



KAULIN MFG. CO., LTD.

2023 Corporate Sustainability Report



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Words from Operator

In 2023, the overall environment was impacted by the Russia-Ukraine War, the continuation of the China-US trade war and the impact of the Middle East war, leading to high market uncertainty. Although the pandemic came to an end, major global customers faced inventory pressure and demand contraction, causing huge challenges to Kaulin operation. The consolidated revenue for 2023 was 1.421 billion, a decline of 32.4% compared to 2022. Under this circumstance, Kaulin’s management team continued to implement risk management, which involved deepening the exploration of key markets in the Asia Pacific region, developing high-value-added models, energy-saving and consumption-reducing products, optimizing internal processes, establishing brand marketing to enhance brand value and strengthening core competitiveness, and continuously providing high-quality products and services to meet the needs of stakeholders. In terms of the environmental initiatives, we actively promote measures such as energy conservation, carbon reduction, recycling, and green procurement. Additionally, Kaulin Foundation collaborates with the Taiwan Textile Research Institute, local social welfare organizations, and charities to host a series of activities under the name “Project ReSEW’s”. These activities involve repurposing waste fabrics from Sewing machine R & D trials, textile waste fabric, stock fabrics, defective products, and sample fabrics. This enhances the value of recycled resources by renewal. Furthermore, we provided industrial sewing machines for young designers to create, converting waste into beautiful artworks, and create employment opportunities by training rural and indigenous women in sewing technology. We have also obtained the ISO 14001 environmental management system certification, showing our commitment and capability in environmental protection. Our relevant environmental performances are as follows:

- Completion of greenhouse gas inventory in 2023.
- Renewable materials accounted for 99.13% of the overall material usage in 2023.
- Product research and development of micro-oil sewing machines to reduce energy consumption and environmental pollution

Good corporate governance is fundamental to the operational framework of a company. We insist principles of transparency, fairness, and accountability, establishing a comprehensive internal controls and risk management systems., We regularly disclose our financial and non-financial information to the public. We also prioritize corporate ethics and compliance, and have established a Sustainability Policy and Code of Conduct, requiring all employees and partners to follow. Additionally, we 've formed a Sustainable Development Committee, chaired by senior executives serving as Chairperson and Head of Corporate Governance , tasked with planning and overseeing our strategies and implementation of sustainable environment, social responsibility and corporate governance.

In the social aspect, we concern about the welfare and development of our employees, providing diverse welfare system including education and training, health promotion initiatives, and employee shareholding trust. We've also established communication platforms and grievance mechanisms for employees to express their opinions and needs. Furthermore, we actively participate in social welfare activities, such as donating goods to the disadvantaged, supporting food bank relief efforts, sponsoring practical education f in fashion design department, etc., so as to give back to the society and foster community well-being.

Other significant achievements in 2023 are as follow:

- "Sewing New Hope" under Project ReSEW's creating job opportunities.
- RESEW' s Lab & VTC Program, training Production-Oriented Garment Technicians.
- Nantou Jesus Church Love Art Classes strengthen society bonds, encouraging sharing and creation.
- Sports sponsorship supports 8 schools including Tainan Min-de High School, Taipei City University, Mei-he University of Science and Technology, and Lan-yu Elementary School.
- Participate in the aid association’s accompanying courses
- Promoting waste reduction, recycling, and sustainability through REHOW | Kuo I-Chen Video Installation Exhibition
- Project ReSEW's -Education Sustainable: Waste Recycling Promotion

Looking into the future, there still have much room for improvement and enhancement on our journey towards sustainability . We will continue to learn and take a reference international sustainability indicators and standards, engaging in communication and exchanging ideas with various parties, in order to continuously enhancing our sustainability capabilities and influence. We will also keep participate in various sustainability-related activities and assessments aiming to broaden understanding among investors and stakeholders about our sustainability principles and practices, and work together to promote sustainable development and create a better future!

Editorial Policy

The period covered by this report spans from 1st, January to 31st,, December in 2023, and is a voluntary disclosure of the sustainability report of KAULIN MFG. CO., LTD. (SiRUBA for short), which includes the disclosure of the sustainability indexes of the company's governance, economic, social and environmental aspects. In order to reveals the complete achievement of SiRUBA sustainable development and present the engagement of stakeholders, the report is prepared in accordance with the latest GRI Standards (Global Reporting Initiative Standards Standards), referencing the Sustainability Accounting Standards Board (SASB), the Task Force on Climate-related Financial Disclosures (TCFD), and government authorities require the " Preparation and Filing of Sustainability Reports by TPEX Listed Companies”, and aligned with the "United Nations Sustainable Development Goals" (SDGs), demonstrating SiRUBA's commitment to responsible reporting to stakeholders regarding the company's strategies and activities in the economic, environmental and social spheres, as well as showcasing the Company's dedication to fulfilling social responsibility and achieving sustainable development.

Report Review Instructions

The information and data in this report are collected by the Corporate Sustainable Development Committee, which is directly under the Chairman. Each committee member gathers information on domestic and international economic, environmental, and social sustainability issues. The committee learn the issues that stakeholders concerned through multiple channels, and utilized the process of engagement and analysis to identify Material topics involving the company. Based on the Material topics, collecting management policies and performance information. After consolidating information, it reviewed and confirmed by the Sustainable Development Committee, followed by approval by the Chairman and the President. Upon approval by the Board of Directors, the information is made available to stakeholders through the official website and public information disclosure platforms. Financial data in this report is sourced from the annual report. This report has not been verified by third party. To enhance the quality of disclosure, we are considering third-party to verification in the future to ensure compliance with the GRI Standards 2021 edition requirements.

Report Writing Principles and Guidelines

SiRUBA takes industry requirements, major international economy factors, environment concerns and social issues into consideration through questionnaires to collect feedback on the impact assessment of stakeholder issues and combines this with the company's operational strategy. The Sustainability Development Committee is then convened to select Material Topic, and after approval by the chairman, the implementation results are disclosed in this report.

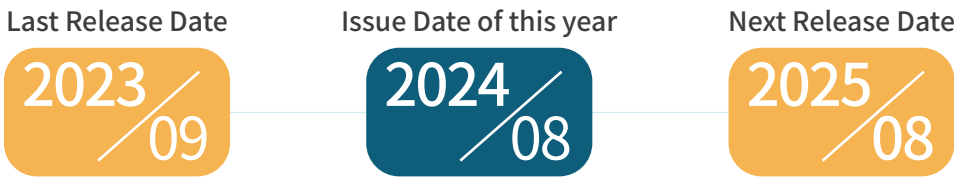
The economic and financial performance in this report are consolidated financial reports. Financial data is reported in New Taiwan Dollars. The environmental performance indicators and social performance indicators cover Kaulin’s Head Office, Taoyuan Plant and Ningbo Plant (Gao Yin Plant). Other reinvested businesses are not included in this report. Any information beyond this scope will be clearly explained in the relevant sections of the report.

Report Management Process

Phase	Subject	Authority
Issue Collecting	Decides stakeholder Collection of Concerned Issues	Sustainable Development Committee
Decision of Material Topics	<ul style="list-style-type: none">External economic, environmental, and human impact assessment of stakeholdersInternal Operational Impact AssessmentResolutions of the Council of Sustainable Development Committee	Sustainable Development Committee
Aggregate Information	Management approach and Performance data collection	Sustainable Development Committee
Writing the first draft	Report writing	Sustainable Development Committee/ Relevant Operating Departments
Reviewed and finalized drafts	Internal Review of Reports	Sustainable Development Committee
Announcement	Report to the Chairman / Report for Issue	Sustainable Development Committee

Issuance Dates and Period

Our company publishes annually, with the report release schedule as follows:



This report has not been restated to reflect any significant organizational changes or changes in the scope of the reporting period. Any adjustments or changes to the information will be explained in the respective sections where variations occur.

Contact

To respond to the paperless environmental protection initiatives and to fulfill our corporate social responsibility, this report is published in Traditional Chinese electronic version on the company's website for readers' reference. You are welcome to visit our website at: <https://siruba.com/tw/esg-2/> to download the PDF version of the report.

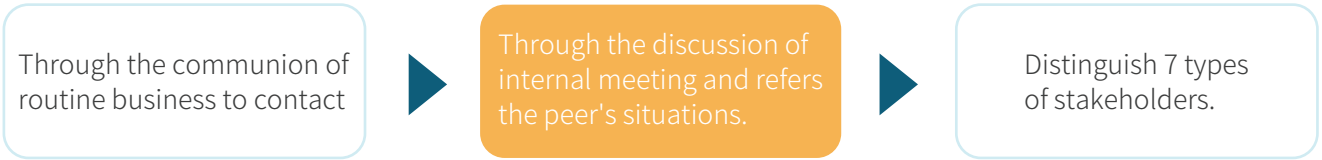
If you have any questions regarding this report, please feel free to contact us.

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Stakeholder Engagement and Material Topics Identification

Confirm Main Stakeholder



We value the voices of stakeholders while pursuing Sustainable Development. Any individuals or groups that may significantly impact the company's operations are considered stakeholders. Our Sustainable Development Committee following the five principles of the AA1000 Stakeholder Engagement Standard (SES), which include dependency, responsibility, influence, diverse perspectives, and tension has identified the primary stakeholders as seven types: employees, clients, suppliers, banks, government, shareholders/investors, and community.

Stakeholder Communication Channels and Concerned Issues

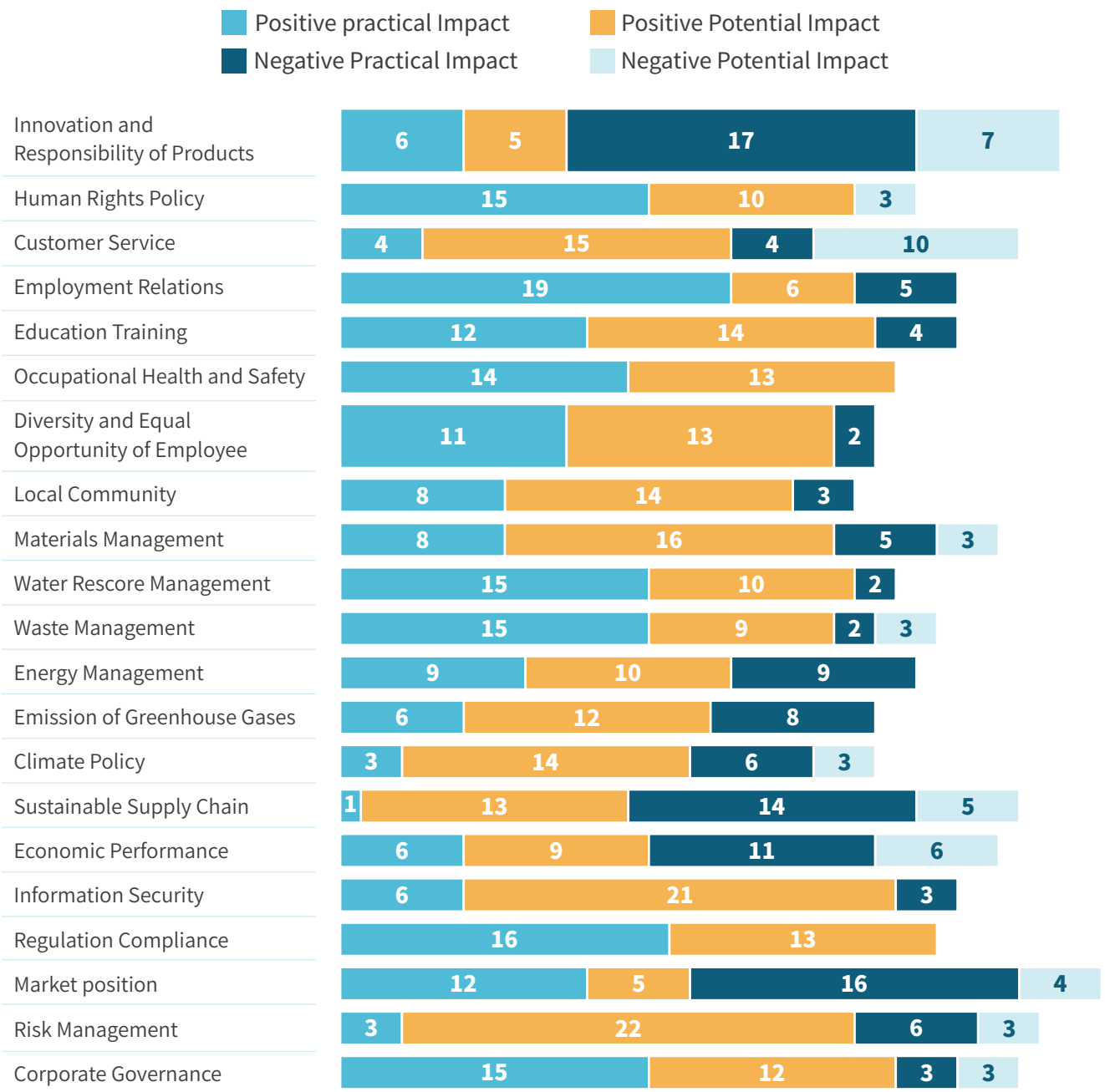
Stakeholders have diverse concerns in the issues that concern SiRUBA due to their different identities. We provides pertinent information on corporate sustainable development on SiRUBA official website. and establishes direct communication channels with stakeholders to understand their demands and expectations, and responds promptly. Our goal is to to achieve a win-win scenario with stakeholders to pursue the concept of company sustainable operations and continuously reviews and enhance our performance in enterprise sustainability. We reports stakeholder engagement at the Board of Directors meeting each year, serving as a reference for sustainable strategy planning.

The concerns raised by SiRUBA through engagement with major stakeholders from various departments

during daily operational activities are collected and compiled by the Sustainable Development Committee. The report refer to specific topics from the 2021 edition of the GRI sustainability reporting standards and the SASB sustainable industry index. We identify issues related to the economy, environment, and people, considering both practical and potential positive and negative impacts. We have summarized 21 sustainability issues encompassing economic, environmental, and social aspects. This ensures that the sustainability information disclosed by SiRUBA

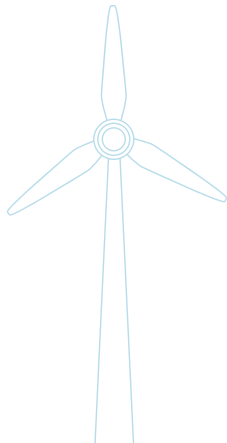
on the E (Environment), S (Society), and G (Corporate Governance) dimensions meets stakeholders' expectations.

