TRI
innovation

SUSTAINABILITY
REPORT
2023
德 律 科 技
永 續 報 告 書

Preface

About This Report

This report is the second Sustainability report (ESG Report) issued by Test Research, Inc. (stock code 3030, hereinafter referred to as TRI). It is written following the core disclosure option of the GRI Standards issued by the Global Reporting Initiative (GRI). This report aims to disclose to stakeholders TRI 's operational strategies, investments, and performance in sustainable development.

Report Boundaries and Data

This report discloses the performance data in economic, environmental, and social aspects for the year 2023 (January 1, 2023, to December 31, 2023). To ensure the completeness and comparability of the information, some performance data are traced back to December 31, 2021, and earlier periods. The boundaries of this report cover TRI including its operational areas such as the Taipei headquarters, Taoyuan Guishan plant, and offices in Hsinchu, Taichung, and Kaohsiung, Taiwan. The data and information disclosed in this report are compiled and provided by the relevant responsible departments. The collection, measurement, and calculation methods of the disclosed data and information primarily comply with international regulations or local legal requirements. In cases where there are no applicable international standards, industry standards or practices are referenced.

Issue Date

TRI will issue a Sustainability Report annually and disclose it on the company website.

•Current issue date: August 2024

•Next issue date: Expected in June 2025

Contact Information for This Report

Should you have any questions regarding this report or any suggestions for TRI, please feel free to contact us through the following channels:

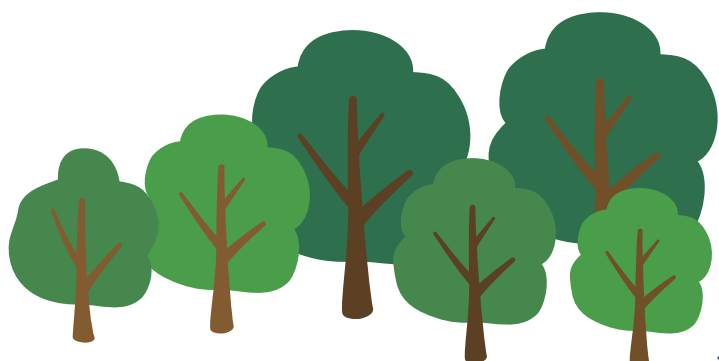Address: 7th Floor, No. 45, Dexing Wast Road, Shilin District, Taipei City

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Email: ir@tri.com.tw

Company website: http://www.tri.com.tw

Contact group: ESG Report Team

Message from the Chairman

To our valued partners concerned with the sustainable development of Test Research, Inc. :

After achieving record revenue in 2022, the highest since our founding 33 years ago, TRI faced a challenging 2023. The ongoing Russia-Ukraine conflict and persistent global inflation pressured economies worldwide as countries combated inflation with interest rate hikes. Consequently, our 2023 revenue declined by 34% to $4.435 billion, and profit fell by 48% to $1.001 billion from $1.921 billion in 2022, despite foreign exchange gains. Business operations are never without challenges, and fluctuations in revenue are inevitable. The focus remains on ensuring a robust company constitution and adapting our business strategies to respond to external changes and competitive challenges. Although we did not meet our revenue and profit targets for 2023, we still achieved a respectable EPS of 4.24.

In contrast to the decline in revenue and profit, our commitment to ESG and sustainable business practices has been steadfast. Following the "TRI Sustainability Policy," we have planned and set short, medium, and long-term goals, diligently implemented them, conducted regular reviews, and continuously improved. As stated in our 2022 Sustainability Report, corporate operations should not only focus on revenue and profit but also fulfill corporate social responsibilities. A sustainable approach in strategy formulation and business management is our pursuit of a balanced goal.

In 2023, we published our first ESG Sustainability Report as a communication channel with stakeholders interested in TRI's "sustainable management." The report disclosed our 2022 achievements in "corporate governance," "environmental safety," "employee care," and "social engagement." This year, we have also published a second report to update all stakeholders on our responses and concrete implementations concerning these four areas in 2023. Whether as organizations or individuals, continuous learning and improvement are essential, and there is always room for progress. I am grateful to all who have provided guidance and encouraged continuous improvement in our company.

The launch of Chat-GPT by OpenAI last year astounded the world with the rapid, substantial, and disruptive development of artificial intelligence, heralding the arrival of the AI era. The impact of AI has been profound across various jobs and industries. Years ago, TRI established an internal research unit focused on machine learning and AI technologies for defect detection in equipment, reducing the cost of third-party AI software and deepening our technological research and development. Our comprehensive product lines and continuous technological innovations, coupled with global service, have aided many SMT and semiconductor companies in product defect inspection, fulfilling our mission to "develop advanced inspection technologies, enhance product quality, and optimize human life."

In late 2022, we established a "Risk Management Committee" to assess and manage various potential internal and external risks in the operating environment, reporting to the board of directors at least annually. "Risk management" is crucial for "sustainable corporate management." Changes in the world have become the norm, and amidst fluctuating inflation, ongoing major trade disputes, and expanding geopolitical impacts, we see both threats and opportunities in the operating environment. I encourage my colleagues to embody our core values of "teamwork, speed, innovation, integrity, and service," focus on our main business to enhance product competitiveness, earn customer trust with high-quality products and heartfelt service, and engage in social welfare activities to fulfill our corporate social responsibilities. These actions represent our commitment to our employees, shareholders, and all stakeholders and are concrete manifestations of our corporate social responsibility.

Jason Chen,
Chairman, Test Research, Inc.

Chapter 1: Sustainable Management

1.1 About Test Research, Inc.

Company Overview

Test Research, Inc. was founded in April 1989 and is dedicated to becoming a leader in automatic test equipment for the electronics, information, and communication industries. With a strong R&D team, TRI continuously develops automated inspection technology for assembling circuit boards, using precise testing equipment to help customers improve productivity and accurately control product quality. TRI has established a global sales and service network to provide customers with the most timely and reliable services.

In 1995,TRI achieved ISO 9001 certification and went public in Taiwan in 2002. Its products have achieved a leading market share globally, and many product lines have received significant awards such as Best in Test and EM Asia Innovation Award. Moreover, TRI's products have been certified by numerous internationally renowned companies. Currently, TRI has over 900 employees worldwide and has established subsidiaries in the United States, Malaysia, China, Germany, Japan, South Korea, and Vietnam. Additionally, it has more than 30 agents worldwide, with marketing and service points spread across the globe.

TRI's precise testing equipment enables customers offering high-tech products to achieve optimal quality control. In today's era, filled with dazzling and diverse technological products, TRI stands as an indispensable guardian of quality behind-the-scenes. By continually providing comprehensive testing equipment, TRI ensures that high-quality electronic, communication, and information-related products bring a more comfortable life to people.
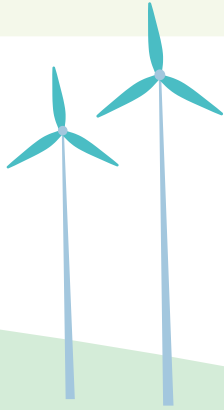
TRI's Key Milestones and Future Outlook

1989	Test Research, Inc. was established.
1999	Selected as one of "Taiwan's Top 100 Fastest Growing Enterprises" by CommonWealth Magazine.
2002	Listed on the Taiwan Stock Exchange.
2010	Launching TR7007 ultra-high-speed SPI, TR7700 AOI, TR7550 AOI, and TR9000 PCB AOI models.
2011	Recognized as one of "Asia's 200 Best Small and Medium Enterprises" by Forbes Magazine. TR7007 SPI received the 2011 Global SMT & Packaging Magazine Global Technology Award.
2013	TR7600F3D AXI received the Innovation Award and was named the Annual Best Supplier by EM Asia.
2018	TR7600F3D AXI received the Innovation Award and was named the Annual Best Supplier by EM Asia.
2019	TR7700 SV 3D won the 2019 Global Technology Award, 2019 Mexico Technology Award, and EM Asia's Annual Outstanding Product Award.
2021	TR7007QI Plus received the Global Technology Award.
2022	TR7007Q Plus SPI & TR8100H SII ICT received the 2022 EM Asia Innovation Award. Certified with ISO 14001/27001/45001.
2023	TR7007 SII Ultra SPI and TR7500QE Plus AOI received the 2023 EM Asia Innovation Award.

Test Research, Inc. Operational Bases

TRI's main clients are major electronic product assembly plants worldwide.

TRI has over 50 global distributors and sales representative partners and has provided services to more than 3,000 clients

Germany

USA

Mexico

Korea

China

Japan

Vietnam

Taiwan
TRI HQ

Thailand

Malaysia

⬤ HQ&SUBSIDIARIES
◉ DISTRIBUTORS / REP.

Product Services

TRI specializes in the research, development, production, and sales of automated testing equipment. They continuously seek breakthroughs in functionality and quality based on user needs to provide comprehensive solutions for testing and assembling circuit boards. In addition to selling testing machines, TRI offers factory automation consulting services to optimize production lines with the most efficient automation processes, controllable via networked computers for enhanced convenience and efficiency.

For after-sales service, the company provides warranty services including education and training, machine repairs, replacements, calibration, and regular maintenance. They also offer regular software updates to ensure users have access to the latest and most powerful technological advancements.

The company's operational strategy focuses on enhancing competitiveness in optical imaging (AOI, SPI, X-RAY) and electrical ICT automatic testing equipment. Besides solidifying its position in SMT process testing equipment, semiconductor process testing equipment is a crucial growth strategy for the company's future. The company aims to increase the revenue contribution of semiconductor testing equipment annually as a percentage of overall revenue.

Key growth opportunities include:

1. X-RAY and ICT for Automotive Electronics and Servers: These are essential in process testing, with ongoing improvements expected to drive continuous growth in shipments.

2. Increasing Demand for High-Speed, High-Precision 3D AOI and SPI: The company has commercialized several globally competitive new products to meet this demand.

3. Integration of AI Technology: Providing customers with smart manufacturing solutions (Total Solution) for SMT processes, leveraging AI in optical imaging and electrical testing equipment, is a significant global competitive advantage.

4. Continued Global Expansion: Maintaining a global presence and deepening market penetration worldwide.

These strategies position the company to capitalize on evolving industry demands and technological advancements, ensuring sustained growth and competitiveness in the global market.

TRI has been a strong leader in the field of automated inspection equipment for decades, with extensive operations in key markets like Taiwan and Mainland China. The company enjoys high visibility and reputation in the industry, backed by substantial investments in product development and customer relations. It stands as a leading brand in the Greater China region, recognized among the top five globally with a market share ranging from 10% to 20%.

Main sales regions

Sales Regions	Percentage
Asia	82.5%
America	10.9%
Europe	5.9%
Others	0.7%
Total	100%

Engagement with Public Associations and External Organizations

TRI actively engages with local industry associations, as well as organizations focused on research and development, technology, and governance. Through participation in events and knowledge sharing facilitated by these associations and external organizations, we foster collaborative partnerships and contribute to the collective growth and prosperity of the industry.

Region/ Category	Taiwan
Industries	• Automated Optical Inspection Equipment Alliance (AOIEA) • Semiconductor Equipment and Materials International (SEMI) • Taiwan Electrical and Electronic Manufacturers' Association (TEEMA) • Taiwan Printed Circuit Association (TPCA) • Importers and Exporters Association of Taipei (IEAT) • Institute for Information Industry (III) • Taiwan Electronic Equipment Industry Association (TEEIA)

Honors and Recognition

TRI has achieved ISO 14001 certification.

TRI has achieved ISO 27001 certification.

TRI has achieved ISO 45001 certification.

TR7007QI Plus 3D SPI Won Global Technology Award

TR7500QE Plus AOI was awarded the 2023 EM Asia Innovation Award.

TR7007 SII Ultra SPI was awarded the 2023 EM Asia Innovation Award.

Beach Cleanup Appreciation Certificate.

In collaboration with Global Views, we are providing 100 fourth-grade classes in rural elementary schools with a one-year subscription to Global Kids Monthly.

1.2 Sustainable Practice

Sustainable Development Strategy

Aspect	Development Goals of the United Nations Sustainable	Actions and Annual Achievements
Environment	• SDG7-- Affordable and Clean Energy • SDG9-- Industry, Innovation and Infrastructure • SDG12-- Responsible Consumption and Production • SDG13-- Climate Action	• In 2023, we continued the replacement of lighting fixtures at our plants, switching to high-efficiency LED lighting to reduce energy consumption. This initiative resulted in an estimated reduction of 303,995 kilowatt-hours of electricity usage, equivalent to a decrease of approximately 159.48 metric tons of CO2 emissions. • TRI continues to participate in the technical seminars regularly organized by the Taiwan Electrical and Electronic Manufacturers' Association (TEEMA). In 2023, TRI participated in one seminar related to digital technology. • In October 2023, TRI participated in the Sustainable Supply Chain Transformation and Innovation Application Forum organized by the Industrial Development Bureau of the Ministry of Economic Affairs and the Institute for Information Industry. TRI also showcased related application solutions at the forum. • In 2023, TRI invested approximately 430 million NTD in research and development, accounting for about 9% of its revenue, which is a 1% increase compared to the previous year. • In 2023, there were no incidents of non-compliance with health and safety regulations related to products and services. • In 2023, TRI did not experience any information security breaches. • Implemented TCFD to understand climate risks and opportunities, integrating climate change measures into organizational strategy and planning. In 2023, approximately 159.48 tons of CO2e emissions were reduced.
Social	• SDG3-- Good health and well-being • SDG4-- Quality education • SDG5-- Gender equality • SDG8-- Respect for labour and economic growth • SDG17-- Partnership for sustainable development	• Hired contract nurses and specialist doctors for on-site services to provide employees with health education guidance and consultation services for physical and psychological issues. • Provide annual health check-ups for employees, and offer special health examinations for personnel involved in specific operations (e.g., ionizing radiation). • In 2022, invested approximately 1.888 million NTD in industry-academia collaboration. It is hoped that with the joint efforts of TRI and academic research institutions, more emerging technologies from academic research can be applied and integrated into the industry in the future. • Provided two students from Ming Chi University of Technology with opportunities for industry-academia collaboration, with a duration of 3 to 4 years; offered seven internship positions for students from Asia Eastern University of Science and Technology, with a duration of 1 year. • Established the "Sexual Harassment Complaint and Handling Procedures" to strictly prohibit sexual harassment in the workplace. The relevant regulations are clearly defined in the employee work rules and internal control procedures. Regular training sessions on anti-discrimination and prevention of sexual harassment are conducted. Complaint channels such as a dedicated hotline and email are provided. A dedicated investigation team, overseen by the Sexual Harassment Complaint Handling Committee, manages the cases, ensuring a fair and safe working environment for all employees. • Established the "Human Rights Policy Code" to respect and support internationally recognized human rights standards and principles, including the "Universal Declaration of Human Rights," the "United Nations Global Compact," and the core conventions of the "International Labour Organization (ILO)." These guidelines embody the spirit and fundamental principles of human rights protection as outlined in various international human rights treaties. • Regularly review the safety of the working environment and have completed the ISO 45001:2018 Occupational Health and Safety Management System certification. • Contribute to society through charitable donations, donating supplies, and purchasing charity gift boxes. • Support education for children in remote areas.
Governance	• SDG12-- Responsible Consumption and Production • SDG17-- Partnership for Sustainable Development	• 2023 Corporate Governance Evaluation: 21-35%. • 2023: 100% of Board Members Signed the Directors' Integrity and Honesty Statement. • 100% of Employees Completed Signing the "Integrity and Honesty Agreement". • 100% of New Suppliers Completed Signing the "Supplier Integrity Pledge." • Established and defined "Code of Integrity Management," "Code of Ethical Conduct," "Corporate Governance Code," and "Insider Trading Prevention Procedures," requiring adherence from the company's board of directors, senior management, employees, and cooperating suppliers. • In 2022, we completed on-site evaluations for 22 suppliers. Currently, no suppliers have had their cooperation terminated due to non-compliance with TRI's regulations. • In 2023, the amount of local procurement was approximately 1.3 billion TWD, accounting for 87% of all procurement expenditures

Corporate Social Responsibility (CSR) Code of Practice

https://www.tri.com.tw/ tw/investor/investor_ detail-72-2-3--1598-1.html

For the sustainable development of the enterprise and the effective fulfillment of corporate social responsibility, TRI established the Sustainable Development Committee in October 2021. This committee serves as the dedicated unit for the company's sustainable development, with the chairman acting as the convener and the Chief HR Officer as the executive secretary. The committee is divided into three working groups: Environmental Safety Group, Social Participation and Employee Relations Group, and Corporate Governance Group. These groups are responsible for promoting and executing the company's sustainable management plans and fulfilling corporate social responsibilities. The committee reports on its handling and execution status to the board of directors at least once a year.

1.3 Materiality Analysis

Materiality Analysis

TRI identifies its key stakeholder groups by assessing individuals or entities related to the company's operational activities, products, or services. By regularly distributing sustainability-themed questionnaires to stakeholders, TRI aims to accurately understand their concerns regarding major environmental, social, and corporate governance issues. This approach helps in formulating corresponding management policies and actions to address stakeholders' demands and expectations, ensuring effective communication.

In evaluating stakeholders' dependence on TRI, their responsibilities, the level of attention, influence, and diverse perspectives, we have identified eight primary communication targets:

Shareholders/Investors

Investor and shareholder relations have become a crucial part of internal public relations activities within the company. Promoting goodwill among shareholders and enhancing the company's positive image can significantly influence the company's fundraising efforts and the development of its overall economic activities.

Customers

Customers are the key factor in ensuring the company's enduring success. We listen to our customers' needs, stay abreast of industry trends, and provide professional services. We are committed to building a shared vision with our customers, becoming a reliable long-term partner, while also enhancing the company's development, boosting performance, and expanding scale.

Employees

Employees are the company's most important partners and a crucial key to its sustained growth. We believe that employees who have a balanced mind and body can be more focused at work, enjoy the fruits of their labor, and embrace new challenges. Therefore, we are committed to creating a challenging work environment where employees can realize their self-worth, providing comprehensive compensation, benefits, and a safe and friendly workplace. This enables employees to reach their potential and contribute to the company's operational performance.

Suppliers

Suppliers are extremely important partners for TRI, working together with us to provide high-quality products and excellent services to our customers. TRI and its suppliers will continue to collaborate to reduce operational risks and costs, aiming for sustainable business development.

Government Authorities

Government authorities are the most important basis for our company's compliance with laws and regulations. Adhering to the relevant policies and regulations of government authorities is a fundamental requirement for company operations and a corporate responsibility. We strictly ensure that we comply with all government policies.

Media

Continuously promoting TRI's strong reputation among global customers and the international community, along with our high-quality products and cost-effective functional applications, can help sustain collaboration with customers in various regions worldwide, positioning us as a leading brand in the global electronic industry testing equipment market.

Community and Non-profit Organizations

In addition to pursuing profits and being accountable to shareholders, TRI also values its impact on society as a whole. We encourage employees to connect with their environment, society, and community, and to engage in social contributions. This not only deepens and broadens the relationship between the workplace and society but also enhances our positive social impact and strengthens our corporate brand image.
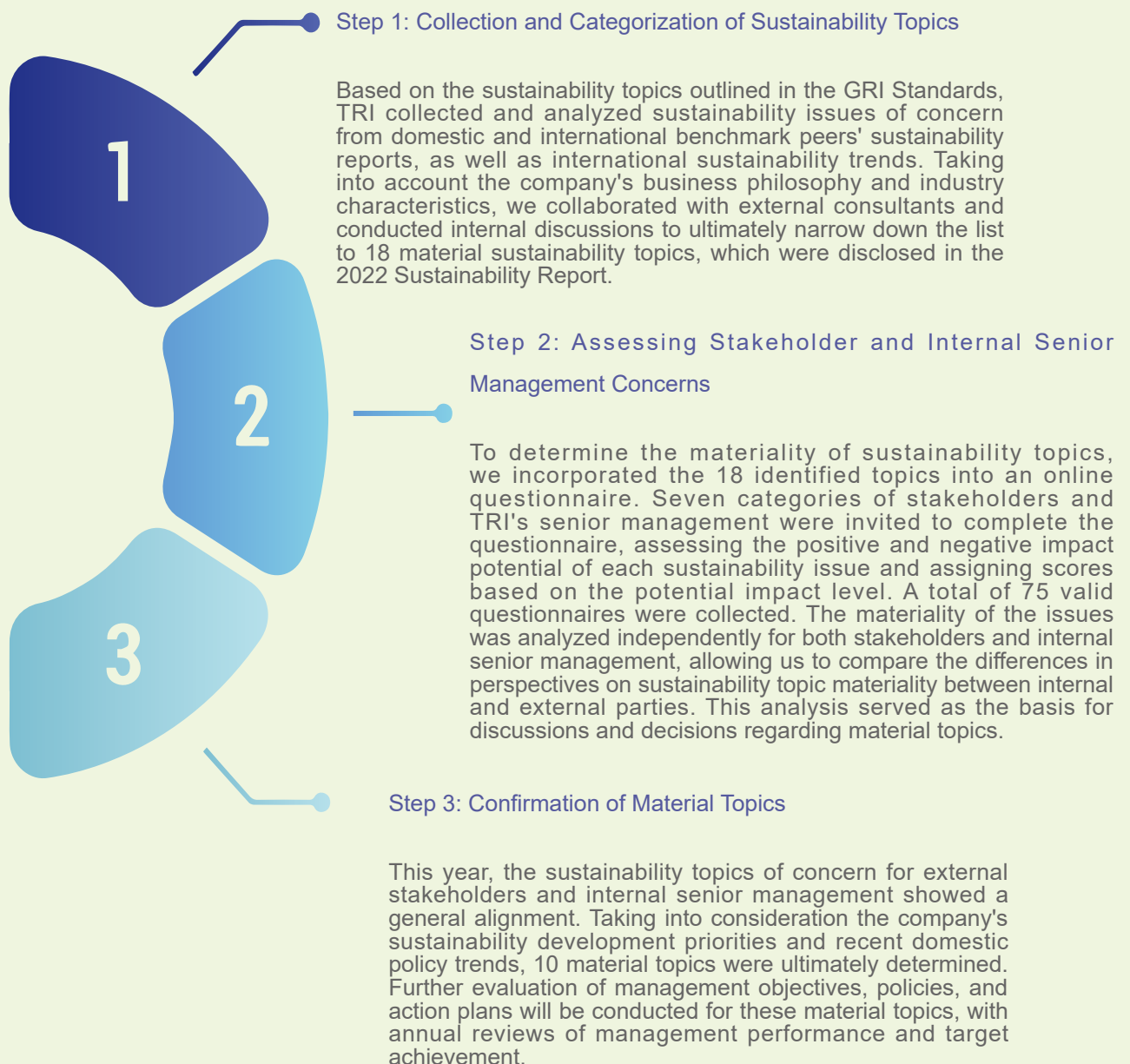
Schools

Schools are the source of industry talent. By establishing industry-academia collaboration to foster innovative R&D cooperation and academic exchanges, we can bridge the gap between academia and practical application, and attract a new generation of outstanding talent. This approach enhances TRI's market competitiveness and promotes sustainable business operations.

Identification of Material Topics

TRI's Sustainability Development Committee is responsible for regularly collecting and evaluating sustainability trends within the industry to determine the sustainability topics to be included in the annual sustainability report. By gathering recent sustainability topics of interest to peers and analyzing international standards such as GRI (Global Reporting Initiative), SASB (Sustainability Accounting Standards Board), and TCFD (Task Force on Climate-Related Financial Disclosures), we focus on the key sustainability topics relevant to TRI's industry. These consolidated sustainability topics are then incorporated into a questionnaire assessment, where stakeholders and internal top management evaluate the potential positive and negative impacts and likelihood of each sustainability issue on internal and external environments, society, and human rights. Through analysis, the materiality of each sustainability topic is identified. The Sustainability Development Committee regularly evaluates, approves, and tracks the management of material topics, and reports the results to the Board of Directors.

1

Step 1: Collection and Categorization of Sustainability Topics

Based on the sustainability topics outlined in the GRI Standards, TRI collected and analyzed sustainability issues of concern from domestic and international benchmark peers' sustainability reports, as well as international sustainability trends. Taking into account the company's business philosophy and industry characteristics, we collaborated with external consultants and conducted internal discussions to ultimately narrow down the list to 18 material sustainability topics, which were disclosed in the 2022 Sustainability Report.

2

Step 2: Assessing Stakeholder and Internal Senior Management Concerns

To determine the materiality of sustainability topics, we incorporated the 18 identified topics into an online questionnaire. Seven categories of stakeholders and TRI's senior management were invited to complete the questionnaire, assessing the positive and negative impact potential of each sustainability issue and assigning scores based on the potential impact level. A total of 75 valid questionnaires were collected. The materiality of the issues was analyzed independently for both stakeholders and internal senior management, allowing us to compare the differences in perspectives on sustainability topic materiality between internal and external parties. This analysis served as the basis for discussions and decisions regarding material topics.

3

Step 3: Confirmation of Material Topics

This year, the sustainability topics of concern for external stakeholders and internal senior management showed a general alignment. Taking into consideration the company's sustainability development priorities and recent domestic policy trends, 10 material topics were ultimately determined. Further evaluation of management objectives, policies, and action plans will be conducted for these material topics, with annual reviews of management performance and target achievement.
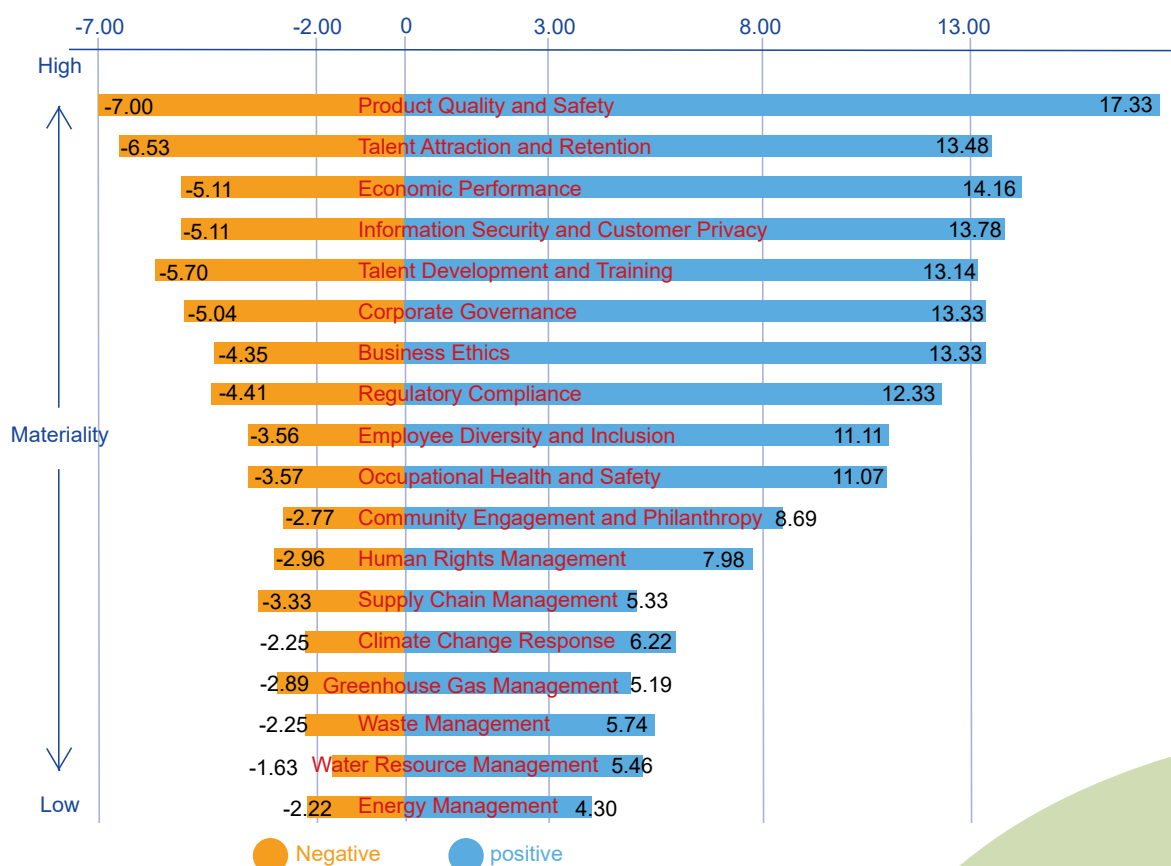
Materiality Bar Chart for Sustainability Issues:

In 2022, 18 sustainability issues were identified through materiality analysis and discussions with the Sustainability Committee. In response to the increasing global focus on climate change, the committee decided to adjust the assessment results and include "Climate Change Response" as a significant topic under the environmental aspect. This adjustment aims to strengthen Telux's climate governance actions and disclosures.

Ultimately, 10 significant topics were determined: Corporate Governance, Business Ethics, Regulatory Compliance, Economic Performance, Climate Change Response, Talent Attraction and Retention, Talent Development and Training, Occupational Health and Safety, Information Security and Customer Privacy, and Product Quality and Safety. The annual management policies and results for these topics will be disclosed in the company's Sustainability Report.

Other identified topics include: Supply Chain Management, Community Engagement and Philanthropy, Employee Diversity and Inclusion, Human Rights Management, Waste Management, Greenhouse Gas Management, Water Resource Management, Energy Management, and Innovation and R&D.

Topic	Negative	Positive
Product Quality and Safety	-7.00	17.33
Talent Attraction and Retention	-6.53	13.48
Economic Performance	-5.11	14.16
Information Security and Customer Privacy	-5.11	13.78
Talent Development and Training	-5.70	13.14
Corporate Governance	-5.04	13.33
Business Ethics	-4.35	13.33
Regulatory Compliance	-4.41	12.33
Employee Diversity and Inclusion	-3.56	11.11
Occupational Health and Safety	-3.57	11.07
Community Engagement and Philanthropy	-2.77	8.69
Human Rights Management	-2.96	7.98
Supply Chain Management	-3.33	5.33
Climate Change Response	-2.25	6.22
Greenhouse Gas Management	-2.89	5.19
Waste Management	-2.25	5.74
Water Resource Management	-1.63	5.46
Energy Management	-2.22	4.30

Legend: Negative, positive

Material Topic Management Approach and Impact Scope

Aspect	Material	Materiality to the Company and Corresponding Strategies	Impact Boundary							
			TRI	Material	Vendors	Customers	Medias	Community	Investors	Customers
Governance/Economic	Governance	TRI envisions becoming the "global leader in automated inspection equipment." The company operates its business with a commitment to steady management, integrity, and honesty, while also establishing a comprehensive corporate governance framework and promoting related initiatives to safeguard the interests of all stakeholders. TRI upholds three major policies to maintain strong corporate governance: "developing advanced inspection technology," "enhancing product quality," and "optimizing human life."	✓	✓	✓	✓	✓	✓	✓	✓
Governance/Economic	Business Integrity	The principles of integrity, responsibility, and honesty serve as the foundation of TRI's business operations. Based on these principles of integrity, transparency, and accountability, the company has established a policy rooted in honesty, which has been approved by the Board of Directors. TRI has also implemented a robust corporate governance and risk control mechanism to create a sustainable operating environment. To strengthen the management of integrity in operations, a Risk Management Committee has been established under the Board of Directors, with the Human Resources Director in charge. This committee is authorized to coordinate with the legal, audit, and project management departments, and is responsible for formulating and overseeing the implementation of integrity management policies and preventive measures.	✓	✓	✓	✓	✓		✓	✓
Governance/Economic	Regulatory Compliance	TRI is committed to conducting its business with integrity and honesty, adhering to the laws and ethical standards of the countries in which it operates. Ensuring full legal compliance is a key policy of the company. To reinforce this commitment, we implement anti-corruption education and training programs for our employees. To further enhance the concepts of integrity and self-discipline, we continually promote regulatory compliance training. In addition to holding relevant seminars periodically, we also plan training on understanding legal matters and key compliance issues.	✓		✓	✓	✓	✓	✓	✓
Governance	Economic Performance	In the face of intense global competition, TRI will continue to excel in several key areas: "technological leadership," "quality stability and reliability," "customer proximity," "global market expansion," "new product development timeline management," and "internal talent cultivation." These efforts aim to maximize shareholder value and establish TRI as a competitive enterprise. The company focuses on enhancing the competitiveness of three key automated inspection equipment sectors: image optics (AOI, SPI), X-RAY, and electrical testing (ICT, FCT), to maintain stable financial performance. By providing quantifiable financial information, TRI strengthens investors' confidence in the company's ability to sustain profitable growth and deliver favorable returns on shareholder equity.	✓			✓	✓		✓	
Environment	Climate Change	The impacts of extreme weather caused by global climate change can no longer be ignored. TRI has adopted the recommendations of the Task Force on Climate-related Financial Disclosures (TCFD) and, following the disclosure framework of "Governance," "Strategy," "Risk Management," and "Metrics and Targets," has strengthened the company's ability to identify and respond to climate-related risks and opportunities. TRI is formulating governance strategies for managing climate risks and opportunities, thereby enhancing its climate change management.	✓		✓			✓	✓	✓

Aspect	Material	Materiality to the Company and Corresponding Strategies	Impact Boundary							
			TRI	Material	Vendors	Customers	Medias	Community	Investors	Customer
Social/Human Rights	Talent Attraction and Retention	The inspection equipment industry in which TRI operates is a research and development (R&D) talent-intensive sector. Visual inspection equipment is primarily developed through the collaboration of R&D teams with expertise in mechanics, optics, software, and electrical control. Additionally, the sales services and educational training related to the equipment require the joint efforts of professionals with technical backgrounds, including sales and field application engineers (FAEs). In recent years, due to trade disputes with major powers, many Taiwanese companies have returned to Taiwan to set up factories, leading to a booming semiconductor industry that has absorbed a large number of R&D and customer service talents with technical backgrounds. However, the massive expansion of factories by Taiwanese businesses, combined with the domestic issue of declining birth rates, has also impacted the recruitment of manufacturing talent. These factors have led to a more intense market competition for talent. If TRI does not properly manage talent attraction and retention, it could impact the company's product development capabilities, production quality, and after-sales training and services.	✓	✓			✓	✓		✓
Social/Human Rights	Talent Development and	Since its establishment in 1989, TRI has been committed to pursuing stable growth. Its performance has steadily improved almost every year, and it has diligently expanded into different product line markets and provided comprehensive services. Talent development is the company's most important asset. A well-established learning mechanism, tools, and space can provide employees with a diverse, autonomous, and high-quality learning culture. This allows high-potential employees to learn and drive organizational growth continuously. Therefore, strengthening the company's talent base is a crucial task.	✓	✓				✓		✓
Social/Human Rights	Occupational Health and Safety	TRI's equipment brand upholds the principles of safe production and safe design. We incorporate occupational health and safety concepts into our equipment design elements, prioritizing user-friendly and ergonomic operation to minimize the risk of occupational hazards arising from repetitive or prolonged use. TRI is committed to practicing safe production. We have established an occupational health and safety organization and appointed dedicated personnel to identify potential hazards in the work environment. Colleagues provide guidance and training to production staff on safety knowledge and awareness. We implement hazard prevention and correction through the PDCA (Plan-Do-Check-Act) cycle to achieve safe production.	✓	✓	✓	✓	✓		✓	✓
Customers/Products	Information Security and	The leakage of personal or commercially sensitive information will not only directly impact the company's business partners, but also expose the company to the risk of subsequent regulatory violations due to the data breach. This will directly affect the company's long-term brand image and business ethics, potentially leading to the loss of customer orders. Therefore, TRI values the privacy and data security of every customer and supplier. We strive to minimize the risk of data breaches by strengthening information security measures, enhancing employee training, and conducting regular risk assessments and vulnerability scans. This helps to prevent any harm to the interests of stakeholders caused by data breaches.	✓		✓	✓			✓	✓

Product Quality and Safety

Product quality and safety are crucial to customer perception of TRI and the well-being of operators. Inconsistent product quality leading to customer complaints can raise doubts about purchasing TRI products and impact renewal intentions, potentially affecting the company's annual revenue and profitability, as well as causing delays in customer production.

