

SINBON Electronics Co., Ltd.

Sustainability
Report

2023

SINBON

Act sustainably in the purest way

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(GRI 2-1,2-2,2-3,2-5)

Preface

About the Report

SINBON Electronics Co., Ltd. (hereinafter referred to as SINBON) has been issuing CSR reports in English and Chinese every year since 2014, and has been issuing sustainability reports since 2021, actively responding to stakeholders' concerns about the significant impacts of the organization on the economy, the environment and human rights and its management strategies. We will continue to communicate with our stakeholders in a transparent, honest and objective manner on the effectiveness and strategies of the three main areas, and will issue a sustainability report annually, which can be downloaded and viewed on the official website (<https://www.sinbon.com/>).^②

Reporting period and organizational boundaries

The data and content disclosed in this annual update are based on information for the year 2023 (January 1, 2023 to December 31, 2023) unless otherwise stated, and some of the performance data will be backdated to information prior to 2023 or extended to the most recent annual information in 2024.

The boundaries of the sustainability information disclosed in this report are the same as those in the Consolidated Financial Statements, with the addition of Beijing TongAn in 2023 (changing to a 100% owned subsidiary in 2023) compared to the 2022 Sustainability Report. The financial reporting period is the same as the disclosure of sustainability information, and the scope of disclosure in accordance with the IFRS standard is that all entities with a shareholding of 50% or more that are included in the consolidated financial statements have been included in the sustainability report, of which SINBON Europe is a 100%-owned company, and is not included in the sustainability report because it does not have a physical office. Radbon Electronics Co., Ltd. is expected to be included in the 2024 Sustainability Report because became a 100% owned subsidiary of SINBON Group since July 2023, and the statistics for the year 2023 have not reached one year.

The contents of this report and the statistical boundaries of the data are as follows:

Operating Locations		Address
Taiwan	Taipei Headquarters	4F-13, No. 79, Sec. 1, Xintai 5th Rd., Xizhi Dist., New Taipei City 221, Taiwan
	Miaoli Site	No. 582, Guohua Rd., Miaoli City, Miaoli 360, Taiwan
Mainland China	Jiangyin Site	No. 288, Chengjiang Middle Rd., Jiangyin Economic Development Zone, Jiangsu 214434, China
	Tongcheng Site	No.168, Xing Long Rd., Economic Development Zone, Tongcheng City, Anhui 231400, China
	Shanghai Office	3F, Building 60, No. 461, Hong-Cao Rd., Shanghai 200233, China
	Shenzhen Office	Room 1605-1608, Song De Office Building, Xiameilin Second Street, Futian District, Shenzhen City, Guangdong 518040, China
	Hong Kong Office	Unit 05, 18/F, Lemmi Centre, 50 Hoi Yuen Road, Kwun Tong, Kowloon, Hong Kong
	SINBON Beijing Taiwan Enmagic Renewable Energy Jiangsu Enmagic Renewable Energy Xuzhou Enmagic Renewable Energy Kunshan Enmagic Renewable Energy	Beijing TongAn is the abbreviation used in this report
Europe	Hungary Site	Búzavirág utca 8/D, 2800 Tatabánya, Hungary
	UK Office	Suites 19 & 20, Hattersley House, 1 Hattersley Court, Ormskirk, L39 2AY, UK
US	US Site	815 South Brown School Road, Vandalia, OH 45377, USA
	US Office	Gibson Drive, Tipp City, OH 45371, USA

Note: If there is no special note in this report, the above-mentioned sites will be the scope of joint disclosure.

Reference to international standards and guidelines	Third-party assurance	
GRI Sustainability Reporting Standards (GRI Standards 2021)	Passed	ISAE 3000 (International Standard on Assurance Engagements 3000)
SASB The Electronic Manufacturing Services (EMS) & Original Design Manufacturing (ODM) industry	Passed	
TCFD Guidelines	Passed	

The financial data in this report are based on the annual financial report certified by the CPA (Ernst & Young Taiwan); the greenhouse gas emission and reduction data are based on the ISO 14064-1:2018 standard and certified by TÜV Rheinland, Germany. Please refer to the description in Chapter 3 for details.

Report Assurance

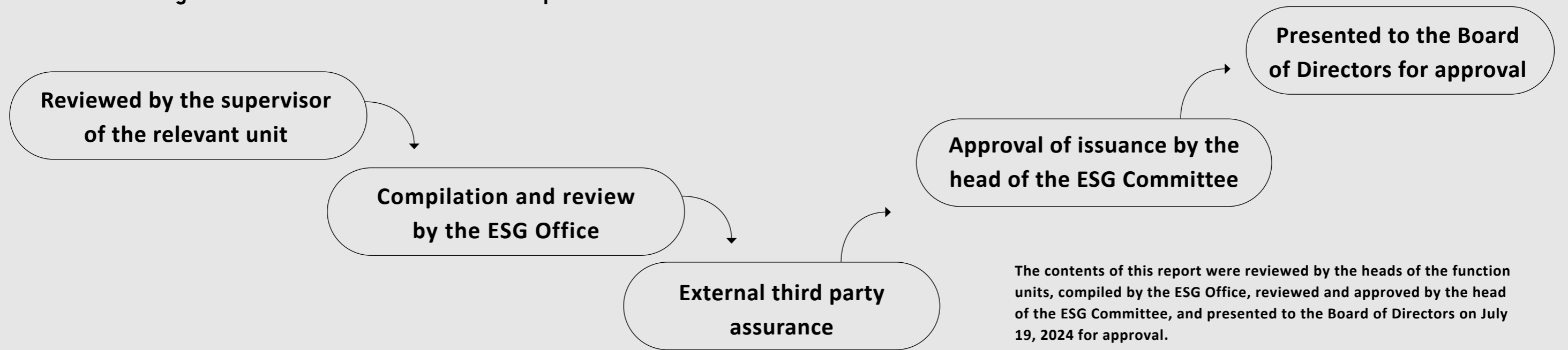
We have engaged Ernst & Young to perform a limited assurance report in accordance with International Standard on Assurance Engagements 3000, which is attached as an appendix to this report.

Relevant information

If you have any advice on the contents, you are more than welcome to provide your valuable opinions.

Contact : Sustainable Strategy Division - ESG Office
 Address : 4F-13, No. 79, Sec. 1, Xintai 5th Rd., Xizhi Dist., New Taipei City 221, Taiwan
 Telephone : +886-2-2698-9999
 Fax : +886-2-2698-1548
 Email : CSR@sinbon.com

Internal Management Process and Issuance of Report



Message from



the Chairman

and



the Chief Sustainability Officer

Joseph Wang
Chairman

Lily Huang
Chief Sustainability Officer and
Director of Sustainable Strategy Division

For those of you who are concerned about the sustainable development of SINBON:

Looking back to 2023, the world faced environmental, social and economic changes that continued to impact our work and life, including the threat of extreme climate change, the war between Russia, Ukraine and the Middle East, which continued to affect the international situation, and the global supply chain, economy and energy development; and as time progresses, we are one step closer to the midterm task on carbon reduction in 2030. Under such circumstances, SINBON deeply understands that sustainable development is not only a vision for enterprises, but also a mission for society and the environment.

Over the past year, SINBON has been actively implementing its sustainable development strategy while achieving steady growth in business performance. We have aligned the three major frameworks of environmental sustainability, social participation, and corporate governance, and uphold the concepts of integrity, innovation, and sharing to enhance our competitiveness in sustainable value creation.

Focusing on Low Carbon Product Development, Improving Process Power Consumption and Energy Efficiency

Energy saving and carbon reduction have always been important goals in SINBON's sustainability strategy. By 2023, factories in Miaoli, Jiangyin and Tongcheng have been certified to ISO 50001. By the end of 2023, we have successfully obtained ISO 14067 certification for the carbon footprints of four of our products. In addition, SINBON has actively invested in research and development, and has already developed the North American Charging Standard (NACS) specification charging products openly used by Tesla, which not only has a strong environmental adaptability and wide range of applications, but also improves the charging experience of users. In the future, SINBON will continue to develop its business in the electric vehicle industry and provide reliable and high-quality solutions for electric charging stations and electric vehicles around the world.

Comprehensively Optimize Talent Management Processes and Focus on DEI to Create a Friendly Workplace

In 2023, we implemented SAP SuccessFactors to create a global unified HR management platform to optimize the processes of talent recruitment, education and training, staff development, and retention, and to improve HR management efficiency and strengthen our global market presence through digital transformation. In response to the Group's overseas expansion, we have further recognized the importance of equipping our staff with a DEI (Diversity, Equity and Inclusion) mindset. In addition, the proportion of female executives across the Group has reached 47%, and the promotion rate of female executives has continued to rise in recent years. In addition, SINBON has also signed an industry-academia cooperation programme with National United University to cultivate the practical skills of young students, while at the same time developing SINBON's R&D talent pool.

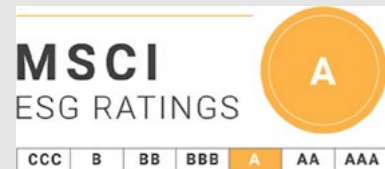
Organizing the Supplier Conference to Promote Sustainable Transformation with Our Partners

In order to actively respond to the needs of our stakeholders and to create a win-win ecosystem, in 2023, we organized the Supplier Conference to convey to our supply chain partners the importance we attach to sustainable management and to deepen their understanding of the Group's global footprint and industry trends. At the end of the year, we also organized biennial Global Sales Meeting, which brings together business colleagues and partners to discuss strategy, share corporate culture and present product capabilities.

In 2023, we received continued recognition, including being named one of the Taiwan Best-in-Class 100, HR Asia's "Best Employer in Asia" award, and being named to the 2023 Bloomberg Gender Equality Index. SINBON is committed to strengthening our sustainability and giving back to those in need. Each year, part of the Group's profits will be spent on social welfare, with over NT\$10.67 million. Of this amount, NT\$1.128 million has been contributed by SINBON's value chain and employees. Looking ahead, as we expand our global business footprint, we will continue to collaborate with our global partners, listen and respond to the needs of our stakeholders, and work for the benefit of society and the environment to realize our sustainability vision.

2023 Sustainability Highlights and Annual Results

Sustainability Highlights



Morgan Stanley Capital International (MSCI) ESG Ratings A



CDP Participation



EcoVadis Silver Rating



Selected for the first time in the Bloomberg Gender Equality Index (GEI)



TCSA Sustainability Report Silver Award, TSAA Sustainable Action Silver Award



Taiwan Best-in-Class 100 Companies

Annual Results

Governance

6-20%

Taiwan Corporate governance assessment of listed companies

NT\$ 32.762 billion

Consolidated revenue in 2023 increased by 7.15% from a year earlier

47%

Percentage of revenue from sustainable industries

6.4%↑

Invested NT\$1.01 billion in R&D, an increase of 6.4% over the previous year

195

Total number of patents worldwide

4.63/5.00

Customer satisfaction

90/100

Average overall score of key supplier site audits

103

On-site audit of new suppliers with an overall average score of 88.03 (out of a total score of 100)

Environmental

Taiwan Climate Partnership

Joined the indicative technology industry low carbon transition coalition

TCFD

Managed and disclosed the financial impact of climate-related risks and opportunities

ISO 50001

Miaoli, Tongcheng, Jiangyin and Beijing TongAn factories obtained ISO 50001 certification

3MW

Renewable energy capacity of the Group's own plants

2,044,793kWh

Group renewable energy consumption

1,171,705kWh

Energy management annual power savings

Social

UN Global Compact

Became a member since February 2021

NT\$10.67 million

Total community participation inputs

47%

Percentage of female executives at SINBON

NT\$ 12.79 million

Payment of childcare subsidy, benefiting 1,014 children

Best Companies to Work for in Asia

Awarded by HR Asia

9,332

Trained 35 in-house instructors, with 9,332 attendees

Company Profile (GRI 2-6)

SINBON Electronics is a leading global provider of integrated electronic connectivity design services, offering industry-leading high-end wires, connectors, system products, customization and complete solution design. Since its establishment in 1989, the company's products have covered the five "MAGIC" areas: M-Medical Health, A-Automotive and Aviation, G-Green Energy, I-Industrial Application, and C-Communication. With the promise of "do the MAGIC[∞]", we will continue to provide the best service and create higher value by moving towards the sustainable goals.

Company Name

**SINBON
Electronics Co. Ltd.**

Establishment Date
December 6, 1989

Headquarters
**4F-13, No. 79, Sec. 1, Xintai 5th Rd.,
Xizhi Dist., New Taipei City 221, Taiwan**

Operation Team
**Chairman Joseph Wang,
President Mite Liang**

Number of Employees
**About 5,166
worldwide**

Consolidated Revenue
NT\$32.762 billion

Total Capital
NT\$4.5 billion

Main Products and Technologies
**Processing and manufacturing of electronic
components and trading of finished products**

Listed on TWSE

2001

Stock Code
3023

Company Website
<https://www.sinbon.com/tw/>

In order to meet the trend of rapid development of the technology industry and take care of the environment, we are committed to transforming into a Green Enterprise, and with "Go Green" as our commitment and action towards sustainable development, SINBON has been actively involved in the green industry in recent years, including wind power, solar energy, and electric vehicles, which have accounted for more than 30% of the company's revenue. In 2023, we plan to focus on electric vehicle business opportunities, expand semiconductor solutions, deepen intelligent applications in smart life and industrial automation applications, and diversify into the medical field; we continue to take environmental protection and corporate sustainability as our responsibility to become a sustainable enterprise.

2003

Industrial Transformation
Consumer products → Niche products

Targeting niche markets with higher thresholds for industrial applications

2009

Organizational Transformation
**Centralized management of headquarters →
Decentralized management of business units**

Organizational change, splitting into different business units

2021

Cultivation Plan
Inheritance → New generation

Let the new generation have their own stage

2022

Value Transformation
Innovative R&D → Sustainable thinking

Operate in the pursuit of carbon, plastic and waste reduction, and further develop low-carbon and green energy products through product research and development

2023

Diversified development
MAGIC + → MAGIC ∞

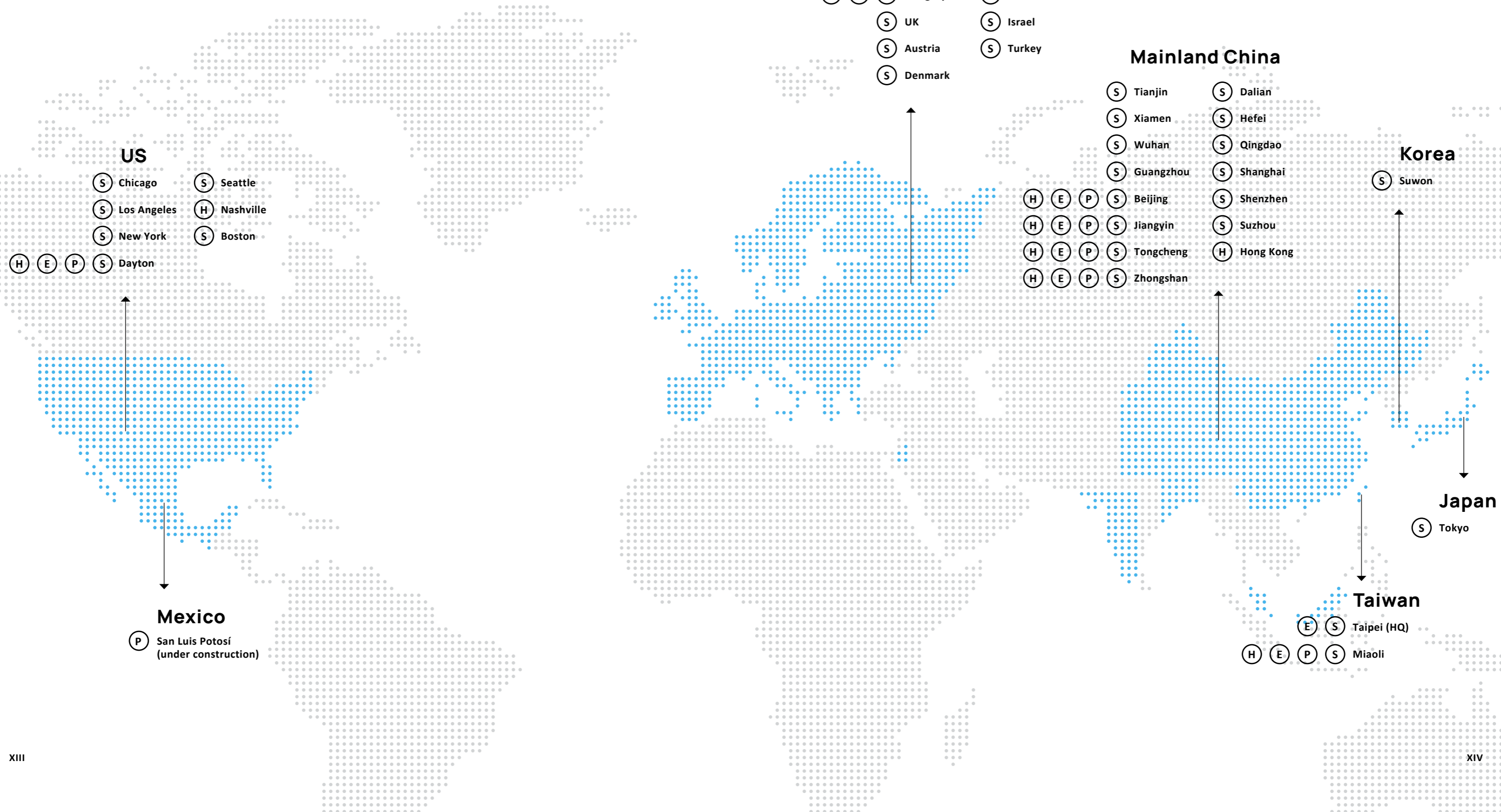
Investing in research and development, developing low-carbon related technologies, and collaborating with research institutes and other enterprises to develop innovative solutions to sustainability challenges

Production Sites

SINBON serves the global market with 6 production sites in Taiwan (Miaoli), Mainland China (Jiangyin, Tongcheng, Beijing), Hungary (Tatabánya), and the United States (Ohio), as well as a production line in Mexico, and over 20 business locations worldwide. This network enables us to adapt to market challenges, adapt quickly to customer needs, shorten lead time, and provide borderless and time-zone free services and support.

- (H) Distribution on Center
- (E) Technical Support
- (P) Production Site
- (S) Sales Site

*For details of all our locations, please refer to our website [Global Location](#)



MAGIC Five Industries

Industries	Industry Strengths	2024 Development Strategy and Targets	2023 Results
 <p>Medical Health</p> 	<p>SINBON's product line continues to make breakthroughs. Medical product application extends from diagnostic imaging, intelligent cables for monitors, medical aesthetics, rehabilitation equipment, surgical equipment, in-vitro diagnostic equipment, orthopaedic and endoscopic equipment, telemedicine, and smart healthcare.</p>	<ul style="list-style-type: none"> Collaborate with customers to develop sustainable design products that reduce material usage, increase lifespan, and use eco-friendly/recycled materials. 	<ul style="list-style-type: none"> NT\$2.689 billion in revenue, 8.21% of total revenue Physical therapy equipment external cables are made of special biocompatible materials, customized round connectors, and have a connector insertion and removal life of more than 5,000 times Carbon fibre conductor, non-magnetic connector for MRI cardiology equipment to increase reuse and insertion/removal life
 <p>Automotive & Aviation</p> 	<p>SINBON's products include high-voltage wiring harnesses and charging guns that meet the specifications of various countries, making it the largest supplier of charging guns for electric vehicles in China. In 2023, the Group actively invested in the development of the green industry. Through continuous product upgrades, the Group enhanced the service life and performance of its products, and adopted alternative materials to reduce energy loss.</p>	<ul style="list-style-type: none"> Invests in two new electric vehicle products in Mexico site: NACS wiring harnesses, charging guns, and charging sockets to meet the demand of the North American market Continuous promotion of factory automation 	<ul style="list-style-type: none"> NT\$4.946 billion in revenue, 15.10% of total revenue SINBON's self-developed CCS1/2 charging gun can reach 350A rated charging current. The newly developed liquid-cooled charging gun can increase the short-term current up to 800A, which significantly reduces the waiting time for charging The NACS charging gun, covers 32A AC-400A DC, and the size of the charging gun is half of that of the original CCS1
 <p>Green Energy</p> 	<p>SINBON provide one-stop system integration services, from plant design, material selection, construction, to back-end operation and maintenance services, and is committed to building safe and highly efficient solar power plants for our customers. SINBON has become a major supplier of connection wiring sets, intelligent monitoring, control cabinet assembly, bird repellers, and other products to major wind power equipment manufacturers.</p>	<ul style="list-style-type: none"> Continuing to plan and develop solar photovoltaic plants, including a combined 80MW ground-mounted site in Tainan and Kaohsiung Assessing investment in power stations and green credentials 	<ul style="list-style-type: none"> NT\$9.936 billion in annual revenue, 30.33% of total revenue Completed building solar power generation system at Jiangyin and Tongcheng plants, with a total installed capacity of 3MW Continuously invested in the development of wind power and photovoltaic industry while strengthening energy storage equipment development
 <p>Industrial Application</p> 	<p>In response to the demand for automation and intelligence, the products can be applied in harsh industrial environments with durability, waterproofing, fireproofing, UV resistance, and resistance to interference. SINBON continues to improve the energy efficiency, focusing on the application of warehouse robots, intelligent vests, unmanned shops, unmanned delivery flights, and intelligent logistics products.</p>	<ul style="list-style-type: none"> Continuously implement automation in the factory, and 15 pieces of semi-automated equipment are expected to be introduced Evaluate the feasibility of using green materials and packaging materials 	<ul style="list-style-type: none"> NT\$9.057 billion in annual revenue, 27.65% of total revenue Completed 9 sets of automated production lines and 15 pieces of semi-automated equipment Completed TPS for 19 products, increasing production efficiency by 28.4% and saving 218,441 man-hours in total Successfully developed more environmentally friendly, lightweight, miniaturized and durable cable products
 <p>Communication</p> 	<p>SINBON provides connectors and cables for communication devices such as drones, smart grid monitoring, wearable devices, smart phones, tablets and laptops. SINBON has also ventured into the e-bike field, providing solutions such as drive system integration, cloud connectivity, and intelligent error detection.</p>	<ul style="list-style-type: none"> Continuous growth in operating revenue and net profit Continuing to focus on the application of artificial intelligence (AI) 	<ul style="list-style-type: none"> NT\$6.132 billion in annual revenue, 18.71% of total revenue Focused on sustainable and green energy related applications, and provided customers with low energy consumption and high efficiency smart internet integration services Developed e-bike motor controller with different wattage, and completed the development of 250W controller

01

Corporate Governance

1 - 32

1.1 Operations and Governance

1.2 Compliance and Business Ethics

1.3 Innovative R&D Capabilities

1.4 Risk Management

Annual Results

NT\$32.762 billion

Consolidated revenue in 2023 increased by 7.15% from last year

47%

Percentage of revenue from sustainable industries

6.4%↑

Invested NT\$1.01 billion in research and development, an increase of 6.4% over the previous year

195 items

Total number of patents worldwide

1.1

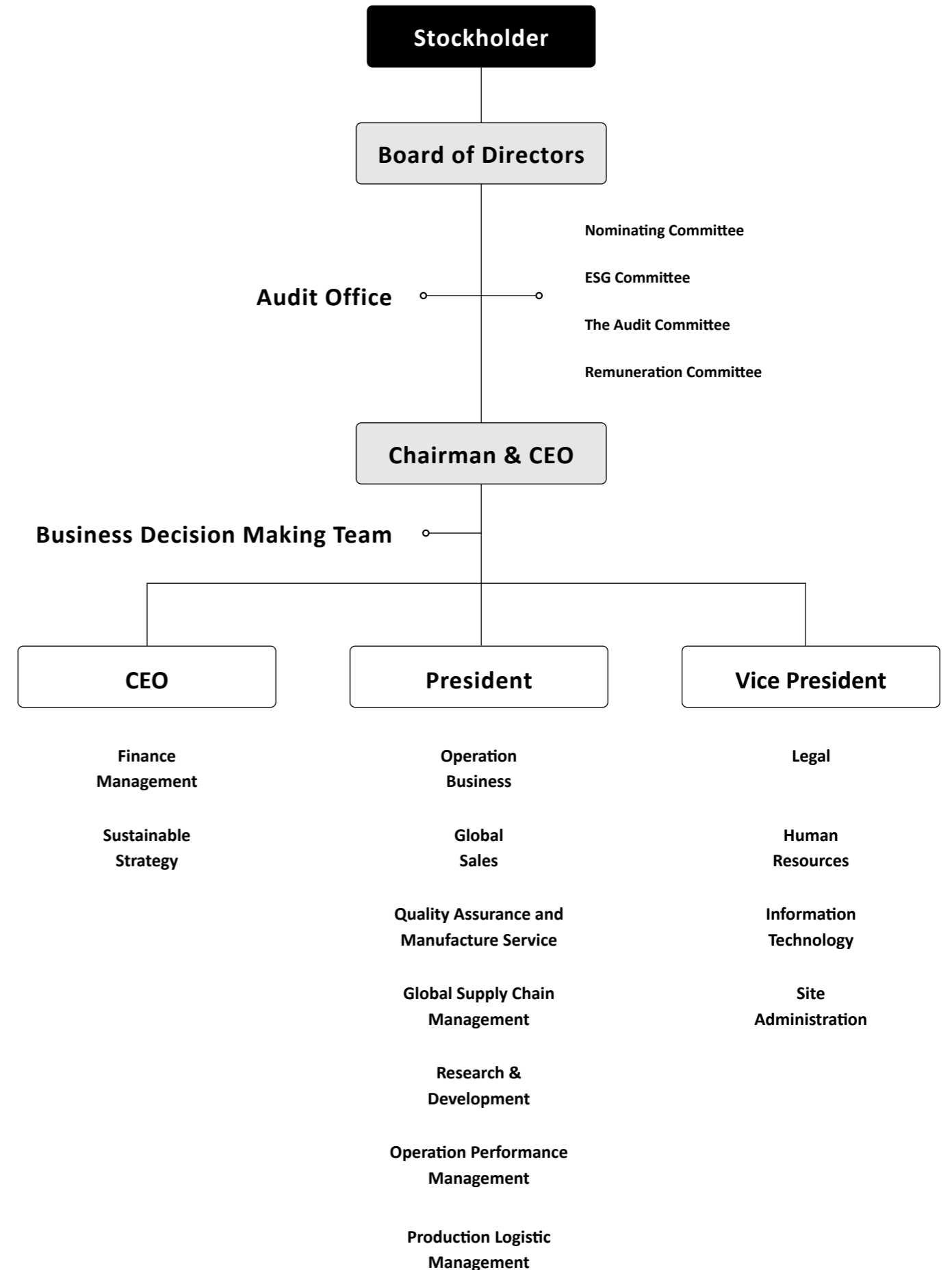
Operations and Governance

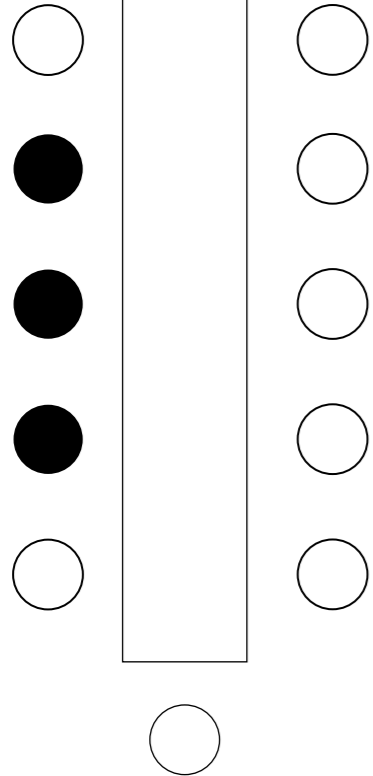
1.1.1

Board of Directors

The Board of Directors is the highest governing body of SINBON. An Audit Committee is established under the Board of Directors to maintain independence and to oversee management and the overall operations of the company. A Remuneration Committee has been established to assist the Board of Directors in evaluating the remuneration policies and standards for directors and managers. In 2022, a Nomination Committee was established to seek, review, and nominate candidates for the Board of Directors.

With the expansion of the business scale, the external communication needs of SINBON have become more frequent and the responsible units and targets have become more diversified. SINBON has established a new public relation team in 2022. In addition to formulating communication protocols for reputation management, we have introduced spokesperson training and simulation exercises to strengthen external communication skills and media interaction skills.





Procedures for Nomination of Directors

The directors and independent directors of SINBON have conducted background checks in accordance with Corporate Governance Best Practice Principles for TWSE/TPEX Listed Companies and SEC Rule 4200. SINBON Board of Directors consists of 11 members, including 3 Independent Directors. Directors are re-elected every three years. The Board of Directors convenes at least once every quarter, with a total of 4 meetings held in the fiscal year of 2023.

The Board of Directors convenes at least once every quarter, with a total of 4 meetings held in the fiscal year of 2023.

Diversity of Board Composition

The Board of Directors at SINBON possesses a diverse and rich array of experiences in industry, academia, medicine, finance, and law. As of the end of December 2023, independent directors accounted for 3/10 of the total seats, including one female independent director.

The composition of the board of directors shall take diversity into consideration. Directors concurrently serving as company managerial officers do not exceed one-third of the total number of the board members, and an appropriate policy on diversity shall include, but not limited to, the following two general standards:

1. Basic requirements and values: Gender, age, nationality, and culture
2. Professional knowledge and skills: A professional background (e.g., law, accounting, industry, finance, marketing, technology), professional skills, and industry experiences

It is anticipated that by the 2024 re-election, the proportion of independent director seats will increase to over 1/3, and the number of female director seats will be raised to at least two.

Name	Job Title	Gender	Seniority of Independent Director			Professional Knowledge and Skills		Major Experiences			Age			Employee Status	
			Less than 3 Years	3 to 9 Years	Over 9 Years	Industry or Technology	Medical, Legal, or Financial Accounting	Technology Industry	Financial Investment/ Legal Profession	Academic Research	Aged 55 or below	Aged 55 - 65	Over Aged 65		
Joseph Wang	Chairman	Male				●		●							●
Chao-Liang Wang (Argosy Research Inc.)	Director	Male				●		●							●
Mite Liang	Director	Male				●		●							●
Jesse Huang	Director	Male				●		●							●
Andy T.C. Chiu	Director	Male					●		●						●
Wei-Chun Wang (Tai-Yi Investment)	Director	Male				●			●			●			
Kuo-Hong Wang (Kuo-Shian Investment)	Director	Male				●		●					●		
Zheng-Yan Chang	Independent Director	Male		●		●	●	●							●
Hou-Ming, Chen	Independent Director	Male		●		●	●			●					●
Yu-Fen Lin	Independent Director	Female	●				●		●			●			●

Education and Training for Board Members

To implement the Board of Directors' duties, all directors are required to take at least 6 hours of corporate governance courses each year in accordance with the "Directions for the Implementation of Continuing Education for Directors and Supervisors of TWSE Listed and TPEX Listed Companies", and new directors are required to take at least 12 hours of basic corporate governance courses in their first year. The following is the information on the courses related to sustainability for the Board of Directors in 2023:

Directors and Independent Directors

Introduce the overall awareness of directors and independent directors on economic, environmental and social issues for a total of **60 hours**

Latest Corporate Governance 4.0
Practices for Protecting Trade Secrets and Detecting Fraud in Business Operations

Mechanism for Avoiding and Managing Conflicts of Interest

SINBON Audit Committee's Organization Rules state that the independent directors shall state the content of their interests when the relationship is likely to prejudice the interests of the company, the director shall enter recusal during discussion and voting and may not act as another director's proxy to exercise voting rights on that matter.

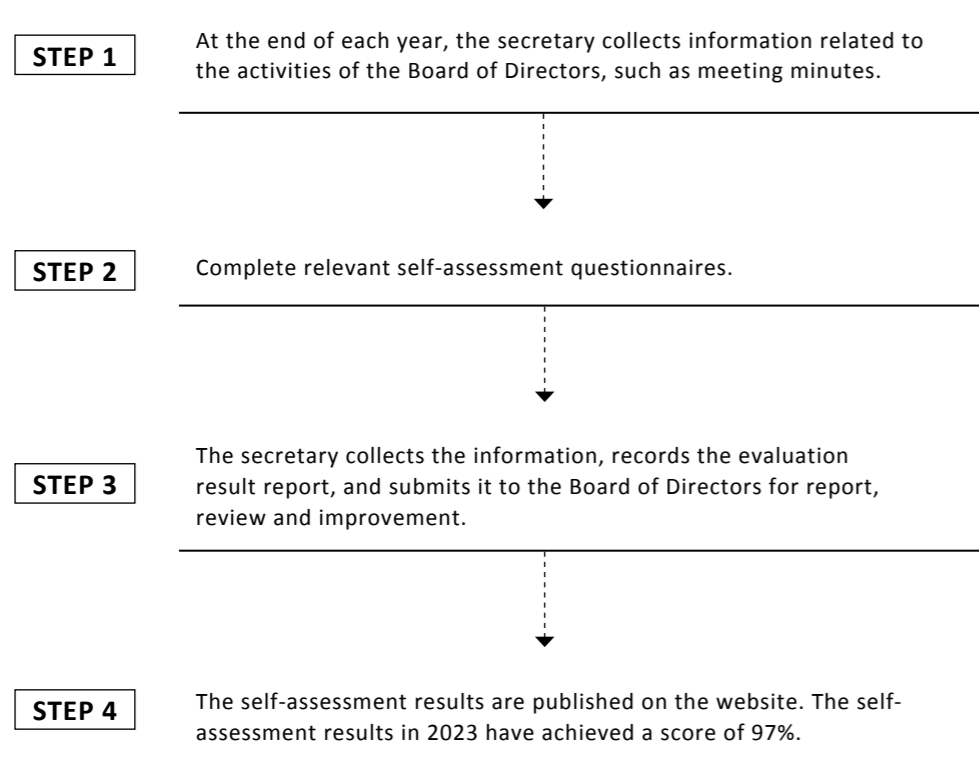
The company is required to ask the relevant directors to temporarily leave the meeting and refrain from joining in the discussion and voting on any topic that involves the avoidance of the directors' own interests. The results of the relevant voting and the circumstances of the avoidance

of interests are recorded in the minutes of the Board of Directors' meetings.

None of the directors have cross-shareholdings with the company's major suppliers and customers, and none of them have provided related professional services to the company. For details, please refer to Chapter 3 and Chapter 5 in SINBON 2023 Annual Report.

Performance Evaluation of the Board of Directors

To implement corporate governance and enhance the functionality of our Board of Directors, SINBON passed the "Board Performance Evaluation Method" in 2016 to strengthen operational efficiency. The evaluation process is as follows:



Please refer to the SINBON's official website's [Corporate Governance](#) section for the rules of procedure for Board of Directors meetings, the results of the self-assessment, the diversity policy, and the resolutions of the board.

Audit Committee

Members



Composition of all independent directors (3 members). All members shall elect one person to be the convener and chairman of the meeting

Convene Frequency

Audit Committee shall hold at least 1 meeting per quarter. Total of 4 meetings were held in 2023 with 89% attendance.

Responsibility

- Monitor the fair presentation of the company's financial statements
- Selection (Dismissal) and independence and performance of CPAs
- Effective implementation of the company's internal control system
- Compliance with laws and regulations for the control of existing or potential risks

Remuneration Committee

Members



Composition of 2 independent directors and 2 external members (4 in total).

Convene Frequency

Remuneration Committee shall hold at least 2 meetings per year. Total of 2 meetings were held in 2023 with 100% attendance.

Responsibility

- Evaluate and review the remuneration of directors and managers of the company, as well as the policies, systems, standards and structures of performance evaluation.
- The Remuneration Committee conducts an annual assessment, including the level of involvement in company operations, the functional committee's responsibilities, the decision-making quality of the functional committee, composition and appointment of the committee members and internal controls. The assessment results are categorized into three levels: exceeding standards, meeting standards, and areas for improvement.
- The compensation for senior management has been determined in accordance with the company's compensation policy. External compensation market trends and the pay levels for similar positions within the industry are also considered. The final decision on the amount of compensation and the method of payment is made by the Board of Directors. Performance measurement criteria encompass financial aspects such as key profitability indicators like revenue, while also including non-financial elements such as sustainability performance.
- For more information on the remuneration of directors and managers, please refer to Chapter 3 of the 2023 Annual Report of the company's shareholders' meeting

Nomination Committee

Members



Composition of 2 independent directors and 1 director (3 persons).

Convene Frequency

At least 1 meeting per year, with a total of 1 meeting in 2023 and 100% attendance.

Responsibility

- Formulate the knowledge, experience, gender diversity background, and review nominate director candidates
- Construct and develop the organizational structure of each committee, conduct performance evaluation of the Board, each committee and each director, and assess the independence of the independent directors

1.1.2 Economic Performance

SINBON is committed to creating profits and long-term growth for its shareholders, employees and stakeholders. In 2023, the global supply chain continues to be significantly impacted by various uncertainties. SINBON is well-prepared to navigate the dramatic changes in the overall environment. Through our global operations and strengthened supply chain management, we aim to mitigate operational risks and provide our clients with borderless and round-the-clock services and support. In response to the global labor shortage, we are accelerating the introduction of automated production equipment, Autonomous Mobile Robots (AMRs), and industrial robotic arms for human-machine collaboration. In 2023, SINBON's consolidated revenue reached NT\$32.762 billion, marking a growth of 7.15% compared to the same period last year. This growth was achieved despite unfavorable market conditions.

In 2023, SINBON's consolidated revenue reached

NT\$ 32.762 billion

marking a growth of

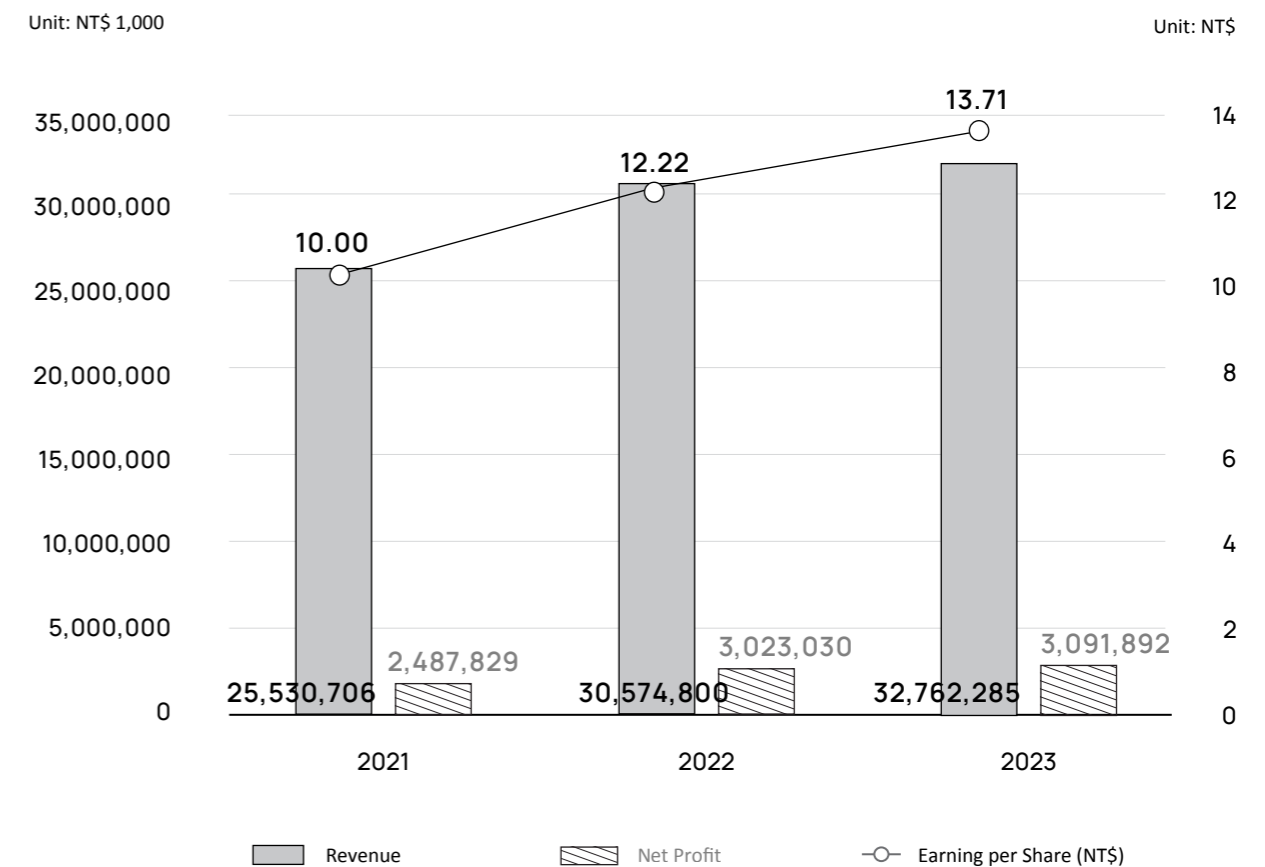
7.15%

compared to the same period last year. This growth was achieved despite unfavorable market conditions.

Unit: NT\$1,000

Item	Year (consolidated financial report after audits)			
	2021	2022	2023	
Operating revenue	25,530,706	30,574,800	32,762,285	
Operating cost	19,121,511	22,843,276	24,356,555	
Operating expenses	3,621,336	4,405,075	5,008,867	
Non-operating income and expenses	240,841	516,016	521,324	
Employee remuneration and benefit expenditure	Wage expense	3,623,780	3,946,690	3,746,131
	Labor and health insurance expenditure	372,883	455,714	500,742
	Pension expenditure	61,472	63,620	66,212
	Other employee benefit expenditure	228,174	270,572	228,719
Dividend expenses (NT\$)	7.00	8.50	9.60	
Pre-tax profit	3,028,700	3,842,465	3,918,187	
Income tax expense	540,871	819,435	826,295	
Net income for the period	2,487,829	3,023,030	3,091,892	
Earnings per share (NT\$)	10.00	12.22	13.71	

Note: For more details, please refer to SINBON's 2023 Financial Report



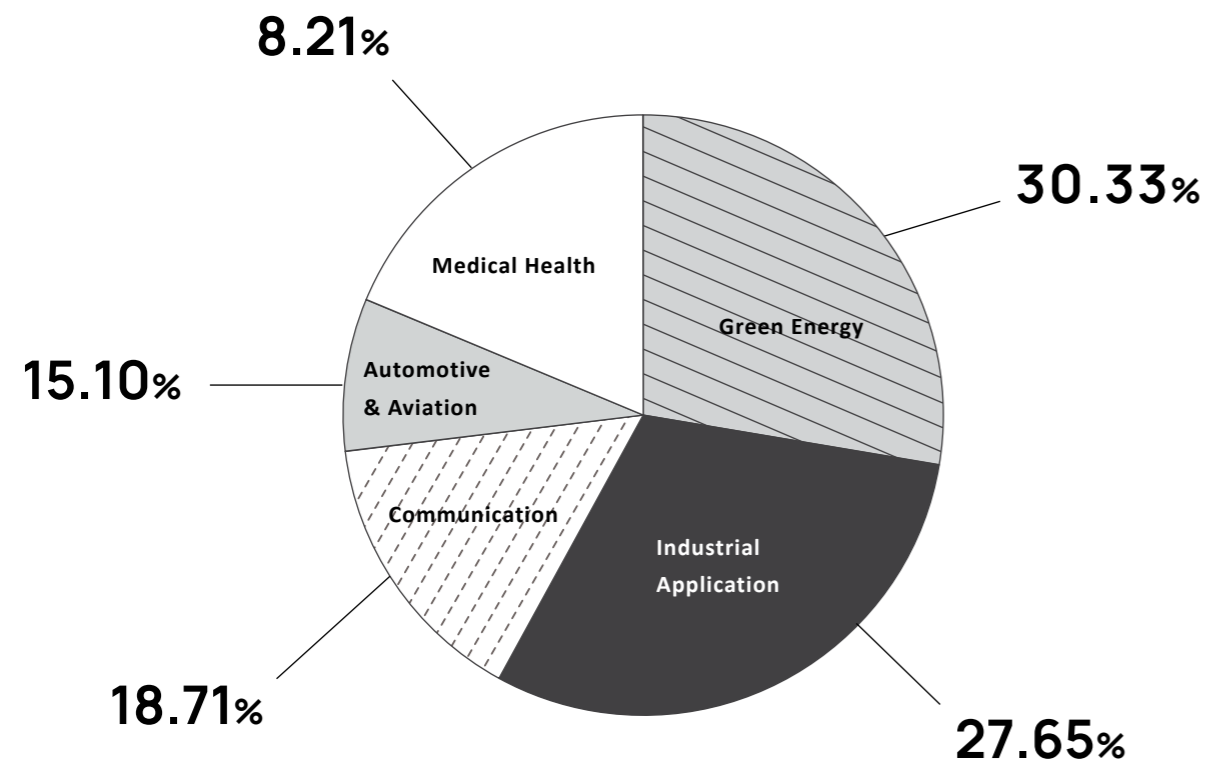
*In the 2021 Sustainability Report, there was an error in the net profit value for 2021. It was mistakenly stated as the pre-tax net profit value (3,028,700). It has been revised to the correct net profit (2,487,829).

Revenues of MAGIC Segments

Unit: NT\$1,000

	2021		2022		2023	
	Sum	%	Sum	%	Sum	%
Operating revenue						
Medical Health	2,369,580	9.28	2,783,902	9.11	2,689,049	8.21
Automotive & Aviation	2,921,172	11.45	4,294,978	14.05	4,946,435	15.10
Green Energy	6,500,489	25.46	8,198,039	26.81	9,936,675	30.33
Industrial Application	6,929,878	27.14	8,200,273	26.82	9,057,678	27.65
Communication	6,809,587	26.67	7,097,608	23.21	6,132,448	18.71
Total Operating Revenue	25,530,706	100.00	30,574,800	100.00	32,762,285	100.00

Percentages of Revenues of MAGIC Segments



Global Sales Revenue Distribution

Unit: NT\$1,000

Sales region	2021		2022		2023	
	Sum	%	Sum	%	Sum	%
Taiwan	1,872,357	7.33	2,491,537	8.15	3,294,768	10.06
USA	5,338,758	20.91	7,795,493	25.50	9,578,408	29.24
Europe	2,836,630	11.11	2,604,129	8.52	3,130,546	9.55
Mainland China	12,504,279	48.98	15,230,563	49.81	15,146,521	46.23
Others	2,978,682	11.67	2,453,078	8.02	1,612,042	4.92

2023

Taiwan	USA	Europe	Mainland China	Others
10.06 %	29.24 %	9.55 %	46.23 %	4.92 %

2021

Taiwan	USA	Europe	Mainland China	Others
8.15 %	25.50 %	8.52 %	49.81 %	8.02 %

2022

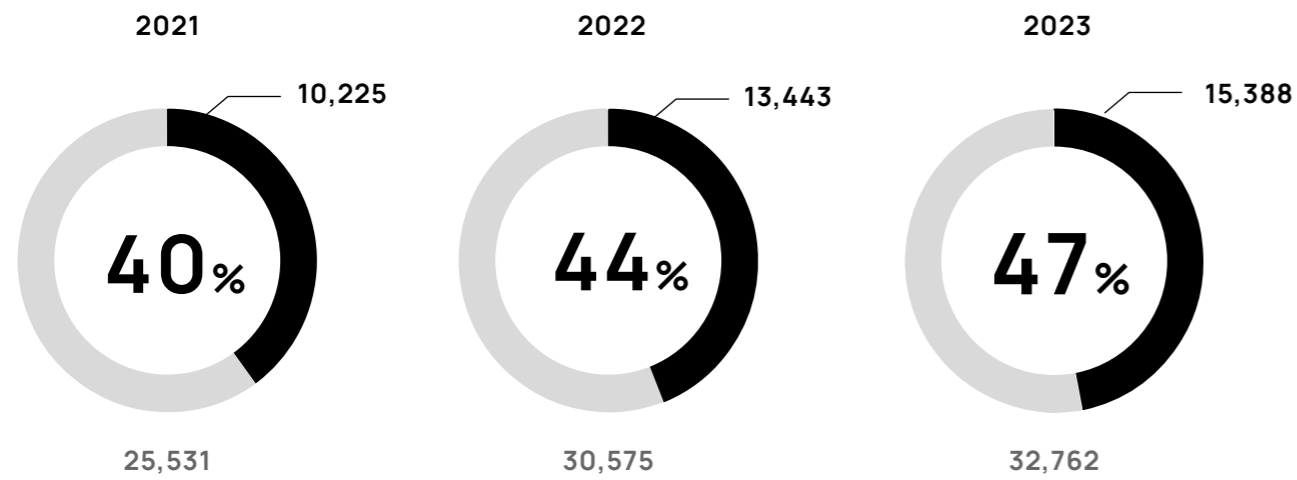
Taiwan	USA	Europe	Mainland China	Others
7.33 %	20.91 %	11.11 %	48.98 %	11.67 %

Sustainable Industry

SINBON is committed to R&D in the five major areas of MAGIC. In recent years, it has continued to deepen its involvement in the fields of alternative energy, energy efficiency enhancement, and significant end-use medical product applications, solidifying its role in the international supply chain. The proportion of revenue from sustainable industries has increased from 44% in 2020 to 47% in 2023.