Positive and Negative Impact of Sustainability Issues



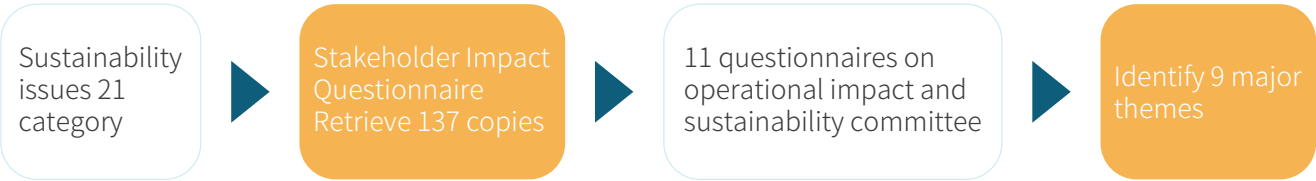
Stakeholder Communication Channels and Concerned Issues					
Major Stakeholder Type	Significance of Stakeholders to the Company	Issue to Concern	Communication Channel	Communication Frequency	Communication Record
Government Agencies	Government monitoring agencies oversee and verify companies' compliance with various regulations.	<ul style="list-style-type: none"> Regulation Compliance Information Security Business Ethics Corporate Governance Occupational Health and Safety Energy Management Waste Management Social Participation Climate Change Response 	Public Information Observation Station	Irregular	Public Information Observation Station
			Evaluation of Corporate Governance	Annually	Evaluation of Corporate Governance
			Investigation of Competent Authority	Annually	Factory calibration and operation survey
			Policy Advocacy Meeting	Irregular	Official Document System
			Official Correspondence	Irregular	Official Document System
Shareholder/ Investor	Investors are supporters of the company. The company should protect their rights and treat all investor fairly, and ensure that investors have the rights to be fully informed about, participate in, and make decisions on significant matters concerning the company.	<ul style="list-style-type: none"> Regulation Compliance Business Ethics Economic Performance Risk Management 	Public Information Observation Station	Irregular	Irregular Announcement/ Major Issue/ Announcement of Shareholders' Meeting
			Monthly and Quarterly Financial report	Annually	Monthly and Quarterly Financial report
			Shareholders Meeting	Annually	Shareholder Meeting Minutes
			Official Website Tel • E-Mail	Irregular	Prefecture and Email of Investor
			Institutional investors' conference	Annually	Institutional investors' conference Meeting Minutes
Supplier	Investors are supporters of the company. The company should protect their rights and treat all investor fairly, and ensure that investors have the rights to be fully informed about, participate in, and make decisions on significant matters concerning the company.	<ul style="list-style-type: none"> Regulation Compliance Business Ethics Economic Performance Risk Management 	Suppliers/Outsourcers Meeting	Irregular	Meeting minutes/E-Mail/Tel
			Instructions for Contracting Safety and Health	Irregular	Safety, Health and Environmental Protection Commitment / Hazard Notification
			Supplier/ Outsourcer Audit	Annually	Audit Report
			Supplier Questionnaire	Irregular	Prohibited and Restricted Substances Guarantee Survey of Prohibited and Restricted Substances
Client	Customers are the main source of revenue for the company, and the company regards product quality, safety, and after-sales service as the highest commitment to customers. Maintaining high customer satisfaction with the company helps improve customer recognition of the company.	<ul style="list-style-type: none"> Sustainable Supply Chain Regulation Compliance Information Security Customer Service Product Safety and Liability Business Ethics Economic Performance Occupational Health and Safetv Risk Management Waste Management Energy Management 	Client Meeting	Irregular	E-Mail/Tel
			Customer satisfaction survey	Irregular	Customer satisfaction survey
			Customer Audit	Annually	Client Opinion E-Mail
			Client Questionnaire	Irregular	Client Related Questionnaire

Stakeholder Communication Channels and Concerned Issues					
Major Stakeholder Type	Significance of Stakeholders to the Company	Issue to Concern	Communication Channel	Communication Frequency	Communication Record
		<ul style="list-style-type: none"> Waste Management Social Participation Climate Change Response 			
Employee	Employees are the indispensable foundation of the company. The company promises to provide a healthy and diverse development environment, enabling employees to work wholeheartedly.	<ul style="list-style-type: none"> Business Ethics Economic Performance Employment Relations Education Training Regulation Compliance Occupational Health and Safety Product Safety and Liability Human Rights Policy 	Labor Conference	Quarterly	Meeting minutes
			Employee Grievance Email	Irregular	Suggestion Box
			Employee Welfare Committee Meeting	Monthly	Meeting minutes
			Manager Meeting	Irregular	Video
			Department meetings and performance interviews	Regular	Meeting minutes
			Company internal announcement	Irregular	Performance Evaluation
			Safety and Health Committee Meeting	Quarterly	Meeting minutes
Bank	Banks are major source of operating funds. Close communication and interaction with banks helps the company to maintain a steady competitive operational funding and ensures sustainable development.	<ul style="list-style-type: none"> Economic Performance Regulation Compliance Energy Management Social Participation Climate Change Response 	Visiting the Bank	Irregular	Meeting minutes
Community	The goal of promoting sustainable work is to contribute to social prosperity and enhance positive social influence through feedback.	<ul style="list-style-type: none"> Local Society Regulation Compliance Climate Change Response Energy Management Waste Management Water Resource Management 	Community meetings Donate to public welfare activities	Irregular	Email, Telephone and meeting Company Website



Material Topic Identification

Material Topic Identification Process



SiRUBA Sustainable Development Committee drafted 21 sustainability issues and distributed online questionnaires for major stakeholders. A total of 137 valid questionnaires were returned. The feedback provided ratings on the impact of each sustainability issue on corporate governance, environment and people; 11 copies of the questionnaire on the degree of operational impact were collected. The Sustainable Development Committee determined the material topics for the year after referring to the opinions of stakeholders and assessing the internal operational impact. It was confirmed that SiRUBA should give priority to the disclosure of 9 major environmental, social and economic aspects of the year. In this report, SiRUBA will explain the management policy and related disclosure items of each material topic.

Aspect	Material Topics
Environment Aspect	Materiality Management, GHG Emission
Society Aspect	Employment Relations, Product Innovation and Responsibility Employee Diversity and Equal Opportunities
Corporate Governance Aspect	Corporate Governance, Risk Management Sustainable Supply chain, Information Security

Material Topics and Ranking

Sustainable issues	Ranking	Sustainable issues	Ranking
Product Innovation and Responsibility	1	Marketing Status	12
Sustainable Supply Chain	2	Waste Management	13
Risk Management	3	Education Training	14
Material Management	4	Occupational Health and Safety	15
Corporate Governance	5	Financial Performance	16
Employment Relations	6	Water Resource Management	17
Information Security	7	Human Right Policy	18
GHG Emission	8	Energy Management	19
Employee Diversity and Equal Opportunities	9	Climate Policy	20
Client Service	10	Local Community	21
Regulation Compliance	11		

Material Topic Changes

Situations of Material Topic Changes		
2022	2023	Ranking order changein 2023 compared to 2022
Product Innovation and Responsibility	Product Innovation and Responsibility	--
Corporate Governance	Sustainable Supply Chain	Increased in 2023
Regulation Compliance	Risk Management	Rising 1 ranking
Risk Management	Material Management	Rising 2 ranking
Employment Relations	Corporate Governance	Sling 3 the ranking
Material Management	Employment Relations Employment Relations	Rising 3 ranking
Waste Management	Information Security	Increased in 2023
Energy Management	GHG Emission	Increased in 2023
Employment Relations	Employee Diversity and Equal Opportunities	Increased in 2023



List of Material Topics

Material Topics	Positive and Negative impact	GRI Standards	Major Theme Value Chain Impact Boundary						Management policy Reveled Chapter
			Headquarters	Clients	Bank	Government	Supplier	Shareholder/invester	
Product Innovation and Responsibility	Developing energy-saving products contributes to enhancing the company's competitiveness. Continuing to implement green design in 2023 will have a positive and tangible impact.	Self-definition	■	■	■	■	■	■	2.1 Product Liability and Security
Corporate Governance	Effective corporate governance can safeguard the rights and interests of shareholders and other stakeholders, which has a positive and tangible impact.	Self-definition	■		■	■		■	1.3 Corporate Governance
Information Security	To ensure information security, we will continue to strengthen the information security mechanism and invest resources to effectively reduce the occurrence of information security incidents, which has a positive and tangible impact.	Self-definition	■	■	■	■	■	■	1.8 Information Security
Labor Relations	To uphold social responsibility, mitigate human rights risks, and foster a supportive work environment for our employees, we prioritize: employee benefits, establish communication and complaint channels, and proactively enhance the overall working environment. This aligns with the company's development goals and generates a positive and tangible impact.	GRI 401-1 GRI 401-2 GRI 401-3	■	■		■			4.1 Human Resources Management 4.2 Right Person in the Right Place
Risk Management	"The company implements comprehensive ESG risk management through the Sustainable Development Committee's operation, , aligning with the company's development goals and yielding a positive and tangible impact.	Self-definition	■	■	■	■	■	■	1.4 Risk Management
Material Management	The use of recycled materials and the implementation of waste recycling and disposal mechanisms contribute to the realization of a circular economy, resulting in a positive and tangible impact.	GRI 301-1	■	■			■		3.2 Energy Resource Management
Sustainable Supply Chain	In response to climate change, sustainable development of the industrial chain is the foundation for corporate survival. Choosing suppliers with good sustainable performance to ensure smooth supply and meet customer requirements for product quality and environmental protection specifications will create greater performance for SiRUBA and create positive potential impacts.	GRI 308-1 GRI 308-2 GRI 414-1 GRI 414-2	■	■			■		1.7 Sustainable Supply Chain
GHG Emission	The introduction of a carbon fees by the government and a carbon tariff by the European Union in 2025, leading to increased operational costs in the future, resulting in negative potential impacts.	305-1 305-2 305-3 305-4 305-5	■	■		■			3.1 Climate Change Management

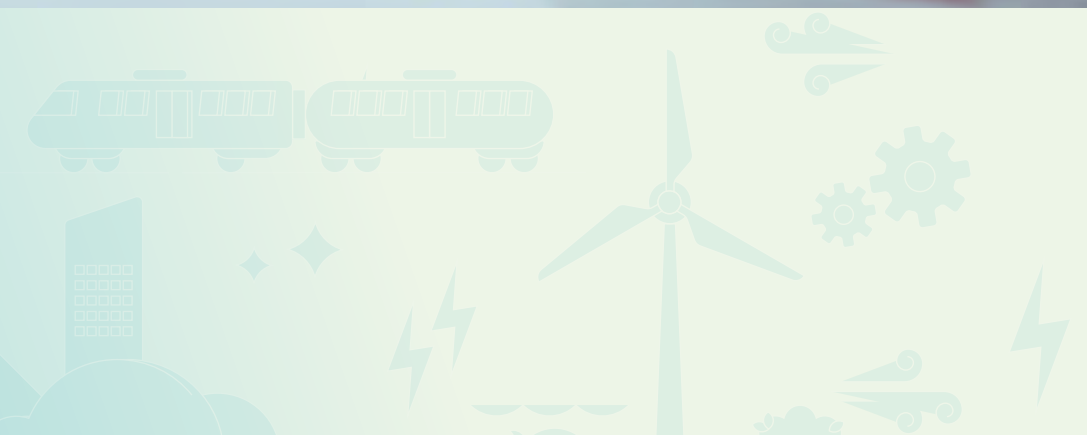
Material Topics	Positive and Negative impact	GRI Standards	Major Theme Value Chain Impact Boundary						Management policy Reveled Chapter
			Headquarters	Clients	Bank	Government	Supplier	Shareholder/invester	
Product Innovation and Responsibility	Providing employees with career development and welfare mechanisms to ensure employees' diversified development and equal opportunities which helps increase human capital and the company's competitiveness, resulting in positive potential impact.	GRI 202-1 GRI 202-1 GRI 404-1 GRI 404-3 GRI 405-1 GRI 405-2	■	■		■			4.2 Right Person in the Right Place



Leading Corporate Governance

1.1 Sustainable Development Strategy and Performance
1.2 About SiRUBA
1.3 Corporate Governance
1.4 Risk Management

1.5 Integrity Management
1.6 Regulation Compliance
1.7 Sustainable Supply Chain
1.8 Information security



1.Leadng Corporate Governance

sustainable performance	
SDGs	Achievements
<div> <div>16</div> <div>PEACE, JUSTICE AND STRONG INSTITUTIONS</div> </div> <div>16.6 Develop effective, accountable and transparent systems at all levels</div>	<div>Establish and implement performance evaluation for the board of directors and functional committees</div>
<div> <div>4</div> <div>QUALITY EDUCATION</div> </div> <div> <div>12</div> <div>RESPONSIBLE CONSUMPTION AND PRODUCTION</div> </div> <div>4.7 Ensuring that everyone acquires the necessary knowledge promotes sustainable development</div> <div>12.8 Ensure that everyone has relevant information and awareness of sustainable development</div>	<div>Directors received 81 hours of training, all of which were training courses related to sustainable development.</div>
<div> <div>12</div> <div>RESPONSIBLE CONSUMPTION AND PRODUCTION</div> </div> <div> <div>17</div> <div>PARTNERSHIPS FOR THE GOALS</div> </div> <div>12.7 Promote sustainable procurement processes</div> <div>17.14 Improve policy consistency and achieve sustainable development</div>	<div> <ul style="list-style-type: none"> Improve supplier management methods and strengthen supply chain sustainability Introducing new suppliers and sustainable evaluation of existing suppliers in 2023 </div>
<div> <div>16</div> <div>PEACE, JUSTICE AND STRONG INSTITUTIONS</div> </div> <div>16.5 Reduce all forms of corruption</div>	<div> <ul style="list-style-type: none"> A total of 745.5 hours of training on integrity management and regulations Zero major violations </div>
<div> <div>9</div> <div>INDUSTRY, INNOVATION AND INFRASTRUCTURE</div> </div> <div>9.5 Improve the scientific and technological capabilities of industry and commerce and encourage innovation</div> <div>12.a. Strengthen science and technology capabilities</div>	<div>Invested NT\$6,115.5,000 to strengthen information security</div>

Material Topic	Corporate Governance, Risk Management	<div>16</div> <div>PEACE, JUSTICE AND STRONG INSTITUTIONS</div>	<div>17</div> <div>PARTNERSHIPS FOR THE GOALS</div>
Policy or Commitment	<p>Risk management is the foundation of corporate governance. Effective risk-based thinking ensures the achievement of ESG strategy goals. However, severe regulatory violations could disrupt company operation and damage company's reputation.</p> <p>Externally The Company's website provides the "Procedures for Ethical Management and Guidelines for Conduct"</p> <p>Internally Promoting compliance with the law; conducting educational training to emphasize the importance of legal compliance.</p> <p>To Suppliers Contracts with suppliers, standard confidentiality clauses and clauses related to the protection of intellectual property rights are included.</p> <p>These provisions aim to regulate the honesty and integrity of vendors, as well as to emphasize the importance of anti-bribery (corruption) measures and prevention of intellectual property rights infringement.</p>		
Goal/ Resource / Action	<p>Goal Building a solid compliance culture, and adhering to ESG risk management policies and procedures for implementation.</p> <p>Resource and Action:</p> <ul style="list-style-type: none"> Continuously improve relevant regulations and systems. Consistently promote education and training on legal compliance and integrity. Maintain the implementation of risk management procedures. 		
Stakeholder Communication Mechanism	<p>Internal Grievance Utilize the company's internal email and well-defined grievance procedure.</p> <p>External Grievance Provide stakeholders with grievance procedure accessible on our website.</p>		

1.1 Sustainable Development Strategy and Performance

SiRUBA actively promotes corporate sustainable development, we believe in upholding the principles of integrity in management, fulfilling corporate governance responsibility, and embracing the concept of sustainable development.

