

Promotion and implementation of sustainable development, and the differences in the Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies, and the reasons

Promotion Item	Implementation Status			Differences in the Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies, and the reasons
	Yes	No	Description	
1. Does the company have a governance framework in place to promote sustainable development and a dedicated (concurrent) unit for fulfilling sustainable development, with the board of directors authorizing senior management to handle such efforts, and having relevant progress supervised by the board of directors?	V		<p>The company has set up a “Sustainable Development Promotion Office” under the CEO Office to promote the sustainable development of the enterprise, with CEO Mr. Lee, Bing-Yen serving as the convener. The “Sustainable Development Promotion Office” is responsible for formulating and supervising the implementation progress and effectiveness of the sustainable development business policy of the company and the various projects of each business unit.</p> <p>Hold meetings irregularly according to the topic orientation, identify sustainable issues of concern to the company’s operations and stakeholders, formulate corresponding strategies and work policies, allocate budgets for each organization related to sustainable development, plan and implement annual plans, track implementation effectiveness, and ensure that sustainable development strategies are fully implemented in the company’s daily operations. The “Sustainable Development Promotion Office” convenes work meetings as needed to discuss the implementation of various group tasks, and reports annually (at least once a year) to the board of directors on the results of sustainable execution and future work plans. The agenda includes (1) identifying sustainable issues that need attention and formulating corresponding action plans; (2) goals and policy revisions related to sustainability issues; (3) supervising the implementation of sustainable business matters and evaluating the implementation status. The board of directors will assess the likelihood of strategic success and execution progress, and urge the management team to make adjustments when necessary.</p>	No significant differences

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2. Does the company perform risk assessments on environmental, social and corporate governance issues related to the company's operation based on the materiality principle and develop relevant risk management policies or strategies?	V		<p>The disclosure information has reported the company's sustainable development performance at major locations for the period January to December 2023. The risk assessment boundary and scope primarily focused on the company's operations in Taiwan.</p> <p>The company has established the "Sustainable Development Best Practice Principles" to regulate all employees to comply with together; at the same time, referring to international relevant standards and norms, focus of various stakeholders, etc., evaluating significant ESG issues, using them as important basis for corporate sustainable development, and devising, planning corresponding specific action plans to reduce risks that may be faced in operations.</p> <p>The Company adopts three lines of defense in internal control as a risk management mechanism. The first line of defense refers to each business unit's responsibility for the risks arising from its daily affairs based on its functions and business scope, and the implementation of risk assessments for the core business of the information security division; the second line of defense includes risk management, legal compliance and other specialized units (such as Occupational safety, etc.), assist and supervise the first line of defense in risk identification and management; the third line of defense is provided by the internal independent auditing office as the last step. For the first two lines of defense, the audit department will inspect, supervises, and tracks the progress of improvement of deficiencies, and synchronizes or make complete disclosures to the board of directors on a regular basis to ensure that the company's risk management system is effective.</p>	No significant differences
3. Environmental Issues (1) Does the company have an appropriate environmental management system developed based on its	V		The company is mainly engaged in electric vehicle technology research and development, vehicle and component manufacturing management, and sales services, and outsources assembly production to contract manufacturers,	No significant differences

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industry characteristics?			<p>without directly engaging in production manufacturing itself, so environmental pollution incidents should not occur.</p> <p>The company's "Sustainable Development Promotion Office" serves as the leading unit responsible for supervising climate change governance issues within the company. It is convened by CEO Mr. Lee, Bing-Yen, leading the members to convene various units to identify climate-related risks and opportunities, formulate response strategies, manage goals, and implement corporate goal execution. Progress is reviewed regularly each year and implementation results are reported to the board of directors.</p> <p>In 2023, a climate risk and opportunity identification mechanism is introduced to identify important environmental issues, establish environmental sustainable development strategies and goals. It follows and implement the Greenhouse Gas Protocol (GHG Protocol) for greenhouse gas inventory and assurance by external parties to achieve carbon reduction goals.</p> <p>Relevant management systems and performance will be disclosed on the company's official website and in the corporate Sustainability Report.</p>	
(2) Is the company committed to improving energy efficiency and using renewable materials that have a low impact on the environment?	V		The company is committed to promoting energy saving, carbon reduction, and improving the efficiency of various resources, such as: Using energy-saving lighting, setting time switches to effectively control the electricity consumption of air conditioning, continuously digitizing to reduce paper usage, and implementing office resource recycling measures to reduce environmental impact. Currently, the company does not use renewable energy sources.	No significant differences
(3) Does the company evaluate the potential risks and opportunities in climate change with regard to the business now and in the	V		In response to climate change risks, the company has established a "Sustainable Development Office" under the CEO Office, with this Office serving as the lead unit responsible for overseeing climate change governance issues	No significant differences

