Customer Service	40		
GRI 418 : Customer privacy	418-1	Complaints of substantiated breach of customer privacy or loss of customer information	3.4 Customer Service	40		
Public welfare participation						
Custom theme	-	Charity participation activities	Social care	81		

Appendix 3 - Sustainable Accounting Standards (SASB)

Reveal the subject	Indicator code	Character	Reveal indicators	Annual disclosures	Corresponding chapter
Energy Management	RT-EE-130a.1	Quantify	(1) Total energy consumption {GJ} (2) Grid power usage proportion (%) (3) Renewable energy usage ratio (%)	Total energy consumption: 49,628.69 (GJ) Percentage of purchased electricity: 98.66% Renewable energy usage rate: 1.34%	4.2 Energy and Greenhouse Gas Management
Hazardous Substance Management	RT-EE-150a.1	Quantify	Hazardous waste weight {T} and recycling percentage (%)	Weight of hazardous waste generated: 12.63 metric tons (t) 100% of hazardous industrial waste is entrusted to legal disposal agencies for disposal in accordance with regulations	4.4 Waste disposal
	RT-EE-150a.2		Number of reportable spills and total volume (kg), total volume recovered (kg)	0	4.4 Waste disposal
Product Safety	RT-EE-250a.1	Quantify	Number of product recalls and total number of recalled products	0	3.2 Product Responsibility and Safety
	RT-EE-250a.2		Total property damage resulting from product safety-related legal proceedings	0	3.2 Product Responsibility and Safety
Product life cycle management	RT-EE-410a.1	Quantify	Percentage of revenue from products compliant with IEC 62474 standard (%)	Not applicable	2.1 Company Profile 3.5.2 Product liability and safety
	RT-EE-410a.2		Percentage of qualifying products that meet Energy Star standards, by revenue	Not eligible for ENERGYSTAR®. not applicable	
	RT-EE-410a.3		Total revenue from renewable energy-related products and energy efficiency-related products	Not applicable	
Raw material procurement	RT-EE-440a.1	Discussion and Analysis	Risk management description for key raw materials	CviLux conducts supplier risk analysis, evaluates supplier performance, schedules audit plans, and formulates "Operation Standards for Environmental Management Substances", "Operation Standards for Halogen-Free Products" and internal product production safety-related specifications to safeguard the health and safety of customers.	3.2 Product Responsibility and Safety
Business ethics	RT-EE-510a.1	Discussion and Analysis	Describe policies and practices to prevent: (1) corruption and bribery, and (2) anti-competitive conduct	0	2.4 Governance practices
	RT-EE-510a.2	Quantify	Total financial losses resulting from legal proceedings related to bribery or corruption	0	
	RT-EE-510a.3		Total financial losses resulting from legal proceedings related to anti-competitive conduct provisions	0	
Activity indicators	RT-EE-000.A	Quantify	Number of products produced by product category	9,808,646	2.1 Company Profile
	RT-EE-000.B		Number of employees	1,219	5.2 Employee Profile
Note: key materials	<p>1.1 Critical materials are defined as materials that are essential in their use and for which there is a risk of supply constraints. This definition is derived from the National Academies of Sciences Minerals, Critical Minerals, and the National Research Council of the United States Economics.</p> <p>1.2 Examples of critical materials include, but are not limited to, the following as defined by the National Research Council:</p> <p>1.2.1 Antimony, cobalt, fluorite, gallium, germanium, graphite, indium, magnesium, niobium, tantalum, and tungsten;</p> <p>1.2.2 Platinum group metals (platinum, palladium, iridium, rhodium, ruthenium and osmium); and</p> <p>1.2.3 Rare earth elements, including yttrium, scandium, lanthanum and the lanthanide series (cerium, praseodymium, neodymium, promethium, samarium, europium, gadolinium, terbium, dysprosium, holmium, erbium, thulium, ytterbium and lutetium)"</p>				

Appendix 4 - Sustainable Disclosure Indicators-Electronic Components Industry

serial number	index	Indicator type	Annual disclosures
1	Total energy consumption, percentage of purchased electricity and renewable energy usage rate (GJ.%)	Quantify	Total energy consumption: 49,628.69 (GJ) Percentage of purchased electricity: 98.66% Renewable energy usage rate: 1.34%
2	Total water intake and total water consumption (thousand cubic meters m3)	Quantify	Total water withdrawal: 150.678 million liters
3	Weight and recycling percentage of hazardous waste generated (metric tons.percentage)	Quantify	Weight of hazardous waste generated: 12.63 metric tons (t) 100% of hazardous industrial waste is entrusted to legal disposal agencies for disposal in accordance with regulations
4	Describe the types, number and ratio of occupational accidents (number.%)	Quantify	5.5 Occupational safety and health
5	Disclosure of product life cycle management: including the weight of end-of-life products and electronic waste and the percentage of recycling (Note 1) (metric tons. percentage)	Quantify	4.4 Waste disposal
6	Description of risk management associated with the use of critical materials	Qualitative description	Not applicable
7	Total pecuniary losses (\$) resulting from legal proceedings related to anti-competitive conduct regulations	Quantify	0
8	Output of main products by product category	Quantify	9,808,646