We integrate the ideals of sustainable development into our operational decisions and actions. Additionally, we are dedicated to fulfilling our social responsibilities and creating enduring value for the enterprise through sustainable practices.

We establish the policy of sustainable development.

Environment Aspect	<ul style="list-style-type: none"> Dedicated to processes and products energy-saving and carbon reduction, in order to lessen environmental impact, mitigate climate change and maintain ecological balance. innovating through green design to enhance efficiency in the utilization of energy resources. Promoting waste reuse of and advancing circular development practices.
Society Aspect	<ul style="list-style-type: none"> Attaches great importance to human right, equality, diversity and labor rights. Ensures the safety of employee and the supply chain environment. Collaborating for Supply Chain Sustainability. Engages in charitable activities and social care.
Corporate Governance Aspect	<ul style="list-style-type: none"> Caring about the company's economy, environment, social risk governance and striving for corporate sustainability Complying with laws and adhering to international initiatives and standards Strictly upholding business integrity, rejecting improper interests, corruption and bribery. Improving transparency and ensuring a balanced disclosure of information.

Sustainable Development Committee

To establish an environment conducive to sustainable development encompassing aspects such as society and corporate governance (ESG), SiRUBA underwent a transformative process. In 2021, the Board of Directors sanctioned the "Code of Practice on Corporate Social Responsibility." By 2022, this was rebranded as the "Code of Practice on Sustainable Development," serving as SiRUBA's foundational policy and benchmark for sustainable development. A Sustainable Development Committee was instituted, comprising the General Manager, department-level directors and above, plant supervisors, and the CEO of the SiRUBA Foundations. Their collaborative mission involves crafting corporate strategies and objectives for sustainable development, as well as formulating pertinent management protocols and targeted promotion plans. This committee comprising the General Manager, division-level directors (or equivalent), plant directors, and the CEO of the SiRUBA Foundation, coalesces to define

Stakeholder Information



corporate strategies and objectives for sustainable development. It also devises relevant management policies and specific promotional initiatives. The Sustainable Development Committee has also established an expert panel to compile concerns voiced by stakeholders, encompassing topics spanning environmental impact, job security, supply chain management, labor rights, operational performance, and corporate governance. Furthermore, a dedicated stakeholder domain was set up to address sustainable issues and prioritize stakeholder rights.

SiRUBA Sustainable Development Committee






Sustainable Development Committee convenes meetings twice a year as a general guideline, during which discussions revolve around operational objectives and team achievements. The frequency of meetings may be adjusted when necessary due to alterations in the environment and legal framework. In addition to regular attendees, the Chairperson can invite working group members based on the motion's content. All decisions and approved matters are meticulously documented by Sustainable Development Committee. In 2023, a sustainability manager was added to promote sustainable development. Our aim is for this code to serve as a catalyst in promoting the implementation of the company's sustainable development practices. In line with our commitment to augment information transparency and fortify data security, and driven by the principles of the PDCA cycle management, our objective is to steer SiRUBA on an unwavering trajectory of continuous improvement and growth in the realm of sustainable development.

Each team of the Sustainable Development Committee and related issues	
Corporate Governance Team	Operating Risk Management, Internal Audit, Financial Performance, Information Security Compliance, Integrity Management, Board of Director Corporate Governance Operation, Sustainable Supply Chain, Purchasing Policy
Environmental Sustainability Team	Green Product, Energy Management, GHG Emission, Climate Change, Water Resource Management, Waste Management
Social Prosperity Team	Education Training, Employee Diversity and Equal Opportunity, Occupational Safety and Health, Employment Relations, Human Rights Policy, Public Welfare Activities, Product Safety and Responsibility


Sustainable Development Committee

The Sustainable Development Goals (SDGs), a plan introduced by the United Nations in 2015, outline 17 targets for sustainable development encompassing 169 specific details. These principles of sustainability are intended to be adopted by member countries and businesses globally by the year 2030.

SiRUBA has integrated these sustainable development targets into the company's operational strategy. Our focus will revolve around expanding the finance performance and ensuring legal compliance, raising the enhancing employee treatment to attract top talent, eliminating any inequalities in the workplace, curbing water and greenhouse gas emissions, and engaging suppliers to transform their work environment. We are committed to further contributing to the pursuit of sustainable development objectives, fulfilling our corporate social responsibilities and embracing a positive outlook for the future.

SDGs	Detailed Target	Response from SiRUBA
	1.4 Ensure equitable rights and access to economic resources for all, especially women, men, and those who are poor and disadvantaged.	<ul style="list-style-type: none"> We provide competitive salary packages and comprehensive benefits that exceed legal requirements, enabling our employees to work with dignity and enhance the economic standard of living for individuals and their families. Adjusting the employee compensation based on company profit enhances employee engagement and commitment.
	4.5 Ensure that underprivileged groups provides education and job training opportunities, including for handicapped, aborigines and disadvantaged children. 4.7 Advocates for education for sustainable development, sustainable lifestyles, human rights, gender equality, peace and non-violence.	<ul style="list-style-type: none"> Organizing specialized training for staff with diverse job roles to ensure that each employee has access to vocational training opportunities. Designing courses on sustainable development, workplace equity and labor rights, and promoting participation among colleagues.
	5.1 Eliminates of all forms of discrimination against women. 5.4 Supporting social protection approved by the government and caring of women's family.	<ul style="list-style-type: none"> Gender is not a factor in the appointment and promotion of employees Both males and females have the right to apply for parental leave.

SDGs	Detailed Target	Response from SiRUBA
	Achieve full and productive employment for all, including youth and individuals with physical or mental disabilities, ensuring equal pay for equal work. 8.7 Prohibit child labor and eradicate forced labor. 8.8 Protect the rights and welfare of workers, and enhance workplace safety, particularly for women and those engaged in hazardous work.	<ul style="list-style-type: none"> Gender is not a factor in the appointment and promotion of employees. Adjusting the employee compensation according to company profit enhances employee loyalty. Prohibiting child labor and workplace discrimination. Maternal employees receive significant protection through legal adjustments to their job responsibilities and a reduction in workload. Implementing an occupational safety and health management mechanism to significantly improve employee workplace safety.
	9.5 Promote innovation by expanding the R&D personnel and increasing R&D expenditure.	Promote innovation and substantial investment in R&D to ensure our ongoing delivery of products that meet the community's expectations.
	10.2 Promote socio-political integration irrespective of age, gender, physical or mental disability, religion, economic status or other factors. 10.3 Ensure that equal opportunity, reducing inequality and eliminating discrimination.	<p>The company doesn't consider employee's physical and mental difference as criteria for recruitment, assessment and promotion.</p> <p>We establish staff reporting channels and maintain a well-established reporting process to safeguard whistleblowers.</p>
	12.5 Significantly reduce waste generation through prevention, reduction, recycling and reuse.	Producing green products, enhancing design, and minimizing waste production.
	13.2 Incorporating climate changemeasures into Policies, Strategies and Plans.	<ul style="list-style-type: none"> Starting from 2022, we will implement climate change risk management with reference to the TCFD climate-related financial disclosure requirements and disclose it in the sustainability report. Complete greenhouse gas inventory and have it verified by a third party.

SDGs	Detailed Target	Response from SiRUBA
	16.6 Develop efficient, responsible, and transparent systems at all levels. 16.7 Ensure that decisions at all levels are responsive to public opinion, inclusive, participatory and representative.	<ul style="list-style-type: none">Enhancing corporate governance by ensuring employees comply with company regulations through internal controls and establishing a reporting process with dedicated channels.Engage in stakeholder communication to comprehend the Company's requirements and expectations, and provide regular reports to the Board of Directors.

1.2 About SiRUBA

KAULIN MFG. CO., LTD., founded in 1965, is globally renowned for its "SiRUBA" Silver Arrow sewing machine. As a professional industrial sewing equipment R&D and manufacturing company, we uphold the belief of "The customer is the partner," aiming to create the perfect solution for each customer.

As technology continues to advance, so does industrial sewing machinery. SiRUBA, a sewing machine development enterprise, has spent the past half-century dedicated to delivering the finest products and services. From order placement and production to delivery, we meticulously oversee each step of the process to uphold our initial commitment to customer service. Amid countless challenges, our perseverance remains unwavering.

SiRUBA is committed to sewing machine development, offering a diverse range of products tailored for various garment sewing projects. Our products span from overlock and binding sewing machines to multi-needle sewing machines, all of which enjoy popularity and acclaim. Moreover, our selection encompasses flat-bed sewing machines and electronic lockstitch and overlock sewing machines.

With the dawn of the intelligence era, we have invested ahead of our peers in the development and production of automated sewing equipment. These automated machines merge mechanical precision, speed and consistency, resulting not only in reduced labor costs, but also in heightened production quality and efficiency.

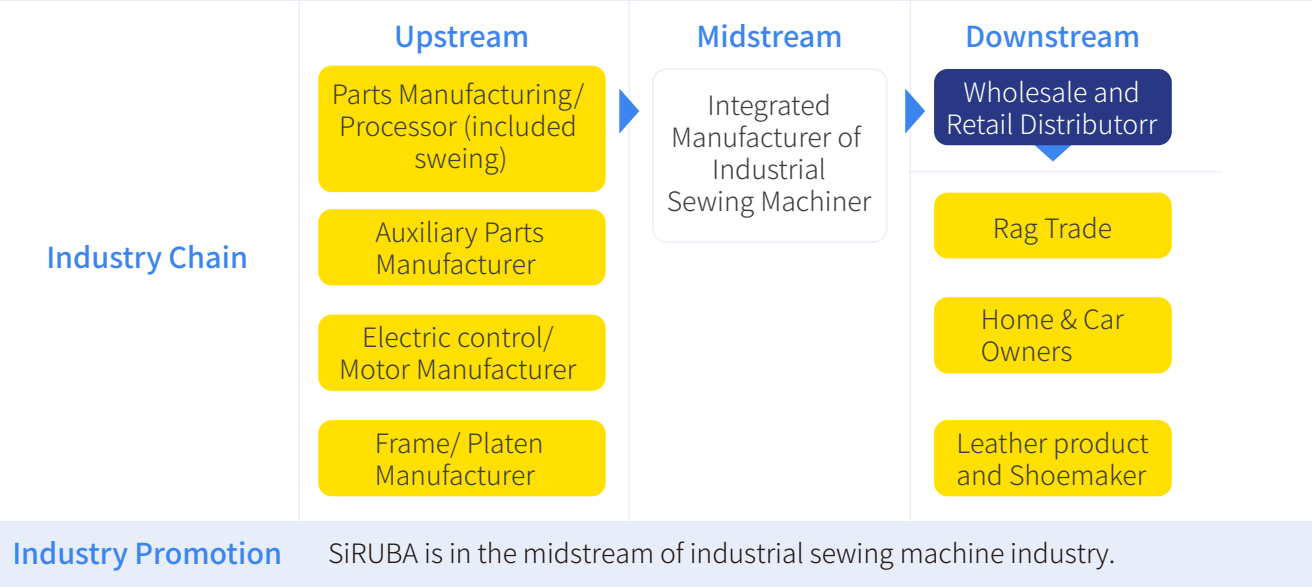
Adapting to the demands of the contemporary information age, SiRUBA has introduced a more intelligent and convenient product line and service network. The incorporation of QR code scanning for products and provision of official product certification services furnish customers with added assurance when purchasing SiRUBA products, bolstering corporate reputation and customer relations.

Furthermore, we have established an innovative E-commerce system to streamline the B2B transaction process, fostering swift and precise commodity trading cooperation.

SiRUBA's service extends across the globe; we serve as a steadfast support for our customers' businesses. No matter your location, we stand by your side.

When challenges arise, SiRUBA will be your primary choice. We offer the most effective, dependable, and comprehensive solutions.

Company	KAULIN MFG. CO., LTD.		
Number of Employee	464		
Capital Amount	NTD 18.4 billion (Stock Code:1531)		
Founded	Oct. 5, 1965		
Chairman of the Board	YA ZI, LIN CHEN		
Headquarter	11F, No. 128, Sec. 3, Minsheng E. Rd., Songshan Dist., Taipei City 105602, Taiwan (R.O.C.)		
Main Business	<ul style="list-style-type: none">Processing and manufacturing of sewing machines and partsCasting, machining and trading of milling products.Casting and processing of sewing machine parts and trading business.		
Main Product	All kinds of industrial sewing machines, including the copying machine, three-needle machine, hand-operated and all kinds of multi-needle loop sewing machines.		
Service regions	Global		
Operating site	5 operating locations around the world; Taiwan (2), China(1), USA(1),Vietnam (1)		
Quantity of products produced	59,105		



Industry Promotion

SiRUBA is committed to promoting the industry and actively participate in external associations and organizations.