TRI's products are industry-leading in terms of durability and lifespan. To maintain product quality and safety, TRI implements stringent quality control measures to prevent inconsistent product quality and diligently adheres to international hazardous substance management regulations to ensure the safety of equipment users and downstream customers.
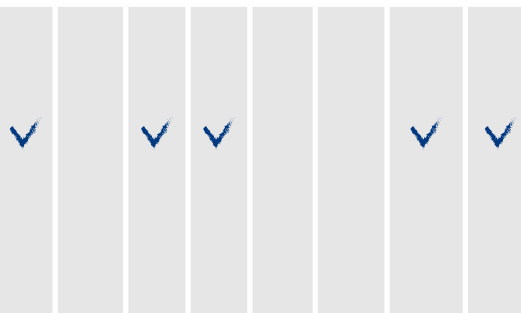
1.4 Stakeholder consultation

TRI's stakeholders include shareholders/investors, customers, employees, suppliers/contractors, government authorities, media, communities, non-profit organizations, and schools. Guided by the principles of integrity, we pursue sustainable operations and profitability while placing great emphasis on environmental, social, and corporate governance (ESG) issues. Through appropriate communication with stakeholders, we seek to understand their reasonable expectations, needs, and concerns on key issues, incorporating them as references when formulating the company's future management policies and operational activities. We have also established a dedicated section on our official website for stakeholder engagement. Stakeholder Area(https://www.tri.com.tw/en/investor/investor_list-86-2-3.html) As a communication channel with stakeholders, TRI has designated personnel to respond to feedback from each stakeholder group. We welcome and encourage valuable suggestions from all parties. A summary of the issues of concern and communication channels for different categories of stakeholders is provided below.

TRI values and carefully listens to the voices of all stakeholders. In the future, we will continue to engage fully and effectively with stakeholders through various channels, responding concretely to external expectations. This will solidify the foundation for TRI sustainable development.

2023 Stakeholders Engagement and Response

	Issues of Concern	2023 Communication Channels and Frequency	2023 Stakeholder Consultation Channels: Implementation and Outcomes
Shareholders/ Investors	1. Corporate Governance 2. Sustainable Development Strategy 3. Risk Management 4. Shareholder Engagement 5. Operational Performance	1. Annual General Meeting (held annually). 2. Institutional Investor Conference (twice a year). 3. Monthly Revenue and Self-assessed Profit and Loss Disclosure (monthly). 4. Market Observation Post System (updated in real-time). 5. Company Website (updated in real-time). 6. Meetings with Investors (on an ad hoc basis). 7. Responding to Investor Concerns (promptly).	1. Regularly disclose the company's financial performance through the Market Observation Post System and annual reports, with reviews and analysis of operational performance and data. 2. Hold an Annual General Meeting once a year to present operational performance to investors and address their concerns. 3. Host two institutional investor conferences annually. 4. Establish a dedicated shareholder services and investor relations contact point for two-way communication. 5. Occasionally receive visits or calls from domestic and international institutional analysts, with a total of 73 interactions in 2023.
Customer	1. Energy Management Program 2. Greenhouse Gas Management Program 3. Integrity Management Program 4. Economic Performance Program 5. Information Security and Customer Privacy Program 6. Product Quality and Safety Program	1. Product Physical Exhibition 2. Industry Application Presentation and Seminar 3. Print/Online Media Exposure 4. TRI Website	1. Participated in 20 product physical exhibitions, with approximately 100-500 visitors per event. 2. Participated in 24 industry application presentations and seminars, with around 50-200 attendees per event. 3. Collaborated with 16 print/online media outlets to promote TRI's brand and product application information. 4. The TRI website had a total of approximately 50,000 visitors throughout the year.
Employees	1. Occupational Health and Safety Program 2. Employee Diversity and Inclusion Program 3. Talent Attraction and Retention Program 4. Talent Development and Training Program 5. Human Rights Management Program	1. Labor-Management Meeting (quarterly). 2. Employee Welfare Committee Meeting (irregular). 3. Training Programs (As needed). 4. Internal Communications (irregular). 5. Employee Complaint Hotline (responded to promptly). 6. Occupational Safety and Health Committee Meeting (quarterly). 7. Employee Health Activities and Health Checkups (held annually). 8. Employee Opinion Survey (conducted every two years). 9. Jason's Teatime (held annually).	1. Labor-Management Meetings: 4 times. 2. Employee Welfare Committee Meetings: 5 times. 3. Training Programs: Held on an ad hoc basis. 4. Internal Information Announcements: Issued as needed. 5. Employee Complaint Hotline: Responded to promptly. 6. Occupational Health and Safety Committee Meetings: 4 times. 7. Employee Health Activities and Health Checkups: 1 event, with at least 98 health consultations. 8. 2023 Employee Opinion Survey Results: Released once. 9. Jason's Teatime: 1 event. 10. Employee Health Activity: 1 event. 11. Employee Injury Care: Provided promptly.

	Issues of Concern	2023 Communication Channels and Frequency	2023 Communication Channels and Frequency
Vendors	1. Supply Chain Management Program 2. Regulatory Compliance Program 3. Integrity Management Program	1. Supplier Meetings (held on an ad hoc basis). 2. On-site Evaluation and Quarterly Assessments (held regularly). 3. Timely Product Quality Feedback and Review	1. With the easing of the pandemic in 2023, on-site evaluations were resumed, and operational performance, annual business development, and ESG goals were communicated with suppliers. 2. Continued to encourage suppliers to provide environmentally compliant products, ensuring the implementation of sustainable supply chain management.
Government Authorities	1. Integrity Management 2. Risk Management 3. Regulatory Compliance	1. Responding to government agency requests (promptly) 2. Updating information on the company website and Market Observation Post System (monthly, quarterly, annually) 3. Surveys and interviews (on an ad hoc basis) 4. Undergoing evaluations by government agencies (annually) 5. Participating in government-related activities (irregular)	1. Submitted reports and responses to government agencies in compliance with regulations. 2. Updated information on the Market Observation Post System at least 12 times. 3. Conducted at least 20 surveys and interviews. 4. Responded to official correspondence from government agencies at least 22 times.
Media	1. Energy Efficiency Programs 2. Greenhouse Gas (GHG) Management Programs 3. Integrity Business Conduct Programs 4. Financial Sustainability Programs 5. Cybersecurity Enhancement Programs 6. Product Quality and Safety Assurance Programs	1. Product Physical Exhibitions 2. Industry Application Presentations and Seminars 3. Print/Online Media Exposure 4. TRI Website	1. Participated in 20 product exhibitions, with an average attendance of 100-500 visitors per event. 2. Participated in 24 industry application presentation seminars, with an average attendance of 50-200 visitors per seminar. 3. Collaborated with 16 print/online media outlets to promote TRI's brand and product application information. 4. The TRI website had approximately 50,000 visitors annually.
Community and Non-profit	Community Engagement and Philanthropic Initiatives	1. Donations made on an ad-hoc basis. 2. Yearly ESG advocacy campaigns conducted.	1. Charitable donations: 2 times. and In-kind contributions: 3 times. 2. Purchased products from disadvantaged groups for charity purposes once. 3. Sponsored learning and development programs for underprivileged children in rural areas once. 4. Organized a blood donation drive once. 5. Participated in the E.SUN Financial Holding Co., Ltd. ESG Initiative event.
Academic	Talent Development and Training Programs	1. Industry-academia collaboration projects (annual)。	Two industry-academia collaboration projects: a. Providing 7 off-campus internship opportunities. b. Two collaborative research projects between the university and industry.

Chapter 2: Corporate Governance

Sustainability Performance and Correspondence with SDGs (Sustainable Development Goals)

| Implementation of the United Nations Sustainable Development Goals (SDGs)	(SDG)	Sustainability Performance
SDG12	Responsible Consumption and Production	• 2023 Corporate Governance Evaluation: 21-35% • 100% of Board Members Signed the Directors' Integrity and Ethical Commitment Declaration in 2023 • 100% of Employees Completed Signing the "Integrity Commitment Statement" • 100% of New Suppliers Completed Signing the "Supplier Code of Integrity Commitment"
SDG17	Sustainable Development Partnerships	• Clearly established the "Code of Ethical Conduct," "Code of Business Ethics," "Corporate Governance Best Practice Principles," and "Insider Trading Prevention Management Procedures," requiring adherence from the Board of Directors, senior management, group employees, and partner suppliers. • Completed on-site evaluations of 22 suppliers in 2023. Currently, no suppliers have had their partnership terminated due to non-compliance with TRI's requirements. • Local procurement in 2023 amounted to approximately 1.3 billion NTD, representing 87% of all procurement spending.

Management Policy

Key Topics	Economic Performance
Impact Statement	In the face of intense global competition, the company will continuously refine its approach to "technological leadership," "stable and reliable quality," "proximity to customers," "global market expansion," "management of new product development timelines," and "internal talent development." These efforts aim to maximize shareholder value and position the company as a highly competitive enterprise.
Policy	Focus on enhancing the competitiveness of three types of automated inspection equipment— Optical Imaging (AOI, SPI), X-RAY, and Electrical Testing (ICT, FCT)—to maintain stable financial performance. By providing quantitative financial information, the company aims to strengthen investor confidence in its ability to sustain profitability growth and deliver strong shareholder returns.
Goal	• Continuous growth in shipment volume • Gradual increase in the revenue contribution of semiconductor inspection equipment to the company's overall revenue
Commitment	The company operates in the high-tech automated inspection equipment industry, which is currently in the growth stage of its business life cycle. In line with the characteristics of the overall environment and industry growth, the company is committed to achieving sustainable operations, pursuing long-term shareholder benefits, and maintaining stable operational performance.
Responsibility	Management Team
Resources	Continual improvement in "technological leadership," "stable and reliable quality," "global market expansion," "management of new product development timelines," and "internal talent development" to enhance the company's overall competitiveness.
Grievance Mechanism	Investor Relations and Media Contact Phone: 02-2832-8918 Email: ir@tri.com.tw
Action Plan	Focus on enhancing the competitiveness of automated inspection equipment in imaging optics (AOI, SPI, X-RAY) and electrical testing (ICT). In addition to deepening the development of SMT process inspection equipment, semiconductor process inspection equipment is a key strategy for the company's future growth. The company plans to gradually increase the revenue share of semiconductor inspection equipment in overall revenue The opportunities for future growth are: 1.X-RAY and Electrical Testing ICT: As essential inspection equipment for automotive electronics and servers, the company will continue to enhance the competitiveness of its systems. The shipment volume for X-RAY and ICT is expected to keep growing. 2.High-Speed, High-Precision 3D AOI and SPI: Customer demand for high-speed and high-precision 3D AOI and SPI systems continues to rise. The company has commercialized multiple new products with global competitiveness. 3.Integrated AI Solutions: With capabilities in both imaging optics and electrical testing, the company integrates AI technology to provide customers with a complete smart manufacturing solution for SMT processes. This "Total Solution" is a significant advantage in global competition. 4.Global Expansion: The company will continue to expand its global presence and deepen its market penetration worldwide.
Effectiveness Evaluation	Each quarter, the Board of Directors is presented with an operating report to share the company's business results, as well as short-term and long-term goals and their corresponding strategies. This ensures that all board members have the opportunity to gain an in-depth understanding of the Group's operations and potential future directions. Discussions are lively, and external directors bring diverse viewpoints and share professional knowledge, enriching the decision-making process. The Board of Directors regularly oversees financial performance each quarter and engages professional accountants for financial certification. This ensures reasonable assurance on the achievement of objectives related to operational performance and efficiency (including profitability and performance), reliability of financial reporting, and compliance with relevant laws and regulations. In 2023, the operating profit margin was 28%, the net profit margin after tax was 23%, the return on equity (ROE) was 14%, and the return on assets (ROA) was 11%. The company's overall financial position remains stable and sound.

Key Topics	Corporate Governance
Impact Statement	TRI envisions becoming the "Global Leader in Automated Inspection Equipment." It operates its business based on the principles of stable management, integrity, and honesty while establishing a robust corporate governance framework and promoting related initiatives to protect the rights and interests of all stakeholders.
Policy	Through an effective corporate governance framework and the functional role of the Board of Directors, TRI has established an Audit Committee composed of three independent directors. The committee assists the Board in executing its supervisory duties and in carrying out responsibilities assigned by the Company Act, Securities and Exchange Act, and other relevant laws and regulations. Additionally, a Compensation Committee has been established to assist the Board in executing and evaluating the company's overall compensation and benefits policies. The correctness of related procedures is ensured through an internal control system during operations. TRI also holds annual investor meetings and shareholder meetings, and regularly updates financial and operational information on the Market Observation Post System (MOPS) and the company's website. Through transparent information disclosure, shareholders and investors can stay informed about the company's operational status in a timely manner.
Goal	The composition of the Board of Directors considers not only diverse backgrounds and professional fields but also aims to meet specific goals, including: "No more than 1/3 of directors serving concurrently as managers," "At least one female director," "Independent directors serving no more than three consecutive terms," and "Independent directors comprising more than 1/3 of the board seats."
Commitment	To establish an effective corporate governance mechanism, TRI complies with the Securities and Exchange Act and other relevant regulations, strengthens the structure and operation of the Board of Directors, and enhances information transparency. These measures are aimed at protecting shareholder rights and fulfilling corporate social responsibility.
Responsibility	Board of Directors and Audit Office
Resources	In May 2018, the company appointed a "Corporate Governance Officer" responsible for corporate governance-related matters. In May 2019, following a board resolution, this role was upgraded to "Corporate Governance Supervisor," held by the Chief Financial Officer (CFO) who has over three years of experience in financial management and corporate governance affairs for a public company. The Corporate Governance Supervisor assists board members in fulfilling their responsibilities and managing governance-related issues. 1. The four current independent directors have expertise in financial accounting, corporate sustainability, and the automated inspection equipment industry, enabling them to effectively perform their supervisory functions. 2. Each year, the company arranges for board members to participate in professional director courses offered by external institutions to enhance the efficiency of the Board of Directors. 3. Independent directors have ample opportunity to discuss and provide suggestions in each of the functional committees for the Board of Directors' reference, thereby reinforcing corporate governance. 4. Over half of the board members do not hold dual roles as employees or managers.
Grievance Mechanism	Investor Relations and Media Contact Phone: 02-2832-8918 Email: ir@tri.com.tw
Action Plan	To align with the direction of corporate governance development and strengthen the functions of the Board of Directors, the company has implemented the following measures: 1. he company has established "Board Meeting Rules" in compliance with the "Rules of Procedure for Board Meetings of Public Companies" to ensure adherence. 2. The 9th term of the current Board of Directors consists of nine members (including four independent directors). The composition includes directors who are also employees (22%), independent directors (44%), and female directors (11%). All four independent directors have served for fewer than three terms. 3. To enhance information transparency, the company's website has an "Investor Relations" section that provides relevant information. Important information from Board meetings is promptly disclosed on the Market Observation Post System (MOPS), and investor conferences are held regularly. 4. To ensure that the risks undertaken by directors and managers during the execution of their duties are adequately covered, the company annually provides "Directors and Officers Liability Insurance" for its directors and managers, and regularly reviews the policy to ensure the coverage and compensation limits meet the company's needs.
Effectiveness Evaluation	• Conduct internal Board performance evaluations annually, and commission an external independent professional organization or external experts at least once every three years to conduct performance evaluations. The results are reported to the Board before the end of the first quarter of the following year and are used as a reference for individual directors' compensation and reappointment nomination to enhance corporate governance. • Corporate Governance Evaluation for 2023: 21-35%

Key Topics	Ethical Business Conduct
Impact Statement	To ensure TRI's commitment to integrity, accountability, and ethical business conduct, various potential risks may arise throughout the operational process that could impact business objectives. It is essential to address these risks through systematic risk management and by establishing relevant procedures to uphold TRI's foundation of ethical business operations
Policy	Based on the principles of integrity, transparency, and accountability, we have established policies grounded in ethical conduct. These policies have been approved by the Board of Directors, along with the implementation of robust corporate governance and risk control mechanisms, in order to create a sustainable business environment. The company has adopted the "Code of Ethical Business Conduct," "Code of Conduct," and the "Whistleblower Policy" to encourage employees to report any illegal activities or violations of the Code of Conduct. The Whistleblower Policy also establishes internal and external reporting channels and formal procedures. Employees can report issues in person or use the independent whistleblower mailbox and hotline posted on the company's website to lodge complaints with the designated unit responsible for handling integrity-related violations.
Goal	• The Risk Management Committee reports to the Board of Directors regularly (at least once a year). The report includes: • Establishment of risk management policies and procedures. • Review and implementation of risk management policies and procedures. • Analysis and identification of the sources and categories of company risks, as well as periodic review of their applicability. • Assistance with and supervision of the execution of risk management activities across departments. • Promotion and implementation of risk management concepts to cultivate a corporate risk management culture and awareness. • Implementation of internal control standards under the Code of Ethical Business Conduct.
Commitment	In the course of conducting business activities, the company's personnel are prohibited from directly or indirectly offering, promising, demanding, or accepting any improper benefits, or engaging in any other actions that violate integrity, are illegal, or breach fiduciary duties (hereinafter referred to as "unethical conduct"). The aforementioned behavior applies to any public official, political candidate, political party, or party personnel, as well as any public or private enterprise or institution and its directors, supervisors, managers, employees, actual controllers, or other stakeholders.
Responsibility	To enhance the management of ethical business practices, our company has established a Risk Management Committee under the Board of Directors. This committee, led by the Chief Human Resources Officer, is authorized to coordinate with executives from Legal Affairs, Internal Audit, and Project Management to formulate and oversee the implementation of ethical business policies and preventive measures. The committee reports to the Board of Directors regularly (at least annually).
Resources	• Conduct Ethical Business Conduct Training • Promote Ethical Business Practices • Supplier Management System, including signing Integrity Commitment Statements • Integrity Whistleblowing System
Grievance Mechanism	• External Parties: E-mail: fb@tri.com.tw Hotline: 00886-2-28328918 ext: 2119 • Internal Employees: Employee suggestion box available on the internal company portal Hotline: +886-2-28328918 ext: 2119
Action Plan	The company explicitly states its ethical business conduct policy on its official website and requires directors and senior management to provide statements affirming their adherence to the policy. All personnel are expected to commit to actively implementing the policy and ensuring compliance in both internal management and external business activities.
Effectiveness Evaluation	In 2023, the company organized internal and external training sessions related to ethical business conduct, including compliance with integrity regulations, corporate social responsibility, successful strategies for R&D patents and handling infringement litigation, safety management for production units, accounting systems, ethical conduct policy training, contract confidentiality management, trade secret management, and internal controls. There were a total of 1,044 participant attendances, accounting for a combined total of 679.23 training hours.

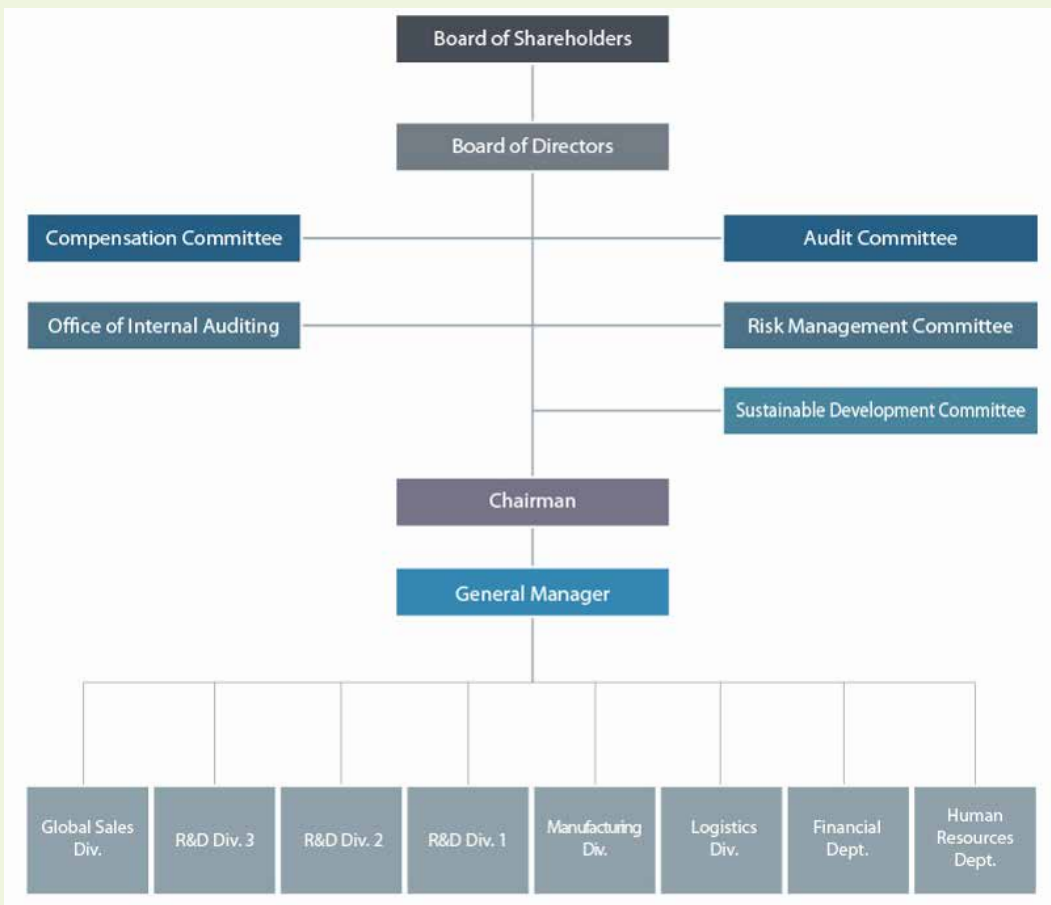| Key Topics	Regulatory Compliance
Impact Statement	Implementing a regulatory compliance management mechanism ensures that society and the environment are protected from corporate impacts, enhancing the company's image. Failure to proactively establish a comprehensive regulatory compliance risk management mechanism can expose the company to potential or known risks, ultimately affecting the company's reputation and investor decision-making.
Policy	TRI is committed to conducting its business with integrity and honesty while adhering to the laws and ethical standards of the countries in which it operates. Comprehensive legal compliance is a key policy of the company.
Goal	No Records of Violations or Fines.
Commitment	Compliance with Local Tax Regulations and Disclosure Requirements.
Responsibility	Legal Department
Resources	To reinforce integrity and self-discipline, we implement anti-corruption training programs for employees and continuously promote regulatory compliance training. In addition to holding relevant seminars on an ad-hoc basis, we also plan educational sessions on legal awareness and key compliance topics.
Grievance Mechanism	• External Parties: E-mail: fb@tri.com.tw Hotline: 00886-2-28328918 ext: 2119 • Internal Employees: Employee suggestion box available on the company's internal portal Hotline: 00886-2-28328918 ext: 2119
Action Plan	TRI conducts an annual self-assessment of regulatory compliance, where each department reviews whether their operations are in accordance with legal requirements. Following this, the Audit Office conducts a review to enhance the effectiveness of the regulatory compliance system.
Effectiveness Evaluation	No grievances were received in 2023.
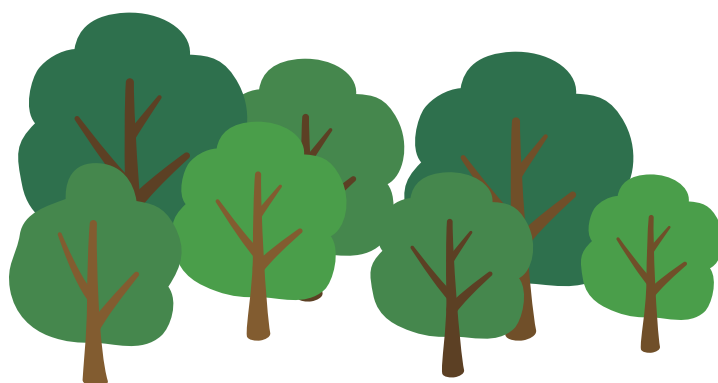
2.1 Corporate Governance

TRI envisions becoming the "Global Leader in Automated Inspection Equipment." The company operates based on principles of stable management, integrity, and honesty while establishing a robust corporate governance framework and promoting related initiatives to protect the rights and interests of all stakeholders.

2.1.1 Corporate Governance Framework

The Board of Directors is the decision-making body responsible for promoting corporate governance. To ensure integrity and transparency in governance, TRI's Board of Directors has established a Compensation Committee and an Audit Committee to assist the Board in fulfilling its supervisory duties and strengthening management functions. On October 24, 2021, the "Sustainable Development Committee" was established, serving as the highest-level decision-making body for sustainability within the company. Senior executives collaboratively assess the company's core operational capabilities and set medium- and long-term sustainable development plans.

Board of Directors	Compensation Committee	Audit Committee	Sustainable Development Committee

• TRI's Board of Directors currently consists of 9 members, including 4 independent directors, all possessing expertise in business, financial accounting, or corporate management relevant to the company's operations, representing 44% of the total board seats.
• The Board exercises its powers in accordance with laws, the company's articles of incorporation, and shareholder resolutions, adhering to the principle of integrity to maximize shareholder value while supervising legal compliance and timely disclosure of significant information.
• The Board of Directors is led by the Chairman and convenes at least once per quarter. In 2023, five board meetings were held, with an average attendance rate of 98% for board members.
• To implement corporate governance and enhance the functions of the Board and its committees, TRI's "Board Performance Evaluation Procedures" mandate at least one internal performance evaluation of the Board and its committees annually, with an external evaluation conducted at least every three years. In 2023, the Board, individual directors, and each functional committee underwent an external evaluation conducted by the Taiwan Corporate Governance Association. The results were reported to the Board, showing overall effective operations. TRI will continue to enhance and improve corporate governance effectiveness based on these evaluation findings.
	• The Compensation Committee is currently composed of 4 independent directors who, from a professional and objective standpoint, evaluate the company's compensation policies and systems for directors and managers. The committee provides recommendations to the Board of Directors as a reference for decision-making and conducts an internal performance evaluation of the Compensation Committee annually.
	• The main responsibilities include regularly reviewing policies, systems, standards, and structures for the performance evaluation and compensation of directors and managers; periodically assessing and setting the compensation for directors and managers; and regularly evaluating the achievement of performance goals for TRI's directors and managers, as well as determining the details and amounts of their individual compensation packages.
	• The TRI Compensation Committee convenes at least twice a year. In 2023, the committee held three meetings, with a 100% attendance rate from all committee members.
		• The Audit Committee is currently composed of 4 independent directors. Its primary responsibilities include fulfilling supervisory duties, evaluating business performance, and making decisions on significant matters. The committee also conducts an internal performance evaluation annually.
		• At the completion of annual audits or quarterly reviews, the auditors provide a written report or present their findings to the Audit Committee regarding significant audit observations, internal control deficiencies, and other key communication points. This process helps the Audit Committee gain a comprehensive understanding of the company's operational outcomes.
		• The accountant, upon the completion of the annual audit or quarterly review, issues a written audit report or provides a briefing to the audit committee on significant audit findings, internal control deficiencies, and other major communication matters to facilitate the audit committee's understanding of the company's operational results.
		• In 2023, a total of four audit committee meetings were held, with a 100% attendance rate by board members. Communication and interaction between the audit committee, the internal audit supervisor, and the accountant were effective and constructive.
			• The Sustainability Committee is chaired by the Chairman of the Board and has the Chief Human Resources Officer as its Executive Secretary. The committee is divided into three subgroups:
			  • Environmental Safety Subgroup: Led by the Chief Manufacturing Officer.
			  • Corporate Governance Subgroup: Led by the Chief Financial Officer.
			  • Social Engagement and Talent Development Subgroup: Led by the Chief Human Resources Officer.
			• By integrating green initiatives, social responsibility, and international sustainability standards, the committee establishes the company's sustainable development plan.
			  • Report to the Board of Directors on the outcomes of sustainability initiatives and future work plans.
			  • The Sustainable Development Committee provides an annual report to the Board of Directors on the current status of ESG (Environmental, Social, and Governance) initiatives.

The Board of Directors values the opinions and feedback of stakeholders. To facilitate this, a dedicated stakeholder section has been established on the company's official website, providing communication channels for stakeholders to reach out. The company collects, analyzes, and responds to significant stakeholder input to maintain strong relationships with shareholders and other stakeholders. Additionally, the company invites directors to attend the annual shareholder meetings each year. Over the past three years, the attendance rate of all directors at the annual shareholder meetings has exceeded 95%, with all independent directors present.

2.1.2 Board Operations

TRI has established a "Corporate Governance Best Practice Principles" policy that outlines and implements a diversity strategy for the Board of Directors. The nomination and selection of board members follow the company's articles of incorporation and adopt a candidate nomination system. In addition to evaluating each candidate's educational background, experience, and qualifications, TRI adheres to the "Corporate Governance Best Practice Principles" and the "Board Member Election Procedures" to ensure the diversity and independence of board members.

Corporate Governance Best Practice Principles   Board Member Election Procedures

Board Independence Status

TRI's Board of Directors is composed of 9 members, including 4 independent directors. The percentage of directors who are also employees is 22%, while female directors account for 11%. Independent directors make up 44% of the board, with all four independent directors serving for fewer than three terms. The primary responsibilities of the Board include ensuring legal compliance, financial transparency, timely disclosure of significant information, and making objective, independent judgments on the company's financial and business matters.

To maintain board independence, certain criteria are met during the selection process, such as limiting the number of directors with spousal or second-degree familial relationships to no more than two, and ensuring compliance with Article 26-3, Paragraphs 3 and 4 of the Securities and Exchange Act. Additionally, if a board member or their represented legal entity has an interest in a meeting agenda item, they must disclose the significant aspects of their interest at that meeting. If their participation could harm the company's interests, they must not participate in the discussion or voting and must recuse themselves and may not act as a proxy for other directors in voting.

The company's Chairman also serves as the General Manager to enhance operational efficiency and decision-making effectiveness. However, to strengthen the independence of the Board of Directors, the company has actively been training suitable candidates internally. Additionally, the Chairman maintains close communication with all board members, providing updates on the company's operations and strategic plans to ensure effective corporate governance. The company has also increased the number of independent director seats from three to four to enhance the Board's functionality and strengthen its supervisory role.

Board Diversity

The company advocates for and respects a board diversity policy. To strengthen corporate governance and promote the healthy development of the board's composition and structure, it believes that a diversity strategy contributes to enhancing overall company performance. The selection of board members is based on merit, ensuring diverse and complementary capabilities across different industries. This includes fundamental composition factors (such as age, gender, and nationality), as well as industry experience and relevant skills (such as finance, securities, accounting, law, education, and electronic technology), along with business judgment, management expertise, leadership, decision-making, and crisis management abilities. ° To enhance the functionality of the Board of Directors and achieve the ideal goals of corporate governance, Article 20 of the company's "Corporate Governance Best Practice Principles" stipulates that the Board as a whole should possess the following capabilities: 1. Business judgment 2. Accounting and financial analysis 3. Management skills 4. Crisis management 5. Industry knowledge 6. Global market perspective 7. Leadership 8. Decision-making ability.

For detailed information about the directors, please refer to the 2023 Annual Report. P.7(https://www.tri.com.tw/tw/investor/investor_list-464-3-3.html).

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Diversity Core Items / Directors Name	Date of Appointment	NAtionality	Gender	Concurrent Position as Company Employee	Age 51 to 60	Age 61 to 70	Age 70 to 75	Independent Director Tenure Under 3 years	3 to 9	9 year and above	Financial Management	Business Management	International Market	University Lecturer	Business	Legal	Accounting	Risk Management
Jason Chen	1989/04/10	R.O.C	Male	✓		✓					✓	✓		✓			✓	✓
Kuang-chao Fan	2002/05/04	R.O.C	Male				✓				✓	✓	✓	✓				✓
Peter Chen	1999/03/27	R.O.C	Male				✓					✓			✓	✓		✓
Jim Lin	2000/06/03	R.O.C	Male	✓		✓						✓	✓		✓		✓	✓
Mark Tsai	2008/06/13	R.O.C	Male				✓				✓	✓			✓		✓	✓
Jenny Chen	2017/05/26	R.O.C	Female			✓			✓		✓	✓			✓		✓	✓
Yu-hsuan Fu	2017/05/26	R.O.C	Male				✓		✓		✓	✓			✓		✓	✓
Liang-Chia Chen	2017/05/26	R.O.C	Male		✓				✓					✓				✓
Chii-Ruey Hwang	2023/05/31	R.O.C	Male		✓			✓			✓	✓	✓	✓			✓	✓

Board Members' Continuing Education Status

To enhance the functions and professional capabilities of the Board, all directors of TRI have completed the required annual minimum of 6 hours of continuing education, as stipulated by regulatory standards. This ensures 100% compliance with the continuing education requirements for directors of publicly listed companies. The training includes courses on corporate governance, ESG corporate sustainability, and financial key information risk detection, among other topics.

Title	Name	Training Date From-To	Organizer	Course Name	Hours
Chairman	Jason Chen	2023/9/27	The Securities and Futures Market Development Foundation of the Republic of China	How to Effectively Protect Trade Secrets	3
				Supply Chain Cybersecurity Threat Hunting - Opportunities for Taiwan Startups	3
Director	Kuang-chao Fan	2023/11/2	Taiwan Corporate Governance Association	Risks and Opportunities of Climate Change for Business Operations	3
				Sharing on Carbon Emissions and Carbon Trading Mechanisms	3
Director	Peter Chen	2023/9/27	The Securities and Futures Market Development Foundation of the Republic of China	How to Effectively Protect Trade Secrets	3
				Supply Chain Cybersecurity Threat Hunting - Opportunities for Taiwan Startups	3
Director	Jim Lin	2023/9/27	The Securities and Futures Market Development Foundation of the Republic of China	How to Effectively Protect Trade Secrets	3
				Supply Chain Cybersecurity Threat Hunting - Opportunities for Taiwan Startups	3
Director	Mark Ts	2023/9/27	The Securities and Futures Market Development Foundation of the Republic of China	How to Effectively Protect Trade Secrets	3
				Supply Chain Cybersecurity Threat Hunting - Opportunities for Taiwan Startups	3
Independent Director	Yu-hsuan Fu	2022/09/07	The Securities and Futures Market Development Foundation of the Republic of China	How to Effectively Protect Trade Secrets	3
				Supply Chain Cybersecurity Threat Hunting - Opportunities for Taiwan Startups	3
Independent Director	Jenny Chen	2022/09/07	The Securities and Futures Market Development Foundation of the Republic of China	How to Effectively Protect Trade Secrets	3
				Supply Chain Cybersecurity Threat Hunting - Opportunities for Taiwan Startups	3
Independent Director	Liang-Chia Chen	2022/09/07	The Securities and Futures Market Development Foundation of the Republic of China	How to Effectively Protect Trade Secrets	3
				Supply Chain Cybersecurity Threat Hunting - Opportunities for Taiwan Startups	3
Independent Director	Chii-Ruey Hwang	2023/3/31	Accounting Research and Development Foundation	ESG Sustainable Strategies: Enhancing Competitiveness	1
		2023/5/31		ESG Sustainable Strategies: Enhancing Competitiveness	1
		2023/7/4	The Securities and Futures Market Development Foundation of the Republic of China	The Impact of Global Net-Zero Emissions on ESG Initiatives	3
			Taiwan Stock Exchange	2023 Cathay Sustainable Finance and Climate Change Summit Forum	3
		2023/7/11	Accounting Research and Development Foundation	ESG Sustainable Strategies: Enhancing Competitiveness	1
		2023/8/8	Accounting Research and Development Foundation	Sustainability Action Plan for Publicly Listed Companies	2
		2023/9/27	The Securities and Futures Market Development Foundation of the Republic of China	Supply Chain Cybersecurity Threat Hunting - Opportunities for Taiwan Startups	3

Board Performance Evaluation

Board Performance Evaluation Procedures

To strengthen corporate governance functions and enhance the effectiveness of Board operations, TRI has established the "Board Performance Evaluation Procedures." The Board of Directors, individual board members, and functional committees conduct an internal performance evaluation of the Board and its committees annually, with an external evaluation conducted at least once every three years. Through various evaluation criteria, the company gauges the directors' perception of the functioning of the Board and its committees. The evaluation items are as shown in the table below. The 2022 performance evaluation results have been reported to the Board and will serve as a reference for the company's continuous improvement efforts.

Internal Evaluation

Board Performance Evaluation	Individual Board Member Performance Evaluation	Functional Committee Performance Evaluation
- Five Key Evaluation Indicators, totaling 45 items: - Participation in Company Operations - Enhancement of Board Decision-Making Quality - Composition and Structure of the Board - Selection and Continuous Education of Directors - Internal Control	- Six Key Evaluation Indicators, totaling 23 items: - Understanding of Company Goals and Mission - Awareness of Director Responsibilities - Participation in Company Operations - Management of Internal Relationships and Communication - Director's Professionalism and Continuous Education - Internal Control	- Five key evaluation indicators, with a total of 22 items for the Audit Committee's self-assessment and 19 items for the Compensation Committee's self-assessment: - Participation in company operations - Awareness of committee responsibilities - Enhancement of committee decision-making quality - Composition and selection of committee members - Internal Control

The overall performance evaluation results for the Board of Directors, individual board members, and each functional committee in 2023 were all rated as excellent or above. Overall, the operations were deemed to be in good condition.