Sustainable Industry Revenue

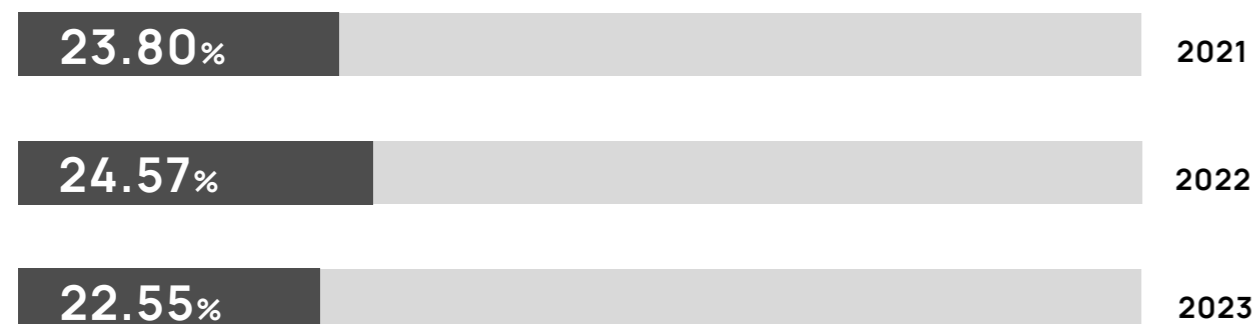
Unit: NT\$ million



Maintain Shareholders' Rights and Interests

SINBON places great emphasis on investor feedback. In addition to establishing a spokesperson system, we have proactively set up a dedicated investor section on our [company website](#). This section provides investors with the latest news, annual reports, financial information, and an overview of the company's operations. Per the Company Act and our Articles of Incorporation, SINBON has implemented a dividend policy. For more information on the dividend policy and its implementation in 2023, please refer to the Annual Report of the 2023 Shareholders' Meeting.

Shareholders' Return on Equity (%)





信邦電子 (3023)

Sinbon Electronics Co., Ltd.

榮獲

2023 外資精選台灣100強公司

Taiwan Best-in-Class 100 Companies

SINBON Electronics Ranked Among Taiwan Best-in-Class 100 Companies

SINBON Electronics has been honored with inclusion in the 2023 Taiwan Best-in-Class 100 companies by the Taiwan Directors Association and the Corporate Development Research Center (CDRC). The Taiwan Best-in-Class 100 companies selects companies with outstanding corporate qualities that are recognized by international institutional investors. The selection criteria include market performance, fundamental factors, and sustainability. In 2023, SINBON made its debut on the list and ranked 29th, showcasing its strong international competitiveness.

In 2023, SINBON made its debut on the list and ranked 29th, showcasing its strong international competitiveness.

Government Subsidies

In terms of government subsidies, it includes industry-specific rewards, job stabilization funds, talent training, smart manufacturing demonstrations, and incentives for industrial and informational transformation and upgrades.

Jiangyin Site	Tongcheng Site
Subsidy Amount RMB 7,277,984	Subsidy Amount RMB 6,716,242
Shanghai Office	Beijing TongAn
Subsidy Amount RMB 673,000	Subsidy Amount RMB 664,100
Total RMB 15,331,326	

Tax Policy

SINBON complies with the tax policies of the local governments. Transactions between affiliated companies are carried out in accordance with the principles of regular transactions and in compliance with the transfer pricing standards announced by the Organization for Economic Cooperation and Development (OECD).

Global Tax Payment Status

Region	Amount of Income Tax Paid
Taiwan	NTD 274,167,121
Mainland China	RMB 49,349,871
Hong Kong	HKD 1,317,059
USA	-
Europe	-

Note: USA and European locations did not reach the local income tax threshold.

1.2

Compliance and Business Ethics

1.2.1 Policy and Implementation

SINBON conducts its business operations based on integrity, adhering to the laws and ethical standards of the countries in which it operates. SINBON has established "Ethical Corporate Management Best Practice Principles" and "Procedures for Ethical Management and Guidelines for Conduct". These are implemented as per regulations and are publicly available on the [company's website](#).

To enhance our colleagues' understanding of professional ethics and regulatory compliance, SINBON actively conducts legal compliance training. We require all new employees to sign an integrity pledge to follow business ethics and regulatory compliance. Depending on the different roles and responsibilities of our colleagues, we provide a variety of training programs.

100%
Integrity Pledge
Signing Rate

2023 Ethics and Compliance Advocacy Results

Course name	Course highlights	Participant Hours
TIPS Intellectual Property Management Counseling	Understanding what intellectual property rights are, how to protect them, the company's systems and processes, and the company's goals and commitments regarding intellectual property policy	92
Practical Case Studies on the Securities and Exchange Act: Stock Price Manipulation and Special Breach of Trust Crimes	Establishing employee understanding of Taiwan's trade secrets, stock price manipulation, and special breach of trust	120
Integrity Pledge & Confidentiality Matters Guidance	Explanation of integrity pledge and penalties, and promotion of confidentiality management measures	214.5
Corporate Anti-Corruption Education	Learn about the laws and penalties related to corruption and procurement	80
Employee Code of Conduct Training	Communicate to colleagues the Integrity Pledge for integrity that should be adhered to	621

1. The trainees of the corporate integrity training course for new colleagues do not include direct staff, interns and employees with less than one month of employment.

2. The scope of the Integrity Pledge does not include foreign migrant workers, short-term contracts and interns.

1.2.2 Management Supervision and Prevention

SINBON reduces operational risks by regularly and irregularly reviewing the company's internal legal compliance status and identifying any changes in domestic and foreign laws and regulations that may have a significant impact on the company's operations. At the same time, we have a complete risk management framework to identify the risks and use the existing internal control management system to prevent possible fraud and malpractice and to minimize the risks.

SINBON uses the "Group Head Office" as a specialized unit to report to the Board of Directors at least once a year, or as necessary, in case of non-compliance, and the internal

audit also reports to the Board of Directors on a regular basis. In 2023, one report was made to the Board of Directors.

The company has established the "Measures for handling cases of reporting illegal and unethical or dishonest behavior" and has established a complaint channel and mailbox. All cases are handled in a confidential manner.

In 2023, the Audit Office did not receive any complaints related to laws and regulations, anti-corruption, or human rights.







- The "Spokesperson" accepts reports from shareholders, investors and other interested parties.
- The "Audit Office" is responsible for receiving reports from internal colleagues, external directors, customers, suppliers, contractors, and has set up a "[Contact Us](#)" section on the company's website.

Description		Implementation Status		
		2021	2022	2023
Reporting Channels	I. In person: Present the statement in person	0	0	0
	II. By phone: The contact number of the communication channel for stakeholders	0	0	0
	III. Written report: Mailing or sending the submission letter to the company's handling units	1	0	0
	IV. Whistleblower Email: integrity@sinbon.com	0	0	1
Handling Status	Investigation of business ethics violation	1	0	1

In 2023, we received one complaint related to business ethics. Upon receipt of the complaint, the Audit Office clarified and compiled the details of the case, and then reported it to the Business Decision Making Team for investigation. There was also an incident of dismissal due to violation of the Code of Conduct for Employees. SINBON maintains a zero-tolerance policy and a strict approach to integrity issues and data leakage, not only for our employees but also for our suppliers. If any breach is detected, it will be taken seriously to ensure that the integrity of the company is not compromised.

Number of Violations in 2023

In 2023, SINBON had three instances of violations in the areas of social, labor, and occupational safety. The details of these incidents and the corrective actions taken are as follows:

<p> Event Description 1</p> <p>Violation of Article 24 of Taiwan Labor Standards Act - Failure to comply with overtime wage regulations.</p> <hr/> <p> Action 1</p> <p>The setting of the salary settlement system has been adjusted to comply with regulations.</p>	<p> Event Description 2</p> <p>As per Taiwan Labor Standards Act, the total working hours, which include extended working hours and normal working hours, must not exceed twelve hours per day and the extended working hours must not exceed forty-six hours per month.</p> <hr/> <p> Action 2</p> <p>Relevant education and training was conducted to prevent the recurrence of similar situations.</p>
<p> Event Description 3</p> <p>The dismantling operation of the screen did not comply with the Regulations Governing Occupational Safety and Health Facilities and the Occupational Safety and Health Act. Required safety measures such as ropes, safety nets, or barricades were not utilized to prohibit unauthorized personnel from accessing to the area.</p> <hr/> <p> Action 3</p> <p>We have conducted a thorough review of the installation safety and risk management for all relevant facilities in the factory.</p>	

Unit: NT\$

Year	Economic, ethical and financial management	Environmental	Social, labor, occupational safety
2021	0	30,000	0
2022	0	6,000	0
2023	0	0	120,000

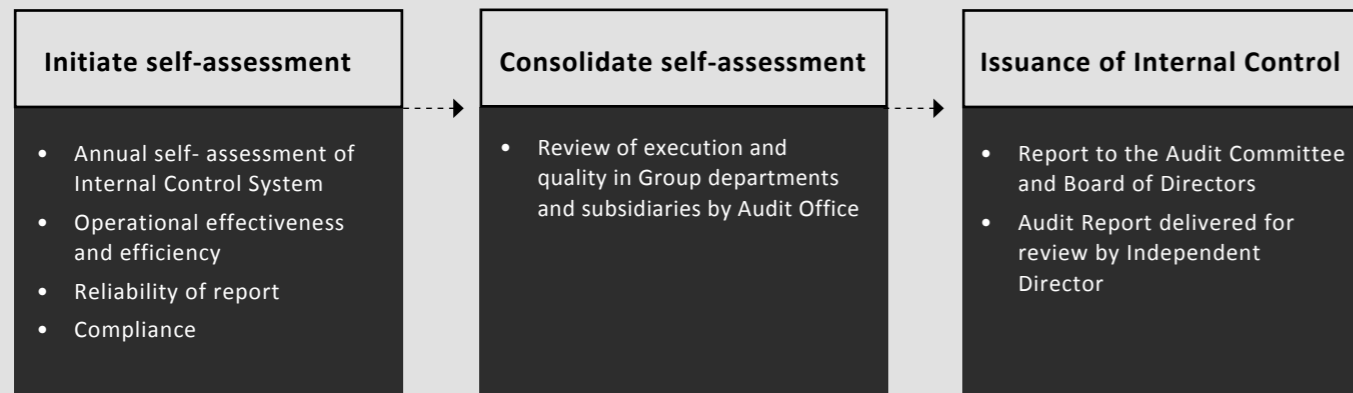
1. A major violation event refers to a fine of NT\$1 million or more, or a non-monetary penalty that affects the company's operations and converts revenue of NT\$10 million or more.
2. No major violations of regulations received in 2023

1.2.3 Internal Controls

Audit Office

SINBON's internal control and audit is conducted by the Audit Office, which is an independent unit directly under the Board of Directors. In accordance with the internal control system, the internal audit office evaluates and identifies operational risks that should be audited according to the regulations, prepares an annual audit plan and submits an audit report. The appointment and removal of the head of audit shall be approved by the Audit Committee and submitted to the Board of Directors for resolution. The audit office staff shall regularly attend relevant courses each year to enhance the quality of the auditing process and their competence.

Annual internal control mode of operation

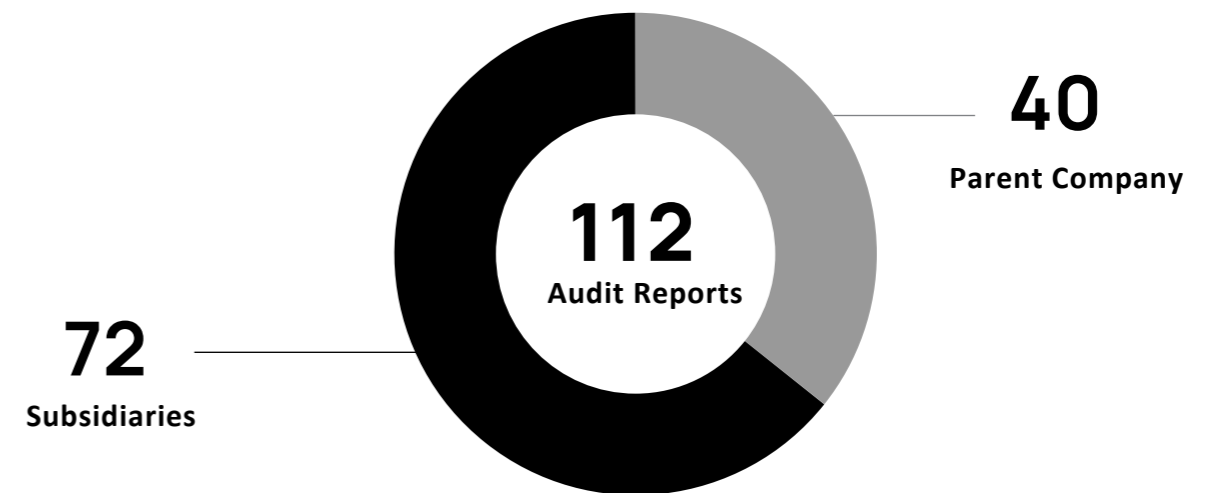


SINBON conducts an annual self-assessment of its internal control system and utilizes a digital platform. The audit department reviews the operational procedures and quality of each department and subsidiary within the group and evaluates improvements in previous periods. The assessment results are then reported to the Audit Committee and the Board of Directors, and a statement on the internal control system is issued.

Self-Assessment for 2023

<h4>Participants</h4> <p>Employees, business units, departments and subsidiaries.</p>	<h4>Items</h4> <p>Degree of achievement of operational effectiveness and efficiency targets (including profitability, performance, and asset safety).</p> <ul style="list-style-type: none"> Reliability, timeliness, and transparency of reporting. Compliance with relevant regulations, laws, and rules. 				
<h4>Assessment Practices</h4> <table border="0"> <tr> <td>Total of people participated in the survey</td> <td>Return rate</td> </tr> <tr> <td>1,886</td> <td>84%</td> </tr> </table>	Total of people participated in the survey	Return rate	1,886	84%	<h4>Result</h4> <ul style="list-style-type: none"> No major anomalies with target achieved effectively and reasonably. Actual implementation status was verified during routine audits.
Total of people participated in the survey	Return rate				
1,886	84%				

2023 Audit Results of SINBON



Reported to the Board of Directors

4 times in 2023.

Audit deficiencies were tracked on a regular quarterly basis, and

100% of the audit issues were closed after confirmation of improvement.

1.3

Innovative R&D Capabilities

In 2023, SINBON invested

NT\$ **1.01** billion



An increase of

6.4 %

compared to the previous year

1.3.1 R&D Strategy

In 2023, SINBON invested NT\$1.01 billion in R&D, an increase of 6.4% compared to the previous year, and accounted for 3% of total revenue. We have invested in five major areas: (1) Medical Health, (2) Automotive & Aviation, (3) Green Energy, (4) Industrial Application, and (5) Communication. In recent years, the company has been actively developing electronic components for the Internet of Things (IoT), warehouse automation equipment, smart cars, green energy-related industries, robotics applications, semiconductor machine precision test line sets, and smart homes, and has continued to improve the efficiency of factory equipment.

In order to implement corporate sustainability and respond to international regulations and customer requirements, SINBON is committed to avoiding the use of controversial materials. We manage raw materials through the GPM platform and internally control RoHS and REACH SVHC substances of high concern within the group. We are actively responding to sustainable supply chain management through three primary raw material management mechanisms: "Environmental Management Material Standards," "Hazardous Substance Management," and "Conflict-Free Mineral Policy Requirements."

1.3.2 Intellectual Property and Patent

Intellectual Property and Patent Effectiveness

In compliance with corporate governance regulations, SINBON implemented the TIPS framework in 2022. This system covers all aspects of intellectual property acquisition, protection, maintenance, and management. In 2023, the company successfully passed the TIPS A-level certification on its first application. This system integrates the company's strategy and business objectives, ensuring that all employees have a correct understanding of intellectual property management.

In response to changes in the market or the laws governing intellectual property, the company makes rolling revisions to its strategic planning for the use of patents and reviews the cost-effectiveness of intellectual property maintenance. The company has established a management system to manage the acquisition, protection, maintenance to accumulate and enhance the company's R&D competitiveness.

Note: TIPS, Taiwan Intellectual Property Management System

Intelligent Property Management Measures

Patent Management

The company has established management rules for patent acquisition, protection, application, examination, maintenance, incentives, and legal cases. All technology proposals and applications must be examined, evaluated and properly protected. SINBON has established a "Patent List" for the purpose of controlling the status of patent cases.

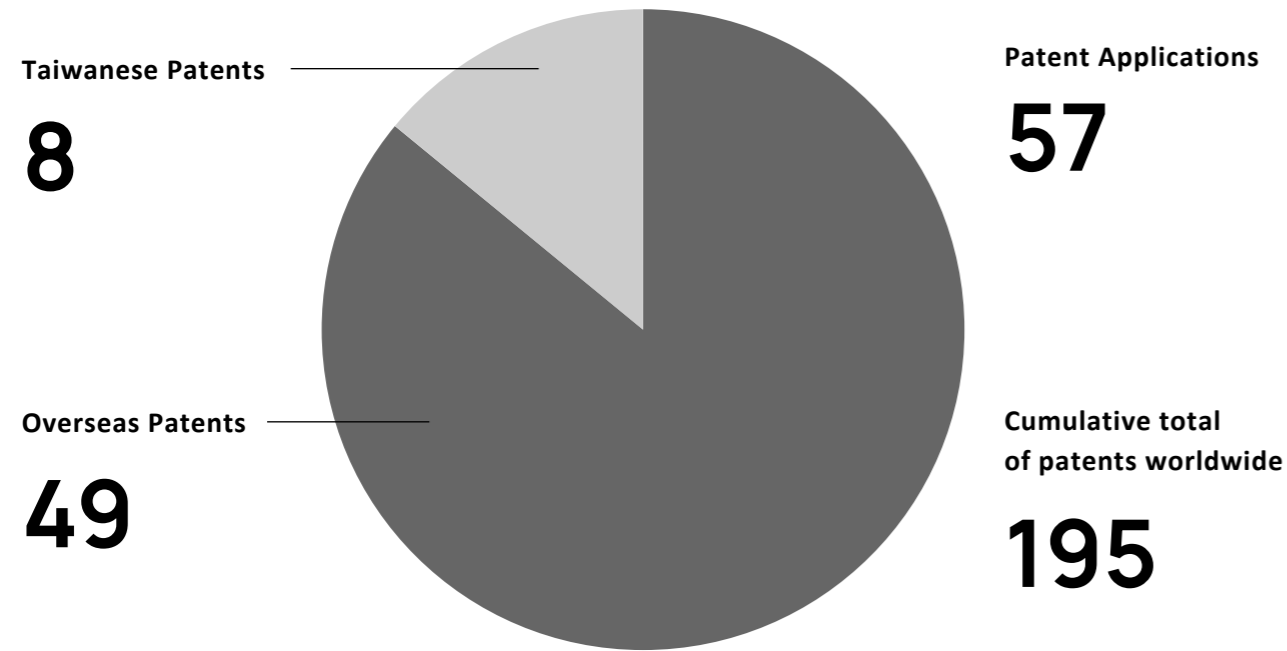
Trademark Management

The company has established a policy to specify the scope of trademark management, production, and permitted use, and has created a "trademark detail" list to review the use of trademarks and actively pursue trademark branding to build a brand image.

Secret Management

Employees are required to sign relevant documents to protect the rights and confidentiality of both parties when they join or leave the company. We sign confidentiality documents with our suppliers and co-operative customers to protect the rights and interests of both parties, in order to protect the company's confidential technology.

2023 Results



Patent

The patents owned by our company are currently being successfully and effectively commercialized, allowing the company's patented technology to be implemented in our products. For instance, in the case of SINBON patents, we have products related to electric vehicles such as charging guns, charging conversion sockets, and charging device protection systems. We also offer solar and wind energy-related products like solar chargers, solar optimizers, Y-connectors, and bird deterrents. In the medical field, we offer products like X-ray detector connector components, MRI lead components, blood pressure monitors, and high-voltage cables. We also have E-bike-related products patents such as electric assist bicycle bottom bracket pedal feel enhancement devices and electronic shifting devices.

Trademark

The trademark is a significant aspect of SINBON brand image in business expansion. The company's logo has been registered for trademark protection in multiple countries, primarily to enhance brand recognition. This allows the public to recognize the provision of customized products and the availability of a comprehensive technical team offering reliable services.

Total Number of Trademark Registrations

39

Number of Trademark Applications in 2023

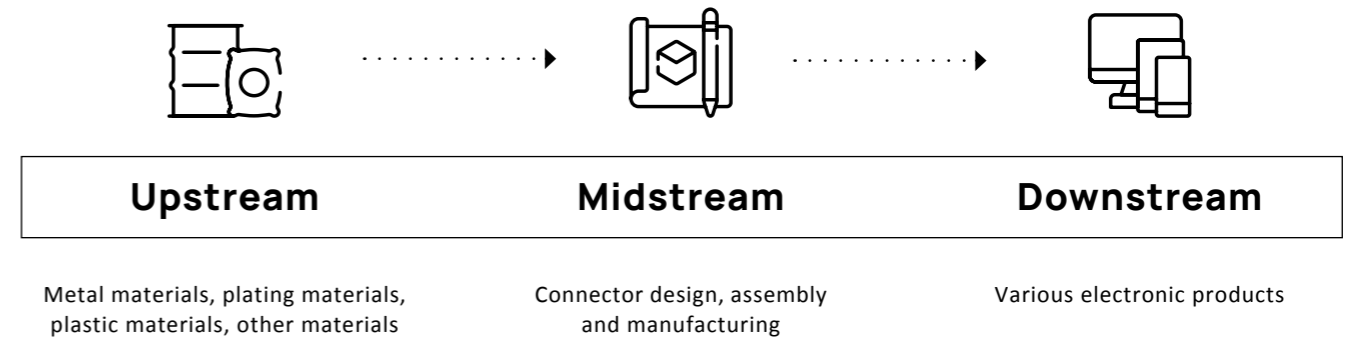
2

Note: All trademark applications in 2023 are for foreign trademarks.

1.3.3 Innovative R&D

Value Chain and Product Application

SINBON is a solution provider for connector, cable assembly, PCBA design and processing services. We provide turnkey solution service to our customers and able to supply bare cooper wires, plastics, and electroplating materials.



NACS AC/DC Charging Gun from SINBON Receives UL Certification

Recently, SINBON has developed a NACS AC/DC charging gun that has received UL certification, making it the first electronic integrated design service provider in the Greater China region to achieve this certification. This charging device utilizes a high-voltage, high-current design, enabling it to rapidly charge electric vehicles within a short period of time. Compared to standard charging guns, it receives an IP67 waterproof certification and an integrated temperature sensor, providing overheating protection to ensure user safety.

Following the release of Tesla's North American Charging Standard (NACS), it has become one of the leading charging standards in the North American region, driven by major automakers. In response to the ambitions and requirements of the NACS charging alliance, SINBON has also actively engaged in research, design, and manufacturing. As the global electric vehicle market expands and charging infrastructure improves, SINBON will continue to provide reliable, safe, and high-quality solutions for global charging facilities and electric vehicles.



Product and Technology Innovation

SINBON has committed to improving product design and optimizing transport and manufacturing processes in recent years in order to move its products towards the low-carbon goal. To further digitize and accurately manage raw materials, SINBON has introduced a real-time production system, MES, to monitor and control real-time data, tracking energy consumption on the production line, and manufacturing data.

Future Targets for Product Innovation

1. Electric Vehicle Market

Continued optimization efforts are being made in the areas of Electric Vehicle (EV) market such as high-voltage aluminum row connectors, battery pack high-voltage wire harnesses, customized high-voltage connectors, and low-voltage wire harnesses. These are applied in fields such as EV charging piles, LiDAR systems, and autonomous driving technology.

Power Domain Control Units (PDCU) and three-in-one dual motor control units (MCU) have emerged as key technologies. PDCUs can precisely control and manage vehicle driving conditions, thereby enhancing system processing speed. SINBON will continue to dedicate itself to developing innovative solutions to meet the growing demand in the EV market.

In the realm of electric scooters, we provide solutions for charging and battery replacement. We support the separation of vehicle and battery, which reduces the cost of purchasing an electric scooter for users. The battery charging and swapping cabinet provided by SINBON boasts superior wiring planning capabilities. It can be integrated with the mechanical slot of the electric control battery pack. As a member of the EU's Swappable Batteries Motorcycle Consortium (SBMC), we utilize the design of the EU unified electric vehicle battery replacement interface standard.

2. Semiconductor Industry

SINBON is actively expanding its semiconductor solutions and has partnered with leading global semiconductor equipment manufacturers to offer cleanroom production and comprehensive integration services. SINBON strives to become a significant partner in the semiconductor field to meet the growing demands of the semiconductor industry.

3. Industrial Automation

In response to the robust development of automation opportunities in Industry 4.0, the demand for industrial robots continues to rise in factories, warehouses, and distribution centers. SINBON offers solutions ranging from manufacturing and testing to industrial applications, with a focus on the development of control boards, control cabinets, and wire harness designs.

4. Medical Sector

SINBON is committed to providing top-tier global In Vitro Diagnostic (IVD) clients with advanced technological solutions. We will focus on wire harnesses for IVD equipment, image diagnostics, non-magnetic wire harness development, electrocardiogram gating applications, and customized specifications for precision medical applications.

1.4

Risk Management

SINBON employs a comprehensive risk assessment and management approach. This includes the implementation of internal control systems, as well as conducting annual evaluations and establishing management objectives and measures.

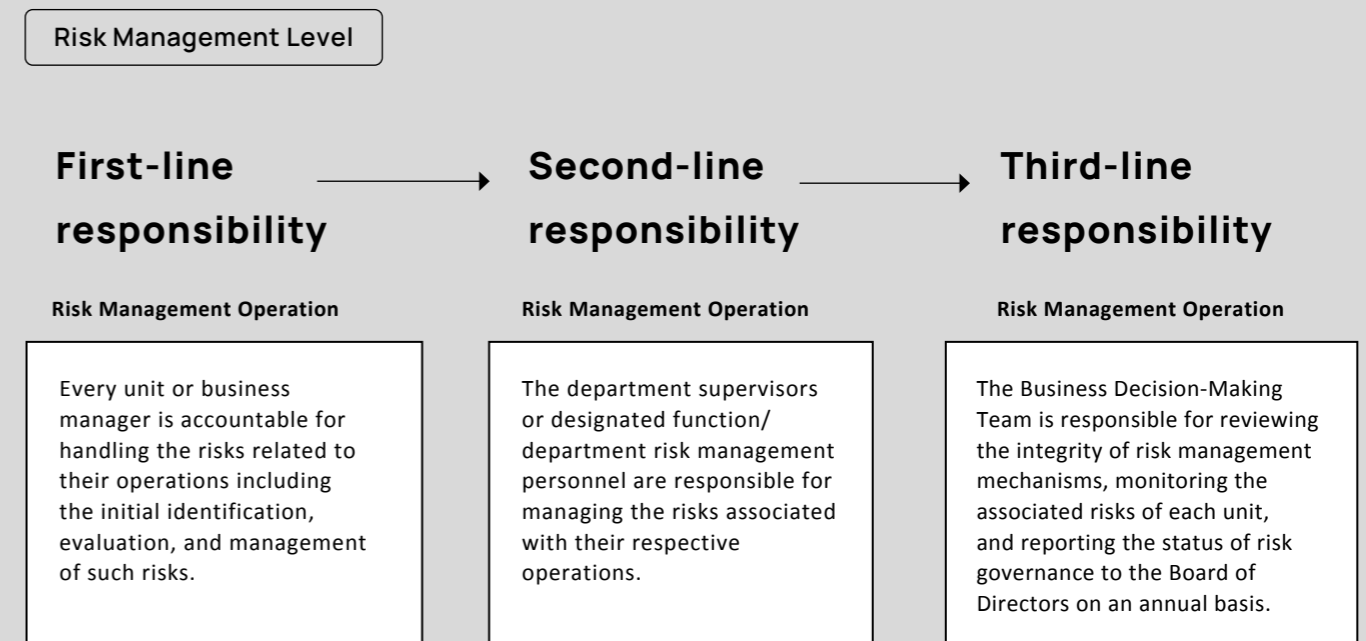
1.4.1 Annual Identification of Organizational and Management Processes

Identification of Potential Risks

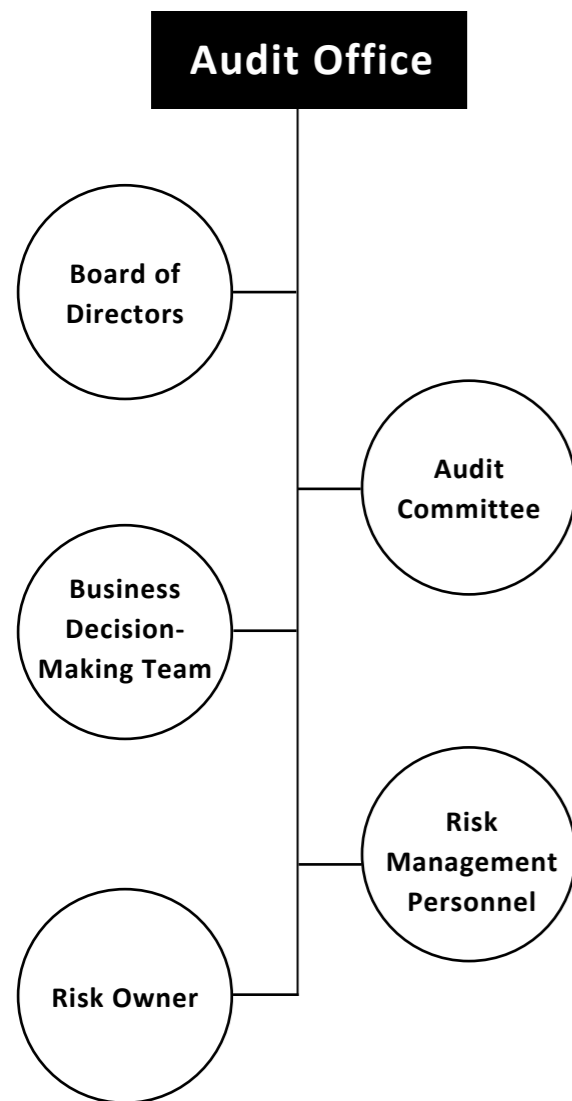
In 2021, SINBON established the "Risk Management Policy and Operating Procedure," which, approved by the Audit Committee, was passed by a resolution of the Board of Directors. This was done to strengthen corporate governance, ensure the integrity of the risk management system, and improve risk management awareness among all staff members.

Three Lines of Risk Control Framework

SINBON follows the management organization system and internal control cycle, emphasizing comprehensive risk control for all employees. Risk management is implemented according to the division of labor at various levels, as follows:



The Audit Office is an independent supervision mechanism within the company. It supervises each executive unit to follow the approval authority and relevant administrative measures and operating procedures. The Audit Committee supports the Board of Directors in overseeing the effectiveness of risk management and gaining insight into operations through meeting reports.



The company follows the management organization system and internal control cycle, emphasizing comprehensive risk control for all employees. The company actively faces and controls risks that should be considered during operations in the most cost-effective way. Risk management is implemented according to the division of labor at various levels.

Risk Management Process

Risk management process includes risk identification, measurement, control and mitigation, monitoring, report and disclosure. SINBON assess the frequency of risk events and the severity of the impact on company operations and finance, defines the priority of risk control, and takes actions to control the outcomes generated by various uncertainties within an acceptable range of expectations.

Risk Identification

Each management unit identifies potential internal and external risk factors by examining the company's strengths, weaknesses, opportunities, and threats. This will facilitate risk assessment, the development of risk response strategies, and the completion of risk management evaluation records, which will be beneficial for subsequent risk monitoring.

Risk Measurement

The analysis and evaluation of risks are included, considering the probability of risk events occurring under existing preventive measures, and the impact they may have on operations. These risks serve as a reference for determining the priority order and selection of risk control measures in subsequent planning.

Control and Mitigation

After evaluating and summarizing the risks, each management unit should implement appropriate response measures for the risks they encounter. These measures encompass risk avoidance (eliminability), risk reduction (mitigability), risk sharing (transferability), and risk acceptance (tolerability).

Report and Disclosure

The risk management procedures and results should be documented, submitted to the Business Decision-Making Team, and reported to the Board of Directors on an annual basis.

Risk Monitoring

When the level of exposure exceeds their risk limits, the relevant management units should develop appropriate response strategies. These risks and response strategies should then be reported to the higher levels of management.

Risk Identification and Response

Challenges and Responses in 2023

	Type of Risks	Potential Risks	Response Strategies
Environmental Protection	Climate Change Risks	<ul style="list-style-type: none"> With the increasing intensity of extreme weather, severe threats come from typhoons and floods. Damage to Physical Infrastructure by Natural Disasters 	<ul style="list-style-type: none"> In order to prevent any disruption to operations, it is essential to increase investment in disaster prevention, post-disaster facilities maintenance, and energy acquisition. We continue to implement the TCFD Framework for climate-related financial disclosures, identifying risks and opportunities associated with climate change.
	Failure in Climate Change Mitigation and Adaptation	<ul style="list-style-type: none"> Increases in the frequency and intensity of extreme weather events, global impacts, and large-scale single event occurrences. Purchasing carbon offsets, green electricity, or paying a carbon tax is necessary when greenhouse gas emissions has not lowered to standard level. Failure to adequately disclose carbon emissions and reduce emissions could potentially lead to a decrease in customer purchase intent. 	<ul style="list-style-type: none"> To achieve a 40% reduction in carbon emissions by 2030 (Scope 1 & Scope 2), the plans are as follows: <ul style="list-style-type: none"> Introduction of ISO 14064-1: Greenhouse Gas Inventory Introduction of ISO 50001: Energy Management System and energy use monitoring (PDCA) for Scope 2. Establish an energy management system (EMS) to monitor real-time energy usage and effectively manage energy consumption. When planning future construction or expansion projects, consider the potential impacts of climate change on facilities and equipment. Implement internal and external measures to reduce carbon emissions and integrate carbon management into KPI.
	Electricity Supply/ Energy Supply Crisis	<ul style="list-style-type: none"> Power supply interruptions cause operational disruptions. 	<ul style="list-style-type: none"> Establish appropriate Business Continuity Plans (BCP) and conduct regular drills. Implement appropriate measures in accordance with the emergency response operation procedures.
Social Responsibility	Human Resources - Reduction in Workforce	<ul style="list-style-type: none"> Difficulty in recruiting and labor shortages 	<ul style="list-style-type: none"> The plants continue to implement automation to reduce reliance on manual labor. Enhance employee relationship management to stabilize the production workforce. Establish and maintain channels for promoting employer branding.
	Occupational Safety and Health	<ul style="list-style-type: none"> Causing harm and injury to employee health. Damage to environmental equipment and facilities. Damage to company reputation. 	<ul style="list-style-type: none"> The newly established Occupational Safety and Health Management (OSHM) Center will clarify responsibilities and facilitate work plans. Gradually implementing the ISO 45001 management system and conducting regular internal and external audits.

	Type of Risks	Potential Risks	Response Strategies
Economic Development/ Corporate Governance	Debt Crisis (including customers)	<ul style="list-style-type: none"> The client's ability to repay debts may be impacted by debt crises. The likelihood of bad debt from accounts receivable may increase. 	<ul style="list-style-type: none"> Strengthen customer due diligence and credit limit review. Track accounts receivable regularly. Implement a stop-loss mechanism for transactions. For clients with varying credit ratings, negotiations should be initiated by sales team. Additionally, mechanisms such as delaying material preparation and shipment may be employed.
	Information Security Management (including General Data Protection Regulations)	<ul style="list-style-type: none"> Network attacks that cause operational disruptions and damage. When a cybersecurity incident occurs, inadequate crisis response not only incurs subsequent costs but also leads to damage to reputation, loss of future revenue, and customer attrition. The unauthorized disclosure of information can cause harm to the interests of stakeholders and may also be a violation of the law, resulting in penalties. 	<ul style="list-style-type: none"> Improved the cybersecurity environment (software/hardware) Strengthen information security process control in software development. Establish appropriate business continuity plans (BCP) and conduct regular drills. The Group is continuously conducting ISO 27001 implementation to all sites and consistently cultivating information security team. Implement annual information security audits and employee training programs, while improving coverage and completion rates.
	Shaping and Maintaining Corporate Image	<ul style="list-style-type: none"> Improper management or operation can have a detrimental impact on the company's reputation and increase the likelihood of crisis events. 	<ul style="list-style-type: none"> Establish a public relation team to coordinate the division of responsibilities, authority, and content for external communications. Regularly conduct educational programs for external communication and periodically hold educational courses for all employees.

1.4.2 Response Measures

Business Continuity Management

SINBON has implemented a Business Continuity Management (BCM) mechanism and developed a Business Continuity Plan (BCP) to mitigate risks. This allows SINBON to maintain critical business operations in the event of an incident, reducing risks, minimizing operational impact, and shortening recovery time. We will continue to enhance our corresponding BCPs based on various risk topics and improve our ability to respond to emergencies.

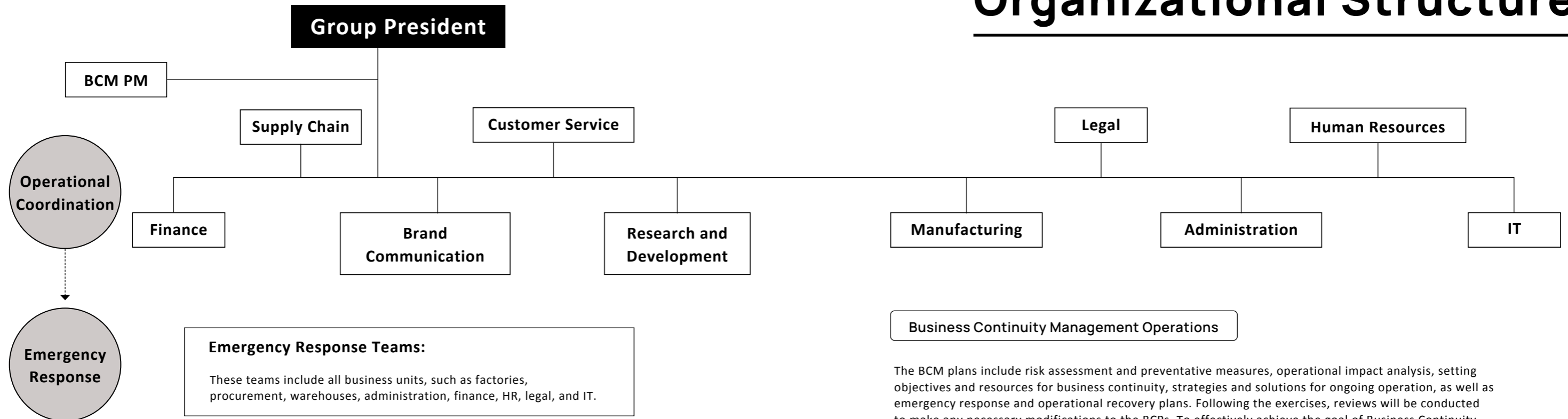
 **Policies**

- Our mission is to provide customers with uninterrupted service.
- Implement BCM and resource integration to ensure the ongoing effectiveness of key operational activities.

 **Target**

- Based on the assessment of risks from different impacts, formulate a business continuity strategy and consistently refine BCPs.
- To expedite the recovery time, create BCPs by simulating and assessing their impact on organizational operations.

Organizational Structure



Business Continuity Management Operations

The BCM plans include risk assessment and preventative measures, operational impact analysis, setting objectives and resources for business continuity, strategies and solutions for ongoing operation, as well as emergency response and operational recovery plans. Following the exercises, reviews will be conducted to make any necessary modifications to the BCPs. To effectively achieve the goal of Business Continuity Management and instill the concept of risk management among colleagues, SINBON adopts a continuous improvement method (Plan-Do-Check-Act, PDCA).

Business Continuity Plans (BCP)

BCP Topic	Key Points of the BCP
Infectious Disease	<ul style="list-style-type: none"> Due to the impact of infectious diseases on supplier and logistics delivery response measures. In response to a simulated scenario of infectious disease, factory employees have developed various contingency measures for key resources.
The supplier encountered an unexpected accident, which led to a shortage of raw materials.	<ul style="list-style-type: none"> Securing multiple sources of supply to rapidly meet demands. Mutual support between different sites, with materials being transferred between factories. Proceed with backup supplier delivery.
Geopolitics	<ul style="list-style-type: none"> Formulate a disaster prevention training plan, ensuring employee safety as a priority. Offsite backup for important information systems. Emergency reserve fund planning.

BCP Topic	Key Points of the BCP
Fire	<ul style="list-style-type: none"> In response to a simulated scenario of fire, factory employees have developed various contingency measures for key resources. Develop protocols for managing fire incidents.
Transportation Disruptions Caused by Natural Disasters	<ul style="list-style-type: none"> The scenario is set as a simulation of transportation disruption caused by typhoon-induced flooding and wind damage. It outlines how teams should respond, and proposes various contingency measures. Implement measures for terrestrial transportation disruptions, such as seeking support from different locations or considering air transport as an alternative solution. Establish an emergency response agent mechanism and provide emergency training.
Earthquake	<ul style="list-style-type: none"> Formulate a disaster prevention training plan, ensuring employee safety as a priority. Establish a list of offsite production locations, equipment inventory, and personnel skills to ensure the feasibility of production transfer.

02

Sustainable Management

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2.1 ESG Committee

2.2 Stakeholder Management

2.3 Information Security

2.4 Customer Relationship

2.5 Sustainable Supply Chain

Annual Results

0

No cases of complaints about infringement of customer privacy

4.63/5.00

Customer satisfaction average score

90/100

Average overall score of critical supplier site audits

4.68/5.00

Supplier satisfaction average score

98%

Compliance with RoHS procurement ratio

2,173 hours

Provision of non-managerial staff information programs

103

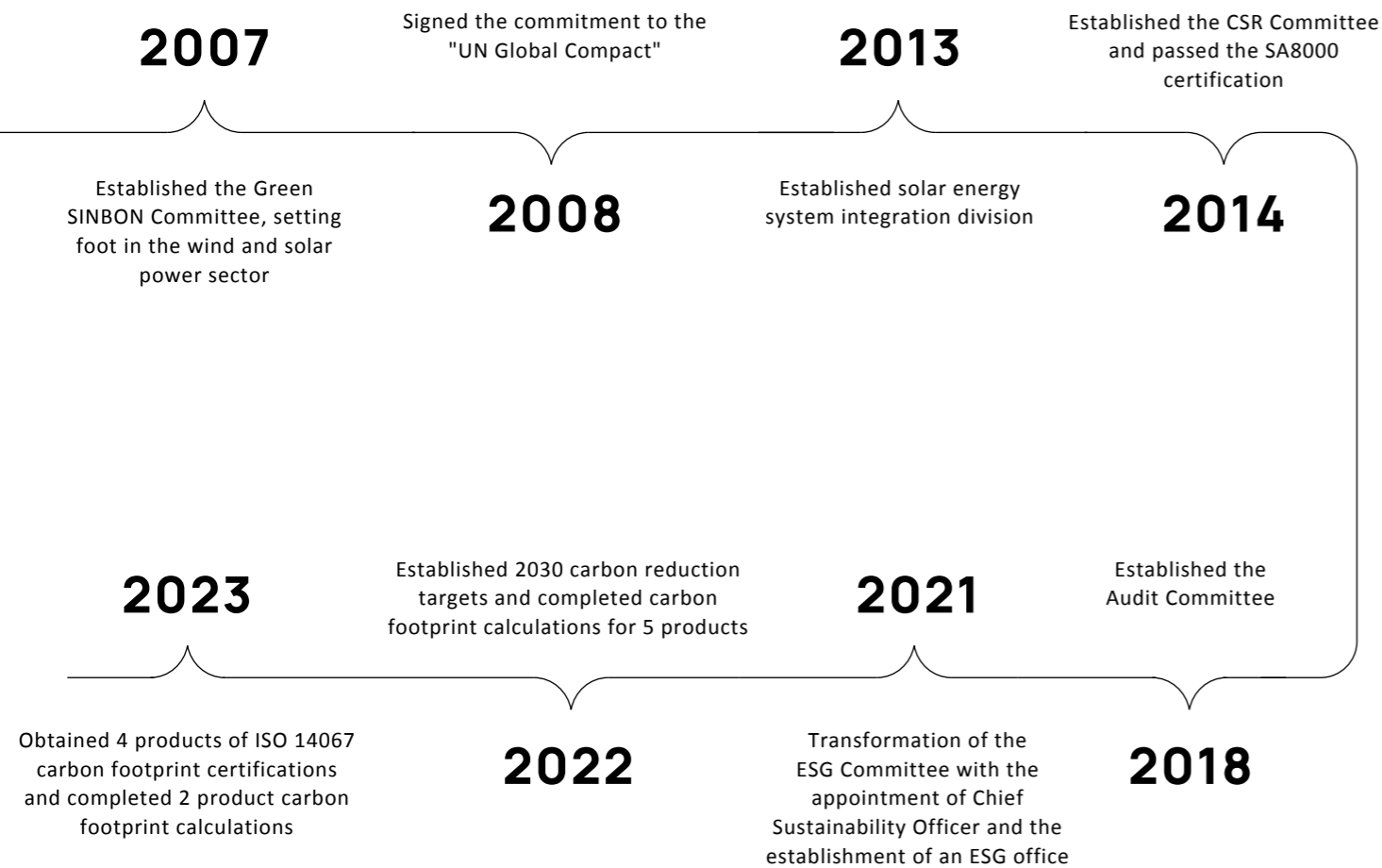
On-site audit of new suppliers with an overall average score of 88.03 (out of a total score of 100)

2.1

ESG Committee

ESG Committee Evolution

Since 2007, SINBON has set up the "Go Green" business policy and continues to cultivate the green industry, and in 2014, it set up the "CSR Committee". In 2021, the existing CSR Committee was restructured into the ESG Committee, with the Chairman of SINBON serving as the Chairman of the Committee. Six sub-committees were established, and the first-level executives served as its presidents. The ESG Committee focuses on corporate governance, digital transformation, green products, environmental sustainability, and employee care and cultivation.



ESG Committee Organization and Policies

ESG Committee

Chairman Joseph Wang

Lead the management team

Sustainable Strategy Division

Chief Sustainability Officer Lily Huang

Coordinate and implement SINBON's sustainable development strategy

Corporate Governance

Executive Vice President Jesse Huang

- Strengthen the structure and operation of the Board of Directors
- Carry out the corporate sustainability assessment and internal control mechanisms
- Activate digital transformation

Green SINBON

Group President Mite Liang

- Research and develop green products
- Renewable energy construction
- Develop Intellectual property patent strategy

Environmental Sustainability

Vice President Cindy Lin

- Carry out corporate carbon reduction pathways practices, including GHG inventories and carbon management
- Disclose TCFD information regularly to manage risks and opportunities on climate change topics
- Develop Employee low-carbon DNA

Sustainable Supply Chain

Vice President Brandon Zou

- Create the ESG ecosystem with supply chain partners
- Manage supplier partnership

Sustainable Partner

Executive Vice President John Wang

- Human rights management
- Create a friendly workplace and cultivate talents
- Lead social care projects

Value Chain Management

Chief Financial Officer Matthew Chang

- Form alliance with value chain partners and advocate common prosperity

Operation of the ESG Committee

- 1 Report annually to the Board of Directors.
- 2 Participate in the ESG Committee meetings 3 times a year.
- 3 Hold monthly sub-committee meetings to review the status of short-, medium- and long-term targets.
- 4 Initiate irregular meetings and project resource communication to respond to current issues, ESG development, etc.

2023 Training Program for Board of Directors and Senior Executives to promote Sustainability Awareness

Course Name	Total Person-Hours of Board Members	Total Attendance of Board Members
Introduction to the Latest Corporate Governance 4.0	3 hours per person	10 individuals
Trade Secret Protection and Fraud Detection Practices	3 hours per person	10 individuals

SINBON followed the GRI Standards for reporting principles and conducted a 6-step deliberation process. In 2023, SINBON implemented an online questionnaire to gain a deeper understanding of the concerns of internal and external stakeholders about the company, and we invited key internal groups to assess the impact on society, environment, and corporate governance. There were 13 material topics for the year. Goals were set to respond to stakeholders and the implementation results were reported to the Board of Directors.