Through such engagement, we gain insights into both domestic and international trends and standards, which are essential factors in guiding our company's sustainable development efforts.

Association / Duties	
New Taipei Sewing Machine Association	Executive Director
Taiwan Sewing Machine Association	Executive Director
Taipei City Needleworkers Union	Executive Director
China Sewing Machinery Association	Director

Financial Performance

Financial performance constitutes the cornerstone of our company's operations, and the relentless pursuit of maximum profit remains our unwavering goal. Since its inception, SiRUBA has adhered to a company culture centered around innovation, teamwork, efficiency, and enthusiasm, all of which are directed towards sustainable development. Our aim is to achieve sustained financial success by upholding technological leadership, ensuring customer satisfaction, promoting employee participation, bolstering shareholder value, and fulfilling our social responsibilities.

In the face of a diverse and dynamic environment, we persist in delivering high-quality products while continually refining our designs, processes, quality control and testing procedures. Our commitment extends to advancing process technology and optimizing energy utilization, thus striving to consistently achieve ambitious growth targets and developing of new products. With numerous years dedicated to the sewing industry, SiRUBA offers a comprehensive product line that caters to our customers' product development needs, firmly establishing our leadership role.

Moreover, thanks to robust corporate governance practices, we continuously strengthen our operations by integrating the supply chain, reducing cost, and enhancing competitiveness. This not only instills confidence in our stakeholders, including shareholders, employees, suppliers, and customers, but also fosters a mutually beneficial environment conducive to sustained prosperity and operations.

Operating Performance Over the Year. Currency: NTD 1/1000



1.3 Corporate Governance

A robust corporate governance framework encompasses comprehensive Board of Directors’ operations and effective risk control. This not only mitigates the operational risks but also enhances the company's competitiveness and brand value. We're a dependable and responsible company, adhering to legal compliance and operating with integrity.

Additionally, we uphold sound corporate governance to ensure the company's ethical rights and the interests of investors and other stakeholders.

The SiRUBA shareholders' meeting comprises all shareholders and is responsible for making decisions on crucial company matters, while also receiving regular reports from the Board of Directors. The Board of Directors serves as the supreme governing body. Board members have the duty to diligently oversee operating policies, financial performance and ensure legal compliance. The chairperson of the board holds the responsibility of defining strategic objectives, approved by the Board of Directors. The General manager is responsible for the planning and management of the company's daily operations, conducting planning for sustainable operation and strategic development and leading the management team to report its performance to the Board of Directors.

Furthermore, our financial statements are entrusted to professional accountants for auditing and certification by expert accountants, ensuring accurate and timely compliance with legal requirements. Looking ahead, our goals include enhancing the Board of Directors, amplifying information transparency, and progressively integrating sustainable governance strategies into the corporate governance framework.

Governance Structure

SiRUBA is dedicated to establishing a robust corporate governance structure that underpins our sustainable operating. To achieve this, we have instituted the Board of Directors, Compensation Committee, Audit Committee, Sustainable Development Committee, among others. These entities ensure procedures for oversight and checks and balances. Our operations adhere to the respective "Rules Governing the Conduct of Business of the Board of Directors,""Rules Governing the Organization of the Compensation and Remuneration Committee," and "Rules Governing the Organization of the Audit Committee."



Unit	In charge
Audit Office	Responsible for the planning, execution and tracking of internal audits, and providing analysis, evaluation and other recommendations.
Sustainable Development Committee	Serving as the company's ESG decision-making hub, comprises the General Manager along with department-level directors and above, plant supervisors, and the CEO of SiRUBA Foundation to establish the course and objectives for CSR and sustainable development, crafting pertinent management policies and specific promotional strategies together. Furnishing directors and independent directors with essential information required for their responsibilities, while supporting their adherence to legal statutes and regulations. This assistance extends to addressing board meetings and shareholders' meeting matters in accordance with legal stipulations.
Remuneration Committee	Assisting the Board to fulfill and assess the company payment, benefit policy, the payment of the Board and manager.
Audit Committee	Assisting the Board in fulfilling its responsibility to oversee the quality and integrity of the Company's execution of accounting, auditing, financial reporting processes and financial controls.
Business Strategy Division	Responsible for business decision-making, quality management, production and marketing coordination, organization and talent development, and marketing planning.
General Management Office	Strategy planning, execution, and oversight operational management, human resource management and organizational development, planning, construction, development and management of the company's information systems and equipment, annual budget planning, finance, accounting and tax operations.
R&D Office	New product research and development, production technology and product design business.

Unit	In charge
Production Office	Product Manufacturing Management
Business Office 1	Including Business Department 1 and Business Department 2, responsible for the marketing and business management of Mong Pat, India, Europe, Central Africa, America and the United States subsidiaries.
Business Office 2	Including Business Department 3 and Business Department 4 and the Gao-Yin Factory Business Department, responsible for the marketing and business management of the Taiwanese business area, Korean business area, Southeast Asia area, Vietnamese subsidiary and China area.

Noted: The chairman of board and general manager isn't the same

1.3.1 Board of Directors

The SiRUBA Board of Directors functions as the highest governing authority and a pivotal center of major operating decision. Comprising seven members, including four individual chairmen, the Board includes a Remuneration Committee, an Audit Committee and a Corporate Sustainability Committee. Board members possess extensive experience and professionalism in financial, business, economy, developmental, and managerial domains.

To enhance the Board's independence and diversity while providing strategic guidance, SiRUBA adheres to the requirements of the "Director Election Methods" and “The Directors and Code of Practice on Corporate Governance”. The Chairman of the Board (including the individual chairmen) is selected through a candidate nomination system. Throughout the Board nomination and selection process, the company obtains written statement, employment history, and a family relationship information from each director, including independent directors. This verification aims to ensure the independence of the director, their spouse, and relatives up to the third degree of consanguinity. Furthermore, all independent directors meet the qualifications stipulated by the "Regulations Governing the Establishment and Compliance of Independent Directors of Public Companies" issued by the Financial Supervisory Commission and Article 14-2 of the Securities and Exchange Act. They are granted the authority to actively participate in decision-making and express their opinions under Article 14-3 of the Securities and Exchange Act, enabling them to independently fulfill their relevant duties and responsibilities.

The considerations of SiRUBA's Board of Directors included the ability to make judgments about operations, accounting and financial analysis ability, business management ability, crisis management ability, knowledge of the industry, an international market perspective, leadership ability, decision-making ability, and more. The Board of Directors meet at least hold quarterly to assist in the achieving the company's operating results. The Auditor-in-Charge attends the Company's regular board meetings and provides an audit report. Important decisions will be published on Taiwan Stock Exchange's public information observation station and our website. Our company held 6 board meetings in 2023 with an attendance rate of 90%. For relevant resolutions of the Board of Directors, please refer to our official website:

<https://siruba.com/tw/investor-5/>

Mechanisms for Avoiding Conflicts of Interest

SiRUBA's Rules of Procedure for Board of Directors' Meetings contain a provision regarding the disqualification of directors from participating in meetings. This provision stipulates that any director who holds an interest in a matter detrimental to the company's interests or that of a legal entity represented by the director may attend the meetings to express their opinions and answer questions. However, such directors are not allowed to take part in discussions or voting. They are required to abstain from both discussion and voting and are prohibited from acting as proxies for other directors when exercising their voting right. In 2023, there were three occasions when the Board of Directors refrained from voting in order to prevent conflicts of interest. For specific details about these instances, please refer to The Company's 2023 Annual Report P26-3. Corporate governance operations.

Members of Board of Directors

Job Title	Name	Educational Qualifications
The Chairman of Board	Ya Zih, Lin Chen	The Chairman of Board of JOY EAST INVESTMENT LIMITED
Director	Sheng Jhih, Lin	The Chairman of Board of GRAND LIN INTERNATIONAL INVESTMENT CO., LTD.
Director	Yu Zhen, Lin	The Chairman of Board of Wei Li Investment Co., Ltd.
Independent Director	Jhih Lun, Yang	<ul style="list-style-type: none"> Doctor of Philosophy in China University of Political Science and Law Operator of Center & Logic Law Firm
Independent Director	Li Ting, Huang	<ul style="list-style-type: none"> Department of Information Management Doctor of National Central University Associate Professor of Department of Information Management in Chang Gung University
Independent Director	Sheng Sheng, Lin	<ul style="list-style-type: none"> Master's Degree of Ming Chuan University's Institute of Management The Chairman of Board and General Manager of MoneyDJ Instructor (Adjunct) of Chinese Culture University's Department of Finance Independent Director of Hiroca Holdings Ltd Independent Director of KINGRAY TECHNOLOGY CO., LTD
Independent Director	Yan Bo, Tan	<ul style="list-style-type: none"> St. John's University of Science and Technology Chairman of Taipei Private Hua Gang Art School

Note: For the independence and qualifications of the Board of Directors, please refer to pages P11~P17 of the annual report.

The Board of Directors should hold meetings at least once a year to review the company's operating performance, discuss important strategies, and address significant issues, including economic, environmental, and societal concerns, as well as risks and opportunities. During these meetings, the authority figures should ensure the proper handling of follow-up reports in subsequent meetings. When the Board of Directors provides information to its members about various proposals and reports, it's important to review the content of the reports in advance. This review aims to identify any situations involving interested parties that require appropriate avoidance measures. The directors should be reminded of this beforehand.

The company communicates crucial information in line with its internal operational procedures for managing such information and preventing insider trading. In 2023, we shared the outcomes of significant events and released a total of 38 items of essential information on the Market Observation Post System (MOPS). For further details on these topics, please refer to:

<https://mops.twse.com.tw/mops/web/t05st01>

Board Diversity Statistics /Year			2021		2022		2023	
			Number of People	Percentag	Number of People	Percentag	Number of People	Percentag
Director	Gender	Male	5	71.4%	5	71.4%	5	71.4%
		Female	2	28.6%	2	28.6%	2	28.6%
	Age	Under 50	0	0.00%	0	0.00%	0	0.00%
		50~60	5	71.4%	5	71.4%	5	71.4%
		Over 60	2	28.6%	2	28.6%	2	28.6%



The Board Education and Performance Assessment

To enhance the ethical standards of conduct among our internal staff and to uphold a culture of integrity, we have established not only a "Code of Ethical Conduct" and "Guidelines for Ethical Operations and Behavior," but also a comprehensive framework encompassing: conflicts of interest prevention, avoidance of personal gain opportunities, confidentiality responsibilities, equitable transactions, safeguarding and appropriate use of corporate assets, adherence to legal regulations, encouragement of reporting unlawful or unethical actions, and disciplinary measures, among others. All these pertinent guidelines have been endorsed by the Board of Directors, put into practice, shared with independent directors, reported at shareholders' meetings, and communicated to employees. Furthermore, anti-corruption policies have been promoted. Concurrently, we actively advocate for directors' adherence to the " Corporate Governance Practices for Listed and OTC Companies." Throughout their tenures, directors are encouraged to commit a minimum of 6 hours annually to courses on finance, risk management, business, commerce, legal matters, accounting, sustainability, and corporate governance, as well as internal control system and financial reporting responsibilities. We consistently arrange courses for both directors and employees, covering themes like corporate governance, legal compliance, risk management, prevention, money laundering prevention and counter I terrorism.

By continuing to provide these courses, we reinforce our commitment to fostering strong corporate governance, legal adherence, risk management, and proactive measures against money laundering and the fight against terrorism.

Job Title	Name	Date	Host	Class	Hours of additional Studies	Sustainability related
Director	Ya Zih, Lin Chen	2023/12/08	Securities and Futures Institute	2023 Insider Equity Transactions Act Compliance Information Seminar	3	<div></div>
		2023/07/04	Taiwan Stock Exchange	2023 Cathay Sustainable Finance and Climate Change Summit	6	<div></div>
		2023/04/27	Taiwan Stock Exchange	Publicity meeting on sustainable development action plans for listed companies	3	<div></div>
Independent Director	Jhih Lun, Yang	2023/11/15	Securities and Futures Institute	2023 Insider Equity Transactions Act Compliance Information Seminar	3	<div></div>
		2023/09/04	Financial Supervisory Commission	The 14th Taipei Corporate Governance Forum	6	<div></div>
Independent Director	Sheng Sheng, Lin	2023/04/13	Taiwan Independent Director Association	2023 Anhou Jianye Leadership Academy Forum	3	<div></div>
		2023/04/12	Taiwan Independent Director Association	2023 Independent Director Elite Training Institute - Unit Courses	3	<div></div>
		2023/03/28	Taiwan Independent Director Association	2023 Independent Director Elite Training Institute - Unit Courses	3	<div></div>
Independent Director	Tang Yan-bo	2023/11/29	Securities and Futures Institute	2023 Insider Equity Transactions Act Compliance Information Seminar	3	<div></div>
		2023/11/17	Taiwan Institute for Sustainable Energy	2023 6th Global Corporate Sustainability Forum4-1	3	<div></div>
		2023/11/17	Taiwan Institute for Sustainable Energy	2023 6th Global Corporate Sustainability Forum4-2	3	<div></div>
		2023/11/14	Taiwan Institute for Sustainable Energy	2023 6th Global Corporate Sustainability Forum1-2	3	<div></div>
		2023/11/14	Taiwan Institute for Sustainable Energy	2023 6th Global Corporate Sustainability Forum1-1	3	<div></div>
Independent Director	Li Ting, Huang	2023/11/22	Securities and Futures Institute	2023 Insider Equity Transactions Act Compliance Information Seminar	3	<div></div>
		2023/07/04	Taiwan Stock Exchange	2023 Cathay Sustainable Finance and Climate Change Summit Forum	6	<div></div>
Legal Person Director Representative	Sheng Jhih, Lin	2023/12/08	Securities and Futures Institute	2023 Insider Equity Transactions Act Compliance Information Seminar	3	<div></div>
		2023/10/20	Securities and Futures Institute	Prevention of insider trading publicity meeting in 2023	3	<div></div>
		2023/09/04	Financial Supervisory Commission	The 14th Taipei Corporate Governance Forum	6	<div></div>
Director	Yu Chen, Lin	2023/11/22	Securities and Futures Institute	2023 Insider Equity Transactions Act Compliance Information Seminar	3	<div></div>
		2023/10/13	Securities and Futures Institute	Prevention of insider trading publicity meeting in 2023	3	<div></div>
		2023/09/04	Financial Supervisory Commission	The 14th Taipei Corporate Governance Forum	6	<div></div>
		2023/07/18	Accounting Research and Development Foundation	2023 【Transformation Finance and Sustainability Disclosure Seminar】	3	<div></div>

We have established "Board Performance Evaluation Measures," which are based on Article 4 of the organizational regulations of the Salary and Remuneration Committee. This stipulates an annual performance appraisal to be conducted before the first quarter of each year. The assessment is carried out through a self-assessment questionnaire, covering aspects such as attendance at board meetings, understanding and participation in pre-meeting proposal discussions, interaction with the management team, compliance with laws, and industry standards, efforts to enhance corporate governance, participation in continuous learning of corporate governance related courses, understanding of the company and its industry landscape, and other criteria designated by the competent authority or the board of directors. The primary objective is to regularly review the performance of directors and managers, including their grasp of the management team's understanding of the company and its industry. To enhance the objectivity of the evaluation process, our company conducts external assessments at least once every three years. To enhance the objectivity of the evaluation process, our company conducts evaluations external assessments at least once every three years. These evaluations are carried out by professional independent institutions or teams of external experts and scholars.