2.1.3 Board and Executive Compensation System

TRI operates in accordance with Article 29-1 of the company's Articles of Incorporation, establishing policies for director compensation, payment standards, and amounts. The Compensation Committee evaluates each director's level of participation and contribution to the company's operations, linking performance risk with reasonable fairness and compensation. After considering the company's operating performance and the compensation practices of industry peers, the committee makes recommendations, which are then submitted to the Board of Directors for review.

- Director compensation includes business execution expenses such as transportation allowances, special allowances, and other stipends.

- Directors who concurrently serve as employees receive compensation including salary, position allowances, bonuses, and special allowances. Pension contributions are allocated amounts, not actual payments.

- The compensation for the General Manager and Deputy General Manager is based on their contribution to the company's operational performance and is aligned with industry standards. The current compensation includes salary, performance bonuses, and meal allowances, all of which are paid in cash.

Corporate Governance - Appointment of Dedicated Officer

- In accordance with the resolution passed by the Board of Directors on May 11, 2019, the position of Corporate Governance Officer was established, coordinated by the Finance Department. The primary responsibilities include handling matters related to Board of Directors and shareholder meetings, preparing meeting minutes, assisting directors with their appointments and ongoing education, providing directors with the necessary information for their duties, ensuring directors comply with laws, managing the registration of corporate operational changes, and organizing periodic investor briefings to maintain investor relations, among other corporate governance-related tasks.

- In 2023, the Corporate Governance Officer conducted five Board of Directors meetings and the 2023 annual shareholder meeting in accordance with legal requirements. Additionally, the officer provided continuing education courses, assisting the 9 directors in completing a total of 62 hours of training in 2023.

- To improve corporate governance procedures and the function of the Corporate Governance Officer, TRI's Corporate Governance Officer completed 12 hours of continuing education in 2023. The training included courses on practical auditing and control of "information security" for internal audit personnel, effective protection of trade secrets, supply chain cybersecurity threat hunting - opportunities for Taiwanese startups, and continuing education for issuers, securities firms, and securities exchange accounting supervisors.

2.1.4 Internal Control and Internal Audit Management

TRI adheres to regulations by establishing an internal control system and a dedicated audit department. This unit operates with a spirit of independence and an objective, impartial stance, directly reporting to the Board of Directors. By evaluating the internal control system, it assesses the effectiveness, compliance, and impact of current policies and procedures on operational activities, ensuring that the internal control system is continuously and effectively implemented. The audit department also assists management in fulfilling its management responsibilities.

The Audit Department develops the internal control audit plan each year based on risk assessment results and submits it for approval by the Audit Committee and the Board of Directors. Monthly audit items are carried out, and audit reports are submitted to the General Manager and Chairman for review and delivered to all independent directors. Each quarter, the audit supervisor attends the Audit Committee and Board of Directors meetings to report on the execution of internal audit tasks. To implement the company's self-monitoring mechanism and promptly respond to changes in the environment, the Audit Department is responsible for overseeing the self-assessments conducted by various departments and subsidiaries each year. The internal audit department reviews these assessment reports and provides the Board of Directors and the General Manager with an evaluation of the overall effectiveness of the internal control system, serving as the main basis for issuing the internal control system statement.

Internal audit personnel must meet the qualifications set by the Financial Supervisory Commission for internal auditors. Their appointment, evaluation, and compensation are handled in accordance with TRI's "Personnel Appointment Procedures," "Compensation Procedures," "Performance Evaluation Management Procedures," and the "Employee Handbook." The approval process follows the company's sign-off procedure, where the audit supervisor submits the proposal to the Chairman for approval. Performance evaluations are conducted at least quarterly in accordance with TRI's "Performance Evaluation Management Procedures." Furthermore, the appointment or dismissal of the internal audit supervisor is governed by TRI's "Audit Committee Organizational Rules" and the "Board of Directors Meeting Procedures" and requires the approval of the Audit Committee and the Board of Directors.

Plan Development	Audit Execution	Reporting Results	Follow-up and Improvement
Based on the results of risk assessments, an annual audit plan is developed, covering risk elements across various operational aspects such as procurement, production, sales, finance, and information security.	The audit is carried out according to the annual audit plan, evaluating the effectiveness and compliance of the internal control system, identifying any deficiencies or anomalies.	The Audit Department prepares the audit report based on the findings and submits it to the independent directors monthly. The execution status is also reported to the Audit Committee and the Board of Directors.	Any deficiencies or anomalies in the internal control system identified during the audit are followed up and reported quarterly. The internal control system is also self-assessed annually to ensure its continued effectiveness.

2.2 Integrity in Business Operations

Integrity in Business and Commitment

TRI is founded on the principles of integrity, responsibility, and ethical conduct. The company has established the "Code of Integrity," "Code of Ethics," and "Whistleblowing and Complaint Handling Procedures," which are required to be followed by the Board of Directors, senior management, employees, and business partners. These guidelines explicitly prohibit engaging in or being involved in any dishonest business activities, aiming to build a culture of integrity and a model of sound business practices.

In terms of internal management, a Risk Management Committee is established under the Board of Directors. The HR Manager serves as the executive secretary and coordinates with legal, audit, and project management departments. The committee is responsible for formulating and overseeing the implementation of integrity policies and preventive measures, and it reports to the Board at least once a year. All business activities are conducted in compliance with the law, and significant information is disclosed in accordance with legal requirements to ensure transparency. In any Board voting where there is a conflict of interest, the involved members must recuse themselves.

Code of Integrity

Code of Ethics

Whistleblowing and Complaint Handling Procedures

In TRI 's standardized sales contracts, it is explicitly stated that the principles of integrity must be followed in the performance of the contract. If any party engages in dishonest, unethical, or corrupt behavior, the other party has the right to terminate or rescind the contract at any time. If an employee violates the integrity policy, the first offense will result in a warning and the cancellation of that year's bonuses (including performance and year-end bonuses). A second offense will lead to termination of employment, along with a request for full compensation for any damages incurred. TRI's Board of Directors adheres strictly to the principles of integrity in business operations, and in 2023, 100% of the board members signed the "Board Member Integrity and Honesty Declaration."

To ensure that all employees, management, and board members of TRI fully understand the company's commitment to integrity, policies, and preventive measures, internal and external training related to ethical business practices were conducted in 2023. These training sessions covered topics such as compliance with integrity regulations, corporate social responsibility, successful approaches to R&D patents and infringement litigation, safety management for production operations, accounting system integrity, ethical conduct policy training, contract confidentiality management, trade secret management systems, and internal controls. A total of 1,044 person-times attended these courses, with a cumulative total of 679.23 training hours. In 2023, no significant corruption risks were identified or occurred at TRI's locations.

Integrity in Business Action Plan

Item	Target	Content	Frequency
Integrity Pledge	Board of Directors, Employees, Suppliers	1. The Board of Directors, employees, and suppliers sign an "Integrity Pledge" to swear to abide by the Company's integrity and discipline requirements. 2. Regularly evaluate whether suppliers have violated integrity records.	Once
Internal Training	Employees	1. Promote the corporate culture concept of integrity management in new employee training courses. 2. Conduct online or physical training courses, including insider equity precautions, corporate contract precautions, and corporate confidential information and trade secret protection.	Irregularly
Email	Directors, Managers	1. Upon the assumption of office by a new director or manager, an email containing the "Insider Equity Promotion Manual" will be sent on the same day. In addition to informing the new manager of relevant laws and regulations that insiders should comply with, the stock affairs agency will be notified on the same day to declare relevant information of the new insider on their behalf. 2. Promote the document "Common Situations of Violation of the Securities and Exchange Act Regarding Insider Shareholding Change Declaration" via email to urge insiders to handle equity changes in accordance with the law.	Irregularly Monthly
Performance Appraisal	Employees	Include morality and conduct as one of the assessment items in the quarterly performance appraisal.	Biannually

2023 Annual Anti-Corruption Communication (Implementation of Integrity Commitment, Non-Disclosure Agreements)

Category	Number of People/Companies Communicated with Regarding Anti-Corruption	Total Number of People/Companies	Percentage of People/Companies Communicated with
Board of Directors	9	9	100%
Employees	602	602	100%
Suppliers	466	466	100%

Whistleblowing and Prevention System

Whistleblowing and Complaint Handling Act

To implement integrity in business practices within the company culture, TRI has established the "Whistleblowing and Complaint Handling Procedures." This system encourages the reporting of corruption, bribery, or any improper interest exchanges by TRI personnel, including directors, managers, employees, or those with substantial control within TRI, as well as its subsidiaries, branches, offices, and affiliated entities, both domestically and internationally.

The whistleblowing system is publicly disclosed on the company's website, specifying the standard operating procedures for handling reports. A designated department is responsible for managing, investigating, and responding to whistleblower complaints. The system also includes a reward program for whistleblowers. The identity of the whistleblower and the content of the report are kept confidential, and protections are in place to ensure that whistleblowers are not subjected to retaliation.

Whistleblowing and Complaint Handling Procedures	Report Hotline	00886-2-28328918 EXT.2119
	Report Email	fb@tri.com.tw
	Report Mailing Address	Legal Affairs Office, 7th Floor, No. 45, Dexing West Road, Shilin District, Taipei City 11158, Taiwan

Employee Complaint Channels

1. Complaint Contact: Human Resources Department, Headquarters
2. Suggestion Hotline: 00886-2-28328918 ext. 2119
3. Employee Suggestion Email: fb@tri.com.tw
4. Employee Website (EIP): Feedback Box at Company's internal portal

The company's whistleblowing system has established related procedures and confidentiality mechanisms. It explicitly requires that the receiving department must not disclose the identity of the whistleblower or the details of the report, in order to ensure the effective operation of the complaint system and protect the whistleblower from any personal detriment or discriminatory treatment in their work conditions due to the report.

Investigation of Whistleblowing Cases

Once a whistleblowing case is received, the responsible department must form a project team within 3 days to conduct an investigation. The project team should include legal personnel and other members deemed necessary by the department handling the complaint. However, individuals with a potential conflict of interest or bias regarding the case should recuse themselves from the team.

After the investigation, if the case involves regular employees, the department supervisor should provide an explanation and opinion, which is then submitted to the General Manager. If the case involves directors, senior management, or if the investigation reveals significant violations or potential substantial harm to the company, an immediate report should be prepared and submitted in writing to the independent directors.

The investigation team should, in principle, complete the investigation and report within thirty days from the date of receipt. If necessary, the deadline may be extended for up to an additional thirty days.

Whistleblower information will be strictly confidential. Those responsible for investigating the reported issue must maintain confidentiality regarding both the whistleblower's identity and the content of the report. If disclosing the identity of the whistleblower is necessary, prior consent must be obtained from the whistleblower to avoid any retaliation. During the complaint process, the involved parties may request to be accompanied by a trusted colleague during the inquiry or invite relevant individuals to participate in the investigation. The company may also request the accused party to temporarily suspend their management duties or cooperate with the investigation.

If the whistleblowing case involves a director or senior executive, or if it is discovered to be a significant violation that could cause substantial harm to the company, written notification will be submitted to the Chairman. If the investigation confirms the facts and the matter is deemed significant, it will be disclosed on the public information observatory, in addition to being addressed according to relevant laws or company regulations. In 2023, TRI did not receive any whistleblower reports or experience any violations of integrity or ethical conduct.

2.3 Economic Performance

TRI implements corporate governance strategies and holds annual investor briefings and shareholder meetings. The company regularly updates financial and business information on the public information observatory and the company website. Through transparent information disclosure, shareholders and investors can stay informed about the company's operational status in a timely manner.

In 2023, TRI's consolidated revenue was NT$4.435 billion, and the after-tax net profit was NT$1.001 billion. Compared to the 2022 revenue of NT$6.709 billion, this represents a significant decrease of 34%. In terms of profit, the after-tax net profit in 2023 decreased by 48% compared to NT$1.921 billion in 2022. From the consolidated financial statements, it can be seen that the company's operating profit margin for the year was 28%, the after-tax net profit margin was 23%, the return on equity (ROE) was 14%, and the return on assets (ROA) was 11%. Overall, the company's financial position remains solid and healthy.

The main reasons for the significant decrease in revenue and profit in 2023 are as follows:

1. Poor global economic conditions
2. A high proportion of the company's revenue and profit comes from mainland China, where the overall economic situation is weak
3. Price competition from local equipment manufacturers in mainland China
4. Insufficient penetration of channel and service layouts in the Americas and Europe
5. Local equipment manufacturers in Japan and South Korea have a competitive advantage in their home markets, making competition difficult
6. The semiconductor industry has high inventory levels, leading to reduced demand for new equipment
7. Delayed commercialization of new products

Item			Unit：NTD Thousand
	2021	2022	2023
Generation of Direct Economic Value	5,606,690	6,708,832	4,435,101
Operating Revenue	5,606,690	6,708,832	4,435,101
Distribution of Direct Economic Value	4,717,979	5,258,440	4,256,891
Operating Costs	2,558,849	2,860,203	1,804,486
Employee Salaries and Benefits	1,090,390	1,283,178	1,120,139
Payments to Investors	779,513	779,513	1,062,972
Payment to the government	289,227	335,546	269,294

Government Financial Subsidies

In the past three years, TRI has received government subsidies including investment tax credits, tangible investment deductions, and smart manufacturing grants. In 2023, the company received a subsidy of NT$140,000 for exhibition purposes. TRI has also applied for subsidies for 2023 and 2022, but due to the approval process requiring time, updates will be provided in future reports.

2.4 Risk Management

Risk Management Organization

TRI has established appropriate risk management policies and procedures in accordance with the guidelines outlined in the "Internal Control System Establishment Standards for Public Companies" and the "Risk Management Practices for Listed and OTC Companies" issued by the Taiwan Stock Exchange. Risk management encompasses various aspects, including operational environmental, social, governance risks, strategic risks, operational risks, financial risks, information risks, compliance risks, integrity risks, and emerging risks (such as climate change and infectious disease risks).

In alignment with its overall business strategy and sustainability goals, TRI has developed and implemented a risk management system to continuously monitor both internal and external issues and environmental changes. The company analyzes the potential operational impacts and improvement measures to prevent possible losses, ensuring effective supervision and control of the risk management system. Furthermore, the company enforces a risk management culture through mechanisms such as education and training, performance management, and public disclosures.

To oversee these efforts, TRI has established a Risk Management Committee under the Board of Directors, which is responsible for planning and executing risk management-related activities. One of the senior managers under the General Manager is assigned to oversee the department's risk self-assessment and prevention management. This individual proactively reports to the Risk Management Committee, which, at least once a year, presents a report on the company's risk assessment and control status to the Board of Directors. This report serves as the basis for evaluating the effectiveness of the risk management system and identifying areas for improvement

Risk Management Policy

Risk Management Policy and Procedures

Based on the overall operational guidelines and the concept of sustainable operation, establish and implement a risk management mechanism, continuously grasp internal and external issues and environmental changes, propose operational impact countermeasure analysis and improvement management, prevent possible losses, achieve effective supervision and control of the risk management mechanism, and implement the company's risk management culture through education and training, performance management, public disclosure, and other mechanisms.

TRI actively implements risk prevention and loss control measures, integrating risk management into daily internal control operations. Each department is required to regularly self-assess and participate in training, followed by evaluation from senior management to ensure that risks are effectively controlled within an acceptable range. By establishing risk indicators and a risk event reporting mechanism, TRI consolidates business information, identifies potential risks, and recognizes major risks. Regular reports on risk monitoring are submitted to the risk management supervisor.

For human-related, natural disasters, and other significant incidents, the company has established an "Emergency Response Plan" with relevant management procedures. This includes preventive measures, rescue instructions, and reporting procedures for disasters such as fires, floods, typhoons, earthquakes, and chemical spills. The plan clearly defines the responsibilities of all personnel in the company and provides guidelines for each department to follow, ensuring that potential disasters do not disrupt the company's normal operations.

Risk Identification Results and Key Issues

After identification, measurement, and assessment by the risk management organization, the main risk items TRI faced in 2023 include environmental impacts, occupational safety, employee care, legal compliance, strengthening board functions, and stakeholder communication. These issues have been reported to the Board of Directors as part of the annual management update. For information security risks, please refer to section 2.4 on Customer Relationship Management—Customer Privacy and Information Security.

| Risk Management Item	Risk Description and Response Measures
Environmental Impact and Management	In response to increasing global warming, companies may be subject to carbon taxes and other measures in the future. TRI has introduced the ISO 14001 environmental management system since 2021, obtained certification in 2022, and carried out energy-saving operations in the production plant and planned to introduce green energy equipment. In 2023, it obtained ISO 14064 certification.
Occupational Safety	Employees are the most important asset of an enterprise. Enterprises must provide a safe and hygienic workplace environment so that employees can perform their jobs without any worries. TRI began to introduce the ISO 45001 occupational safety and health management system in 2021 and obtained certification in 2022, hoping to continue to improve workplace environmental safety and hygiene.
Employee Care	The labor market has been quite competitive in the past two years. In addition to providing a safe and hygienic workplace environment, the Company also conducts annual employee health checkups, employs factory doctors and nurses in accordance with regulations to provide consultation and follow-up care for colleagues, and also provides group insurance with free enrollment for spouses and children and 10 days of full-pay sick leave. The Company refers to market salary surveys and adjusts salaries every April in the hope of providing comprehensive care to colleagues and increasing the Company's competitiveness in the labor market.
COVID-19 Impact and Management	The Company set up an epidemic prevention response team to carry out relevant publicity and protection measures, including providing alcohol, mask covers, masks, and rapid screening reagents, requiring colleagues to measure their body temperature and report it, and providing full-pay vaccination leave in accordance with government orders to encourage colleagues to get vaccinated. It also implemented diversion measures such as allowing some colleagues to work from home to reduce the chance of cluster infections. Confirmed cases are provided with full-pay sick leave to allow colleagues to recuperate with peace of mind. Based on the above-mentioned measures, we have successfully and safely weathered the most serious epidemic of the Level 3 alert.
Legal Compliance	Ensure that all personnel and operations of the Company comply with relevant laws and regulations by establishing a governance organization and implementing an internal control mechanism.
Strengthening the Functions of Directors	Plan relevant continuing education topics for directors and provide directors with the latest regulations, system development, and policies every year.
Stakeholder Communication	Establish various communication channels, actively communicate, and reduce conflicts and misunderstandings. Set up an investor mailbox, which is handled and responded to by the spokesperson.

2.5 Compliance with Laws and Regulations

TRI considers compliance with local national regulations as the minimum standard. The company regularly reviews environmental and safety regulations, assists in establishing risk control measures, and sets operational requirements. TRI continues to internalize regulatory requirements and transform them into company policies or implementation guidelines, while promoting awareness through relevant employee training courses.

In 2022, TRI obtained certifications for ISO 14001:2015 Environmental Management Systems and ISO 45001:2018 Occupational Health and Safety Management Systems. These certifications not only ensure the company's compliance with environmental, labor, and occupational safety regulations but also provide employees with a safe and healthy working environment. In 2023, TRI did not experience any violations related to corporate governance, anti-competitive behavior, antitrust, or environmental, economic, and social regulations. In 2022, the company established an ESG project team to promote sustainable development, further embedding sustainability principles into corporate culture and daily operations.

2023 Compliance Training Course Content

Course	Course Objective	Number of Trainees	Training Hours
Occupational Safety and Health Related Courses	Understand relevant regulations and assist in maintaining a workplace environment that complies with regulations	12	144
ISO Related Training Courses	Understand ISO internal audit concepts and assist in internal company processes	114	407.4
Radiation Protection Training Courses	In-service radiation workers are required to receive regular training	115	916.46
Other (e.g., first aid training or crane operation training)	Compliance with regulations	6	21

Note: Training related to ethical business conduct is disclosed in section 2.2 Ethical Business Practices.

Sustainability Report
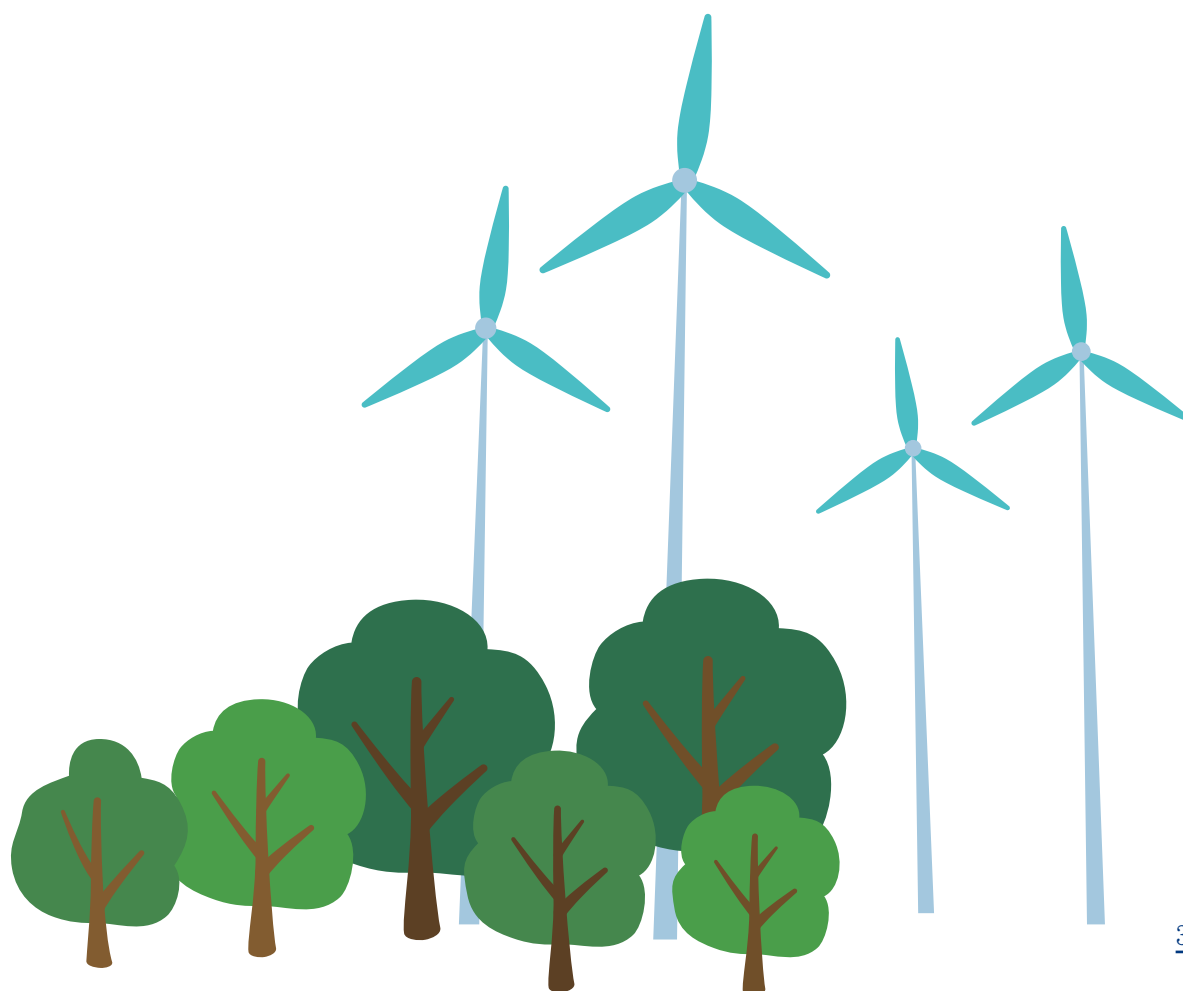
2.6 Sustainable Supply Chain Management

Supply Chain Types

TRI 's main products are automatic inspection equipment for the development, production, and sales services of testing solutions for assembled circuit boards. As such, the company works with a diverse range of suppliers. The raw materials in the supply chain include X-Y tables, CCD cameras for image processing, X-ray tubes, instrument tables, PC boards, ICs, presses, and computer equipment. Suppliers are generally well-established domestic and international companies with a strong reputation for quality, technology, and reliability. TRI has maintained long-standing, stable relationships with these suppliers, ensuring a steady supply of materials. The company generally works with at least two suppliers for each key raw material to guarantee stability in the supply chain, ensuring the continuity of production.

In 2023, TRI collaborated with 466 raw material suppliers globally, with procurement totaling NT$1.5 billion. Of this, local procurement amounted to NT$1.3 billion, accounting for approximately 87% of the total procurement amount.

Local Procurement

Procurement Source	Number of Suppliers at the End of 2023	Percentage of Procurement Amount in 2023
Local	428	87 %
Non-local	38	13%

Note: The geographical definition of "local Procurement" refers to suppliers located in Taiwan. 。

Out of the 466 suppliers, TRI has identified "key suppliers" for strategic management. The main criteria for identification include suppliers whose annual procurement amount accounts for the top 10%, those providing critical components or exclusive supply sources, or those supplying irreplaceable components. As of the end of 2023, TRI has 18 key suppliers. We regard these key suppliers as strategic partners essential to the company's product development, and we continue to maintain close business relationships with them.

Supplier Classification and Procurement Proportions

Supplier Type	Number of Suppliers at the End of 2023	Percentage of Procurement in 2023
Key Suppliers (Image parts, top 10 transaction amounts)	18	53%
Other Major Suppliers (Annual transaction of 10 million)	18	20%
Total	36	73%

Sustainable Supply Chain Management

Supplier Sustainability Management Guidelines

The company has established "Supplier Management Operations" and "Supplier and Contractor Environmental Health and Safety Regulations." Supplier evaluations are conducted in accordance with the ISO supplier management guidelines, requiring suppliers to adhere to environmental protection, safety and health, labor rights, and ethical standards. When implementing supplier evaluations, these issues are taken into consideration during on-site inspections. In 2021, the company introduced the ISO 14001 and ISO 45001 management systems, and certification was completed in 2022.

The company assesses potential operational safety and environmental impacts of suppliers and contractors, conducting quarterly evaluations. Every three years, on-site evaluations are performed for specific suppliers (e.g., PCB manufacturers, machine processing plants, wire processing plants, etc.). Additionally, the company regularly reviews and addresses issues such as delivery quality with suppliers to prevent occupational accidents or environmental impacts resulting from operational activities.

To implement effective supplier management, TRI has established supplier selection criteria. In addition to evaluating basic aspects such as quality, cost, delivery, service, management, innovation, and technical capabilities, TRI also implements procurement management based on a green supply chain. The following are the key principles for evaluating all suppliers (including new suppliers):

• Suppliers must sign the "Integrity Commitment Letter," pledging to comply with TRI's Supplier Code of Conduct.

• Material suppliers for TRI must comply with local laws and regulations and define their risk management mechanisms.

• Suppliers are required to establish an environmental, safety, and hazardous substances management system.

• Suppliers must cooperate with TRI's restricted substance management plan for components and provide appropriate and regularly updated self-declarations or certification documents.

Required Documents for New Suppliers

✓ Integrity Pledge

✓ Integrity Commitment

✓ Copy of Bank Passbook

✓ Agents/Distributors need to provide original factory authorization documents

✓ Ministry of Economic Affairs Company Registration Information

New Supplier Management Proces

- Review of Supplier Submitted Documents：TRI conducts a written qualification review of new suppliers based on the "Supplier Information Form." Suppliers are evaluated comprehensively across six aspects: quality certification, quality standards, price levels, delivery performance, technical capabilities, and service levels. Whether the supplier holds relevant certifications, such as Occupational Health and Safety Management System certification, is considered as part of the evaluation.

- Supplier On-Site Visits and Audits：A review team consisting of personnel from Quality Assurance, Procurement, Engineering, or R&D departments conducts on-site audits. The supplier must commit to and comply with TRI's green environmental material standards, corporate social responsibility, respect for human rights, and ethical business policies.

In 2023, 100% of TRI's new suppliers signed the "Integrity Commitment Letter," demonstrating the suppliers' strong willingness and commitment to addressing social responsibility issues such as environmental protection, occupational safety, labor rights, and ethical business practices. In 2024, in addition to continuing to improve the collection rate of supplier commitment letters, TRI will initiate the EU RoHS 2.0 (2015/863/EU) implementation project, aiming to assist suppliers in aligning with international standards and jointly building a more resilient supply chain.

Qualified Supplier Audit Mechanism

TRI is committed to enhancing the sustainability of its supply chain. Each year, TRI conducts regular on-site audits at supplier locations to verify their corporate social responsibility (CSR) practices, policies, and compliance. For suppliers with poor management system performance, the Quality Assurance department is responsible for providing guidance and tracking improvement. If the supplier fails to meet the required standards, TRI will suspend its relationship with the supplier until improvements are made, establishing a robust supplier sustainability audit management mechanism. Additionally, in the case of complaints, TRI will handle investigations and resolutions while maintaining the confidentiality of the whistleblower.

In 2023, TRI audited 22 suppliers. The main issues identified during the on-site audits were the lack of or need for additional operational procedures, incomplete record-keeping, and unclear control methods. After requesting the suppliers to make improvements, all audited suppliers completed the required improvements within the specified deadline, resulting in a 100% resolution rate. No supplier's relationship with TRI was terminated due to non-compliance with the company's requirements.

TRI will continue to promote its green procurement policy to suppliers and urge them to fulfill their corporate social responsibility. For long-term or potential suppliers, if they are unable to comply with TRI's social responsibility policies, we will consider whether to continue the partnership in the future. In such cases, we will have a secondary supplier ready to take over the supply of parts and raw materials, ensuring uninterrupted production and delivery.

Supplier Evaluation Criteria of TRI

	New Supplier Development	Regular Evaluation
Management System	10%	10%
Process Capability	30%	40%
Quality System	20%	30%
Delivery and Cost	30%	10%
Environmental and Safety Management	10%	10%

Supplier Evaluation Score (%) Rating Explanation

Evaluation Score	Rating	Action
85-100	Excellent	Add 10% to the total score at the end of year performance evaluation
70-84	Good	Add 5% to the total score at the end of year performance evaluation
60-69	Normal	Normal performance with no exceptional or abnormal situations.
50-59	Observe	Deduct 10% from the total score at the end of year performance evaluation
49↓	Bad	Deduct 20% from the total score at the end of year performance evaluation

Chapter 3: Environmental Sustainability

Sustainability Performance and Corresponding SDGs

Implementing the SDGs	(SDG Item)	Sustainability Performance
SDG7	 Affordable and Clean Energy	• In 2023, we continued to replace lighting fixtures in our facilities with high-efficiency LED lighting, which reduced energy consumption by approximately 303,995 kWh, equivalent to a reduction of approximately 150.48 metric tons of carbon dioxide emissions.
SDG13	 Climate Action	• By implementing the TCFD framework, we identified and managed climate-related risks and opportunities, integrating climate change measures into our organizational strategy and planning. In 2023, we reduced carbon emissions by approximately 159.48 metric tons of CO2e.

3.1 Climate Change Response

Climate-related Financial Disclosures (TCFD)

GRI 201-2

The global impact of extreme weather events caused by climate change cannot be ignored. To address the significant climate risks and opportunities that may affect our company, we have adopted the recommendations of the Task Force on Climate-Related Financial Disclosures (TCFD) issued by the Financial Stability Board (FSB). By following the TCFD framework of "Governance," "Strategy," "Risk Management," and "Metrics and Targets," we are strengthening our ability to identify and respond to climate risks and opportunities. We are also developing governance strategies for climate risks and opportunities to enhance our climate change management.

Governance	Strategy	Risk Management	Metrics and Targets
• The Corporate Sustainability Committee, overseen by the Board of Directors, is the highest-level organization within Delton responsible for addressing climate change. • Under the committee, the ESG Office is responsible for compiling and promoting ESG work plans, as well as coordinating the implementation across various departments. • The ESG Office regularly reports to the Corporate Sustainability Committee after discussing and integrating with various departments.	• In accordance with TRI's target management timeline, climate-related risks and opportunities are defined as short-term (0-3 years), medium-term (3-10 years), and long-term (over 10 years). • Assess the potential impact of climate risk factors on the company's strategy, operations, and financial planning.	• The ESG Office collaborates with various departments to identify climate change risks and opportunities in accordance with the TCFD framework. • Based on the results of climate risk identification, formulate response strategies and key development plans. • Integrate climate change issues into the company's risk management framework.	• 2023 Scope 1 greenhouse gas emissions: 788.06 tonsCO2e • 2023 Scope 2 greenhouse gas emissions: 1,556.98 tons. CO2e

• **Climate Governance Framework**

In order to promote sustainable development and corporate sustainability management, the Sustainability Development Committee was established in 2022. The committee's authority includes the review and approval or reporting of corporate sustainability policies and promotion plans, as well as tracking and providing recommendations on the implementation and effectiveness of sustainability efforts. Under the committee, an ESG team is set up, responsible for consolidating and promoting ESG work plans, and coordinating with various departments to assess, plan, and implement sustainability practices in the three key areas: Environmental Sustainability (E), Social Responsibility (S), and Corporate Governance (G).

The ESG team is responsible for coordinating and promoting sustainability-related matters, convening various departments to actively assess, plan, and implement sustainability practices according to their respective responsibilities. The execution results of annual sustainability actions are consolidated through communication and coordination between the ESG team and various departments, and regularly reported to the Sustainability Development Committee, as well as presented annually to the Board of Directors. By continuously reviewing sustainability governance actions, TRI aims to more comprehensively and strategically assess existing performance and plan future directions, aligning them with operational policies.

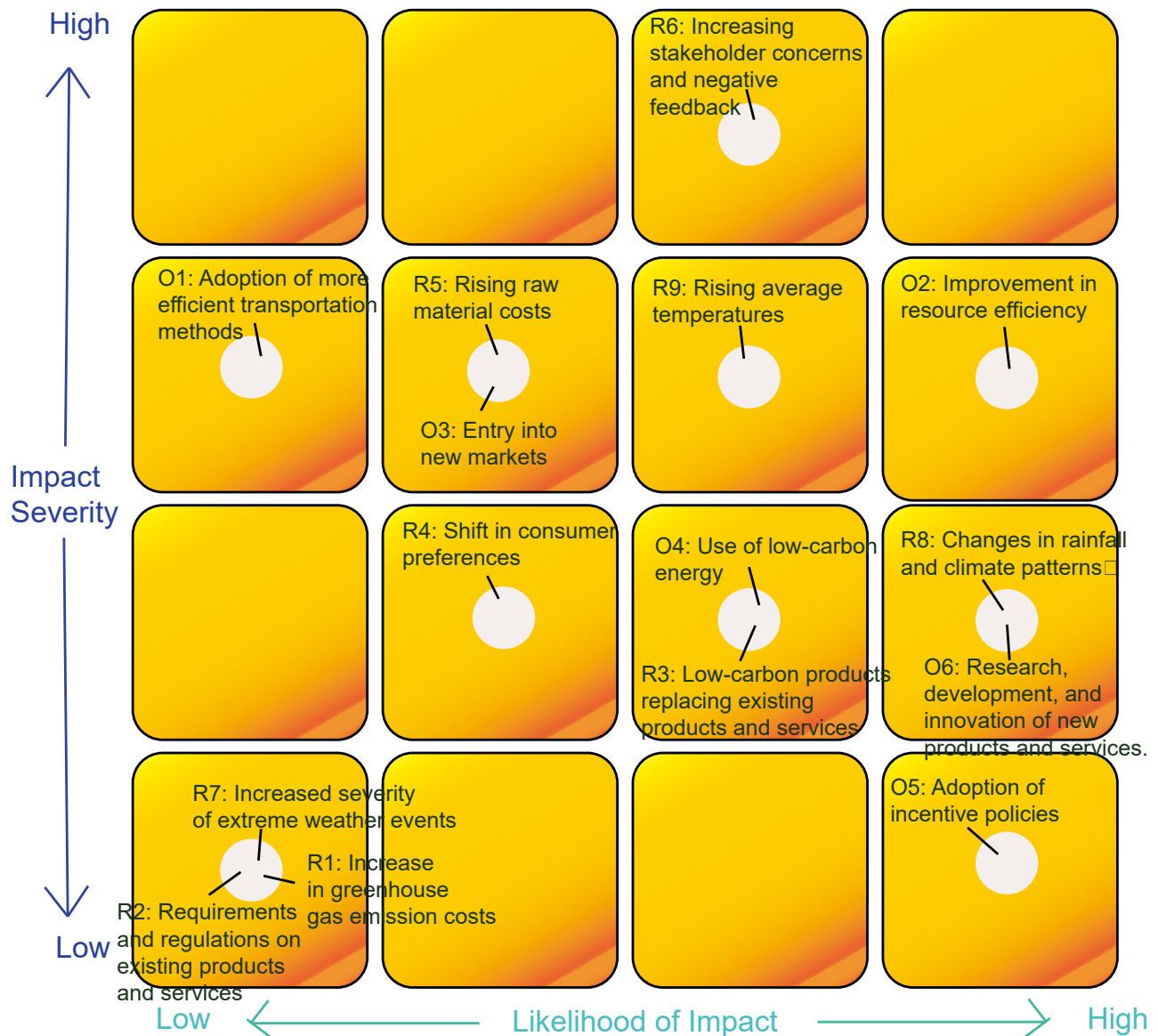## Climate change risk and opportunity assessment.