● Material Topics

Corporate Governance	Environmental	Social
● Governance Organization	● Low Carbon Strategy and Operations	● Diversity and Equity
● Integrity and Legal Compliance	● Climate Adaptation and Opportunities	Employee Relations
● Sustainability Communication	● Low Carbon Technology	● Occupational Safety and Health
● Innovation and R&D	Environmental Management	● Remuneration Benefits and Training
● Risk Management	Green Procurement	Community and Charity
● Customer Relationship	Green Factory	
● Supply Chain Management	Water Resources Management	

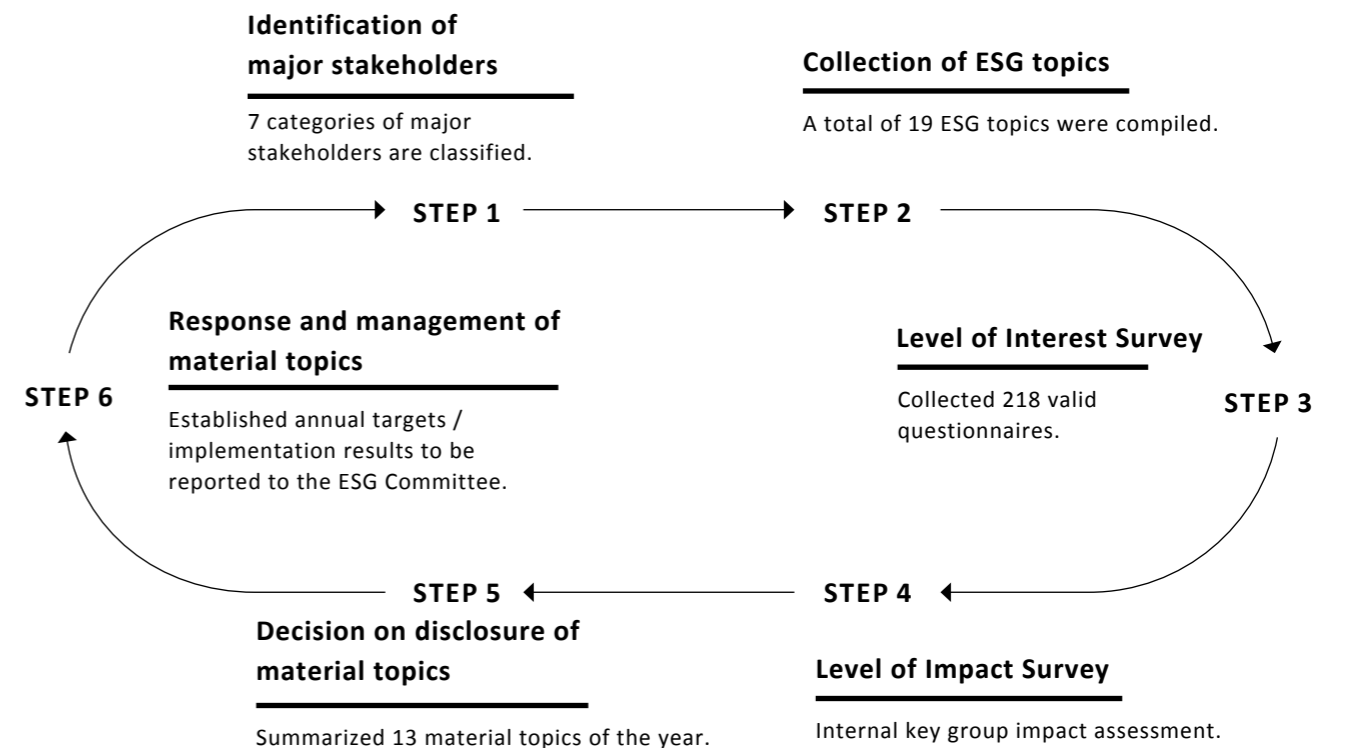
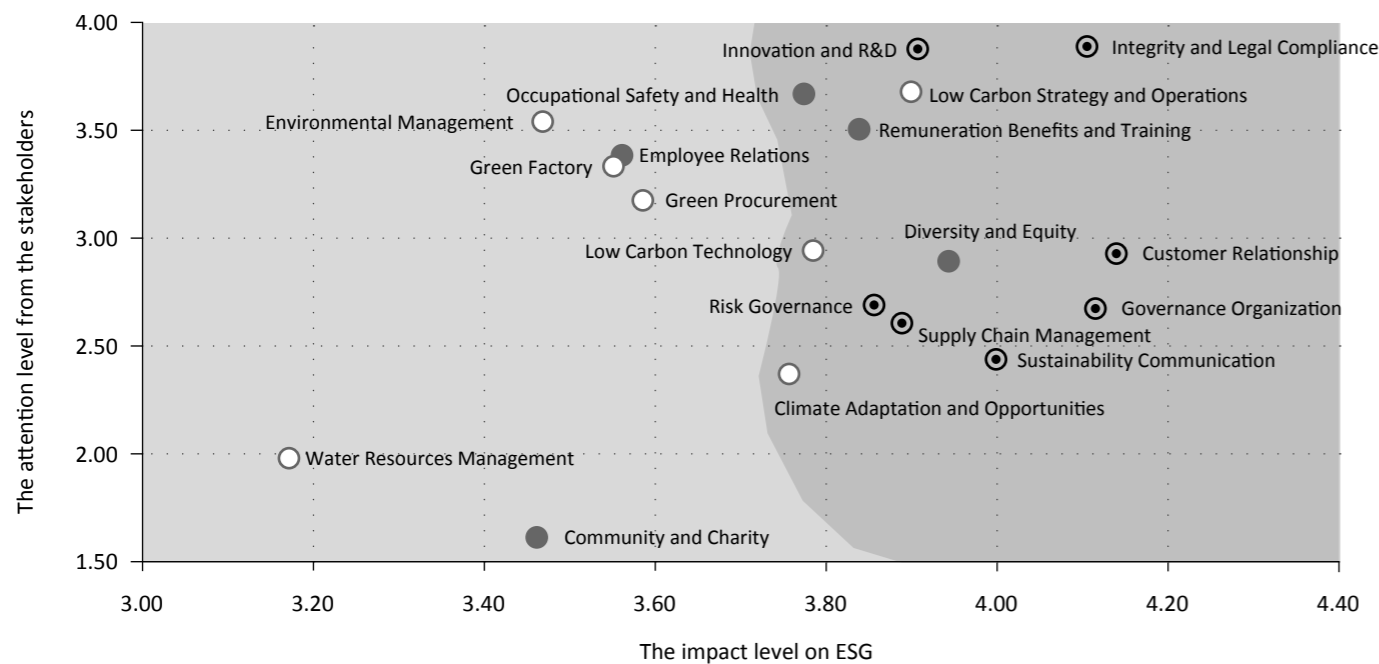
2.2

Stakeholder Management

2.2.1 Identification of Material Topics

○ Corporate Governance
○ Environmental
● Social

Material Topic Identification Process (GRI 2-29, 3-2)










Changes and Differences in Material Topics compared with the Previous Year

In 2023, SINBON consolidated the ESG issues again and performed stakeholder concern and positive and negative impact analyses. Based on the results of the analyses, the five material topics of "Governance Organization", "Risk Governance", "Supply Chain Management", "Climate Adaptation and Opportunities", and "Diversity and Equity" were upgraded. The establishment of a sound corporate governance structure and related processes, as well as risk identification, management mechanisms and the implementation of mitigation measures, will properly safeguard the interests of stakeholders and enhance the ability of SINBON to respond to emergencies.

2.2.2

















Communication Channels











In daily operations, SINBON engages in discussions with various stakeholders through different channels. In addition, we also hope to respond to their concerns and considerations in a more complete manner through this report.

Stakeholders	Meanings to SINBON	Focus on Material Topics	Communication Channels/Frequency	Communication Status in 2023
 Employee	Employees are an important asset and partner of SINBON, and they are the key to driving the company's sustainable operation.	<ul style="list-style-type: none"> • Innovation and R&D • Integrity and Legal Compliance • Remuneration Benefits and Training 	<ul style="list-style-type: none"> • Announcement (irregularly updated) • Physical suggestion box (always available) • Staff symposium (quarterly) • SINBON's diverse communication channels 	<ul style="list-style-type: none"> • Held 28 staff symposiums • Executive grade review program for Headquarters and the Asia-Pacific region • Conducted 127 courses with over 9,000 trainees • Launched internal publication "C'est Bon" • No major labor disputes
 Investor	Investors are an important driving force in supporting SINBON's continuous progress. Through capital investment and participation in corporate governance, SINBON could move forward on the road of sustainable development.	<ul style="list-style-type: none"> • Occupational Safety and Health • Innovation and R&D • Low Carbon Strategy and Operations 	<ul style="list-style-type: none"> • Corporate website (irregularly updated) • Board of Directors (quarterly) • Shareholders' Meeting (at least once a year) • Investor conference (irregular) • Annual report, ESG report (annual) • Market Observation Post System (irregular) • SINBON's diverse communication channels 	<ul style="list-style-type: none"> • Participated in 4 external investor conferences • Held 1 investor conference
 Customer	As a source of revenue, we uphold the spirit of customer-oriented, master the industry trends and develop various products and services to enhance customer trust, and work together to create the company's growth.	<ul style="list-style-type: none"> • Occupational Safety and Health • Integrity and Legal Compliance • Low Carbon Technology 	<ul style="list-style-type: none"> • Corporate website (irregularly updated) • E-mail (always available) • Exclusive services (irregular) • Customer service section (always available) • SINBON's diverse communication channels 	<ul style="list-style-type: none"> • Customer Satisfaction Survey score: 4.63/5.00
 Supplier	Suppliers are the key partners in providing excellent products, and the key to achieving a sustainable supply chain.	<ul style="list-style-type: none"> • Integrity and Legal Compliance • Diversity and Equity • Occupational Safety and Health 	<ul style="list-style-type: none"> • Supplier meeting (irregular) • Written document (irregular) • Desk audit (irregular) • On-site audit (once a year) • SINBON's diverse communication channels 	<ul style="list-style-type: none"> • Held supplier conference • Conducted annual supplier ESG Self-assessment Survey
 Government/ School	With our deep roots in the local community, we cultivate talents and give back to the local community. we work with schools in the vicinity of our operations and follow local regulations and policies to create a good communication environment.	<ul style="list-style-type: none"> • Integrity and Legal Compliance • Innovation and R&D • Occupational Safety and Health 	<ul style="list-style-type: none"> • Official correspondence (irregular) • Telephone/visit communication (irregular) • Conferences (irregular) • Government briefings (irregular) 	<ul style="list-style-type: none"> • 2 industry-academia cooperation projects • Participated in 6 campus job fairs • Volunteer Service Program for English speaking Employee: Hosted 7 sessions of English classes at elementary schools nearby the operation sites
 Media	Media is the bridge between SINBON and our stakeholders, and it's also a partner inspires us to make continuous progress.	<ul style="list-style-type: none"> • Innovation and R&D • Low Carbon Strategy and Operations • Occupational Safety and Health 	<ul style="list-style-type: none"> • Corporate website (irregularly updated) • Newspaper and magazine (irregular) • SINBON's diverse communication channels 	<ul style="list-style-type: none"> • 4 interviews with media • 12 monthly revenue news releases • Long-term cooperation with media • 2 media cooperation events • 5 news release to the media
 Community/ NPO	We uphold the concept of giving back to community and actively invite our employees to volunteer and participate in social care activities to deepen localization, fulfill social citizenship responsibilities, and to create a better society together.	<ul style="list-style-type: none"> • Diversity and Equity • Innovation and R&D • Low Carbon Strategy and Operations 	<ul style="list-style-type: none"> • Corporate website (irregularly updated) • Social charity events (irregular) • SINBON's diverse communication channels 	<ul style="list-style-type: none"> • Invested \$10.67 million • 909 volunteers were engaged

2.2.3 Material Topics Management and Objectives

Material Topics Management Objectives

SDGs	Material Topics	Corresponding Sub-committees of the ESG Committee	KPIs	2023 Implementation Results	Short-term Goals	Medium-term Goals	Long-term Goals
	 Integrity and Legal Compliance	Corporate Governance	Completion rate of training on Code of Conduct for Employees (%)		>85% goal indicator" data-bbox="696 251 736 308"/>		
	 Governance Organization  Sustainability Communication	Value Chain Management	Customer satisfaction survey response rate (%)				
	 Innovation and R&D	Green SINBON	Number of patent applications Green talent trained: 150 employees	The goal for 2023 was 53 cases, with 56 cases applied for, achieving a completion rate of 105.67% Green talent: 372 employees	Patent applications: 54 (2024), 55 (2025); Green talent: more than 150 individuals a year	Patent applications:56 (2026) Green talent: more than 150 individuals a year	Patent applications:TBD; Green talent: more than 150 individuals a year
	 Customer Relationship  Risk Governance	Value Chain Management	Number of customer privacy breaches	0	0	0	0
 	 Low Carbon Strategy and Operations  Climate Adaptation and Opportunities	Environmental Sustainability Green SINBON	Lower carbon emissions in scope 1 and 2 Increase the proportion of renewable energy use	11% reduction in Scope 1 and 2 of emissions in 2022 compared to 2021 Group renewable energy use: 2,044,793 kWh	Reduce emissions in Scope 1 and 2 by 18% in 2025 compared to 2021 Reach RE 30 by 2025	Reduce emissions in Scope 1 and 2 by 40% in 2030 compared to 2021 Reach RE 60 by 2030	Planning for Net Zero Emissions by 2050 Reach RE 100 by 2050

SDGs	Material Topics	Corresponding Sub-committees of the ESG Committee	KPIs	2023 Implementation Results	Short-term Goals	Medium-term Goals	Long-term Goals
 	 Low Carbon Technology	Green SINBON	Number of Product Carbon Footprint ISO 14067 certified pieces	4 products	2 products (2024), Evaluate certification needs based on actual demand (2025)	Evaluate certification needs based on actual demand (2026-2030)	Evaluate certification needs based on actual demand
		Environmental Sustainability	Recycling rate of general business waste	80%	85%	95%	100%
	 Supply Chain Management	Sustainable Supply Chain	RoHS procurement ratio Local procurement ratio	93%	93%	93%	93%
	 Diversity and Equity	Sustainable Partner	Complaint cases – case closure rate (%)	100%	100%	100%	100%
			Employee satisfaction survey - completion rate (%)	71%	70%	70%	70%
	 Occupational Safety and Health	Sustainable Partner	Frequency-Severity Indicator (FSI)	0.19	< 0.19	< 0.19	< 0.15
			Serious occupational accidents - number of cases	0	0	0	0
	 Remuneration Benefits and Training	Sustainable Partner	Participate in market salary surveys conducted by third-party organizations to measure the salary level of the market, and make appropriate salary adjustments for employees once a year	A third-party salary research consultant was commissioned to carry out a grade-level review project. The benchmark jobs in the headquarters and Asia-Pacific region were evaluated, and the Group's job system management practices were adjusted based on the project report.	Procure professional salary survey reports and make recommendations based on internal and external salary comparisons (Asia-Pacific)	Procure professional salary survey reports and make recommendations based on internal and external salary comparisons (Europe/America)	Each of the Group's operating sites regularly participates in salary surveys conducted by more than two consultancy firms
			Employee development programs on SINBON Academy: more than 50 classes and 1,000 trainees per year	Number of classes: 127 Number of trainees: 9,332	More than 70 classes per year, more than 1,400 trainees	More than 90 classes per year More than 1,800 trainees	More than 110 classes per year More than 2,200 trainees

Material Topic Management Policy

Governance

Material Topics	Governance Organization	Integrity and Legal Compliance	Sustainability Communication
Corresponding Chapters	1.1 Operations and Governance	1.2 Compliance and Ethics	2.1 ESG Committee 2.2 Stakeholder Management
GRI Standards	GRI 2-9, GRI 2-10, GRI 2-11	GRI 2-27, GRI 205	GRI 2-16, GRI 2-29
Description of Positive and Negative Impacts	SINBON invests its resources in sustainable development, and at the same time builds a sound corporate governance structure and promotes related work to safeguard the interests of all stakeholders. Inadequate corporate governance may lead to negative impacts such as internal corruption and misconduct, damage to investor trust and shareholders' interests, and damage to corporate image and reputation.	SINBON adheres to the principle of honesty and integrity in its business operations. Through the establishment of good business practices and the observance of ethical norms, SINBON effectively manages corporate risks. In the event of improper interests and illegal activities, the negative impacts would include damage to goodwill, loss of customers, and legal risks.	SINBON promotes the Company's medium- and long-term strategies through the ESG Committee, actively communicates with stakeholders in depth, and establishes good relationships with stakeholders. Failure to maintain stable communication channels with stakeholders may result in misjudgment of value chain requirements, leading to loss of customers, damage to reputation, and other negative impacts.
Direct Impact on the Value Chain	SINBON Customers Investors	SINBON Customers Investors Suppliers	SINBON Customers Investors Suppliers Media
Indirect Impact on the Value Chain	Suppliers, School/Government, Media	School/Government, Media	School/Government, Community/NPOs
Meaning of Material Topics	Pursue sound operational mechanisms such as the composition and operation of the board of directors, the authority and responsibility of management, to reduce the risks of misconduct that may be caused by unsound corporate governance.	Enhance employees' awareness of compliance with laws and regulations and ensure that the operations of the Group's domestic and overseas companies comply with changes in domestic and international regulations.	The seven categories of stakeholders are important partners of the company and are fundamental to the sustainability of the company in the face of increasing ESG-related expectations and demands.
Policies and Commitments	SINBON pursues a well-established operating mechanism and complies with the relevant rules and regulations in its corporate governance operations and continues to strengthen the functions of the Board of Directors and realize the diversity of its members.	Pay attention to the relevant laws and regulations (including but not limited to import and export, environmental protection, and labor rights related laws and regulations, etc.) of the locations of the Group's domestic and overseas offices.	While pursuing economic performance, we also actively respond to the feedback and needs of various stakeholders and work together with internal and external parties to promote the sustainable operation of the company.
Responsibilities and Resources	<ul style="list-style-type: none"> Promoted by the Corporate Governance Sub-Committee of the ESG Committee The performance of each sub-committee is included in the annual performance evaluation 	<ul style="list-style-type: none"> Promoted by the Corporate Governance Sub-Committee of the ESG Committee The performance of each sub-committee is included in the annual performance evaluation 	<ul style="list-style-type: none"> Promoted by the Value Chain Management Sub-Committee of the ESG Committee The performance of each sub-committee is included in the annual performance evaluation
Action Plans	<ul style="list-style-type: none"> Establish and comply with the corporate governance rules and codes of practice The Board of Directors regularly tracks the implementation of sustainability policies 	<ul style="list-style-type: none"> Establish and comply with the Ethical Management Code of Conduct, and establish a control mechanism for the update of international laws Implement integrity and legal compliance education and training 	<ul style="list-style-type: none"> Set up ESG Committee, medium- and long-term goals, and a mechanism to measure results Actively communicate with stakeholders, manage and respond immediately to enhance recognition
Communication/ Complaint Mechanisms	<ul style="list-style-type: none"> The "Spokesperson" is responsible for handling reports from shareholders, investors and other interested parties The "Audit Office" is responsible for handling reports from employees, external directors, customers, suppliers, and contractors (e-mail intergrity@sinbon.com) 	<ul style="list-style-type: none"> The "Spokesperson" is responsible for handling reports from shareholders, investors and other interested parties The "Audit Office" is responsible for handling reports from employees, external directors, customers, suppliers, and contractors (e-mail intergrity@sinbon.com) 	Stakeholders who have any concerns about the contents of this report may contact the Sustainable Strategy Division via e-mail (csr@sinbon.com). For details of the communication channels and frequency, please refer to the instructions in this section
Communication/ Complaint Responses in 2023	<ol style="list-style-type: none"> 1 reported case occurred The handling of the reported case has been completed, and after investigation, the internal control procedures have been adjusted to improve the relevant management 	<ol style="list-style-type: none"> 1 reported case occurred The handling of the reported case has been completed, and after investigation, the internal control procedures have been adjusted to improve the relevant management 	Regularly reviewed/adjusted medium- and long-term goals and continuously tracked achievement

Governance

Material Topics	Innovation and R&D	Risk Governance
Corresponding Chapters	1.3 Innovative R&D Technology Capabilities	1.4 Risk Management
GRI Standards	SINBON customized topic	GRI 2-12, GRI 2-13
Description of Positive and Negative Impacts	<p>We continue to accumulate innovative R&D energy to transform trends and demands into product solutions, creating a win-win situation for both our customers and SINBON. Low-carbon design improvements in products and packaging materials increase product performance and reduce carbon emissions.</p> <p>Without continuous innovation and R&D, there may be negative impacts such as delayed technological innovation, and damage to corporate image.</p>	<p>SINBON establishes risk identification and management mechanisms and implements mitigation measures to protect the interests of employees, shareholders, partners and customers and information security to reduce risks and enhance emergency response capability, which has a positive impact.</p> <p>Lack of risk management planning may result in missed opportunities for early identification, effective supervision and control of risks, leading to negative impacts.</p>
Direct Impact on the Value Chain	SINBON Customers Investors	SINBON Customers Investors Suppliers
Indirect Impact on the Value Chain	–	Media
Meaning of Material Topics	To respond to the changing market environment, we will continue to promote product design innovation and production technology innovation to maintain the growth momentum and competitiveness of the enterprise.	Through comprehensive risk identification, management mechanisms and measures, we can continue to operate in a changing environment, minimize risks and increase the value of our company.
Policies and Commitments	Focus on industry development trends, cultivate talents through specialized units, protect the Group's R&D achievements through the patent system, and maintain SINBON's advantage of one-stop integrated services of design, R&D, manufacturing and assembly.	SINBON establishes a comprehensive risk identification, governance system and information security policy to protect the interests of stakeholders.
Responsibilities and Resources	<ul style="list-style-type: none"> • Promoted by the Green SINBON Sub-Committee of the ESG Committee • The performance of each sub-committee is included in the annual performance evaluation 	<ul style="list-style-type: none"> • Promoted by the Corporate Governance Sub-Committee of the ESG Committee • The performance of each sub-committee is included in the annual performance evaluation
Action Plans	<ul style="list-style-type: none"> • Invest in R&D • Create a layout for innovation competitiveness and patents • Improve manufacturing 	<ul style="list-style-type: none"> • Oversee the Group's risk management process through the Audit Committee • Regular review of the formulation and implementation of information security policies
Communication/ Complaint Mechanisms	<ul style="list-style-type: none"> • Keep track of the situation through the Green SINBON sub-committee • If there are new needs or unexpected situations, they will be discussed and reviewed from time to time 	<ul style="list-style-type: none"> • The "Spokesperson" is responsible for handling reports from shareholders, investors and other interested parties • The "Audit Office" is responsible for handling reports from employees, external directors, customers, suppliers, and contractors (e-mail intergrity@sinbon.com)
Communication/ Complaint Responses in 2023	<ol style="list-style-type: none"> 1. Green SINBON held sub-committee meetings regularly to share project developments 2. Organized regular green sharing sessions on low carbon design, such as green packaging materials and innovative R&D 	<ol style="list-style-type: none"> 1. 1 reported case occurred 2. The handling of the reported case has been completed (after investigation, the internal control procedures have been adjusted to improve the relevant management)

Governance

Material Topics	Customer Relationship	Supply Chain Management
Corresponding Chapters	2.4 Customer Relationship	2.5 Sustainable Supply Chain
GRI Standards	GRI 416, GRI 418	GRI 414
Description of Positive and Negative Impacts	<p>Good cooperation with customers helps SINBON to improve customer satisfaction and expand its customer base, thereby enhancing its competitiveness and market share, and has a positive impact on revenue and reputation.</p> <p>Poor customer relationship management will have a negative impact, for example, if customer complaints are not effectively resolved, customer satisfaction may be reduced and customers may switch to other competitors, which may indirectly result in a loss of revenue.</p>	<p>Supply chain management is critical to brand image. SINBON has set up a code of conduct for suppliers and is working together to promote carbon reduction and conduct supplier training programs to strengthen the positive and sustainable value of the entire supply chain.</p> <p>The risks associated with poor supply chain management can result in higher costs, production disruptions, human rights violations, and improper benefits.</p>
Direct Impact on the Value Chain	SINBON Customers	SINBON Suppliers
Indirect Impact on the Value Chain	Investors Suppliers Community/NPOs	Investors Customers Community/NPOs
Meaning of Material Topics	Gaining customer recognition and trust is the key to long-term and stable profits. By building good customer relationships, we can maintain sustainable growth momentum and enhance our core competitiveness.	Through diversified communication and counselling mechanisms, we gradually achieve mutual growth with our suppliers and create a mutually beneficial and win-win cooperation model.
Policies and Commitments	Pay attention to customer industry trends, actively respond to customer needs, provide high-quality customer service, and create a win-win situation in the technical and product cooperation.	SINBON sets up a code of conduct for suppliers and require our suppliers to sign a Supplier Corporate Social Responsibility Commitment Letter and a Supplier Integrity Commitment Letter.
Responsibilities and Resources	<ul style="list-style-type: none"> • Promoted by the Value Chain Management Sub-Committee of the ESG Committee • The performance of each sub-committee is included in the annual performance evaluation 	<ul style="list-style-type: none"> • Promoted by the Sustainable Supply Chain Sub-Committee of the ESG Committee • The performance of each sub-committee is included in the annual performance evaluation
Action Plans	<ul style="list-style-type: none"> • Manage customer data protection • Response to customer questionnaires effectively • Handle quality issues and customer complaint 	<ul style="list-style-type: none"> • Establish supplier criticality assessment mechanism and conduct annual critical supplier on-site audits • Conduct supplier RBA SAQ • Identification of conflict minerals risks and mitigation measures
Communication/ Complaint Mechanisms	<ul style="list-style-type: none"> • Annual customer satisfaction survey • Immediate communication and response from business units • Official website 	<ul style="list-style-type: none"> • Keep track of the situation through the Sustainable Supply Chain sub-committee • The "Audit Office" is responsible for handling reports from employees, external directors, customers, suppliers, and contractors (e-mail intergrity@sinbon.com)
Communication/ Complaint Responses in 2023	<ol style="list-style-type: none"> 1. Number of customer privacy breaches: 0 2. Conducted a customer satisfaction survey in 2023 and shared the results with all units 3. No product recalls in 2023 	<ol style="list-style-type: none"> 1. Organized regular supplier conferences 2. Annual supplier survey (sustainability Self-assessment Survey) 3. Drafting of the 2024 sustainable supply chain forum: climate issues and corporate carbon reduction trends

Environmental

Material Topics	Low Carbon Technology	Climate Adaptation and Opportunities	Low Carbon Strategy and Operations
Corresponding Chapters	1.3 Innovative R&D Technology Capabilities 3.4 Green Design of Products	3.1 Climate Change Risks and Opportunities Management	3.2. Low Carbon Operations Management
GRI Standards	GRI 201	GRI 201	GRI 201, GRI 305
Description of Positive and Negative Impacts	The development of low-carbon related technologies, green products and sustainable business opportunities is a key foundation for SINBON's competitiveness and long-term operations, which may lead to positive impacts on the environment. Lack of relevant technologies may increase the negative impact on the environment.	SINBON focus on annual stocktaking of climate-related risks and opportunities to assess financial impacts and sets management objectives and effectiveness mechanisms to increase operational resilience. Failure to assess and prioritize climate-related risks could result in negative environmental impacts.	SINBON sets the Group's carbon reduction targets, plans its energy policy, and advocates and communicates externally to promote sustainable business operations. Failure to properly implement low-carbon operations will increase operating costs and have a negative impact on the economy and the environment.
Direct Impact on the Value Chain	SINBON Customers Investors	SINBON Customers Investors Suppliers	SINBON Customers Investors Suppliers
Indirect Impact on the Value Chain	–	Media Community/NPOs	School/Government
Meaning of Material Topics	In response to the global climate change trend, the development of low carbon technology will be the key to maintain SINBON's competitiveness.	Focus on the challenges posed by global climate change and proactively manage climate-related risks and opportunities to enhance operational resilience.	SINBON expands globally and incorporates low carbon strategy into the core of the Group's operation to create a sustainable foundation for a centennial enterprise.
Policies and Commitments	Develop low carbon related technologies and green products to grasp sustainable business opportunities.	SINBON uses TCFD as a management framework to grasp the risks and opportunities of climate change and disclose the progress regularly.	Implement the Group's greenhouse gas inventory, set the Group's carbon reduction targets, and implement a low carbon transformation to promote sustainable operations.
Responsibilities and Resources	<ul style="list-style-type: none"> Promoted by the Green SINBON Sub-Committee of the ESG Committee The performance of each sub-committee is included in the annual performance evaluation 	<ul style="list-style-type: none"> Promoted by the Environmental Sustainability Sub-Committee of the ESG Committee The performance of each sub-committee is included in the annual performance evaluation 	<ul style="list-style-type: none"> Promoted by the Environmental Sustainability Sub-Committee of the ESG Committee The performance of each sub-committee is included in the annual performance evaluation
Action Plans	<ul style="list-style-type: none"> Green product design and competence training Sustainable revenue and financial benefits 	<ul style="list-style-type: none"> Implement TCFD management framework Implement process improvement and energy saving measures Regular training for managers and related personnel 	<ul style="list-style-type: none"> Set Group carbon reduction targets Greenhouse gas inventory system introduction Formulate environmental and energy policies and carbon reduction actions
Communication/ Complaint Mechanisms	<ul style="list-style-type: none"> Keep track of the situation through the Green SINBON sub-committee Internal information sharing 	<ul style="list-style-type: none"> Keep track of the situation through the Environmental Sustainability sub-committee An internal contact with a dedicated line for employees to report on environmental matters Participate in community committee meetings regularly and respond to external environmental safety related enquiries 	<ul style="list-style-type: none"> Keep track of the situation through the Environmental Sustainability sub-committee Regularly present the progress of GHG inventories to the Board of Directors Participate in community committee meetings regularly and respond to external environmental safety related enquiries
Communication/ Complaint Responses in 2023	<ol style="list-style-type: none"> Organized regular Green SINBON sub-committee meetings to share project developments status Organized regular green sharing sessions on low carbon design such as green packaging materials and innovative R&D 	<ol style="list-style-type: none"> Reported regularly to the Board of Directors on TCFD related issues Regularly reported the results of the current year's climate-related risk and opportunity identification in meetings with management Established a database of climate-related risk and opportunity identification 	<ol style="list-style-type: none"> Regularly presented the progress of the GHG inventory to the Board of Directors Promoted ISO 50001 energy management system and actively responded to energy management issues Combined internal and external resources to formulate and implement renewable energy use plans

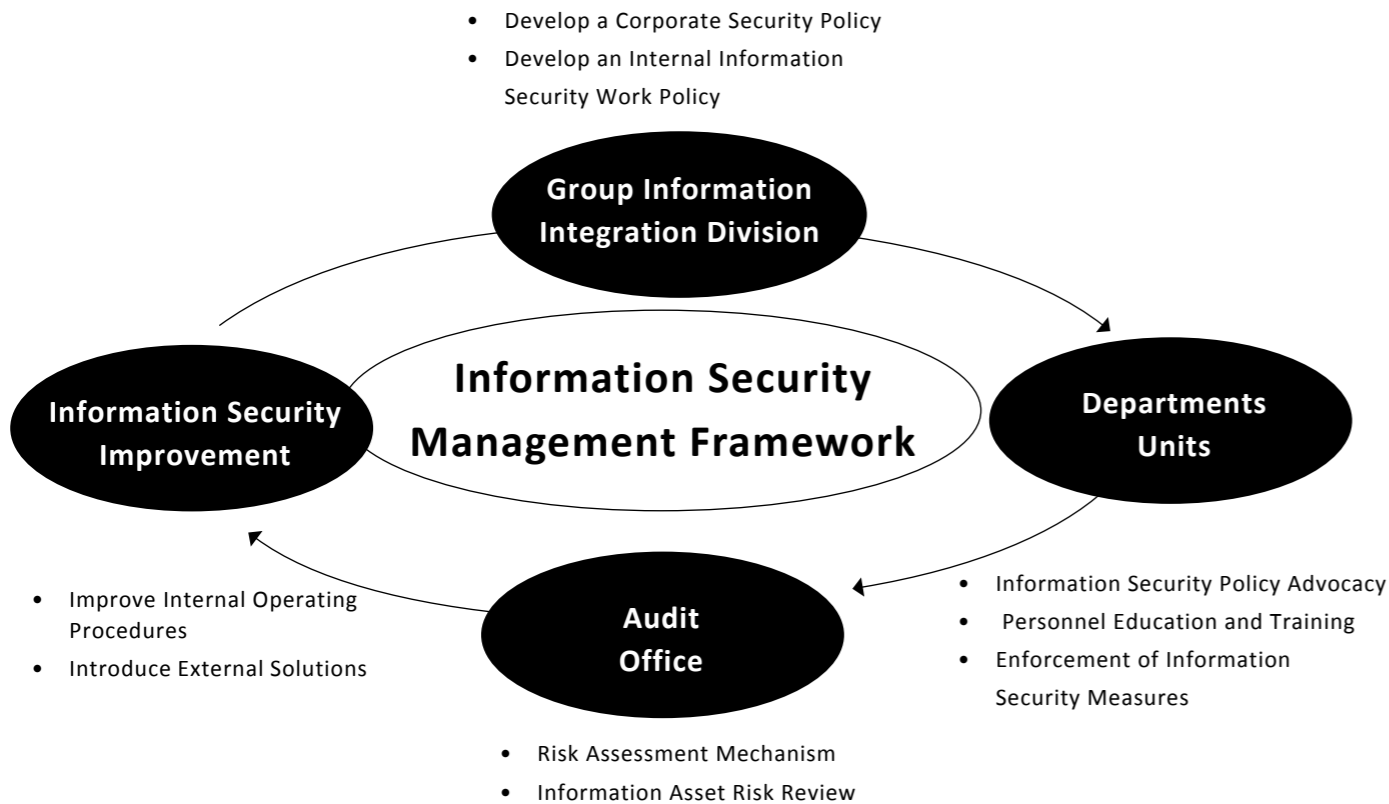
Material Topics	Diversity and Equity	Occupational Safety and Health	Remuneration Benefits and Training
Corresponding Chapters	4.1 Talent Attraction and Retention	4.4 Occupational Safety and Health	4.1 Talent Attraction and Retention 4.2 Talent Development
GRI Standards	GRI 405	GRI 403	GRI 404, GRI 405
Description of Positive and Negative Impacts	SINBON cares about and implements the spirit of DEI to create a gender-friendly, equal hiring and promotion workplace environment. If the system fails to account for diversity and equity, the possible negative impacts may include damage to employees' rights and interests, or a decrease in employees' commitment to the organization.	Employees are important human capital for the company. SINBON continues to build a safe working environment and implement an occupational safety management system to promote the positive impacts of employees' physical and mental health. Any occupational health and safety incidents will result in loss of human capital or reduced productivity.	Providing employees with fair and comprehensive remuneration packages and policies has a positive impact on attracting talent to join and stay in the company, enhancing the company's competitiveness. Without a comprehensive remuneration and training system, the possible negative impacts include brain drain and reduced employee commitment to the organization.
Direct Impact on the Value Chain	SINBON Media	SINBON Suppliers	SINBON Investors
Indirect Impact on the Value Chain	Customers Investors School/ Government	Customers Community/NPOs	–
Meaning of Material Topics	Protecting diverse values not only protects employees' rights, but also builds a good employer brand.	To protect employers' and employees' rights at the same time, promoting a safe and friendly working environment should be a key concern.	Employees are SINBON's key capital and the driving force for innovation and growth. Providing reasonable remuneration policies can attract talents.
Policies and Commitments	SINBON is committed to promoting a diverse, fair, and inclusive corporate culture, and does not discriminate against individuals based on race, class, gender, or any other unfair treatment.	SINBON formulates the "Occupational Safety and Health Policy", committing itself to providing a safe and healthy working environment for its employees.	SINBON's three HR values - "Build a sustainable talent management supply chain", "Create common value of SINBON", and "Establish a smart and easy-to-use service platform" - guide the short- and medium-term HR strategies.
Responsibilities and Resources	<ul style="list-style-type: none"> • Promoted by the Sustainable Partner Sub-Committee of the ESG Committee • The performance of each sub-committee is included in the annual performance evaluation 	<ul style="list-style-type: none"> • Promoted by the Sustainable Partner Sub-Committee of the ESG Committee • The performance of each sub-committee is included in the annual performance evaluation 	<ul style="list-style-type: none"> • Promoted by the Sustainable Partner Sub-Committee of the ESG Committee • The performance of each sub-committee is included in the annual performance evaluation
Action Plans	<ul style="list-style-type: none"> • DEI topic training • Focus on employee rights and adjust policies based on feedback from employee meetings • Support domestic and international human rights initiatives 	<ul style="list-style-type: none"> • Implement and execute the ISO 45001 Occupational Health and Safety Management System • Conduct occupational hazard risk management and injury prevention • Promote health promotion mechanisms 	<ul style="list-style-type: none"> • Fair and complete remuneration and policy • Fair performance management system • Employee career development and succession
Communication/ Complaint Mechanisms	<ul style="list-style-type: none"> • Keep track of the situation through the Sustainable Partner Sub-Committee 	<ul style="list-style-type: none"> • Keep track of the situation through the Sustainable Partner Sub-Committee • Regularly organize Occupational Safety and Health Committee meeting • Cooperate with the complaint mechanism to respond to occupational safety and health issues 	<ul style="list-style-type: none"> • Keep track of the situation through the Sustainable Partner Sub-Committee
Communication/ Complaint Responses in 2023	<ol style="list-style-type: none"> 1. Published articles on the internal company website (a total of 5 articles) 2. Conducted in-person and online training courses (a total of 2 courses) 	<ol style="list-style-type: none"> 1. Regular quarterly occupational safety and health meetings (4 in total) 2. Promoted the rewarding mechanism for reporting false alarms to encourage and guide all employees to pay attention to safety issues (12 reports in total) 3. Launched the EAP and introduced external resources to provide diversified assistance to employee (12 attendances in total) 	<ol style="list-style-type: none"> 1. A third-party salary research consultant was commissioned to carry out a job level review project. This involves evaluating benchmark positions at the headquarters and in the Asia-Pacific region, and adjusting the group's job grading system 2. 100% completion of employee goal setting and performance appraisals 3. Conducted 127courses with over 9,000 trainees

2.3

Information Security

2.3.1 Information Security Management Framework

- Establish Information Security Committee and management structure, train information security team members and promote the group's ISO 27001 standard.
- The information security authority is the Group Information Integration Division, which is responsible for formulating internal information security policies and promoting and implementing information security policies.
- The supervisory unit of information security is Audit Office, which is responsible for the implementation of internal information security, proposing related improvement plans.

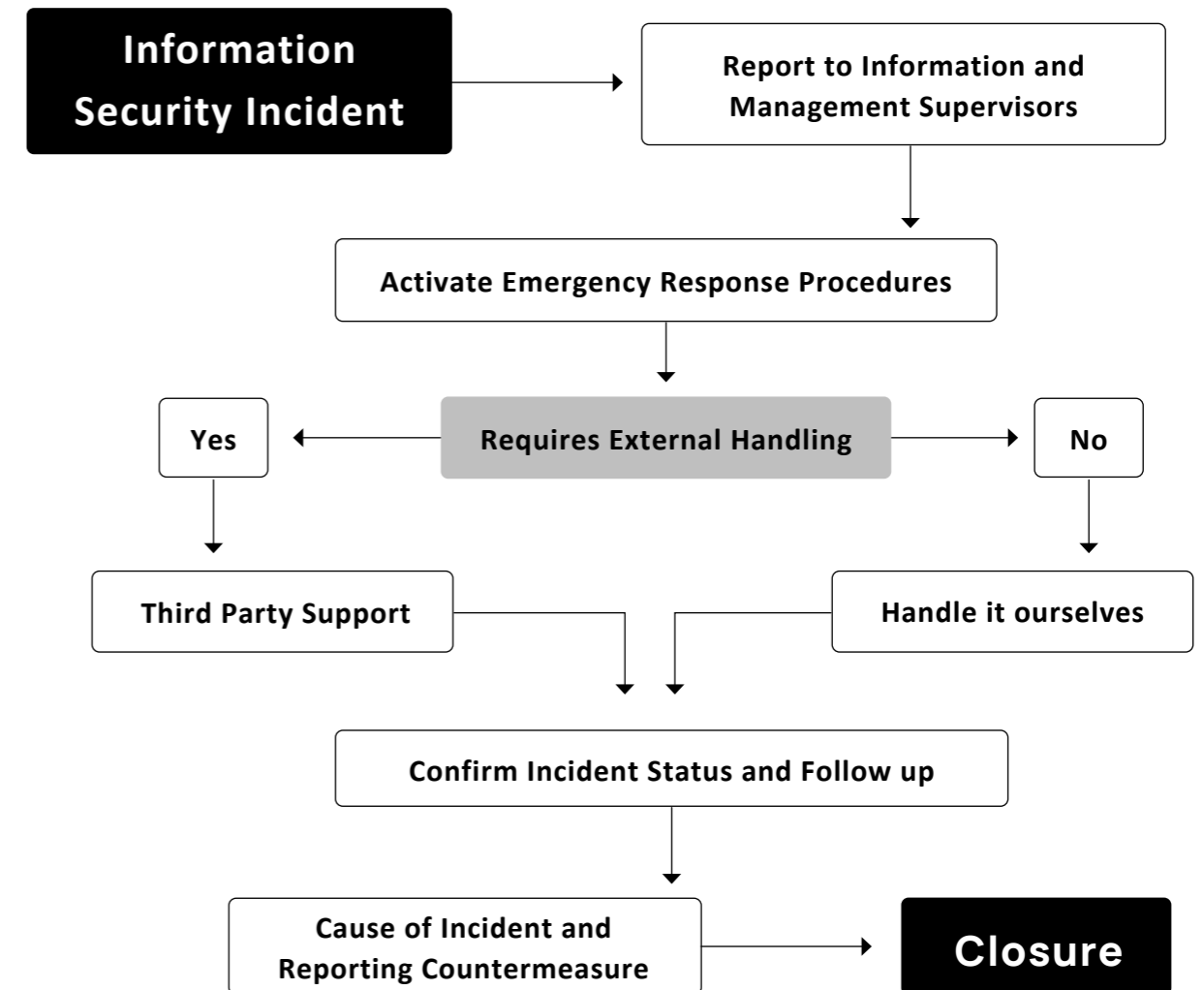


2023 Information Security Implementation Status

- No major information security incidents occurred in 2023
- Obtained ISO/IEC 27001 information security certification
- Scheduled a total of 2,173 hours of information security-related training courses in 2023
- We will continue to optimize the information security policy by upgrading hardware equipment, identifying security vulnerabilities annually, proposing improvement measures and implementing them in practice.

2.3.2 Information Security Incident Reporting Procedure

The company's information security incident reporting procedure is as follows:



SINBON's Commitment to Customer and Employee Information Security - ISO/IEC 27001:2013 Certified

In 2023, SINBON has committed to maintaining a high level of information security standards and signing Non-Disclosure Agreements (NDAs) with our customers to ensure that our customers and employees are protected from any information security risks. SINBON recognizes the importance of information security to our business, we actively invest in human and technical resources to ensure that our information systems remain robust and reliable in an increasingly complex environment.

In June 2023, SINBON was awarded the ISO/IEC 27001:2013 Information Security Management System (ISMS) certification by SGS United Kingdom Ltd. as part of our commitment to security and as a reward for the trust of our customers and employees.



2.4

Customer Relationship

2.4.1 Group Strategy

SINBON provides customers with cable, circuit boards, and box build assembly solutions. SINBON has been working in the industry for more than 30 years, with products in the medical and healthcare, automotive and aviation, green energy, industrial applications, and communication-related industries. To provide customers with a better cooperation experience, we offer turnkey services for customized design, manufacturing and testing of high-end cables, printed circuit board assemblies (PCBAs) and box build products.

At the same time, SINBON takes "Integrity, Innovation and Sharing" as its business philosophy and aims to become a centennial enterprise with sustainable foundation. SINBON will continue to enhance the quality of its decision-making process through the transparency of information and implement sustainable development into business operations, meaning a change from "do the MAGIC+" to "do the MAGIC ∞". With customer-oriented spirits, 34 of SINBON's top 100 customers have been cooperating with SINBON for more than 10 years in 2023.

In 2023, 34 of SINBON's top 100 customers have been cooperating with SINBON for more than 10 years in 2023.

SINBON's Commitment to Customer Service



Turnkey Service



Quick Response to Customer Needs



Value-added Service



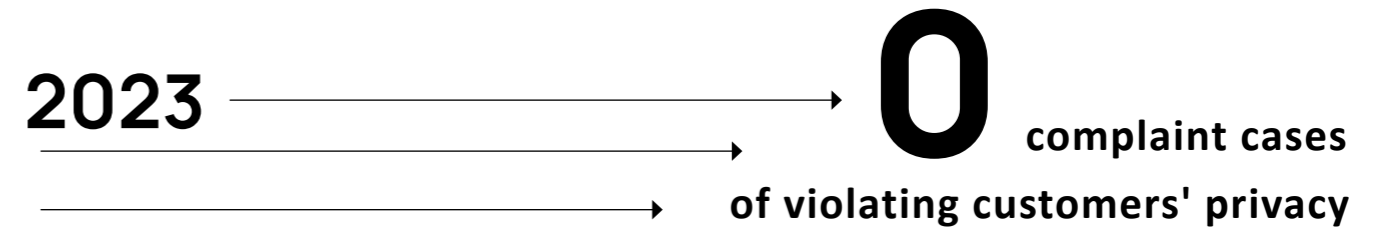
High Quality Standards



Time Management

2.4.2 Customer Privacy

SINBON has signed Non-Disclosure Agreements (NDAs) with its customers and suppliers to specify the target and scope of documents that can be used, and to ensure that the customer information is not provided to non-business related third parties, and the internal management of customer information is through the confidential document management system, which is designed to distinguish customer information according to the permissions. In 2023, we did not have any complaint cases of violating customers' privacy.



SINBON has also set up an information security committee to ensure strict internal information security control and systematic prevention of hackers and other intrusions to maintain the stability and security of corporate operations. In terms of web browsing policy, SINBON will further optimize customer privacy management in the future to ensure that customers' privacy is securely protected. We recognize the importance of customer privacy and are always striving to improve our standards to meet the evolving needs of data security. Please refer to [2.3 Information Security](#) for details.

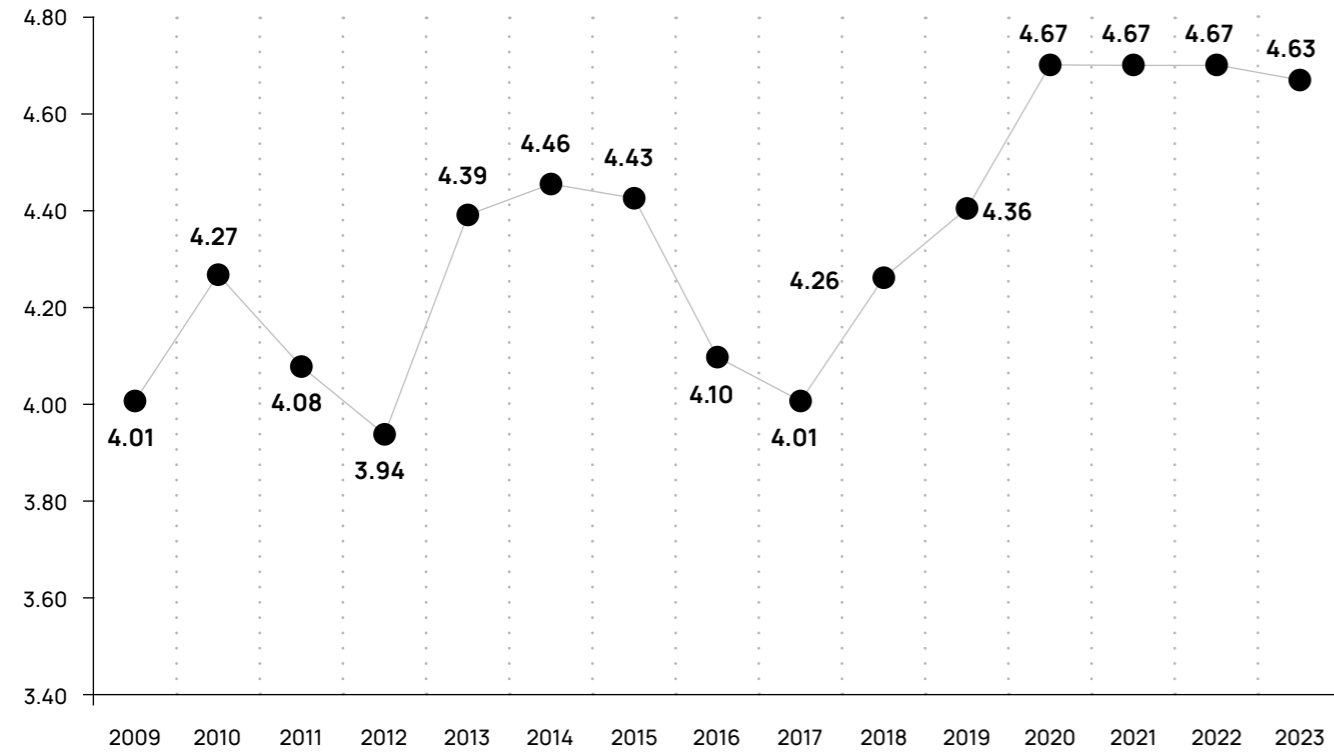
2.4.3 Customer Service and Communication

Customer Satisfaction

To better understand customers' feedback on product quality, service, technology, price, and delivery, SINBON conducts "Customer Satisfaction Surveys" annually. In 2023, we conducted a customer satisfaction survey on three major services of research and development integration, agency sales and solar energy system integration, and the response rate of the survey reached 100%, with the overall customer satisfaction score of the Group reaching an average of 4.63. The feedback showed that the performance of SINBON's service, quality and delivery was superior to those of its peers, and that SINBON will draw up operation optimization strategies based on the feedback provided by its customers.

2019	2020	2021
4.36	4.67	4.67
2022	2023	
4.67	4.63	

Customer Satisfaction Survey Results



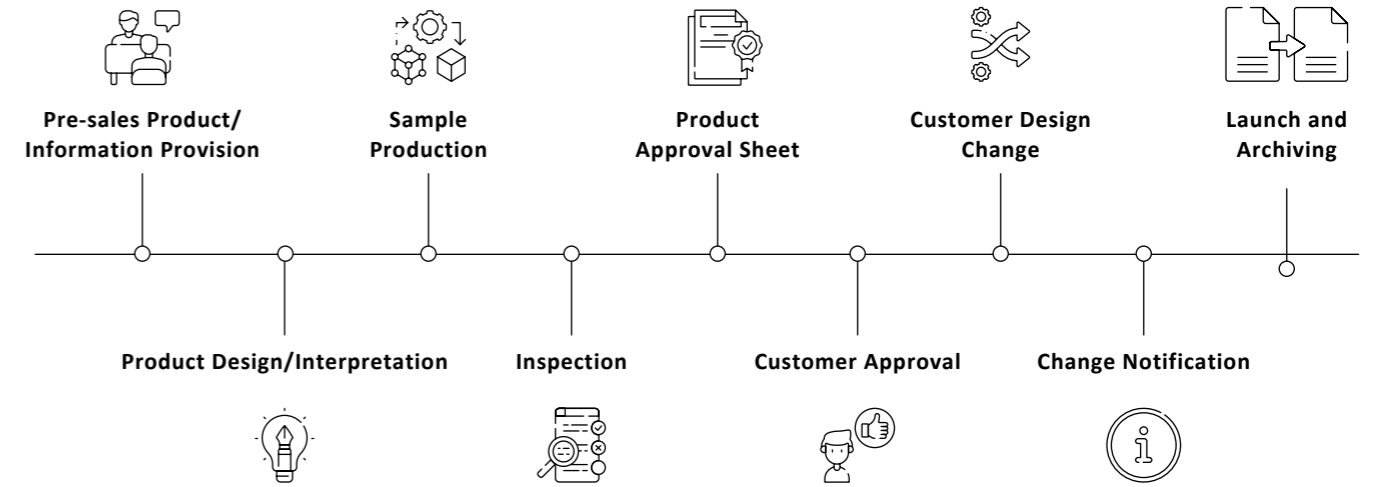
SINBON Recognized at the ASML Supplier Day Asia 2023

SINBON was awarded at the ASML Supplier Day Asia 2023 in recognition of SINBON's continuous efforts to actively promote the shortening of material lead times and the localization of raw materials, not only in the pursuit of product delivery, but also in the optimization of the production process to achieve shorter lead times. SINBON will continue to pursue quality, efficient production and customized professional services, and will work together with ASML to create a better future.