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future, and take appropriate action to address them?			<p>within the company. Following the TCFD framework on climate risks and opportunities, identification and assessment are conducted on the potential impacts of climate change on the company's operations.</p> <p>In 2023, after workshops and discussions with various departments on operational conditions, 8 climate-related risks and 4 opportunities relevant to the company were identified and evaluated, with 3 selected as significant annual climate risk and opportunity issues; detailed explanations will be disclosed in the company's 2023 Sustainability Report.</p>													
(4) Did the company collect data for the past two years on greenhouse gas emissions, volume of water consumption, and the total weight of waste, and establish policies for greenhouse gas reduction, reduction of water consumption, or management of other wastes?	V		<p>To mitigate the impact of climate change and reduce greenhouse gas emissions, the company gradually adds electric vehicles for registration starting from October 2023, gradually phasing out gasoline official vehicles. By 2024, existing gasoline official vehicles will be gradually converted to electric vehicles. At the end of the same year, the company will also follow and implement the Greenhouse Gas Protocol(GHG Protocol) for greenhouse gas inventory and obtain external assurance (Assurance Report date 2024/04/17).</p> <p>Greenhouse gas emissions in the past year</p> <table border="1"> <thead> <tr> <th></th> <th>Total Emissions (ton-CO2e)</th> <th>Intensity (ton-CO2e per million dollars)</th> </tr> </thead> <tbody> <tr> <td>Category One</td> <td>170.5341</td> <td>0.1646</td> </tr> <tr> <td>Category Two</td> <td>938.4218</td> <td>0.9056</td> </tr> <tr> <td>Total</td> <td>1,108.956</td> <td>1.070</td> </tr> </tbody> </table> <p>Note: Data verification scope in 2023: The greenhouse gas emissions of the company in Taiwan.</p> <p>In water resources protection and management, water conservation, reduction, and installation of water-saving equipment are adopted as water management policies.</p> <p>In waste management policies and initiatives, the Company advocates the concept of circular</p>		Total Emissions (ton-CO2e)	Intensity (ton-CO2e per million dollars)	Category One	170.5341	0.1646	Category Two	938.4218	0.9056	Total	1,108.956	1.070	The Company was listed on the stock exchange in November 2023 in compliance with legal regulations.
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			supply and resource recycling, and continues to promote waste reduction at the source and strengthen waste classification and recycling. Details will be disclosed in the Company's 2023 Sustainability Report.	
<p>4. Social Issues</p> <p>(1) Does the company establish its management policies and procedures in accordance with relevant regulations and the International Bill of Human Rights?</p>	V		<p>The company establishes "work rules" in accordance with Labor Standards Act to protect the legitimate rights and interests of employees. The company also follows internationally recognized labor human rights, and does not discriminate in the use of human resources based on gender, race, socio-economic status, age, marital status, or family situation, to ensure equality and fairness in employment, employment conditions, remuneration, benefits, training, performance evaluation, and promotion opportunities.</p> <p>In order to prevent workplace sexual harassment, the company has formulated the "Regulation for Establishing Measures of Prevention, Correction, Complaint and Punishment of Sexual Harassment at Workplace and established a Complaint Handling Committee responsible for handling related complaints.</p> <p>Provide effective and appropriate complaint mechanisms for incidents that harm workers' rights, ensuring equality and transparency in the complaint process.</p>	No significant differences
<p>(2) Has the Company established and implemented reasonable employee welfare measures (including salary/compensation, leave, and other benefits, etc.), and are business performance or results appropriately reflected in employee salary/compensation?</p>	V		<p>1. Employee welfare measures: The company has established and implemented reasonable employee welfare measures (including salaries, group insurance, holiday bonuses or gifts, and marriage, funeral, and maternity subsidies etc.), and set up an Employee Welfare Committee to coordinate welfare activities.</p> <p>The company's leave policies are handled in accordance with the Labor Standards Act, labor leave regulations, and other regulations specifying dates for holidays designated by central authorities, encouraging employees to take adequate rest and balance work and life.</p> <p>2. Business performance reflected in employee</p>	No significant differences

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			<p>remuneration: According to Article 26 of the Company's Articles of Incorporation, 5% ~ 7% of profit (if the Company gains profits) of the current year shall be set aside as the employees' compensation. Details will be disclosed in the Company's 2023 Sustainability Report.</p>	
(3) Does the company provide a safe and healthy work environment for its employees and conduct regular safety and health training for its employees?	V		<ol style="list-style-type: none"> 1. The company has established an occupational safety and health plan, including plans to prevent human-induced hazards, protect maternal health, prevent unlawful infringement in performing duties, and prevent diseases caused by abnormal workloads, in pursuit of the goal of zero disasters, zero occupational diseases, and zero accidents. Safety and Health educational training are also conducted to new employees and current employees to enhance employees' safety awareness, with a total of 552 person-time in 2023. 2. For personal safety and working environment protection measures in the workplace, please refer to Chapter 5, Section 5 "Labor-Management Relations" of this annual report. In 2023, there were 13 occupational disasters in the workplace while no fire incidents. The company conducted an accident investigation for each occupational disaster, identify the main causes of accidents, and strengthen necessary safety and health educational training to reduce the occurrence of similar accidents, strengthen personnel safety and health concepts to reduce disaster risks for employees and property. 3. The company has established the "Labor Safety and Health Work Guidelines" for employees to follow, and to improve the safety and health work environment of employees, the following methods are implemented: <ol style="list-style-type: none"> (1) Conduct employee physical examination once a year. (2) Insure employees with group insurance to 	No significant differences