The company's sustainability-related matters are centrally managed by the ESG office. The office has conducted research on various international sustainability and climate change initiatives and organizations, collecting key concerns within the industry. Based on the type of organizational operations, climate risks and opportunities related to the semiconductor industry, computer, and peripheral equipment industries have been identified and incorporated into consideration.

The ESG Committee convened a climate change risk and opportunity identification meeting, where participants reviewed the list of transition risks, physical risks, and opportunities based on the recommendations of the TCFD. In the meeting, they understood the definitions of each risk and opportunity, and relevant departments identified the primary short-, medium-, and long-term impact timelines. The committee conducted a strategic and financial impact assessment for each identified risk and opportunity, considering factors such as risk adaptation and mitigation activities, R&D investments, business types, and operational locations, and their effects on the company's business and strategy. The identification and evaluation factors for climate change-related transition risks, physical risks, and opportunities included the degree of impact on the company's operations and the likelihood of occurrence.

A matrix diagram was produced from the identification analysis. After discussion among the members, the key climate change risks and opportunities were ultimately identified, and future climate change response measures for the company were confirmed. These were reported to the Sustainability Development Committee, with final review and guidance on climate change strategies, action plans, and annual targets provided by the Board of Directors. The Board also oversees the implementation and reviews greenhouse gas emission trends on an annual basis.

Climate-related risk and opportunity issue collection	Training and inventory	Identification of significant risks and opportunities	Confirmation by senior management
Based on the organization's operational type, relevant climate risks and opportunities are screened.	Relevant execution units understand the definitions of various climate risks and opportunities, analyze domestic and international regulations, market dynamics, and technological trends, and further discuss each issue. Through factors such as likelihood of impact, severity of impact, and timing of occurrence, TRI's exposure and vulnerability to climate issues are assessed.	The risk value is evaluated based on the likelihood of impact (L) and severity of impact (M), identifying the company's overall significant climate risks and opportunities while assessing potential impacts and management strategies for climate-related risks and opportunities.	The identified results are reported to senior management for confirmation and integrated into the company's overall risk management framework for effective control.

TRI Climate Risk and Opportunity Matrix

High

Impact
Severity

R6: Increasing stakeholder concerns and negative feedback

O1: Adoption of more efficient transportation methods

R5: Rising raw material costs

O3: Entry into new markets

R9: Rising average temperatures

O2: Improvement in resource efficiency

R4: Shift in consumer preferences

O4: Use of low-carbon energy

R3: Low-carbon products replacing existing products and services

R8: Changes in rainfall and climate patterns☐

O6: Research, development, and innovation of new products and services.

R7: Increased severity of extreme weather events

R1: Increase in greenhouse gas emission costs

R2: Requirements and regulations on existing products and services

O5: Adoption of incentive policies

Low

Low ← Likelihood of Impact → High

Key climate risk identification and adaptation strategies.

Climate-Related Risk Issues		Potential Impact on the Company	Impact Timeline	Adaptation Management Strategy
Transition Risk	Increasing Stakeholder Attention and Negative Feedback	Due to the impact of climate change on the supply schedule of raw materials from major suppliers, TRI previously experienced customer complaints related to quality issues with substitute components used in machine shipments. This affected multiple customers' confidence in purchasing TRI products, leading to a decrease in repeat orders or a switch to competitors' products. As a result, both revenue and profits for that year declined, further affecting the trust of customers and shareholders in TRI.	Long-Term (Over 5 Years)	• In the short term, adopt multiple qualified suppliers and implement incoming material inspections to control delivery schedules and quality risks. • In the medium to long term, the company will adopt green product design, energy-saving and carbon reduction initiatives, and local sourcing. New products will be introduced gradually, utilizing low-energy consumption technologies. The newly developed fourth-generation software enhances the operational compatibility across TRI's visual inspection product lines (AOI/SPI/AXI), helping to save manpower and reduce travel needs for service, as well as decreasing energy consumption and promoting product recycling and reuse. Through the sharing of components and module replacements, circular economy measures can be realized, allowing hardware items (such as metal parts, electronic components, etc.) to be continuously reused.
Physical Risk	Changes in Rainfall and Climate Patterns	Frequent extreme weather events such as droughts and floods; severe weather fluctuations leading to a reduced lifespan of equipment and facilities; employee health being affected and an increase in mosquito-borne diseases; workers' inability to adapt to climate change impacting raw material supply; and instability in the municipal water supply system. These impacts will result in decreased revenue.	Medium-Term (3 to 5 Years)	Water Scarcity: • Calculate the number of days the water storage capacity of the operational site's water storage facilities can support. • Adjust the water consumption for plant irrigation • Adjust the conductivity meter on the cooling tower and close the drain valve. • Restrict the washing function of the water dispenser. • Manually improve the efficiency of water usage for toilet cleaning. • Identify suppliers of water tankers across Taiwan that can be mobilized and, if necessary, arrange for water to be transported from other counties/cities to be used exclusively at the site.Flooding Flooding: • When expanding factory facilities, incorporate flood risk considerations, enhance the drainage capabilities of the plant area, and increase the capacity of rainwater storage facilities as well as improve the efficiency of pumping equipment. • Increase the cleaning frequency of perimeter ditches and roof drains before the rainy season to ensure there are no blockages. • Increase the frequency of testing and inspections of site drainage pumps to ensure the equipment functions properly during rainfall. • Adjust the discharge monitoring water levels of rainwater pits (manholes) to promptly drain rainwater and ensure the sufficient capacity of the rainwater pits. • During the rainy season, increase the frequency of inspections of rainwater pits and testing of drainage equipment to monitor the real-time status of flood-prone areas. • Strengthen the inspections to ensure that the protective nets installed at drainage outlets are properly set up. • Prepare waterproof sandbags to prevent external flooding from causing internal operational disruptions and damage.
	Rising Average Temperature	occurrences of unstable climate conditions such as extreme cold, extreme heat, and heavy rainfall. This has resulted in an early onset of summer. However, the early arrival of summer has not shortened its duration; instead, summer has been extended, increasing the demand for energy consumption by cooling equipment, which in turn has led to a rise in operating costs.	(Over 5 Years)	• implement physical energy-saving measures, and use curtains to reduce sunlight and minimize cooling resource loss.

Key Climate Opportunity Issues and Adaptation Strategies

Climate-Related Opportunity Issues	Potential Impact on the Company	Impact Timeline	Adaptation Management Strategy
Resource Efficiency — Enhance Resource Efficiency	TRI's products are industry leaders in terms of durability and lifespan, and the company offers after-sales services for component replacement or upgrades. A longer product lifecycle helps reduce waste generation, achieving both environmental protection and energy-saving benefits. This also strengthens customers' preference for TRI products, driving revenue and profit growth.	Long-Term (Over 5 Years)	•TRI's products lead the industry in terms of durability and lifespan, and the company offers after-sales services for component replacement or upgrades. The longer product lifecycle helps reduce waste, achieving environmental protection and energy-saving benefits, while also enhancing customers' willingness to choose TRI products, driving revenue and profit growth. •The newly developed fourth-generation software enhances the operational compatibility across TRI's visual inspection product lines (AOI/SPI/AXI), helping to save manpower for services and reduce travel demands. It also reduces energy consumption and promotes product recycling and reuse. Through the sharing of components and module replacements, circular economy measures can be achieved, enabling the continued reuse of hardware items such as metal parts and electronic components.

3.2 Energy Management

Energy Usage

TRI's energy usage primarily consists of purchased electricity and diesel, which are used for office electricity consumption, component assembly production processes, and other utility equipment. Diesel is used to power generators. In 2023, TRI's total energy consumption was 11,038.11 gigajoules (GJ). The diesel consumption for 2020 and 2021 was not recorded, so there is no data available. The 2022 diesel data was estimated based on equipment usage conditions. Starting in 2023, diesel data has been recorded using measurement tools to ensure the accuracy of energy management statistics. In 2023, TRI's energy intensity was 2.49 GJ per million NTD, representing a 27% increase compared to 2022's energy intensity of 1.95 GJ per million NTD. The main reason for this increase is the decline in revenue in 2023, while the electricity consumption of basic operational facilities remained constant, leading to a rise in energy intensity.

Energy Usage Statistics

Item (Note 1)	Location	2021	2022	2023
Purchased Electricity (GJ)(Note 2)	Headquarters	5,037.30	4,817.10	4,695.60
	Linkou Factory	7,659.66	7,562.49	5,698.33
	Zhubei Factory	683.64	715.37	643.20
Diesel (GJ)	Linkou Factory	NA	1.76	0.98
Total Energy Consumption (GJ)		13,380.60	13,309.97	11,037.9
Energy Intensity (GJ per Million NTD)(Note 4)		2.39	1.95	2.49

Notes：

1. Unit calorific value source: Based on the Unit Calorific Value Table for Energy Products by the Bureau of Energy, Ministry of Economic Affairs.
2. GJ: Gigajoule
3. NA indicates that the site had no relevant statistical data for that year.
4. Energy Intensity = Total Energy Consumption (GJ) ÷ Revenue (Million NTD).

TRI Energy Intensity Comparison
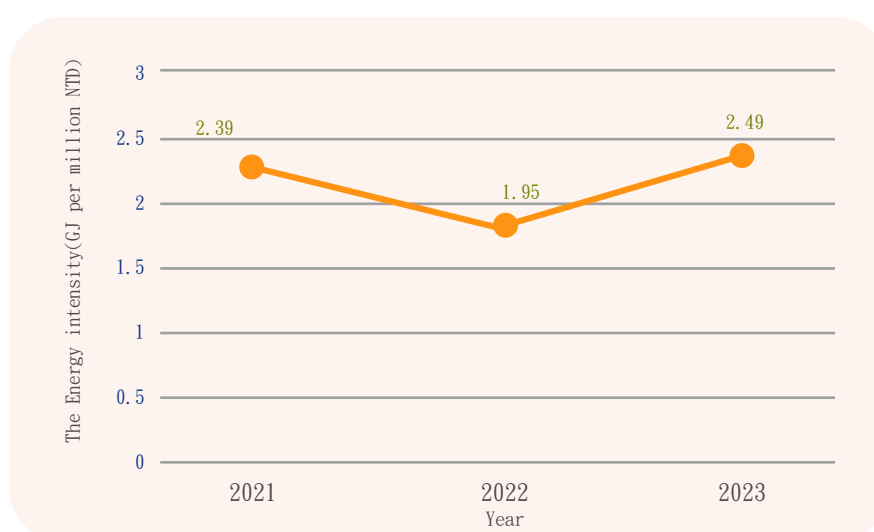
Note: The calculation of energy intensity covers all types of energy used within TRI, including electricity and diesel. There are no diesel usage statistics for 2020 and 2021

3.3 Greenhouse Gas Management

TRI's greenhouse gas emissions data is self-audited in accordance with the ISO 14064-1:2018 standard requirements. Direct greenhouse gas emissions amounted to 788.055 metric tons of CO2e, while indirect greenhouse gas emissions were 3,765.21 metric tons of CO2e, resulting in a total of 4,553.270 metric tons of CO2e for both direct and indirect emissions. The primary source of greenhouse gas emissions is indirect emissions from purchased electricity. The total emissions for Scope 1 and Scope 2 were 2,345.038 metric tons of CO2e, and the emission intensity in 2023 was 1.03 (metric tons of CO2e per million NTD).

In 2023, TRI adopted ISO 14064-1 for the audit of Scope 1 and Scope 2 greenhouse gas emissions in line with the transition of greenhouse gas audit standards and the progress of global carbon management trends. Additionally, TRI expanded the audit to include Scope 3 to Scope 6 greenhouse gas items. Based on stakeholder needs, the difficulty of obtaining activity data, regulatory requirements, and other conditions, TRI established materiality principles to select significant items from Scope 3 to Scope 6. This allowed TRI to obtain reliable 2023 greenhouse gas emission audit data. TRI will continue to manage greenhouse gases based on this data, responding to global sustainability trends, and will further invest in energy-saving and carbon reduction projects, continually enhancing the carbon management capabilities of the TRI Group.

TRI Greenhouse Gas Emissions Status

Item [Note 1]	Year		
	2021	2022	2023
Scope 1 (tons CO2e) [Note 2]	0.52	0.17	788.06
Scope 2 (tons CO2e) [Note 3]	1,891.44	1,829.70	1556.98
Total of Scope 1 and Scope 2	1,891.96	1,829.87	2345.04
Emission Intensity [Note 4] (tons CO2e per million NTD)	0.34	0.27	1.03 (Scope 1~Scope 6)

Note:

1. The 2023 greenhouse gas emissions data was collected for the first time across all sites of the parent company according to the ISO 14064-1:2018 standard. The greenhouse gas emissions were audited using the emission factor method, with the calculation method being Activity Data * Emission Factor * GWP Value (the emission factor was sourced from the Environmental Protection Administration's 2019 Greenhouse Gas Emission Factor Management Table version 6.0.4, and the GWP value was sourced from the IPCC Sixth Assessment Report). The greenhouse gases include carbon dioxide (CO_2), methane (CH_4), nitrous oxide (N_2O), hydrofluorocarbons (HFCs), perfluorocarbons (PFCs), sulfur hexafluoride (SF_6), and nitrogen trifluoride (NF_3).

2. The primary Scope 1 emission source in 2021 and 2022 was diesel usage for generators. The primary Scope 2 emission source in 2021 and 2022 was purchased electricity.

3. The electricity emission factor for 2023 was calculated based on the Ministry of Economic Affairs' June 21, 2022 announcement of 0.495 kgCO2e per kilowatt-hour. For other years, the emission factor is based on the data from the same announcement.

4. The primary Scope 1 emission source in 2023 was refrigerant emissions from newly purchased cooling equipment at the Linkou Plant Phase II; the primary Scope 2 emission source in 2023 remained purchased electricity.

5. Emission intensity = (emissions from Scope 1 + Scope 2 + Scope 3 to Scope 6) ÷ Revenue (million NTD)

6. The 2023 greenhouse gas audit data was voluntarily audited and is for reference only; no external verification was conducted.

Energy-Saving and Carbon Reduction Measures

TRI is mindful of the impact climate change has on business operations. To reduce the environmental impact of operational activities, TRI has actively promoted environmental sustainability actions at its plants and operational sites. In 2023, the Linkou Plant replaced fluorescent tubes and recessed lights with more energy-efficient LED tubes and recessed lights to improve energy efficiency and reduce energy consumption. This initiative reduced electricity usage by approximately 303,995 kWh, equivalent to a reduction of about 150.48 metric tons of CO2e. In the future, we will continue to plan and implement other energy-saving projects, gradually increasing energy efficiency.

Energy-Saving and Carbon Reduction Measures

Description of Energy-Saving Action Plan	Energy Reduction (kWh/year) Note 1	Reduction Scope	Converted Carbon Reduction Note 2 (tons CO2e)
The lighting fixtures on each floor of the Linkou Plant with light steel frames were replaced with energy-saving LED tubes to enhance the efficiency of the lighting equipment and reduce energy consumption.	256,095	Scope 2	126.77
The traditional lighting fixtures in the basement parking lot of the Linkou Plant were replaced with LED tubes to enhance the efficiency of the lighting equipment and reduce energy consumption.	47,900	Scope 2	23.71

Note: 1. The energy savings are estimated based on equipment specifications and operating hours.
2. Carbon reduction = Energy savings x Taipower emission factor of 0.495 kg CO2e/kWh.

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3.4 Water Resource Management

Water Usage Status

In recent years, as extreme weather events occur more frequently, the risk of water resource scarcity has increased. In response to external water-related pressures and global water shortages, TRI has taken practical actions to implement sustainable water resource management. Currently, all of TRI's water sources are supplied by municipal water systems. The water used at the Taipei Headquarters, Linkou Plant, and Zhubei Plant is for domestic purposes, with no water used in production processes. Wastewater is collected and discharged into the sewage system according to local regulations and then treated at the sewage treatment plants near each location. In 2023, the total water withdrawal was 13.38 million liters.

TRI Water Usage

Disclosure Items		Unit	2021	2022	2023
Tap Water Withdrawal	Taipei Headquarters	Million Liters	4.65	5.15	4.8
	Linkou Plant		11.45	7.89	8.1
	Zhubei Plant		0.36	0.55	0.48
	Total Water Withdrawal		16.45	13.59	13.38
The Water Discharge[Note 3]			8.94	3.99	3.1
The Water Consumption[Note 4]			2.51	3.9	5.0

Note:

1. All water sources are freshwater ($\leq 1,000$ mg/L total dissolved solids). Tap water data is calculated based on annual water bills.

2. The water used at the Taipei Headquarters and Zhubei Plant is for domestic purposes, and wastewater is discharged into the municipal sewage system without metering.

3. The discharge volume refers to the water discharge at the Linkou Plant.

4. Since only the Linkou Plant has water discharge data, the water consumption is calculated for the Linkou Plant only. Water consumption = Water withdrawal - Water discharge.
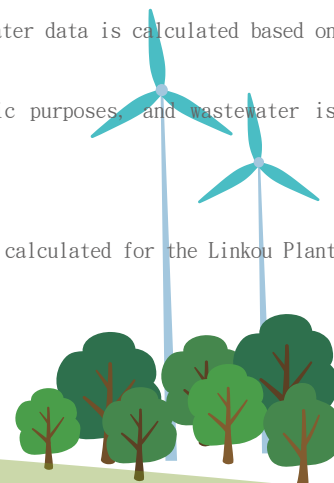
Additionally, we utilize the World Resources Institute (WRI) Aqueduct Water Risk Atlas to conduct comprehensive water risk assessments for each operational site. The results of this simulation analysis will be incorporated into future operational strategy considerations. The overall water risk level in Taiwan is classified as low to medium risk, and none of the water sources are drawn from areas under water stress. Water sources come from the Shuangxi Water Treatment Plant and Shimen Reservoir (Danan Water Treatment Plant). To date, there have been no instances of water shortages or flooding. In response to major emergencies or natural disasters, TRI has established emergency response procedures. Personnel at the plant sites can follow these procedures to reduce overall disaster losses.

Note: This is the result of a comprehensive water risk assessment for TRI's operational sites using the WRI Aqueduct Water Risk Atlas (Query Date: April 2023).

Water Conservation Measures

TRI's initiatives to improve water resource efficiency primarily focus on upgrading and replacing sanitary facilities. In the future, we will continue to enhance water resource management measures and further optimize water usage efficiency across our plant sites

Reduction Item	Implementation Measure
Water Reduction	1. Post water-saving slogans to remind employees to develop the habit of turning off water promptly. 2. Use devices with water-saving labels to prevent excessive water flow and reduce waste. 3. The Linkou Plant Phase II of TRI uses a rainwater recycling irrigation system to reduce tap water usage.

3.5 Waste Management

Waste Generation

Currently, the waste generated by TRI consists of non-hazardous waste, including common office waste, waste wooden pallets, scrap metal, waste plastic, and waste paper. In 2023, the total amount of non-hazardous waste processed was 95.42 tons, with a recycling rate of 74%.

TRI complies with the Waste Disposal Act in executing waste management and implements a resource recycling mechanism. Waste is handled by outsourcing to qualified waste disposal companies for recycling and reuse. TRI signs annual contracts with qualified waste carriers to confirm relevant management practices, and the carriers perform regular clean-up based on waste generation conditions. In 2023, there were no breaches of contract by the waste carriers engaged by TRI.

2023 Waste Flow Diagram

SUPPLIER → Equipment assembly materials (paper packaging, plastic packaging)

STAFF → Resources from personnel activities (consumable products, packaging materials)

TRI innovation

100%

- Waste wooden pallets (D-0701) 8% → WOOD
- Waste iron (D-1301) 38% → IRON
- Waste plastics (D-0201) 5% → PLASTIC
- Waste paper (D-0601) 23% → PAPER
- Employee household waste (H-0002) 26% → ECOVE

Picture: TRI Waste Flow Chart

2023 Waste Disposal Volume Statistics

Types of Waste	Waste Details	Treatment Methods	Waste Disposal Volume (tons)
Non-Hazardous Waste	Waste Wooden Pallets (D0701)	Recycled Materials	7.8
	Employee Domestic Waste (H-0002)	Incineration (Non-Energy Recovery)	25.2
	Waste Plastic (D-0201)	Recycling	4.84
	Waste Paper (D-0601)	Recycling	21.63
	Scrap Metal (D1301)	Recycling	35.95
Total Waste Disposal Volume			95.42

Waste Volume Reduction

In the future, the Linkou Plant of TRI will implement resource waste compaction equipment to compress the volume of resource waste generated during production, such as paper, plastic film, and plastic bags. This will help reduce the overall waste volume, decrease the number of vehicle trips for resource waste disposal, and lower carbon emissions produced by fuel-powered vehicles.

3.6 Greening Actions

TRI has designed an expanded green belt area of 4,453.68 m² at the construction site of the Linkou Plant Phase II to avoid the visual impact of a concrete jungle and to enhance the ecological environment of the technology park. This area is significantly larger than the 2,998.19 m² required by the Taoyuan City Building Greening Autonomous Regulations and the 2,248.65 m² green coverage requirement for the Hwa Ya Technology Park.

In response to the global trend of energy conservation and carbon reduction as well as the future sustainable development of the human environment, TRI accepted the invitation to participate in the "Supply Chain Greenhouse Gas Inventory and Carbon Footprint Inventory Counseling Project" in January 2023. Between July and October 2023, the company commissioned "C.C Sustain ESG Solution Co., Ltd." to assist with a greenhouse gas inventory following the ISO 14064-1:2018 standard. As a result, TRI officially joined the global corporate carbon management efforts. On December 17, 2023, the company received a Greenhouse Gas Verification Statement issued by SGS Taiwan Inspection Technology Co., Ltd. TRI is committed to addressing the carbon emissions resulting from its operational activities and their environmental impact. The company is actively working to control these emissions and implement greenhouse gas reduction plans, aligning with the shared vision of leading global enterprises to "move towards a sustainable and win-win future."

Chapter 4: Product Innovation and Information Security Management

Sustainability Performance and Corresponding SDGs (Sustainable Development Goals)

Implementation of the United Nations Sustainable Development Goals (SDGs)	2023 Sustainability Performance
SDG4 Quality Education	• In 2023, TRI invested approximately 1.61 million NTD in industry-academia collaboration. Looking ahead, TRI hopes that through joint efforts with academic and research institutions, more emerging technologies from these partnerships can be effectively applied and integrated into the industry.
SDG9 Industry, Innovation, and Infrastructure	• TRI continues to participate in the technical seminars regularly organized by the Taiwan Electrical and Electronic Manufacturers' Association (TEEMA). In 2023, TRI took part in one seminar related to digital technology. • In October 2023, TRI participated in the Sustainable Supply Chain Transformation and Innovation Applications Forum, organized by the Industrial Development Bureau of the Ministry of Economic Affairs and the Institute for Information Industry. TRI also showcased related application solutions during the event. • In 2023, TRI invested approximately 430 million NTD in research and development, accounting for about 9% of its revenue, representing a 1% increase compared to the previous year.
SDG12 Responsible Consumption and Production	• In 2023, there were no incidents of violations related to health and safety regulations concerning products and services. • In 2023, TRI did not experience any incidents of information security breaches.

Management Policy

Major themes	Product Quality and Safety
Impact Statement	Product quality and safety are crucial to how customers perceive TRI and to ensuring the safety of operators. If inconsistencies in the quality of shipped equipment lead to customer complaints, it may raise doubts about purchasing TRI products and affect clients' willingness to place repeat orders. This could potentially impact the company's annual revenue and profitability, as well as cause delays in customers' production processes. TRI's products are known for their durability and long lifespan, which are industry-leading. To maintain the quality and safety of its products, TRI enforces strict quality control measures to prevent inconsistencies in shipped products. TRI is also committed to adhering to international hazardous substance management standards to ensure the safety of equipment users and downstream customers.
Policy	To ensure the highest quality of every device and provide customers with the best equipment and after-sales service, TRI adheres to the ISO 9001 international quality management standard. We have established a PDCA (Plan-Do-Check-Act) management system that integrates product planning, operational production, performance evaluation, and continuous improvement. This system allows us to enhance our quality management system at each stage, guaranteeing the delivery of top-quality products and services to our customers.
Goal	1. The complaint rate for each product line is less than 10% of the previous year's figures. 2. Each aspect of customer satisfaction has improved by more than 5% compared to the previous year. 3. Long-term customer satisfaction is maintained above 80%.
Commitment	TRI is committed to pursuing excellence in quality and customer satisfaction. Enhancing customer satisfaction is our top priority. We value every customer inquiry and are dedicated to providing comprehensive solutions and after-sales services to meet their needs effectively.
Responsibility	The Project Management Office, Quality Assurance Department, and Audit Office are jointly responsible for internal and external audits, as well as tracking quality policy-related matters.
Resources	1. Annual expenses for internal audits and external audit certifications. 2. Improvement progress on policy tracking items from engineering and quality meetings. 3. ISO 9001:2015 Quality Management International Standard certification costs.
Complaint mechanism	Email: sales@tri.com.tw
Action Plan	1. Invest in the development of long-lifecycle products and after-sales services, extending equipment lifespan by replacing certain components. This reduces waste, achieves environmental and energy-saving benefits, and enhances customers' willingness to choose TRI products, thereby boosting revenue and profitability. 2. To prevent or track quality issues that may lead to customer complaints, TRI currently holds monthly quality meetings and conducts regular customer satisfaction surveys. During annual strategy meetings, statistical reports on customer feedback regarding quality are reviewed and corresponding actions are taken.
Effectiveness Evaluation	The company conducts annual management strategy meetings, as well as internal/external audits and customer satisfaction surveys. Based on the results of these audits and surveys, reviews and corrective actions are carried out. 2023 Performance • Customer complaint ratio: AOI/SPI/AXI: Decreased by 71% compared to the previous year. BT: Decreased by 25% compared to the previous year. • Customer Satisfaction: AXI: Increased by 16% compared to the previous year. BT: Increased by 8% compared to the previous year.

Major themes	Information Security and Customer Privacy
Impact Explanation	The leakage of personal or business-sensitive information would not only directly impact the company's commercial partners but could also expose the company to regulatory compliance risks associated with information security breaches. Such incidents could severely damage the company's brand image and reputation for business ethics, posing a risk of customers transferring their orders to competitors. Therefore, TRI places great importance on the privacy and data security of every customer and supplier. By enhancing information security measures, strengthening employee training, and conducting regular risk assessments and vulnerability detection, TRI aims to minimize the risk of information security breaches. These efforts are intended to protect stakeholders from any potential harm that could arise from data breaches.
Policy	1. Implement the ISO 27001 "Information Security Management System" to strengthen information security management practices and mitigate the risk of data breaches. 2. Establish an IT department to follow internal information security control procedures, responsible for executing all aspects of the company's information and communication security operations.
Goal	Number of Information Security Breach Incidents for the Year: Maintained at 0
Commitment	TRI is committed to regularly updating system vulnerabilities and enhancing endpoint protection, while continuously maintaining ISO 27001 information security management certification. The company adheres to guidelines for regular reviews of its information security management, strengthens internal cybersecurity systems, and engages employees in discussions to minimize the risk of any information security incidents.
Responsibility	The Information Security Management Committee follows the PDCA (Plan-Do-Check-Act) principle to continuously establish, implement, and improve the information security management system annually.
Resources	Annually invest in information security education and protection drills, regularly update ISO 27001 certification to prevent expiration, establish an Information Security Management Committee to oversee security management, and implement various information security technologies
Complaint mechanism	IT Department Email:mis@tri.com.tw Telephone :(02)2832-8918
Action Plan	1. Conduct routine information security training for all company employees annually. 2. In case of an information security breach, perform immediate analysis and reinforce vulnerabilities to prevent recurrence. 3. Under the Information Security Management Committee, establish three task forces: the "Information Security Operations and Incident Response Team," the "Information Security System Development and Implementation Team," and the "Information Security Audit Team," each fulfilling its responsibilities to collectively protect TRI's information security.
Effectiveness Evaluation	The Information Security Management Committee oversees all information security management matters. Each year, it reviews major information security breach incidents and conducts annual evaluations and improvement tracking.

4.1 Information Security and Customer Privacy

With the wave of digital transformation, many companies are gradually enhancing production, sales, and human resource management through the adoption of data-driven tools such as smart manufacturing, AIoT, and cloud computing. While digital technology has undeniably improved operational efficiency and increased profits, it has also brought along often overlooked information security challenges. In an environment of extensive digital access to data, any breach involving sensitive customer or company information can immediately compromise business secrets. Such incidents may also lead to the misuse of the company's trade secrets or employees' personal data by malicious individuals, posing a risk to the rights of both customers and employees.

To prevent the leakage of customer privacy and trade secrets, TRI has established an internal Information Security Management Committee responsible for preventing and responding to various information security incidents. Each year, TRI organizes information security training and practical drills for employees to enhance awareness and the ability to respond to security threats, aiming for a collective goal of zero information breaches. In 2023, TRI experienced no information security breaches. Looking ahead, we will continue to strengthen our information security measures, striving towards the long-term goal of "zero security incidents."

4.1.1 Information Security Management Framework

The cross-departmental Information Security Management Committee is the highest authority for information security management at TRI. This committee is dedicated to managing information security issues and oversees the formulation of relevant company information security policies. Under its structure, there are three functional teams: the "Information Security Operations and Incident Response Team," the "Information Security System Development and Implementation Team," and the "Information Security Audit Team." Each team follows internal information security control procedures and is responsible for executing various information and communication security tasks within the company.
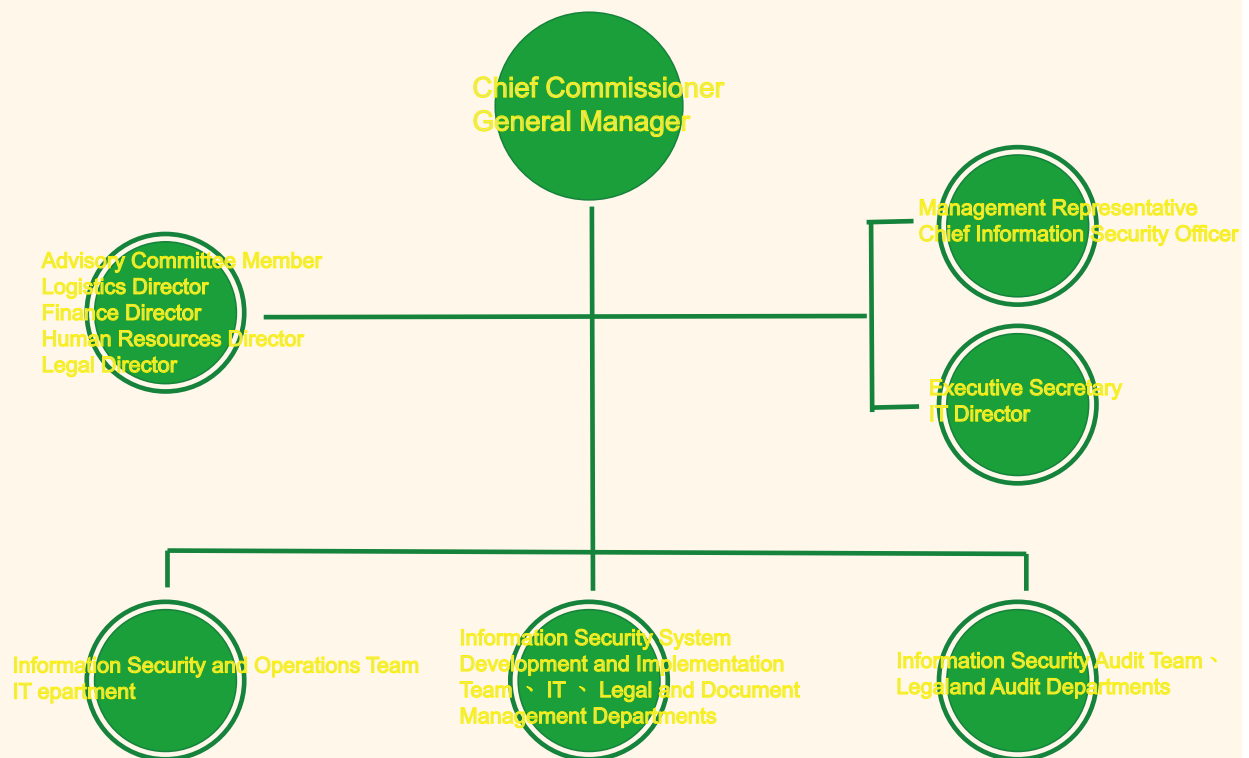
Information Security Operations and Incident Response Team: Responsible for emergency response, handling, and documentation of information security incidents.

Information Security System Development and Implementation Team: Develops overall company information security policies and regulations.

Information Security Audit Team: Plans and conducts annual routine training and internal audits.

To review the company's annual information security management status, TRI holds an annual Information Security Management Review Meeting to report on the effectiveness of various information security management activities, discuss relevant issues, and make decisions regarding future information security strategies. In 2023, TRI held two information security risk assessment meetings, one information security management review meeting, and one internal information security audit.

Information Security Management Committee

- Chief Commissioner General Manager
- Advisory Committee Member
  Logistics Director
  Finance Director
  Human Resources Director
  Legal Director
- Management Representative
  Chief Information Security Officer
- Executive Secretary
  IT Director
- Information Security and Operations Team
  IT eparment
- Information Security System Development and Implementation Team、IT、Legal and Document Management Departments
- Information Security Audit Team、Legal and Audit Departments

Information Security Management Policy

To ensure that all information and communication security policies are effectively implemented and to maintain the confidentiality of important company information systems, TRI has established a comprehensive Information Security Policy for all employees to follow as a guide for daily operations. In 2022, TRI adopted and successfully obtained certification for ISO/IEC 27001:2013, aiming to build an internationally compliant Information Security Management System (ISMS). By adhering to ISO/IEC 27001:2013, TRI supervises information security implementation and audits, thereby establishing a robust information security management framework. This framework is further supported by six key management policies, which collectively strengthen TRI's internal information security protection mechanisms. These measures ensure the security of all customer data and protect the company's trade secrets, achieving a comprehensive level of information security protection.

1. In response to external network attacks, strengthen network protection measures such as firewalls, WAF, and email protection mechanisms.
2. Conduct education and training, as well as drills, on email social engineering.
3. MDR monitoring for intrusion and abnormal behaviors.
4. Regularly perform vulnerability scanning and updates on external platforms.

According to ISO, information security incidents are classified into three levels: A, B, and C. The incidents will be reported to the respective levels of information security management committee members and supervisors based on their severity.

1. Important documents are marked with a document classification system.
2. File storage systems use AD system authentication to restrict access rights for personnel.
3. Daily data backups and regular data recovery drills are conducted to ensure the availability of critical data.

Cybersecurity Management

Cybersecurity Classification System

Data Encryption Mechanism

TRI innovation

Cybersecurity Talent and Development

Cybersecurity Standard Certification

Cybersecurity Education and Training

1. Regularly provide company information security personnel with participation in education and training.
2. Maintain the certification qualifications of internal company personnel related to information security.

1. Establish various information security management mechanisms based on internal control system and information circulation operations.
2. Implement ISO 27001:2013 certification and continuously maintain its effectiveness.

1. Annually plan information security education and training courses for company personnel in collaboration with the IT and HR departments.
2. Conduct irregular security awareness campaigns throughout the year to enhance employees' information security awareness.

4.1.2 Information Security Management Action Plan and Resource Investment

Network Security

- Strengthen firewall and network control to prevent network security threats.
- Implement various security technologies to proactively detect and scan system vulnerabilities.
- Enhance the security control mechanism for external connections.

Equipment Safety

- Implement asset equipment inventory tracking and access control for data center equipment.
- Regular patching and updating of main servers.
- Centralized management of enterprise computer antivirus systems.

Data Safety

- Establish backup and redundancy mechanisms for critical information systems, with regular restoration drills.
- Implement access control request and periodic review mechanisms.
- Set up security protection mechanisms for operational, R&D, and personal data, including the establishment of a dedicated and isolated operational environment.

Personnel Safety

- New employees are required to sign confidentiality agreements.
- Conduct internal information security training courses for employees.
- Regularly update staff account passwords.

Vendors Safety

- Require information technology vendors to sign information security and confidentiality agreements.
- Control remote login access for outsourced vendors.

Application Security

- Integrate the development process and conduct security checks.
- Manage special privileges and user permissions.

Training and Education

- Conduct irregular email phishing exercises to enhance employees' awareness of information security.
- Regularly promote the company's information security policies and safety guidelines.