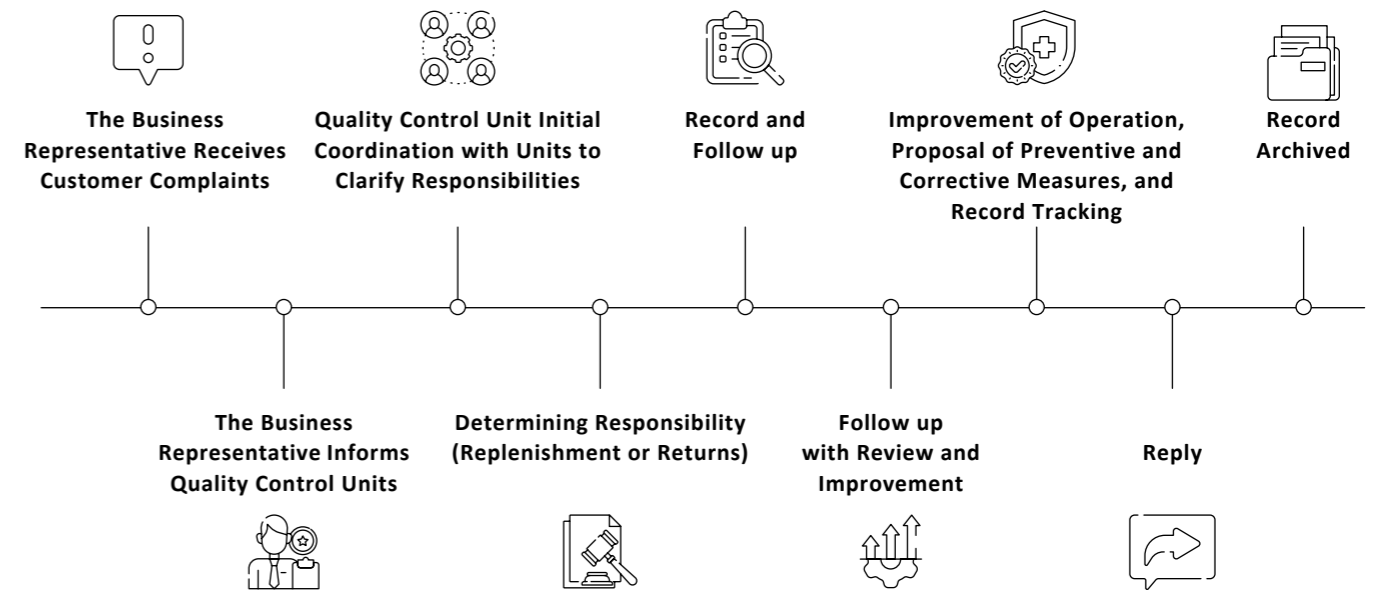
Customer Complaint Management

To improve customer satisfaction, SINBON will take corrective action and develop preventive measures when we finds continuous or significant deficiencies. SINBON accepts customer complaint cases ranging from pre-sales design and provision of quality assurance information to post-sales product change requirements. Also, SINBON assists customers in resolving issues in accordance with the following sample manufacturing and complaint management processes. In 2023, we did not have any product or service violations of health and safety regulations or customer complaints.

Sample Manufacturing Procedure



Customer Complaint Management Procedure



Product Returns and Exchanges

If SINBON receives notification from customers or discovers non-conformity of sold products during internal control, the quality control department will take the lead in analyzing and tracing the information of raw materials, manufacturing process and shipment of the non-conforming products, and then recall all non-conforming products after confirming the problem. SINBON will notify all parties involved as soon as possible when it discovers non-conformity, and provide timely reports of the non-conforming products. SINBON had no product recall cases in 2023.

2.5

Sustainable Supply Chain

SINBON's supplier partners primarily consist of manufacturers and agents. SINBON integrates the "Go Green" spirit throughout its supply chain management and focuses on four main areas: raw material management, local procurement, supplier communication, and supply chain social responsibility management. The company aims for close collaboration with suppliers, fostering continuous growth through diverse communication and support mechanisms. This approach aims to achieve mutual growth and create a cooperative model of mutual benefit with suppliers.

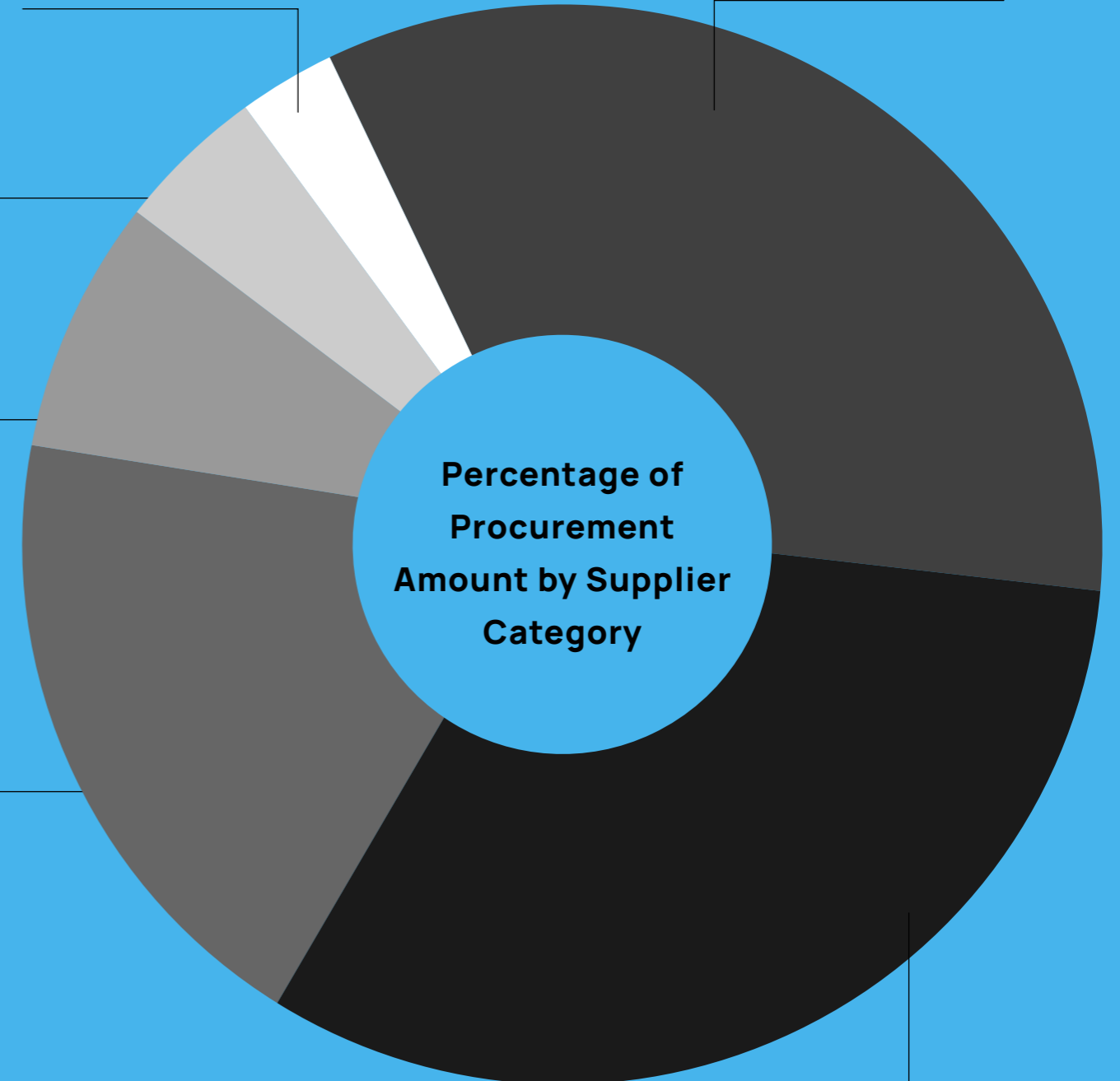
Packaging and auxiliary materials
4.6%

Plastic parts
7.8%

Electronic parts
19.1%

Metal parts
3.0%

Connectors
33.9%



Supplier Overview

SINBON's suppliers are divided into six categories: metals, connectors, plastics, electronic components, packaging and auxiliary materials, and cables. In 2023, SINBON had transactions with a total of 2,299 suppliers, of which more than 90% are from Asia.

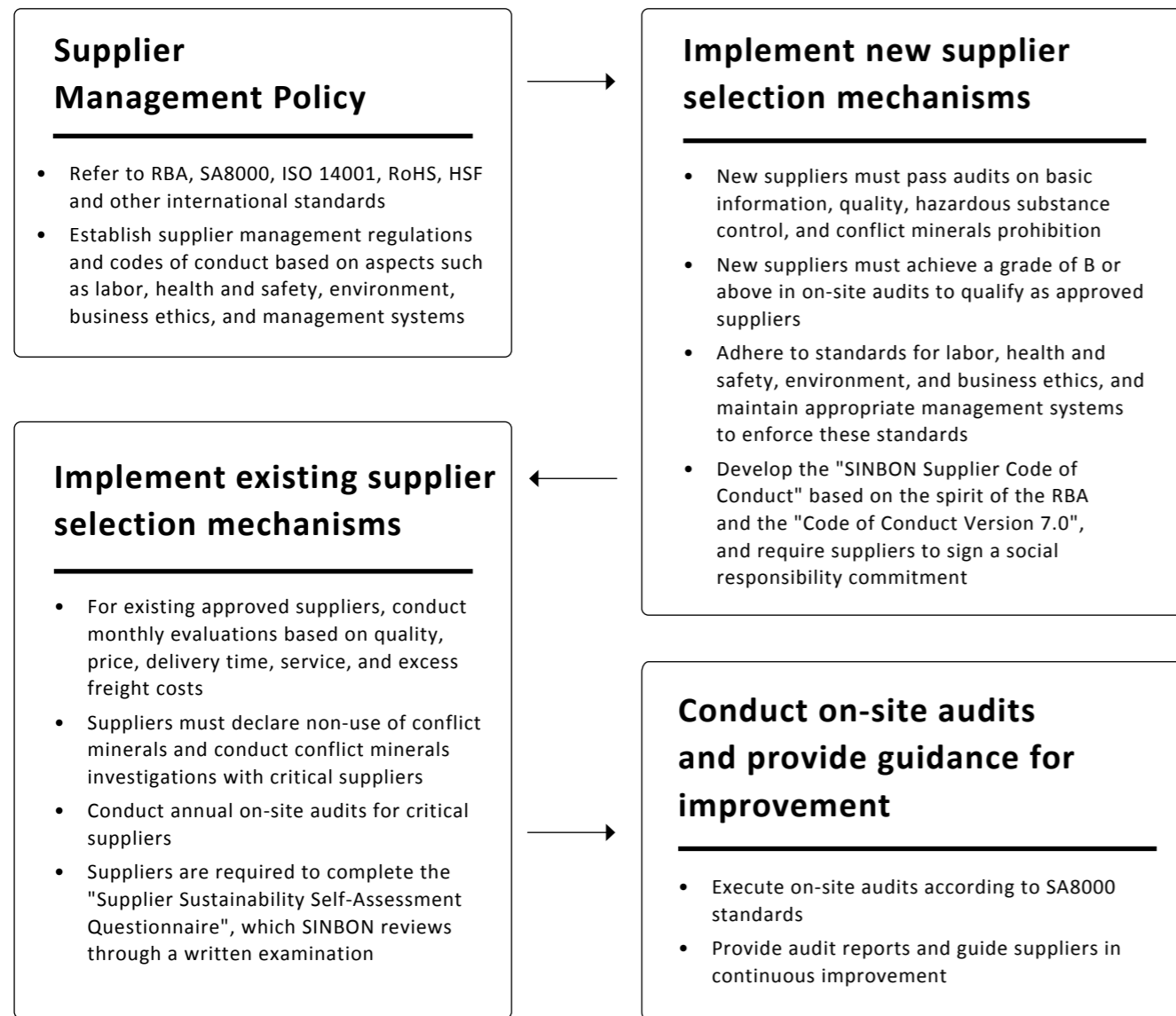
Supplier Categories		Metal parts	Connectors	Plastic parts	Electronic parts	Packaging Material	Wires	Total
Total number of suppliers		187	636	290	730	206	250	2,299
Number and percentage of suppliers by region	US	3	10	2	21	5	5	46
		1.60%	1.57%	0.69%	2.88%	2.43%	2.00%	2.00%
	Asia	174	604	280	684	192	234	2,168
		93.05%	94.97%	96.55%	93.70%	93.20%	93.60%	94.30%
	Europe	10	22	8	25	9	11	85
		5.35%	3.46%	2.76%	3.42%	4.37%	4.40%	3.70%

Cables
31.6%

2.5.1 Supplier Management Strategies and Mechanisms

SINBON adheres to the RBA Code, SA8000, ISO 14001, RoHS, HSF, the SINBON Supplier Code of Conduct, and the SINBON Supplier Rating Calculation Methodology, which establishes a common language for working with our suppliers' sustainability.

SINBON follows supplier management regulations. The criteria for selecting suppliers include price, quality, and delivery time, along with incorporating supplier risk management. Suppliers under monitoring are required to submit audit deficiency improvement reports. In 2023, the closure rate reached 100%.



1. Supplier Management Policy

SINBON's global supply chain management has now integrated Jiangyin, Tongcheng, Taiwan, USA and the Group's 100% owned subsidiaries. However, due to the differences in geographical characteristics and market types in Hungary, the Hungary site has not yet been fully integrated into the Group's management mechanism yet. Since December 2023, SINBON has been following the GRI criteria in its new supplier review procedure, introducing mechanisms such as criticality assessment, risk assessment and due diligence to manage the supply chain. Supplier development personnel must execute the "Critical supplier Assessment Form" and the "Supplier Risk Level Assessment Form" for target companies to classify and identify them.

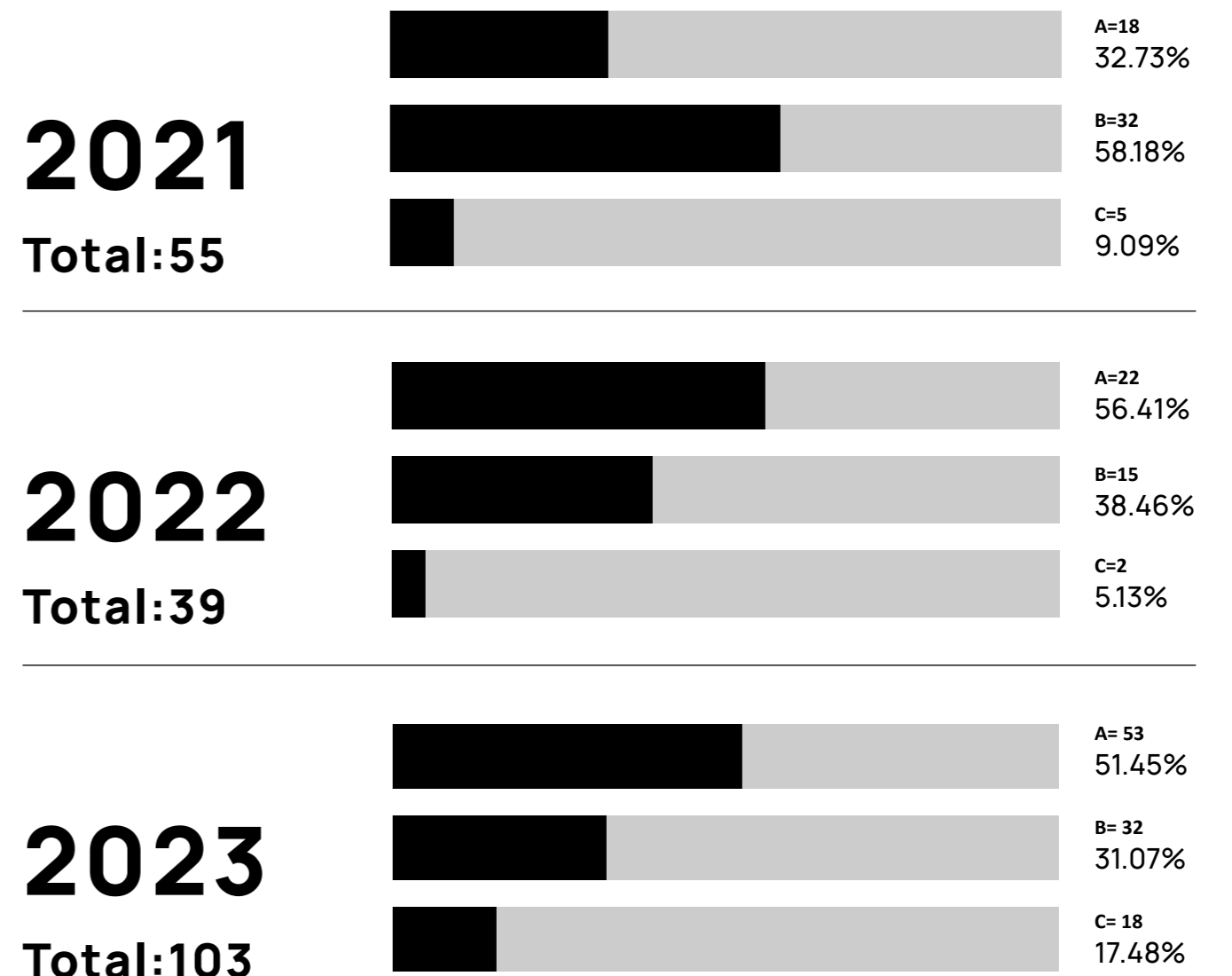
2. Implement New Supplier Evaluation and Selection Mechanisms

SINBON has been conducting criticality assessments on all newly introduced official suppliers. The criticality assessment indicators include the importance of the purchased items, the number of purchases, and the dependence on them. Under the criticality assessment, SINBON categorizes all new suppliers into critical suppliers, potential critical suppliers and general suppliers based on the results of the assessment. Those assessed as critical suppliers are submitted to the head of the dedicated team for focused review. If it is decided that due diligence is required, D&B Risk Analytics' supplier information management platform is used to conduct the investigation.

To become a qualified supplier of SINBON, each company must pass a field audit with a grade of B or above. Before SINBON cooperates with any manufacturer, it must conduct a written review and confirmation of the manufacturer's basic information, quality, hazardous substances control, and conflict minerals investigation.

In 2023, a total of 103 new suppliers, including the Miaoli site, Jiangyin site, Tongcheng site, and Beijing TongAn, were subject to on-site audits, with an overall average score of 88.03 (out of a total score of 100). The suppliers that did not pass the audits will be placed on SINBON's observation list and continue improvements will be required.

2023 New Supplier Site Audit Results A: 90~100 B: 75~89 C: Less than 75 Average score:88.03

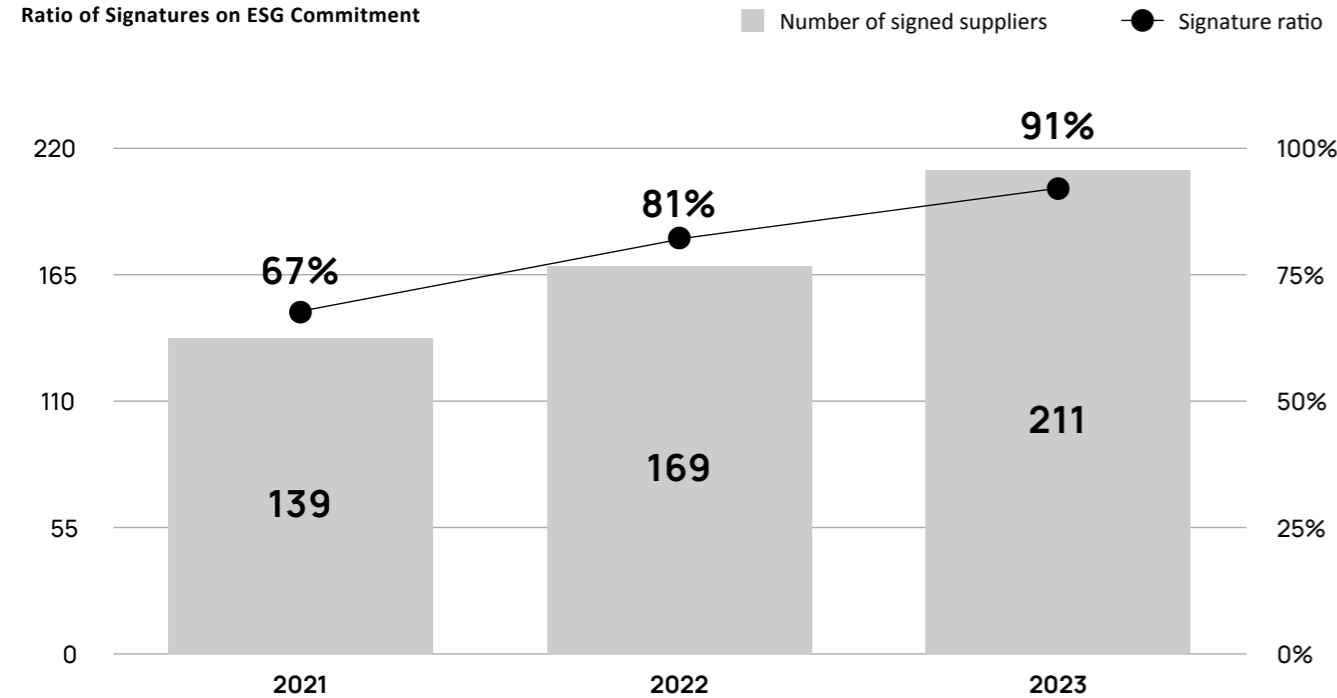


Note: Suppliers with audit results of Grade A and B are listed as qualified suppliers, while those with audit results of Grade C are listed on the watch list.

To obtain suppliers' consensus on ESG and sustainability issues, we further revised the Group's supplier management procedures for new suppliers, and communicated fully with suppliers to facilitate their signing of the reply. The signature rate accounted for approximately 91% of qualified suppliers in 2023.

At the same time, based on the spirit of the RBA and the Code of Conduct Version 7.0, SINBON has formulated the SINBON Supplier Code of Conduct, which is divided into five major components: A. Labor, B. Health and Safety, C. Environmental Standards, D. Standards of Business Ethics, and E. Management System.

Ratio of Signatures on ESG Commitment



1. The ESG commitment is signed by the suppliers of the production sites.
2. In 2023, the statistical locations include Miaoli site, Tongcheng site, Jiangyin site, US site, and Beijing TongAn.
3. In 2021 and 2022, the statistical locations include Miaoli site, Tongcheng site, and Jiangyin site.

SINBON requires suppliers to comply with this code, as well as with the laws and regulations of the countries and regions in which they operate. Through this code, SINBON expects to create a common language for ESG cooperation with suppliers, and to create value for key stakeholders through continuous improvement through communication, evaluation, auditing, and benchmarking

3. Implement Existing Supplier Selection Mechanisms

Monthly ratings of existing suppliers

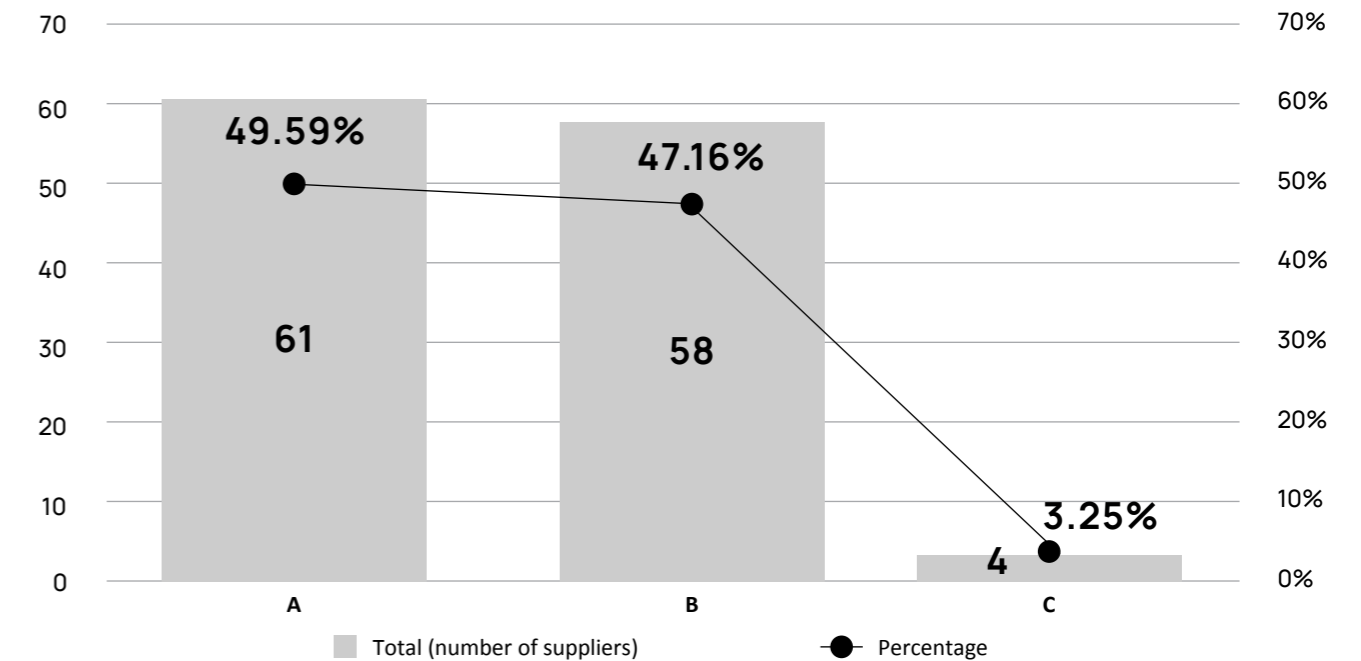
For existing qualified suppliers, a monthly rating is conducted based on the performance of quality, price, delivery, service, and excess freight, etc. In 2023, the average score of the monthly ratings for the Miaoli site, the Jiangyin site, the Tongcheng site, and the Beijing TongAn Supplier was 87.86 (with a total score of 100).

Monthly ratings of existing suppliers in 2023	
Quality	53.23
Delivery Date	19.06
Price	3.69
Payment terms	2.69
Service	4.99
Excess freight (shipping conditions)	4.20
Total	87.86

Critical Supplier Annual On-Site Audit

SINBON Global Supply Chain Management has introduced a key attribute assessment mechanism since 2022 and produced a methodology for critical supplier ratings in 2023. The assessment includes channel competitiveness, procurement specifications, material positioning, project importance, procurement scale, etc., and after comprehensive evaluation, the key attributes will be graded and a third-party will be invited by the supplier to conduct an on-site audit in 2024. The average total score for 2023 is 89.97 (out of a total score of 100).

Number and percentage of annual on-site audits of critical suppliers



Note: If the audit result is grade A or grade B, the supplier is listed as qualified. If the audit result is grade C, the supplier will be placed on the watch list. If a supplier fails to pass the initial review and fails again within three months, it cannot apply for a review in two years.

We select critical suppliers to conduct annual on-site audits every year, and suppliers that do not fall into the following categories will be audited once every three years:

- (1) Suppliers with an average score of C and the lowest score in the previous year
- (2) Suppliers whose transaction amounts for each material category are at the top of the transaction amounts for the previous year
- (3) Suppliers of critical components of CCC products
- (4) High-risk suppliers (suppliers evaluated as high-risk parts)

Supplier Sustainability Self-Assessment Survey

In line with the company's commitment to sustainability and in continuation of the spirit of the RBA, SINBON conducted a Self-Assessment Questionnaire survey on critical suppliers. Critical suppliers are new suppliers and existing suppliers based on the percentage of purchase amount and 120 suppliers were selected for the annual survey in 2023.

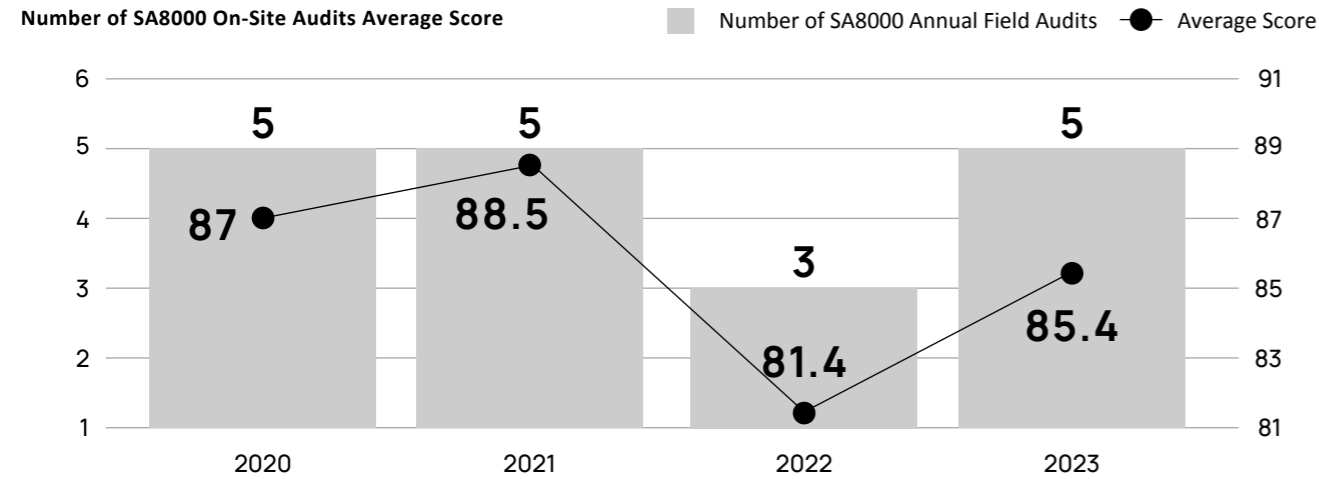
The number of surveys in 2023 was 120, with a supplier response rate of 90%.

In 2023, SINBON conducted the RBA self-assessment questionnaire survey with 120 suppliers. Among them, 65 companies are manufacturers, with 7 of them having passed the VAP audit. There are a total of 12 factories involved.

On-site Audits and Guidance for Improvement

SA8000 Audit

SINBON has implemented the SA8000 on-site audit for critical suppliers in Taiwan, and the core of the assessment covers child labor prohibition, compulsory labor prohibition, health and safety, freedom of speech and association, working hours, remuneration, prohibition of discrimination, and management system, and the average score of the Supplier Social Accountability Standard Audit for the year of 2023 is 85.4 (with a total score of 100). In the future, SINBON expects to expand the SA8000 on-site audit to the Jiangyin site in 2024, to strengthen the supplier's social responsibility.

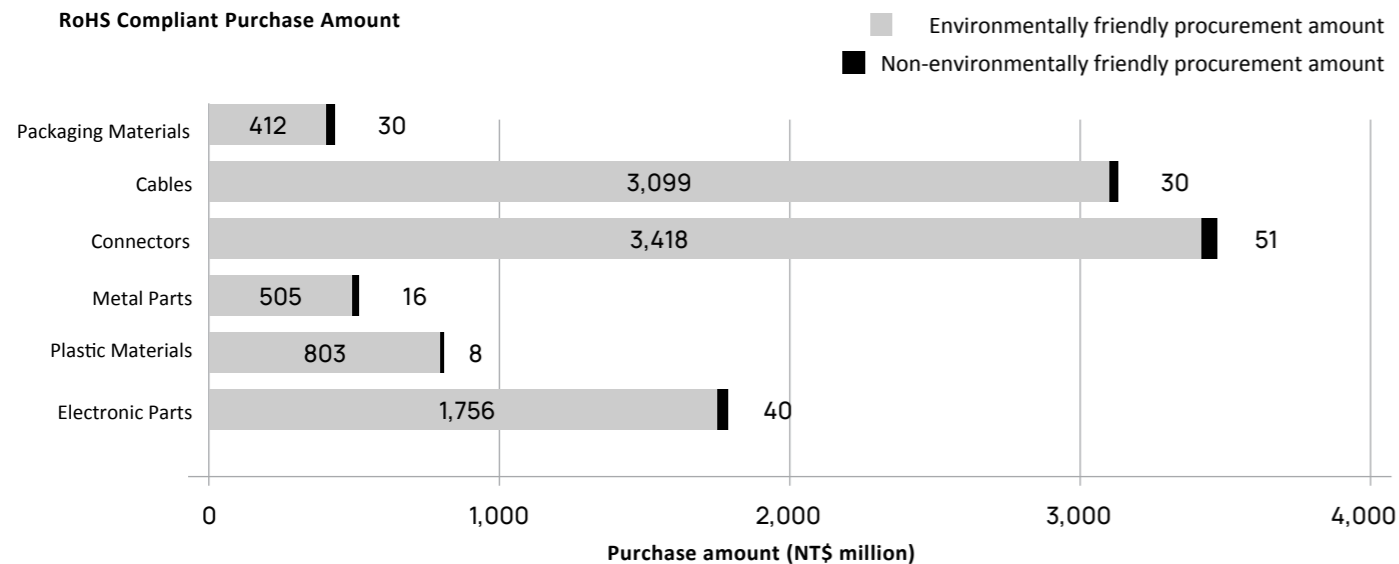


2.5.2 Green Procurement and Conflict Minerals Policy

1. Green Procurement

SINBON is committed to avoiding the use of controversial materials. We manage raw materials through the GPM platform and internally control RoHS and REACH SVHC substances of high concern within the Group. We follow the procedures outlined in documents GDP-B-005 for GPM platform management and GDP-B-002 for the management of environmentally restricted substances. We are actively responding to sustainable supply chain management through three primary raw material management mechanisms: "Environmental Management Material Standards," "Hazardous Substance Management," and "Metal Conflict-Free Policy Requirements." The overall compliance with RoHS standards reached 98% in 2023.

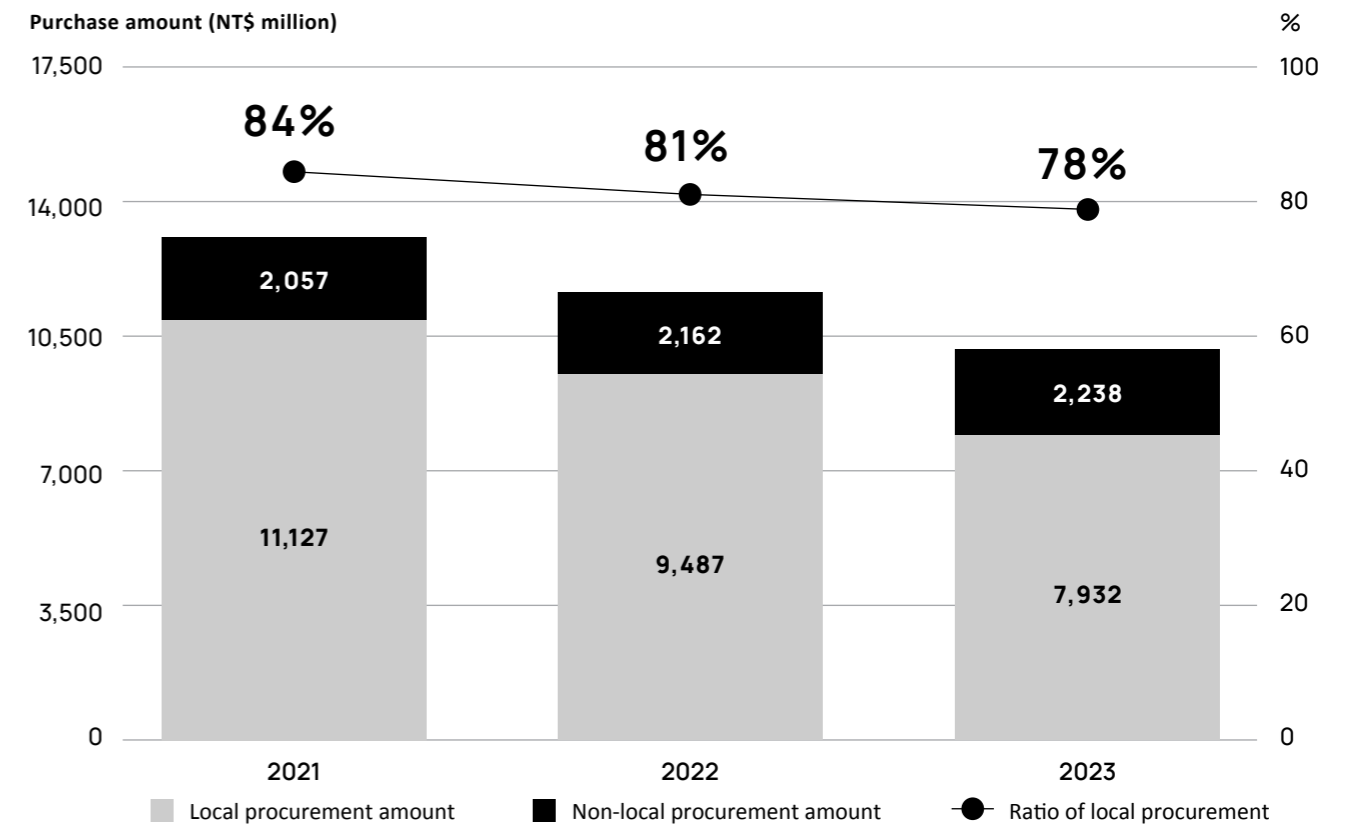
RoHS Compliant Purchase Amount



2. Implementation of Local Procurement

Through close cooperation with our suppliers, we focus on sourcing from local suppliers, which reduces unnecessary overseas transport expenses and the carbon footprint of the transport process. In 2023, our local procurement ratio at key global locations was 78%. This decrease in local procurement ratio was due to the E-bike business being transferred to an affiliated company.

Amount and percentage of local procurement in key locations



1. Key locations refer to the Group's factories that are important production sites, including Miaoli, Jiangyin, Tongcheng, and Beijing TongAn.
2. Local procurement means that the supplier of goods is located in the same country as the location of the SINBON factory where the goods are imported.
3. Calculation of local procurement ratio: annual local procurement amount/annual total procurement amount of local sites

3. Conflict Minerals Management

SINBON follows the spirit of the RBA and is committed to Responsible Conflict Minerals, ensuring that our products do not use "conflict minerals" from the DRC and neighboring countries and regions, which is a violation of labor rights. We trace the raw material suppliers of 3TG* minerals and cobalt to ensure that the metals are sourced from smelters listed under the Responsible Minerals Assurance Process (RMAP).

To understand whether raw materials are sourced from conflict area, SINBON uses the Conflict Minerals Reporting Template (CMRT) developed by the RBA and the RMI to require suppliers to cooperate in investigating and disclosing the source of minerals in their supply chain to avoid sourcing from these conflict area. In 2023, the document Supplier Capital Information Form was revamped to include conflict minerals-related questions in the basic survey of new suppliers.

In 2024, we plan to implement conflict minerals management procedures, incorporating suppliers highly involved with 3TG metals and cobalt. Additionally, we will prepare a new version of the "Commitment to Avoid Conflict Minerals" as a review requirement for the entry procedure, thereby enhancing management intensity.

*Note: 3TG is Tin, Tungsten, Tantalum and Gold.

2.5.3 Supplier Diverse Communication Channels

SINBON has established a supplier selection mechanism and conducts regular audits and counselling. If suppliers have any suggestions, they can contact with the dedicated unit through e-mail, telephone, face-to-face communication and product defective feedback forms.

1. Supplier Communication

In 2023, SINBON organized Supplier Day, inviting 129 critical supplier partners to explore opportunities for growth. The conference began with the Joseph Wang, Chairman of the Board of Directors' introduction of SINBON's sustainability blueprint, which led to an in-depth discussion of SINBON's goals and unremitting efforts in sustainable development. Next, Mite Liang, the President shared the Group's industrial layout and outlook, showcasing SINBON's achievements in diversified industries and internationalization, highlighting SINBON's potential.

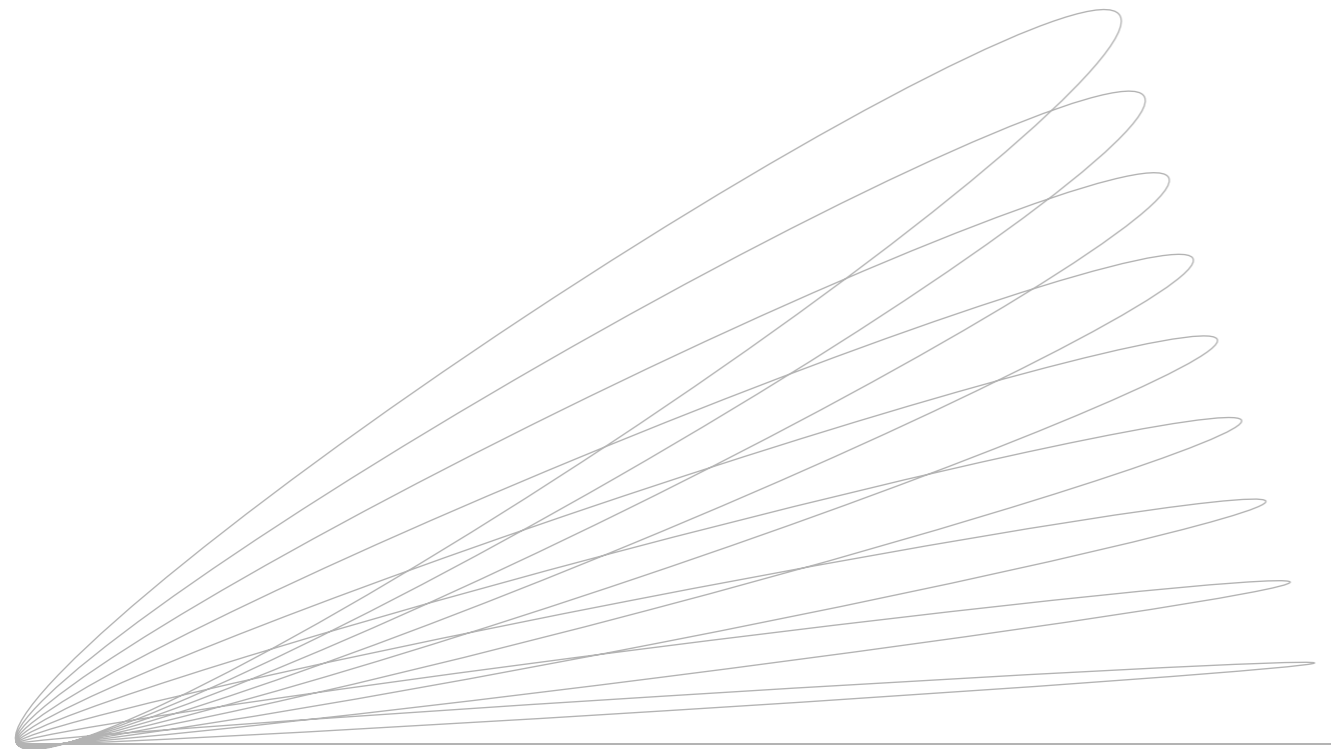
SINBON's MAGIC strategy was then presented by the business units (BU). The Directors of the Medical, Automotive and Industrial BU introduced their achievements and outlooks in the areas of healthcare, electric vehicles, and Industry 4.0 and automation, respectively.

In the second half of the sharing session, Brandon Zou, the Director of Global Supply Chain Management conveyed SINBON's future cooperation concepts and strategies to the partners. Two webinars are expected to be held in 2024 to select suppliers who will work with SINBON to reduce carbon emissions. This conference established a platform for mutual growth between SINBON and its suppliers.



SINBON Global Supplier Meeting 2023 "Sustainability for a Winning Future" held in Jiangyin City, Jiangsu Province, China

2. E-Supply Chain Management System



SINBON fully implements SCM system to optimize the work related to procurement and accounting. Suppliers use this platform to meet deadlines and make deliveries. In addition, suppliers can also directly access the bills of the past month, audit their own accounts, and then have SINBON verify the information on the platform and make payments immediately after confirmation, eliminating time-consuming manual work. The SCM system can help increase work efficiency by about 2 times. In the future, SINBON will continue to promote and guide more suppliers to adopt the SCM system.

3. Supplier Satisfaction Survey

The Supplier Satisfaction Survey up to 2023 shows a high response rate of 95%, with an overall satisfaction rating of 4.68 (out of 5). It is particularly worth mentioning that SINBON has won unanimous praise from suppliers in terms of transaction integrity such as payment, integrity and confidentiality.

In addition, we had received two valuable suggestions for improvement. Related measures will be taken to strengthen communication and positively enhance our cooperation. We thank our suppliers for their suggestions, which will help us to continuously improve our service standards and jointly promote the long-term development of our partnership.

The Supplier Satisfaction Survey up to 2023

high response rate

95%

an overall satisfaction rating

4.68

4. Carbon Management Platform

SINBON is actively planning the development of the AUO Carbon Agent and one of the key milestones is the launch of the Product Carbon Footprint Module. We are committed to the development of an in-depth carbon footprint module with the highest standards of technology and methodology to fully measure and manage the carbon footprint of our products. The goal of this program is to have the AUO Carbon Agent online by 2025, ensuring that we can achieve greater levels of transparency and sustainability, while providing our customers with more accurate and comprehensive information about the carbon footprints.

03

Environmental Sustainability

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3.1 Climate Change Risks and Opportunities Management

3.2 Low Carbon Operations Management

3.3 Environmental Resources Management

3.4 Green Design of Products

3.5 Biodiversity and Ecological Conservation



Annual Results

ISO 50001

Miaoli, Tongcheng, Jiangyin and Beijing TongAn factories obtained ISO 50001 certification

3 MW

Renewable energy capacity of the Group's own plants

2,044,793 kWh

Group renewable energy consumption

1,171,705 kWh

Energy management annual power savings

3.1

Climate Change Risks and Opportunities Management

Amid global climate change and the transition to a low-carbon market, SINBON has been proactively addressing the potential risks and opportunities posed by climate change. Since 2022, SINBON has been following the Task Force on Climate-Related Financial Disclosures (TCFD) recommendations and referring to ISO 14090 (Adaptation to Climate Change) and the UK Climate Impact Program (UKCIP) risk assessment procedures. SINBON established the TCFD Team to develop a systematic management mechanism. The TCFD Team has developed SINBON's climate change risk and opportunity assessment tool, analyzing risks and opportunities from various perspectives. Strategies are formulated to address significant climate-related risks and opportunities to effectively manage their impact on SINBON.

3.1.1 Climate Change Governance and Management Framework

1. Governance and Supervision

SINBON is actively enhancing its corporate governance functions related to environmental sustainability. The Board of Directors serves as the highest oversight body at SINBON, continuously strengthening climate governance capabilities.

The climate-related governance and supervisory responsibilities of the Board of Directors include:

- Holding an annual meeting to discuss climate-related risk and opportunity assessments, climate change development trends, and SINBON's climate adaptation and mitigation strategies.
- Overseeing SINBON's climate change management operations, including climate strategies, annual goals, action plans, annual budgets, and significant financial expenditures.
- Providing guidance and direction of climate changemanagement to the ESG Committee.

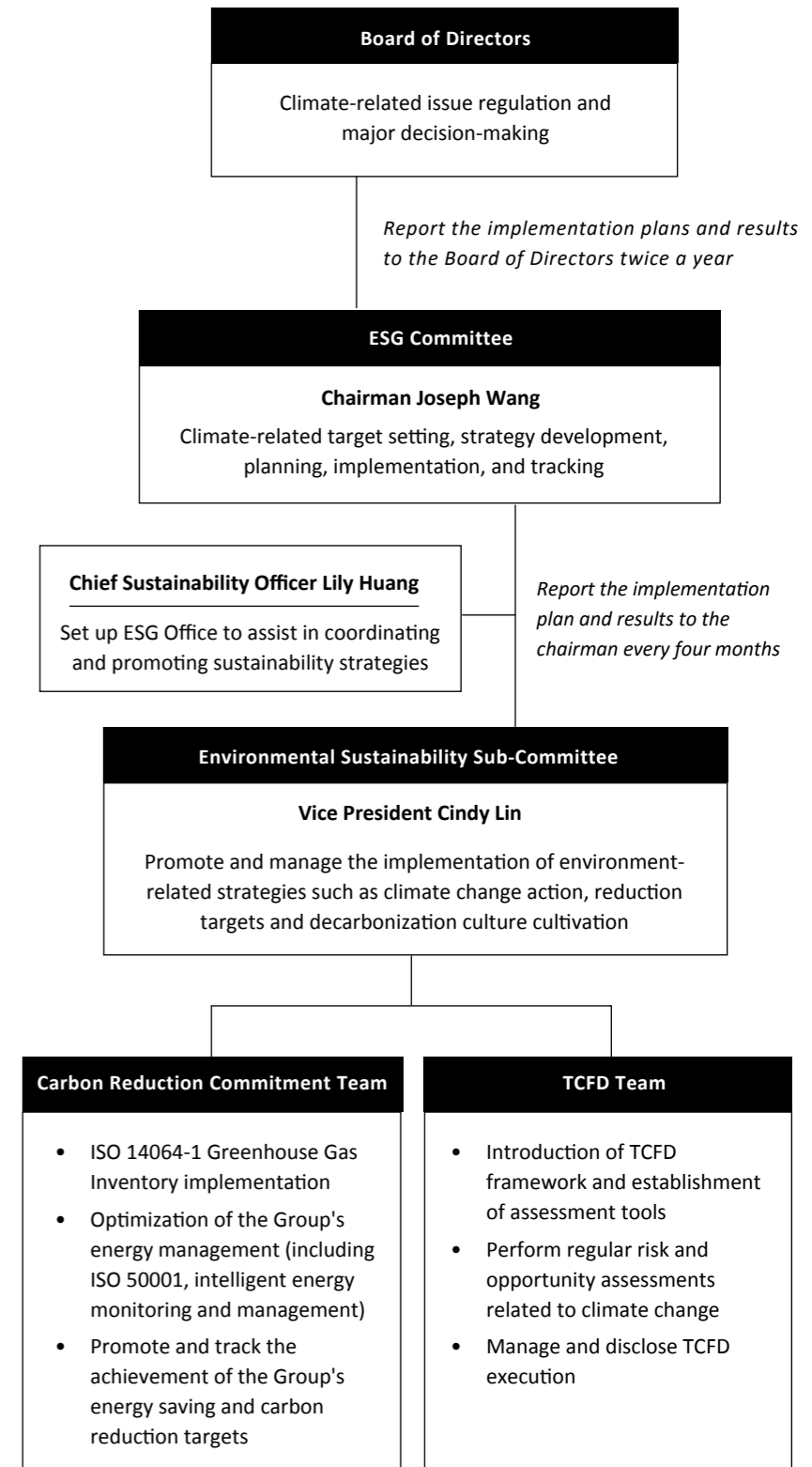
In 2022, SINBON was represented by the Chairman of the Board of Directors to join the "Taiwan Climate Partnership" as a permanent supervisor, and to advocate together with other enterprises to promote carbon reduction in the value chain through exchanges and cooperation to fight against climate change. SINBON supports the SDG 13 Climate Action through practical actions.