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			<p>provide employees with high coverage.</p> <p>(3) Implement a smoke-free working environment to allow employees to work in a comfortable and healthy environment.</p> <p>(4) Organize employee activities and travel activities from time to time to enrich colleagues' leisure activities and enhance friendship.</p> <p>(5) Obtain the office fire equipment periodic inspection and declaration data from the management committee once a year, and improve any deficiencies.</p> <p>(6) Inspect official vehicles according to the specified mileage and arrange automobile insurance.</p> <p>Details will be disclosed in the Company's 2023 Sustainability Report.</p>	
(4) Does the company have an effective professional competency development training program for employees?	V		<p>The company encourages employees to undergo training at external units according to their career plans and business needs, and occasionally holds internal educational training courses to enhance employees' self-cultivation.</p> <p>Details will be disclosed in the Company's 2023 Sustainability Report.</p>	No significant differences
(5) Do the company's products and services comply with relevant laws and international standards in relation to customer health and safety, customer privacy, and marketing and labeling, and are relevant consumer protection or customer rights protection and complaint procedure policies implemented?	V		<p>The company follows relevant laws and international standards in providing products and services, and places importance on the protection of related intellectual property rights.</p> <p>There is a "Personal Data Protection Regulation" to ensure that the collection, processing, and utilization of data comply with regulations; Confidential measures are taken for customer data, and employees are required to sign documents such as "Employee Self-Discipline Agreement," "Service Agreement," "Commitment to Compliance with Personal Data Protection Laws and Other Relevant Regulations," "Confidentiality Agreement," and "Integrity and Intellectual Property Rights Agreement" upon employment to implement the principle of customer data confidentiality.</p> <p>Through customer satisfaction surveys, objective methods are used to understand whether the</p>	No significant differences

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			products and services provided can meet customer needs from different customer groups, as a basis for continuous improvement. The company's official website has a contact person responsible for customer inquiries or complaints, and major issues are discussed at management meetings and dealt with promptly.	
(6) Does the company have a supplier management policy that requires suppliers to follow relevant norms on issues, such as environmental protection, occupational safety and health, or labor human rights? If so, describe its implementation status.	V		The company requires suppliers to comply with local laws and the company's corporate social responsibility code of conduct. In procurement activities, social responsibility and environmental benefits are fully considered, prioritizing the purchase of environmentally friendly products and services, balancing economic and environmental benefits. Optimize and improve green procurement standards and management systems, jointly implement environmental protection, energy conservation, carbon reduction, zero waste, green product management with upstream and downstream suppliers, and build a sustainable supply chain. Therefore, this is to establish "Procurement Operation Management Procedures" and "Supplier Procurement Management Procedures" to supervise and audit suppliers. Details will be disclosed in the Company's 2023 Sustainability Report.	No significant differences
5. Does the company refer to the international standards or guidelines for the preparation of reports to prepare Sustainability Reports and other reports that disclose non-financial information? Does the aforementioned reports acquire the assurance or guarantee of the third-party certification unit?	V		The company's Sustainability Report is prepared in accordance with the Global Reporting Initiative (GRI) Standards for Sustainability Reporting, United Nations Sustainable Development Goals (SDGs), and other indicators, disclosing strategies, goals, and specific performance on environmental, social, and corporate governance aspects, as well as major thematic policies. Some performance data in the company's 2023 Sustainability Report and the assurance criteria and assurance level have been audited by PwC Taiwan in accordance with the Assurance Standard No. 3000 of the Republic of China "Assurance Engagements Other Than Historical Financial Information Audit or Review,"	The company has been listed on the stock exchange in November 2023 in accordance with legal regulations.

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			providing a limited assurance report on the selected key performance indicators (expected Assurance Report date 2024/06/30).	
<p>6. Describe the differences between actual practice and the sustainable development principles, if the company has formulated such principles based on the Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies: The company has established the “Sustainable Development Best Practice Principles” and will continue to implement it in accordance with its regulations, with no significant differences in the “Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies”.</p>				
<p>7. Other important information to facilitate a better understanding of the Company’s implementation of sustainable development: The status of other sustainable development initiatives is disclosed in the Company’s 2023 Sustainability Report.</p>				