Network Sescrity

- Strengthen firewall and network control to prevent network security threats.
- Implement various security technologies to proactively detect and scan system vulnerabilities.
- Enhance the security control mechanism for external connections.
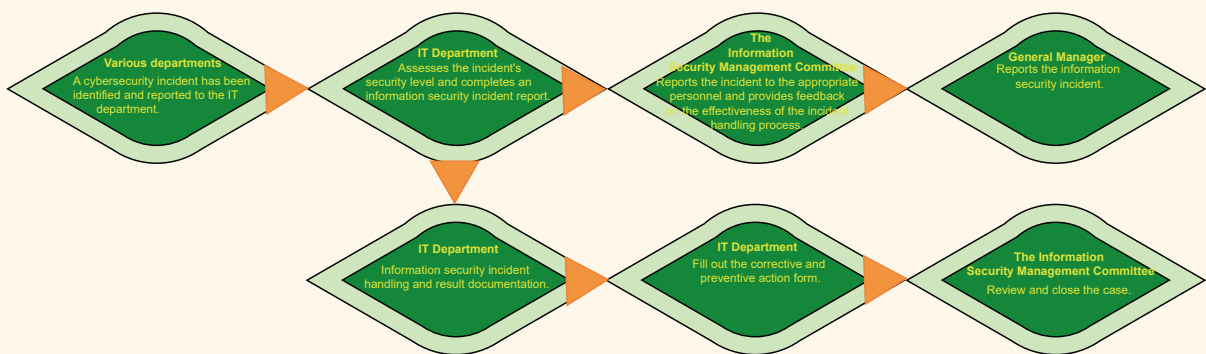
Legal Compliance

- Adjust internal company information security policies and measures in a timely manner to comply with relevant government regulations.

4.1.3 Information Security Incident Reporting and Handling

In the event of an information security incident, it is crucial for the company to minimize the impact within a manageable scope and timeframe. Therefore, TRI has established an internal emergency reporting and response process for information security incidents. Any employee who identifies a security vulnerability can report it directly to the Information Security Management Committee. The committee, in turn, escalates the issue to the General Manager. The Information Security Operations and Incident Response Team handles the remediation of the vulnerability and implements corrective and preventive actions. Once resolved, the final outcome is submitted to the Information Security Management Committee for closure. By fostering information security awareness among all employees, TRI aims to build a robust security defense network to reduce the impact of potential security incidents.

Cybersecurity Incident Reporting and Handling Procedure

Various departments
A cybersecurity incident has been identified and reported to the IT department.

IT Department
Assesses the incident's security level and completes an information security incident report

The Information Security Management Committee
Reports the incident to the appropriate personnel and provides feedback on the effectiveness of the incident handling process

General Manager
Reports the information security incident.

IT Department
Information security incident handling and result documentation.

IT Department
Fill out the corrective and preventive action form.

The Information Security Management Committee
Review and close the case.

Sustainability Report

4.1.4 Information Security Training

In the event of an information security incident, it is crucial for the company to minimize the impact within a manageable scope and timeframe. Therefore, TRI has established an internal emergency reporting and response process for information security incidents. Any employee who identifies a security vulnerability can report it directly to the Information Security Management Committee. The committee, in turn, escalates the issue to the General Manager. The Information Security Operations and Incident Response Team handles the remediation of the vulnerability and implements corrective and preventive actions. Once resolved, the final outcome is submitted to the Information Security Management Committee for closure.

The training is tailored to different levels for IT personnel and general employees. Course content includes account management for external systems, information security checks, creation and management of electronic documents, maintenance procedures, and prevention of information security threats and social engineering attacks. Additionally, training is customized based on the nature of each employee's job responsibilities.。

In 2023, a total of 720 employees participated in information security training, representing a 14% increase compared to the previous year. The cumulative hours of information security training reached 386 hours. By providing comprehensive information security education to all employees, TRI aims to enhance overall security awareness and collectively prevent security incidents.

2021		2022		2023	
Course title	Number of trainees	Course title	Number of trainees	Course title	Number of trainees
External Account Management Training	3	External Account Management Training	14	External Account Management Training	14
Information and Communication Security Inspection Training	86	Information and Communication Security Inspection Training	97	Information and Communication Security Inspection Training	84
Electronic Document Generation and Maintenance Management Training	83	Electronic Document Generation and Maintenance Management Training	96	Electronic Document Generation and Maintenance Management Training	82
Email Maintenance and Management Training	84	Email Maintenance and Management Training	98	Email Maintenance and Management Training	85
Information Environment, Information Systems, and Security Policies	79	Laptop Management Training	102	Laptop Management Training	85
Information Security Threats and Social Engineering Prevention Training	579	Information Security Threats and Social Engineering Prevention Training	98	Information Security Threats and Social Engineering Prevention Training	85
Total	914	Information Security Threats and Social Engineering Prevention Training 2	239	ISO 27001:2022 Information Security International Standard Clause Analysis	8
		Information Environment, Information Systems, and Security Policies	101	Information Environment, Information Systems, and Security Policies	174
		Information Security Training	6	Amendments to Internal Controls, Compliance with New Information Security Laws	1
		Instructions for Using a Network Proxy Server	191	Instructions for Using a Network Proxy Server	102
		Total	1,042	Total	720

4.2 Product Quality and Safety

4.2.1 Product Portfolio

Since its establishment, TRI has adhered to the spirit of independent research and innovation. By recruiting professional talent and encouraging internal innovation, TRI has continually enhanced its innovation capacity. To meet the testing requirements of clients across different industries, TRI has boldly ventured into a variety of innovative fields, covering analog, digital, optical inspection, mechanical design, semiconductor technologies, and system software. This broad scope of R&D allows TRI to meet the multifunctional needs of various clients and maintain market competitiveness with industry-leading technology. The research and development achievements of TRI over the past five years are listed below.

| Year	Equipment type	Product model	Product development characteristics	Photos
2019	Automated Optical Inspection (AOI)	TR7700Q SII AOI	Equipped with flexible inspection algorithms and measurement capabilities, it provides precise measurements and data transmission for smart factory applications. The TR7700Q SII is a high-performance 3D AOI solution that offers high inspection speed and accuracy.	
	Automated X-Ray Inspection (AXI)	TR7600F3D SII AXI	The next-generation 3D AXI platform achieves high-speed inspection of up to 10 FOV/s. It features high-precision inspection capabilities that can detect all types of defects, and it can be easily integrated with the MES connectivity of a smart factory.	TR7600F3D SII AXI
2020	Automated Optical Inspection (AOI)	TR7700QE-S AOI	On a high-resolution, high-precision platform, it can inspect defects in wire bonding, die attach, SMD, bumps, and solder joints. Additionally, the accuracy is enhanced through measurement capabilities and flexible inspection algorithms.	
	Automated Optical Inspection (AOI)	TR7700QM SII AOI	Featuring a high-resolution and highly scalable architecture, it can perform real-time inspections using TRI's intelligent inspection database.	
	3D Solder Paste Inspection (SPI)	TR7007Q Plus SPI	With up to four sets of digital fringe projection, an optimized motion control system, and enhanced 2D lighting modules, it ensures shadow-free inspection, accurate detection of low solder bridges, and board warp compensation to eliminate PCB process errors.	TR7700QE-S AOI
		TR7007D Plus SPI	The TR7007D Plus 3D SPI platform is equipped with an improved motion controller (EtherCAT) and an enhanced 2D lighting module. The TR7007D/DI Plus can accurately inspect low solder bridges and compensate board warpage for eliminating local PCB deformation。	
	Board Tester(BT)	TR5001 SII LED Series ICT	With up to four independent testing cores, it supports multi-core parallel testing, significantly boosting testing capacity. It was awarded the 2020 EM Asia Innovation Award and the 2020 IPC APEX Innovation Award.	

Year	Equipment type	Product model	Product development characteristics	Photos
2021	3D Solder Paste Inspection (SPI)	TR7007 SII Ultra SPI	The platform's inspection speed is industry-leading and is built on an enhanced mechanical platform, ensuring stability and accuracy throughout the inspection process.	TR7007 SII Ultra SPI
2022	Automated Optical Inspection (AOI)	TR7500QE Plus AOI	The TR7500QE Plus is a next-generation multi-camera side-view 3D AOI. This platform can detect inner-layer bridging, hidden lifted leads, and other obscured defects. Equipped with an innovative AI-driven algorithm and enhanced mechanical capabilities, it provides high-precision, measurement-grade inspection.	TR7500QE Plus AOI
	Automated Optical Inspection (AOI)	TR7700QB SII AOI	The TR7700QB SII is a 3D AOI solution equipped with a downward-facing camera, featuring 15 μm / 12 MP high-resolution imaging technology. It is specifically designed for through-hole technology components and dual in-line packages that require high coverage inspection, capable of providing metrology-grade inspection. Additionally, the TR7700QB SII's smart factory solution enables data exchange and simplifies MES integration operations.	TR7700QB SII AOI
	Board Tester(BT)	TR8100H SII ICT	The TR8100H SII series is the latest advanced In-Circuit Tester (ICT) for circuit boards, featuring a digital MUX-free architecture with a 1:1 ratio between test pins and test points, capable of testing up to 11,088 pins. With its high programmability, it enables rapid program development and makes engineering changes faster and easier. Its compact footprint, high throughput, and high-precision testing capabilities allow it to efficiently test complex low-voltage circuit boards (PCBAs) with a large number of pins. This improves system stability, long-term testing reliability, and fault coverage, ultimately reducing costs while providing a complete presentation of test result data.	TR8100H SII ICT

Year	Equipment type	Product model	Product development characteristics	Photos
2023	Automated Optical Inspection (AOI)	TR7700QH SII AOI	The TR7700QH SII is an ultra-high-speed 3D AOI that can inspect at speeds of up to 80 cm²/sec while maintaining excellent Gauge R&R (Repeatability and Reproducibility) values	TR7700QH SII AOI
	Automated X-Ray Inspection (AXI)	TR7600LL SV AXI	The TR7600 SV series is a line-scan high-speed 3D AXI that offers up to a 20% increase in inspection speed compared to the award-winning TR7600 SIII series, making it suitable for high-volume inspections.	TR7600LL SV AXI

4.2.2 Current Status of Product Sales

TRI is a leading domestic manufacturer of circuit board inspection equipment, with its products mainly divided into two categories: automated optical inspection equipment and circuit board testers, offering comprehensive PCB assembly inspection services. In recent years, customer production lines have faced demands for improved yield rates and enhanced production efficiency, driving the increasing market demand and functional requirements for automated inspection equipment. In terms of equipment production distribution, Automated Optical Inspection (AOI) machines account for over half of TRI's production, while the remaining consists of roughly 15% each of 3D Solder Paste Inspection (SPI) machines, Automated X-Ray Inspection (AXI) machines, and In-Circuit Testers (ICT) for IC assemblies.

In recent years, customer demand for 3D AOI has continuously increased, and TRI aims to become the leading global brand in 3D AOI. With the rapid growth of the automotive electronics and server industries, X-RAY and electrical testing (ICT) have become indispensable inspection equipment in the manufacturing process. Therefore, TRI will continue investing in the research and development of X-RAY and ICT testing technologies.
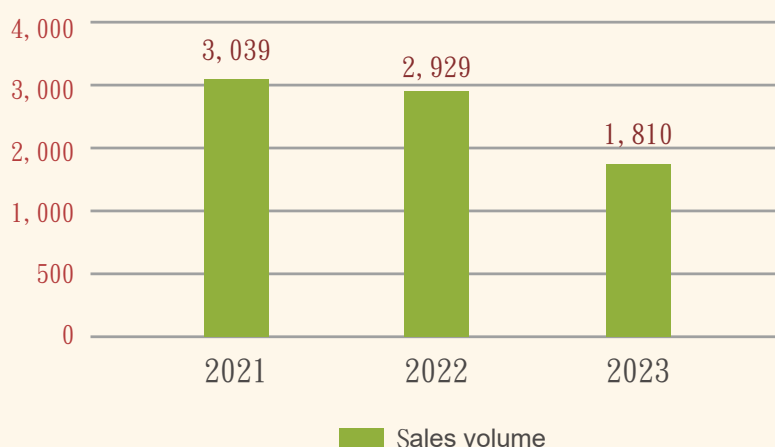
Furthermore, the extensive application of Mini LED in consumer electronics has also driven the demand for AOI and SPI inspection equipment required in its manufacturing process. TRI's AOI and SPI inspection equipment demonstrate high competitiveness in terms of precision, stability, and inspection speed, making them key product focuses for the future.

4.2.3 Quality Management and Customer Relations

Developing advanced technologies, striving for excellence in quality, and providing customer satisfaction services are the three core quality policies of TRI. The inspection of precision equipment requires high stability and accuracy, leaving no room for negligence in quality management. To enhance the processes and internal control policies of TRI's product quality management, TRI has established, implemented,maintained, and continuously improved a quality management system in accordance with the ISO 9001:2015 international standard. This ensures that products and services meet customer requirements. Additionally, TRI conducts annual surveys on customer satisfaction with its products to guide improvements and serve as a basis for future enhancements.

Customer satisfaction survey results from the past 3 years

	Customer Satisfaction	Survey Response Rate

Year	Satisfaction Score	Response Rate
2021	79	66%
2022	78	82%
2023	85	74%

Satisfaction Score — Response Rate

With the rise in global environmental awareness, the importance of environmental protection has gained increasing attention. Additionally, recent years have seen numerous major incidents involving the leakage of hazardous chemicals, which have impacted both the environment and human health. These incidents have heightened global concerns over the management of harmful substances. Consequently, international brands have become more stringent in their requirements for controlling hazardous and restricted substances in products. Compliance with standards such as RoHS, halogen-free regulations, and EPEAT has become an essential aspect that companies cannot overlook.

TRI also places great importance on the potential risks its products may pose to downstream manufacturers. Therefore, TRI is committed to meeting the hazardous substance and restriction standards required by customers. TRI complies with the European Union's Restriction of Hazardous Substances (RoHS 2.0) directive. Except for specific cases where customers require the use of leaded bumps due to product characteristics, all other products are 100% compliant with RoHS standards. In 2023, there were no incidents involving violations of health and safety regulations related to products and services, and TRI aims to maintain this excellent record moving forward.

International Regulations / Customer Requirements	Required Compliance Items	Current Status of TRI Compliance
European Union Restriction of Hazardous Substances Directive (RoHS 2.0)	Products are restricted in terms of content for substances such as lead, cadmium, mercury, hexavalent chromium, polybrominated biphenyls (PBBs), polybrominated diphenyl ethers (PBDEs), di(2-ethylhexyl) phthalate (DEHP), benzyl butyl phthalate (BBP), dibutyl phthalate (DBP), and diisobutyl phthalate (DIBP).	Except for a very small number of customers who require leaded bumps due to specific product characteristics, all other TRI products are 100% compliant with RoHS standards.

4.3 Innovation and Research & Development (R&D)

As a leading domestic brand in automated testing and inspection solutions, TRI understands that continuous innovation and R&D are fundamental to maintaining competitive advantage in the industry. In the era of smart manufacturing driven by emerging technologies such as AI (Artificial Intelligence) and IoT (Internet of Things), only by continuously innovating and keeping pace with rapid technological advancements can we gain an edge and upgrade our products and services. Therefore, TRI is committed to enhancing its technical capabilities and product quality through innovation and collaboration, with the long-term goal of meeting customer needs and creating greater value.

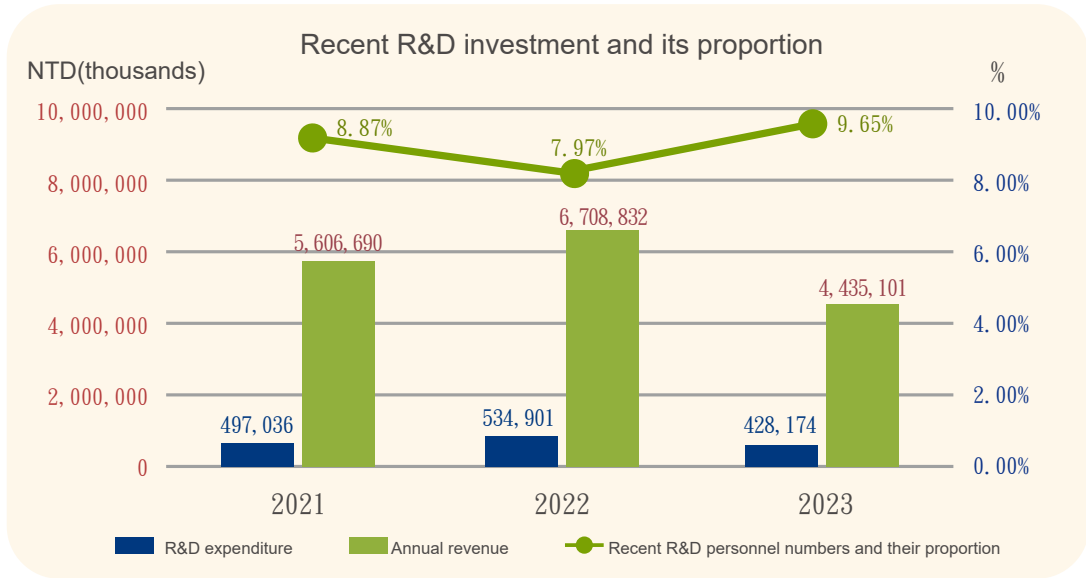### 4.3.1 Awards and Achievements in Innovation and R&D

Since its establishment, TRI has upheld the principle of innovation and R&D to meet the diverse needs of customers across different industries. Through the continuous efforts of its in-house R&D team and collaborations with external academic and research institutions, TRI's annual innovations have gained recognition in international innovation awards. Over the past decade, TRI's superior quality and innovative technologies have also been widely acknowledged by international companies.

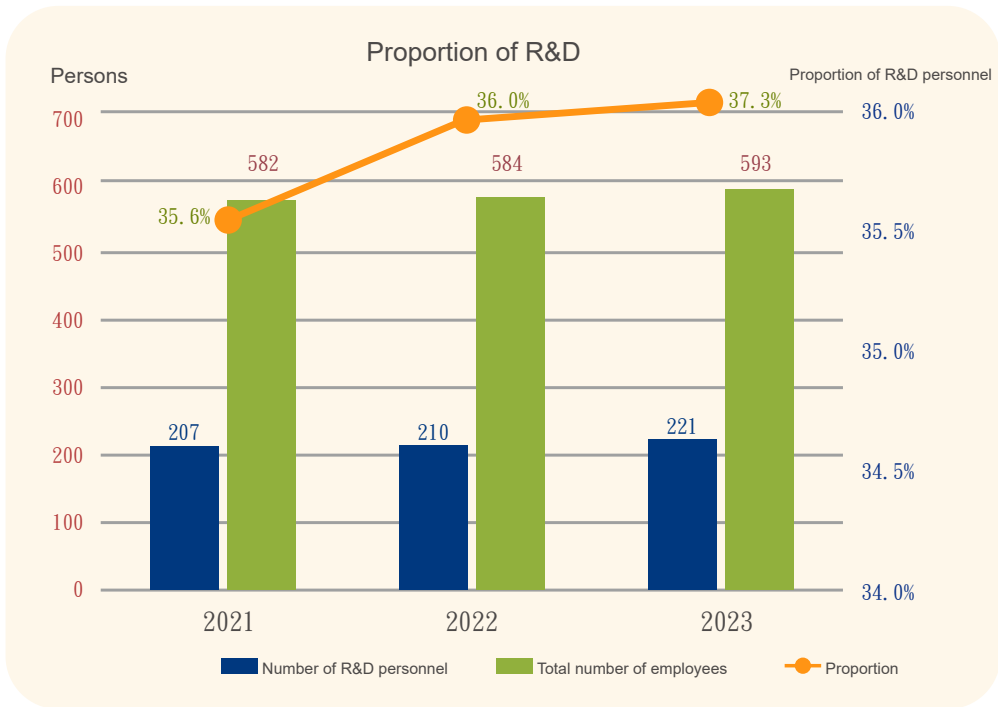| Year	Recipient of Domestic and International Innovation Awards
2012	• TR7600 S Ⅱ & TR5001T each won the "Best in Test 2012 Award" from Test & Measurement World. 。 • Awarded the 2012 EM Asia Innovation Awards for "Best Supplier of the Year."
2013	• TR7007 S Ⅱ & TR7680 each won the "Best in Test 2013 Award" from Test & Measurement World. • TR5001T was awarded the 2013 EM Asia Innovation Award.ear.
2014	• TR7007 S Ⅱ won the EM Asia Innovation Award for "Best 3D SPI." • Selected for the EM Asia Award "Best Supplier Award." • TR7600LL S Ⅱ won the 2014 Global SMT Technology Award.
2015	• TR7600M S Ⅱ won the EM Asia Innovation Award for "Best 3D AXI." • TR7007Q won the 2015 Global Technology Award.
2016	• Awarded the 2016 EM Asia Innovation Award for "Best Supplier." • TR5001 SII won the 2016 Global Technology Award.
2017	• TR5001 SII won the 2017 EM Asia Innovation Award and the 2017 Circuits Assembly NPI Award.
2018	• TR7700Q won 2018 Circuits Assembly NPI Award 。 • TR7600F3D AXI won 2018 EM Asia Innovation Award 。 • Awarded the EM Asia Award for "Best Supplier."
2019	• TR7700 SV 3D won 2019 Global Technology Award、Mexico Technology Award and EM Asia Outstanding Product of the Year Award
2020	• TR5001 SII LED ICT won 2020 EM Asia Innovation Award and 2020 IPC APEX 創 Innovation Award • TR7700Q SII AOI won 2020 EM Asia Innovation Award. • TR7600F3D SII AXI won Global Technology Award 。
2021	• TR7700QE-S AOI and TR7600F3D SII AXI won 2021 EM Asia Innovation Award. • TR7007Q Plus SPI won 2021 Global Technology Award 。
2022	• TR7700 SV 3D won the 2019 Global Technology Award, the Mexico Technology Award, and the EM Asia Outstanding Product of the Year Award.
2023	• TR7700 SV 3D won the 2019 Global Technology Award, the Mexico Technology Award, and the EM Asia Outstanding Product of the Year Award.

4.3.2 R&D Personnel and Investment

To maintain TRI's competitive edge in inspection technology and meet the diverse and constantly evolving needs of customers, TRI values every R&D team member, recognizing that every innovative idea holds the potential to bring future value to the company. As such, TRI has gradually increased the proportion of R&D personnel each year. In 2023, R&D staff accounted for 37.3% of the total workforce. By recruiting specialized talent from the industry, TRI aims to foster more internal innovation and continue to create greater value for its customers.。

Recent R&D investment and its proportion

NTD(thousands) ... %

	2021	2022	2023
R&D expenditure	497,036	534,901	428,174
Annual revenue	5,606,690	6,708,832	4,435,101
Recent R&D personnel numbers and their proportion	8.87%	7.97%	9.65%

To enhance the R&D environment and resources for its team, TRI has increased its annual investment in R&D. In 2023, TRI invested approximately 430 million NTD in R&D, representing 9% of total revenue, an increase of 1% compared to the previous year. This demonstrates TRI's commitment to R&D innovation, using sustained investment to support its R&D team's creative efforts. TRI aims to expand the applications of its inspection instruments in the future, providing customers with more versatile and highly efficient inspection services and equipment.

Proportion of R&D

Persons ... Proportion of R&D personnel

	2021	2022	2023
Number of R&D personnel	207	210	221
Total number of employees	582	584	593
Proportion	35.6%	36.0%	37.3%

TRI's long-term goal has been to provide customers with comprehensive solutions for automated inspection equipment, continuously enhancing and improving the functionality and quality of its current commercialized products. Consequently, TRI's investment in research funding and personnel has increased year by year. Looking forward, TRI plans to allocate R&D resources towards the development of high-performance automated inspection equipment, focusing on improving testing

speed, providing comprehensive functional testing, enhancing product quality, and reducing labor and testing costs.

Intelligent Test Software Solutions are also a key focus for future development. By integrating AOI (Automated Optical Inspection), AXI (Automated X-Ray Inspection), ICT (In-Circuit Tester), ATE (Automated Test Equipment), and Functional Test ATE systems, TRI aims to utilize intelligent software to improve process yield and product quality. This approach will enhance test coverage and reduce testing time, ultimately providing a comprehensive solution for product inspection on the production line.

Future Key R&D Project Investment Unit: NTD Million

Planned Product Development Items	Estimated Annual Investment
• Multi-core High-speed High-pin Count In-Circuit Functional Tester • Fully Automated Inline PCB Assembly Testing System	100/year
• Development and application of AI deep learning core software for defect identification • High-speed inline single/multi-camera 3D PCB Inspection Machine and high-precision backend semiconductor packaging 3D Inspection Machine, high-precision wafer-level packaging 3D Inspection Machine (3D AOI) • High-speed, high-precision inline 3D Solder Paste Inspection Machine for PCB assembly, high-resolution inline 3D Solder Paste Inspection Machine for semiconductor applications (3D SPI) • High-speed, high-power, large-size inline line-scan and flat-panel scan 3D CT X-ray Inspection Machine (3D AXI)	300/year

4.3.3 Industry-Academia Collaboration and Technical Seminars

Outcomes of Industry-Academia Collaboration Projects

Academic research has always been a key driver in the early stages of industrial technology development. By leveraging the latest technological advancements from academic and research institutions, TRI is able to stay at the forefront of technology trends. Additionally, industry-academia collaboration helps students put their knowledge into practice, accelerating technology transfer from academia to industry and driving industrial upgrades. This collaboration not only fosters a deeper pool of professional talent for the industry but also creates opportunities for TRI to attract outstanding students and researchers to join the company.

In recent years, TRI has actively engaged with universities through industry-academia collaboration to explore new technological possibilities. Since 2020, TRI has partnered with National Yang Ming Chiao Tung University, National Central University, and National Pingtung University of Science and Technology to jointly develop AI, automated optical inspection, and algorithm technologies. By combining the strengths of industry and academia, TRI aims to solidify the foundation of industrial technological innovation. In 2023, TRI invested approximately 1.61 million NTD in industry-academia collaboration. In the future, TRI hopes that, through continued joint efforts with academic and research institutions, more emerging technologies will be successfully applied to the industry, attracting more talent and driving innovation forward.

Partnered Universities	Project Name	Application of R&D Outcomes	Year of Collaboration
Institute of Computer Science and Information Engineering, National Central University	AI Technology Collaboration Project	1. Develop an AI intelligent programming model and tools for automated optical inspection (AOI) program creation. 2. Develop an AI inspection model and tools for automated optical inspection equipment. 3. Develop an AI defect re-evaluation model and tools.	2020/1/1~2023/06/30
National Pingtung University of Science and Technology (NPUST)	Automated Optical Inspection Technology R&D	High-precision Measurement and Calibration Technology Applied to Optical Inspection Equipment	2022/08/1~ 2024/07/31

Industry-Academia Collaboration Investment Over the Last 3 Years

Unit: NTD Ten Thousand

Year	2021	2022	2023
National Central University AI Technology Collaboration Project	132	132	66
Development of CT Reconstruction Algorithm	-	56.8	-
NPUST Automated Optical Inspection Technology R&D			95
Total	132	188.8	161

4.3.4 Technical Exchange Seminar

In recent years, with the rise of AI technology applications and smart manufacturing, many industries are exploring how to utilize big data to optimize various types of equipment. As a leading provider of automated testing and inspection solutions, TRI recognizes its responsibility to drive industry innovation. To enhance awareness and willingness to invest in smart manufacturing within the domestic industry, TRI has consistently participated in technical seminars regularly organized by the Taiwan Electrical and Electronic Manufacturers' Association (TEEMA). In 2022, TRI participated in three digital technology-related seminars, and in 2023, the company attended one such seminar.

In October 2023, TRI participated in the Sustainable Supply Chain Transformation and Innovation Applications Forum, organized by the Industrial Development Bureau of the Ministry of Economic Affairs and the Institute for Information Industry. The forum discussed initiatives related to promoting low-carbon transformation in the electronics information sector, digital innovation projects in the information industry, and smart manufacturing service systems in electronics information.

In September, TRI also participated in the SEMICON Taiwan, a major industry exhibition, where it showcased advanced semiconductor packaging inspection technology and smart factory applications. In November, TRI attended Productronica Germany in Munich, supported by the Ministry of Economic Affairs through its subsidy program for international market development. At the event, TRI exhibited newly developed models, including the TR7700QH SII Automated Optical Inspection Machine and the TR7600LL SV Automated X-Ray Inspection Machine. Additionally, TRI collaborated with the sales team from its European subsidiary and local agents to explore the European market and engage with customers to understand their needs.

Date	Seminar Topic
2022/03/21	Smart Manufacturing and Optical Inspection Application eminar
2022/09/29	New AOI Manufacturing Technologies and Core Application Trends Seminar
2022/10/28	5G Digital Transformation Technology and Industry Chain Co-Creation Seminar
2023/09/06-08	SEMICON Taiwan
2023/10/24	Sustainable Supply Chain Transformation and Innovation Applications Forum
	Productronica Germany in Munich (Productronica Germany)

Sustainable Supply Chain Transformation
and Innovation Applications Forum
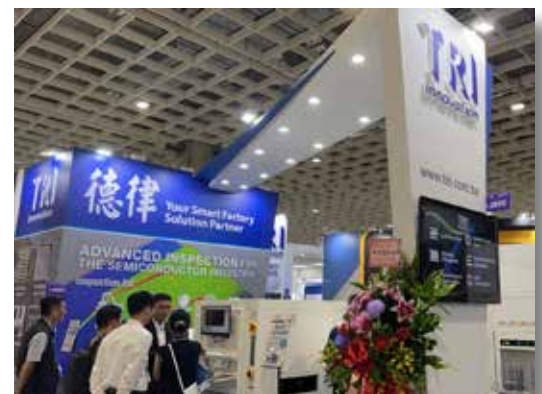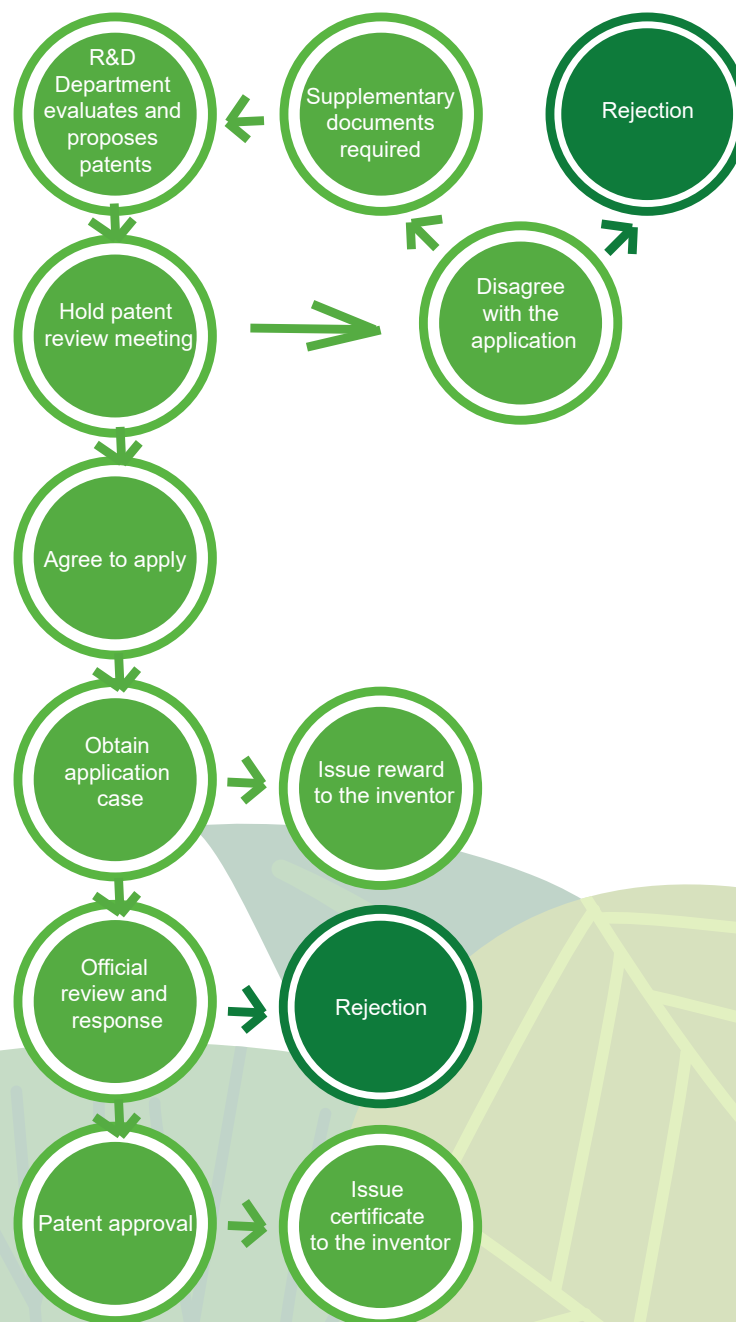

SEMICON Taiwan

Productronica Germany in Munich
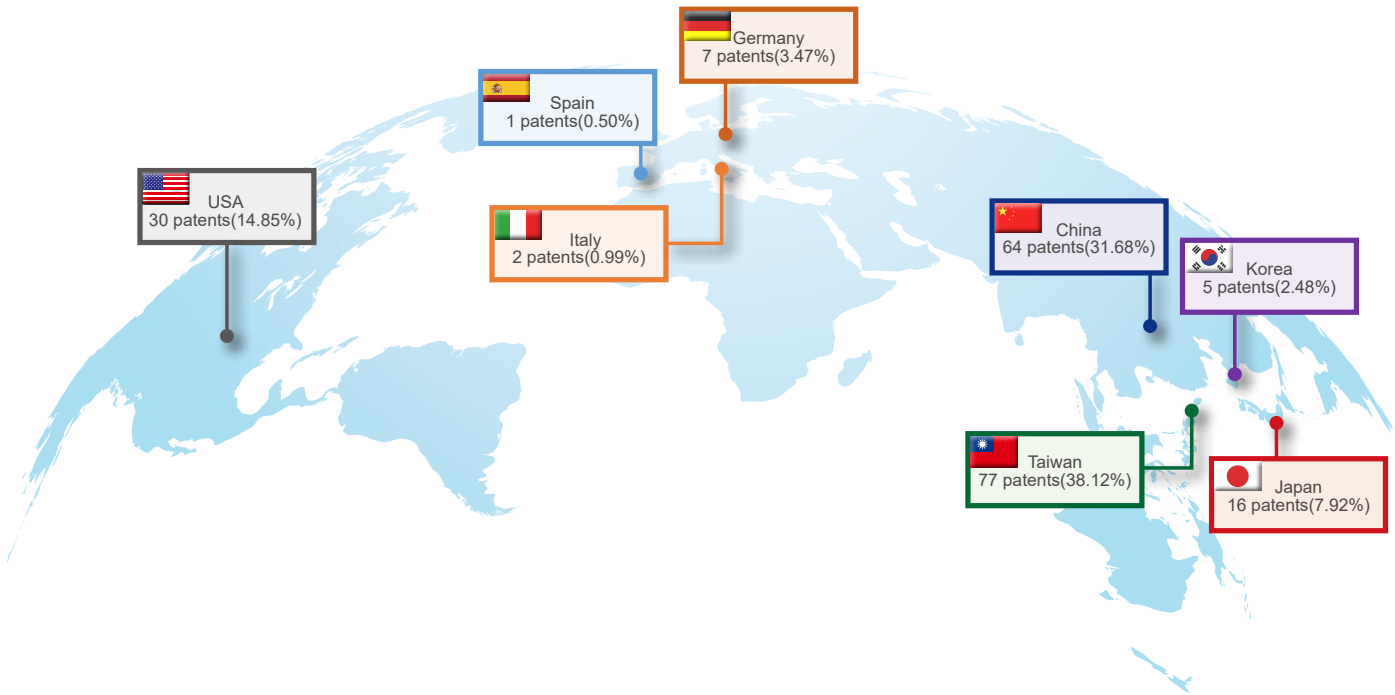
4.3.5 Global Patent Portfolio

Patent review is crucial for ensuring the proper protection of R&D outcomes. With patent protection mechanisms in place, companies can safeguard their innovations from being stolen by competitors while ensuring that patent applications meet the requirements of patent law. This helps manage intellectual property, promote internal knowledge sharing, and protect proprietary information.

To encourage internal R&D staff to dedicate more time and resources to innovation and to convert R&D achievements into patents that strengthen the company's overall technical portfolio, TRI has established a patent application process. R&D personnel can submit their research outcomes for patent review, and upon approval in the patent review meetings, they receive an "Inventor Bonus." The company also awards the "Innovation R&D Award" to the R&D team. In the future, TRI will continue to incentivize R&D staff to file patents for their innovations, thereby improving the company's technical portfolio and enhancing its industry competitiveness.