2. Assessment and Management

The ESG Committee is SINBON's highest executive unit for climate change management. The Committee is chaired by the Chairman of the Board of Directors, with first-level executives serving as the chair of sub-committees, and is responsible for planning, and executing SINBON's corporate sustainable development, including economic, environmental, and social issues. The committee conducts annual climate change risk and opportunity identification, prepares response strategies, proposes action plans, and tracks the progress and performance of risk control and opportunity management.

The ESG Committee is divided into six sub-committees, which report their performance every four months. Under the Environmental Sustainability Sub-Committee, the TCFD Team and the Carbon Reduction Commitment Team are set up for SINBON's climate change action. The TCFD Team is responsible for the co-ordination and implementation of the TCFD project. The Carbon Reduction Commitment Team is responsible for promoting and tracking the achievement of the Group's energy-saving and carbon reduction targets, as well as carrying out greenhouse gas inventories and energy management actions.

Climate change related management progress will be reported to the Board of Directors by the ESG Committee annually and approved by the Board of Directors. In 2023, we reported to the Board of Directors on the progress of greenhouse gas inventories quarterly, two of which included the results of TCFD implementation and the results of the sustainability report.

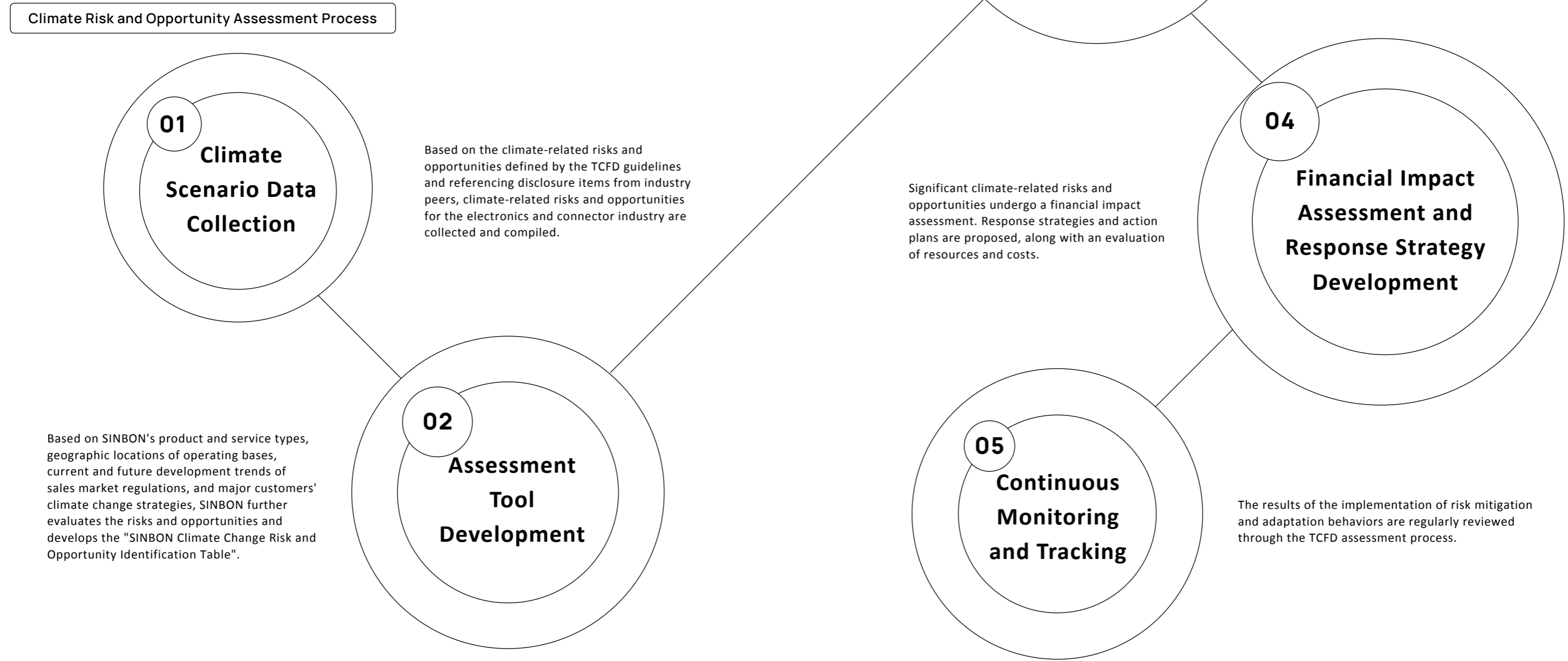


In 2021, SINBON established "Risk Management Policy and Operating Procedure", which covers corporate governance, environmental protection, and social responsibility. The risk management operation of SINBON defines climate change as a key environmental issue and starts climate change management through the TCFD process. For details, please refer to [1.4 Risk Management](#). The TCFD Team carries out regular identification, evaluation and management of climate-related risks and opportunities, and continues to enhance the organization's adaptation and resilience to climate change. SINBON's climate risk control strategy prioritizes risk mitigation, followed by risk control, risk sharing and finally risk taking.

3.1.2 Climate Risk and Opportunity Assessment

In 2023, besides looking at industry and market trends, the relevant functional units were invited to identify significant climate-related financial risks and opportunities from the perspective of business operations. Each functional unit of the TCFD Team (including the ESG Office, environmental safety and health team, factory, sales, procurement, legal team, etc.) evaluates the probability of occurrence of risky events and the degree of impact and this determines the risk-opportunity scores. The risk-opportunity scores* > 16 events are classified as significant issues for the year after approved by the ESG Committee. The specific assessment process and the results of the 2023 risk and opportunity assessment are set out below:

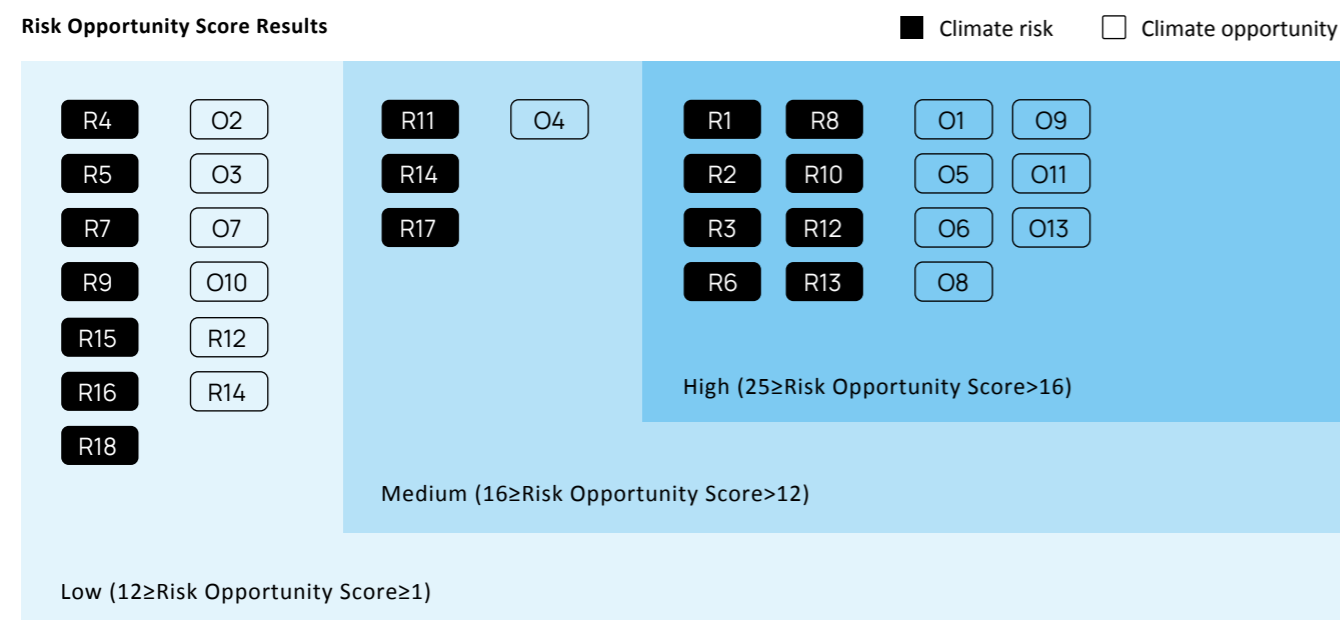
Note 1: The risk-opportunity scores are calculated by multiplying the likelihood of the event occurring (1 to 5, from low to high) by the impact of the event (1 to 5, from low to high).



3.1.3 Identification Results and Management Response Measures

Climate risk		Climate opportunity
Transition risk	Physical risk	
R1 Greenhouse gas emission control and carbon levy R2 Enhancing emission reporting obligations R3 Carbon tariffs and related regulations R4 Facing litigation R5 International industry norms R6 Voluntary initiative regulations R7 Renewable energy regulations R8 Replacement of products and services with low carbon technologies R9 Transformation of the low carbon economy R10 Changes in customer preferences or behavior R11 Increase in raw material costs R12 Customer demand for suppliers to reduce carbon emissions R13 Shift in stakeholder preferences R14 Increased stakeholder concerns and negative feedback	R15 Increased severity of extreme weather events R16 Changes in rainfall patterns and dramatic changes in weather patterns R17 Increase in average temperature R18 Sea level rise	O1 Improvement of production efficiency O2 Recycling O3 Energy efficient buildings O4 Reduce of the use of water resources O5 Use of low emission energy O6 Supportive policy incentive and grants O7 Participate in the carbon trading market O8 Development or expansion of low carbon products and services O9 R&D and innovation of new products and services O10 Changes in consumer preferences O11 New market development O12 Public sector incentives O13 Participation in renewable energy program O14 Alternative resources and resource diversity

Climate Risk and Opportunity Matrix



SINBON identifies climate-related financial risks by considering different climate scenarios, including the 1.5°C (SSP1) and 2°C (SSP2) scenarios where the world is moving towards a low-carbon transition and net-zero, and the 4°C (SSP5) scenario where the world continues to face climate change with a negative attitude towards carbon dioxide emissions. The significant risks and opportunities identified in 2023 are summarized below:

Short-, Medium- and Long-term Significant Climate Risks and Opportunities

Time	Category	Climate scenario	Significant risks and opportunities
Short-term (1-2 years)	Transition risk	SSP2 (2°C)	R6 Voluntary initiative regulations
		SSP1 (1.5°C)	R13 Shift in stakeholder preferences
	Opportunity		O5 Use of low emission energy
			O6 Supportive policy incentive and grants
Medium-term (3-5 years)	Transition risk	SSP1 (1.5°C)	R1 Greenhouse gas emission control and carbon levy
		SSP1 (1.5°C)	R2 Enhancing emission reporting obligations
		SSP1 (1.5°C)	R3 Carbon tariffs and related regulations
		SSP1 (1.5°C)	R10 Changes in customer preferences or behavior
	Opportunity		O1 Improvement of production efficiency
			O8 Development and expansion of low carbon products and services
			O9 R&D and innovation of new products and services
Long-term (6-10 years)	Transition risk	SSP1 (1.5°C)	R8 Replacement of products and services with low carbon technologies
		SSP1 (1.5°C)	R12 Customer demand for suppliers to reduce carbon emissions

Significant Climate Risks and Response Strategies

Significant risk	Type of financial impact	Potential financial impact	Response strategies
R1 Greenhouse gas emission control and carbon levy	Increased costs	Excess emissions will be subject to a carbon levy, resulting in higher costs	<ol style="list-style-type: none"> 1. Continue to implement ISO 14064-1:2018 greenhouse gas inventory and third-party verification 2. Implement ISO 50001 Energy Management System (real-time energy monitoring and optimization management) in manufacturing sites 3. Promote energy-saving and carbon reduction projects 4. Increase the use of renewable energy at sites 5. Continue to monitor greenhouse gas emission control regulations
R2 Enhancing emission reporting obligations	Increased costs	To complete greenhouse gas inventories as regulated by government, introduction of the inventory mechanism, annual inventory and verification are required, resulting in higher costs	<ol style="list-style-type: none"> 1. Promote ISO 14064-1:2018 greenhouse gas inventory and third-party verification 2. Establish an internal greenhouse gas inventory system 3. Continuously monitor the trend of greenhouse gas emission regulations in the countries where we operate and sell our products, and carry out inventory and reporting
R3 Carbon tariffs and related regulations	Increased costs	To respond to the EU Carbon Border Adjustment Mechanism, costs have been allocated to product carbon footprint management platform and product carbon footprint calculations. Products shipped to Europe that are regulated will incur carbon taxes, resulting in increased costs	<ol style="list-style-type: none"> 1. Introduce product carbon footprint calculation 2. Establish a product carbon footprint methodology and management system 3. Promote energy saving and carbon reduction measures in manufacturing sites 4. Continuously track the announcement of EU CBAM related regulation updates 5. Continuously monitor the progress of regulations related to carbon tariff in the countries where products are sold
R6 Voluntary initiative regulations	Increased costs	Participating in voluntary initiatives and investing in promoting energy saving, carbon reduction measures and the use of renewable energy sources	<ol style="list-style-type: none"> 1. Implementation of ISO 50001 energy management system in manufacturing sites 2. Promote energy saving and carbon reduction measures in manufacturing sites 3. Increase the use of renewable energy in manufacturing sites 4. Assess the introduction of an internal carbon pricing mechanism 5. Continuously track the government's net-zero emissions targets and industry-related regulations 6. Continuously track customer expectations and communicate SINBON's carbon reduction targets

Significant risk	Type of financial impact	Potential financial impact	Response strategies
R8 Replacement of products and services with low carbon technologies	Decline in revenue	Decline in revenue of related products due to the phase-out of fuel vehicles from the market	<ol style="list-style-type: none"> 1. Continuously track the timetable of the policy for the phase-out of fuel vehicles in different countries 2. Continuously track the timetable for the phase-out of fuel vehicles from international automobile manufacturers 3. Evaluate the impact of the decrease in revenue from oxygen sensor harnesses in the coming years 4. Research and development of climate-friendly products for electric vehicles 5. Develop patented technologies in the field of electric vehicle cables 6. Cooperate with customers to develop projects related to electric vehicles
R10 Changes in customer preferences or behavior	Decline in revenue	Failure to meet customers' automated production requirements, resulting in a decrease in orders and a decline in revenue	<ol style="list-style-type: none"> 1. Continuously track customer automation targets and requirements 2. Promote automated production in the factory
R12 Customer demand for suppliers to reduce carbon emissions	Increased costs	Achievement of carbon reduction targets of customers and suppliers, promotion of energy saving and carbon reduction measures, and enhancement of the use of renewable energy, resulting in cost increase	<ol style="list-style-type: none"> 1. Implementation of ISO 50001 energy management system in manufacturing sites 2. Promote energy saving and carbon reduction measures in manufacturing sites 3. Increase the use of renewable energy in manufacturing sites 4. Study and evaluate the introduction of internal carbon pricing 5. Improve energy efficiency and reduce waste generation 6. Evaluate the adoption of the SBT net-zero emissions target 7. Continuously communicate and co-operate with our customers to achieve the net-zero goal
R13 Shift in stakeholder preferences	Decline in revenue	Failure to meet the net zero carbon reduction target will affect the corporate image, resulting in a decrease in orders and a drop in revenue	<ol style="list-style-type: none"> 1. Continuously implement greenhouse gas inventories at manufacturing sites and pass third-party verification 2. Implementation of ISO 50001 energy management system in manufacturing sites 3. Promote energy saving and carbon reduction measures 4. Increase the use of renewable energy in factory areas 5. Evaluate the adoption of the SBT net-zero emissions target 6. Continuously participate in and track the performance of CDP, S&P CSA and other international sustainability evaluations

Significant Climate Risks and Response Strategies

Significant risk	Type of financial impact	Potential financial impact	Response strategies
O1 Improvement of production efficiency	Reduced costs	Increase raw material efficiency, reduce energy waste, improve product quality and lower production costs through automated manufacturing processes	1. Implement automated production lines
O5 Use of low emission energy	Reduced costs	Build renewable energy power generation facilities to reduce conventional electricity use and greenhouse gas emissions, and lower electricity costs	1. Evaluate the installation of solar power generation facilities in manufacturing sites
O6 Supportive policy incentive and grants	Reduced costs	Reduce the cost of upgrades in production line automation	1. Follow up on the incentive policies of the governments in respect of energy saving, carbon reduction and smart manufacturing
O8 Development and expansion of low carbon products and services	Increased revenue	Meet the lightweight demand of automotive industry and increase revenue	1. Jointly develop a project with customers to replace copper with aluminum in busbar wiring 2. Evaluate the processing and transportation techniques for aluminum busbars 3. Continuously improve the stability and consistency of aluminum busbar manufacturing processes 4. Promote patent applications 5. Continue to expand the promotion of low-carbon product services to other automotive customers and industry markets
O9 R&D and innovation of new products and services	Increased revenue	Increase revenue by meeting the demand of the electric vehicle market trend	1. New product development layout (charging gun, socket, low voltage wiring harness, PCB)
O11 New market development	Increased revenue	Increase revenue by meeting customers' demand for new specifications for electric vehicle charging interfaces	1. Develop SINBON NACS charging gun to increase market share
O13 Participation in renewable energy program	Increased revenue	Develop new business opportunities related to renewable energy to increase revenue	1. Build renewable energy installations in our own factories and gradually introduce ISO 50001 energy management system to all factories 2. Continue to expand renewable energy installation capacity and green energy procurement planning 3. Raise funds to invest in renewable energy 4. Implement development and undertake related large-scale projects 5. Develop the solar energy storage system market 6. Continue to evaluate new business models and services

3.1.4 Financial Impact Assessment of Significant Climate Risks and Opportunities

In accordance with the TCFD framework, SINBON conducts a financial impact assessment of the four risks and six opportunities with the highest score (score = 25) among the significant risks and opportunities, which serves as a reference for the Group to develop its response strategies and actions.

Significant risks/opportunities	Type of financial impact	Financial impact assessment
R6 Voluntary initiative regulations	Increased costs	SINBON evaluates the costs of achieving voluntary carbon reduction targets, including the replacement of energy-consuming equipment, the introduction of energy management systems at production sites, the deployment of renewable energy sources, as well as the consulting fees of inventory and verification to establish carbon reduction targets and pathways in compliance with SBT. The impact on revenue is estimated to be <1%.
R8 Replacement of products and services with low carbon technologies	Decline in revenue	Due to the involvement of financial forecasting, this information will not be disclosed at this time. SINBON will continue to develop products related to electric vehicles to mitigate the financial impact caused by the phase-out of fuel-powered vehicle products.
R10 Changes in customer preferences or behavior	Decline in revenue	Due to the involvement of financial forecasting, this information will not be disclosed at this time. Considering that automation is the future trend in production, we will continue to focus on customer needs.
R12 Customer demand for suppliers to reduce carbon emissions	Increased costs	SINBON evaluates the cost of achieving customers' carbon reduction requirements, including the replacement of energy-consuming equipment, the introduction of energy management systems at production sites, the deployment of renewable energy sources, as well as the consulting fees of inventory and verification to establish carbon reduction targets and paths in line with SBT's carbon reduction targets and paths. The impact on revenue is estimated to be <1%.
O1 Improvement of production efficiency	Reduced costs	SINBON mainly assess the cost savings from improving the efficiency of raw material usage and reducing waste, with an estimated impact on revenue of <1%.
O5 Use of low emission energy	Reduced costs	SINBON mainly evaluates the saving of electricity cost by increasing the use of self-generated solar energy at production sites, and the potential saving of carbon trading or carbon tax cost in the future. The impact on revenue is estimated to be <1%.
O8 Development and expansion of low carbon products and services	Increased revenue	Due to the involvement of financial forecasting, this information will not be disclosed at this time. We will continue to monitor customer and market trends and focus on the development of low-carbon product services.
O9 R&D and innovation of new products and services	Increased revenue	Due to the involvement of financial forecasting, this information will not be disclosed at this time. We will continue to monitor customer and market trends and invest in new product development.
O11 New market development	Increased revenue	Due to the involvement of financial forecasting, this information will not be disclosed at this time. We will continue to monitor customer and market trends and actively work to increase our product market share.
O13 Participation in renewable energy program	Increased revenue	Due to the involvement of financial forecasting, this information will not be disclosed at this time. We will continue to monitor the renewable energy market and engage actively.

3.1.5 Indicators and Targets

In 2022, SINBON introduced the TCFD framework for the first time to assess climate-related risks and opportunities. Through senior executive interviews and discussions, two significant risks and two significant opportunities were identified. In 2023, the assessment methodology was adjusted to identify eight climate risks and seven climate opportunities from the operational point of view of each functional unit. To effectively respond to the major climate-related risks and opportunities, SINBON will continue to propose strategies and action targets based on the results of the annual assessment, as well as conduct tracking and adjustments.

Implementation of Management Objectives

Climate-related risks/opportunities	Action strategy	Management objectives	Performance in 2023
Identification results in 2022 Risk 1. Increased severity of extreme weather events 2. Enhancing emission reporting obligations	Conduct organizational greenhouse gas inventory and third party verification according to ISO 14064-1:2018	<ul style="list-style-type: none"> In accordance with the law, the scope will be expanded to include consolidated subsidiaries by 2027 	<ul style="list-style-type: none"> Performed ISO 14064-1:2018 organizational greenhouse gas inventory and verification at 100% owned sites in 2023
Opportunity 1. Use of more efficient production and distribution processes 2. Development or expansion of low carbon products and services	Set greenhouse gas reduction targets and pathways	<ul style="list-style-type: none"> 40% reduction in greenhouse gas emissions in 2030 (Scope 1+2) as compared with the base year of 2021 	<ul style="list-style-type: none"> 12% reduction in greenhouse gas emissions in 2022 (Scope 1+2) as compared with the base year 11% reduction in greenhouse gas emissions in 2023 (Scope 1+2) as compared with the base year
Identification results in 2023 Risk 1. Greenhouse gas emission control and carbon levy 2. Enhancing emission reporting obligations 3. Carbon tariffs and related regulations 4. Voluntary initiative regulations 5. Replacement of products and services with low carbon technologies 6. Changes in customer preferences or behavior 7. Customer demand for suppliers to reduce carbon emissions 8. Shift in stakeholder preferences	Enhance energy management and optimize energy efficiency	<ul style="list-style-type: none"> Implementation of ISO 50001 at 100% owned production sites by 2025 	<ul style="list-style-type: none"> Miaoli, Tongcheng, Jiangyin and Beijing TongAn factories obtained ISO 50001 certification Energy management savings of 1,171,705 kWh by 2023
Opportunity 1. Improvement of production efficiency 2. Use of low emission energy 3. Supportive policy incentive grants 4. Development and expansion of low carbon products and services 5. R&D and innovation of new products and services 6. Development of new markets 7. Participation in renewable energy programs	100% owned sites to increase renewable energy usage rate	<ul style="list-style-type: none"> Green power accounts for 30% of the Group's electricity usage by 2025 (RE30) Green power accounts for 60% of the Group's electricity usage by 2030 (RE60) 	<ul style="list-style-type: none"> In 2023, the capacity of solar power installations in the plant reached 3MW, and the self-generated green power usage reached 2,044,800 kWh, accounting for 6.56% of the Group's total electricity usage
	Introduce low carbon carriers	<ul style="list-style-type: none"> 100% of newly purchased company cars to be low carbon vehicles by 2027 100% of all company cars to be low carbon carriers by 2030 	<ul style="list-style-type: none"> Introduction of hybrid vehicles from 2022 Replacement of fuel truck and prioritization of green models in vehicle allocation by 2023
	Introduce internal carbon pricing (new action strategy in 2023)	<ul style="list-style-type: none"> Plan and introduce internal carbon pricing by 2026 	Collected information on pricing methods and carbon pricing mechanisms of various countries/regions for preliminary planning of carbon pricing scheme

Future Outlook

Climate change is a global challenge, and SINBON will continue to promote strategies and action plans to address the significant climate risks and opportunities identified under the TCFD framework. On the basis of "organizational greenhouse gas inventory and verification" and "setting greenhouse gas emission targets and pathways", we will reduce greenhouse gas emissions through measures such as "optimizing energy management", "introducing low-carbon transportation", "increasing the use of renewable energy", and "introducing internal carbon pricing", in order to achieve the goal of energy saving and carbon reduction.

SINBON will continue to improve its climate change governance and maintain communication and co-operation with stakeholders to minimize the impact of climate change risks on the Group's operations. At the same time, SINBON will grasp the opportunities for industrial development in the low-carbon transition, build up its climate resilience, and fulfill its corporate responsibility in the global net-zero emissions trend.

3.2

Low Carbon Operations Management

3.2.1 Greenhouse Gas Management

Greenhouse Gas Management Targets and Reduction Measures

Since 2010, SINBON has been conducting organizational greenhouse gas inventories and has adopted the new version of the ISO 14064-1:2018 standard to expand the scope of greenhouse gas inventories to include the entire Group. Through the steps of emission source identification, activity intensity data collection, and quantification of emission data, we calculated greenhouse gas emissions and verified the greenhouse gas emissions by a third-party notary unit to obtain reasonable assurance to ensure the quality of the data.

In terms of greenhouse gas management, SINBON actively introduces a carbon management platform, which helps to calculate our organizational greenhouse gas emission data through the carbon coefficient database of the greenhouse gas inventory module. In the future, we will apply the carbon management platform to our headquarters in Taipei, China, the US, and Hungary, covering scopes 1, 2, and 3. This will not only enable the data sharing, but will also interoperate with the data from the product carbon footprint module, making the overall system more efficient.

In 2023, SINBON implemented a series of greenhouse gas reduction measures, starting with energy savings in plants and factories, where we are committed to improving energy efficiency, optimizing manufacturing processes and adopting high-efficiency equipment. Meanwhile, our Miaoli, Tongcheng, TongAn and Jiangyin factories have successfully passed ISO 50001 certification.

At the same time, we have completed the construction of an energy management platform in our Taiwan plant, which will provide us with real-time and comprehensive energy usage data.

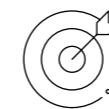
Reduction Target



By 2024, Scope 1 and Scope 2 greenhouse gas emissions will be reduced by 14% compared to 2021



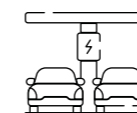
By 2027, in compliance with regulations, greenhouse gas inventory and disclosure will expand to include subsidiaries in consolidated financial statements.



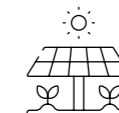
By 2030, Scope 1 and Scope 2 greenhouse gas emissions are targeted to decrease by 40% compared to 2021, with collaborative efforts across the value chain to reduce carbon emissions.

Reduction Measures

Electrification of company cars



Renewable energy use



Energy efficiency improvement



2023 Results

Replacement of fuel vehicles and prioritization of green models in vehicle allocation

Future Targets

Adoption of hybrid or electric vehicles for newly purchased company cars in 2027

100% electrification of newly purchased and existing company cars in 2030

2023 Results

Group's own solar installation capacity reached 3MW

Group's renewable energy usage was 2,044,793kWh

Future Targets

Green power accounts for 30% of the Group's electricity consumption by 2025 (RE30)

Green power accounts for 60% of the Group's electricity consumption by 2030 (RE60)

2023 Results

Energy management saves up to 1,171,705 kWh

Future Targets

1% reduction in total Group electricity consumption in 2024

3% reduction in energy intensity of factory in 2024

Implementation of ISO 50001 energy management system in global factories in 2025

Gradual replacement of office lighting fixtures with LED lights

Greenhouse Gas Inventory Project and Carbon Reduction Effectiveness in 2023

SINBON greenhouse gas inventory follows the ISO 14064-1:2018 standard, including Category 1 direct emissions, Category 2 energy indirect emissions and Category 3-6 indirect emissions from activities. Category 1 main sources come from the organization's owned or controlled means of transport and employee meals and food combustion of liquefied petroleum gas (LPG) and natural gas; Category 2 sources are mainly from the import of electricity. In categories 3-6, we conducted an inventory of employee commuting, business travel, upstream and downstream freight transport, capital finance, and waste disposal. To more accurately understand the sources of carbon emissions in the value chain, SINBON conducted a comprehensive inventory of the carbon footprint in the product and supply chain, and is set to implement internal carbon pricing.

With the expansion of SINBON's business scale, emissions are expected to increase, and we will continue to carry out the improvement and replacement of related energy-saving equipment.

Historical Greenhouse Gas Emissions

	2022	2023
Greenhouse gas emissions (tCO ₂ e)		
Category 1	2,665.71	2,838.38
Category 2	18,030.45	18,135.95
Category 3-6	33,343.69	128,715.90
Total	54,039.85	149,690.23
Greenhouse gas emission intensity (tCO₂e/NT\$ million)	1.77	4.57

Note: The US plant was changed to a 100% owned site in July 2022 and Beijing TongAn was included as a 100% owned site in 2023. Therefore, the data of the US plant and Beijing TongAn have not yet been disclosed in 2022. Radbon Electronics Co., Ltd. is expected to disclose the data in 2024 as it was included in the Group's 100% owned site in July 2023.

3.2.2 Energy Conservation and Carbon Reduction Measures

In 2023, SINBON actively executed environmentally sustainable actions at each sites, such as the air-conditioning system operation optimization project, which resulted in a reduction in electricity consumption of 539,092kWh compared to previous years.



Green Sharing Meeting

In November 2023, SINBON organized a Green Sharing Meeting to present the company's significant achievements in the field of sustainability in recent years to all colleagues. During the sharing meeting, SINBON discussed five innovative elements in-depth, allowing participants to gain an in-depth understanding of the company's sustainable development endeavors:

1. ESG green packaging
2. Graphene conductor applications
3. ESG green product design case sharing
4. Smarter rides, eco-friendly travel
5. Innovative patent development - Knowing where it's cool

SINBON will continue to strive for sustainable innovation and encourage cooperation among all internal units. We plan to organize this event once a year to promote the company towards a greener and more sustainable future.

Effectiveness of Waste Reduction, Water Conservation and Energy Conservation Projects in 2023

Project Name	Locations	Electricity Saving Benefits (kWh/year)	Carbon Reduction Benefits (kgCO ₂ e/year)
Installation of temperature control system for variable current aging room	Beijing TongAn (Xuzhou plant)	10,771	6,142.70
Clean room air-conditioning energy saving	Miaoli (Zhonghua plant)	39,222	19,414.89
Optimization of air-conditioning system operation	Miaoli (Guohua plant)	539,092	266,850.54
Comprehensive replacement of factory lighting with LEDs	Miaoli (Guohua plant)	66,632	32,982.84
Incorporation of the Miaoli Guohua plant's wastewater into the sewer system	Miaoli (Guohua plant)	N/A	10,552.73
Replacement of old fluorescent lamps in the production area	Beijing TongAn (Beijing plant)	5,616	3,202.80
Modification of staircase light switch	Beijing TongAn (Beijing plant)	333	189.91
Replacement of energy-saving air compressors	Tongcheng site	21,840	12,455.35
Phase-out of industrial frequency air-conditioning	Tongcheng site	16,224	9,252.55
UV curing light replacement	Tongcheng site	384,384	219,214.20
Replace with ovens	Jiangyin site	2,320	1,323.10
Forming machine motor replacement	Jiangyin site	6,306	3,596.31
Terminal machine replacement	Jiangyin site	63,149	36,013.87
Lighting replacement	Jiangyin site	14,196	8,095.98
Conversion of curing lamps to UV LED lamps	Jiangyin site		
Total		1,171,705.00	630,211.66

3.2.3 Energy Management

Energy Management

SINBON's energy usage includes electricity, natural gas, diesel oil and LPG. Diesel oil is mainly used for company cars, while natural gas and LPG are used for staff meals. Among the various types of energy usage, electricity accounts for the largest proportion, mainly used for air-conditioning systems and production machines. SINBON has passed ISO 50001 certification for its four plants in Miaoli, Tongcheng, TongAn, and Jiangyin in 2023. The total energy consumption in 2023 was 121,857.73 GJ. Jiangyin Plant is the largest user of electricity, whereas the Shenzhen SINBON and Shanghai SINBON are office buildings with lower electricity consumption.

Region	Locations	Purchased Electricity					Self-produced Energy	
		Electricity	Gasoline	Diesel Oil	Liquefied Petroleum Gas (LPG)	Natural Gas	Electricity Sales	Renewable Energy for Self-consumption
		(kWh)	(kL)	(kL)	(kL)	(m ³)	(kWh)	(kWh)
Taiwan	Taipei Headquarters	302,345.72	76.18	0.10	-	86.00	530,963.00	-
	Miaoli Site	4,299,794.40	30.92	25.53	1.13	571.37	111,596.00	-
China	Jiangyin Site	19,143,183.00	16.95	7.93	-	21,000.00	14,842.00	1,438,591.00
	Tongcheng Site	1,695,245.26	12.49	0.36	-	24,009.00	129,550.00	606,202.00
	Shanghai Office	54,092.00	0.65	-	-	-	-	-
	Shenzhen Office	24,502.00	-	-	-	-	-	-
	Hong Kong Office	4,593.00	-	-	-	-	-	-
	Beijing TongAn	2,534,986.00	13.30	5.52	-	-	-	-
Europe	Hungary Site	263,618.00	0.62	-	-	13,891.00	-	-
	UK Office	4,545.06	-	-	-	-	-	-
US	US Office	30,178.00	-	-	-	-	-	-
	US Site	748,836.00	7.34	-	-	24,929.59	-	-
Total		29,105,918.44	158.45	39.44	1.13	84,486.96	786,951.00	2,044,793.00

Unit: GJ

Region	Locations	Purchased Electricity						Self-produced Energy	
		Renewable Energy	Non-renewable Energy					Electricity Sales	Renewable Energy for Self-consumption
		Electricity	Electricity	Gasoline	Diesel Oil	Liquefied Petroleum Gas (LPG)	Natural Gas	Electricity	
Taiwan	Taipei Headquarters	-	1,087.91	2,486.15	3.51	-	3.24	1,910.53	-
	Miaoli Site	-	15,471.69	1,009.08	897.27	31.37	21.52	401.55	-
China	Jiangyin Site	-	68,881.77	553.17	278.70	-	790.78	53.41	5,176.40
	Tongcheng Site	-	6,099.90	407.61	12.65	-	904.08	466.15	2,182.26
	Shanghai Office	-	194.64	21.21	-	-	-	-	-
	Shenzhen Office	-	88.16	-	-	-	-	-	-
	Hong Kong Office	-	16.53	-	-	-	-	-	-
	Beijing TongAn	-	9,121.49	434.05	194.00	-	-	-	-
Europe	Hungary Site	-	948.56	20.23	-	-	523.08	-	-
	UK Office	-	16.35	-	-	-	-	-	-
US	US Office	-	108.59	-	-	-	-	-	-
	US site	-	2,694.49	239.54	-	-	938.75	-	-
Total Energy Consumption		-	104,730.08	5,171.04	1,386.13	31.37	3,181.45	2,831.64	7,357.66
Energy Intensity (GJ/NT\$ Million)		3.72							

Note1: The source of unit heating value is 2020 Heat Content of Energy Products by the Energy Administration, Ministry of Economic Affairs.
 Note2: The denominator for the energy intensity calculation is the operating revenue of the audited consolidated financial statements in 2023.

Electricity Savings from TPS

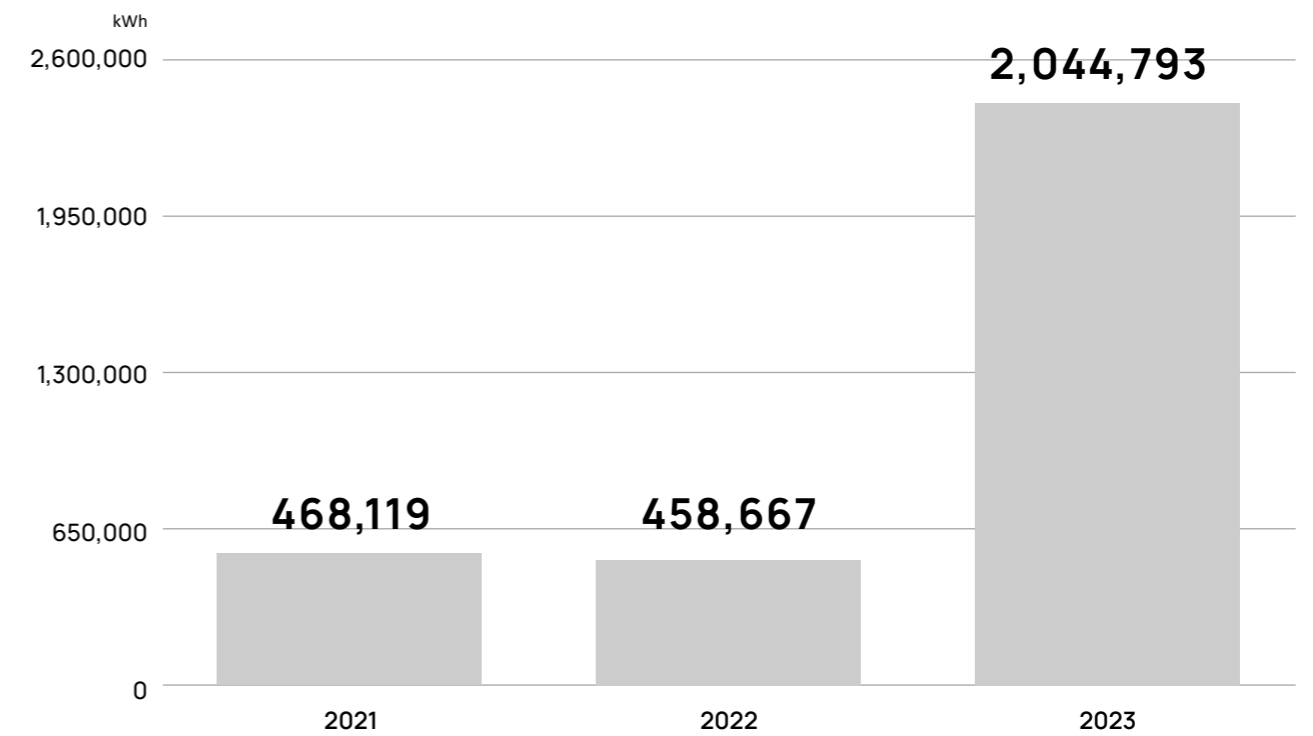
Toyota Production System (TPS) is a production system developed and implemented by Toyota Motor Corporation, a Japanese automobile manufacturer, with the aim of achieving high quality, low cost and fast delivery by optimizing the production process, improving production efficiency, reducing waste and responding flexibly to market demands.

Through continuous improvement, SINBON has optimized the use of low energy-consuming equipment and procedures to reduce energy consumption, saving approximately 1,171,705 kWh of electricity in 2023.

Effectiveness of Renewable Energy Usage in 2023 and Future Renewable Energy Targets

SINBON reached a new milestone in renewable energy in 2023 with a new high of 3 MW of renewable energy installation capacity at its own sites. At the same time, we have successfully achieved a renewable energy usage of 2,044,793 kWh by 2023. We will actively purchase green power in addition to building new renewable energy facilities in our own factories to facilitate the development of renewable energy.

Renewable Energy Usage for Self-Generation and Self-Consumption by SINBON and Affiliated Enterprises



SINBON has been investing in the green energy industry for a long time, assisting customers and suppliers to build solar power plants. In 2013, SINBON set up a solar energy business unit to introduce advanced technology of international solar energy systems into Taiwan, and assist customers and the government in proposing building integration solutions and green building solutions. SINBON continues to plan and develop solar photovoltaic (PV) plants. Construction of a 20MW ground-mounted PV plant in Tainan began at the end of 2023 and is expected to be completed and put into operation in 2024. In Kaohsiung, we are also actively working on a 60MW ground-mounted project.



Completion of Ground-mounted Solar Plant in Tainan

Our ground-mounted solar plant in Syuejia was completed and put up in 2022, which is a milestone in our renewable energy field.

The construction of this solar plant was made possible by the 5+2 policy, which integrates the return of Taiwanese capital into the green energy industry. This is not only an important contribution to the country's sustainable development, but also demonstrates the active participation in fulfilling their environmental commitments.

3.2.4 Green Talent Cultivation

Cultivation Results

In 2023, we continued our efforts in nurturing Green Talent by providing a total of 82.5 hours of training. Through the promotion of various working groups and recording of data, we actively promoted the concept of sustainable management internally and applied it to the products we developed and designed to realize our goal of sustainable development in nurturing talents.

Recognizing the importance of sustainability to the company, we have embedded sustainability in our culture and have established the SINBON Academy to provide ESG-related courses to our employees. At the same time, we have introduced green product concepts into our product design and are committed to developing more environmentally friendly solutions.

In 2023, to continue to raise awareness of low-carbon and eco-friendly products among our employees, two online courses have been organized by the SINBON Academy. We emphasize that the promotion of sustainability should be a participatory process, and through this type of training, we hope that the DNA of sustainability can be naturally integrated into the daily work of each employee.

In terms of program planning, SINBON actively participates in external training programs and internal seminars to enhance the company's management level in the area of sustainability.

Results of Green Talent Cultivation in 2023

Target	Target	Target
Senior executive	Sustainable Strategy Division	Sustainability seed personnel
Training Topic/Course Name	Training Topic/Course Name	Training Topic/Course Name
<ul style="list-style-type: none"> ESG Corporate Sustainability and Management Practices 	<ul style="list-style-type: none"> Corporate Sustainability Workshop - SASB Standard Content and Implementation Practices Corporate Net Zero Sustainability - The Critical Mile to Carbon Neutrality: Carbon Capture, Utilization and Storage 	<ul style="list-style-type: none"> Green and Low Carbon Packaging Design and Practical Applications Low Carbon Cycle Program - ESG Product Carbon Footprint Calculation

Training, Further Education and Related Actions for Senior Executives to Enhance the Awareness of Sustainability

Subject and name of training, study or behavior	Total person-hours of senior executives	Total number of attendance
ESG Corporate Sustainability and Management Practices	72	2
TCFD - Introduction to the Basics	4	4
Green Sharing Meeting	48	24
Sustainable Practices - Technological Innovation and Application Examples	42	28
Low Carbon Cycle Program - ESG Product Carbon Footprint Calculation (Theory Course)	3	2

This series of trainings aims to help the sustainability seed personnel in the company to have a deeper understanding of sustainability and apply these concepts to the products and promote the company's sustainable development.

Future Planning

SINBON will continue to expand its green talent training programs in the future to cover a wide range of in-depth subject areas. Simultaneously, SINBON will strive to expand the number of trainees, allowing more employees to benefit from these training programs. By leveraging the power of collective learning, we aim to stimulate the overall sustainability creativity and efficiency of our team.

3.3

Environmental Resources Management

3.3.1 Environmental Policy Investment

Environmental Management Policy

We are committed to transforming ourselves into a Green Enterprise and continuing our commitment to environmental sustainability. Through Environmental Management System ISO 14001, Greenhouse Gas Inventory ISO 14064-1:2018 and Energy Management System ISO 50001, we regularly review our environmental performance and further develop green products to fulfil our commitment to green operations and sustainable development.

Environmental Expenditure

Waste

Unit: NT\$

Expenditure Item	Description	2020	2021	2022	2023
Pollution prevention costs	Waste removal and treatment, maintenance and operation of pollution prevention equipment	2,156,628	3,420,389	4,064,125	15,593,756

Environmental Management: ISO management

Unit: NT\$

Expenditure Item	Description	2020	2021	2022	2023
Environmental management costs	ISO 14001, ISO 14064, ISO 50001	3,192,907	529,003	1,109,409	3,565,636

Green Procurement

Unit: NT\$

Expenditure Item	Description	2020	2021	2022	2023
Green procurement expenditure	Purchase of green labelled supplies and organic products	4,121,029	8,706,275	17,147,978	4,329,409

Waste Reduction, Water Conservation, Energy Saving and Carbon Reduction Costs

Unit: NT\$

Expenditure Item	2023 Expenditure Amount	2023 Proportion of Cost of Each Input
Pollution prevention cost	15,593,756	50.39%
Environmental management cost	3,565,636	11.52%
Green procurement cost	4,329,409	13.99%
Water conservation cost	236,403	0.76%
Energy saving and carbon reduction cost	7,223,131	23.34%

Note: Data for Beijing TongAn and the US plant have been added for 2023 only due to the adjustment of the disclosure boundary in the Sustainability Report.

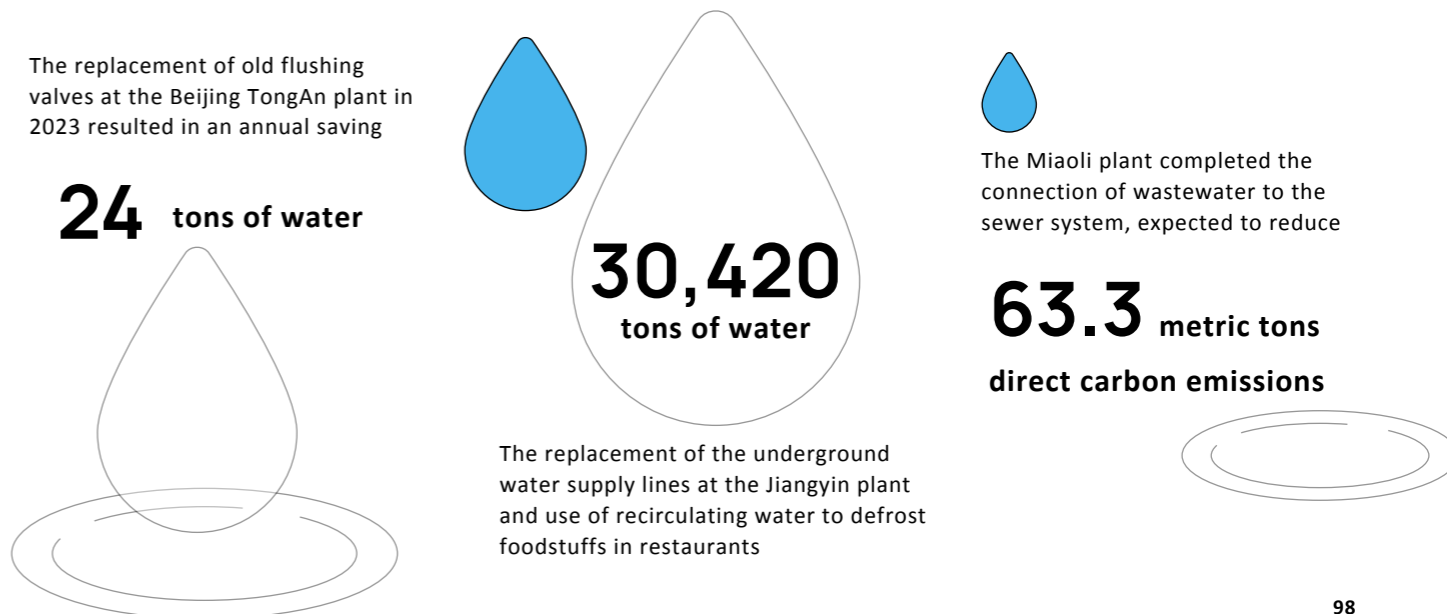
3.3.2 Water Resource Management Strategy

Water Conservation Management Targets

SINBON has been focusing on water efficiency assessment as the core of its water conservation and improvement program. We continue to promote a series of measures to enhance the efficiency of water resources utilization, including the selection of products with water-saving labels, regular replacement and upgrading of old pipelines, implementation of water switch checkpoints. The replacement of old flushing valves at the Beijing TongAn plant in 2023 resulted in an annual saving of 24 tons of water, and the replacement of the underground water supply lines at the Jiangyin plant and use of recirculating water to defrost foodstuffs in restaurants resulted in a saving of 30,420 tons of water in 2023.

On the production side, we have implemented innovative methods such as recycling the cooling water used in the plant's production for cooling units.

Additionally, in 2023, the Miaoli plant completed the connection of wastewater to the sewer system, expected to reduce 63.3 metric tons of direct carbon emissions annually. This marks a significant advancement in our water resource management.



3.3.3 Waste Management

Currently, most of the waste generated by SINBON consists of waste paper, stationery, and a small amount of threads generated from the production lines. Since most of the electronic materials are pre-processed by contractors before being shipped to SINBON for assembly, the amount of industrial waste generated is extremely limited with the implementation of recycling and sorting. Business waste is disposed of by qualified vendors in accordance with the procedures prescribed by law, and hazardous business waste is not transported to countries other than the country where the waste is generated. SINBON's waste is handled in accordance with the relevant provisions of the Waste Disposal Act, and waste classification is carried out to enhance recycle. In 2023, there was no breach of contract by the waste removal contractors commissioned by SINBON, and the waste recycling rate was 59.1%.