Assessment	Results
Assessment	Excellent
Performance Evaluation of Board of Directors	
Performance Evaluation of Board of Directors Members	
Audit Committee Performance Evaluation	
remuneration Committee Performance Evaluation	
Corporate Sustainability Committee Performance Evaluation	
For the complete performance self-assessment report, please refer to the official website: https://siruba.com/tw/investor-5/	

SiRUBA is in the initial phase of sustainable development. We have not yet integrated ESG sustainable development goals, performance and individual compensation of directors and managers. We' ll continue to prioritize the ongoing trend of sustainable development. When the appropriate time comes, we will engage in discussions with the compensation committee to determine whether to incorporate sustainable performance within the parameters of compensation evaluation.

Stakeholder Consultation and Complaint Channels

To uphold the fundamental principles of our company's culture of integrity management, and in alignment with our company's "Integrity Management Operating Procedures and Conduct Guidelines," we have systematically established reporting channels and investigation procedures. This ensures the successful implementation of our company's formulated "Integrity Management Operating Procedures and Conduct Guidelines" while safeguarding the rightful interests of whistleblowers.

Furthermore, to proactively and comprehensively understand the requirements of various stakeholders and consistently address their concerns, SiRUBA engages in ongoing interaction with stakeholders through dedicated contact points within its day-to-day operations. In addition to showcasing company profile and product information, an exclusive stakeholder section has been incorporated on the official website. This

section offers diversified communication channels including emails and telephone lines, to serve as a bridge between stakeholders and the company.

Its purpose is to facilitate seamless exchange of internal and external opinions and information, thereby enabling timely responsiveness to stakeholder needs. For more information, please refer to the Stakeholder section on our official website: <https://siruba.com/tw/investor-7/>

1.3.2 The Audit Committee

Our company has established an audit committee in accordance with the articles of association and Article 3 of the" Regulations Governing the Exercise of Powers by Audit Committees of Public Companies." The committee is composed of four independent directors who possess professional impartiality. The operation of the audit committee are geared towards ensuring the company's adherence to pertinent governmental laws and regulations. The committee is responsible for supervising the following matters:

- Ensuring their reflection in financial statements.
- Verifying the independence and performance of the external auditor.
- Ensuring the effective implementation of internal control within the company.
- Overseeing compliance with the laws.
- Managing and controlling existing or potential risks within the company.

Throughout the year 2023, the Audit Committee conducted a total of 7 meetings, achieving an attendance rate of 100%. For a detailed insight into the functioning of the audit committee, please refer to the official website at: <https://reurl.cc/2LEaXv>

1.3.3 Compensation Committee

To enhance corporate governance and refine the remuneration system for the company's directors and managers, SiRUBA adheres to Article 14-6 of the "Securities and Exchange Act" and the " Regulations Governing the Appointment and Exercise of Powers by the Remuneration Committee of a Company Whose Stock is Listed on the Taiwan Stock Exchange or the Taipei Exchange." The establishment of the Remuneration Committee is not only to assess the remuneration policy and system for the company's directors and managers from professional and objective standpoint but also to formulate organizational regulations governing the Remuneration Committee s operations, thus ensuring compliance.

Our company is obligated to provide directors' compensation as outlined in Article 23 of the Company's Articles of Association. If the company achieves profits within the current year, a portion ranging from 2% to 8% of employee compensation and no more than 3% of director compensation will be allocated. In the case that the company still carries accumulated losses, the compensation sum shall be pre-allocated, followed by the allocation of employee and director compensations as per the prior proportions. Should the company's annual final account display a post-tax net profit for the current period, the company must first settle taxes in line with legal obligations to offset previous year losses. Subsequently, a statutory surplus reserve

amounting to 10% of the remaining balance shall be set aside, and if necessary, make special surplus reserves may be established. Founded upon this surplus distribution strategy and the accumulated undistributed surplus from preceding years, the board of directors is entrusted with the task of devising a distribution plan. This plan must then undergo review by the shareholders' meeting for final approval.

The annual compensation for company managers encompasses salary, bonuses, and employee surplus distribution compensation. The determination of relevant salary and compensation is grounded in industry-standard payment levels, while also evaluating the justifiability of the correlation between individual performance, company operational performance, and potential future risks. The Salary and Compensation Committee provides recommendations to the board of directors, which are taken into consideration for decision-making. For this year, the annual overall salary ratio between the general manager and employees is not disclosed due to organizational confidentiality. However, it will be assessed and divulged in the near future in accordance with public information disclosure norms.

In the year 2023, the Compensation Committee convened a total of 4 meetings, achieving a perfect attendance rate of 100%. For an in-depth understanding of the committee's operations, please refer to the annual report on P36.

1.3.4 Sustainable Development Committee

Our committee's role is to aid the board of directors in furthering corporate social responsibility and enhancing corporate governance, thereby realizing the objective of sustainable operations. In July 2021, the board of directors at SiRUBA passed a resolution to institute the "Corporate Sustainable Development Committee." This committee periodically reports the implementation outcomes of sustainable development and forthcoming action plans to the board of directors. For information regarding the committee's meetings, please consult page 37 of the annual report.

1.3.5 Audit Office & Internal Audit

The internal audit office is an independent unit, affiliated with the board of directors, responsible for the implementation of the audit business, and the company assigns full-time auditors. The appointment and dismissal of the audit supervisor are all approved by the board of directors; the internal auditors perform their duties in an objective and fair manner, and the audit supervisor also attends the report of the board of directors in accordance with the regulations.

In the fourth quarter of each year, the audit plan for the next year is drafted based on the results of the risk assessment, and then implemented in accordance with the audit plan approved by the board of directors, and the audit results are made into an audit report, and the internal audit deficiencies found during the audit process and the improvement measures of the responsible units, and submit it to the chairman for review to ensure the continuous and effective implementation of the internal control system. Annual audit plan, audit personnel roster and training hours, implementation of annual audit plan, internal control statement, internal control system deficiencies and abnormalities improvement, etc. are reported to the competent authority every year in accordance with laws and regulations. There are no major deficiencies in the internal audit in 2023, and all related abnormal improvement items have been completed.

1.4 Risk Management

The "ESG Risk Management Policies and Procedures" were endorsed by the board of directors. As part of this initiative, a dedicated risk management team will be established under the umbrella of Sustainable Development Committee. This team will delineate diverse risks in alignment with the company's overarching operational policies.

Its aim will be to mitigate potential losses while remaining within an acceptable risk threshold. This endeavor is geared towards augmenting the company's value and achieving the optimal allocation of company resources.

Classification of Risks	Description	Risk Management Strategy (Countermeasures)
Sustainable Environment	Carbon fees and carbon tariffs derived from greenhouse gas emissions.	<ul style="list-style-type: none"> Continuously implement ISO14064-1 greenhouse gas inventory and obtain third-party verification. Through the inventory, we can understand the emission hot spots at the factory and seek opportunities for product carbon reduction and process improvement. We continue to pay attention to carbon fees and international carbon tariff standards and obtain respond to energy-saving projects and renewable energy through the setting of emission reduction targets.
	Rising energy costs	<ul style="list-style-type: none"> Monthly monitoring of water and electricity consumption is conducted at both the headquarters and the two factories. Consistent promotion of energy-saving principles and concepts among employees is a routine practice. Process optimization, streamlined production, and the reduction of unnecessary waste waste are being prioritized to address the issue. Solar panels are installed on the roof of the Gao Yin factory. In addition to self- consumption, excess electricity can be resold, which is environmentally friendly and can increase the factory's income.
	The amount of wastewater is continuously increasing.	<ul style="list-style-type: none"> Enhancing water reuse practices to augment waterwaste quantities.
	Increased waste generation/ Decreased recovery rate	<ul style="list-style-type: none"> Implement recycling initiatives for various waste categories such as paper, wastewater, scrap iron, and waste oil to curtail waste output.
	Typhoon, Flood	<ul style="list-style-type: none"> Regular disaster drills. Parts and finished products should not be allowed to fall to the ground, and sandbags should be stacked before a typhoon to prevent property damage caused by flooding.
	Violation of environmental regulations	<ul style="list-style-type: none"> Implementation should be based on the independent checklist to ensure compliance with local environmental protection regulations and environmental impact assessment requirements, thus preventing substantial fines due to violations. Strengthen personnel's legal compliance awareness through education and training.
Employee	Accident at work	<ul style="list-style-type: none"> Gao Yin Factory obtained the ISO 45001 occupational safety and health management system certification. The company is committed to providing employees with a safe and hygienic working environment. Implement risk management and hazard identification, and continuously optimize through target plans to achieve a healthy workplace.
	Overworked (over time working)	<ul style="list-style-type: none"> Regarding the management of employees' overtime hours, both the Taipei headquarters and Taoyuan factory conduct health checks for employees every three years. In addition, the resident medical staff provide regular monitoring and care for employee health.
	Excessive turnover rate (facing job vacancies)	<ul style="list-style-type: none"> Implement various policies on employee education, training and talent cultivation, and enhance employee treatment and welfare measures. Establish diverse recruitment channels and cooperate with labor agency companies for long-term recruitment. To maintain stable order volume, the primary issue related to t the loss of factory employees is the fluctuations in production.
Operating Performance	Risk of trusty	<ul style="list-style-type: none"> New employees are required to thoroughly read the Integrity Code of Colleagues to emphasize the significance of integrity.
	Lack of transparency in information disclosure	<ul style="list-style-type: none"> The company's significant information is irregularly updated on the public information observatory, while financial statements are disclosed on a regular basis.
	Declining market competitiveness	<ul style="list-style-type: none"> Maintain regular communication with customers to comprehend their needs and enhance areas of concern. Enhance quality. Create products that cater to market demands. Optimize the after-sales service. Monitor customer satisfaction trends and adjust service strategies in a timely manner.

Classification of Risks	Description	Risk Management Strategy (Countermeasures)
Operating Performance	Information security incident	<ul style="list-style-type: none"> ▪ Institutional norms: Establish the company's information security management system, standardize personnel procedures, and integrate an auditing mechanism. ▪ System protection: Establish an information security notification mechanism and implement information security protection management measures; adopt dual firewall control and plan to introduce ED/MDR/SOC related information security measures & continue to sign information security insurance. ▪ Employee training: Conduct information security education and training to enhance the information security awareness of all employees; introduce anti-penetration mechanisms and social engineering drills. ▪ External control: Vendor management authority is restricted.
	Information security incident (Responsibility of product could be recycled/ removed)	<ul style="list-style-type: none"> ▪ Enforce strict product quality control. ▪ Establish a return/exchange mechanism ▪ Develop product specifications that adhere to international regulations and electrical safety standards. ▪ Customers may have specific environmental technical standard requirements, which the company should adhere to and fulfill (e.g., comply with EU regulations).
	Supply chain disruption	<ul style="list-style-type: none"> ▪ To diversify the risk of supply chain disruptions <div>short term risk</div> <p>Establish overseas warehouse: set up overseas warehouse in a third-party location</p> <div>mid term risk</div> <ol style="list-style-type: none"> 1.Multi-source procurement reduces dependence on a single supplier by engaging multiple sources, thus enhancing overall procurement flexibility. 2.Optimize the supplier platform and improve transparency in manufacturer inventory through supplier platform optimization. <div>long term risk</div> <ol style="list-style-type: none"> 1.Monitor delivery trends and inventory to gain a strong understanding of delivery trends and inventory changes to proactively address the risk of material shortages. 2.Second supply chain planning

1.5 Integrity Management

All departments of SiRUBA will regularly engage with stakeholders through established communication channels. If potential significant negative impacts between stakeholders and the company are identified, the responsible department will conduct due diligence on the stakeholder's financial situation and present the findings to the chairperson. The chairperson will assess whether reporting to the board of directors is necessary based on whether the specific outcomes have caused substantial harm to the company's overall operations. Subsequently, the board of directors will review the due diligence report submitted by the department and oversee its Implementation. For the year 2023, there have been no potential negative major adverse events between SiRUBA and relevant parties, thus no instances requiring reporting to the board of directors have occurred. SiRUBA acknowledges that the current company practice of solely conducting financial due diligence on stakeholders is insufficient. In the future, the scope of due diligence will encompass stakeholders' compliance records, environmental protection, labor rights, and other areas, ensuring a more comprehensive assessment of stakeholders and enabling the board to effectively address potentially negative material impacts.

SiRUBA 's organizational culture is founded on principles of law and compliance, with integrity as our foremost core values. The company conducts its business operations with honesty and a commitment to upholding the law. Through its "Operating Procedures and Behavior Guidelines" and "Ethical Code of Conduct", SiRUBA underscores its core values of integrity, innovation, discipline, positivity, customer trust, and the mission foster global connections through innovation and care. The company advocates for transparent management, providing annual reports to the board of directors. During the onboarding process for new recruits, the human resources department conducts awareness campaigns to instill a sense of integrity among colleagues. Simultaneously, management is expected to set an example, adhering to the principle of integrity, thus subtly shaping the company's overarching culture of integrity.