Patent Application and Approval Process

R&D Department evaluates and proposes patents → Hold patent review meeting → Disagree with the application → Supplementary documents required → (back to R&D Department evaluates and proposes patents) / Rejection

Hold patent review meeting → Agree to apply → Obtain application case → Issue reward to the inventor

Obtain application case → Official review and response → Rejection

Official review and response → Patent approval → Issue certificate to the inventor

In 2023, TRI obtained a total of three new patents. By the end of 2023, TRI had accumulated 202 patents across eight countries worldwide, with the most patents in Taiwan (77 patents), followed by China (64 patents). Moving forward, TRI will continue to encourage internal R&D innovation and expand its global patent portfolio to protect the R&D achievements of its in-house team.

Germany
7 patents(3.47%)

Spain
1 patents(0.50%)

USA
30 patents(14.85%)

Italy
2 patents(0.99%)

China
64 patents(31.68%)

Korea
5 patents(2.48%)

Taiwan
77 patents(38.12%)

Japan
16 patents(7.92%)

4.3.6 Key Innovation and R&D Projects Highlights

In recent years, in line with the government's push for digital transformation across industries, AI and big data technologies have seen significant growth in industrial applications. Responding to these government-driven digital transformation initiatives, TRI participated in the Ministry of Economic Affairs' AOI Smart Upgrade Program from 2021 to 2022, launching an internally developed AI-driven inspection solution. Participation in this program has further strengthened TRI's commitment to innovation in inspection technologies. These innovations will help drive production and design advancements in the electronics manufacturing and advanced semiconductor packaging industries.

TRI has developed a series of AI solutions and continues to innovate relentlessly. These intelligent solutions have significantly improved the inspection capabilities and accuracy of Automated Optical Inspection (AOI), while also reducing operational costs and enhancing production efficiency. In addition, TRI's AI-driven inspection features include AI intelligent programming, AI algorithms, AI defect review stations, and AI training tools. By utilizing TRI's AI algorithms, it is possible to detect PCB appearance defects, foreign objects, and lead bonding defects. This also includes Smart Image Recognition Technology (Optical Character Recognition, OCR), making it an essential tool for reliable and accurate inspection for many leading electronic manufacturers.

Recently, TRI has also collaborated with internationally renowned company NVIDIA and leading Taiwanese electronics manufacturers to accelerate the deployment of smart factory and AI technologies. By leveraging comprehensive AI functionalities, enhanced automation, and defect detection, TRI aims to optimize the manufacturing process. This collaboration is expected to further boost performance and yield, combining TRI's expertise in testing and inspection with NVIDIA's AI software integration and computational power. TRI aims to provide smart solutions for manufacturers to improve operational efficiency, opening new levels of productivity for the electronics manufacturing industry and paving the way for the future.

In the area of new technologies for advanced semiconductor packaging and electronic manufacturing inspection, the newly launched 3D SEMI AOI TR7700Q SII-S model is specifically designed for high-reliability industries. This system is equipped with a 25 MP camera, high resolution of 2.5 μm, AI-driven inspection algorithms, and precise metrology capabilities, setting new standards in accuracy and efficiency. Additionally, TRI's newly developed product lineup includes the ultra-high-speed 3D AOI TR7700QH SII, capable of inspecting at speeds of up to 80 cm²/sec without compromising measurement accuracy.

AI Verify Host

The AI Verify Host is a Smart Repair Station that reduces the need for manual re-inspection and lowers operational costs. The AI-powered repair station can continuously operate while lowering the false calls, and providing real-time data analytics of the inspection status.

AI Station

Inspection Programming is limited to the operator's knowledge; The AI Station fills this gap by performing AI-powered inspection with existing AI Models. Thus, optimizing the inspection increases efficiency and lowers the operational cost for the experienced workforce.

AI Training Tool

Generates AI Models with existing and reviewed Inspection Data. The AI Models recognize certain patterns from the collected data for analytical and decision-making tasks. The AI Model generated by TRI's Training Tool can be deployed on TRI's Verify Host and AI Station.
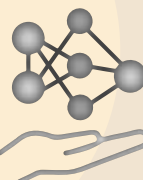
Chapter 5: Happy Workplace and Social Prosperity

Sustainability Performance and Corresponding SDGs

Implementing the UN Sustainable Development Goals	(SDG)	Sustainability Performance
SDG3	**3 健康與福祉** Good Health and Well-being	• We provide on-site health services with a contracted nurse and physician, offering employees guidance on health education and consultations on physical and mental well-being. • We provide annual health checkups for all employees and specialized health checkups for employees working with ionizing radiation.
SDG4	**4 優質教育** Quality Education	• TRI offers a 3-4 year cooperative education program for two students from Ming Chi University of Technology. We also provide internships for 7 students from Asia Eastern University of Science and Technology (1 year) and 7 students from National Taipei University of Technology (summer internship).
SDG5	**5 性別平等** Gender Equality	• TRI has established "Regulations for Complaints and Handling of Sexual Harassment Cases" to strictly prohibit sexual harassment in the workplace. Relevant regulations are stipulated in the employee work rules and internal control measures. We regularly conduct training on anti-discrimination and sexual harassment prevention and provide reporting channels such as hotlines and email addresses. An investigation team handles cases and the Sexual Harassment Complaint Handling Committee receives and investigates complaints to provide employees with an equal and safe working environment.
SDG8	**8 尊嚴勞動與經濟成長** Dignified Labor and Economic Growth	• TRI has established a "Human Rights Policy Code" to respect and support internationally recognized human rights norms and principles, including the Universal Declaration of Human Rights, the UN Global Compact, a 1 nd the core conventions of the International Labor Organization (ILO). • We regularly review workplace safety and have obtained ISO 45001:2018 Occupational Health and Safety System certification to ensure workplace safety.
SDG17	**17 永續發展夥伴關係** Partnerships for the Goals	• We give back to society through charitable donations, donations of goods, and purchases of charity gift boxes. • We support the education of children in remote areas.

Key Issue Management Approach

Key Issue	Talent Attraction and Retention
Impact Description	TRI operates in the testing equipment industry, which is R&D talent-intensive. Our visual inspection equipment is developed collaboratively by R&D engineers with expertise in mechanics, optics, software, and electrical controls. Sales, service, and training for this equipment also require personnel with backgrounds in science and engineering. In recent years, due to global trade disputes, Taiwanese companies have been returning to Taiwan to set up factories. The semiconductor industry is booming and absorbing a large number of R&D and customer service personnel with science and engineering backgrounds. The expansion of Taiwanese companies, coupled with the low birth rate in Taiwan, has also affected the recruitment of manufacturing personnel. As a result, TRI faces a highly competitive talent market. If talent attraction and retention are not handled properly, it will impact product development capabilities, production quality, after-sales training, and service.
Policy	TRI is committed to recruiting talented individuals who identify with our company values. To attract suitable talent, we are working towards the following goals: 1. Provide competitive salaries and benefits. 2. Establish a good working environment. 3. Offer professional growth and training opportunities. 4. Build our company brand and values.
Targets	1. Retain talent and keep the turnover rate below 15% . 2. Attract talent and achieve a workforce readiness rate of over 90% across all departments, including R&D, sales, manufacturing, and support.
Commitment	We are committed to providing a diverse and equal workplace and do not discriminate based on race, class, language, thought, religion, political affiliation, place of origin, birthplace, gender, sexual orientation, age, marital status, appearance, physical or mental disability, zodiac sign, or blood type. We are committed to providing employees with comprehensive benefits, such as: • Entry-level salaries higher than the minimum wage. • 10 days of paid sick leave. • Group insurance for employees, spouses, and children.
Responsibility	Human Resources Department
Resources	Salary surveys, monthly employee welfare activities organized through the Welfare Committee, labor-management meetings, ISO 14001 Environmental Management System certification, and ISO 45001 Occupational Health and Safety Management System certification.
Grievance Mechanism	1. Employee suggestion box on the EIP (Employee Internal Portal). 2. VOE (Voice of Employee) survey. 3. Hotline: +886-2-28328918 ext: 2119 4. Email:hr@tri.com.tw
Action Plan	1. Participate in technology industry salary surveys every 2-3 years, with results reflected in annual salary adjustments in April to maintain market competitiveness. 2. Implement various inspections, including fire safety, electrical safety, and environmental monitoring, in accordance with regulations. Obtain and maintain ISO 14001 Environmental Management System and ISO 45001 Occupational Health and Safety Management System certifications to ensure environmental protection and workplace safety. 3. Conduct annual training surveys and plan On-the-Job and Off-the-Job training for employees. Arrange for employees to participate in external and internal training programs with company-paid expenses and leave. Implement the TRI Knowledge+ training platform to allow employees to strengthen their skills anytime, anywhere. 4. Participate in university campus recruitment events to introduce the company's environment, job vacancies, and attract outstanding new talent.
Effectiveness Evaluation	1. Turnover rate in 2023 was below 15%. 2. Workforce readiness in 2023 was above 90%. 3. ISO 14001 Environmental Management System and ISO 45001 Occupational Health and Safety Management System certifications were obtained in 2022.

Key Issue Management Approach

Key Issue	Talent Development and Education
Impact Description	Since its establishment in 1989, TRI has been committed to stable development and has achieved year-on-year revenue growth. We strive to expand into diverse product lines and provide comprehensive services. Talent cultivation is our most valuable asset. A comprehensive learning mechanism, tools, and environment are essential to fostering a diverse, autonomous, and high-quality learning culture. This empowers our employees with continuous learning opportunities, driving both individual and organizational growth. Strengthening our talent pool is a critical mission for TRI.
Policy	In 2003, we pioneered the adoption of the Balanced Scorecard (BSC), a forward-looking strategic management system, as the foundation for our strategic development, execution, and performance management. This system enhances "employee learning and growth," building a high-quality workforce and fostering a proactive learning culture. Just as a tree needs strong roots, the BSC provides a solid foundation for our company's operations. Simultaneously, we have established the "TRI Learning and Development System," enabling each employee to complete training courses sequentially based on their competencies and job functions.
Objectives	1. Conduct quarterly reviews on the implementation of the Balanced Scorecard. 2. Complete a review of the Performance Management and Development Plan (PDP) every six months. 3. New employees must complete the mandatory "TRI Knowledge+" courses within three months of joining the company. 4. Mandatory courses must be completed within the stipulated timeframe (with an attendance rate of 80%), and employees must pass the assessments or complete post-training assignments and questionnaires.
Commitment	All employees are required to comply.
Responsibility	Human Resources Department
Resources	Approximately NT$2-4 million is allocated annually (or a percentage of revenue) for training and development. In 2023, classroom training amounted to 6,000 person-hours and online courses to 11,300 person-hours, with a total expenditure of approximately NT$1.9 million.
Complaint Mechanism	1. Employee suggestion box on the EIP (Employee Internal Portal). 2. VOE (Voice of Employee) survey. 3. Hotline: +886-2-28328918 ext: 2119 4. Email:hr@tri.com.tw
Action Plan	1. Training Program: At the beginning of each year, conduct a training needs survey (from employees and department supervisors) and compile the results into an annual training plan, taking into account the Balanced Scorecard (BSC) results from the end of the previous year and relevant regulatory requirements. 2. New Employee Training: Automatically assign training based on job grade, job category, product line, job responsibilities, government regulations, and other relevant factors.
Effectiveness Evaluation	1. On-the-job Training: Provide internal and external training as needed, including professional training, managerial competency training, general training, and regulatory compliance training. 2. Conduct post-training satisfaction surveys and assessments or assign post-training tasks after each course. 3. Maintain a post-training satisfaction score of >4.5 (out of 5). 4. The passing score for post-training assessments is typically 80, 90, or 100 (out of 100). Those who fail the assessment must retake the course and assessment until they pass, ensuring that all mandatory courses are effectively learned.

Key Issue Management Approach

Key Issue	Occupational Health and Safety
Impact Description	TRI upholds the principles of safe production and design, integrating occupational health and safety concepts into our equipment design elements. Our equipment is developed with a focus on user-friendliness and ergonomics, minimizing the risk of occupational injuries arising from repetitive or prolonged operation. TRI is committed to practicing safe production. We have established an occupational health and safety organization with dedicated personnel to identify potential hazards in the work environment. Our colleagues provide guidance and training to production staff on safety knowledge and awareness. We utilize the PDCA (Plan-Do-Check-Act) cycle for hazard prevention and correction to achieve safe production.
Policy	TRI is certified to ISO 45001:2018. All occupational activities, equipment, and facilities within the company comply with legal and regulatory standards. We regularly review our internal health and safety performance.
Objectives	• Short-term: Maintain the number of non-conformances identified in the annual audit of the Occupational Health and Safety Management System to less than 10 in 2023. • Mid-term: Achieve a 100% rate of less than 10 non-conformances in the Occupational Health and Safety Management System for five consecutive years. • Long-term: Achieve 6,935 days or more of Lost Time Injury (LTI) free operation at the Linkou plant by June 2nd, 2028 (equivalent to a 95% LTI-free rate over 20 years from June 2nd, 2008 to June 2nd, 2028).
Commitment	Committed to reducing the incidence and severity of occupational accidents in the workplace.
Responsibility	Occupational Health and Safety Committee
Resources	Regularly conduct ISO 45001 certification for the occupational safety management system and ensure compliance with local regulations.
Complaint Mechanism	1. Employee suggestion box on the EIP (Employee Internal Portal). 2. VOE (Voice of Employee) survey. 3. Hotline: +886-2-28328918 ext: 2119 4. Email:hr@tri.com.tw
Action Plan	• TRI implements occupational health and safety management, identifies potential hazards, and regularly conducts hazard identification and risk assessment, compiling the results into reports for corrective and preventive actions. • Regularly convene the Occupational Health and Safety Committee to review various indicators related to occupational health and safety management activities within the company and pursue continuous improvement.
Effectiveness Evaluation	• TRI utilizes the ISO 45001 management system's objectives and program management methods to track the progress of various planned actions. In 2023, we achieved the following: • Strengthened the management of internal machine guarding. • Increased resources for the internal health and safety training system. • Completed motorcycle tire tread inspections within the company to reduce the incidence of employee accidents. • Conducted monthly internal health and safety cross-inspections. • Obtained ISO 45001:2018 management system certification. • No work-related injuries occurred at the Linkou production plant in 2023.

5.1 Employee Diversity and Inclusion

Employee Structure

TRI regards employees as its most valuable assets and human capital. The company respects the dignity of every employee, emphasizes humane management, and fosters positive interactions between labor and management. By doing so, it aims to create a vibrant organization and a friendly workplace, working together toward a sustainable future.

As of the end of 2023, TRI's total workforce in Taiwan was 602 employees. Due to the nature of the industry and the employment market, the majority of employees are engaged in technical research and development or production roles, which tend to have a higher proportion of male employees. This has resulted in a significant gender disparity, with male employees comprising 84.7% of the total workforce and female employees accounting for 15.3%. Compared to 2021, the proportion of female employees increased by 0.08%. All employees are full-time staff.

TRI respects and supports internationally recognized human rights standards and principles. The company adopts a policy of diversity, inclusion, and equal employment opportunities, without discrimination based on gender, race, or physical or mental disabilities.

In Taiwan, the company currently employs seven foreign employees from countries such as Malaysia, Spain, India, Indonesia, and Hong Kong; four employees with physical or mental disabilities; and three employees from minority groups. Deltron Technology is committed to fostering a diverse and inclusive workplace and will continue to advance toward creating a more friendly and supportive employment environment.

Additionally, the company employs 13 non-direct staff, which includes three on-site security personnel, six outsourced cleaning workers, and four consultants.

Employee Composition by Contract Type

year/ Category and Gender		2021		2022		2023	
Total number of employees	Male	497	85.4%	507	84.8%	510	84.72%
	Female	85	14.6%	91	15.2%	92	15.28%
	Total	582	100.0%	598	100.0%	602	100.00%
Contract type	Regular Male	471	84.9%	494	84.6%	501	84.49%
	Female	84	15.1%	90	15.4%	92	15.51%
	Total	555	100.0%	584	100.0%	593	100.00%
	Contractor Male	26	96.3%	13	92.9%	9	100.00%
	Female	1	3.7%	1	7.1%	0	0.00%
	Total	27	100.0%	14	100.0%	9	100.00%

Employee Composition by Age Type
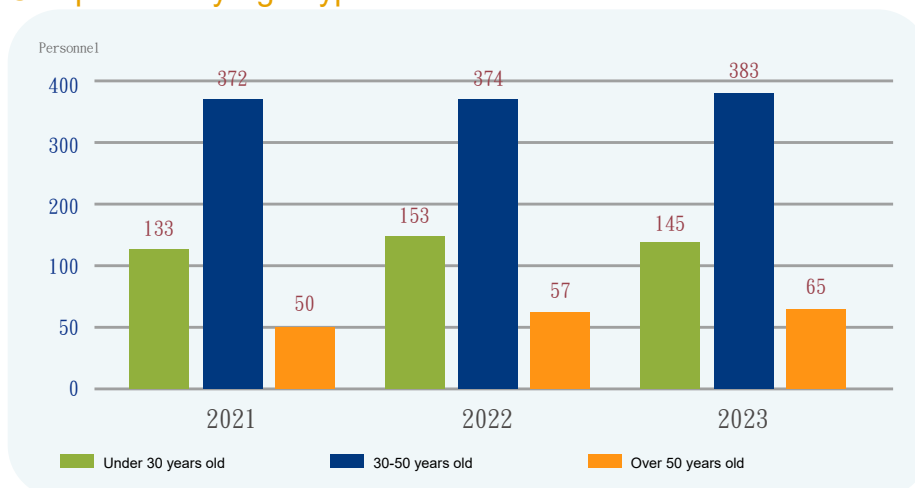
Note: Excluding contractors

Distribution by gender and age

Year Category and Gender		2021		2022		2023	
		Male	Female	Male	Female	Male	Female
Number of employees (Note)		471	84	494	90	501	92
Age distribution	Under 30 years old	115	18	131	22	125	20
	30-50 years old	314	58	317	57	322	61
	Over 50 years old	42	8	46	11	54	11
Disadvantaged groups (number of people with disabilities)		3	1	3	1	3	1

Note: Excluding contractor.

Distribution according to employee rank

Item	Category	Gender	2021		2022		2023	
Position type	Senior executive	Male	7	87.5%	7	87.5%	8	88.89%
		Female	1	12.5%	1	12.5%	1	11.11%
		Total	8	100.0%	8	100.0%	9	100.00%
	Mid-level executive	Male	53	94.6%	56	94.9%	58	95.08%
		Female	3	5.4%	3	5.1%	3	4.92%
		Total	56	100.0%	59	100.0%	61	100.00%
	Junior supervisor	Male	32	88.9%	29	87.9%	27	90.00%
		Female	4	11.1%	4	12.1%	3	10.00%
		Total	36	100.0%	33	100.0%	30	100.00%
	Employee	Male	379	83.3%	402	83.1%	408	82.76%
		Female	76	16.7%	82	16.9%	85	17.24%
		Total	455	100.0%	484	100.0%	493	100.00%
Total (Note)			555		584		593	

Note: The number of employees does not include contractor.
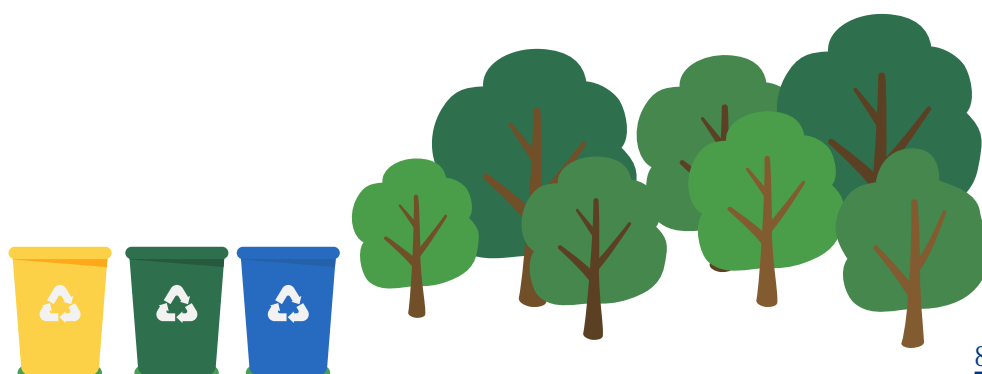
Compensation Policy

TRI conducts salary surveys to assess market compensation levels and economic indicators, ensuring that competitive salaries are offered to employees. According to data published by the Taiwan Stock Exchange, the company ranks 19th among 84 publicly listed electronics companies in median salary for non-managerial employees and 9th among 40 listed electronics companies.

The salaries of general employees are determined comprehensively based on the "Salary Calculation and Disbursement Policy," taking into account their education, experience, professional knowledge and skills, years of expertise, and individual performance.

In addition to fixed monthly salaries, the company offers various bonuses to encourage employees to exceed expectations and enhance company performance. These bonuses include:

•Holiday bonuses
•Patent bonuses
•Proposal bonuses
•Operational bonuses
•Sales bonuses

Moreover, the company provides additional allowances such as travel subsidies and overtime pay, depending on job requirements.

Unit: thousand yuan

Item	2022	2023	Increase percentage
Median annual total compensation for full-time employees not holding supervisory positions	1,139	1,001	-12.1%

Furthermore, TRI does not allow gender, race, political affiliation, ideology, religion, sexual orientation, or marital status to influence compensation. However, due to the nature of the industry, research and technical roles are predominantly held by male employees, while female employees are more often engaged in administrative roles. As a result, even at the same job level, differences in salary composition exist, which accounts for the slight discrepancy in the female-to-male salary ratio.

Gender-based Statistics on the Average Annual Compensation Difference Ratio by Job Category and Department

Classified by Job Level [Note 1]	2021		2022		2023	
	Female	Male	Female	Male	Female	Male
Logistics Department[Note 2]	1	1.32	1	1.36	1	1.37
R&D Department[Note 3]	1	1.39	1	1.39	1	1.36
Manufacturing Department	1	1.02	1	0.96	1	1.03
Sales Department[Note 4]	1	1.53	1	1.55	1	1.55

Notes:

Note 1: Employee count excludes contract-based personnel.

Note 2: The Logistics Department includes operations, finance, HR, and auditing services.

Note 3: The R&D Department includes R&D assistants.

Note 4: The Sales Department includes sales, FAE, and marketing.

5.2 Talent Attraction and Retention

Statistics on New Hires and Employee Turnover

TRI is committed to recruiting talent who align with the company's values. The company leverages various channels to attract outstanding individuals, including collaborations with universities, providing internship opportunities for students, and conducting campus recruitment events. Selection is based on professional ability and suitability, without discrimination based on race, gender, or age.

Over the past three years, the company's hiring and turnover rates have remained relatively stable, with no significant fluctuations observed.

New Employee Analysis

Item	Category	2021		2022		2023	
		Amount	Proportion	Amount	Proportion	Amount	Proportion
Gender	Male	84	88.4%	82	86.3%	50	80.65%
	Female	11	11.6%	13	13.7%	12	19.35%
Age	Under 30 years old	71	74.7%	74	77.9%	42	67.74%
	30-50 years old	24	25.3%	21	22.1%	20	32.26%
	Over 50 years old	-	-	-	-	-	-
Total		95		95		62	

Note 1: New employees exclude contract-based personnel and those who returned after a leave of absence.
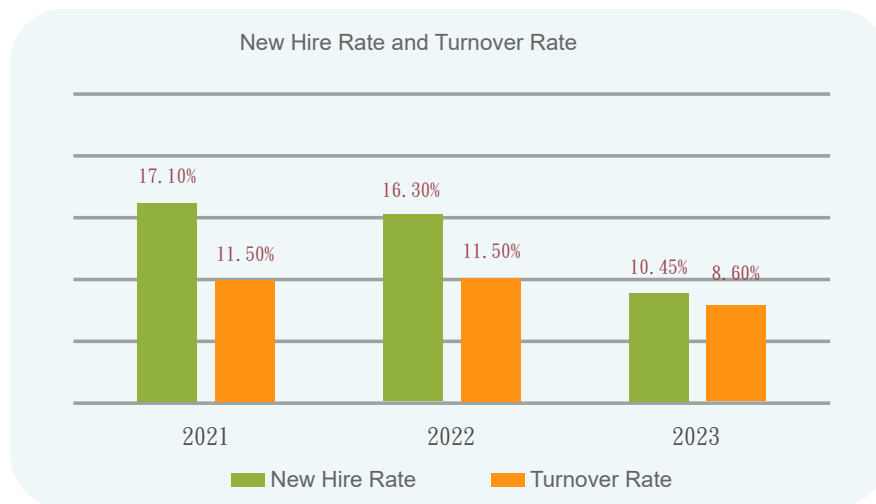
Note 2: New Hire Rate = Total number of new hires in the category during the year / Total number of employees in that category at the end of the year.

Employee Turnover Analysis

Item	Category	2021		2022		2023	
		Amount	Proportion	Amount	Proportion	Amount	Proportion
Gender	Male	55	85.9%	60	89.6%	43	84.31%
	Female	9	14.1%	7	10.4%	8	15.69%
Age	Under 30 years old	32	50.0%	41	61.2%	30	58.82%
	30-50 years old	29	45.3%	24	35.8%	15	29.41%
	Over 50 years old	3	4.7%	2	3.0%	6	11.76%
Total		64		67		51	

Note 1: Departing employees exclude contract-based personnel and those on unpaid leave.

Note 2: Employee Turnover Rate = Total number of employees who left in the category during the year / Total number of employees in that category at the end of the year.

New Hire Rate and Turnover Rate

	2021	2022	2023
New Hire Rate	17.10%	16.30%	10.45%
Turnover Rate	11.50%	11.50%	8.60%

Note 1: New Hire Rate = Total number of new hires during the year / Total number of employees at the end of the year.

Note 2: Turnover Rate = Total number of employees who left during the year / Total number of employees at the end of the year.

Comprehensive Employee Benefits

TRI offers employee benefits that exceed statutory requirements. In addition to mandatory labor and health insurance, the company provides additional group insurance to enhance employees' medical protection. The coverage includes accident insurance, cancer insurance, accidental medical insurance, and hospitalization medical insurance.

Employees, their spouses, and their children are covered free of charge under this group insurance plan. Additionally, employees' parents can enroll at a discounted rate, ensuring comprehensive family medical coverage for all staff members.

To foster camaraderie and well-being among our employees, and to encourage engagement in recreational activities outside of work, TRI has established an Employee Welfare Committee (hereinafter referred to as the "Welfare Committee") in accordance with the Workers' Welfare Fund Act. We allocate 0.13% of our monthly operating revenue to support employee welfare initiatives.

Welfare Committee members are nominated by various departments within the company or volunteer to participate. Representatives are selected through elections or recommendations, with the number of representatives from each department proportional to its size. The Welfare Committee holds regular meetings and may convene extraordinary meetings when necessary to plan various employee activities and welfare programs.

TRI complies with the government's Labor Standards Act and Labor Pension Act in processing retirement applications and determining retirement benefits. Each year, the company commissions an actuary to issue a labor retirement reserve fund actuarial report. In accordance with the law, the company allocates 4% of the total monthly salary of its employees to a dedicated account under the company's name at the Bank of Taiwan (formerly the Central Trust Bureau).

For employees covered by the new pension system, 6% of their insured salary is contributed to their individual accounts with the Bureau of Labor Insurance.

In 2023, the amounts contributed to the dedicated account at the Bank of Taiwan and to the Bureau of Labor Insurance individual accounts were NT$52,894,000 and NT$29,196,000, respectively. Employees meeting the statutory retirement criteria are eligible to apply for retirement benefits.

Benefit Categories	Cntent
Compensation and Rewards	• Dragon Boat Festival and Mid-Autumn Festival bonuses • Competitive salary maintained through compensation surveys • Employee profit-sharing bonuses from company earnings • Patent bonuses • Quarterly recognition awards for outstanding employees • Wellness benefit fund (usable for external courses, clubs, or private gyms) • Labor Day vouchers
Comprehensive Protection	• National Health Insurance, Labor Insurance, and Labor Pension contributions • Free high-coverage group insurance for employees, spouses, and children, including accidental injury, medical care for injuries, hospitalization, and cancer (parents eligible for discounted coverage) • Overseas travel insurance for business trips, including high daily benefits • Allowances for marriage, childbirth, and funerals • Hospitalization condolence payments
Training and Development	• Structured internal and external training or online courses, covering core, professional, and management curricula • Forward-thinking training plans, including programs for new hires, newly assigned staff, current employees, managers, and courses mandated by government regulations • Fully company-sponsored training opportunities • Learning organization initiatives: at least one intra-departmental experience-sharing session per employee annually • Domestic and international job rotation opportunities • Clear promotion pathways
Physical and Mental Well-Being	• Regular on-site services by professional factory doctors and nurses • Annual family day events • Free annual health check-ups • Annual health promotion activities • Subsidies for domestic and international employee travel • Diverse club activities (e.g., Aesthetic Living Workshop, Pilates Club, Badminton Club, Cold Beverage Mixing Club, Aerobic Dance Club) • Welfare Committee events (e.g., camping, movie screenings, charity group buying) • Parent-child concerts and theatrical performances • Sports activities (e.g., basketball, badminton, table tennis) • Free access to the company gym • Social events for singles
Ultimate Happiness	• Free car parking spaces (Linkou Plant) • Free motorcycle parking spaces (Taipei Headquarters, Linkou Plant, and Zhubei Branch) • Monthly birthday celebrations with vouchers • Discounts at a variety of partner stores • Complimentary movie tickets and private movie screenings • On-site group insurance consultations • Round-trip airport transportation for overseas business trips • All types of statutory leave • 80 hours of paid sick leave annually • Paid vaccination leave (introduced in 2022) and paid compensatory leave for public service (introduced in 2023) • Advance use of next year's annual leave • Employee Assistance Programs (EAPs)

Employee-Friendly Workplace

TRI prioritizes the health and well-being of its employees and is committed to creating an open and inclusive work environment. To promote employee health and work-life balance, the company offers a variety of amenities and activities, including a coffee bar, gym, occasional afternoon tea gatherings, regular birthday celebrations, and various employee clubs. These clubs include a lifestyle aesthetics study group, Pilates club, badminton club, cold beverage mixing club, aerobic dance club, and various ball sports clubs, allowing employees to strengthen their physique, cultivate interests, make like-minded friends, and expand their social circles.

In addition, TRI provides employees with a variety of outdoor leisure activities, such as domestic and international travel, movie appreciation, music concerts, stage plays, team building activities, and family days, to help employees relieve stress and promote physical and mental well-being. Employees and their families are invited to participate in these activities to strengthen relationships and enhance employee loyalty to the company.

To foster respect and open communication with employees, TRI holds Jason's Tea Time annually. This event allows employees to understand the company's current operational status and market challenges, fostering a shared understanding of future goals. The company also holds an annual year-end party with engaging and interactive programs to recognize employees' hard work throughout the year. Additionally, departmental funds are available for supervisors to organize regular dinners or afternoon tea events to increase communication and foster camaraderie.

TRI places great importance on employee satisfaction. Regular satisfaction surveys are conducted with all employees, and the results are provided to managers at all levels for review and improvement planning. This ensures that managers and employees maintain open channels of communication.

Welfare Committee events for 2023

Jason's Tea time 1/18 — **JAN**

Ceremony for the resumption of work 1/30 (Joyce) — **FEB**

Climbing Activities 3/18 (Cathy) — **MAR**

APR — Subsidies for domestic employee travel 4/21~4/23 (Edward)

Afternoon tea for Labor Day 5/1 (Kathleen) — **MAY**

JUN

Coastal clean-up Activities 7/1 (Terry) — **JUL**

Movie screenings 8/6 (Howard) — **AUG** — Baseball Activities 8/19 (Terry)

SEP — Zhongyuan Festival Rituals 8/30 (Joyce)

OCT — Family Day 10/14 (Leo)

NOV

Social events for singles 12/9, 12/24 (Leo) — **DEC**

Back-to-Work Afternoon Tea

Employee gym

Winter Solstice Tangyuan

Team Building

Team Building

Beach cleanup

Birthday Party

Staff trip

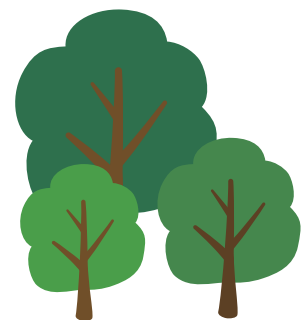Parent-child rock climbing

Paid leave for blood

Basketball match

Family Day

Year-end party

Happy Workplace

TRI places a special emphasis on work-life balance and regularly organizes company family days and sports events. It provides free group insurance for employees, their spouses, and children. Employees also receive birthday bonuses, wedding gifts, maternity leave allowances, bereavement benefits, and hospitalization subsidies. Annual travel allowances and health and wellness benefits are also provided, encouraging employees to spend quality time with their families outside of work and achieve a healthy work-life balance.

We uphold the Gender Equality in Employment Act and provide genuine care and support to employees with childcare needs. Regardless of gender, all employees are entitled to apply for childcare leave in accordance with regulations. We also offer family care leave, menstrual leave, maternity leave, and paternity leave. Furthermore, we have dedicated lactation rooms with access control, sterilizers, breast milk refrigerators, independent air conditioning, and hot and cold water washing facilities, allowing employees to use them freely and with peace of mind.

Item	Gender	2021	2022	2023
Total number of employees entitled to parental leave (A) (Note)	Male	62	69	64
	Female	15	16	14
Total number of employees who actually took parental leave (B)	Male	0	0	1
	Female	1	1	1
Total number of employees who should return to work after taking parental leave(C)	Male	0	0	0
	Female	1	0	0
Total number of employees who actually returned to work during the reporting period(D)	Male	0	0	0
	Female	1	0	0
Total number of employees who returned to work in the previous year(E)	Male	0	0	0
	Female	1	1	0
Total number of employees who remained employed 12 months after returning to work (F)	Male	0	0	0
	Female	1	1	0

Note: Employees entitled to parental leave are those who have been employed for at least six months and may apply for unpaid parental leave before their child reaches the age of three. The leave period lasts until the child turns three, but cannot exceed two years. For employees raising two or more children, the parental leave period will be combined, with a maximum of two years for the youngest child.

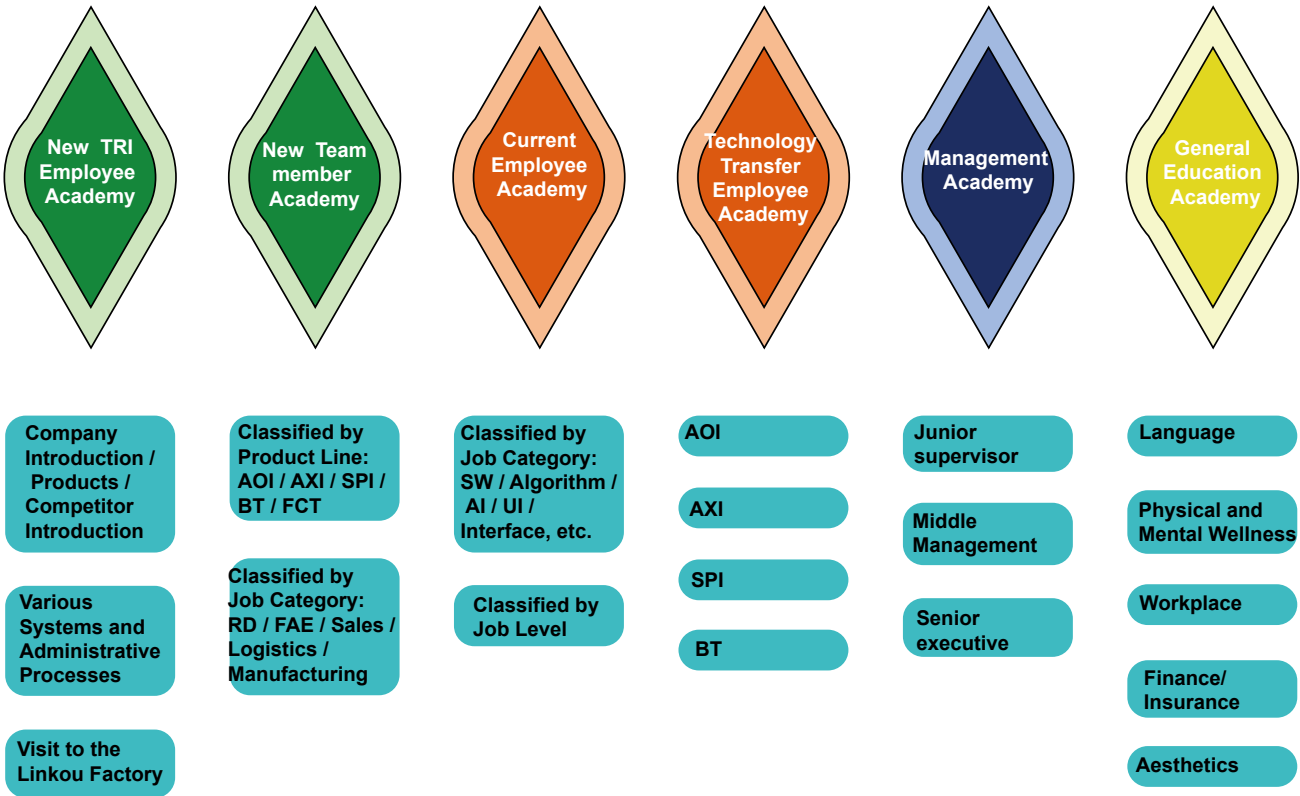| Item	Unit	2021	2022	2023
Return-to-work rate % = D/C	%	100	-	-
Retention rate % = F/E	%	100	100	-

Talent Training and Development

TRI is dedicated to supporting talent development, enabling employees and the company to grow together. In addition to having professional training classrooms and organizing various training courses, the company emphasizes enhancing employees' skills through On-the-Job Training (OJT) arranged by supervisors, various Off-the-Job Training programs, and self-development initiatives. This approach aims for comprehensive personal growth. For professional and general management courses, as well as personal work efficiency training, we invite both internal and external quality instructors. We also appropriately incorporate e-learning and video-based teaching methods to offer employees diverse learning options. Even for courses not available in the company, we provide subsidies through our health and wellness benefit program to support employees in pursuing self-directed learning.