Unit: metric tons

Category		Annual Generation			Outsourced Treatment Method
		2021	2022	2023	
General waste	Reusable	839.84	878.74	1,748.85	Hardware and wire: Copper is extracted and then remade into copper foil, wires, and other products. Paper boxes: Processed into pulp and sold to paper mills. Wood: Remade into other products. Packaging barrels: Crushed into plastic flakes and sold to other manufacturers. Printed circuit boards: Copper is extracted and reused to make other products. Other recyclable waste: Subjected to chemical, physical, and thermal treatments for reuse. Non-recyclable waste: Incinerated for energy recovery.
	Non-reusable	159.25	271.92	105.02	
Hazardous waste	Reusable	34.11	34.39	30.47	
	Non-reusable	61.35	78.45	79.66	
Total		1,094.55	1,263.50	1,964.00	

1. SINBON waste is disposed of off-site, in accordance with GRI 306-4 and 306-5 No On-Site Disposal Transfer and Direct Disposal.

End-of-life Products and Recycling

Item	2021	2022	2023
Recycling rate of general waste	Target: 80% Actual: 84% (Achieved)	Target: 80% Actual: 76% (Achievement rate: 95%)	Target: 80% Actual: 94% (Achieved)
Recycling rate of hazardous waste	Target: 30% Actual: 36% (Achieved)	Target: 30% Actual: 30% (Achieved)	Target: 30% Actual: 28% (Achievement rate: 93%)

3.3.4 Air Pollution Management

SINBON's plants comply with local environmental laws and regulations and did not violate any air pollution laws and regulations in 2023. The values of organic solvents monitored annually are much lower than the local regulations. We will continue to arrange gas monitoring for the factory pipeline outlets on a regular basis, and will strengthen the ventilation and air exchange facilities, such as exhaust gas collection and filtration devices and negative-pressure fans.

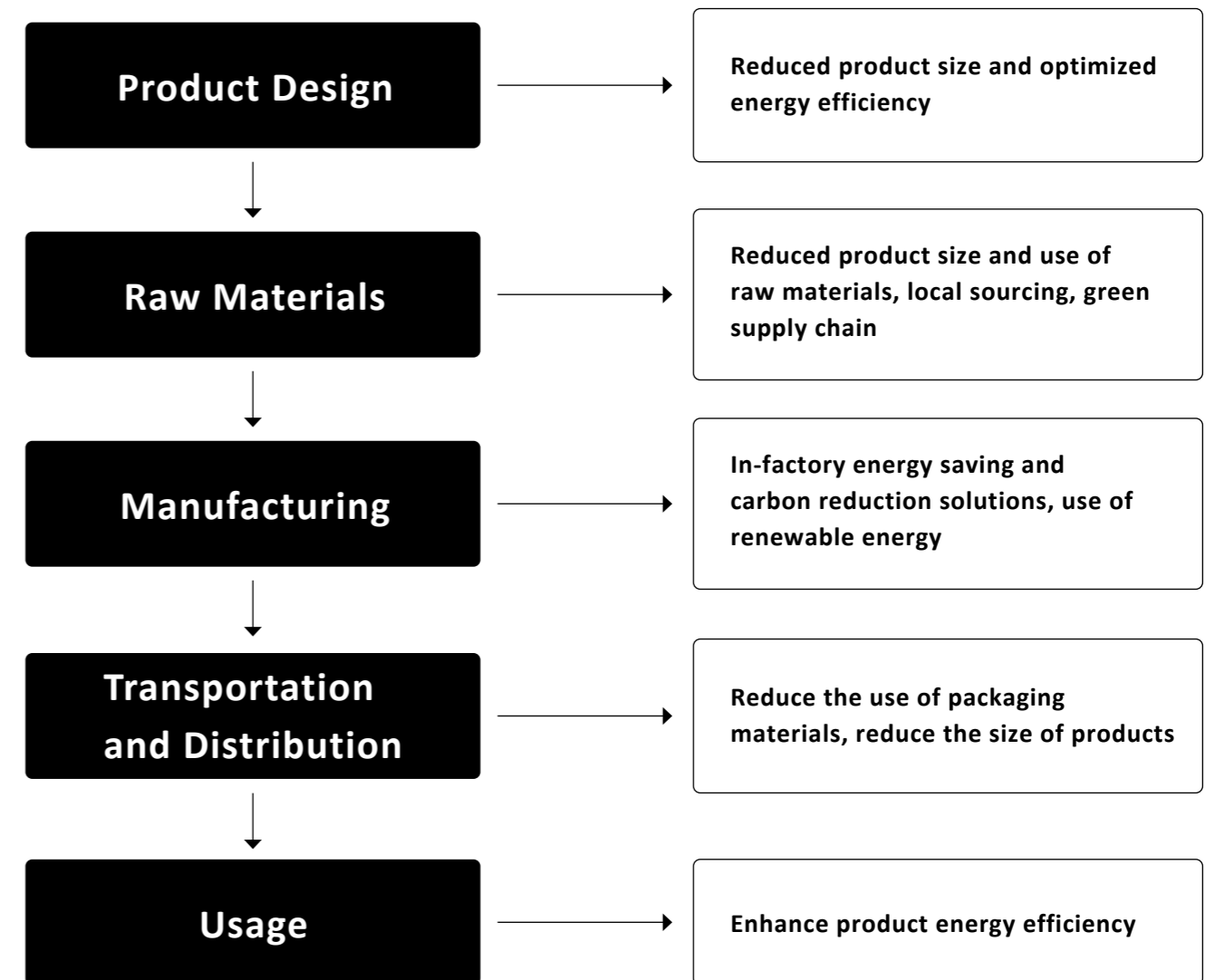
3.4

Green Design of Products

3.4.1 Product Low Carbon Improvement Design

The low carbon improvement design reflects the great efforts we have made to minimize the impact on the environment. Firstly, we have successfully upgraded and developed a lighter and more miniaturized headset harness that retains the flexibility and durability of the wire, which not only meets the needs of end-users, but also drastically reduces the use of raw materials. We also have optimized the structural design of a product that focuses on test harnesses to extend the product's lifespan. Through this optimization, we have reduced the consumption of raw materials and the carbon footprint of product manufacturing. This provides our customers with more durable, reliable and environmentally friendly products.

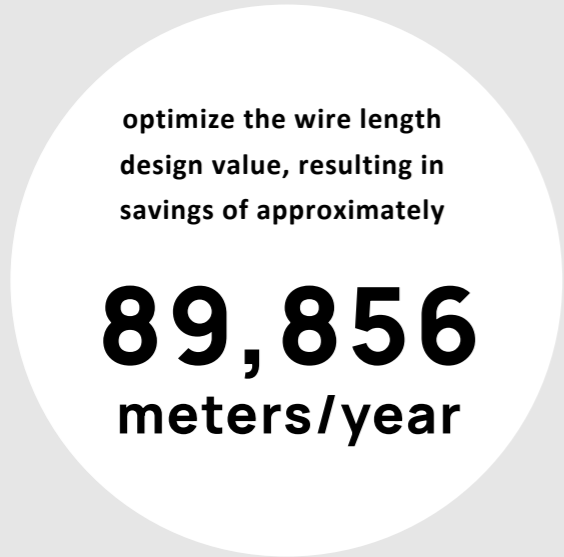
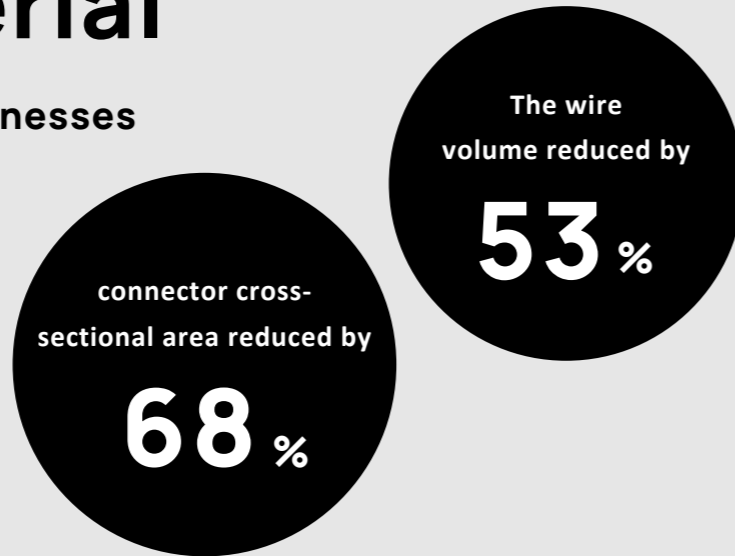
In addition, we have introduced a modular design of I/O devices with replaceable modules to extend the life of the product. This design not only helps to improve production efficiency, but also provides users with more convenient maintenance and upgrade options. SINBON highlights our concern for the environment and the needs of our customers as we continue to innovate. This is not only our endeavor to improve the low-carbon design of our products, but also our commitment to sustainable development.



Reduced Weight of Wire Material

Thin and short headphone harnesses

This upgrade is a complete overhaul of the first generation headphone harness. While retaining the same durability and flexibility, we have successfully reduced the diameter of the wire and at the same time reduced the size of the connector, making the entire product lighter, with the wire volume reduced by approximately 53% and the connector cross-sectional area reduced by approximately 68%. Improvement of the accuracy of the automated wire cutting machine and optimization of the design of the wire length



We have optimized our automated wire cutting machine to improve the accuracy

We optimize the wire length design value, resulting in savings of approximately 89,856 meters of wire/year and improving process efficiency.



Packaging Material Reduction

In the past, we used to use PE plastic film for wrapping in order to enhance the protection during transport. We keep looking for ways to reduce the amount of plastic used for packaging. Now, we can reduce the amount of plastic film used by 44%, from 4 to 5 layers of PE film to 1 to 2 layers. This not only achieves the goal of environmental protection and plastic reduction, but also reduces the cost of packaging materials, achieving both economic and environmental benefits.

Product Carbon Footprint Calculation and Low Carbon Improvement Design

In order to accurately and scientifically lay out low-carbon products, SINBON has been actively promoting product carbon footprint inventories in recent years. Several types of products as listed in the table below have been fully inventoried currently.

Product Item	Product Introduction	ISO 14067 Certification
Fitness apparel control box	As a wearable control box connected to the corresponding fitness apparel product, it can be controlled remotely using the app, with multiple modes of stimulation to enhance the fitness effect.	Obtained in 2023
Payment device scanners	As the connecting link between the scanning terminal and the internal cabinet, the wiring harness plays a role in signal transmission and application surface bending and swinging requirements.	Planning to obtain in 2024
Products for electric passenger cars	GB/T standard and IEC standard charger harness assembly, as the link between the charging gun and the battery, the charging harness plays an important role in the rapid replenishment of electric vehicles.	Obtained in 2023
Temperature sensors	It can be widely used in various electrical control cabinets, generators, gearboxes, battery packs and other applications where temperature monitoring is required. The sensor ensures stable equipment operation by monitoring temperature changes.	Planning to obtain in 2024
Photovoltaic AC branch cables	AC Cable is mainly used for connecting micro inverters under the PV panels in series and connecting them to the energy storage system through the wiring harness.	Obtained in 2023

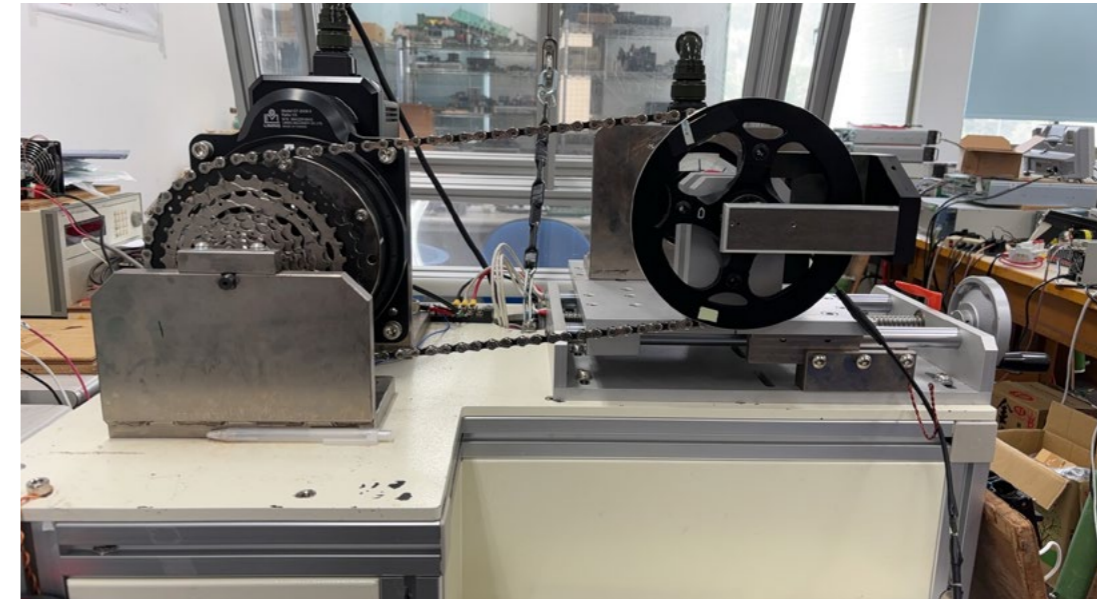
SINBON has spent three years to use environmentally friendly TPU and TPE instead of traditional PVC, and devoted to develop TPE synthetic rubber (thermoplastic elastomers) related products. After continuously adjusting the formula and re-testing, it has passed the safety and durability tests such as UV-resistant, water-resistant, heavy-pressure-resistant, high- and low-temperature-resistant, oil-resistant and chemical solvent-resistant, and can be 100% recycled, making them a new niche for SINBON's low-carbon products.

As a next step, SINBON plans to develop "Bioplastic", which is made from raw materials such as corn, potatoes, and sugarcane, to create the next-generation products, replacing the plastics made from petrochemicals that are currently used in the market, and moving from low-carbon products to zero-carbon products.

3.4.2 External Sustainability Communication

SINBON has always been committed to working with external partners to jointly promote technological advancement and social development. Through our partnership with Swappable Batteries Motorcycle Consortium (SBMC), we are able to leverage our expertise to bring innovative solutions to the industry and become a leading electric vehicle charging and switching solution provider.

At the same time, we have organized internship programs with a number of colleges and high schools, and participated in industry exchange programs, which have strengthened SINBON's talent development and laid a solid foundation for future sustainable development.



National United University Industry-Academia Cooperation- Electric Assisted Bicycle Test System

Electric assisted bicycles have become one of the most popular options in the market as a low-carbon and environmentally friendly means of transport. The test platform is also a very important part in this field. Therefore, SINBON and the National United University have cooperated to research on the control strategy of the auxiliary power, and have proposed the design of a test platform, with the magnetic field guidance control of the motors and the construction of a riding model, to test and verify the various riding conditions.

With the accumulation of riding information and the modelling of electronic control measurements, the test platform will be able to define different riding terrain models and changes in environmental parameters, so that it will be possible to adjust the appropriate load according to different riding modes. Through this platform, we can help electric assisted bicycles to be more user-friendly and more comfortable.

Digital Transformation AI Application Competition



In 2023, SINBON participated in the AI Application Competition organized by the Administration for Digital Industries, to help promote the digital transformation of SINBON's manufacturing processes through exchanges with the industry. Through the solution provided by Claireye Intelligence Co., Ltd., we successfully solved the problem of linking the wire hermetic testing and labelling machine, completed the software information integration, optimized the hermetic testing process, increased the efficiency by 21.6%, and saved 75% of the cost, and finally won the recognition of "Good Work".

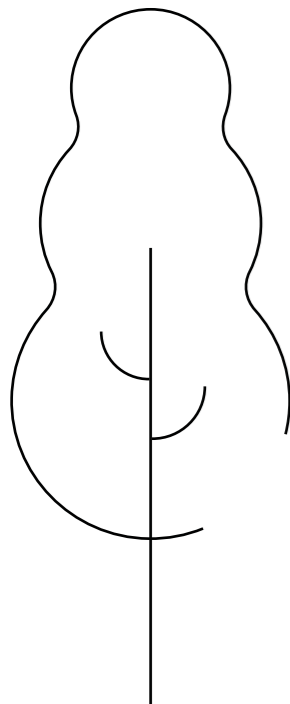
This cooperation has brought SINBON to the forefront of digital transformation. In the future, we will continue to actively participate in cooperation projects and continue to explore and apply advanced technologies in order to promote the company's development in digital transformation and automation.

3.5

Biodiversity and Ecological Conservation

As part of its ongoing concern for climate change and biodiversity, SINBON supports the United Nations Convention on Biological Diversity and the Kunming-Montreal Global Biodiversity Framework. SINBON has internalized the sustainable management of ecosystems into its operations, and through the setting of commitment targets, action plans, and the participation of corporate volunteers, it promotes and disseminates knowledge of environmental and animal conservation, thus fulfilling its commitment to biodiversity and ecological conservation.

Biodiversity and No Deforestation Commitments



SINBON is committed to preserving the forest environment and biodiversity:

- With the goal of achieving Net Positive Impact (NPI) on biodiversity by 2050, we are committed to biodiversity conservation.
- Aiming to achieve No Net Deforestation by 2050, we adhere to international and local forest-related laws and specific regulations. We actively avoid deforestation of primary forests and establish assessment mechanisms. In collaboration with stakeholders, we prioritize reforestation and rehabilitation projects to reduce biodiversity impacts and protect forest habitats.

In order to achieve the goal of biodiversity and no deforestation commitment, SINBON plans to launch the TNFD framework in 2024, which will prioritize the assessment and identification of significant nature issues and risks related to SINBON's production, operation and value chain.

SINBON will follow its biodiversity and no deforestation policy and work with stakeholders to incorporate the concepts of biodiversity and forest protection into the company's operations and product design, and actively practice corporate responsibility and supply chain management in an eco-sustainable manner.

Actions and Plans

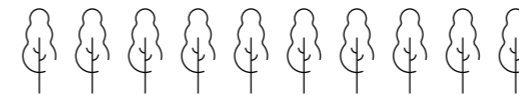
Tree Planting

= 100 Tree

In 2022, SINBON established a tree planting and conservation program, adopting 1,000 trees from the Shihmen Reservoir in Taoyuan. In 2023, we continued to encourage our employees to participate in the "SINBON Magic Forest Campaign" event by adopting 250 trees in China. In addition, the Hungary plant has been organizing tree-planting activities to encourage staff participation and to echo the Group's commitment to environmental protection issues.

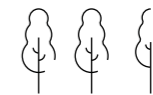
2022 tree planting and conservation program
has adopted

1,000 trees from the Shihmen Reservoir in Taoyuan



2023 Magic Forest Campaign
has adopted

250 trees



Mountain and Beach Cleanup

= 100kg

SINBON take its environmental clean-up initiatives to both the beach and the mountains. In 2023, the China plant responded to the mountain clean-up activity at Tianping Mountain in Suzhou, clearing a total of 13.06kg of litter. The Taiwan plant held beach cleaning activities in Wanli and Houlong, removing 290.9kg and 410.7kg of litter respectively to protect the coastal and marine environment.

Mountain clean-up activity at Tianping Mountain in Suzhou

clearing a total of

13 kg of litter



beach cleaning activities in Wanli

removed

291 kg of litter



beach cleaning activities in Houlong

removed

411 kg of litter



Leopard Cat Regeneration Rice Paddy Project

= 100kg

SINBON has been promoting the project with BlueMagpie Tea Social Enterprise Co. Ltd. since 2019, becoming the first enterprise to adopt the rice paddy in Miaoli. Each year, SINBON will conduct a corporate charity sale of the rice, and all proceeds from the sale will be invested into the Leopard Cat Regeneration Rice Paddy Project to support for the conservation of leopard cat. In 2023, SINBON subscribed for 1,000 packs of Leopard Cat Rice and a total of 630 sets of rice wine and rice cracker gift boxes.

Leopard Cat Rice

1,000 Packs



Rice wine and rice cracker gift boxes

630 sets



04

Partner Sustainability

109 – 158

4.1 Talent Attraction and Retention

4.2 Talent Development

4.3 Human Rights Protection

4.4 Occupational Safety and Health

4.5 Social Engagement

SINBON supports and voluntarily complies with the United Nations Universal Declaration of Human Rights, the UN Global Compact, the International Labor Organization Conventions and other international human rights conventions, and respects the internationally recognized basic human rights. Internally, SINBON conducts human rights due diligence and formulates the company's human rights policy in accordance with the OECD's guiding principles of responsible business conduct and strives to create a working environment in which well-being and the rights of its employees are fully guaranteed. Externally, we actively participate in social activities, work with external organizations to give back to the community.

Annual Results

NT\$10.67 million

Total community participation inputs

NT\$12.79 million

Payment of childcare subsidy, benefiting 1,014 children

47%

Percentage of female managers

Best Companies to Work for in Asia

Awarded by HR Asia

9,332

Trained 35 in-house instructors, with 9,332 attendees

4.1

Talent Attraction and Retention

4.1.1 Talent Recruitment

SINBON is committed to diversity in the workplace and does not discriminate or treat individuals unfairly or differently based on race, class, language, ideology, religion, party affiliation, national origin, place of birth, gender, sexual orientation, age, marriage, appearance, features, physical or mental handicap, astrological sign, blood type, or previous union membership. In terms of talent selection, we adhere to the principles of diversity and inclusiveness, and adopt a fair, non-discriminatory, and transparent recruitment and evaluation mechanism in selecting, employing, nurturing, and retaining personnel, as well as providing comprehensive remuneration, to create a multicultural and cross-generational friendly workplace.

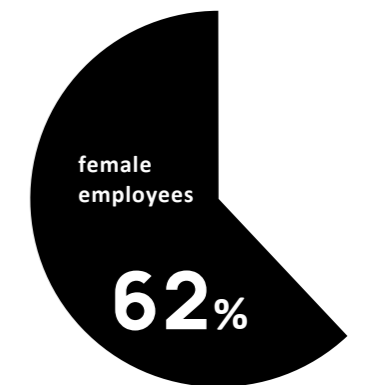
Category description		Total number of employees									
		By contract type				By hours of work					
Factory	Total number of employees	Permanent employees		Contract employees		Full-time employees		Part-time employees		Employees with no guaranteed hours (zero-hour contract employees)	
		Male	Female	Male	Female	Male	Female	Male	Female	Male	Female
Taipei Headquarters	377	181	193	0	3	181	194	0	2	0	0
Miaoli Site	874	257	616	1	0	258	616	0	0	0	0
Jiangyin Site	1,966	251	314	681	720	932	1,034	0	0	0	0
Tongcheng Site	811	0	0	190	621	190	621	0	0	0	0
Shanghai Office	51	9	14	11	17	20	31	0	0	0	0
Shenzhen Office	41	3	11	10	17	13	28	0	0	0	0
Beijing TongAn	670	10	20	229	411	239	431	0	0	0	0
Hong Kong Office	1	0	1	0	0	0	1	0	0	0	0
US Office	11	4	7	0	0	4	7	0	0	0	0
US Site	166	67	98	1	0	60	84	8	14	0	0
UK Office	4	1	3	0	0	1	3	0	0	0	0
Hungary Site	194	44	145	1	4	44	145	1	4	0	0
Total	5,166	827	1,422	1,124	1,793	1,942	3,195	9	20	0	0

* The number of employees is based on the number of employees as of December 31.

Factory	Total number of employees	Workers who are not employed by SINBON			
		Male	Female	Type of worker	Contractual relationship with the original organization
Taipei Headquarters	3	0	3	Outsourced cleaning staff	Full-time employees
Miaoli Site	22	10	12	Labor agency dispatch	Full-time employees
Jiangyin Site	839	396	443	Labor agency dispatch	Full-time employees
Tongcheng Site	110	38	72	Assistant technicians	Labor agreement
Shanghai Office	0	0	0	-	-
Shenzhen Office	0	0	0	-	-
Beijing TongAn	118	52	66	Assistant technicians	Permanent employees
Hong Kong Office	0	0	0	-	-
US Office	0	0	0	-	-
US Site	0	0	0	-	-
UK Office	0	0	0	-	-
Hungary Site	0	0	0	-	-
Total	1,092	496	596	-	-

* The number of employees is based on the number of employees as of December 31.

As at the end of 2023, the group had 5,166 permanent employees, mainly aged between 30 and 49. Among them, "female power" is the backbone of the company that cannot be ignored. In 2023, female employees constituted 62% of SINBON's total workforce. More than 33% of the supervisors at the associate level and above were female, 32% of the supervisors at the director level were female, and the proportion of female supervisors in the entire Group was as high as 47%, demonstrating that SINBON attaches great importance to the cultivation of talents regardless of gender.



"Female Power" is the backbone of the company that cannot be ignored

permanent employees
5,166

Breakdown of Employees of Different Ages and Positions in 2023

Category description		Total number of employees									
		By age						By position			
		Below 29 years old (including)		30-49 years old		50 years old and above		Management positions		Non-management positions	
Factory	Total number of employees	Male	Female	Male	Female	Male	Female	Male	Female	Male	Female
Taipei Headquarters	377	36	48	123	136	22	12	65	56	116	140
Miaoli Site	874	85	172	156	371	17	73	31	23	227	593
Jiangyin Site	1,966	342	242	571	776	19	16	97	89	835	945
Tongcheng Site	811	59	60	119	549	12	12	22	17	168	604
Shanghai Office	51	5	6	15	25	0	0	7	9	13	22
Shenzhen Office	41	6	9	7	19	0	0	4	9	9	19
Beijing TongAn	670	66	86	165	345	8	0	27	25	212	406
Hong Kong Office	1	0	0	0	1	0	0	0	0	0	1
US Office	11	0	0	1	5	3	2	3	3	1	4
US Site	166	13	9	29	34	26	55	4	3	64	95
UK Office	4	0	0	0	3	1	0	1	1	0	2
Hungary Site	194	10	17	26	93	9	39	4	2	41	147
Total	5,166	622	649	1,212	2,357	117	209	265	237	1,686	2,978

* The number of employees is based on the number of employees as of December 31.

* The "combined share" is calculated as "number of males or females by type ÷ total number of persons in that type × 100%".

SINBON focuses on turnover rate and continuously optimizes the workplace environment and employee experience to attract the best talent. We also continue to adjust our recruitment and retention strategies in response to market needs. The new arrivals and departures in 2023 are as follows, with a significant increase in the number of turnovers in 2023 as compared to 2022, mainly due to the incorporation of Beijing TongAn into the group's parent company and the transfer of manpower from the E-Bike factory to the affiliated company in 2023.

Employee Onboarding Overview in 2023

Factory	Total number of employees	Below and including 29 years old		30-49 years old		50 years old and above	
		Male	Female	Male	Female	Male	Female
		Taipei Headquarters	95	18	38	18	19
Miaoli Site	162	36	36	34	53	1	2
Jiangyin Site	1,878	654	427	318	478	0	1
Tongcheng Site	334	52	39	48	180	0	15
Shanghai Office	6	2	2	1	1	0	0
Shenzhen Office	6	3	2	0	1	0	0
Beijing TongAn	825	172	178	158	317	0	0
Hong Kong Office	0	0	0	0	0	0	0
US Office	5	0	0	0	1	2	2
US Site	134	26	16	34	29	15	14
UK Office	0	0	0	0	0	0	0
Hungary Site	83	9	19	19	25	4	7
Total	3,528	972	757	630	1,104	24	41

Number and Percentage of New Hires Over the Years

Year	2021	2022	2023
Total number of new hires	3,086	3,333	3,528
Annual new hire ratio (%)	80.9%	72.5%	69.8%
Monthly new hire ratio (%)	6.7%	6.0%	5.8%

Employee Annual New Hire Ratio (%) = (Number of new employees in the current year / ((Number of employees at the beginning of the period + Number of employees at the end of the period)/2))*100%

Employee Monthly New Hire Ratio (%) = (Number of new employees in the year / ((Number of employees at the beginning of the period + Number of employees at the end of the period)/2))/12*100%

Employee Turnover Overview in 2023

Factory	Employee category	Below and including 29 years old		30-49 years old		50 years old and above	
		Male	Female	Male	Female	Male	Female
Taipei Headquarters	Direct employees	0	0	0	0	0	0
	Indirect employees	16	28	17	19	2	2
Miaoli Site	Direct employees	40	37	59	59	3	3
	Indirect employees	11	7	24	15	4	2
Jiangyin Site	Direct employees	753	413	409	564	4	5
	Indirect employees	24	23	22	19	0	2
Tongcheng Site	Direct employees	37	42	33	185	0	26
	Indirect employees	6	2	9	6	3	3
Shanghai Office	Direct employees	0	0	0	0	0	0
	Indirect employees	2	3	0	3	0	0
Shenzhen Office	Direct employees	0	0	0	0	0	0
	Indirect employees	3	1	1	2	0	0
Beijing TongAn	Direct employees	187	182	194	389	0	0
	Indirect employees	9	11	16	13	4	1
Hong Kong Office	Direct employees	0	0	0	0	0	0
	Indirect employees	0	0	0	0	0	0
US Office	Direct employees	0	0	0	0	0	0
	Indirect employees	0	1	0	0	2	0
US Site	Direct employees	24	16	27	24	8	20
	Indirect employees	1	2	7	6	6	8
UK Office	Direct employees	0	0	0	0	0	0
	Indirect employees	0	0	0	0	0	0
Hungary Site	Direct employees	5	14	10	20	5	8
	Indirect employees	1	1	5	3	1	0
Total		1,119	783	833	1,327	42	80

Number and Percentage of Departed Employees Over the Years

Year	2021	2022	2023
Total number of departed employees	2,277	2,772	4,184
Annual departure ratio (%)	59.7%	60.3%	82.8%
Monthly departure ratio (%)	5.0%	5.0%	6.9%

Employee Annual Departure Ratio (%) = (Number of departed employees in the current year / ((Number of employees at the beginning of the period + Number of employees at the end of the period)/2))*100%

Employee Monthly Departure Ratio (%) = (Number of departed employees in the year / ((Number of employees at the beginning of the period + Number of employees at the end of the period)/2))/12*100%

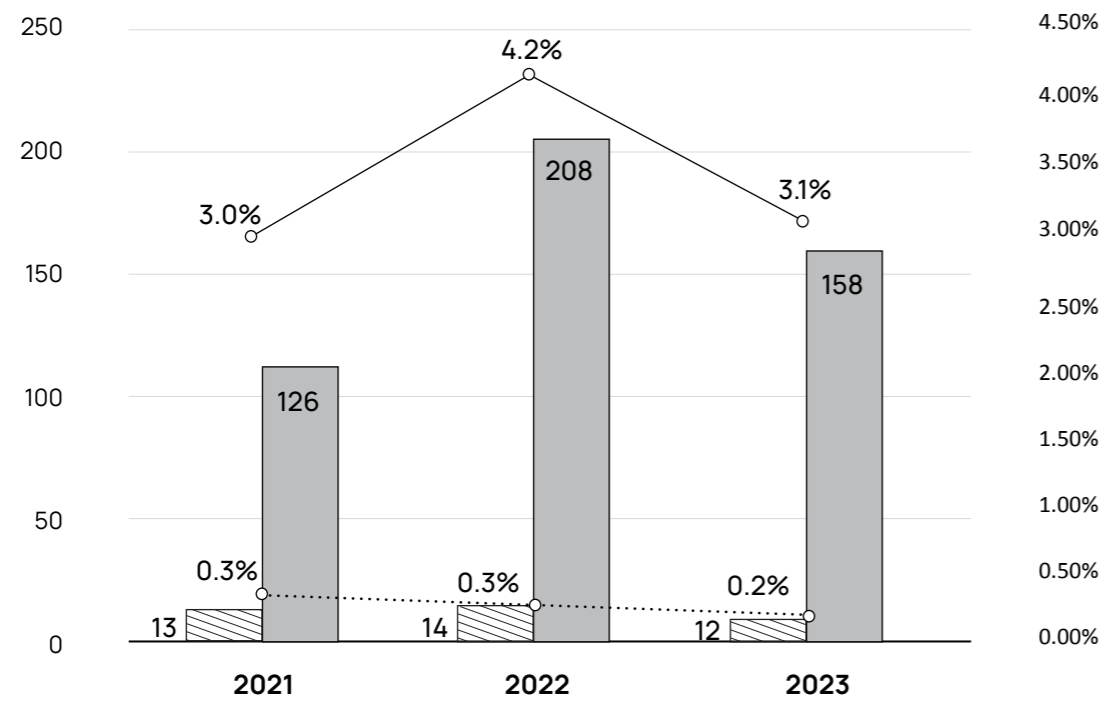
4.1.2

Diversity, Equity, and Inclusion



SINBON's employees come from more than 10 countries around the world. SINBON actively shapes the corporate culture of a friendly workplace and recruits diversified talents, adopting the principles of openness, diversity, respect, and equality for the LGBTQ+ community. SINBON provides fair and unimpeded career advancement channels, designs recruiting and training programs for employees from different backgrounds, including the international internship program, work permits for expats, and hires local supervisors in overseas locations.

Number and Proportion of Employees of Different Ethnic Groups to the Total Number of Employees Over the Years



*Calculation of proportion: number of employees in the group/the group/total number of employees in the year

■ Number of foreign workers
 ▨ Number of people with mental/physical disability
 Ratio of people with mental/physical disability in all employee (%)
 — Ratio of foreign workers in all employees (%)

In order to cultivate a culture of diversity, equity, and inclusion (DEI) in SINBON, since 2023, the company has regularly conducted human rights reports, continued to promote DEI courses, introduced new training programs, and established a communication channel for complaints, which now adopts a system of named complaints. In order to protect the interests of the complainant, a confidentiality agreement will be signed and the progress of the case will be followed up throughout the handling of the complaint to ensure the privacy and rights of the complainant.

SINBON Was Selected for the 2023 Bloomberg Gender-Equality Index

In 2023, SINBON participated in the Bloomberg Gender-Equality Index for the first time and was announced as a constituent of the Bloomberg Gender-Equality Index after being recognized for its performance in five key pillars: leadership and talent pipeline, equal pay and gender pay parity, inclusive culture, anti-sexual harassment policies, and external brand. This year, a total of 485 companies worldwide were selected which came from 45 countries and regions. Only 16 companies from Taiwan were included in the index, and SINBON is one of the leading companies in the electronic components manufacturing sector.

"We are honored to be invited and selected for the Bloomberg Gender-Equality Index for the first time. Moving forward, SINBON will continue to improve its performance in various evaluations, and gradually realizing the vision of diversity, equity, and inclusion."

Chief Sustainability Officer Lily Huang

4.1.3 Remuneration and Benefits

SINBON fully empowers its employees within the scope of their duties and provides them with a smooth and transparent promotion channel by handling promotions and salary adjustments every year. Regardless of seniority and gender, promotions and salary adjustments are based on the principle of fairness and impartiality, considering management qualifications, professional experience and work performance, so that each and every colleague can have a fair opportunity for promotion and remuneration.

Assisting Employees to Develop Appropriately through Performance Appraisal

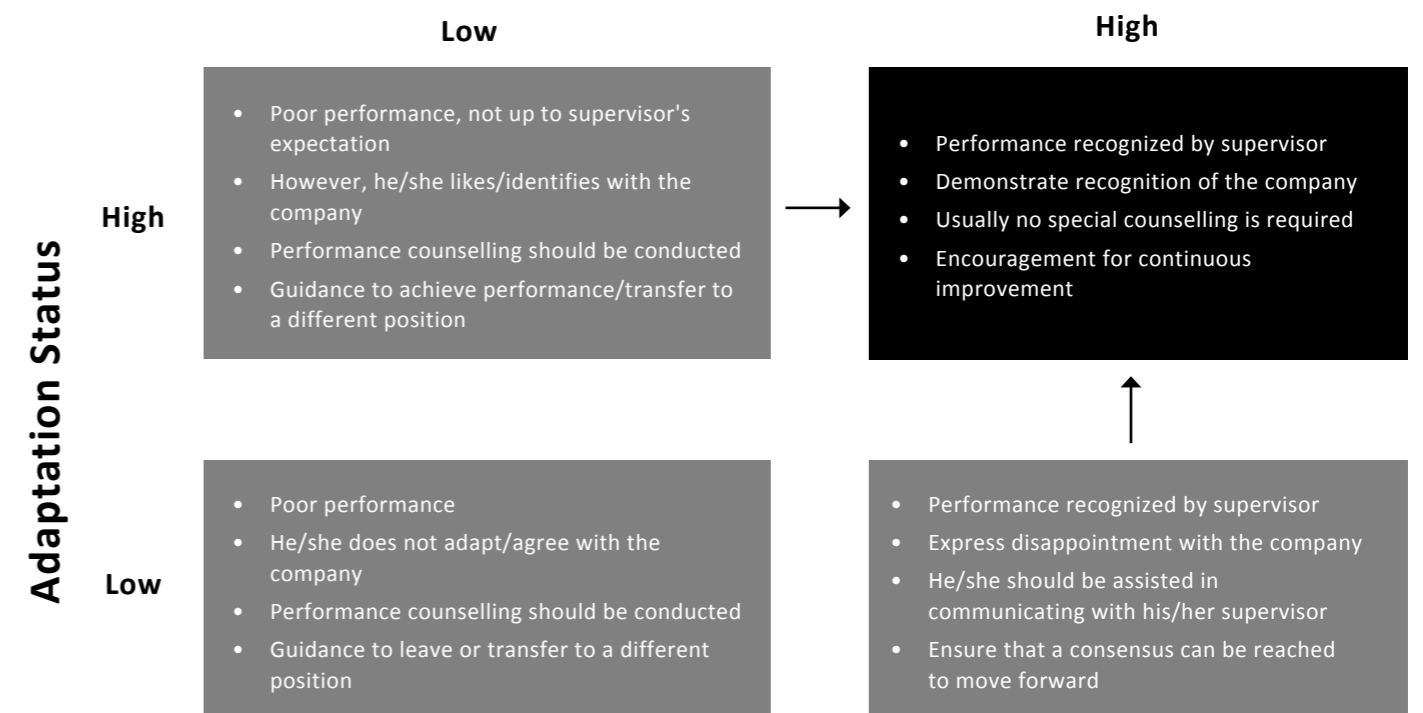
In order to achieve the group's long-term and short-term goals, SINBON has formulated the "Group Employee Performance Management Measures" to fairly and objectively assess all employees to the goals set for each year's performance appraisal. SINBON provides flexible remuneration such as performance/incentive bonuses based on the results of the employee performance evaluation in accordance with the operating conditions to encourage morale, give employees a sense of achievement, and facilitate employee mobility and promotion to help them develop more appropriately.

Performance bonuses are instantly motivating and highly performance-related, not only reflecting the overall operating profit of the company, but also differentiated according to the performance of each unit. When the company actively

executes various ESG projects, the results of the relevant operating performance are also reasonably correlated with the salaries and bonuses of employees. Therefore, SINBON will continue to conduct regular business performance reviews and pay performance bonuses at regular intervals.

For new employees, the group will arrange for them to undergo a probationary appraisal when they first join the group. For employees who perform well but do not adapt well enough, the Human Resources Department will communicate with their supervisors to ensure that they can better integrate into the company culture. For employees who do not perform well but are genuinely interested in SINBON, the Human Resources Department will cooperate with their supervisors to provide with guidance and help them improve their work performance within a set period of time.

Work Performance



Remuneration and Benefits Policy

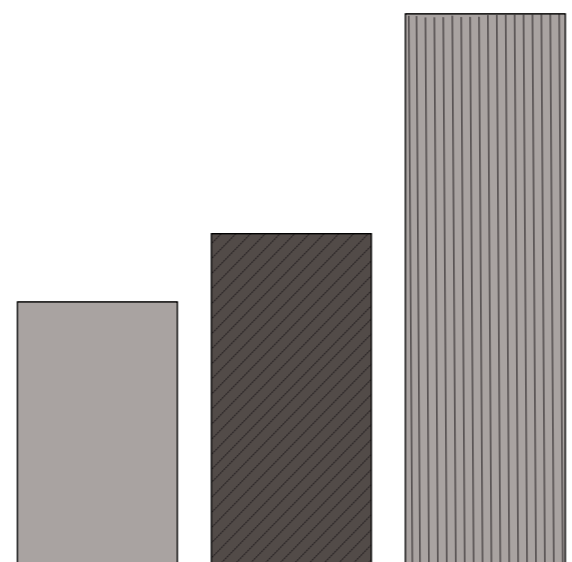
Employees are paid a fixed salary for their current role and are entitled to incentive bonuses subject to the company's actual profitability. In addition to fixed bonuses, senior management receives incentive bonuses and long-term incentives based on short- and medium-term contributions. The Board of Directors (Chairman) is responsible for formulating long-term strategies and reviewing major investments and personnel matters and is remunerated in accordance with the rules.

Employee Promotion Ratio in 2023

Factory	Management positions		Non-management positions	
	Male	Female	Male	Female
Taipei Headquarters	19%	19%	16%	13%
Miaoli Site	29%	45%	8%	10%
Jiangyin Site	35%	29%	9%	11%
Tongcheng Site	14%	25%	16%	12%
Shanghai Office	0%	11%	17%	4%
Shenzhen Office	0%	11%	11%	21%
Beijing TongAn	46%	28%	11%	14%
Hong Kong Office	0%	0%	0%	0%
US Office	33%	0%	0%	0%
US Site	0%	0%	0%	0%
UK Office	0%	0%	0%	0%
Hungary Site	0%	0%	0%	0%

*Note: Employee Promotion Ratio (%) = (Number of employees promoted in the year within a specified category / Total number of employees in the year)

SINBON believes that a high-quality and stable working environment with favorable remuneration is the basic condition for attracting excellent talents, and that the average monthly salary of direct employees in 2023 is better than 1.32 times of the statutory basic wage. The average salary of full-time employees not in supervisory positions in Taiwan in 2023 (annual) is NT\$729 thousand. In recent years, the promotion rate of female executives has continued to increase, which is another step towards gender equality in the workplace.



Historical Gender Ratio of Salaries of Managerial/Non-Managerial Employees

Year	2021		2022		2023		
	Male	Female	Male	Female	Male	Female	
Employee							
Management positions	1.28	1	1.22	1	1.19	1	
Non-management positions	Indirect employees	1.18	1	1.12	1	1.15	1
	Direct employees	1.17	1	1.02	1	1.01	1

*Note: Supervisors are personnel at the section level and above.

Historical Average Salary of Non-Managerial Employees

Item	Unit	2021	2022	2023
Total salary for full-time non-management employees (A)	NT\$ thousand	685,635	785,785	831,818
Number of full-time non-management employees (B)	Number of people	1,013	1,147	1,141
Average salary of full-time non-management employees (A/B)	NT\$ thousand	677	685	729
Median salary of full-time non-management employees	NT\$ thousand	498	496	544

SINBON actively promotes the policy of cross-country transfer and assignment, and has already assigned three employees to the US in 2023. Meanwhile, the company decided to further improve employee benefits in 2024 by providing three days of flexible leave and increasing the travel subsidy by 11%. In addition, the company has implemented an employee shareholding trust system and increased the amount of monthly dividends to encourage employees to actively participate in the company's operations and share in the achievements of the enterprise.

Assigned employee to the US

 **3**

Provide employees with flexible leave for

 **3** days

Increasing the travel subsidy

 **11** %

Friendly Welfare System

Employee Welfare Committee

- Wedding and funeral allowances and subsidies
- Organize regular staff trips and travel subsidies
- Organize various social activities to facilitate communication and harmony between employees and employers
- Holiday and birthday gifts or allowances
- Agreements with several partner stores to provide employees with discounted prices and special offers
- Hospitalization, medical, and disaster relief subsidies
- Occasional professional seminars

Periodic health examination

Conducting employee health checks that exceed the requirements of Occupational Safety and Health Act

Dependants insurance

In addition to the employee himself/herself, his/her family members (spouse under 65 years old and children under 23 years old) are also entitled to NT\$20,000 Accidental Injury Medical Insurance and NT\$2,000 Hospitalization Medical Insurance, with premiums fully covered by SINBON, so that the family members of the employees can enjoy the same level of medical protection

On-site massage

Inviting visually impaired massage therapists to be stationed at the site to provide massage services

Social Insurance and Retirement Security

SINBON prepares in advance for potential social risks that employees may face, such as illness, physical and mental injuries, disability, unemployment, occupational hazards, aging, and death. This includes providing basic economic security through labor insurance, national health insurance, life insurance, medical insurance, disability insurance, and legally mandated retirement benefits. In 2023, except for the US plant, all operating locations provided 100%* life, medical, and disability insurance coverage for employees.

The group adheres to the retirement regulations of each country, which stipulate that employee retirement funds are to be deposited annually into special accounts supervised by the supervisory committee of workers' retirement reserve fund. For defined contribution retirement plans, SINBON and its domestic subsidiaries allocate a minimum of 6% of each employee's monthly salary to their retirement funds. Additionally, SINBON provides resources such as referral or career counseling services for employees ending their careers due to retirement or termination of the employment relationship.

*Note: Employee insurance ratio calculation: Total number of insured employees / Total number of employees at the site. The US plant insurance is subsidized by the company at 70% of the premium, and employees are free to choose whether to take out additional insurance or not, therefore, the enrolment rate has not reached 100%.