SiRUBA has established complaint and reporting channels, internally and externally, alongside reward and punishment systems. Continuously monitoring developments in domestic and international integrity management regulations, the company encourages directors, managers and employees to offer suggestions for review and improvement.

By implementing integrity management policies and promotional initiatives, the company aims to enhance the effectiveness of its corporate integrity management. In 2023, SiRUBA did not receive any reported cases. Additionally, through

the Corporate Governance Group within the ESG Committee at SiRUBA is responsible for designing and reviewing complaint channels and overseeing case handling. Going forward, this aspect will be evaluated and discussed during stakeholder communication meeting with customers aiming to enhance our complaint handling procedures.

1.6 Regulation Compliance

First and foremost, adhering to laws and regulations is the cornerstone of an enterprise's secure and sustainable growth. Effective compliance with laws and regulations not only prevents wrongdoing and reduces the labor, time, and expenses associated with legal investigations, fines, lawsuits, and negative publicity, but also bolsters the enterprise's reputation. This, in turn, attracts high-quality independent directors, employees, and partners, leading to a mutually beneficial scenario for the enterprise, its shareholders, and its stakeholders. In terms of corporate governance, we have established an Audit Committee to oversee the Company's financial status and internal control system. Additionally, we have developed a code of conduct for the Board of Directors, enhancing the Board's efficacy.



Secondly, in the realm of personnel management, the Company has devised and implemented a reporting channel. Concurrently, the management leads by example, requiring every employee to ensure that their business conduct adheres to both legal and regulatory requirements, as well as the Company's own policies and regulations. This guarantees that each unit upholds compliances through internal control mechanisms. Concerning personnel training, the company provides training for employees across different units and ranks on the laws and regulations pertinent to business execution, ensuring that the company's operations align with the requisites of various laws and regulations.

Additionally, the Company safeguards the legitimate labor rights of its employees in accordance with labor laws and regulations.

Furthermore, concerning environmental safety and hygiene, SiRUBA has implemented an environmental management system, an occupational safety and health management system. The company adheres to the EU RoHS green environmental protection regulations. Not only does it require suppliers to furnish materials devoid of hazardous substances, but the company also abstains from employing raw materials containing hazardous chemicals during production process. Full compliance with RoHS regulations, as well as rigorous management of hazardous substances within suppliers' raw materials, is upheld. Additionally, the company maintains an emergency response plan within the factory premises. An Emergency Response Command Center has been established, along with an organized Emergency Response Team, responsible for managing and addressing emergencies. In addition to these measures, the company is dedicated to furnishing all employees with a secure and equitable working environment, ensuring the safeguarding of their rights and interests. Regular safety and health education and training initiatives are conducted for employees. Necessary health and first aid facilities are provided, aligning with the company's commitment to reducing risks to employee safety and health, and preventing occupational disasters.

In 2023, there was a total of 400 legal compliance-related trainings, with a total training hours of 745.5 hours; the company focuses on integrity governance, anti-competition, business accounting, environmental protection, labor rights, occupational safety and health and product responsibility, social economy, customer privacy, customer In terms of health and safety, there are no major illegal records in 2023.

1.7 Sustainable Supply Chain

Material Topic	Sustainable Supply Chain	12 RESPONSIBLE CONSUMPTION AND PRODUCTION	17 PARTNERSHIPS FOR THE GOALS
Policies/Commitments	<ul style="list-style-type: none"> Comply with the principle of fair trade, and manufacturers comply with environmental protection, occupational safety and human rights Sustainable development of the supply chain, with win-win as the ultimate goal 		
Goal	<ul style="list-style-type: none"> The environmental and social assessment compliance rate of existing suppliers is over 95% The environmental and social assessment compliance rate of new suppliers is over 95% 		
Policies/Commitments	<div>Responsible department</div> Procurement Section <div>Grievance mechanism</div> EMAIL : kevin01.chen@siruba.com		
Invest resources	<ul style="list-style-type: none"> Conduct regular environmental and social audits on existing suppliers Implement supplier evaluation form for assessing new suppliers. Completed the revision of procurement methods and supplier management procedures, incorporating environmental and social assessments into system management. 		
Evaluation mechanism	<ul style="list-style-type: none"> Assessment of new and existing suppliers in 2023 met the targets 		

Suppliers hold a pivotal role as SiRUBA's most important partners. Apart from providing customers with economically valuable products and services, in the wake of heightened global human rights awareness and the impact of climate change, we place equal emphasis on supplier and environmental development. This dual focus propels the company sustainable growth and bolsters our ability to address the repercussions of climate change. We establish enduring partnerships with our suppliers, actively ensuring their alignment with social and environmental responsibilities throughout the supply chain. SiRUBA remains committed to consistent communication with our partners and investment in sustainable initiatives alongside our upstream suppliers. This dedication aims to cultivate a secure, amicable, environmentally conscious socially responsible and enduringly sustainable supply chain within the sewing industry.

Supplier Development

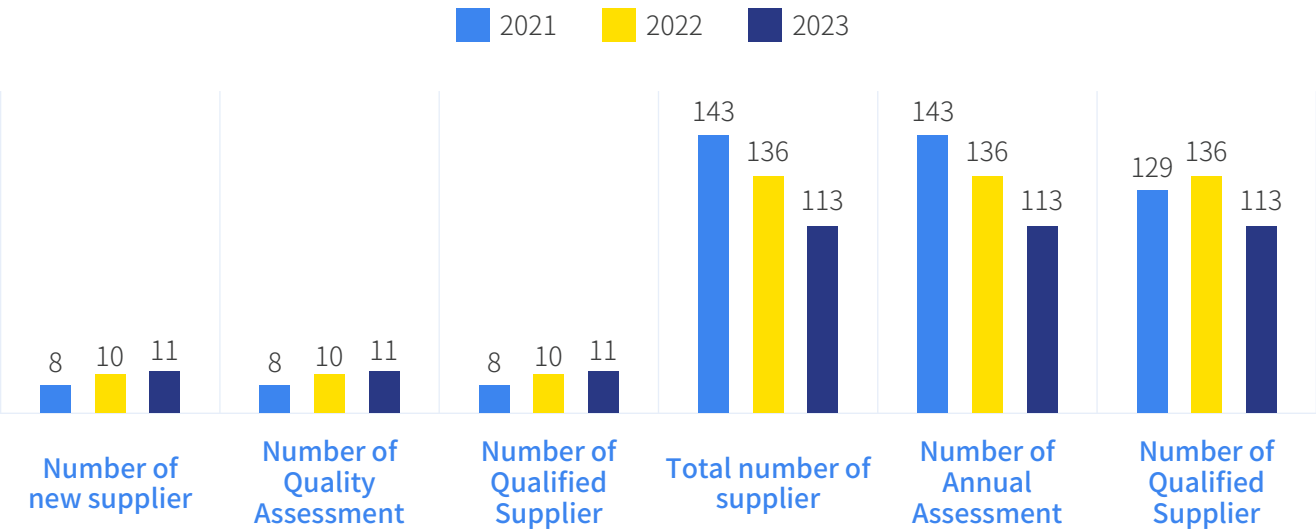
SiRUBA upholds the principles of corporate citizenship, ensuring a secure working environment within the supply chain, upholding the dignity of labor, fulfilling environmental responsibilities, and adhering to ethical conduct. In the process of selecting new suppliers, alongside assessing factors like delivery quality, quantity, timing, and cost, SiRUBA intends to incorporate the concept of corporate sustainable development into the supply chain starting from 2023. This initiative will involve the execution of a sustainable development commitment letter and an expansion of the criteria for supplier selection and evaluation to encompass aspects such as environmental stewardship, occupational health and safety, labor and human rights, and

ethical considerations relevant to sustainable development. The long-term aspiration is for suppliers to align with sustainable management principles in tandem with SiRUBA endeavors.

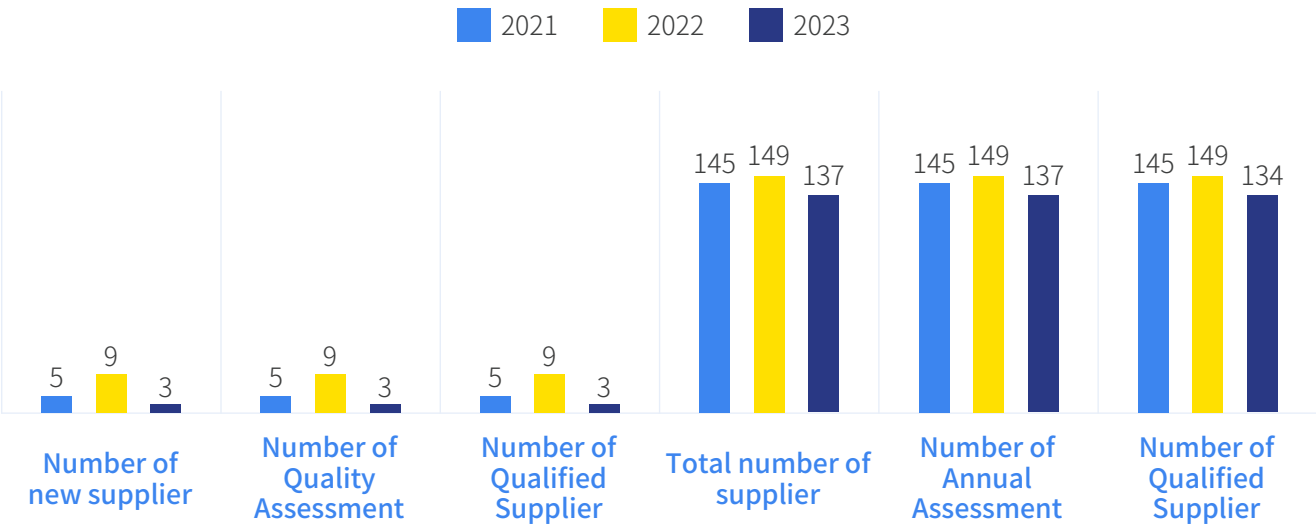
Supplier Evaluation

To ensure that suppliers meet the company's requirements in terms of delivery quality, quantity, delivery time, and pricing, SiRUBA has devised "Supplier Management Measures" to assess and evaluate the quality and delivery timeliness of both current and potential suppliers. The supplier evaluation team at SiRUBA comprises units such as quality assurance, biotechnology, procurement, and collaborating in its execution. The overall supplier assessment derives from monthly evaluations of quality and delivery, with classifications ranging across four levels: Class A, Class B, Class C, and Class D. As of 2022, the supplier evaluation process has yet to incorporate environmental and social assessments, with plans for their implementation commencing in 2023.

Sustainability Assessment for Taiwan Site Suppliers



Sustainability Assessment for Gaoyin Factory Suppliers



Quality assessment was the main focus in 2021 and 2022. New supplier assessment and environmental and social assessment of existing suppliers were implemented from 2023. The evaluation results met the company's requirements, with no significant violations of environmental and social regulations leading to supply termination.

Supplier Risk Management

To prevent suppliers from impacting company production, performance or causing disputes due to major disasters, unannounced closures, or other unforeseen circumstances, SiRUBA has established a risk assessment mechanism to enhance supplier management. SiRUBA conducts annual supplier risk assessments, requiring suppliers to formulate contingency plans and response procedures for various potential natural or human threats, thereby ensuring uninterrupted operation and minimizing potential disruptions. This approach serves to mitigate risks to SiRUBA's operations and safeguard the rights and interests of stakeholders. Additionally, SiRUBA 's primary raw material suppliers are sourced from two or more manufacturers to ensure a stable supply and reduce the risk of material shortages.

Communication of Supplier

SiRUBA places significant emphasis on maintaining effective communication with suppliers and monitoring their operational status through a range of channels. The establishment an e-Procurement information management system, allows suppliers to gain a clear understanding of SiRUBA's current and future procurement requirements, facilitating streamlined production planning.

In response to demand, SiRUBA periodically holds supplier meetings, conferences, and participates in industry exhibitions. Additionally, the company dedicates a section on its website to suppliers, promoting strong relationships with them.

Supplier Information

To promote and respond to the global environmental protection trend and the sustainable development of KAULIN MFG. CO., LTD. and establish long-term partnerships with suppliers in the supply chain, we will work together with suppliers to abide by the social responsibilities of the supply chain, including green environmental protection, labor rights, Hygiene, safety and non-toxic and other ethical norms.

Supplier contact Jhao Ren Chen Email kevin01.chen@siruba.com

1.8 Information Security

Material Topic		Information Security	12 RESPONSIBLE CONSUMPTION AND PRODUCTION
Policy		<ul style="list-style-type: none"> Ensuring the security of data, system, equipment, internet security ,as well as the confidentiality, completeness, usability and legality of information assets. This also involves compliance with the stipulations of applicable laws, regulations and contracts, guarding against both internal and external deliberate or inadvertent threats. 	
Goals		<ul style="list-style-type: none"> Zero major information security incidents occur every year. Maintain the confidentiality and integrity of information assets. Ensure data access is regulated based on departmental functions. Sustain the operational status of information systems. Prevent unauthorized modification or use of materials and systems. Regularly conduct information security audits to ensure its continuing safety. The company's information system should establish offsite backups in accordance with risk levels, thereby guaranteeing the security of information data. Given the diverse utilization of the internet, continuously enhance security measures to mitigate threats. 	
Responsible department/ Grievance mechanism		<div>Responsible department</div> Information Department <div>Grievance mechanism</div> EMAIL : denis.chiang@siruba.com	
Invest resources		<ul style="list-style-type: none"> Set up a dedicated information security supervisor and assign dedicated personnel to be responsible for the implementation of information security matters. Implement information security education, training, promotion and assessment. Implement information security management and control. Implement data access control. Perform regular backups and conduct disaster recovery drills. 	
Evaluation mechanism		<ul style="list-style-type: none"> No major information security hazard incidents occurred in 2023. In 2023, there were no cases of sanctions or penalties from the competent authorities due to the leakage of confidential information that affected the personal information of customers and employees. 	