Training System and Policy

TRI utilizes a system that assigns courses based on content and employee attributes, ensuring that all eligible employees are enrolled in the appropriate training. This system also allows employees to view training roadmaps for other departments, job categories, and levels, enabling them to prepare for job transitions or promotions.

| Training Types	Content
In-house Training Courses	• Professional courses (including technology transfer) are always recorded as online materials. Employees who are unable to attend classroom sessions (due to business trips, leave, etc.) can make up the course online within a specified period. Both classroom and online courses require passing a post-course test. • Core courses, management courses, and general courses are supported with assignments, group competitions, and team reports to ensure the quality of instruction.
External Training Courses	• After completing a professional course, employees must conduct a knowledge transfer (experience sharing) at department meetings within a specified period. This allows colleagues who did not attend the external training to benefit, while the employee conducting the knowledge transfer further strengthens their new knowledge through preparation. • Post-course reports are required after completing management courses. • Certificates are required after completing occupational health and safety courses.
Knowledge Management Center	Materials are stored in the Knowledge Management Center and made available to different employees for self-study based on their roles. Content includes: • Post-training reports from external courses. • Post-course reports for management courses. • Technology transfer courses for various product lines

TRI Knowledge +

New TRI Employee Academy	New Team member Academy	Current Employee Academy	Technology Transfer Employee Academy	Management Academy	General Education Academy
Company Introduction / Products / Competitor Introduction	Classified by Product Line: AOI / AXI / SPI / BT / FCT	Classified by Job Category: SW / Algorithm / AI / UI / Interface, etc.	AOI	Junior supervisor	Language
Various Systems and Administrative Processes	Classified by Job Category: RD / FAE / Sales / Logistics / Manufacturing	Classified by Job Level	AXI	Middle Management	Physical and Mental Wellness
Visit to the Linkou Factory			SPI	Senior executive	Workplace
			BT		Finance/ Insurance
					Aesthetics

TRI Learning and Development System

Course Type	Course Content
Foundation Courses	These courses provide new employees with essential knowledge and training to facilitate a smooth transition into their roles and foster a strong sense of belonging within the company. Topics covered include: • Corporate culture and management philosophy. • Company policies, benefits, goals, and future vision. • Product introduction and future development trends. • Legal concepts for technology professionals (e.g., patents and intellectual property rights). • Utilization of internal information systems and management tools.
Professional Courses	hese courses aim to enhance professional knowledge and skills, improve work performance, and increase the competitiveness of employees, departments, and the company as a whole. Topics covered include: • Basic professional training: FPGA, C++, C#, etc. • Advanced professional training: Job-specific training within respective departments, special topic seminars, and overseas training opportunities.
External Courses	In addition to on-the-job training, employees are encouraged to participate in domestic and international seminars and professional training courses to enhance their expertise and technical skills.
Self-Improvement	• Employees are encouraged to develop a second area of expertise and explore their potential for personal growth. • A dedicated library is available with regular updates to its collection of professional books, providing employees with the latest information and resources. • Personal development courses: These courses offer employees opportunities for self-discovery, self-improvement, and personal growth, promoting a healthy work-life balance. • Wellness programs: Through courses and activities, employees gain a better understanding of their health and well-being, enabling them to approach work and life with greater vitality. Examples include nutrition workshops and walking competitions.
Leadership Development	A series of management and leadership training programs covering areas such as management, finance, law, and human resources are offered to cultivate exceptional leaders and establish a common management language within the company.

To ensure the effectiveness of employee training programs, Delta Electronics regularly conducts training satisfaction surveys. These surveys assess eight key aspects: duration of activities, program design, time management, instructor effectiveness, quality of venue and facilities, relevance to individual learning styles, learner interaction, and alignment of content with practical needs. Feedback from these surveys is provided to instructors and senior management for review and is also used by the Human Resources department to inform the planning and improvement of future training programs.
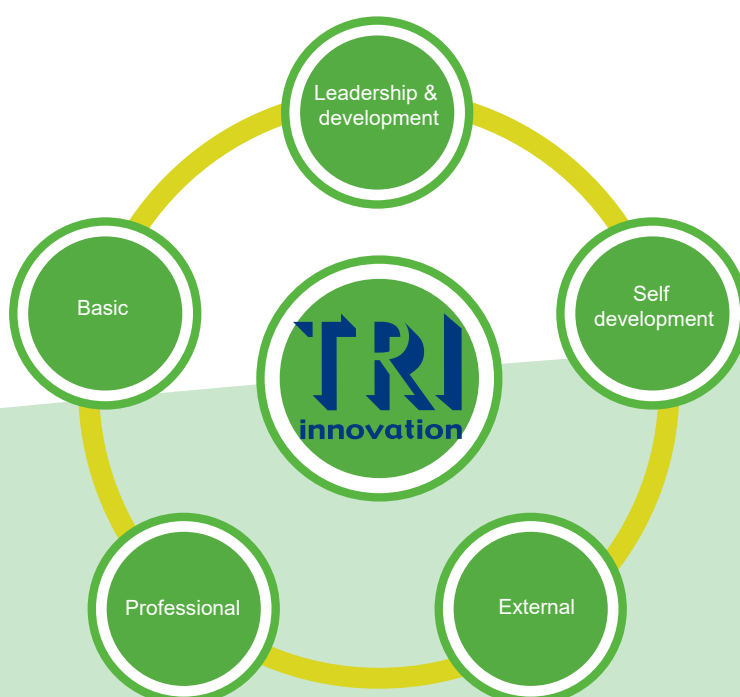
In addition to providing employee training, TRI also offers support for employees transitioning between roles.

Target Employees	Assistance Program
New TRI Employees	Provide foundational knowledge training, including information about the company, industry trends, product introductions, and competitor analysis, coupled with dedicated mentors for immediate support.
New Team Members (including new hires and employees transferring between departments)	Offer specialized training for the new department, including technology transfer for specific product lines, enhanced software and hardware development training, and guidance on obtaining relevant job certifications.
Employees Relocating to a Different Work Area	Provide an orientation to the new environment, including instructions on operating machinery and equipment and using everyday items.
Employees Considering Career Changes	Offer career planning consultations to reduce external turnover and encourage internal job transitions.
Employees with Potential for Future Management Roles	Provide management-related training in advance to minimize challenges during the initial transition to a leadership position.
Underperforming Employees	If, for various reasons, employees exhibit decreased commitment to the company or display emotional reactions, the Human Resources department will provide counseling and communication to reduce turnover intentions.
Exit Management	If an employee is deemed unsuitable for their role, the Human Resources department will conduct thorough assessments and the supervisor will hold an exit interview. If internal placement is not feasible, Teltronic will proceed according to labor laws and, whenever possible, provide assistance with external job placement, applications for job-seeking subsidies, and vocational retraining opportunities.

Average Training Hours per Employee per Year

By Job Level   Unit:Hour

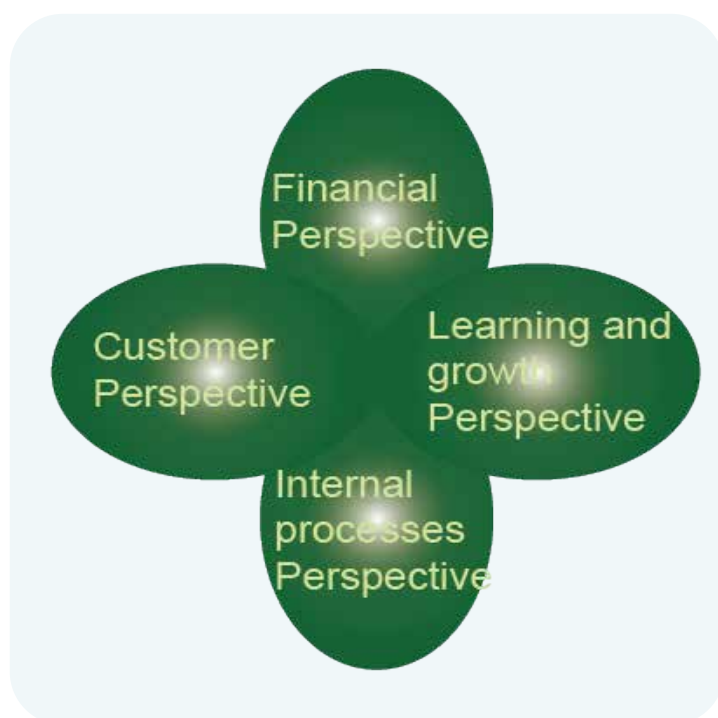| Category	2021			2022			2023		
	participants	Total Training Hours	Average Training Hours	participants	Total Training Hours	Average Training Hours	participants	Total Training Hours	Average Training Hours
Senior executive	8	103	12.9	8	81	10.1	9	141.8	15.8
Mid-level executive	56	1,123	20.1	59	790	13.4	61	927.8	15.2
Junior supervisor	36	633	17.6	33	603	18.3	30	456.3	15.2
Employee	455	14,416	31.7	484	13,071	27.0	493	13346.5	27.1
Total	555	16,275	29.3	584	14,545	24.9	593	14872.4	25.1

BY Gender

Unit：Hours

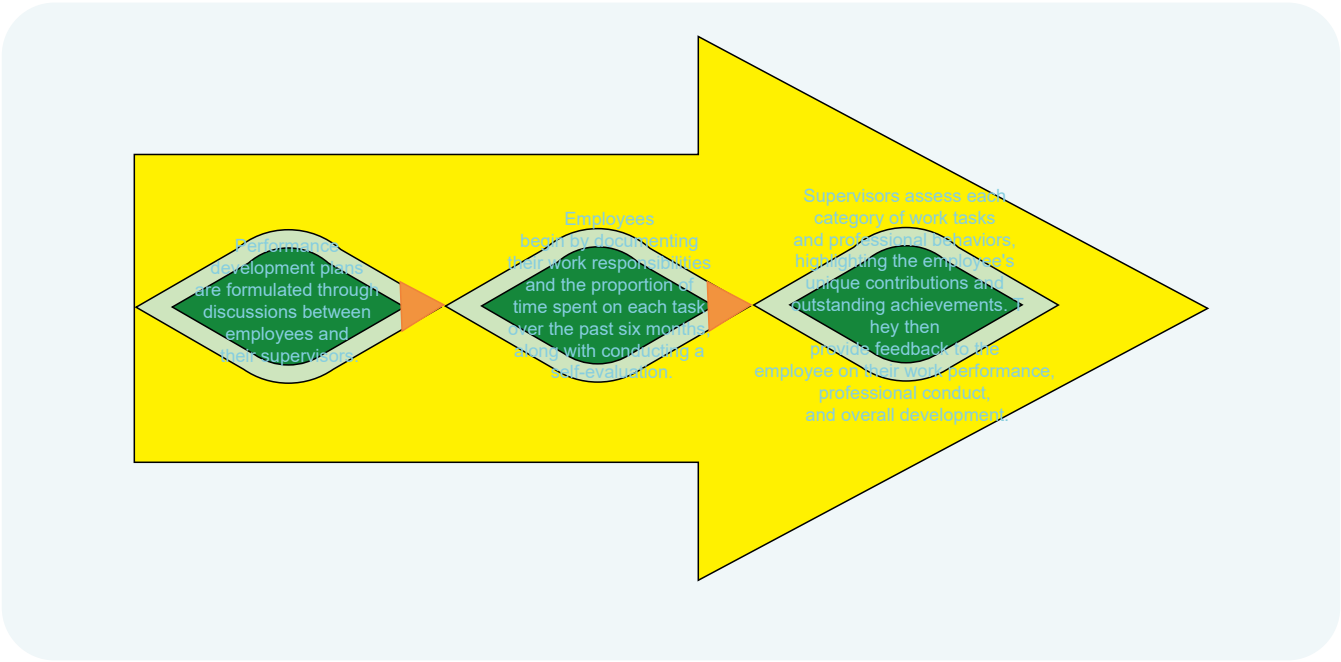| Category	2021			2022			2023		
	participants	Total Training Hours	Average Training Hours	participants	Total Training Hours	Average Training Hours	participants	Total Training Hours	Average Training Hours
Male	471	13,863	29.4	494	12,266	24.8	501		25.4
Female	84	2,412	28.7	90	2,279	25.3	92	2131.6	23.2
Total	555	16,275	29.3	584	14,545	24.9	593		25.1

Performance Management System

Performance evaluation is at the core of TRI's talent management strategy. To ensure objectivity and credibility, the company implements a comprehensive performance appraisal process for all employees, including staff, supervisors, managers, and new hires. Evaluations are conducted twice a year, in July and December. This allows supervisors to review work performance with their team members, provide immediate recognition and rewards for outstanding achievements, and identify areas for improvement. Employees can then take corrective action in the following six months to ensure they are progressing in the right direction. Performance evaluations also serve as the basis for promotions, mid-year bonuses, year-end bonuses, and salary adjustments.

TRI has adopted the Balanced Scorecard as a strategic management system, which forms the foundation of the company's strategic development, execution, and performance management. The Balanced Scorecard focuses on four key perspectives: Financial, Customer, Internal Processes, and Learning and Growth. We recognize that fostering employee learning and growth is crucial to building a high-quality workforce. By cultivating a positive learning and growth culture, we can establish a strong foundation for the company's sustainable development.

Performance Evaluation Process

Performance development plans are formulated through discussions between employees and their supervisors.

Employees begin by documenting their work responsibilities and the proportion of time spent on each task over the past six months, along with conducting a self-evaluation.

Supervisors assess each category of work tasks and professional behaviors, highlighting the employee's unique contributions and outstanding achievements. They then provide feedback to the employee on their work performance, professional conduct, and overall development.

Performance Evaluation Process

Incentive Measure	Description
Performance Bonus	Performance bonuses are awarded based on individual contributions and performance achievements following the performance reviews conducted in July and December each year
Salary Increase Opportunity	April is the designated month for salary adjustments. Salary increase percentages are determined based on employee contributions and performance outcomes.
Promotion Opportunity	April is also the designated month for promotions. High-performing employees have the opportunity to advance in job grade and may even be considered for leadership positions.

Employee Performance Appraisal Completion Rate

Employee Performance Appraisal Completion Rate With the exception of contract employees, all TRI employees are subject to annual performance appraisals. The number of employees evaluated in 2021, 2022, and 2023 was 555, 584, and 593, respectively, with a 100% completion rate for each year.
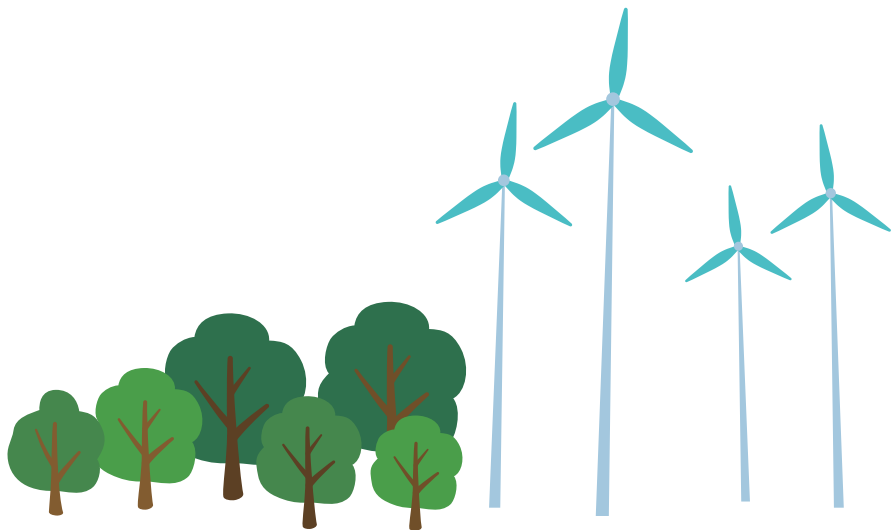
5.4 Occupational Health and Safety

Occupational Health and Safety Management

Providing employees with a safe working environment is TRI's fundamental commitment to its employees. TRI has implemented ISO 45001:2018 Occupational Health and Safety Management System certification and adheres to the ISO 45001 management system standards. Following the P-D-C-A (Plan-Do-Check-Act) framework of the Occupational Health and Safety Management System, TRI has established a prevention-oriented safety and health management system to implement occupational health and safety management practices. Additionally, TRI has also obtained the ISO 14001 Environmental Management System certification, which helps reduce the environmental impact and promotes the company's growth. The Occupational Health and Safety System covers both employees and contractors (including on-site security and cleaning personnel).

The facility employs safety and health officers who are responsible for planning, promoting, and auditing occupational health and safety management plans. A dedicated Occupational Health and Safety Office oversees these efforts.

The Occupational Health and Safety Management unit comprises department heads, employee representatives, and engineering technicians who form the Occupational Health and Safety Committee. This committee convenes quarterly, with participants including certified safety professionals, first-aid personnel, technicians, area supervisors from various workplaces, and employee-elected representatives. These members contribute to the development and discussion of the occupational health and safety management system. Employee representatives comprise at least one-third of the committee's total membership. The committee's responsibilities include:

1. Provide recommendations on the occupational safety and health policies proposed by the employer.

2. Coordinate and suggest occupational safety and health management plans.

3. Review the implementation plans for safety and health education and training.

4. Review workplace environment monitoring plans, monitoring results, and corrective measures.

5. Review matters related to health management, occupational disease prevention, and health promotion.

6. Review various safety and health proposals.

7. Review autonomous inspections and safety and health audits conducted by the enterprise.

8. Review preventive measures for hazards posed by machinery, equipment, raw materials, and substances.

9. Review investigation reports on occupational accidents.

10. Assess the performance of on-site safety and health management.

11. Review safety and health management matters related to subcontracted operations.

12. Address other matters related to occupational safety and health management.

TRI has also established Safety, Health, and Environmental Protection Regulations for contractors, defining high-risk operations for focused control.
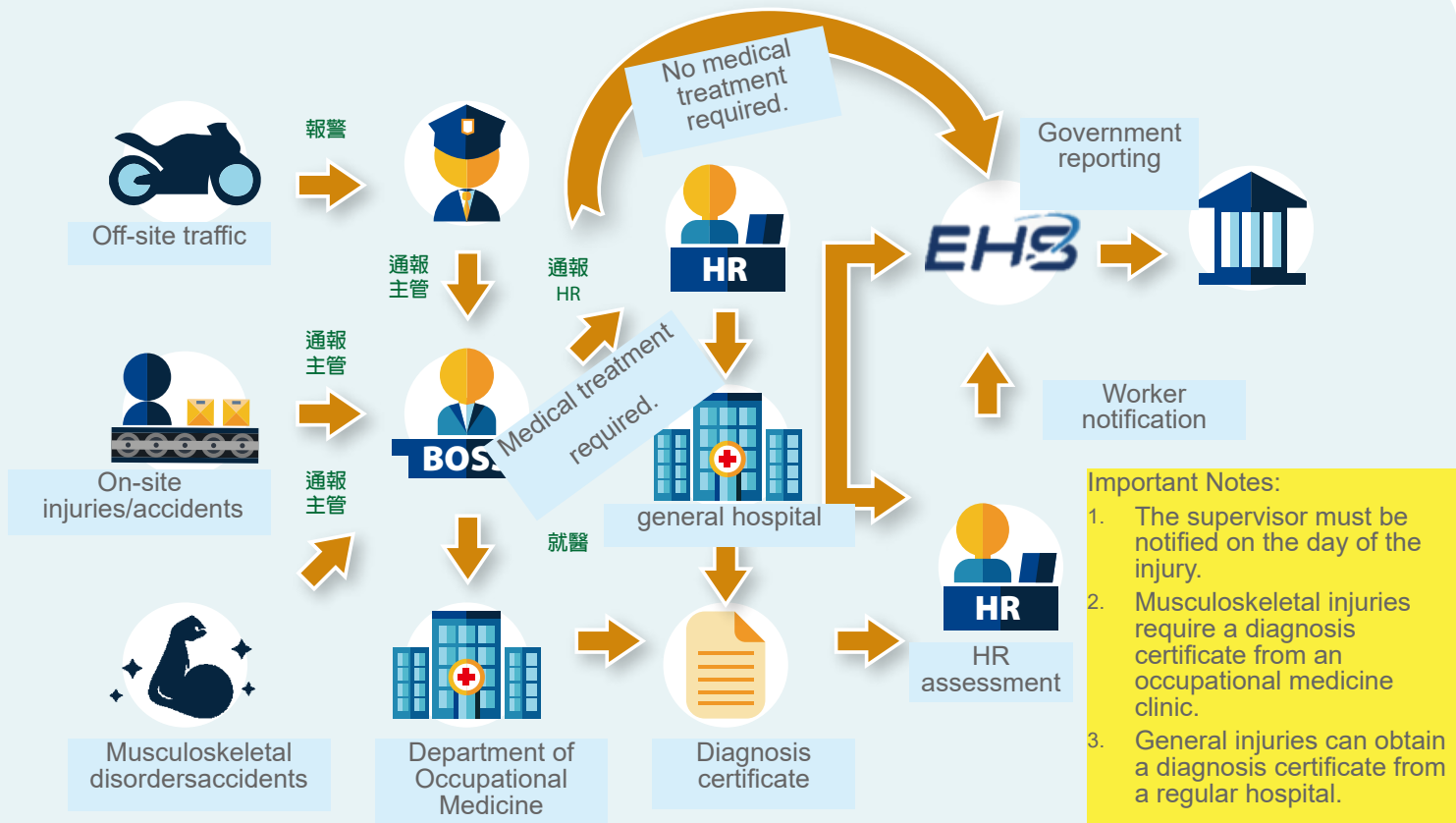
Occupational Accident Prevention Management

To effectively prevent occupational accidents, TRI has established the "Hazard Identification and Risk Assessment Management Procedure." This procedure comprehensively identifies hazards and assesses risks associated with the company's operational activities, implementing necessary control measures to maintain risks within acceptable levels. The Occupational Safety and Health Office conducts irregular inspections of workplace hazards across various units, providing recommendations and improvement measures to address identified hazards.

When employees sustain any injuries during work, they must immediately report to their department supervisor. The supervisor is required to inform the Occupational Safety and Health Team within 24 hours. In the event of a major incident, after rescue operations, the scene must be preserved without unauthorized movement or alteration to facilitate inspection and evaluation by judicial authorities and labor inspection agencies.

For legally defined major incidents, the Occupational Safety and Health Team must report to the local labor inspection agency within 8 hours. Any related news updates will be communicated to the media by the company's designated spokesperson.

Occupational accidents occurring within departments are investigated by the responsible department, with findings compiled by the Occupational Safety and Health Team for monthly analysis. Preventive measures are proposed and submitted to the General Manager for approval.

Other Occupational Safety and Health Management Matters - Occupational Injury Procedure Notification

Important Notes:
1. The supervisor must be notified on the day of the injury.
2. Musculoskeletal injuries require a diagnosis certificate from an occupational medicine clinic.
3. General injuries can obtain a diagnosis certificate from a regular hospital.

During the execution of hazard identification, any hazards originating outside the workplace that may impact the occupational safety and health of personnel within the company's controlled workplace must also be included in the hazard identification process.

Risk assessment personnel should first analyze potential activities within their departments and document hazards in the "Risk Assessment and Environmental Consideration Form." Based on the severity and likelihood of risks, they determine whether risk control measures are necessary and implement appropriate control measures accordingly. Acceptable and unacceptable risks are categorized and reported to the Occupational Safety and Health Committee.

All risk assessment personnel have received guidance and training from certified professionals on how to operate and implement the process. These professionals are appointed through qualified inspection agencies and personnel as required by law to ensure quality control and proper execution of operations.

The company categorizes equipment maintenance and inspections into periodic inspections, focused inspections, and operational checks. These are planned by the user unit, reviewed by the Occupational Safety and Health Team, and implemented according to the approved schedule.

| Risk Category	Mitigation Measures
Fire Safety	Use of compliant fireproof building materials and regular public safety inspections of the building.
Fire Equipment	Regular inspection and maintenance of fire equipment, including fire extinguishers, automatic fire alarm systems, manual alarm systems, emergency broadcasting systems, signage, escape equipment, and emergency lighting. Regular reporting of fire safety inspections.
Electrical Safety	Regular high and low voltage electrical inspections, employee training on electrical safety, and implementation of electrical equipment control regulations.
Environmental Monitoring	Regular monitoring of CO2 and lead levels in accordance with regulations.
Fire Drills	Biannual fire drills for all personnel across the facility. Drills are led by the self-defense fire brigade and simulate fire scenarios from initiation to the arrival of firefighters, including providing necessary information about the situation. These drills reinforce fire prevention and response knowledge, and emphasize escape and evacuation procedures.

In addition to the risks identified in the table above, TRI has included fire, earthquakes, and infectious diseases in its hazard identification process for this year. The company also conducts annual environmental monitoring for specific work environments, such as lead operations in maintenance boards and laboratory areas. In workplaces equipped with central air conditioning, carbon dioxide sampling and monitoring are carried out as required by regulations.

The Occupational Safety and Health Committee proposes improvement measures for unacceptable risk operations and sets deadlines for implementation. Unit supervisors must complete improvements within the specified period and report the completion to occupational safety personnel.

Occupational safety personnel are responsible for promoting related education and training to strengthen existing protective measures. They collaborate with unit supervisors to establish annual risk indicators, classify risk levels, develop control measures, and conduct regular inspections and follow-ups. Day-to-day, occupational safety personnel implement a walk-around management approach, frequently communicating with employees and integrating their feedback into discussions at the Occupational Safety and Health Committee. This approach encourages full employee participation in occupational safety management activities.

Risk Level	Risk Significance	Risk Category	Mitigation Measures
5	Very High Risk	Unacceptable Risk	Immediately review the integrity of existing protective measures. Expedite engineering and management improvement plans, implement operational controls, and enhance emergency response capabilities.
4	High Risk	Unacceptable Risk	Immediately review the integrity of existing protective measures. Implement engineering and management improvement plans, implement operational controls, and enhance emergency response capabilities within a reasonable timeframe.
3	Medium-High Risk	Temporarily Acceptable Risk	Following a risk assessment meeting, identify areas for improvement. Review the integrity of existing protective measures and implement engineering and management improvement plans, operational controls, or enhanced emergency response capabilities within a reasonable timeframe.
2	Medium Risk	Temporarily Acceptable Risk	Implement or strengthen existing mechanisms for maintenance, supervision, inspection, and training of protective measures.
1	Low Risk	Acceptable Risk	

In addition to identifying hazards and assessing risks to prevent occupational accidents, Delta Electronics has also established an "Accident Investigation and Handling Procedure." In the event of a workplace injury, first-aid personnel must be notified immediately, and emergency medical treatment should be provided as needed. For injuries resulting from specialized tasks, a written report must be submitted to the Occupational Health and Safety Committee, in addition to providing medical attention and reporting the incident to supervisors. In the case of sudden emergencies, personnel should follow established emergency contact procedures by dialing 110 or 119. These procedures outline appropriate responses for personnel in various situations to prevent escalation and mitigate the impact of hazards.。
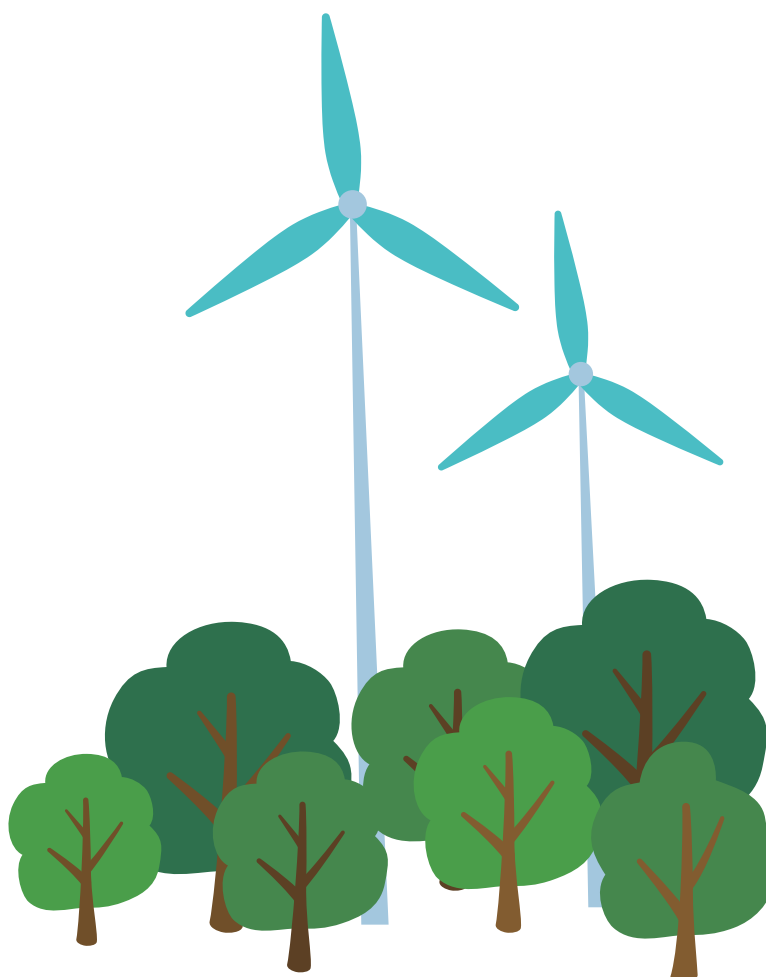
Item/Year	2021	2022	2023
Total Hours Worked (hours)	1,111,734	1,192,040	1,179,136
Number of General Occupational Injuries (cases)	5	4	2
Number of Serious Occupational Injuries (cases)	0	0	0
Number of Fatalities (cases)	0	0	0
Total Recordable Occupational Injuries (b+c+d) (cases)	5	4	2
Fatality Rate (%)	0	0	0
Serious Injury Rate (%)	0	0	0
Total Recordable Injury Rate (%)	4.5	3.4	1.7

Notes:

Total accumulated work hours are the sum of the actual hours worked by all employees and workers up to December 31.

General occupational injuries: those with lost workdays of 180 days or fewer.

Severe occupational injuries: those with lost workdays exceeding 180 days.

Occupational injury fatality rate = (Number of fatalities * 1,000,000) / Total accumulated work hours.

Severe occupational injury rate = (Number of severe injuries * 1,000,000) / Total accumulated work hours.

Recordable occupational injury rate = (Total number of recordable injuries * 1,000,000) / Total accumulated work hours, which is defined as the "Disabling Injury Frequency (FR)" by the Ministry of Labor.

Projects to prevent or mitigate occupational safety and health hazards	Company Practices
Occupational Disease Prevention	1. Establish an "Occupational Disease Prevention and Control Management System." 2. Implement hazard identification and risk management processes, conduct workplace environment testing, develop management plans for high-risk areas, and identify unacceptable risks. 3. Conduct annual employee health checkups.
Occupational Safety for Special Operations Personnel	1. Conduct annual health checkups for employees engaged in hazardous operations, such as those involving ionizing radiation. 2. Implement regular inspection and management of equipment and instruments. 3. Enforce safety management in the work environment.
Provision of Protective Equipment	Provide protective equipment such as earmuffs, safety shoes with steel toe caps, protective footwear, and insulating wrist straps.
Supervision and Training	Conduct daily inspections of the facility and organize regular training sessions.

In accordance with occupational safety and health regulations, the company mandates that if an immediate danger is likely to occur in the workplace, operations must cease immediately, and workers must evacuate to a safe location. If employees identify an imminent danger while performing their duties, they may stop work and evacuate to a safe location, provided this does not endanger the safety of other workers. They must report the situation to their immediate supervisor immediately.

The company ensures that employees will not face improper treatment or adverse consequences for exercising their right to retreat under such circumstances. However, employees are also required not to misuse or arbitrarily exercise this right.

Occupational Health Services

TRI prioritizes the rights and safety of its employees, demonstrating a strong commitment to addressing workplace health concerns. The company implements health management measures across four key areas: healthcare, occupational hygiene, disease prevention, and lifestyle.

By actively promoting various programs, TRI aims to prevent workplace hazards, detect work-related illnesses early, and promote individual well-being. These efforts enhance the quality of life and work for employees while fostering a healthy and safe working environment.

To foster a healthy workplace atmosphere and safeguard employees' physical and mental well-being, TRI engages contracted nurses and specialist physicians to provide on-site services. In 2023, a total of 156 sessions were conducted, with 105 participants receiving health education, as well as consultations on physical and psychological concerns.In addition to conducting health checks that exceed regulatory standards, the company requires all new employees to complete a physical examination before reporting for duty.

In 2023, TRI's health examination programs focused on themes such as "Liver Protection and Cancer Prevention," "Cardiovascular Health," "Gastrointestinal Care," and "Comprehensive Cancer Screening." These initiatives aim to achieve early detection and treatment as part of proactive health management.To address factors such as ergonomic hazards, workplace violence, and overload prevention, appropriate assessment questionnaires were utilized to monitor employees' health conditions. The goal is to enhance health awareness among employees and encourage them to take care of their own and their families' health.TRI also ensures the confidentiality of workers' personal health information. Health examination records are strictly accessible only to medical personnel, with no access granted to other individuals.

TRI provides annual subsidies for routine health checks for employees. In 2023, 530 employees participated in routine health examinations. Additionally, the company arranged special health checks for ionizing radiation and lead exposure for 79 employees engaged in specialized operations, accounting for 15% of the total workforce. To ensure the health of employees involved in high-hazard operations, TRI offers annual health examinations for employees with over one year of service. On-site medical personnel categorize health check reports based on risk levels and provide corresponding health care and guidance to address identified risks.

Based on statistical analysis of health check and assessment questionnaire results, the primary abnormalities identified were hypertension, hyperglycemia, hyperlipidemia (the "three highs"), waist circumference issues, and metabolic syndrome. Health management was categorized by risk level, and professional physicians provided one-on-one post-examination consultations. In 2023, a total of 2 sessions were held, with 88 participants. These consultations aimed to educate employees on proper health maintenance concepts while ensuring continuous follow-up and care.

Additionally, health promotion programs were developed with a focus on physical health, mental well-being, and nutrition. Employees were encouraged to participate in activities such as brisk walking, weight loss classes, blood pressure monitoring, and health seminars. By fostering healthy lifestyle habits, these programs aim to improve individual physical health outcomes.

Health Promotion Program

TRI promotes activities with a focus on fostering a healthy mindset, ensuring participation is not limited to those with specific health concerns. These activities are open to all employees, allowing for voluntary involvement. To encourage participation and motivation, rewards are provided upon achieving set goals.