Employee training

In order to meet the group's strategic development objectives and satisfy the staff's job requirements, the company provides diverse learning channels such as internal training, domestic and international workshops, and book clubs

Employee dividends

Based on the company's revenue and profit status, bonuses are awarded according to unit and individual performance evaluations to motivate employees and foster strong cohesion within the team

Family-friendly program

- 61 days of maternity leave that is better than the Labor Standards Act
- Parental or spousal major injury or sickness care leave: 10 days in the first and second half of the year. Employees who have a major injury or sickness of a spouse or parent may take 10 days of full-pay care leave in the first and second half of the year, in addition to the family care leave
- In response to the need for child or family care in the event of the pandemic, employees may take pandemic prevention and care leave with half pay
- Employees with at least one year of seniority can receive NT\$1,500 per month for childcare assistance for children aged 0-6
- Employees with at least one year of seniority are entitled to 7 days of paid personal leave

Encouragement of Childbirth

SINBON cares about female colleagues and all employees' families by offering a maternity leave of 61 days. Additionally, SINBON provides unpaid parental leave, ensuring better care for both female employees who give birth and their accompanying family members. SINBON also provides childcare subsidies, granting employees with over one year of service a monthly subsidy of NT\$1,500 (or RMB 300) per child aged 0-6.



monthly subsidy
NT\$ **1,500**

SINBON Group Childcare Subsidy Results for 2023

Item	Statistical value	Annual growth rate
Number of applications received	1,726 cases	-1.3%
Number of employees benefited	917 individuals	0.5%
Number of children benefited	1,014 individuals	-0.7%
Total amount of childcare subsidy	NT\$12,788,760	0.9%

*Note: Annual growth rate = (reported annual statistics - previous annual statistics)/previous annual statistics*100%

Statistics on Employee Parental Leave Applications, Return to Work, and Retention in 2023

Number of parental leave applications in 2023 (A)	Number of employees expected to return from parental leave in 2023 (B)	Number of employees who returned from parental leave in 2023 (C)
20	11	9
Return to work rate (C/B)	Number of employees who returned from parental leave in 2022 (D)	Number of employees who continued working for more than one year after returning from parental leave in 2022 (E)

82%

18

9

Retention rate (E/D)

50%

*A. Number of parental leave applications in 2023: Number of parental leave applications from 2023/01/01 to 2023/12/31

*B. Number of employees expected to return from parental leave in 2023: Number of employees expected to return from parental leave with an end date between 2023/01/01 and 2023/12/31

*C. Number of employees who returned from parental leave in 2023: Number of employees who actually returned from parental leave between 2023/01/01 and 2023/12/31

*D. Number of employees who returned from parental leave in 2022: Number of employees who returned from parental leave between 2022/01/01 and 2022/12/31

*E. Number of employees who continued working for more than one year after returning from parental leave in 2022: Number of employees who continued working for more than one year after returning from parental leave between 2022/01/01 and 2022/12/31

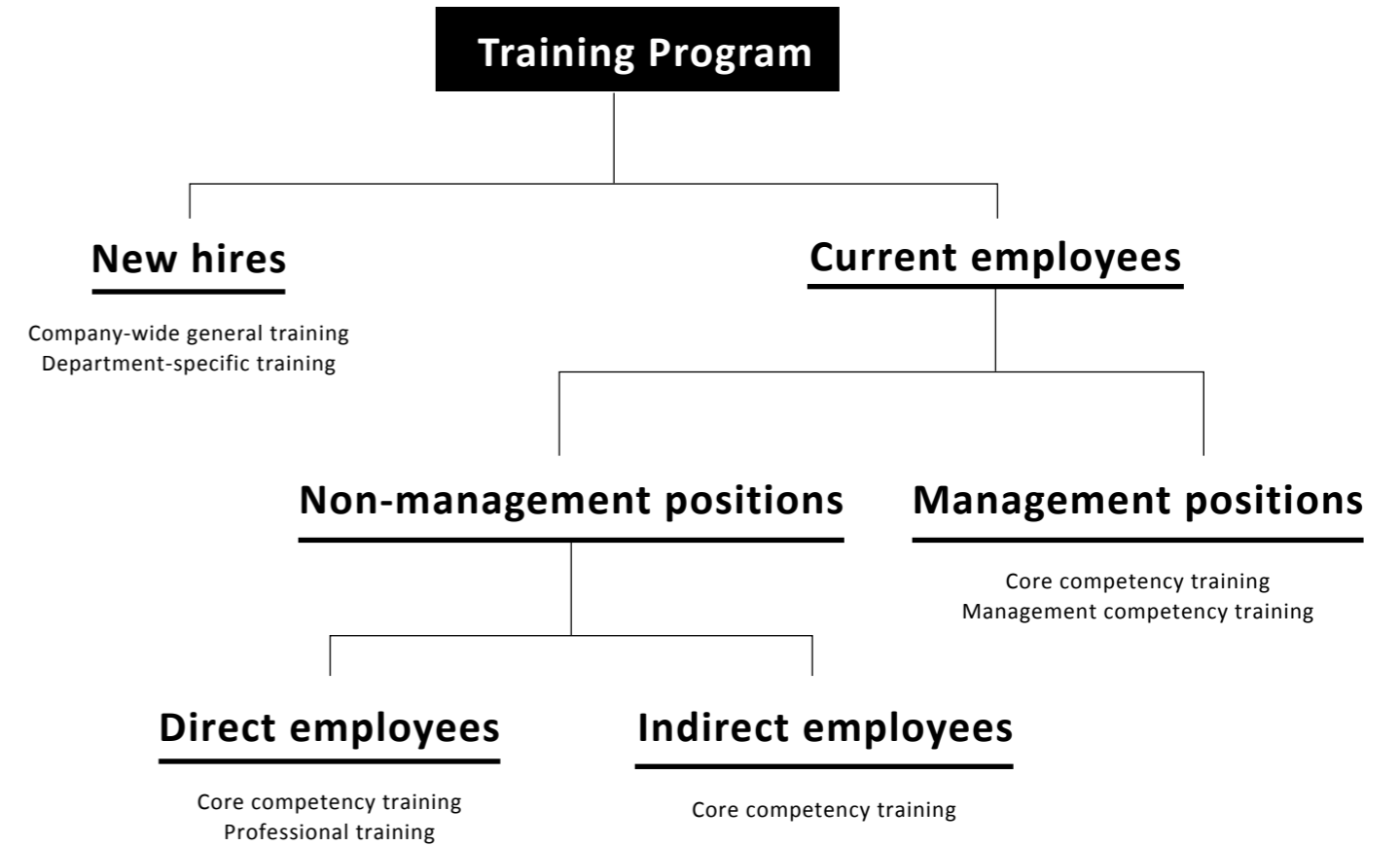
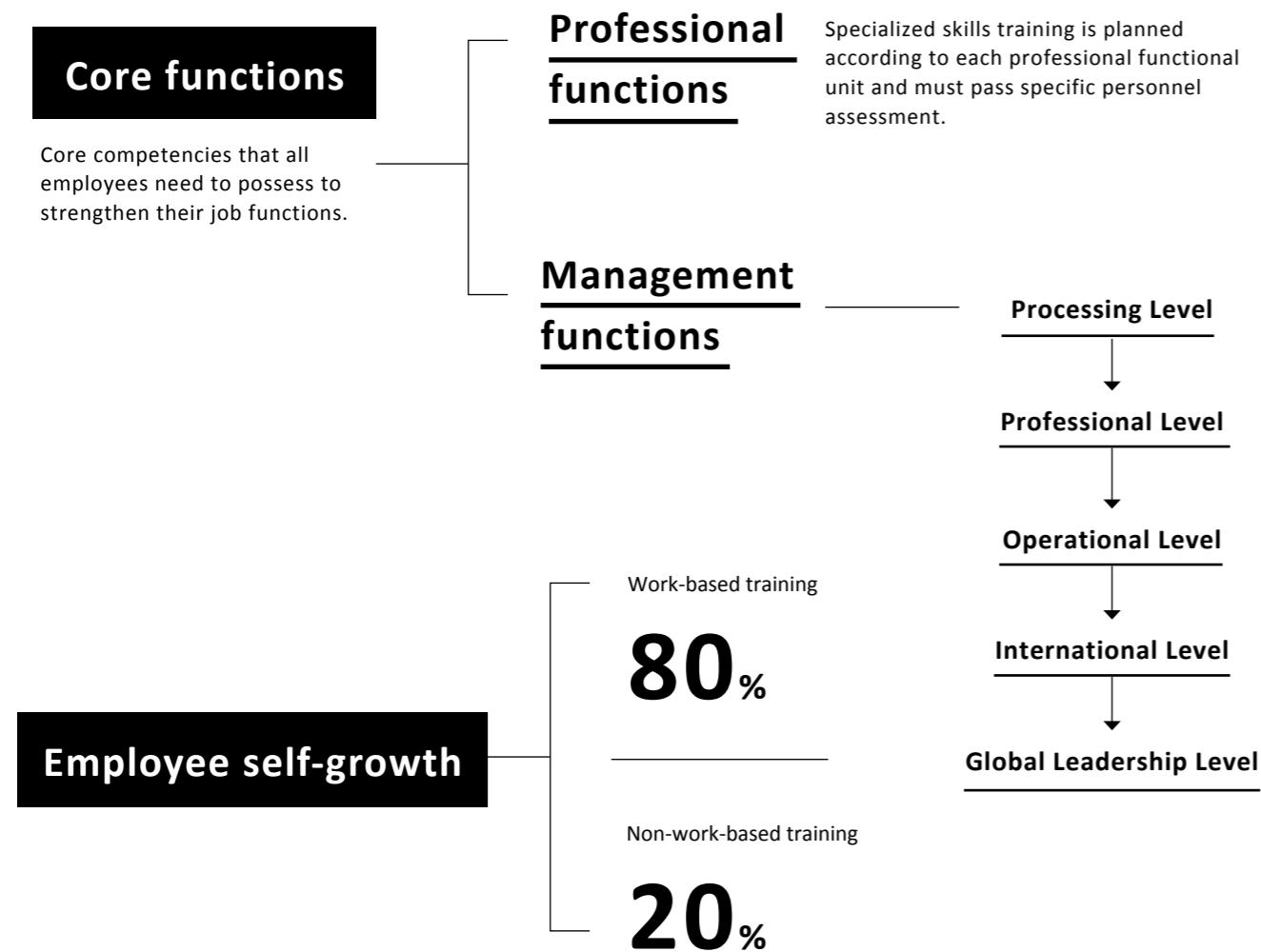
4.2

Talent Development

4.2.1 Talent Cultivation

SINBON provides a smooth growth path, adopting different training plans at various stages of entry, on-the-job, and managerial positions, and planning a blueprint for talent cultivation in combination with internal and external resources. We also plan systematic digital or physical training courses, exchanges and sharing, and seminars to promote a culture of self-directed learning within the company, and to mold high-quality, professional talents to drive the company's overall growth and become the driving force for sustainable operations.

Various Functions Training



2023 SINBON Employee Training Hours

Factory	Management positions		Non-management positions		Average number of training hours per person
	Male	Female	Male	Female	
Taipei Headquarters	1,471	1,654	1,672	1,486	16.67
Miaoli Site	1,357	854	4,941	9,060	18.55
Jiangyin Site	2,568	2,073	6,434	7,220	9.31
Tongcheng Site	704	778	1,605	1,222	5.31
Shanghai Office	144	128	79	50	7.86
Shenzhen Office	77	109	70	130	9.41
Beijing TongAn	230	184	530	549	2.23

*Note: The Hong Kong office, the US office, the US plant, the UK office and the Hungary plant are in the process of integrating the group's internal systems and the relevant data will be disclosed upon completion of the system integration.

Number of Training Hours for Different Types of Topics for Management Positions in 2023

VMTP Winning Management Talent Training (compulsory course for the supervisor level)	Downward Management Practical Training (compulsory course for the manager level)
Number of training hours	Number of training hours
28.0	48.0
Horizontal Management Practical Training (compulsory course for the manager level)	Upward Empathy Practical Training (compulsory course for the manager level)
Number of training hours	Number of training hours
48.0	32.0
Human rights	Total
Number of training hours	Number of training hours
5.5	161.5

Green Talent Cultivation

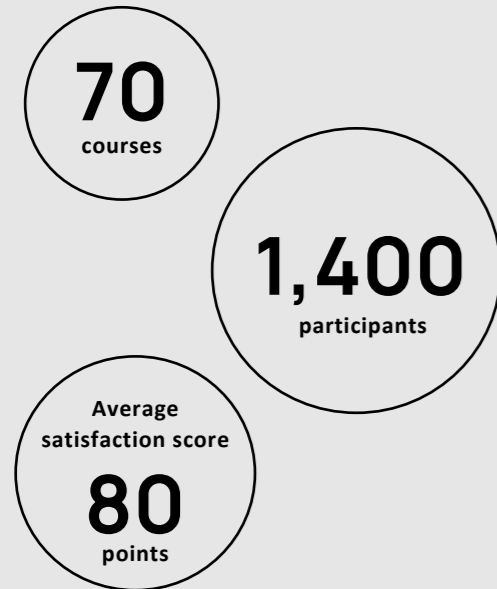
In response to the global sustainability revolution, "Green Talent", who contribute to environmental protection and sustainable development in their work, have become the talents that companies are looking for. In 2023, we facilitated the training of Green Talent, with a total of 82.5 hours. We strive to spread the concept of sustainability to enrich the sustainable development of talent cultivation, for details, please refer to [3.2.4 Green Talent Cultivation](#).

Number of Training Hours for Different Types of Topics for Non-Management Positions in 2023

Internal instructor training	Toyota Production System (TPS)	Human rights
Number of training hours	Number of training hours	Number of training hours
17.5	16.0	5.5
General management	Human resources	Industrial safety
Number of training hours	Number of training hours	Number of training hours
73.5	77.0	382.0
Marketing	Supply chain	Other comprehensive category
Number of training hours	Number of training hours	Number of training hours
66.3	1,511.0	158.5
Legal	R&D	Financial audit
Number of training hours	Number of training hours	Number of training hours
50.0	297.5	59.0
Information	Language (English or Japanese, etc.)	Total
Number of training hours	Number of training hours	Number of training hours
64.0	66.0	2,843.8

SINBON Academy

SINBON Academy's Achievements in 2023



In accordance with local regulations and company conditions, we regularly assess and adjust employee management regulations. For instance, we establish the "Internal Instructor Management Method" to cultivate outstanding internal trainers and establish the SINBON Academy. We plan systematic and long-term development courses, ensuring that high-quality experience and expertise are passed down to lay a solid foundation for sustainable business development.

The mission of SINBON Academy is to "inherit experience and expertise, making SINBON a century-long prosperous enterprise". We have established an online platform for employee education, training, and knowledge sharing. The academy comprises seven major professional colleges: Management, Sales, Customer Service, Procurement, R&D, Manufacturing, and General Studies. Through diverse courses offered by each college, we impart specialized knowledge and enhance employees' multidimensional understanding. Our goal is to conduct 70 courses annually with 1,400 participants, aiming for an average satisfaction score of over 80 points.



Average **127** courses **2.65** courses per week

Average satisfaction score **85** or above Participants **9,332**

The number of participants increased by

79% compared with 2022

51,894 effective readers of digital platform learning courses, with all relevant learning

Management



Lead management colleagues to enhance their communication skills in the five major programs of "management, marketing, people, development and finance"

Sales



Cultivate business development and management skills, enhance business expertise and corporate recognition of SINBON solutions

R&D



MAGIC* core business models of the five industry sectors, using past or existing examples to conduct case studies, training participants in problem solving skills, and helping participants to "discover themselves" to become unique engineers

Manufacturing



Enhance process productivity, optimize quality, and nurture seed personnel to accumulate knowledge and skills. "Innovative Ideas and Execution", fostering a learning environment where participants learn through creation

Customer Service



Provide a platform for cross-departmental customer service colleagues to share and communicate, from daily chores to customer experience, from theory to practice

Procurement



Assist purchasing staff in experience sharing and knowledge accumulation, so that the profound communication and negotiation skills become an unrivalled weapon for colleagues

General Education



Identify hidden talents in SINBON, explore the potential of colleagues, share their specialized skills, encourage cross-disciplinary exchanges, and help staff to relieve stress and enjoy life

*Note: MAGIC refers to the five major product applications of SINBON, namely Medical Health, Automotive, Green Energy, Industrial Application, and Communication.

SINBON Has Once Again Joined the "2023 TALENT, in Taiwan"



SINBON takes talent cultivation and development as an important issue, especially when ESG and DEI trends are on the rise. Therefore, SINBON announced that it has officially joined "TALENT, in Taiwan". Through the SINBON Academy digital learning platform, SINBON provides employees with customized education and training to enhance their skills and promote diversified career development, and actively participates in campus recruiting to stimulate students' learning motivation and enhance their sense of identification with the company.

In addition, SINBON regularly organizes staff forums and "Appointment with the Chairman" events to listen to our employees and understand their expectations and strive to create a happy workplace by taking care of their physical and mental health.

In the future, SINBON will continue to work closely with CommonWealth Learning, Cheers and more than 200 other alliance partners to advocate talent cultivation and create a better future for every worker.

4.2.2 Employer Branding and Talent Pooling

In 2023, we reached out to campuses and raised SINBON's profile among campuses through several on-campus activities, such as student internship programs, teachers' visits to schools and student visits. These initiatives not only expanded our talent recruitment channels, but also built a good corporate image and attracted more excellent talents to join SINBON.

Student Internship

SINBON organizes student internship seminars during the internship program, inviting senior executives from various units to interact with interns. In 2023, we have a total of 15 interns in mechanical engineering, electrical engineering, language-related and management-related disciplines. One of them was successfully transferred to full-time employment after the internship.

Campus Lectures

SINBON continues to share industry trends and raise awareness on campus through on-campus lectures. In 2023, we partnered with Tamkang University's Department of Mathematics to arrange for online lectures and sharing of industry experience. At the same time, we participated in the forum organized by National United University, where the head of human resources of SINBON acted as a negotiator in the industry-academia forum, exchanging industry hiring trends with teachers and students to further enhance SINBON's visibility on the campus.

Industry Visit

SINBON warmly welcomed students from the Department of Business Administration and Institute of Operations Management of National Dong Hwa University to visit SINBON office. Through hands-on experience and introduction, they were able to gain an in-depth understanding of our company's operations and learn practical knowledge. Meanwhile, we continued to cultivate local talents by inviting more than 30 students to visit SINBON's industrial control plant. During the visit, the relevant department supervisors led them to learn about the production line, quality control and laboratory work in the hope of attracting more excellent talents to join SINBON.

Reserve Engineer Training

Reserve Engineer Training combines professional knowledge and practical experience, aiming to cultivate the engineers required by the enterprise's professional and technical needs. In 2023, internal lecturers were invited to work together to record the required professional knowledge of Cable engineers as online courses to help colleagues enhance the basic professional knowledge. In 2023, a total of 54 new engineers were trained, and the overall satisfaction rating of the courses averaged 98.86 points. By December 2023, the retention rate of reserve engineers was 87.04%.

The overall satisfaction rating of the courses averaged

98.86 %

The retention rate of reserve engineers

87.04 %

Recognition and Honor

2023 Model Foreigner Recognition Program

The Miaoli County Government's Labor and Youth Development Department organized the "Exemplary Foreigner 2023" recognition event to recognize hard-working foreigners from overseas. Henelyn, a Filipino migrant from SINBON's Industrial Controls Division, stood out for her outstanding performance. SINBON, as one of the sponsors of the event, thanked migrants for their contribution to the industrial economy.

SINBON will continue to keep an open mind and welcome talented people from different regions and backgrounds, and will develop recruitment and training programs for employees from different regions. At the same time, we will continue to pay attention to the rights and interests of migrant workers, establish harmonious labor relations and create a friendly working environment.



HR Asia "Best Companies to Work for in Asia"

HR Asia's Best Companies to Work for in Asia is one of the most authoritative and recognized awards in the Asia-Pacific area. The theme for 2023 is "Embracing Diversity and Inclusion", which emphasizes the importance of a workplace that respects and embraces the differences of its employees, promotes the unique values of individuals based on diversity, and establishes an equal working environment. SINBON recruits employees from different regions and designs training programs accordingly. The company is also concerned about the rights of the LGBTQ+ community and adheres to the principles of openness, respect, and equality, providing fair promotion channels and realizing the vision of diversity and inclusion.

4.3

Human Rights Protection

4.3.1 Human Rights Management

People-centered Business Model

To actively implement SINBON's human rights policy, SINBON supports and voluntarily complies with the United Nations' Universal Declaration of Human Rights, Global Compact, International Labor Organization Conventions, as well as the government's labor laws and regulations. SINBON has set up policies related to human rights and labor, respecting the human rights in the workplace and prohibited child labor and forced labor. While pursuing growth and operational performance, we continue to implement the SA8000* every year. In 2023, SINBON has continued to promote the company's Human Rights Policy to its employees, and in the future, we will conduct more detailed analyses to further protect the rights of our employees.

*The SA8000 international standard for social responsibility was third-party certified at the end of 2013.

UN Global Compact Initiative

We have become a member of the UN Global Compact in February 2021, and we are looking forward to implementing the guiding frameworks of the UN Global Compact in the areas of human rights, labor, environment, and anti-corruption, as well as promoting practices and external disclosure in each area, to actively implement our vision of sustainable development and contribute to the sustainable development of society. SINBON requires suppliers to sign responsibility agreements to ensure that the production process of products does not violate human rights, ethics, or use conflict minerals, etc.

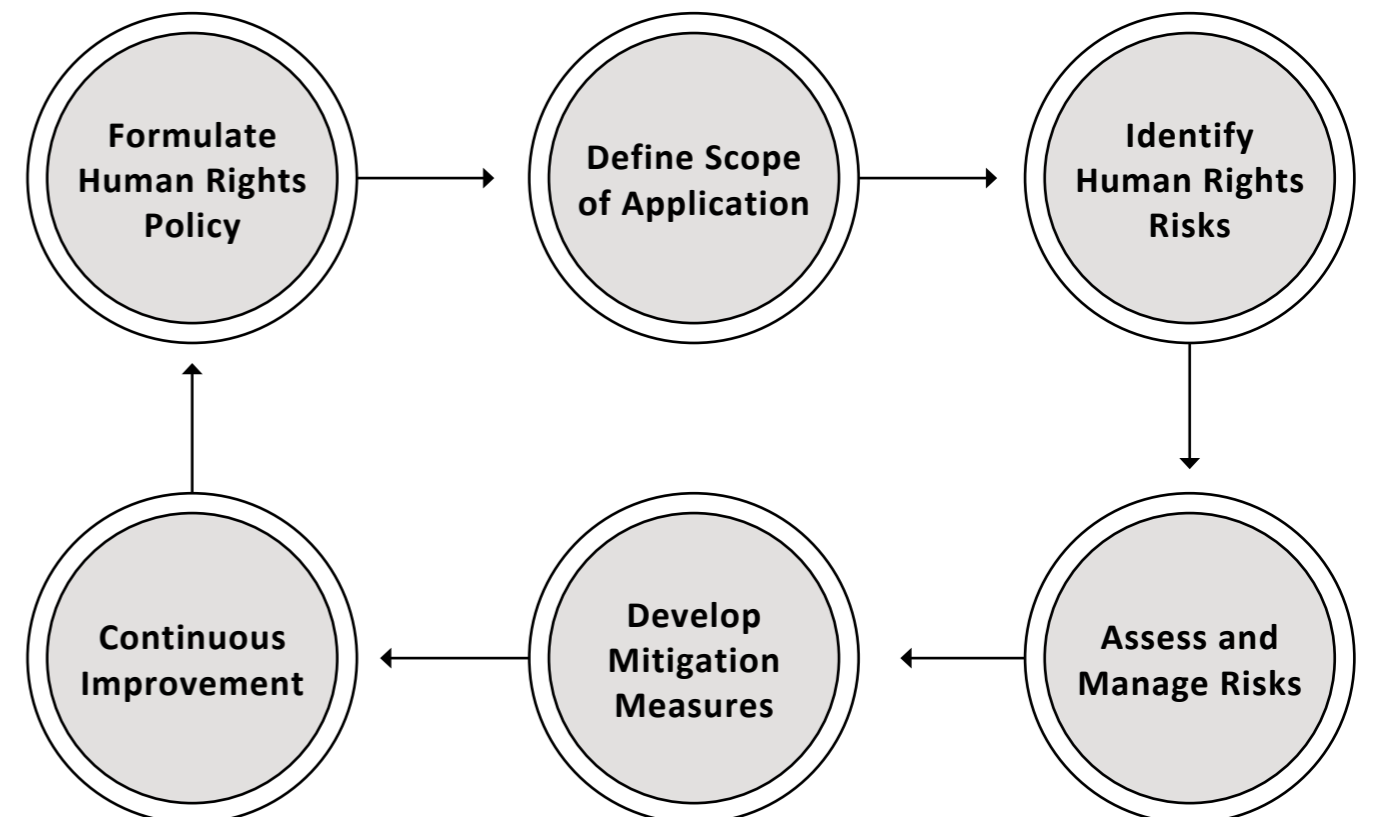


* For more information, please contact the [UN Global Compact website](#)

Human Rights Due Diligence

In 2023, SINBON conducted a human rights due diligence survey. SINBON identified a list of 16 human rights risk issues related to stakeholders, and randomly sampled 495 supervisors and 1,538 employees. We then assessed the risk in terms of the probability of occurrence and the degree of impact. In this way, high-risk human rights issues were identified for the purpose of formulating mitigation measures and continuous improvement. In 2023, SINBON conducted a questionnaire survey on employees, with a response rate of 72% (1,465 returned/2,033 distributed). The results of the risk identification were no significant risk, and the company identified 16 low-risk issues and human rights issues with a potential risk of medium risk or higher, and developed mitigation and remedial measures, and initiated countermeasure actions and management in 2024.

Human Rights Due Diligence, Human Rights Management Process



Description of Human Rights Due Diligence Contents and Results

(1) List of Human Rights Risk Issues

Provide a fair working environment	Provide a safe and secure working environment with sound benefits for employees	Respect human rights in the workplace	Implement information security
<p>Risk Issues</p> <ul style="list-style-type: none"> • Diversity in the workplace • Humane treatment • Equal pay for equal work, fair and favorable remuneration 	<p>Risk Issues</p> <ul style="list-style-type: none"> • Occupational safety • Emergency preparedness • Industrial hygiene • Manual labor work • Work injury and occupational disease • Machine protection • Public health and accommodation • Assisting employees to maintain physical and mental health and work-life balance 	<p>Risk Issues</p> <ul style="list-style-type: none"> • Child labor • Forced labor • Open communication channels for employees 	<p>Risk Issues</p> <ul style="list-style-type: none"> • General data protection regulations • Collection, processing or use of personal data

(2) Human Rights Risk Assessment

Research method	Assessment explanation	Human rights risk issues and human rights impact mitigation and remedial measures in 2023 Occupational safety & work injury and occupational disease		
<p>1. Based on the United Nations and international human rights issues, a list of human rights risks related to stakeholders was identified. The 16 risks are: (1) diversity in the workplace, (2) humane treatment, (3) equal pay for equal work, fair and favorable remuneration, (4) occupational safety, (5) emergency preparedness, (6) work injury and occupational disease, (7) industrial hygiene, (8) manual labor work, (9) machine protection, (10) public health and accommodation, (11) assisting employees to maintain physical and mental health and work-life balance, (12) child labor, (13) forced labor, (14) open communication channels for employees, (15) general data protection regulations, and (16) collection, processing or use of personal data.</p> <p>2. Through an online questionnaire, the survey consisted of two parts: (1) Human Rights Risk Occurrence Rate and Impact Level: Supervisors and employees were asked to identify the occurrence rate of the 16 human rights issues, the severity of the impact, and the degree of control of the company; and (2) Due Diligence Risk: To understand the prevention methods and mitigation measures of high-risk issues in each department.</p>	<p>1. The probability of occurrence is graded as (1=very unlikely (<=5%), 2=unlikely (6%-30%), 3=likely (31%-70%), 4=very likely (71%-90%), 5=always >90%).</p> <p>2. The level of impact is categorized as (1=almost no impact, 2=minor, 3=moderate, 4=serious, 5=very serious).</p> <p>3. The two dimensions were used to perform a human rights risk assessment and identify high-risk human rights issues.</p> <p>Assessment results</p> <p>1. The overall result of the human rights risk assessment for 2023 is low risk.</p> <p>2. To further understand the human rights issues that our internal managers and employees are relatively concerned about, we have analyzed the results of the assessment to identify the human rights issues that may pose a medium risk or higher, namely: (1) occupational safety, (2) work injury and occupational disease.</p>	<p>Mitigation Measures</p> <p>System & Audit</p> <p>SINBON has completed the SA8000 and ISO 45001 certification. We plan and conduct internal audits annually, checking that all operational processes adhere to the required standards.</p>	<p>Training</p> <p>Regular fire drills and safety education training are held annually.</p>	<p>Communication</p> <p>Establish Labor Safety Committees in each factory and hold regular labor safety meetings to explain the progress and various policies.</p>
		<p>Remedial Measures</p> <p>System</p> <ol style="list-style-type: none"> 1. Implement employee health check program. 2. Conduct regular inspections of the operating environment. 	<p>Compensation</p> <ol style="list-style-type: none"> 1. SINBON provides personal protective equipment for employees who work in high-risk environments (e.g., soldering, noise) in the factory. 2. Set up a medical room or arrange a doctor to be stationed there regularly. 3. Promote the Employee Assistance Program (EAP). 4. Arrange health talks, invite experts to give lectures and answer questions related to health care for colleagues. 5. In case of any emergency, non-compliance, or false alarm, employees can report it at any time and follow up the results in the Safety Committee. 	<p>Punishment</p> <p>Penalties will be imposed in accordance with the relevant regulations of the group.</p>

4.3.2

Employee Communication and Complaint Response

Under the increasingly competitive globalization scenario, we have adjusted our recruiting strategy from 2021 onwards. In addition to contacting actual and potential job seekers through our official website, recruiting platforms, we have also responded to the desire of social freshmen, for a communication environment that does not have strong hierarchical divisions, by reducing the sense of distance such as setting up Podcasts and a variety of social media channels, and releasing company-related news from time to time to increase the frequency of two-way interactions.



Facebook [↗](#)

SINBON Electronics



LinkedIn [↗](#)

SINBON Electronics Co., Ltd.



YouTube [↗](#)

SINBON Electronics



Instagram [↗](#)

SINBON Electronics



Wechat

SINBON



Line

[SINBON Recruiter]

In 2023, we used LinkedIn for the first time to recruit and reach out to potential job seekers. We also continued to operate our official Line@ account to provide job seekers and potential job seekers with a convenient and fast way to learn about SINBON. During interviews, we provide maps and reminders, and we also post contents during festivals and events to increase interaction with our audience. In addition, on the first day of employment, employees will receive a welcome pack from SINBON, which combines the concept of sustainable development to give new employees a sense of belonging and enhance their cohesion within the company.

Smooth Communication Channels and Handling and Response Mechanisms

We provide our employees with an open communication channel to build a harmonious workplace environment for labor relations. SINBON attaches great importance to the communication with employees, and continues to deepen labor relations. SINBON holds at least one employee forum every quarter and at least one employee satisfaction survey every year.

SINBON E-Magazine "C'est Bon"

iSay

In 2021, SINBON set up an email hotline to strengthen the communication channel with employees. A special contact has been set up to respond to and handle employee complaints to ensure the privacy of the employee, and through the promotion of human rights seminars, employees can learn about their rights and interests. In 2023, the number of cases filed was 3, and the closure rate was 100%.

Employee forum

We hope that through adequate communication between employers and employees, we can safeguard the rights and interests of employers and employees. In 2023, 28 employee forums were held, and the construction of a parking shed for scooters was completed in 2023. Furthermore, in 2024, SINBON decides to provide three days of flexible leave and increase the travel subsidy for employees from NT\$9,000 to NT\$10,000, an increase of 11%.

Afternoon tea with the Chairman

One session was held in 2023 to allow the Chairman to get to know the staff up close, and the staff could also ask questions to gain a deeper understanding of the Chairman or the company's affairs.

Employee satisfaction survey

Through a third-party platform, SINBON conducts employee satisfaction surveys for Taiwan employees. SINBON will aim to improve employee satisfaction and gradually extend this survey program to overseas plants. The overall satisfaction score of 4.82, 0.31 points higher than that of 2022 (4.51), and the high level of employees' feeling towards sustainable management (PR74, first survey in 2023).

Family day

SINBON Taiwan held the "SINBON Family Day" in 2023 in Leofoo Village, where there were not only fun amusement facilities, but also a lovely animal area in the park to visit and experience. The company also arranged activities for the whole family, such as games, handmade crafts, hand-brewed coffee, etc. In the morning, we also held an award ceremony for outstanding employees, senior employees, and volunteers for their hard work and dedication.

Career Workshop

During the internship program, senior executives from various units were invited to share their views with the interns. Through in-depth conversations, the interns were able to gain a better understanding of SINBON.

"C'est Bon" was created in 2016 and published its first magazine in 2017, which in French means "Fantastic!" Since then, the magazine has been published annually, extending the stories of the company in the previous year, covering the growth trend of the industry, the staff's relationship with each other, and the records of various activities. The printing process and materials used in the magazine are all environmentally friendly and sustainable. We also published an e-magazine simultaneously to strengthen SINBON's sustainable nature.

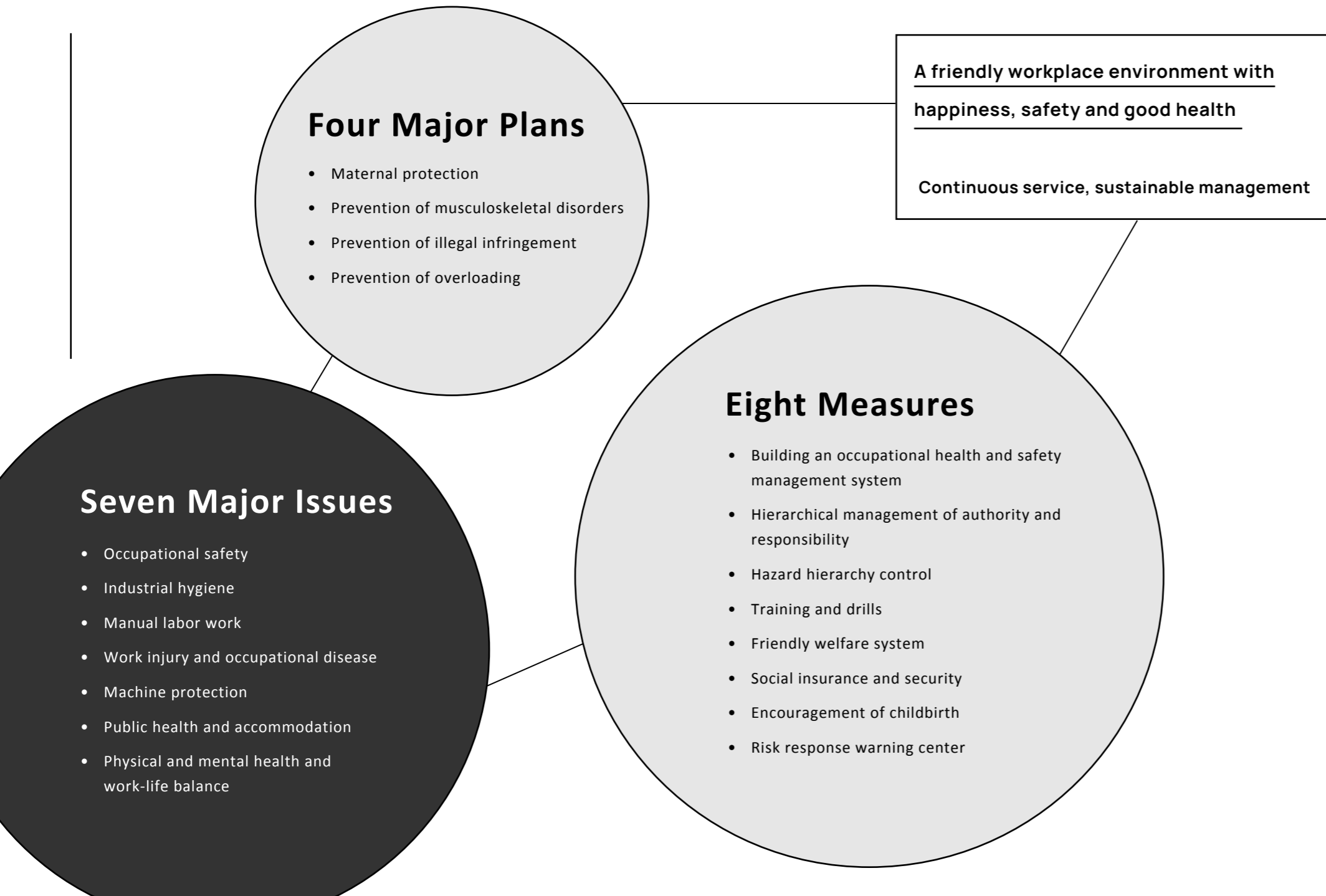
The theme of 2023 is "Oscar", which tells us that SINBON's team and partners are just like the Oscar winners in the film, the hard work of the team also brings positive momentum to the readers.

In 2023, 150 copies of the paper magazine were distributed, and the three versions of the e-book (Traditional Chinese, Simplified Chinese, and English) were clicked 225 times.

4.4

Occupational Safety and Health

SINBON is committed to creating a friendly workplace environment that is happy, safe, secure, and healthy for its employees. Based on due diligence, SINBON has identified seven major issues. Each of these issues follows government laws and regulations and has relevant management standards, which are prevented and improved through the implementation and execution of four major plans and eight measures to achieve the vision of sustainable management and continuous service.



4.4.1 Four Major Plans

SINBON has promoted four major plans in Taiwan since 2019, with proactive policies to protect the safety and health of employees. We prevent and manage high-risk safety issues that may lead to hazards, not only identify hazards, but also adopt improvement measures, based on which appropriate plans are formulated, annual implementation targets are set, and the implementation specifications are reviewed and optimized annually. We will continue to promote the program to overseas factories year by year in the future.

Maternal protection

In accordance with Article 31 of the Occupational Safety and Health Act and the related Implementing Measures, SINBON implements maternal health protection measures, including hazard assessment and control, interviews with doctors, work suitability arrangements, and so on. In addition, we provide every pregnant mother with a mother's bag and a coupon worth NT\$2,000, which can be exchanged for chicken essence, yoga classes, massage vouchers, or gift certificates to maternity and baby shops.

Prevention of illegal infringement

According to the Occupational Safety and Health Act, employers shall properly plan and take the necessary safety and health measures for the prevention of physical or mental injury in the performance of their duties due to the actions of others. Complaints and notifications are handled in an objective, fair and impartial manner, with the interests of the victim or notifier as the paramount consideration.

Prevention of musculoskeletal disorders

In accordance with the Occupational Safety and Health Act, to prevent musculoskeletal disorders induced by repetitive operations, SINBON implements the "Methods of Ergonomic Hazard Prevention and Management." In the prevention of musculoskeletal disorders induced by repetitive operations, we conduct hazard identification, injury assessment, and then adopt improvement measures. In addition, SINBON provides weekly massage to relieve the pressure of musculoskeletal pain.

Prevention of overloading

Based on the outcome of risk evaluation, a written report shall be submitted about the risk assessment, health guidance, work adjustment, operation improvement, and other suitability evaluations.

Results of the Four Major Plans in 2023

Project Name	Content	Participants	Number of Participants
Annual Employee Health Check	Annual employee health check with analysis of health check report	All employees	4,336
Monthly Consultation with On-site Physician	Monthly on-site physician visits	The four major protection plans and newcomers with high health check indexes and those who have recovered from occupational accidents	139
Maternal Protection	<ul style="list-style-type: none"> Nurse consultation and health education Health care Individuals under maternity protection are not allowed to engage in hazardous positions 	Health consultation and maternity protection	284
Health Promotion Seminar	<ul style="list-style-type: none"> Seasonal health talk Public health talk 	Shanghai, Shenzhen, Beijing TongAn employees	31
Neck and Shoulder Care – "Chinese Medicine Therapy Activities"	Two Chinese medicine practitioners give each staff a 15-minute neck and shoulder treatment	All employees in Shenzhen	32
Preventive and Control Measures for Work-related and Infectious Diseases	Enhance knowledge on work-related and infectious diseases, and improve prevention and control capabilities	Representatives from various departments of Tongcheng	10
First Aid Training	Learning first aid knowledge (CPR, Heimlich) and mental health coping practices (relieving employee's psychological stress, maintaining a healthy mindset and emotions)	All employees	88

4.4.2 Occupational Safety and Health Management

Building an occupational safety and health management system

SINBON's production sites, such as Miaoli, Jiangyin, Tongcheng, and Beijing TongAn, are all managed in accordance with the ISO 45001 International Occupational Safety and Health Management System, which has been certified by a third party, to provide a safe and suitable working environment. We will continue to expand the scope of certification and extend the systematic risk management and PDCA improvement spirit to the whole group.

Hierarchical Management

ESG Committee Sustainable Partners Sub-committee

Directly under the Board's ESG Committee, chaired by a first-level executive, it leads the integration of health and safety behaviors, performance and strategy across the company and reports regularly to the Board on its effectiveness.

Group Headquarters Management Center

To plan, direct and promote safety, environmental protection and health promotion related objectives and management issues.

The person in charge of the workplace and supervisors at all levels

To direct and supervise the execution of safety and health management matters of the subordinates, and to coordinate the implementation of such matters by the employee concerned.

Dedicated Personnel for Occupational Safety and Health

To plan and promote safety and health management issues and provide guidance to relevant departments on their implementation.

Occupational Safety and Health Committee

Comprised of 33 unit supervisors and labor representatives, of which 33% are labor representatives. The committee meets every three months to review and discuss the status of the implementation of various related issues, and to provide the discussion items to the unit supervisors for promotion.

Hazard Hierarchy Control

We use the hazard identification and risk assessment standard based on the formula Risk (R) = Frequency (F) × Severity (S) × Risk Weighting (RW). Various hazard factors are categorized into three risk levels: Low, Medium, and High, as well as four severity levels: Minor, Low, Medium, and High. For the high-risk category, we implement control measures and propose improvements.

Training and Drills

To raise employees' awareness of safety and health, we arrange training courses for new employees during their pre-service training, explaining how to avoid possible injuries at work and teaching contingency skills in the face of emergencies, and continue to implement regular and irregular occupational safety and health training in accordance with regulations.

2023 Education Training and Exercise Results

Category	Content	Number of Participants	Total Training Hours (hours)
Internal and external Training on Environmental Safety Education	<ul style="list-style-type: none"> Initial training and retraining for occupational safety personnel Forklift operator retraining and initial training for specific chemical operation supervisors Initial training for fire prevention managers Initial training for organic solvent operations supervisors Initial training and retraining for radiation operators Retraining for crane operators and hanging personnel Initial training and retraining for first aiders Workplace misconduct prevention training Escape drill and self-defense fire-fighting team training Emergency drill 	10,490	37,941.75

High risk

Listed as an improvement opportunity, review existing protection integrity or improvement program

Medium risk

Acceptable, but with attention to control status

Low risk

Acceptable, but needs to be monitored and controlled in the existing manner

5S Competition in the US Plant

SINBON's US plant spontaneously organized a 5S competition, aiming to motivate employees to improve workplace cleanliness and efficiency, thereby enhancing productivity. This competition encourages active employee participation and the generation of improvement ideas. Moreover, through standardization and continuous improvement, the 5S competition promotes quality control and safety management, strengthening employee motivation and responsibility, thereby fostering a culture of continuous improvement.



In 2023, SINBON's occupational disease cases were 0. Incidents at work are listed in the table below. SINBON will continue to disseminate safe work procedures and audit safety management measures, supplemented by regular education and training to reduce the occurrence of occupational incidents. Before returning to the workplace, we will conduct a functional assessment of employees who have suffered occupational incidents and provide them with the necessary auxiliary facilities, as well as follow-up tracking and adjustment measures.

In 2023, we conducted 12 assessments of selected employees at our Taiwan plant, covering 12 people.

0

Occupational disease cases

Statistics on Direct Employee Labor Conditions in 2023

Location	Gender	Hours of Work	Number of Recordable Incidents	Total Recordable Incident Rate (TRIR)	Number of Near Misses	Near Miss Frequency Rate (NMFR)
Taipei Headquarters	Male	-	0	-	0	-
	Female	-	0	-	0	-
Miaoli Site	Male	311,748	4	12.83	6	19.24
	Female	930,930	4	4.29	6	6.44
Jiangyin Site	Male	2,407,588	3	1.24	0	0.00
	Female	2,394,899	1	0.41	0	0.00
Tongcheng Site	Male	227,118	1	4.40	0	0.00
	Female	1,482,177	1	0.67	0	0.00
Shanghai Office	Male	-	0	-	0	-
	Female	-	0	-	0	-
Shenzhen Office	Male	-	0	-	0	-
	Female	-	0	-	0	-
Beijing TongAn	Male	508,509	0	0.00	0	0.00
	Female	938,863	1	1.06	0	0.00
Hong Kong Office	Male	-	0	-	0	-
	Female	-	0	-	0	-
US Office	Male	-	0	-	0	-
	Female	-	0	-	0	-
US Site	Male	86,277	1	11.59	0	0.00
	Female	134,352	6	44.65	0	0.00
UK Office	Male	-	0	-	0	-
	Female	-	0	-	0	-
Hungary Site	Male	37,475	0	0.00	0	0.00
	Female	153,627	1	6.50	0	0.00
Total		9,613,563	23	2.39	12	1.24

Statistics on Indirect Employee Labor Conditions in 2023

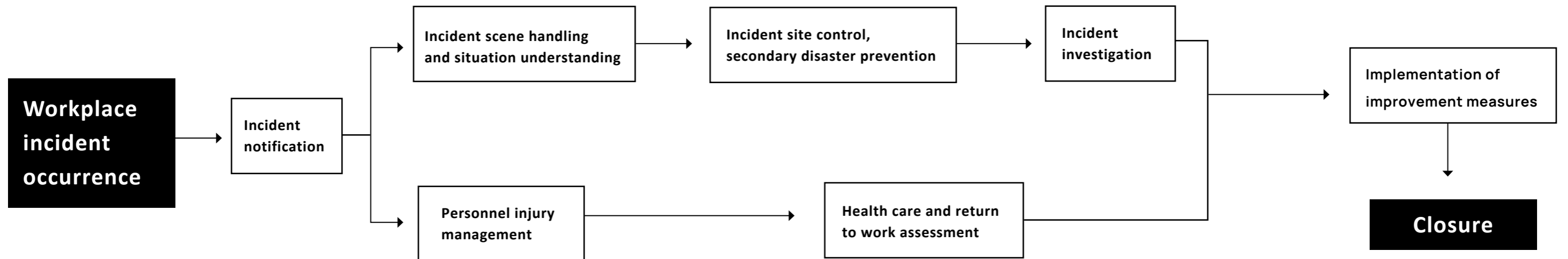
Location	Gender	Hours of Work	Number of Recordable Incidents	Total Recordable Incident Rate (TRIR)	Number of Near Misses	Near Miss Frequency Rate (NMFR)
Taipei Headquarters	Male	334,577	0	-	0	-
	Female	347,989	0	-	0	-
Miaoli Site	Male	289,827	0	0.00	0	0
	Female	307,629	0	0.00	0	0.0
Jiangyin Site	Male	2,099,158	0	0.00	0	0.00
	Female	2,548,033	1	0.39	0	0.00
Tongcheng Site	Male	350,648	0	0.00	0	0.00
	Female	420,741	0	0.00	0	0.00
Shanghai Office	Male	53,685	0	0.00	0	0.00
	Female	70,017	0	0.00	0	0.00
Shenzhen Office	Male	27,936	0	0.00	0	0.00
	Female	58,913	0	0.00	0	0.00
Beijing TongAn	Male	413,210	0	0.00	0	0.00
	Female	596,733	0	0.00	0	0.00
Hong Kong Office	Male	-	0	-	0	-
	Female	1,960	0	0.00	0	0.00
US Office	Male	1,928	0	-	0	-
	Female	6,402	0	-	0	-
US Site	Male	36,270	0	-	0	-
	Female	53,571	1	18.67	0	-
UK Office	Male	1,856	0	-	0	-
	Female	5,216	0	-	0	-
Hungary Site	Male	38,551	1	25.93	0	-
	Female	53,814	0	0.00	0	0.00
Total		8,118,663	3	0.36	0	0.00

Employee Injury Statistics in 2023

Location	Taipei Headquarters	Miaoli Site	Jiangyin Site	Tongcheng Site	Shanghai Office	Shenzhen Office	Beijing TongAn	Hong Kong Office	US Office	US Site	UK Office	Hungary Site	Total
Total working hours (hours)	682,566	1,840,134	9,449,678	2,480,684	123,702	86,849	2,457,315	1,960	8,330	310,470	7,072	283,467	17,732,227
Casualty derived from occupational injury	0	0	0	0	0	0	0	0	0	0	0	0	0
Ratio of casualty derived from occupational injury	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Number of people with severe occupational injury	0	0	0	0	0	0	0	0	0	0	0	0	0
Ratio of people with severe occupational injury	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Number of recordable occupational injuries	0	8	5	2	0	0	1	0	0	8	0	2	26
Ratio of recordable occupational injuries	0.00	4.34	0.52	0.80	0.00	0.00	0.40	0.00	0.00	25.76	0.00	7.05	1.46
Number of workdays lost due to disabling injuries	0	39	508	36	0	0	126	0	0	43	0	85	837
Disabling injury severity rate (SR)	0.00	21.19	53.75	14.51	0.00	0.00	51.27	0.00	0.00	138.49	0.00	299.85	47.20
Number of disabling injuries	0	8	5	2	0	0	1	0	0	8	0	2	26
Disabling injury frequency rate (FR)	0.00	4.34	0.52	0.80	0.00	0.00	0.40	0.00	0.00	25.76	0.00	7.05	1.46

1. Traffic accidents while travelling to and from work are not included.
2. Brief description of the types of work-related injuries: falling/collapsing, crumbling/pinched, rolled/falling/contact with hazardous materials/cutting, slashing, abrasion/contact with high or low temperatures/bumping/flying objects/electrical shock/misconducting actions, etc.
3. Ratio of recordable occupational injuries = (number of recordable occupational injuries / hours worked) x 1,000,000
4. Disabling injury severity rate (SR) = (total lost days of disabling injury x 1,000,000) / total working hours
5. Disabling injury frequency rate (FR) = (number of disabling injuries x 1,000,000) / total working hours

Number and Process of Workplace Injuries



4.4.3 Employee Care and Health

Activation of Employee Assistance Programs (EAPs)

The problems that employees may face at work, at home, and in life are becoming more and more complex and diverse, and the accumulated stress and unexpected events often cause individuals to lower their performance and even quit the workplace. As Taiwan's fertility rate already the lowest in the world, which will further accelerate the arrival of an ultra-age society, and the proportion of middle-aged and elderly employees in the workplace is bound to continue to increase. For this reason, SINBON has planned to promote the pilot EAPs from 2023 onwards to help employees to receive relevant consultation and services when they are facing difficulties, with a view to reducing the impact on work performance and creating a better organizational atmosphere.



SINBON Family Day Event

To reflect the spirit of corporate culture, enhance the enthusiasm of employees, and let more employees' families understand the company's good working environment, SINBON Taiwan held the "SINBON Family Day" in 2023 in Leofoo Village, where there were not only fun amusement facilities, but also a zoo to visit and experience. SINBON also arranged activities for the whole family, such as games, handmade crafts and hand-brewed coffee. On that day, we also held an award ceremony for outstanding employees, senior employees, and volunteers for their hard work and dedication.



Employee Health Promotion Activities

SINBON is also committed to promoting sports clubs to promote employee leisure and health, such as diving club, hiking club, badminton club and survival game club. In addition to regular exercises or trips, the clubs also invite groups outside the company to join from time to time to increase the internal and external interactions between employees, and to promote the physical and mental health of the employees.



Hiking club



Diving club



Badminton club



Survival game club

4.5

Social Engagement

4.5.1 Implementation of Social Participation

SINBON believe that while creating profits, enterprises should also return resources to those in need. We advocate and lead our employees to actively participate in various social participation activities, and we have been cooperating with schools and social welfare organizations for a long time, with the promotion of environmental protection and education, helping the disadvantaged and emergency relief, and animal conservation as the main axes of promotion, and we regularly spend part of our profits on social participation every year. In total, over NT\$10.67 million was invested in the projects in 2023. Of this amount, NT\$183,000 was subscribed and responded to by SINBON's joint value chain and employees. We hope to continue to contribute and to co-exist with the community in a sustainable manner.

List of SINBON Participating Associations, Alliances, and Initiatives in 2023

Sustainability-related

Name of Association, Alliance or Initiative	Role/Participation
CWS	As one of the members, we participated in the annual general meeting, sustainability workshop, demonstration visit.
Taiwan Climate Partnership (TCP)	The chairman serves as an executive supervisor, participating in meetings to discuss with representatives of benchmark companies.
Taiwan Circular Economy 100	As one of the members, we are the supplier of matchmaking for Circular Economy.
Taiwan Chief Information Security Office Alliance	As one of the members, we participated in the industry information security seminar.
2023 TALENT, in Taiwan	As one of the members, we committed to implementing the objectives such as "Diversity and Inclusion", "Physical and Mental Health" and "Talent Growth".
Womany DEI Vision Club	As one of the members, we regularly participate in gatherings to learn and share DEI implementation practices.
UN Global Compact	We respond to initiatives annually.

Industry-related

Name of Association, Alliance or Initiative	Role/Participation
Taiwan Electronic Connection Association (TECA)	Our chairman serves as a director, contributing to the collective effort for the growth of the industry.
Swappable Batteries Motorcycle Consortium (SBMC)	As one of the members, SINBON became the first high current switching solution provider in Taiwan to be recognized by SBMC.

SINBON's Social Welfare Investment in the Past Three Years

Year	Number of Employees Involved/ Responding (Persons)	Total Invested Resources (Cash / Manpower / Resources) (NT\$)	Total Investment Amount as a Percentage of Company Net Profit (%)
2021	169	9,842,541	0.39
2022	1,209	9,732,140	0.32
2023	909	10,673,327	0.35

4.5.2 Environmental Protection

SINBON continues to focus on the issues of climate change and biodiversity, experiencing a simpler life in environmental activities and shifting the enjoyment of life from material to meaningful actions.

Protecting the Environment -

Mountain and Beach Cleanup

In China and Taiwan, SINBON has cleaned up a large amount of litter from the natural environment, and in the mountain cleanup activity at Tianping Mountain in Suzhou, a total of 53 people participated in the activity and cleaned up 13kg of litter. In the Wanli Nuclear Plant No.2 beach cleanup and Houlong Township Waipu beach cleanup activities, volunteers worked together to clean up 291 kg and 411kg of litter respectively, reducing the impact on wildlife and plants. Through the actions, they also conveyed the importance of environmental protection to the community.