To meet expectations of stakeholders, safeguarding product and service information, prevent unauthorized access, alterations, use, disclosure and potential losses resulting from natural disasters, earning the trust of customers and suppliers, and ensuring the uninterrupted functioning of critical business operation. Furthermore, to fulfill commitment to shareholders, the company employs information security management. This approach guarantees the confidentiality, integrity, and availability of crucial information assets, while also ensuring compliance with pertinent laws and regulations.

Information Security Organization

We have established the information security team, led by the director of the general management office as the convener. This role encompasses information security risk management and performance target assessments. The head of the information department assumes the position of director-general within the team, responsible for the planning and execution all information security management tasks. Additionally, they present the actual outcomes of information security performance targets to the convener through meetings. Representatives from each unit serve as committee members, supporting the Director-General in the implementing of information security initiatives.

Information Security Policy

To enhance information security management, ensuring security of data, system, equipment, internet security ,as well as the confidentiality, completeness, usability and legality of information assets. This also involves compliance with the stipulations of applicable laws, regulations and contracts, guarding against both internal and external deliberate or inadvertent threats. We aspire for each employee to adhere to the following expectation:

- Maintain the confidentiality and integrity of information assets.
- Ensure data access is regulated based on departmental functions.
- Sustain the operational status of information systems.
- Prevent unauthorized modification or use of materials and systems.
- Regularly conduct information security audits to ensure its continued safety.
- The company's information system should establish offsite backups in accordance with risk levels, thereby guaranteeing the security of information data.
- Given the diverse utilization of the internet, continuously enhance security measures to mitigate threats.

Information Security Guidelines

Our information department assumes full responsible for information security. This entails drafting information security policy, formulating plans for the implementation of information security protection, as well as promoting and executing information security policies. In a bid to counteract diverse internal and external information security threats, the company employ a range of s information security measures to enhance the overall security of the information environment.

- User Rights Management: Users need to be assigned varying access rights based on the security levels.
- Security management of operating system usage rights: The installation of the operating system should adhere to the company regulations and involve joining the company's network domain for centralized management. The operating system requires regular updates, and anti-virus software should be installed on company mainframes and computers. The scanning engine and virus definitions need to be automatically downloaded and updated daily. User account passwords should be regularly updated and configured.

Software Security Management: Apart from installing application, utility, and package software necessary for information operations, the installation of other specialized software necessitates separate application and approval prior to installation.

Firewall Configuration: The firewall should incorporate a filtering mechanism to block access to certain software and URLs, thus averting any impact on network e quality and security.

Online Communicating Security Management: External VPN (remote) access and internal access (file transfer (FTP), instant messaging (LINE), specialized connection (HTTPS), and other network applications) must be approved by information unit's director and undergo a review and authorization process.

System Security Management: Only authorized operators within the Information Unit should be permitted to handle source code storage and revision. Different program execution privileges for users should be established in line with business requirements.

Off-site Backup Management: Systematic disaster recovery and database backup management protocols should be established.

Asset Management: Equipment within the computer room and personal computers should be assigned asset numbers and subjected to regular inventory checks.




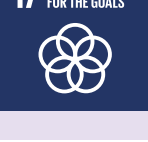
Enhancing employee's awareness of information security through continuous communication and education.

Information security performance in 2023 (expense: NT\$ thousands)				
Item	Information security work projects	illustrations	expense	Remark
1	Managed Detection and Response Information security system	<ul style="list-style-type: none"> Intent threat real-time monitoring service 	140	
2	Web page weak scan	<ul style="list-style-type: none"> Web vulnerability scanning 	40	
3	Host weak scan	<ul style="list-style-type: none"> Server host vulnerability scanning 	32	
4	social engineering drill	<ul style="list-style-type: none"> Phishing letter drills and information security education and training for company colleagues' email accounts 	90	A total of 246 people from the group participated
5	Information security insurance	<ul style="list-style-type: none"> Tokio Marine Newa Insurance Co., Ltd 	134	
6	Email NetEngine SPAM filtering	<ul style="list-style-type: none"> Email Server spam protection mechanism 	105	
7	MAIL link turns on Openfind Mail protection	<ul style="list-style-type: none"> Email link filtering protection 		
8	Comodo AEP Endpoint Security and Management	<ul style="list-style-type: none"> Comodo ITSM Server centralized management system Next generation endpoint security: firewall, antivirus, intrusion detection and prevention 	400	
9	Comodo personal MAIL certificate	<ul style="list-style-type: none"> Email signature credential authentication verifies the sender of the message and prevents spoofing 	22.5	
10	Compdo website protection	<ul style="list-style-type: none"> Comodo website security management service (WAF+DDoS+SOC) 	113	
11	Company website SSL certificate (official website/e-commerce)	<ul style="list-style-type: none"> Protect information and data transferred within or between websites by encrypting it 	20	
12	Oracle ERP upgrade case (over 3 years) & purchase of hyper-converged ERP host	<ul style="list-style-type: none"> Replace old IE browser Add SSL certificate to increase data security Strengthen the backup mechanism to improve data recovery and response capabilities. 	5,019	

Innovative Product

- 2.1 Product Liability and Security
- 2.2 Customer Service

2. Innovative Products

sustainable performance		
SDGs		Achievements
	9.5 Improve the scientific and technological capabilities of industry and commerce and encourage innovation	<ul style="list-style-type: none"> R&D investment amounted to NTD 39,748 thousand, accounting for 2.80% of total revenue. The company obtained 4 sewing machine-related invention patents and 8 new patents
	12.5 Significantly reduce waste generation through prevention, reduction, recycling and reuse	<ul style="list-style-type: none"> Completed the introduction of PU foam packaging materials made from biomass materials to replace the original Styrofoam packaging for electronic control boxes.
	13.2 Integrate climate change into operating plans	<ul style="list-style-type: none"> Launched the ultra-high-speed electromechanical integrated overlock sewing machine 700LQT/ECM, which is highly efficient and energy-saving.
	17.16 Enhance cooperation in sustainable	<ul style="list-style-type: none"> The digital customer service platform provides comprehensive services , achieving the goal of customer satisfaction.

2 Innovative Products

Major Subject		Product Innovation and Responsibility		
Policy/Commitment		<p>SiRUBA continues to advance the innovative technique of its core products and develop smart sewing machines within the competitive market. Concurrently, we remain committed to innovation by introducing automated methods, all while providing high-quality products and services. Supervision of the production line is achieved through an advanced intelligent manufacturing management system, facilitating an efficient and high-quality production process.</p> <p>This not only reduces raw material consumption, but also extends the product lifespan and increases recycling rates. Consequently, It minimizes factory hazards and pollution, cultivating a safe, healthy and, environmentally-friendly workspace. Maintaining innovation is a cornerstone of our sustainable development strategy.</p>		

Major Subject	Product Innovation and Responsibility
Goals	<ul style="list-style-type: none"> Continuously invest resources in the research and development plan for highly automated equipment in preparation for the future. Focus on designing and developing products that emphasize high quality and efficiency. Showcase the latest products and services Commit to the comprehensive design of environmentally-friendly products. This dedication aims to adhere to European, American and global environmental regulations, reducing environmental pollution, and contributing our utmost efforts for the betterment of the earth and society.
Responsible Department / Grievance Mechanism	<div>Responsible department</div> <div>R&D Department</div> <div>Grievance mechanism</div> <div>EMAIL : kevin.pan@siruba.com</div>
Invest Resources	<ul style="list-style-type: none"> 700LQT mass production of stepper full-function electromechanical integrated overlock machine. C007LQT mass production of stepper full-function electromechanical three-needle machine. C007LQ mass production of pneumatic/electric full-function electromechanical integrated three-needle machine. C007L/CFC mass production of mechanical elastic belt feeding three-needle machine. C007L/CAH mass production of three-needle machine servo motor control system. 700LM oil injected overlock machine is under development D007L four-needle and six-thread machine is under development LBHS-1790L electronic lockstitch buttonholing machine is under development LKS-1900L/1903L electronic barging/buttoning machine is under development S007K/SCR three-needle right-hand trimming machine is under development Apply for three machine-related invention patents and six new design patents in the year. Annual R&D expenditure in 2023 will account for 2.80% of the total.
Assessment Mechanism	<ul style="list-style-type: none"> No violations of product service, health, or safety regulations, as well as voluntary protocol events occurred in 2023. Obtained 4 sewing machine-related invention patents and 8 new model patents in 2023 In 2023, the electronic control box packaging materials were completed, and PU foam packaging materials made of biomass materials were introduced to replace the original Styrofoam packaging materials. The R&D project meeting convened to review alignment with company objectives.

2.1 Product Liability and Security

SiRUBA's core competence lies in providing cutting-edge sewing equipment and market-positioning for global garment manufacturers. The six core values of product development are "Automatically, intelligentized, energy saving, waste reduction, emission reduction and circular economy." reflecting our commitment to sustainable sewing practices. In our product development efforts, we employ servo motor direct drive and oil-free/ micro-oil structure design to enhance power efficiency in high-efficiency products. By utilizing the direct drive mechanism instead of the traditional clutch motor, we are able to reduce electricity consumption by 30%, resulting in lowered emission. SiRUBA is also continuously researching semi-automatic and fully-automatic product designs to boost garment production efficiency. Precise control of the activation timing of pneumatic elements is achieved through electric eye control, and leading to a 20% reduction in the frequency of negative pressure pneumatic element openings. Moving forward, our primary focus in product development is to prioritize reducing environmental pollution and societal impact.

Automated and Intelligentized

SiRUBA has incorporated the assistance of information technology to develop a quality control system aimed at ensuring the products' quality. Based on optical principles, we have implemented an Automated Optical Inspection (AOI) process to detect surface irregularities of object through computerized image processing. This process verifies the absence of abnormalities or defects. The AOI system is automated, swift, precise, and exceptionally stable, thereby replacing the conventional manual visual inspection approach. This transition significantly enhances the manufacturing process while minimizing the risk of faulty products. Utilizing the AOI principle to gauge measure the extent of oil deposition, we determine whether the machinery passes the inspection criteria and subsequently upload the data to the cloud to generate on-site display boards. The gathered information is then consolidated within a cloud-based platform designed for monitoring oil leakage areas. Through extensive analysis of this data using big data techniques, long term trends in oil leakage can be identified. The overarching objective of this endeavor is to prevent, safeguard, and mitigate environmental pollution.

Circular Economy

To address the pressing issue of global sewing and the rapid environment pollution caused by fast fashion, SiRUBA is taking on its society responsibility as a leading supplier in the sewing industry. We have embraced the principles of the circular economy in our pursuit of new product development, centering around the pivotal goal of "zero oil, zero waste." This vision drives our efforts. This vision drives our efforts. One of our latest innovations is the oil-free sewing machine, a result of incorporating cutting-edge technology involving diamond-coated surface treatments and innovative grease lubrication designs. This groundbreaking technology can significantly reduce oil emissions from sewing machines by as much as 50%. Furthermore, SiRUBA has introduced the groundbreaking garment rag sewing trouser headphones which are designed to facilitate the recycling of textile rags. Concurrently, we have established a partnership with our cultural and creative foundation to propel the "ReSew's Program" forward. The primary objective of this initiative is to generate recycled value through the research and development of sewing machines tailored for the re-sewing waste materials. This encompasses a diverse range of materials, including textile waste fabrics, surplus stock fabrics, defective textiles, sample fabrics, and second-hand recycled fabrics.

Quality Assurance

We adhere to national environment law standards and fulfill the requirements of the ISO 9001 International Quality Management System to meet the customer demands, maintain standards, and enhance brand value. We have established a multitude of quality standards, which include the "Incoming inspection standard," "Process inspection standard," "Finished product inspection standard," and "Quality appraisal standard." Our approach involves continuous improvement through the PDA (Plan-Do-Check-Act) cycle to effectively address risks. To ensure the delivery of the highest quality products and services to customers, we have implemented a rigorous audit management system.

Meanwhile, SiRUBA offers a diverse range of machine types, and the integration process is intricate, necessitating collaboration with external vendors for development. During trial installation, if issues arise, we engage in through communication with vendors via methods such as video conferencing or physical exchanges. This iterative communication helps pinpoint problem areas, facilitating meticulous testing and modification by our R&D engineers. This approach leads to smooth solution in product development. Year after year, we maintain a commitment to innovation, consistently meeting customer expectations by delivering products that align with their needs.

Development of oil-free sewing machine -Ultra high-speed Interlock Machines C007L/LX Serial

SiRUBA's Ultra high-speed Interlock Machines C007L/LX Series features a design specifically engineered to prevent lubricant leaks and the infiltration of dust into the needle bars and hooks of the sewing machine. This design not only safeguards against these issues but also regulates the oil leakage for optimal lubrication conditions, promoting extended service life while maintaining consistent operation.

The CO07L/LX series incorporates a novel oil seal structure that enhances the isolation of lubricants, isolation performance, effectively mitigating instances of lubricant flinging. To further enhance performance, we employ high wear-resistant FKM (Fluoroelastomer) material. FKM, known for its resistance to high temperature, oil, solvents and chemicals, is a critical synthetic rubber in industries such as aerospace, automotive, petrochemicals, and industrial pollution control. When applied sewing machine oil seals, it significantly enhances sewing machines performance.



■ Reducing Waste Fabric and Shredding Recycling

In garment factories, a significant amount of irregular fabric scraps is generated during the cutting process, often referred to as "offcuts" or "tailing." While some of these scraps are repurposed into items like rags, oil wipes, or even turned into mops, a majority of them are unfortunately discarded as waste, often being burned or buried. This practice contributes to air pollution and wastage of water resources. Through the promotion of various research and development initiatives and activities, SiRUBA endeavors to propagate the concept of "sustainable fashion" to a wider audience.

To address this issue, SiRUBA has developed the F007K/FBQ model of garment rag seamless trousers with integrated earphones. This innovative design allows for the recycling of irregular fabric scraps produced during the cutting process. These scraps are sewn into trousers, offering a practical solution for garment factories to recycle and repurpose their offcuts, contributing to the reduction of waste in the fashion industry.

■ Reduced Seam Usage



In serging machines lacking a thread cutting device, user traditionally kept the motor running after sewing to produce a length of 10 to 15 centimeters of sewing thread, which was then cut using the sewing machine. This practice often led to unnecessary thread wastage. To counter this issue, SiRUBA has developed a novel type of serging machine cutting device, the ECA/ECB model. This innovative cutting device utilizes an electric eye a to detect the fabric's end position.