Appendix 5 - Climate-related information of listed companies

The risks and opportunities that climate change poses to the company and the relevant response measures taken by the company

Project	Chapters disclosed in the report
1. Describe board and management oversight and governance of climate-related risks and opportunities	4.1 Climate-related financial disclosures
2. Describe how the identified climate risks and opportunities affect the company's business, strategy and finances (short-term, medium-term, long-term)	4.1 Climate-related financial disclosures
3. Describe the financial impact of extreme climate events and transition actions	4.1 Climate-related financial disclosures
4. Describe how climate risk identification, assessment and management processes are integrated into the overall risk management system	4.1 Climate-related financial disclosures
5. If scenario analysis is used to assess resilience to climate change risks, the scenarios, parameters, assumptions, analysis factors and main financial impacts used should be explained.	4.1 Climate-related financial disclosures
6. If there is a transformation plan to manage climate-related risks, describe the content of the plan, and the indicators and targets used to identify and manage physical risks and transformation risks.	4.1 Climate-related financial disclosures
7. If internal carbon pricing is used as a planning tool, the basis for setting the price should be stated.	Internal carbon pricing has not yet been implemented
8. If climate-related goals are set, information such as the activities covered, greenhouse gas emission scope, planning schedule, annual achievement progress, etc. should be explained; if carbon offsets or renewable energy certificates (RECs) are used to achieve relevant goals, information such as Explain the source and quantity of carbon reduction credits or the quantity of renewable energy certificates (RECs) being redeemed.	4.1 Climate-related financial disclosures
9. Greenhouse gas inventory and confirmation status	4.2 Energy and Greenhouse Gas Management

Factory	In 2021			In 2022			In 2023		
	Category I	Category II	total	Category I	Category II	total	Category I	Category II	total
Tamshui plant	30.51	228.90	259.41	41.55	203.79	245.3421	40.6187	208.1217	248.7404
Dongguan plant	130.38	3,186.29	3,316.67	2.31	3,094.94	3,097.25	5.56	2,606.68	2,612.24
Qunhan Plant	--	711	--	1.85	777.97	779.82	2.44	871.47	873.91
Suzhou plant	193.47	4,671.08	4,864.55	23.68	3,329.16	3,352.84	38.38	3,006.92	3,045.30
Chongqing plant	66.94	1,724.22	1,791.16	38.87	1,534.95	1,573.82	35.78	1,309.81	1,345.59

Note 1: The fresh water plant will conduct inspections in accordance with the ISO14064-1:2018 standard starting from 2021, and obtain a reasonable assurance level from a third-party impartial unit. Each overseas production base completes its own independent inventory and discloses its greenhouse gas emissions on the blue map (IPE website)

Note 2: Qunhan Factory did not upload the IPE website in 2021, so there is no data.

Appendix 6 - United Nations Global Compact Classification and Corresponding Principles

	United Nations Global Compact Classification and Corresponding Principles	Report Chapters	Page
Human rights	Support and respect the internationally recognized declaration on the protection of human rights	external initiatives	04
	Ensure that no human rights violations are involved	5.1 Human Rights Management	55
Labor	Protect workers' freedom of assembly and association and effectively recognize the right to collective bargaining	5.1 Human Rights Management	55
	All forms of forced labor are prohibited	5.1 Human Rights Management	55
	Really ban child labor	5.1 Human Rights Management	55
	End employment and career-related discrimination	5.1 Human Rights Management	55
Environment	Support preventive responses to environmental challenges	4.1 Climate-related financial disclosures	45
	Adopt more corporate environmental responsibility practices	4.1 Climate-related financial disclosures	45
	Encourage the development and promotion of environmentally friendly technologies	4.1 Climate-related financial disclosures	45
Anti-corruption	Corruption of any kind, including extortion and bribery, is prohibited	2.4 Governance practices	20



2023 SUSTAINABILITY REPORT

 **CviLux Group**

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