Suzhou Tianping Mountain cleanup



Beach cleanup and river protection at Tongcheng plant



Wanli beach cleanup



Miaoli Waipu beach cleanup

Environmental Restoration - Tree Planting

SINBON Magic Forest Campaign/ Tree Adoption Program

Employees practice low-carbon actions in their daily lives. Through activities such as green travelling, Clean Plate campaign, recycling of old items, employees get more watering capacity on an app so they could adopt trees. A total of 515 employees participated in carbon reduction in 2023, adopting 250 trees. Adopting trees will help conserve water, preserve soil and water, thus providing important support to the artificial forestation projects in China.



Winner of the Magic Forest campaign



Tree adoption certificate

SINBON Garden Tree Planting

In the SINBON Garden in the Hungary plant, employees are called upon to participate in tree-planting activities, contributing to environmental carbon reduction and conservation.



4.5.3 Animal Conservation

Donation to animal care organizations:

1. Animal Rescue Team TAIWAN
2. Heart Of Taiwan Animal Care (HOTAC)
3. Stray Cats TNR Association
4. New Taipei City New Life Pet Shelter Association (NPSA)

Sponsorship of ECNSA - Taiwan East Coast Land Arts Festival

SINBON continues to sponsor the "Taiwan East Coast Land Arts Festival" program, which combines the cultural promotion of marine ecology and art for the development of public welfare activities to protect the marine ecosystem. The 2023 theme was to present unique artworks through the combination of the stage setting and the culture of the indigenous people. This helped the public to experience indigenous culture, provide a richer travelling experience and promote international tourism.



Leopard Cat Regeneration Rice Paddy Project

SINBON has been promoting the "Leopard Cat Regeneration Rice Paddy Project" with BlueMagpie Tea Social Enterprise Co. Ltd. since 2019, becoming the first enterprise to adopt the rice paddy in Miaoli, Taiwan. SINBON conducts a corporate charity sale of the rice, and all revenue from the sale will be invested into this project of the following year. In 2023, SINBON subscribed for 1,000 packs of Leopard Cat Rice and a total of 630 sets of rice wine and rice cracker gift boxes.

4.5.4 Community Engagement

SINBON has continued to invest in social welfare for many years. In addition, we have also reached out to the neighborhood through trade unions at various locations, or the establishment of the Village Revitalization and Wealth Enhancement Fund and the One Heart Protest and Care Fund to provide social care in accordance with local conditions.

In 2023, we cooperated with Taishin Charity Foundation, Visually Impaired Foundation, Hualien Dawn, and Jiangyin Red Cross to call for donations from our employees to help with the earthquake in Turkey, to subscribe for New Year's dishes, Mid-Autumn Festival gifts, red envelopes, and Christmas gifts for underprivileged children, and to participate in dumpling wrapping, fair sales, and sponsorships of charitable performances, which resulted in a cumulative total of 936 attendance.

A cumulative total **936** attendance

SINBON Hungary cooperated with the local police and education units. In addition to donating money and producing traffic safety pamphlets, SINBON Hungary also sponsored a local traffic safety program to ensure that the children of its employees and residents went to the nearest school, to promote traffic safety rules and to protect the rights of the children.

SINBON Donate Pudu objects and Leopard Cat Rice 140 bags to the Xizhi TFCF, so that more children can enjoy a life of proper family care, physical and mental safety protection.



4.5.5 Education Participation

The chairman, who was once a teacher, is very passionate about education. In addition to the company taking the lead, employees in SINBON also takes the initiative in public participation by actively participating in social activities over a long period of time, caring for local schools, and cultivating the fields of culture and art.

Lovely Taiwan < Shennong Program > Food and Agricultural Education

SINBON started in Miaoli and has participated in the Lovely Taiwan's "Shennong Program" since 2018. With the triangular core of "organic diet, land education, and hometown identity", SINBON allows children to start with organic diets, and through food and agriculture education, children can learn to cultivate food, learn about the sources of food, understand the impact of diet on health, and cultivate respect for the environment and a sense of protection. This program also build up a healthier and responsible diet and lifestyle for the children through visits to farms, work on the school field, cooking courses, and nutritional education. SINBON has so far adopted two elementary schools, Sing Long Elementary School and Wenfeng Elementary School.



2 elementary schools



Investment amount: NT\$1,000,000



Size of school field: 4,063 square meters



Organic vegetable supply: 2,468 kg/year



SINBON's Funding for Students' Diversified Development

SINBON subsidized the Miaoli Wen Hua Elementary School handball team, sponsored Yuan Sheng International Academy to participate in exchanges with the UNITY, provided Miaoli Sing Long Elementary School's disadvantaged students with a teacher's program and school development subsidies, and donated to the IEYI. In China, the Tongcheng plant participated in the Longteng Street Education Fund, which has provided financial assistance to students in need.

National Tsing Hua University (NTHU) Racing Team

Formula SAE is a global engineering design competition for university students. Every year, more than 1,000 teams from universities around the world compete against each other. In 2023, SINBON donated the NTHU Racing Team to participate in the European race in August and plans to transfer the entire in-house system to the car to participate in the unmanned car racing event. The NTHU Racing Team has achieved several excellent results in the Czech Republic, and achieved an excellent ranking in the unmanned car racing event.



Overall Results

FORMULA STUDENT CZECH REPUBLIC

- Best Vehicle Inspection Award
- Second Place in Unmanned Figure-Eight Maneuvering
- Fifth Place in Unmanned Straight-Line Acceleration
- Fifth Place in Electric Vehicle Figure-Eight Maneuvering
- Fourth Place in Electric Vehicle Straight-Line Acceleration
- Twelfth Place in Electric Vehicle Time Trial
- Electric Vehicle Endurance Race

Sing Long Elementary School Bilingual Volunteers

The employees visit the school every month to teach English, the lower grades (grades 1~3) and the upper grades (grades 4~6). The teaching materials are prepared by the employees and the students are encouraged to speak English more often by playing games, which has resulted in the upper grades' English scores being higher than the county average in the annual Miaoli County Scholastic Aptitude Test.



7 times of courses



63 students benefited from the program in two semesters in total



64 hours of service by SINBON volunteers

Appendix

Overview of the Group's Subsidiary Data for 2023

Topic	Item	Unit	T-CONN Precision
Economic performance	Operating revenue	NT\$ thousand	1,065,670
	Net profit after tax	NT\$ thousand	-607,694
Supply chain management	Local procurement ratio for Taiwan sites	Percentage (%)	89.14%
	Local procurement ratio for China sites		98.11%
	New suppliers signing supplier commitment agreements out of total	Percentage (%)	46.15%
	Existing suppliers signing supplier commitment agreements out of total qualified suppliers		65.38%
Energy management	Non-renewable electricity	kWh	3,960,949.20
	Renewable electricity	kWh	0.00
	Gasoline	L	23,716.85
	Diesel oil	L	11.50
	Liquefied petroleum gas (LPG)	kg	411
	Liquefied natural gas (LNG)	m ³	0
Greenhouse gas management	Scope 1 emissions	tCO ₂ e	137.68
	Scope 2 emissions	tCO ₂ e	2,080.05
Water resources management	Water intake	m ³	34,020.41

Topic	Item	Unit	T-CONN Precision
Waste management	General waste (reusable)	t	286,638.78
	General waste (non-reusable)	t	0
	Hazardous waste (reusable)	t	1.82
	Hazardous waste (non-reusable)	t	0
Human resources management	Number of employees	Number of people	441
	Non-employee workers	Number of people	0
	Employees scheduled to return from unpaid parental leave in 2023 (a)	Number of people	8
	Employees who returned from unpaid parental leave in 2023 (b)	Number of people	2
	Reinstatement rate (b/a)	Percentage (%)	25%
	Employees who returned from unpaid parental leave in 2022 (c)	Number of people	2
	Employees who worked for more than one year after returning from unpaid parental leave in 2022 (d)	Number of people	1
Retention rate (d/c)	Percentage (%)	50%	
Occupational safety and health	Total work hours	Hours	921,371.52
	Number of deaths caused by occupational injuries	Number of people	0
	Fatalities due to occupational injuries (million hours)	-	0
	Number of recordable occupational injuries	Times	6
	Recordable occupational injury ratio (million hours)	-	6.51
	Number of disabling injuries	Times	2
	Disabling injury frequency rate (million hours)	-	2.17
	Number of days lost to injury	Days	99
	Disabling injury severity rate (million hours)	-	107.44

GRI Standards Index

Statement of use

SINBON has reported in accordance with the GRI Standards for the period 1 January 2023 – 31 December 2023

GRI 1 used

GRI 1: Foundation 2021

Universal Standards

GRI Standards	Disclosure Items	Corresponding Section	Page	Remarks
Organizational reporting and practice				
2-1	Organizational details	Preface	III	
2-2	Entities included in the organization's sustainability reporting	Preface	III	
2-3	Reporting period, frequency, and contact point	Preface	III	
2-4	Restatements of information	1.1.2 Economic Performance	9	
2-5	External assurance	Preface	III	
Activities and workers				
2-6	Activities, value chain and other business relationships	1.3 Innovative R&D Capabilities	21	
		2.4 Customer Relationship	57	
2-7	Employees	4.1 Talent Attraction and Retention	111	
2-8	Workers who are not employees	4.1 Talent Attraction and Retention	111	
Governance				
2-9	Governance structure and composition	1.1.1 Board of Directors	3	
2-10	Nomination and selection of the highest governance body	1.1.1 Board of Directors	3	
2-11	Chair of the highest governance body	1.1.1 Board of Directors	3	
2-12	Role of the highest governance body in overseeing the management of impacts	1.4.1 Annual Identification of Organizational and Management Processes	26	
2-13	Delegation of responsibility for managing impacts	1.4 Risk Management	26	
2-14	Role of the highest governance body in sustainability reporting	2.2.1 Identification of Material Topics	37	
2-15	Conflicts of interest	1.1.1 Board of Directors	3	
2-16	Communication of critical concerns	2.2.1 Identification of Material Topics	37	

GRI 2: General Disclosures 2021

GRI Standards	Disclosure Items	Corresponding Section	Page	Remarks	
GRI 2: General Disclosures 2021	2-17	Collective knowledge of the highest governance body	1.1.1 Board of Directors	3	
	2-18	Evaluation of the performance of the highest governance body	1.1.1 Board of Directors	3	
	2-19	Remuneration policies	1.1.1 Board of Directors	3	
	2-20	Process to determine remuneration	1.1.1 Board of Directors	3	
	2-21	Annual total compensation ratio	-		
	Strategy, policy, and practice				
	2-22	Statement on sustainable development strategy	Message from the Chairman and the Chief Sustainability Officer	VII	
	2-23	Policy commitments	2.2.3 Material Topics Management and Objectives	41	
	2-24	Embedding policy commitments	2.2.3 Material Topics Management and Objectives	41	
	2-25	Processes to remediate negative impacts	2.2.3 Material Topics Management and Objectives	41	
2-26	Mechanisms for seeking advice and raising concerns	1.2.2 Management Supervision and Prevention	17		
		2.2.2 Communication Channels	39		
2-27	Compliance with laws and regulations	1.2.2 Management Supervision and Prevention	17		
2-28	Membership associations	4.5.1 Implementation of Social Participation	151		
Stakeholder engagement					
2-29	Approach to stakeholder engagement	2.2.1 Identification of Material Topics	37		
		2.2.2 Communication Channels	39		
2-30	Collective bargaining agreements	Regular labor meetings in Taiwan; trade unions in China; no group agreements in Europe and the US.			
GRI 3: Material Topics 2021	3-1	Process to determine material topics	2.2.1 Identification of Material Topics	37	
	3-2	List of material topics	2.2.1 Identification of Material Topics	37	

Topic Standards

GRI Standards	Disclosure Items	Corresponding Section	Page	Remarks
Governance organization				
GRI 3: Material Topics 2021	3-3	Management of material topics	2.2.3 Material Topics Management and Objectives	41
Integrity and legal compliance				
GRI 3: Material Topics 2021	3-3	Management of material topics	2.2.3 Material Topics Management and Objectives	41
GRI 205: Anti-corruption 2016	205-3	Confirmed incidents of corruption and actions taken	1.2.2 Management Supervision and Prevention	17
Sustainability communication				
GRI 3: Material Topics 2021	3-3	Management of material topics	2.2.3 Material Topics Management and Objectives	41
Innovation and R&D				
GRI 3: Material Topics 2021	3-3	Management of material topics	2.2.3 Material Topics Management and Objectives	41
Risk governance				
GRI 3: Material Topics 2021	3-3	Management of material topics	2.2.3 Material Topics Management and Objectives	41
Customer relationships				
GRI 3: Material Topics 2021	3-3	Management of material topics	2.2.3 Material Topics Management and Objectives	41
Low carbon strategy and operations				
GRI 3: Material Topics 2021	3-3	Management of material topics	2.2.3 Material Topics Management and Objectives	41
GRI 302: Energy 2016	302-1	Energy consumption within the organization	3.2.3 Energy Management	92
	302-3	Energy intensity	3.2.3 Energy Management	92
	302-4	Reduction of energy consumption	3.2.2 Energy Conservation and Carbon Reduction Measures	90

GRI Standards	Disclosure Items	Corresponding Section	Page	Remarks
GRI 305: Emissions 2016	305-1	Direct (Scope 1) GHG emissions	3.2.1 Greenhouse Gas Management	87
	305-2	Energy indirect (Scope 2) GHG emissions	3.2.1 Greenhouse Gas Management	87
	305-3	Other indirect (Scope 3) GHG emissions	3.2.1 Greenhouse Gas Management	87
	305-4	GHG emissions intensity	3.2.1 Greenhouse Gas Management	87
	305-5	Reduction of GHG emissions	3.2.2 Energy Conservation and Carbon Reduction Measures	90
Low carbon technology				
GRI 3: Material Topics 2021	3-3	Management of material topics	2.2.3 Material Topics Management and Objectives	3-3
Climate adaptation and opportunities				
GRI 3: Material Topics 2021	3-3	Management of material topics	2.2.3 Material Topics Management and Objectives	41
GRI 201: Economic Performance 2016	201-2	Financial implications and other risks and opportunities due to climate change	3.1 Climate Change Risks and Opportunities Management	75
Supply chain management				
GRI 3: Material Topics 2021	3-3	Management of material topics	2.2.3 Material Topics Management and Objectives	41
GRI 414: Supplier Social Assessment 2016	414-1	New suppliers that were screened using social criteria	2.5 Sustainable Supply Chain	61
GRI 308: Supplier Environmental Assessment 2016	308-1	New suppliers that were screened using environmental criteria	2.5 Sustainable Supply Chain	61
GRI 204: Procurement Practices 2016	204-1	Proportion of spending on local suppliers	2.5.2 Green Procurement and Conflict Minerals Policy	67

GRI Standards	Disclosure Items	Corresponding Section	Page	Remarks
Diversity and equality				
GRI 3: Material Topics 2021	3-3	Management of material topics	2.2.3 Material Topics Management and Objectives	41
GRI 406: Non-discrimination 2016	406-1	Incidents of discrimination and corrective actions taken	4.1.2 Diversity, Equity, and Inclusion	116
Occupational safety and health				
GRI 3: Material Topics 2021	3-3	Management of material topics	2.2.3 Material Topics Management and Objectives	41
GRI 403: Occupational Health and Safety 2018	403-1	Occupational health and safety management system	4.4 Occupational Safety and Health	139
	403-2	Hazard identification, risk assessment, and incident investigation	4.4 Occupational Safety and Health	139
	403-3	Occupational health services	4.4 Occupational Safety and Health	139
	403-4	Worker participation, consultation, and communication on occupational health and safety	4.4 Occupational Safety and Health	139
	403-5	Worker training on occupational health and safety	4.4 Occupational Safety and Health	139
	403-6	Promotion of worker health	4.4 Occupational Safety and Health	139
	403-7	Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	4.4 Occupational Safety and Health	139
	403-8	Workers covered by an occupational health and safety management system	4.4 Occupational Safety and Health	139
	403-9	Work-related injuries	4.4 Occupational Safety and Health	139
Remuneration benefits and training				
GRI 3: Material Topics 2021	3-3	Management of material topics	2.2.3 Material Topics Management and Objectives	41
GRI 404: Training and Education 2016	404-1	Average hours of training per year per employee	4.2.1 Talent Cultivation	123
GRI 405: Diversity and Equal Opportunity 2016	405-2	Ratio of basic salary and remuneration of women to men	4.1.3 Remuneration and Benefits	118

GRI Standards	Disclosure Items	Corresponding Section	Page	Remarks
General topic				
GRI 201: Economic Performance 2016	201-1	Direct economic value generated and distributed	1.1.2 Economic Performance	9
	201-3	Defined benefit plan obligations and other retirement plans	4.1.3 Remuneration and Benefits	118
	201-4	Financial assistance received from government	1.1.2 Economic Performance	9
GRI 207: Tax 2019	207-1	Approach to tax	1.1.2 Economic Performance	9
GRI 303: Water and Effluents 2018	303-2	Management of water discharge-related impacts	3.3.2 Water Resource Management Strategy	98
	303-3	Water withdrawal	3.3.2 Water Resource Management Strategy	98
	303-4	Water discharge	3.3.2 Water Resource Management Strategy	98
	303-5	Water consumption	3.3.2 Water Resource Management Strategy	98
GRI 306: Waste 2020	306-2	Management of significant waste-related impacts	3.3.3 Waste Management	101
	306-3	Waste generated	3.3.3 Waste Management	101
	306-4	Waste diverted from disposal	3.3.3 Waste Management	101
	306-5	Waste directed to disposal	3.3.3 Waste Management	101
	GRI 401: Employment 2016	401-1	New employee hires and employee turnover	4.1.1 Talent Recruitment
401-2		Benefits provided to full-time employees that are not provided to temporary or part-time employees	4.1.3 Remuneration and Benefits	118
401-3		Parental leave	4.1.3 Remuneration and Benefits	118
GRI 402: Labor/Management Relations 2016	402-1	Minimum notice periods regarding operational changes	-	The notice period of the major operational changes is compliant with local regulations.

SASB Index

Accounting Metrics	No.	Description and Feedback	Corresponding Section																						
Water management	TC-ES-140a.1	<p>Description: (1) Total water withdrawn, (2) total water consumed; percentage of each in regions with High or Extremely High Baseline Water Stress</p> <p style="text-align: right;">Unit: cubic metre (m3)</p> <table border="1"> <thead> <tr> <th>Water intake (A)</th> <th>Water discharge (B)</th> <th>Water consumption (A-B)</th> </tr> </thead> <tbody> <tr> <td>296,799.94</td> <td>237,439.95</td> <td>59,335.99</td> </tr> </tbody> </table> <p>Note: According to the Aqueduct Water Risk Atlas by WRI, SINBON operation sites are not located in areas with high water resource pressure.</p>	Water intake (A)	Water discharge (B)	Water consumption (A-B)	296,799.94	237,439.95	59,335.99	3.3.2 Water Resource Management Strategy																
		Water intake (A)	Water discharge (B)	Water consumption (A-B)																					
296,799.94	237,439.95	59,335.99																							
Waste management	TC-ES-150a.1	<p>Description: Amount of hazardous waste from manufacturing, percentage recycled</p> <p style="text-align: right;">Unit: metric ton</p> <table border="1"> <thead> <tr> <th colspan="2" rowspan="2">Category</th> <th colspan="3">Volume of Generated</th> </tr> <tr> <th>2021</th> <th>2022</th> <th>2023</th> </tr> </thead> <tbody> <tr> <td rowspan="2">Hazardous waste</td> <td>Reusable</td> <td>34.12</td> <td>34.39</td> <td>30.47</td> </tr> <tr> <td>Non-reusable</td> <td>61.36</td> <td>78.45</td> <td>79.66</td> </tr> <tr> <td colspan="2">Percentage recycled</td> <td>35.74%</td> <td>30.48%</td> <td>27.67%</td> </tr> </tbody> </table>	Category		Volume of Generated			2021	2022	2023	Hazardous waste	Reusable	34.12	34.39	30.47	Non-reusable	61.36	78.45	79.66	Percentage recycled		35.74%	30.48%	27.67%	3.3.3 Waste Management
		Category			Volume of Generated																				
2021	2022			2023																					
Hazardous waste	Reusable	34.12	34.39	30.47																					
	Non-reusable	61.36	78.45	79.66																					
Percentage recycled		35.74%	30.48%	27.67%																					
Labor practices	TC-ES-310a.1	<p>Description: Number of work stoppages and total days idle</p> <p>No relevant matters were found at SINBON in 2023.</p>																							

Accounting Metrics	No.	Description and Feedback	Corresponding Section																								
Workforce conditions	TC-ES-320a.1	<p>Description: (1) Total recordable incident rate (TRIR) and (2) near miss frequency rate (NMFR) for (a) direct employees and (b) contract employees</p> <p>No occupational incidents nor occupational casualties were found at SINBON in 2023. Relevant incidents were summarized as follows:</p> <p>(1) Direct employees</p> <table border="1"> <thead> <tr> <th>Item</th> <th>Value</th> </tr> </thead> <tbody> <tr> <td>Total working hours (hours)</td> <td>9,613,563</td> </tr> <tr> <td>Number of recordable incidents</td> <td>23</td> </tr> <tr> <td>Total recordable incident rate (TRIR)</td> <td>2.39</td> </tr> <tr> <td>Number of near misses</td> <td>12</td> </tr> <tr> <td>Near miss frequency rate (NMFR)</td> <td>1.24</td> </tr> </tbody> </table> <p>(2) Contract employees</p> <table border="1"> <thead> <tr> <th>Item</th> <th>Value</th> </tr> </thead> <tbody> <tr> <td>Total working hours (hours)</td> <td>3,734,650</td> </tr> <tr> <td>Number of recordable incidents</td> <td>1</td> </tr> <tr> <td>Total recordable incident rate (TRIR)</td> <td>0.26</td> </tr> <tr> <td>Number of near misses</td> <td>0</td> </tr> <tr> <td>Near miss frequency rate (NMFR)</td> <td>0</td> </tr> </tbody> </table>	Item	Value	Total working hours (hours)	9,613,563	Number of recordable incidents	23	Total recordable incident rate (TRIR)	2.39	Number of near misses	12	Near miss frequency rate (NMFR)	1.24	Item	Value	Total working hours (hours)	3,734,650	Number of recordable incidents	1	Total recordable incident rate (TRIR)	0.26	Number of near misses	0	Near miss frequency rate (NMFR)	0	4.4.2 Occupational Safety and Health Management
		Item	Value																								
Total working hours (hours)	9,613,563																										
Number of recordable incidents	23																										
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Number of near misses	0																										
Near miss frequency rate (NMFR)	0																										
Workforce conditions	TC-ES-320a.2	<p>Description: Percentage of (1) entity's facilities and (2) tier 1 supplier facilities audited in the RBA Validated Audit Process (VAP) or equivalent, by (a) all facilities and (b) high-risk facilities</p> <p>In 2023, SINBON conducted the RBA self-assessment questionnaire survey with 120 suppliers. Among them, 65 companies are manufacturers, with 7 of them having passed the VAP audit. There are a total of 12 factories involved.</p>	2.5.1 Supplier Management Strategies and Mechanisms																								

Accounting Metrics	No.	Description and Feedback	Corresponding Section
Workforce conditions	TC-ES-320a.3	<p>Description: (1) Non-conformance rate with the RBA Validated Audit Process (VAP) or equivalent and (2) associated corrective action rate for (a) priority non-conformances and (b) other nonconformances, broken down for (i) the entity's facilities and (ii) the entity's tier 1 supplier facilities</p> <p>SINBON adheres to the RBA Code, SA8000, ISO 14001, RoHS, HSF, the SINBON Supplier Code of Conduct, and the SINBON Supplier Rating Calculation Methodology, which establishes a common language for working with our suppliers on sustainability. SINBON upholds principles of honesty, transparency, and fairness in its supplier evaluation, selection, and monitoring processes, following management regulations. The criteria for selecting suppliers include price, quality, and delivery time, along with incorporating risk management. Suppliers under monitoring are required to submit audit deficiency improvement reports. In 2023, the closure rate reached 100%.</p>	2.5.1 Supplier Management Strategies and Mechanisms
		<p>Description: Weight of end-of-life products and e-waste recovered, percentage recycled</p> <p>Total amount of reusable waste generated by SINBON in 2023: 1,779.32 metric tons. Percentage of total waste generated: 90.60%.</p>	3.3.3 Waste Management
Materials sourcing	TC-ES-440a.1	<p>Description: Description of the management of risks associated with the use of critical materials</p> <p>In line with the spirit of the RBA (Responsible Business Alliance), SINBON is committed to Responsible Conflict Minerals, and suppliers are strictly prohibited from using minerals from areas of illegal armed conflict. It is the responsibility of any supplier of raw materials involving Conflict Minerals 3TG and Cobalt to trace their metals back to the metallurgical smelter on the RMAP (Responsible Minerals Assurance Process) list. We have established an investigation project to disclose the origin of the materials from the supply chains. We also use the Conflict Minerals Reporting Template (CMRT) developed by the RBA in conjunction with the Responsible Mining Initiative (RMI) to require suppliers to investigate and disclose the origin of their supply chains.</p>	2.5.2 Green Procurement and Conflict Minerals Policy
		<p>Description: Number of manufacturing facilities</p> <p>SINBON's global production facilities include Miaoli, Jiangyin, Tongcheng, TongAn, Hungary and the USA, totaling six production facilities.</p>	Reporting period and organizational boundaries
Activity metrics	TC-ES-000.B	<p>Description: Area of manufacturing facilities</p> <p>Total area of production facilities: 127,031 square metres (m²)</p>	Reporting period and organizational boundaries
	TC-ES-000.C	<p>Description: Number of employees</p> <p>The number of employees at SINBON in 2023 was 5,166.</p>	4.1.1 Talent Recruitment

Taiwan Listed Electronic Components Industry Sustainability Indicators

No.	Indicators	Type of Indicator	Annual Disclosure	Unit	Remarks		
1	Total energy consumption, percentage of purchased electricity and renewable energy usage rate	Quantitative	Total energy consumption (GJ)	121,857.73	Gigajoules (GJ), percentage (%)	3.2.3 Energy Management	
			Percentage of purchased electricity (%)	93.36%			
			Renewable energy usage rate (%)	6.04%			
2	Total water intake and consumption	Quantitative	Total water intake	296.80	Thousands of cubic metres (m ³)	3.3.2 Water Resource Management Strategy	
			Total water consumption	237.45			
3	Weight of hazardous waste generated, and percentage recovered	Quantitative	Hazardous waste		Metric tons (t), percentage (%)	3.3.3 Waste Management	
			Total weight (metric tons)	110.13			
			Percentage recycled (%)	27.67%			
4	Describe the type, number and rate of occupational injuries	Quantitative	Type of occupational injury	Number of people	Percentage (%)	Percentage(%), quantity	4.4.2 Occupational Safety and Health Management
			Serious occupational injuries	0	0		
			Occupational injuries resulting in death	0	0		
5	Disclosure of product lifecycle management: Weight of end-of-life products and e-waste and percentage recycled (Note 1)	Quantitative	Total amount of reusable waste generated by SINBON in 2023: 1,779.32 metric tons		Metric tons (t) , Percentage (%)	3.3.3 Waste Management	
			Percentage of total waste generated: 90.60%.				

Note 1: The statistical scope of the data in this table covers 12 operation sites in Taiwan, Mainland China, Europe, and the Americas.

No.	Indicators	Type of Indicator	Annual Disclosure	Unit	Remarks						
6	Description of the management of risks associated with the use of critical materials	Qualitative description	In line with the spirit of the RBA (Responsible Business Alliance), SINBON is committed to Responsible Conflict Minerals, and suppliers are strictly prohibited from using minerals from areas of illegal armed conflict. It is the responsibility of any supplier of raw materials involving Conflict Minerals 3TG and Cobalt to trace their metals back to the metallurgical smelter on the RMAP (Responsible Minerals Assurance Process) list. We have established an investigation project to disclose the origin of the materials from the supply chains. We also use the Conflict Minerals Reporting Template (CMRT) developed by the RBA in conjunction with the Responsible Mining Initiative (RMI) to require suppliers to investigate and disclose the origin of their supply chains.	N/A	2.5.2 Green Procurement and Conflict Minerals Policy						
7	Total pecuniary loss arising from legal proceedings relating to the Anti-competitive Behavior Ordinance	Quantitative	No legal proceedings relating to the Anti-competitive Behavior Ordinance have taken place	New Taiwan Dollar (TWD)	1.2.2 Management Supervision and Prevention						
8	Production volume of major products by product category	Quantitative	<table border="1"> <tr> <td>Cable assemblies</td> <td>215,951 thousand units</td> </tr> <tr> <td>Connectors</td> <td>97,967 thousand units</td> </tr> <tr> <td>Total</td> <td>313,918 thousand units</td> </tr> </table>	Cable assemblies	215,951 thousand units	Connectors	97,967 thousand units	Total	313,918 thousand units	Depends on product type	Please refer to page 94 of the annual report
Cable assemblies	215,951 thousand units										
Connectors	97,967 thousand units										
Total	313,918 thousand units										

Climate Information for Listed Companies in Taiwan

Item	Chapter	Page
Describe the Board's and management's oversight and governance of climate-related risks and opportunities.	3.1.1 Climate Change Governance and Management Framework	75
Describe how the identified climate risks and opportunities affect the business, strategy and finances of the organization (short, medium and long term).	3.1.2 Climate Risk and Opportunity Assessment	77
Describe the financial impact of extreme climate events and transformation actions.	3.1.3 Identification Results and Management Response Measures	79
	3.1.4 Financial Impact Assessment of Significant Climate Risks and Opportunities	84
Describe how the process of identifying, assessing and managing climate risk is integrated into the overall risk management system.	3.1.2 Climate Risk and Opportunity Assessment 1.4 Risk Management	77 26
If scenario analysis is used to assess the resilience to climate-related risk, the scenarios, parameters, assumptions, analyze factors and the main financial impacts should be described.	3.1.3 Identification Results and Management Response Measures	79
If there is a transformation plan for managing climate-related risks, describe the plan and the metrics and objectives used to identify and manage physical and transformation risks.	3.1.5 Indicators and Targets	85
If internal carbon pricing is to be used as a planning tool, the basis for price setting should be specified.	Internal carbon pricing system not yet in use, detailed development currently under planning	
If climate-related targets are set, information on the activities covered, the scope of greenhouse gas emissions, the planning period, and the annual progress of achievement should be stated; if carbon offsets or renewable energy certificates (RECs) are used to achieve the targets, the sources and quantities should be stated.	3.2.1 Greenhouse Gas Management ; no RECs used	87
Greenhouse gas inventory and confirmation of status and reduction targets, strategies and specific action plans	3.2.1 Greenhouse Gas Management Refer to Tables 1-1 and 1-2 below for GHG inventory and confirmation	87

1-1 Greenhouse Gas Inventory and Confirmation for the Last Two Years

1-1-1 Greenhouse Gas Inventory Information

The most recent two years of GHG emissions (tons of CO₂e), intensity (tons of CO₂e per million), and the scope of the data are described.

SINBON GHG inventory follows the ISO 14064-1:2018 standard, including Category 1 direct emissions, Category 2 energy indirect emissions and Category 3-6 indirect emissions from activities. Category 1 main sources come from the organization's owned or controlled means of transport and combustion of liquefied petroleum gas (LPG) and natural gas; the import of electricity is the main source of GHG emissions in Category 2. In Category 3-6, we conducted an inventory of employee commuting, business travel, upstream and downstream freight transport, capital finance, and waste disposal according to the materiality criteria of each location. The Scope 3 inventory is expected to be completed by 2024 and internal carbon pricing to be progressively implemented to realize SINBON's carbon management strategy. The GHG inventory data for the last two years, which included the emissions of the company and all subsidiaries of the Consolidated Financial Statements, were compiled in accordance with the operational control method and are described below:

		2022		2023	
		Emissions (tons of CO ₂ e)	Intensity (tons CO ₂ e/turnover NT\$ million)	Emissions (tons of CO ₂ e)	Intensity (tons CO ₂ e/turnover NT\$ million)
The company	Scope 1 Direct GHG emissions	908.92	0.03	675.75	0.02
	Scope 2 Indirect GHG emissions	2,808.91	0.09	2,278.06	0.07
	Subtotal	3,717.83	0.12	2,953.81	0.09
Consolidated financial statements for all subsidiaries	Scope 1 Direct GHG emissions	2,126.43	0.07	2,300.31	0.07
	Scope 2 Indirect GHG emissions	20,762.41	0.68	17,938.40	0.55
	Subtotal	22,888.83	0.75	20,238.71	0.62
Total		26,606.66	0.87	23,192.51	0.71

1-1-2 Greenhouse Gas Confirmation Information

Describe the status of assurance for the two most recent years ended on the date of publication of the annual report, including the scope of assurance, the assurance organization, the assurance criteria and the opinion of the assurance.

Of the total GHG emissions disclosed by the consolidated company, the scope of the 2022 and 2023 implementation confirmation belongs to the company as an individual, accounting for 100% and 100% of the total emissions; the scope of the 2023 implementation confirmation belongs to the consolidated company as a subsidiary, accounting for 71% of the total emissions of the consolidated company as a subsidiary in those years, and the confirmation opinion is an unqualified opinion with a reasonable degree of assurance issued by TUV Rheinland (China) in accordance with ISO 14064:3:2019 issued by the International Organization for Standardization (ISO).

UN Global Compact

Category	10 Principles	Chapter	Page
Human rights	Businesses should support and respect the protection of internationally proclaimed human rights.	4.3.1 Human Rights Management	133
	Make sure that they are not complicit in human rights abuses.	4.3.1 Human Rights Management	133
Labor	Businesses should uphold the freedom of association and the effective recognition of the right to collective bargaining.	4.3.1 Human Rights Management	133
	Businesses should eliminate all forms of forced and compulsory labor.	4.3.1 Human Rights Management	133
	Businesses should uphold the effective abolition of child labor.	4.3.1 Human Rights Management	133
	Businesses should eliminate discrimination in respect of employment and occupation.	4.3.1 Human Rights Management	133
Environment	Businesses should support a precautionary approach to environmental challenges.	3.1 Climate Change Risks and Opportunities Management	75
	Businesses should undertake initiatives to promote greater environmental responsibility.	3.2 Low Carbon Operations Management	87
	Businesses should encourage the development and diffusion of environmentally friendly technologies.	1.3 Innovative R&D Capabilities 3.5 Biodiversity and Ecological Conservation	21 107
Anti-corruption	Businesses should work against corruption in all its forms, including extortion and bribery.	1.2 Compliance and Business Ethics	16

ISO 14064-1 2018 Greenhouse Gases Inventory Declaration

Certificate

Inventory Standard **ISO 14064-1:2018**

Certificate Registr. No. **CF 50631377 0001**

Report No. **70369144 001**

Certificate Holder: **SINBON Electronics Co., Ltd.**
4F-13, No. 79, Sec. 1, Hsin Tai Wu Rd., Hsi-Chih Dist., New Taipei City 22101, Taiwan

Verification Site: Please refer to Annex 1 for specific details

Verification Method: Verification Body: TÜV Rheinland (China) Ltd.
- Process: Document review, interview, site visit and recalculation
- Verification Standard: ISO 14064-3:2019

Verification Scope: Based on the information we have received and evaluated that:
- Programme: Voluntary GHG scheme
- Organizational Boundary: Operational Control
- Level of Assurance: Reasonable
- Materiality: 5%
- Global warming potential (GWP): IPCC 2021
- Base year: 2023 (2023.01.01~2023.12.31)
- Inventory year: 2023 (2023.01.01~2023.12.31)
- The total carbon emission is 149690.23 tones CO₂ equivalent (tCO₂e)
- Category 1 Direct emission is 2838.38 tCO₂e
- Category 2 Indirect imported energy emission is 18135.95 tCO₂e
- Category 3 Indirect transportation emission is 6763.25 tCO₂e
- Category 4 Indirect products used by organization emission is 121952.65 tCO₂e
- Category 5 Indirect associated with the use of products from the organization emission is not quantified
- Category 6 Indirect other sources emission is not quantified
- Data and information
- Historical in nature: Category 1 / 2
- Historical in nature with scenario models: Category 3 / 4
- The Electricity Emission Factor refer to Annex 3 for specific details

Validity: This certificate only reviewed the emissions data of inventory year, this certificate is not for the management systems certification.

2024-05-17

Zhuifang
TÜV Rheinland (China) Ltd.
Room 301, 3F and Room 1203, 12F, Building 4, No. 15, Ronghua South Road, Beijing Economic-Technological Development Area, Beijing (Yizhuang group in high-end industrial area of Beijing Pilot Free Trade Zone), 100176, P. R. China

This verification and validation is based on the information made available to TÜV Rheinland and the engagement conditions detailed above. Therefore, TÜV Rheinland cannot guarantee the accuracy or correctness of this information. TÜV Rheinland cannot be held liable by any party relying or acting upon this verification and validation.

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Annex to certificate

Inventory Standard **ISO 14064-1:2018**

Certificate Registr. No. **CF 50631377 0001**

Report No. **70369144 001**

Annex 1: Sites verified

No.	Site Name	Site Address
1	SINBON Electronics Co., Ltd. (Headquarter)	4F-13, 4 F, 4 F-1, 4 F-5, 4 F-6, 4 F-7, 4 F-8, 4 F-9, 4 F-10, 4 F-11, 4 F-12, 5F-1, 5F-2, 5F-3, 6F-3, 6F-10, 6F-13, 8F-1, 9F-1, No. 79, Sec. 1, Xintai 5th Rd., Xizhi District, New Taipei City, Taiwan. Dormitory: 21F-1, No. 179, Sec. 1, Xintai 5th Rd., Xizhi District, New Taipei City, Taiwan.
2	SINBON Electronics Co., Ltd. (Guohua Factory)	No. 582, Guohua Road, Miaoli City, Taiwan. No. 15, Lane 588, Guohua Road, Miaoli City, Taiwan (excluding Ruixin, i.e. 4F and half of 3F). Dormitory: 2F-1, No. 18, Lane 101, Minzu Road; 3F-1, No. 18, Lane 101, Minzu Road; 2F-2, No. 7, Lane 105, Wenfeng Street; No. 276, Guohua Road; No. 46, Wenyuan, Wenshan Li; No.1, Lane 1297, Zhongzheng Road; 1F, 2F, 4F, No. 699, Guohua Road, Miaoli City, Taiwan.
3	SINBON Electronics Co., Ltd. (Zhonghua Factory)	Building B and Building C, No. 889, Zhonghua Road, Miaoli City, Taiwan (excluding Taikang, i.e. part 1F of Building C).
4	Jiangyin SINBON Electronics Co., Ltd.	No. 288, Chengjiang Middle Road, Jiangyin Economic Development Zone, Jiangsu Province, PRC.
5	Tongcheng SINBON Electronics Co., Ltd.	No.168 Xinglong Road, Economic Development Zone, Tongcheng City, Anhui Province, PRC. 15A, Block F, Weilan Business Port, New Municipal and culture District, Hefei City, Anhui Province, PRC.
6	Shanghai SINBON Electronics Co., Ltd.	3F, Building 60, No. 461, Hongcao Road, Shanghai, PRC. Room 1001, Unit 2, Building 19, No. 200, Jinsong 1st Road, Hefei, Shibe District, Qingdao city, Shandong Province, PRC. Room 504, 5F, B2 Zone, Jingtong Building of Sihui Subway Station, Chaoyang District, Beijing, PRC.

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Annex to certificate

Inventory Standard **ISO 14064-1:2018**

Certificate Registr. No. **CF 50631377 0001**

Report No. **70369144 001**

Annex 1: Sites verified

No.	Site Name	Site Address
7	Shenzhen SINBON Electronics Co., Ltd.	Room 1605-1608, Songde Garden Office Building, Xiameilin Second Street, Futian District, Shenzhen City, Guangdong Province, PRC. Room 402, Building 80, Guomao Sunshine, Huli District, Xiamen City, Fujian Province, PRC.
8	HongKong SINBON Electronics Co., Ltd.	Room 1805, Lippo Centre, No. 50 Kaiyuan Road, Kwun Tong, Kowloon, Hong Kong.
9	Beijing SINBON TongAn Renewable Energy Co., Ltd.	1st to 4th floors, Building 26, Liando U Valley, No. 15, Jingsheng S. 4th St., Economic-tech development zone (Tongzhou Dist.).
10	Enmagic Energy Co., Ltd.	Building D5, Yangtze River Biomedical Accelerator, No.6, Dongsheng West Road, chengdong Sub-district, Jiangyin High-tech Industrial Development. No. 888 Yanling East Road, Jiangyin, JiangSu Province.
11	Xuzhou ENMAGIC Renewable Energy Co., Ltd.	Building 6, Jingshan Road No.55, Xuzhou Economic and Technical Zone, XuZhou, JiangSu Province.
12	SINBON USA LLC.	Gibson Drive, Tipp City, OH 45371, USA.
13	C&C Factory (7-12)	815 S. Brown School Rd, Vandalia, OH, USA.
14	SINBON Electronics Co., Ltd. UK Branch	Suites 19 & 20, Hattersley House, 1 Hattersley Court, Ormskirk, L39 2AY, UK.
15	SINBON Hungary Kft	Búzavirág utca 8/D, 2800 Tatabánya, Hungary.

Annex to certificate

Inventory Standard **ISO 14064-1:2018**

Certificate Registr. No. **CF 50631377 0001**

Report No. **70369144 001**

Annex 2: Respective site GHG emission

No.	Site Name	Direct Emission (tCO ₂ e)	Energy Indirect Emission (tCO ₂ e)	Other Indirect Emission (tCO ₂ e)	Total (tCO ₂ e)
1	SINBON Electronics Co., Ltd. (Headquarter)	196.97	149.66	894.95	1241.58
2	SINBON Electronics Co., Ltd. (Guohua Factory)	255.26	968.32	2455.12	3678.70
3	SINBON Electronics Co., Ltd. (Zhonghua Factory)	223.52	1160.08	16935.04	18318.63
4	Jiangyin SINBON Electronics Co., Ltd.	1428.55	12397.44	60828.00	74654.00
5	Tongcheng SINBON Electronics Co., Ltd.	347.52	966.80	5869.78	7184.10
6	Shanghai SINBON Electronics Co., Ltd.	7.23	30.85	79.11	117.19
7	Shenzhen SINBON Electronics Co., Ltd.	8.60	13.97	18.72	41.30
8	HongKong SINBON Electronics Co., Ltd.	0.00	2.62	23.76	26.38
9	Beijing SINBON TongAn Renewable Energy Co., Ltd.	118.73	1450.25	11198.77	12767.74
10	Enmagic Energy Co., Ltd.	44.59	439.93	21239.36	21723.88
11	Xuzhou ENMAGIC Renewable Energy Co., Ltd.	35.70	113.51	3866.94	4016.15
12	SINBON USA LLC.	3.97	11.33	14.15	29.44
13	C&C Factory (7-12)	111.62	281.04	4412.27	4804.93
14	SINBON Hungary Kft	56.12	149.21	857.03	1062.36
15	SINBON Electronics Co., Ltd. UK Branch	0.00	0.95	22.89	23.84
16	Subtotal	2838.38	18135.95	128715.90	149690.23

Annex to certificate

Inventory Standard **ISO 14064-1:2018**

Certificate Registr. No. **CF 50631377 0001**

Report No. **70369144 001**

Annex 3: GHG Emission Factor of Imported Electricity

No.	Site Name	Electricity Emission Factor kgCO ₂ e/kWh	Source
1	SINBON Electronics Co., Ltd. (Headquarter)	0.495	Bureau of Energy, Electricity Carbon Emission Factor for the Year 111 (2022)
2	SINBON Electronics Co., Ltd. (Guohua Factory)		
3	SINBON Electronics Co., Ltd. (Zhonghua Factory)		
4	Jiangyin SINBON Electronics Co., Ltd.	0.5703	Chinese Regional Grid Average Emission Factor from <2022 Corporate Greenhouse Gas Emission Reporting Management Key Work>
5	Tongcheng SINBON Electronics Co., Ltd.		
6	Shanghai SINBON Electronics Co., Ltd.		
7	Shenzhen SINBON Electronics Co., Ltd.		
8	HongKong SINBON Electronics Co., Ltd.		
9	Beijing SINBON TongAn Renewable Energy Co., Ltd.		
10	Enmagic Energy Co., Ltd.		
11	Xuzhou ENMAGIC Renewable Energy Co., Ltd.	0.3753	《GHG Emission Factors Hub US EPA》2024
12	Xuzhou ENMAGIC Renewable Energy Co., Ltd.		
13	C&C Factory (7-12)	0.566	Covenant of Mayors 2020
14	SINBON Hungary Kft		
15	SINBON Electronics Co., Ltd. UK Branch	0.207	UK Government GHG Conversion Factors for Company Reporting (2023) and Association of Issuing Bodies (AIB) 2023

2024-05-17

Zhuifang
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ISAE 3000 Accountant Confirmation Statement



安永聯合會計師事務所

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會計師有限確信報告

信邦電子股份有限公司 公鑒

確信範圍

本事務所接受信邦電子股份有限公司（以下簡稱信邦公司）之委任，對西元2023年度永續報告書，執行財團法人中華民國會計研究發展基金會所發布之確信準則所定義之「有限確信案件」並出具報告。

報導資訊適用基準

信邦公司參照全球永續報告協會(Global Reporting Initiative, GRI)發布之永續性報導準則(GRI Standards 2021)、永續會計準則委員會(Sustainability Accounting Standards Board, SASB)發布之電子製造服務與原廠委託設計代工行業(The Electronic Manufacturing Services (EMS) & Original Design Manufacturing (ODM))永續會計準則及氣候相關財務揭露建議(Task Force on Climate-related Financial Disclosures, TCFD)所規範之基準編製報告書。

管理階層之責任

信邦公司管理階層之責任係依據臺灣證券交易所「上市公司編製與申報永續報告書作業辦法」之規定，以及參考適當之基準編製標的資訊，包括參考全球永續性報告協會(Global Reporting Initiatives, GRI)所發布之2021年GRI準則(GRI Standards)，信邦公司管理階層應選擇所適用之基準，並對報導資訊在所有重大方面是否依據該適用基準報導負責，此責任包括建立及維持與報導資訊編製有關之內部控制、維持適當之記錄並作成相關之估計，以確保報導資訊未存有導因於舞弊或錯誤之重大不實表達。

本會計師之責任

本會計師之責任係依據所取得之證據對報導資訊作成結論。

本會計師依照財團法人中華民國會計研究發展基金會所發布之確信準則3000號「非屬歷史性財務資訊查核或核閱之確信案件」之要求規劃並執行確信工作，以發現報導資訊在所有重大方面是否有未依適用基準編製而須作修正之情事，並出具有限確信報告。本會計師依據專業判斷，包括對導因於舞弊或錯誤之重大不實表達風險之評估，以決定確信程序之性質、時間及範圍。

本會計師相信已取得足夠及適切之證據，以作為表示有限確信結論之基礎。



會計師之獨立性及品質管理

本會計師及所隸屬組織遵循會計師職業道德規範中有關獨立性及其他道德規範之規定，該規範之基本原則為正直、公正客觀、專業能力及專業上應有之注意、保密及專業行為。

本事務所遵循品質管理準則1號「會計師事務所之品質管理」，該品質管理準則規定組織設計、付諸實行及執行品質管理制度，包含與遵循職業道德規範、專業準則及適用之法令規範相關之政策或程序。

所執行程序之說明

有限確信案件中執行程序之性質及時間與適用於合理確信案件不同，其範圍亦較小，因此，有限確信案件中取得之確信程度明顯低於合理確信案件中取得者。本會計師所設計之程序係為取得有限確信並據此作成結論，並不提供合理確信必要之所有證據。

儘管本會計師於決定確信程序之性質及範圍時曾考量信邦公司內部控制之有效性，惟本確信案件並非對信邦公司內部控制之有效性表示意見。本會計師所執行之程序不包括測試控制或執行與檢查資訊科技(IT)系統內資料之彙總或計算相關之程序。

有限確信案件包括進行查詢，主要係對負責編製報導資訊及相關資訊之人員進行查詢，並應用分析及其他適當程序。

本會計師所執行之程序包括：

- 與信邦公司之管理階層及員工進行訪談，以瞭解信邦公司履行企業永續之整體情況，以及報導流程；
- 透過訪談、檢查相關文件，以瞭解信邦公司之主要利害關係人及利害關係人之期望與需求、雙方具體之溝通管道，以及信邦公司如何回應該等期望與需求；
- 針對報告中永續績效資訊進行分析性程序；蒐集並評估其他支持證據資料及所取得之管理階層聲明；如必要時，則抽選樣本進行測試；
- 閱讀信邦公司之永續報告書，確認其與本事務所取得關於企業永續整體履行情況之瞭解一致。



先天限制

因永續報告書中所包含之非財務資訊受到衡量不確定性之影響，選擇不同的衡量方式，可能導致績效衡量上之重大差異，且由於確信工作係採抽樣方式進行，且任何內部控制均受有先天限制，故未必能查出所有業已存在之重大不實表達，無論是導因於舞弊或錯誤。

結論

依據本事務所執行之程序及所獲取之證據，未發現信邦公司有未依照適用基準編製而須作重大修正之情事。

其他事項

信邦公司西元 2023 年度永續報告書中關於與溫室氣體排放及減量等資訊之揭露事項，係由其他第三方查驗單位負責驗證(或作必要之修正)。因此，本有限確信報告之確信範圍不包括對溫室氣體排放及減量等資訊之揭露事項。

本確信報告出具後，信邦公司對任何確信標的資訊或適用基準之變更，本會計師將不負就該等資訊重新執行確信工作之責任。

安永聯合會計師事務所

會計師：羅文振

西元 2024 年 6 月 12 日