Specific Health Risks	Response Plan
Maternal Health Protection	Measures implemented include hazard assessment and control, physician consultations, risk-level management, and suitable work arrangements. Physicians are engaged to identify and evaluate workplace environments and operational hazards. Based on the evaluation results, risks are categorized, and tiered management is implemented. In 2023, there were no reported cases requiring maternal health protection. Employees who underwent consultations received appropriate work adjustments and health management to ensure the physical and mental well-being of pregnant, postpartum, and breastfeeding employees.
Ergonomic Risk Management	To assess ergonomic health risks among employees, a musculoskeletal discomfort questionnaire is used. Employees identified with higher exposure to repetitive tasks or cumulative muscle discomfort are further evaluated by nurses, physicians, and occupational safety personnel. Using checklists and on-site work observations, risk levels for musculoskeletal injuries are classified, followed by improvement measures and tracking. In 2023, 26 employees were identified as potentially at risk. These individuals participated in health education sessions and one-on-one consultations to enhance their understanding of ergonomic risk factors and reduce the likelihood of musculoskeletal discomfort.
Abnormal Workload Management	To identify high-risk groups, TRI uses tools such as overwork scales, workload assessment questionnaires, and annual health examination reports. Employee health conditions are also monitored through self-initiated assistance requests or referrals from others. Health consultation services are provided to address identified concerns. In 2023, 7 cases were recorded. These employees received health guidance to help them develop appropriate stress management techniques, enabling them to cope effectively with various work and life pressures.
Middle-aged and Elderly Workers (New Initiative)	TRI utilizes physical and health examination reports and references annual health check results to identify high-risk individuals under the Abnormal Workload-Induced Disease Prevention Plan and the Ergonomic Hazard Prevention Plan. Middle-aged and elderly workers are required to complete a Work Ability Questionnaire for self-assessment. In 2023, 5 cases were identified. These individuals received health guidance and educational resources, focusing on strengthening health management measures to prevent occupational injuries. This initiative aims to foster a safe and supportive work environment for middle-aged and elderly workers.
Walking Program	Walking is one of the easiest and most recommended physical activities to practice. Employees are encouraged to integrate walking into their daily lives, starting with this activity to improve their health and fitness while reducing the risk of chronic diseases. In 2023, the program set a target of 50,000 steps per week. A total of 78 employees participated, with 49 achieving the goal, accumulating an impressive 64.723 million steps (equivalent to a carbon reduction of 9,190.7 kg). This is roughly equivalent to walking around Taiwan 46.97 times, with a success rate of 62.8%.
Blood Pressure Monitoring	Since most individuals with hypertension experience no noticeable symptoms, regular blood pressure measurements are essential to accurately monitor blood pressure levels. Blood pressure monitoring plays a critical role in the prevention and management of hypertension. To facilitate this, blood pressure monitors are installed at all facilities, providing employees with easy access for regular measurements.

To encourage employees to walk more and integrate exercise into their daily lives, TRI launched the "Walk for Carbon Reduction, TRI Cares for Earth" campaign in 2023, promoting the concept of energy conservation and carbon reduction. Employees were encouraged to achieve a weekly goal of 50,000 steps over a three-month period. Participants who met the target were rewarded with a small green potted plant for their office, which not only purifies indoor air but also enhances their living space, relieves stress, and helps combat negative emotions—benefitting both individuals and the planet.

Additional rewards were offered to the top 10 participants with the highest total steps, including gift vouchers. The top 5 were given the opportunity to represent TRI at the "Corporate Well-being Yilan Tree Planting Party," where 50 Machilus Thunbergii saplings were planted under TRI's name. This initiative supported soil and water conservation in Yilan's Fan Fan Mountain region and promoted sustainable economic crops.

By participating in the hands-on tree planting process, employees gained a deeper understanding of energy conservation, carbon reduction, and environmental sustainability. The event also included a tribal tour and cultural ecology experience, combining local resources and indigenous heritage to foster appreciation for Taiwan and collective stewardship of the land.

To promote a healthy workplace and enhance employee well-being, TRI invited Director Ji Liangrong from Corning Hospital in October to provide guidance through courses on "Cardiovascular Disease Prevention" and "Colorectal Cancer Prevention and Care." These sessions included simple introductions to the diseases and tips for recognizing early symptoms, helping employees understand their physical conditions and develop correct health and medical awareness early on.

Public Service Leave

In 2023, TRI introduced the "Public Service Compensatory Leave" initiative as part of its commitment to creating a happy workplace. This program encourages and supports employees' participation in social services, promotes corporate social responsibility, embodies the spirit of sustainable development, and strengthens employee cohesion. Each employee is granted annual compensatory leave for public service activities, such as volunteering for charitable organizations, participating in community service, donating blood, and more. Employees can submit proof of participation afterward to apply for leave.

This initiative highlighted the enthusiasm of TRI employees for blood donation, with many consistently and quietly contributing to Taiwan's blood bank. Additionally, some employees took part in external activities like beach cleanups organized by marine conservation groups or volunteering with animal welfare associations. TRI is delighted to support employees in continuing their contributions to society.

Employee Assistance Programs (EAPs)

In 2023, TRI responded to the Ministry of Labor's initiative by implementing the Employee Assistance Programs (EAPs) to support employees in addressing challenges related to work, personal life, or health. Through collaboration with external professional organizations, the program leverages psychological methods and techniques to assist employees with issues related to health, mental well-being, interpersonal relationships, or family matters, aiming to maintain workplace mental health.

Employees can schedule video or in-person consultations with partner counseling centers via Line, email, or phone. The entire process ensures individual privacy, with no company intervention. Since the program's implementation, six employees have utilized the service. TRI hopes this initiative helps employees better manage work and life stressors, enabling them to enjoy healthier, happier lives and workplaces.

Occupational Safety and Health Training and Management

In addition to conducting ISO 45001 audits, routine safety and health inspections, and promoting occupational safety management matters via email and bulletin boards, TRI organized 30 occupational safety and health training sessions in 2023, with a total of 1,447 participants.

TRI has an annual occupational safety management plan that includes mandatory periodic retraining for employees with regulated certifications, as required by law. TRI fully subsidizes the costs of all occupational safety and health-related courses. Additionally, training materials have been fully digitized, enabling employees to access the latest knowledge anytime and anywhere.

Program	Sessions	Participants
Radiation Protection	8	65
Lifting Operations	1	1
Disaster Prevention	0	0
Electrical Hazard Prevention	1	282
Fall and Rolling Hazard Prevention	1	2
Process Environment and Machine Operation	1	46
First Aid Personnel Training	6	6
General Safety and Health Education Training	12	1045

After each training session, TRI conducts assessments and surveys with participants to evaluate the effectiveness of the training. This ensures that the programs meet their objectives and provide valuable knowledge and skills to employees.

5.5 Human Rights Management

TRI provides multiple effective channels for employees to express their opinions, including labor-management meetings, communication management procedures, and a grievance email (hr@tri.com.tw), ensuring a positive relationship between labor and management.

For environmental, safety, and health issues, employees can raise concerns through the Occupational Safety and Health Committee and the Environmental, Safety, and Health Communication Management Procedure. For further details, refer to Section 4.4 Occupational Health and Safety – Occupational Health and Safety Management.

In 2022, TRI held 4 labor-management meetings and 4 Occupational Safety and Health Committee meetings.

Before implementing significant operational changes that may substantially impact employee rights, TRI complies with the Labor Standards Act and other labor-related regulations by notifying employees and engaging in communication in advance (minimum advance notice periods for employees and their representatives are as follows). This ensures all operational processes are conducted in compliance with legal requirements.

Currently, TRI has not established a labor union and therefore has not signed a collective agreement.

Minimum Advance Notice Period for Operational Changes

Minimum Advance Notice Period for Operational Changes	10 days
Employees with service duration of 1 year to less than 3 years	20 days
Employees with service duration of 3 years or more	30 days

Human Rights Policy

TRI respects and supports internationally recognized human rights standards and principles, including the Universal Declaration of Human Rights, the United Nations Global Compact, and the Core Conventions of the International Labour Organization (ILO). TRI upholds the spirit and fundamental principles of these international human rights conventions, complies with relevant labor laws in its operational locations, and continuously strives to enhance the overall work environment for employees. The company is committed to embedding human rights principles and values into its corporate culture as part of its pledge to protect human rights.

TRI has established internal guidelines under the "Human Rights Policy Code," which include provisions on labor rights, health and safety, environmental standards, ethical conduct, and management systems. Recruitment decisions are based solely on work experience, potential, and achievements. TRI prohibits discrimination based on race, social class, language, ideology, religion, political affiliation, nationality, place of birth, gender, sexual orientation, age, marital status, appearance, physical features, disabilities, zodiac signs, or blood type. The company also adheres to principles prohibiting child labor and forced labor.

To safeguard the employment and work rights of individuals with disabilities, TRI actively hires employees with disabilities and regularly supports products from sheltered workshops operated by charitable organizations. TRI remains committed to monitoring human rights management practices to ensure the protection of employee rights.

Focus Areas	Management Measures
Prohibition of Child Labor	The company strictly prohibits the employment of individuals under the age of 15. During recruitment, applicants are required to provide a basic information form, including their date of birth. Identity documents must be presented upon onboarding and verified by the HR department to ensure accuracy.
Labor Conditions Assurance	To protect employees from risks such as excessive working hours, TRI has clearly defined regulations on work hours and overtime limits. Employee attendance is regularly monitored and managed to ensure compliance.
Prohibition of Forced Labor	TRI strictly prohibits any form of forced labor, servitude, or human trafficking. The company also forbids unreasonable restrictions on employees' entry and exit from the workplace and ensures their freedom of movement within the workplace.
Prevention of Discrimination and Sexual Harassment	TRI strictly forbids sexual harassment in the workplace. Relevant policies are outlined in the employee work rules and internal control guidelines. Regular awareness training on non-discrimination and sexual harassment prevention is conducted. Employees have access to complaint channels such as a hotline and email, and a dedicated investigation team, overseen by the Sexual Harassment Complaint Handling Committee, handles cases to ensure a fair and safe work environment.

Human Rights Assessment and Training

TRI completed a comprehensive human rights review and assessment in 2022 and conducts regular training on human rights-related topics. New employees are required to complete various human rights awareness and compliance courses as part of their onboarding process.

In 2023, a total of 1,338 employees participated in training sessions covering the company's human rights policies.

Advocacy Topic	Communication Format	Course Hours (hrs)	Participants (people)
Prevention of Discrimination and Sexual Harassment		140.23	71
Whistleblowing and Complaints		19.08	85
Occupational Health and Safety	Education and Training	614.9	1045
Personal Data Protection Act		54.17	137

Note: The company also utilizes internal communication channels, such as the intranet and bulletin boards, to promote awareness of prevention of discrimination and sexual harassment.

5.6 Community Engagement and Public Welfare

TRI actively engages in social care and remains committed to supporting local community development, upholding the belief of "giving back to society." Through industry-academia collaboration, charitable donations, material contributions, and the purchase of public welfare gift boxes, TRI strives to give back to society.

In 2023, TRI continued its tradition of participating in the Taipei Orphan Welfare Foundation's Year-End Warmth Campaign by donating funds for one booth and 15 "Warmth Gift Bags" to support underprivileged families in Taipei City. The company also purchased over 2,500 public welfare gift boxes from sheltered workshops operated by organizations like Hsin-Lu. These gift boxes not only served as a token of appreciation to employees during the year-end but also supported the self-sufficiency of charitable organizations.

Additionally, TRI collaborated with Global Views Monthly to provide a one-year subscription of "Future Youth" magazines to 100 fourth-grade classes in rural elementary schools. This initiative aimed to nurture children's reading habits and foster their love of learning through this small yet meaningful gift.

2023 Community Engagement through Resource Integration

In 2023, TRI collaborated with the Taiwan Public Welfare Alliance to integrate social resources and donate decommissioned but still functional computers to students in rural junior and elementary schools. A total of 23 computer sets were donated. The students expressed their gratitude by writing heartfelt thank-you cards, which deeply moved everyone involved in this meaningful interaction.

Additionally, TRI partnered with local organizations to provide 40 "Practice Song" reserved tofu pudding vouchers, offering children an energy boost beyond their studies. This initiative also supported a public welfare bookstore in a unique and impactful way.

To promote greater employee involvement in social welfare, TRI provided gift vouchers in 2022 and introduced public service leave in 2023 to encourage employees to contribute to Taiwan's blood bank. In 2023, 105 employees participated, donating a total of 26,500 cc of blood, nearly double the amount donated in 2022.

In July, TRI organized the "Beach Cleanup for a Better Earth and a Giving Heart" event, inviting employees and their families to participate in a coastal cleanup at Yong'an Fishing Port in Xinwu. The event incorporated local tours, providing insights into the area's culture and offering an engaging environmental education experience for families. Together, participants removed 130 kilograms of marine debris, while employees also found emotional relief, leaving the event with a strong sense of accomplishment.

TRI continues to support social welfare initiatives in Taiwan and has been an active participant in the E.SUN Financial Holding's "ESG Sustainability Advocacy Partner" program for three consecutive years. In 2023, TRI reaffirmed its commitment to achieving net-zero emissions by 2050 under the guiding principle of "Integrity in Business and Sustainable Corporate Development." TRI aims to strengthen its ESG practices, aligning with the United Nations Sustainable Development Goals (SDGs) to create a better company, a better Taiwan, and a better future.

Taipei Orphan Welfare Foundation - Year-End Warmth Campaign
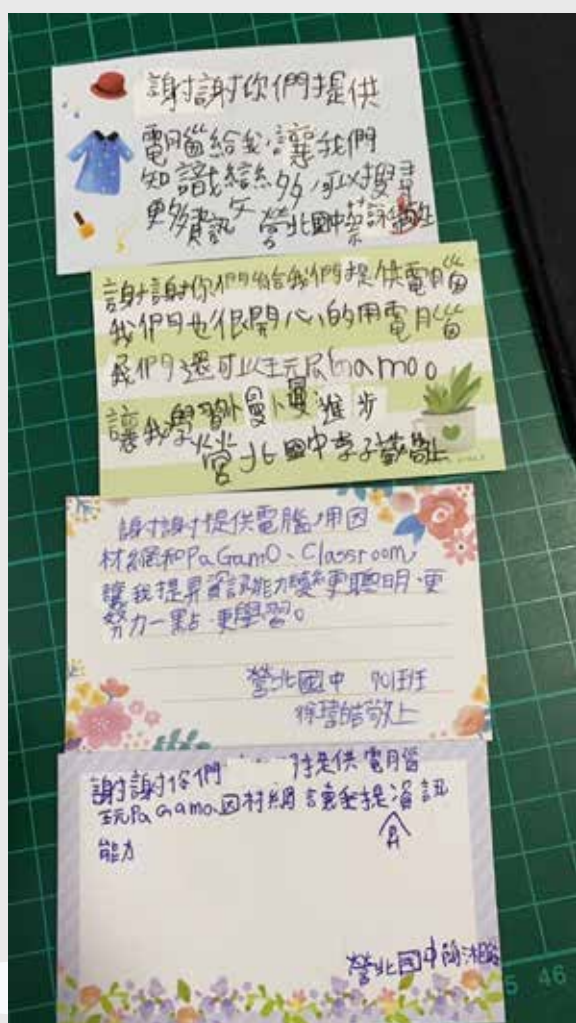

Taiwan Public Welfare Alliance

Certificate of Appreciation from Dongpu Elementary School

Certificate of Appreciation from Heping Elementary School (Supporting rural education)
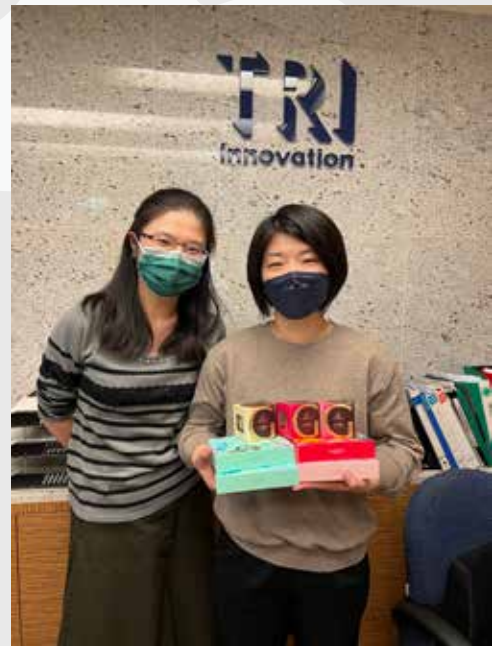

Certificate of Appreciation from Yingbei Junior High School

"Practice Song" Reserved Tofu Pudding (Supporting local welfare and energy for students)

Support for Public Welfare Gift Boxes

Women's Day Small Gifts

E.SUN Financial Holding - Advocacy for ESG Implementation

"Future Youth" Magazine Sponsorship（Promoting reading for rural elementary school students）

Educational Empowerment

TRI offers opportunities for academic-industry collaboration and internships to bridge the gap between academic learning and practical application while enhancing students' understanding of the energy storage industry.

•Ming Chi University of Technology: Collaboration with 2 students for a period of 3–4 years.
•Asia Eastern University of Science and Technology: Provided 7 internship placements for current students, with a duration of 1 year.
•National Taipei University of Technology: Hosted 7 students for summer internships.

These programs aim to provide valuable industry experience, reduce the disparity between academic training and workplace needs, and deepen students' knowledge of the energy storage sector.


Educational Empowerment
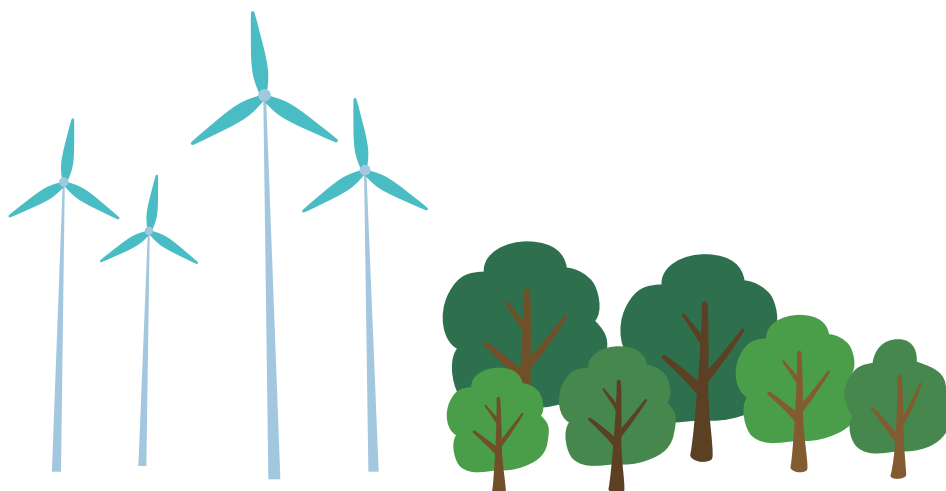
Appendix I: SASB Sustainability Accounting Standards Content Index

Indicator	ID	Description	Section	Notes
Product Safety	TC-HW-230a.1	Description of methods to identify and address product data security risks	4.1 Information Security and Customer Privacy	In 2022, TRI implemented and completed certification for ISO 27001:2013. Through this cybersecurity certification, the company aims to build a system that meets the international standards for Information Security Management Systems (ISMS), following ISO 27001:2013 to oversee cybersecurity implementation and auditing. This establishes a cybersecurity management framework and enhances TRI's internal security mechanisms through six major management policies to ensure the safety of all customer data and company trade secrets. For the company's policies and procedures to address cybersecurity risks and vulnerabilities, please refer to the section 4.1 "Information Security and Customer Privacy" for detailed disclosures.
Employee Diversity	TC-HW-330a.1	Percentage of management, technical staff, and all other employees by gender and racial/ethnic group	5.1 Employee Diversity and Inclusion	TRI respects and supports internationally recognized human rights standards and principles. The company adopts a diversity, inclusion, and equal opportunity employment policy, with no discrimination based on gender, race, or disability. In the Taiwan region, the company currently employs 7 foreign workers (1.2%), 4 employees with disabilities (0.7%), and 3 minority ethnic group employees (0.5%). TRI will continue to promote diverse hiring practices and create a friendly environment. For details on management, technical staff, and all other employees, please refer to section 5.1 Employee Diversity and Inclusion.
Product Lifecycle	TC-HW-410a.1	Percentage of product sales that are covered by materials in the electronics industry standard IEC 62474	4.2.3 Quality Management	TRI adheres to the EU RoHS 2.0 directive for hazardous substances in electrical and electronic products. Except for some customers requiring leaded components due to product specifications, all other products fully comply with RoHS regulations.
	TC-HW-410a.2	Percentage of revenue from products that meet EPEAT registration or equivalent requirements	Not applicable	The product categories applicable for the EPEAT certification include computers, imaging devices, televisions, mobile phones, servers, and other consumer electronics. Since TRI's primary products are automatic testing equipment, the EPEAT product classification does not apply.
	TC-HW-410a.3	The percentage of revenue from products that meet energy efficiency certification.	Not applicable	The ENERGY STAR certification applies to product categories such as home appliances, building products, commercial food products, electronics, water heaters, heating and cooling equipment, lighting, office supplies, and more. Since TRI's primary products are automatic testing equipment, the ENERGY STAR product classification does not apply.
	TC-HW-410a.4	The weight of discarded products and electronic waste collected, along with the recycling percentage.	3.5 Waste Management	Weight of recycled waste products and e-waste: 0 kg Percentage of recycled waste products and e-waste: 0%
Supply Chain Management and Raw Material	TC-HW-430a.1	RBA VAP or Equivalent Audit Pass Rate for Tier 1 Suppliers, categorized by: • (a) All Tier 1 supplier facilities • (b) High-risk Tier 1 supplier facilities	2.6 Sustainable Supply Chain Management	Currently, Delta Electronics has not yet implemented the Responsible Business Alliance (RBA) system. TRI is currently reviewing its existing supply chain management policies and procedures to assess their alignment with the RBA Code of Conduct. A detailed evaluation of the compatibility between current practices and RBA requirements will be conducted. The feasibility of implementing the RBA system will be assessed in the medium term. TRI's key initiatives for supplier management are as follows: 1. Supply Chain Sustainability: • Achieved ISO 14001 & ISO 45001 management system certification in 2022. • Conducts on-site supplier audits on an irregular basis every year.
	TC-HW-430a.2	Tier 1 Suppliers (1) Percentage of non-compliance with RBA VAP (or equivalent audit) (2) Breakdown of Corrective Action Implementation, by: (a) Priority Non-Conformances (b) Non-Priority Non-Conformances	2.6 Sustainable Supply Chain Management	2. 2023 Supplier Audit Status: A total of 22 suppliers were audited. Major deficiencies identified included: a. Missing or incomplete operating procedures. b. Incomplete record-keeping. c. Unclear control methods. • All audited suppliers completed corrective actions within the given timeframe, with a 100% closure rate. • No supplier relationships were terminated due to non-compliance.

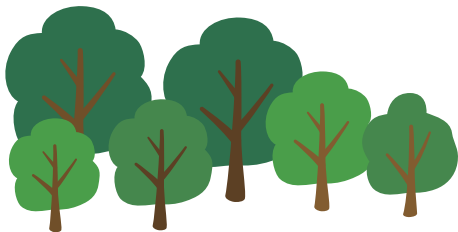| Indicator	ID	Description	Section	Notes
Material Procurement	TC-HW-440a.1	Describe the risk management of key material usage	2.6 Sustainable Supply Chain Management	Delta Electronics' risk management strategies for the use of key materials are outlined below. For detailed information, please refer to Section 2.6, Sustainable Supply Chain Management. 1. Supplier Diversification: Delta Electronics, a leading provider of automated testing equipment, sources its materials from both domestic and international suppliers with excellent quality, technology, and reputation. The company has established long-term and stable partnerships with these suppliers. 2. Stable Material Supply: The company ensures a sufficient supply of all major materials by maintaining at least two suppliers for each material. This strategy guarantees a stable supply source and prevents material shortages in production. 3. Risk Assessment and Management: • Quarterly Evaluation: Suppliers and contractors are evaluated quarterly to review their occupational safety and environmental impact performance. • On-site Assessment: On-site assessments are conducted every three years for specific suppliers, such as PCB manufacturers, machining factories, and wire processing factories. • Irregular Review: Conducting irregular reviews and improvements with suppliers on issues such as delivery quality, to prevent occupational hazards and environmental impacts。
Industry activities	TC-HW-000.A	Production volume by product category		In 2023, a total of 1,977 automatic testing equipment units were produced.
	TC-HW-000.B	Factory area		LinKou Plant P1 : 27,161.49 m2 LinKou Plant P2 : 34,767.30 m2 (commencing operation on January 31, 2024)
	TC-HW-000.C	Percentage of production from owned facilities 4o mini		100%

Note: The SASB indicators used are for the Technology and Communication sector, specifically the Hardware standards, version 2018-10
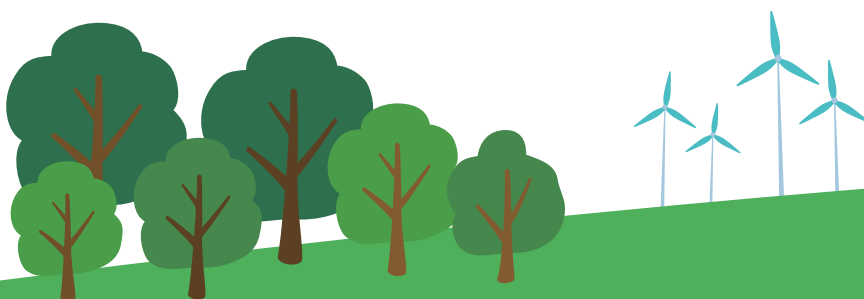
Appendix II: GRI Index Table

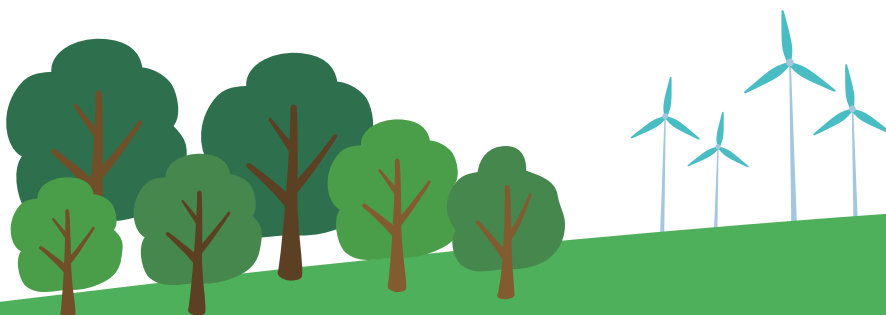| Declaration of Use	TRI follows the GRI Standards to prepare the sustainability report, with the data scope covering the period from January 1, 2023, to December 31, 2023.		
GRI 1 Version Used	GRI 1: Foundation 2021		
GRI Industry Standards Applied	None		
GRI Standards	**Disclosure Items**	**Page**	**Supplementary Notes**
	GRI 2：General Disclosures (2021)		
GRI 2 : General Disclosures (2021)	2-1 Organizational details	1	
	2-2 Entities included in the sustainability reporting	1	
	2-3 Reporting period, frequency, and contact point	1	
	2-4 Restatements of information	-	No reprogramming
	2-5 External assurance/confirmation	-	This report has no external guarantee/certainty
	2-6 Activities, value chain, and other business relationships	6	
	2-7 Employees	80、81	
	2-8 Non-employee workers	80	
	2-9 Governance structure and composition	21、22	
	2-10 Nomination and selection of the highest governance body	23	
	2-11 Chair of the highest governance body	24	
	2-12 Role of the highest governance body in overseeing impact management	10、27	
	2-13 Responsible individuals for impact management	27	
	2-14 Role of the highest governance body in sustainability reporting	10、27	
	2-15 Conflicts of interest	23	
	2-16 Communication of critical concerns	10	
	2-17 Collective knowledge of the highest governance body	25	

GRI Standards	Disclosure Items	Page	Supplementary Notes
	GRI 2 : Disclosures (2021)		
GRI 2 : General Disclosures (2021)	2-18 Performance evaluation of the highest governance body	26	
	2-19 Remuneration policies	27	
	2-20 Remuneration decision-making process	-	Reason for omission: Confidentiality restrictions Necessary explanation: The company considers this information sensitive and has therefore decided not to disclose it.
	2-21 Total remuneration ratio	-	Reason for omission: Confidentiality restrictions Necessary explanation: The company considers this information sensitive and has therefore decided not to disclose it.
	2-22 Statement on sustainability strategy	2、3	
	2-23 Policy commitments	2、3	
	2-24 Incorporation of policy commitments	17、18、19、20、41、55、56、77、78、79	Management Policies for Major Topics
	2-25 Procedures for remedying negative impacts		
	2-26 Mechanism for seeking advice and raising concerns	31	
	2-27 Regulatory compliance	35	
	2-28 Membership in associations	6	
	2-29 Stakeholder engagement policy	9、14、15	
	2-30 Collective bargaining agreements	-	

GRI Standards	Disclosure Items	Page	Supplementary Notes
	GRI 3：Major Topics (2021)		
GRI 3：Major Topics (2021)	3-1 Process for Determining Major Topics	10、11	
	3-2 List of Major Topics	12、13、14	
	Corporate Governance		
	3-3 Major Topic Management	18	
GRI 2 (2021)：General Disclosures	2-9Governance Structure and Composition	21、22	
	2-10Nomination and Selection of the Highest Governance Body	23	
	2-11Chair of the Highest Governance Body	24	
	2-12Role of the Highest Governance Body in Supervising Impact Management	10、27	
	2-13Responsible for Impact Management	27	
	2-14Role of the Highest Governance Body in Sustainability Reporting	10、21	
	2-15Conflicts of Interest	23	
	2-17Group Knowledge of the Highest Governance Body	25	
	2-18Performance Evaluation of the Highest Governance Body	26	
	2-19Remuneration Policy	27	
	2-20Remuneration Decision-Making Process	-	Reason for omission: Confidentiality restrictions Necessary explanation: The company considers this information sensitive and has therefore decided not to disclose it.
	2-21Total Annual Compensation Ratio	-	Reason for omission: Confidentiality restrictions Necessary explanation: The company considers this information sensitive and has therefore decided not to disclose it.
	Regulatory Compliance		
	3-3 Major Topic Management	20	
GRI 2 (2021)：General Disclosures	2-27 Regulatory Compliance	35	

Sustainability Report

GRI Standards	Disclosure Items	Page	Supplementary Notes
	GRI 3：Major Topics (2021)		
	Economic Performance		
	3-3 Major Topic Management	17	
GRI 201 (2016)：Economic Performance	201-1 Direct Economic Value Generated and Distributed by the Organization	32	
	201-3 Defined Benefit Plan Obligations and Other Retirement Plans	84	
	201-4 Financial Assistance Received from the Government	32	
	Integrity Management		
	3-3 Major Topic Management	19	
GRI 205 (2016)：Anti-Corruption	205-1Operations in Which Corruption Risks Have Been Assessed	29	
	205-2 Communication and Training on Anti-Corruption Policies and Procedures	30	
	205-3 Confirmed Corruption Incidents and Actions Taken	29	No significant corruption events were identified at TRI's operations in 2023.
GRI 206 (2016)：Anti-Competitive Behavior	206-1 Legal Actions for Anti-Competitive Behavior, Anti-Trust, and Monopoly Practices	35	No violations of anti-competitive practices, anti-trust, or monopoly regulations occurred in 2023
	Climate Change Response		
	3-3 Major Topic Management	41	
GRI 201 (2016)：Economic Performance	201-2 Financial impacts and other risks and opportunities arising from climate change	44、45	
	Attracting and Retaining Talent		
	3-3 Major Topic Management	77	
GRI 401 (2016)：Economic Performance	401-1 New employee and employee turnover	83	
	401-2 Benefits provided to full-time employees	84、85	
	401-3 Parental leave	89	
GRI 402 (2016)：Labor/Management Relations	402-1Minimum notice period regarding operational changes	105	

GRI Standards	Disclosure Items	Page	Supplementary Notes
	GRI 3：Major Topics (2021)		
	Talent Development and Training		
	3-3 Major Topic Management	78	
GRI 404 (2016)：Training and Education	404-1Average hours of training per employee per year	93、94	
	404-2Programs for upgrading employee skills and transition assistance	93	
	404-3Percentage of employees who receive regular performance and career development reviews	94、95	
	Occupational Health and Safety		
	3-3 Major Topic Management	79	
GRI 403 (2018)：Occupational Health and Safety	403-1Occupational health and safety management systems	96	
	403-2Hazard identification, risk assessment, and accident investigation	97、98、99	
	403-3Occupational health services	101	
	403-4Worker participation, consultation, and communication on occupational health and safety	96	
	403-5Worker training on occupational health and safety	104	
	403-6Worker health promotion	102	
	403-7Prevention and mitigation of occupational health and safety impacts directly related to business relationships	100	
	403-8Workers covered by occupational health and safety management systems	96	
	403-9Occupational injuries	100	
	403-10Occupational diseases	100	(No occupational diseases)
	Information Security and Customer Privacy		
	3-3 Major Topic Management	56	
GRI 418 (2016)：Customer Privacy	418-1Complaints regarding confirmed violations of customer privacy or loss of customer data: 57	57	In 2023, TRI had no confirmed complaints regarding violations of customer privacy or loss of customer data.

GRI Standards	Disclosure Items	Page	Supplementary Notes
GRI 3：Major Topics (2021)			
Product Quality and Safety			
	3-3 Major Topic Management	55	
GRI 416 (2016)：Customer Health and Safety	416-1 Assessment of the health and safety impacts of product and service categories	67	
	416-2 Incidents of non-compliance with regulations on health and safety of products and services	67	In 2023, TRI had no incidents of non-compliance with health and safety regulations related to products and services.
Other Topics			
Supply Chain Management			
GRI 204 (2016) Procurement Practices	204-1Proportion of procurement expenditure from local suppliers	36	
GRI 308 (2016) Supplier Environmental Assessment	308-2Negative environmental impacts of the supply chain and actions taken	38	
GRI 414 (2016) Supplier Social Assessment	414-2Negative social impacts in the supply chain and actions taken	38	
Greenhouse Gas Management			
GRI 305 (2016) Emissions	305-1Direct (Scope 1) greenhouse gas emissions	47	
	305-2Energy indirect (Scope 2) greenhouse gas emissions	47	
	305-4Greenhouse gas emissions intensity	47	
	305-5Reduction of greenhouse gas emissions	48	
Energy Management			
GRI 302 (2016) Energy	302-1Energy consumption within the organization	46	
	302-3Energy intensity	46	
	302-4Reduction of energy consumption	48	
Water Management			
GRI 303 (2018)：Water and Effluents	303-1Shared water resources and their interdependencies	50	
	303-2Management of impacts related to discharges	49	
	303-3Water withdrawal	49	
	303-4Water discharge	49	
	303-5Water consumption	49	

GRI Standards	Disclosure Items	Page	Supplementary Notes
GRI 3：Major Topics (2021)			
Waste Management			
GRI 306 (2020)：Waste	306-1Generation of waste and significant impacts related to waste	51	
	306-2Management of significant impacts related to waste	52、53	
	306-3Waste generation	52	
	306-4Waste disposal and transfer	52	
	306-5Direct disposal of waste	52	
Employee Diversity and Inclusion			
GRI 405 (2016)：Diversity and Equal Opportunity	405-1Diversity in governance bodies and employees	23、24	
	405-2Ratio of basic salary and remuneration of women to men	82	
Community Engagement and Public Welfare			
GRI 413 (2016)：Local Communities	413-1Operations with local community engagement, impact assessments, and development programs	107	
Human Rights Management Custom Topic			
Custom Topic	No corresponding GRI indicators	105	
Innovation and R&D			
Custom Topic	No corresponding GRI indicators	68-75	

Appendix III: Sustainability Disclosure Indicators – Other Electronics Industry

No.	Indicator	Indicator Type	Annual Disclosure	Unit	Remarks
1	Total energy consumption, percentage of purchased electricity, and renewable energy usage rate	Quantitative	Total energy consumption: 11,037.9 GJ Percentage of purchased electricity: 100% Renewable energy usage rate: 0%	GJ, Percentage (%)	
2	Total water intake and total water consumption	Quantitative	Total water intake: 13.38 m³ Total water consumption: 10.28 m³	m³	
3	Weight of hazardous waste generated and recycling percentage	Quantitative	Weight of hazardous waste: 0 t Recycling percentage of hazardous waste: 0%	t, Percentage (%)	
4	Description of occupational injury types, number of cases, and rate	Quantitative	Occupational injury type: General occupational injury Number of occupational injuries: 2 cases Disability injury days lost: 4 days Total injury index:	Percentage (%), Quantity	
5	Product life cycle management disclosure: including the weight of discarded products and electronic waste and recycling percentage (Note 1)	Quantitative	Weight of discarded products and electronic waste: 0 t Recycling percentage: 0%	t, Percentage (%)	
6	Description of risk management related to critical materials used	Qualitative Description	Please refer to Chapter 2: Corporate Governance on Conflict Mineral Management	Not applicable	
7	Total monetary loss due to legal actions related to anti-competitive behavior regulations	Quantitative	No monetary loss from legal actions related to anti-competitive behavior regulations in 2023	Reported currency	
8	Major product output by product category	Quantitative	Total number of machines produced: 1,977 Varies by product type	Varies by product type	

Note 1: Includes scrap material sales or other recycling processes, with relevant explanations provided.