It precisely controls the cutter to trim the thread at the conclusion of the sewing process while simultaneously halting the servo motor. As a result, thread consumption during the sewing process is significantly reduces to a mere 3 to 4 centimeters. This advancement effectively minimizes thread wastage, enhancing the efficiency of the sewing process.



■ Mechatronics steppper sewing products

- | | |
|--|--|
| <ul style="list-style-type: none"> ▪ Ultra-high-speed electromechanical integrated cylinder interlock sewing machine equipped with stepping knife/presser foot lift device ▪ C007LQT/UTM | <ul style="list-style-type: none"> ▪ Ultra-high-speed electromechanical integrated overlock sewing machine equipped with stepping cutter/presser foot lift device ▪ 700LQT/ECM |
|--|--|

	
<div>feature</div> <ul style="list-style-type: none"> ▪ The stepper motor controls the thread trimming and presser foot lifting operation smoothly, with low noise and vibration. ▪ Electromechanical integrated electronic control, high convenience in assembly and adjustment ▪ Servo motor drive, fast response and accurate needle stopping ▪ It can adapt to the thickness of multiple layers from thin materials to knitted fabrics, no adjustment is required and the stitches are beautiful 	<div>feature</div> <ul style="list-style-type: none"> ▪ Adjustable electric eye device can perform fabric detection operations for different sewing fabrics. ▪ Stepping knife device, the knife can be cut accurately; the presser foot lift operates smoothly, with low noise and vibration. ▪ Manual cutter button for manual thread trimming. ▪ Multifunctional electromechanical models are more energy-saving and have better performance

■ Intellectual Property Management

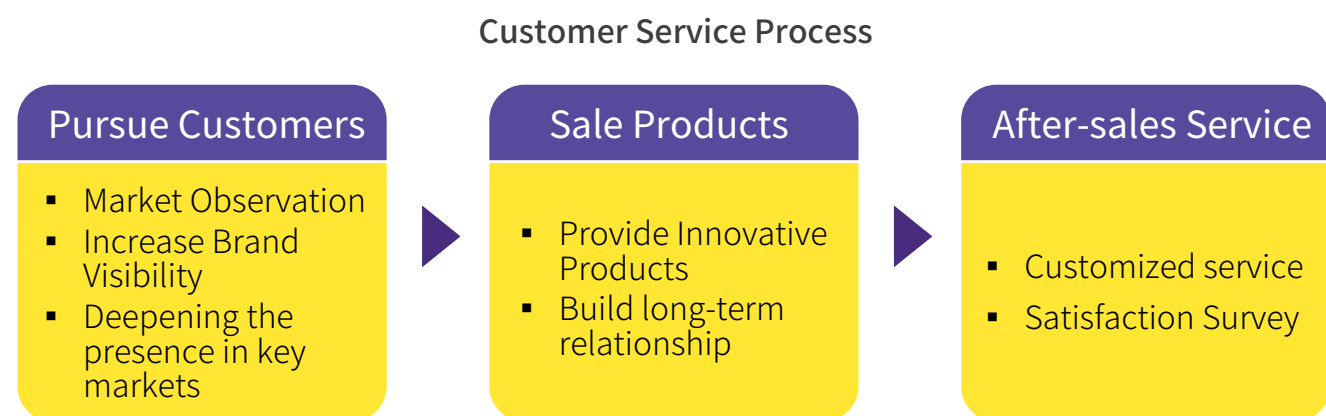
In order to strengthen the intellectual property-related functions of company personnel, SiRUBA provides intellectual property-related education and training for R&D and intellectual property personnel every year to strengthen the company's intellectual property protection awareness and capabilities.

In addition, in order to encourage all employees to actively innovate, apply for patents and actively promote company patents (including patent applications) to improve the company's competitiveness, a patent-related reward system has been established to reward innovation by colleagues and recognize those who have contributed to the company's intellectual property rights.

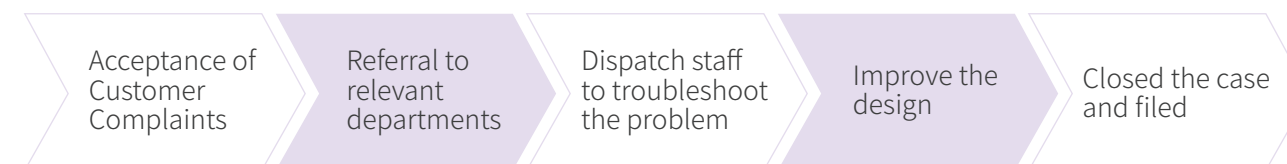
Patent statistics valid as of the end of 2023			
patent name	mode	category	Certificate No
Presser foot device of multi-needle sewing machine	C007L-CAF	invention	I799997
Sewing machine differential feed adjustment structure	D007L	invention	I807993
Sewing machine sensor-type presser foot device	ICS	invention	I826932
Sewing machine's thread cutting device and its movable knife	C007L	invention	I815099
Knife and thread drive device of articulating arm sewing machine	D007L	new type	M646181
Electromagnetic suture tension control device	700X	new type	M646092
Motorized belt feeding device	700LQT-LFM	new type	M647212
Dry lubricated presser foot structure of sewing machine	700LX	new type	M642560
Cloth cutting structure of sewing machine	LBH-1790L	new type	M641922
Oil-proof and dust-proof structure of sewing machine	700LX	new type	M642082
Oil leakage and dust proof structure of sewing machine	Overlock	new type	M643614
Heat dissipation structure of lock sewing machine	LBH-1790L (mechanism)	new type	M646204

2.2 Customer Service

SiRUBA values every clients' opinions and strives to fulfill their requests while dedicating itself to delivering top-notch service. In pursuit of this commitment, we have established a highly capable service team. This team spans across various stages, including development, production, marketing, sales, and after sales support. Each phase of our process is equipped with dedicated points of contact, ensuring swift and responsive reactions to customer requirements and expectations.



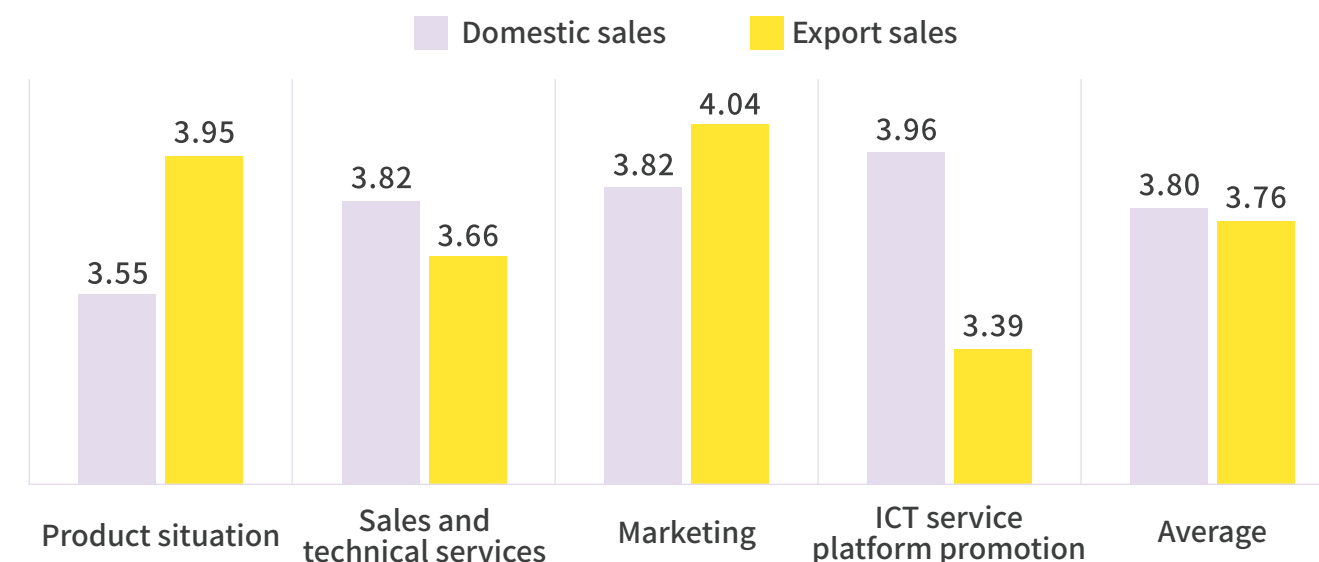
"Customer Service Process" BPM system processing



SiRUBA regards customer feedback and opinions as a fundamental cornerstone for cultivating strong customer relationships, enabling us to comprehend clients' needs through multiple communication channels. Clients have the opportunity to provide insights on quality discrepancies, performance issues and future requirement via these channels. For each piece of customer feedback, SiRUBA conducts regular examinations and analyses, formulating appropriate improvement plans and establishing comprehensive response protocols. Annually, our business unit conducts a customer satisfaction survey, directing all inquiries to the respective departments for responses and enhancements.

Customers can also report product irregularities through the "Customer Service Process" BPM system. Our QA unit promptly investigates these irregularities and implements corrective measures. In cases of customer complaints, regardless of the severity, SiRUBA dispatches personnel to rectify the situation. We actively revise design flaws and reaffirm our commitment to customers and quality. Notably, there were no customer complaints related to product safety or environmental regulations in 2023.

Satisfaction statistics for 2023.



Note: The full score for each item in the satisfaction survey is 5 points. The target value for 2023 is an average satisfaction score of more than 3.5 points, which is in line with the goal.

Digital Customer Service

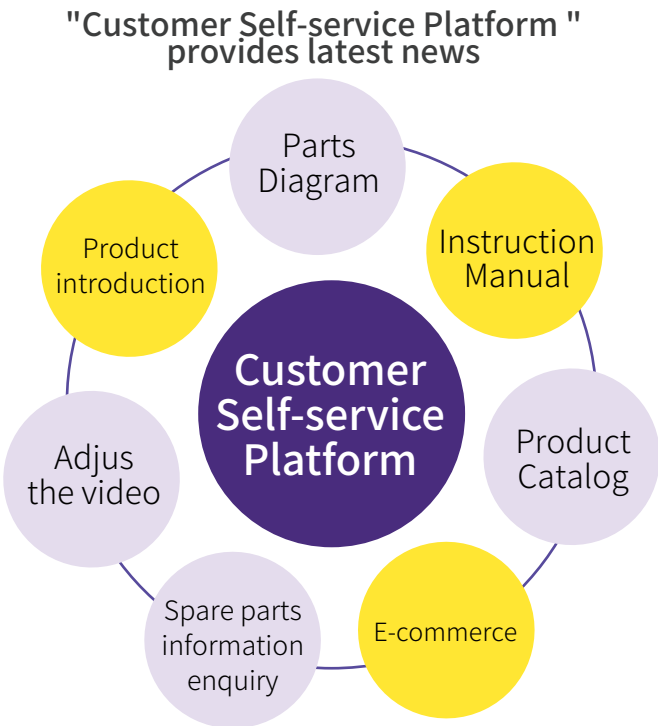
The rapid changes brought about by Covid-19 have significantly impacted marketing and sales strategies. In response to the escalating demand for digital services from both customers and users, SiRUBA has embraced innovation, offering cutting-edge digital services and enhanced e-commerce ordering experiences to cater to the impending "digital era"

The establishment of a customer self-service platform (ICT Platform) designed to promptly provide clients with the information they require. This platform also features an online purchasing system that expedites the ordering process. Beyond just streamlining issue resolution, this system reduces customer time and effort, spent by customers, thereby bolstering the overall customer experience.

SiRUBA has introduced the industry's pioneering use of QR Code for scanning products, providing the comprehensive product details. Moreover, this technology ensures customer rights, as the technical service department can instantly access inspection values using the QR code. This approach minimizes customer losses stemming from troubleshooting delays, while also safeguarding the company's reputation and customer relationships.

The establishment of an E-commerce system simplifies B2B trading procedure for users.

This system streamlines the entire process, from product selection and order placement to shipment tracking, enabling customers to efficiently engage in fast and accurate merchandise trading collaborations.



Diversified Product Marketing

While SiRUBA remains rooted in traditional industries, we have actively embraced social media and modern marketing tools in recent years. Our aim is to enhance brand visibility and extend our market reach through diverse marketing approaches, all while fostering strong cooperation relationship.

Social Media	<p>We have our own dedicated pages and channels on platforms such as Facebook, YouTube, and Line. We consistently publish sewing-related content, which encompasses product videos, images, usage tutorials and customer feedback. Through well-crafted visuals and scripts, we effectively capture the attention and engagement of potential customers.</p> <p>FB https://www.facebook.com/Siruba-Sewing-Machine-204941588530768</p> <p>YouTube https://www.youtube.com/@SiRUBA_SewingMachine</p> <p>Tiktok https://www.tiktok.com/@siruba_sewing_machine</p> <p>Linkedin https://www.linkedin.com/company/siruba</p>
Video Demonstration	<p>Video serves as the most direct and impactful communication tool.</p> <p>We create professional and captivating product videos to highlight the features, performance and benefits of our industrial sewing machines. These videos include practical demonstration, sewing effects, client usage experiences and more. Our goal is to ensure the content is dynamic and engaging, with a clear and concise message.</p> <p>Our aim is to pique customer interest and create resonance of the customer within a short timeframe.</p> <p>https://www.youtube.com/@SiRUBA_SewingMachine</p>
Corporate Image Display	<p>We project our company image through regular publication of pictures and videos. Our videos encompass not only our company image but also showcase our factory premises and quality inspection processes. This approach contributes to the cultivation of a professional company image and instills a sense of reliability. By sharing insights into our operations, we ensure that customers understand the value and dedication that go into SiRUBA sewing machines.</p> <p>https://siruba.com/tw/intro-3/</p>
Customer Interaction and Feedback	<p>Utilizing social media to engage with the clients, addressing their inquiries, offering product recommendations, and providing technological support. These interactions play a vital role in cultivating strong customer relationships, fostering brand loyalty, and enhancing our reputation.</p> <p>https://siruba.com/tw/contacts/</p>

Customers' Privacy Protection

We recognize the significance of safeguarding classified information for maintaining a competitive edge. The company has implemented a personal information protection management system that outlines the necessary rules and regulations for effectively overseeing business secrets and confidential information not yet made public. This systematic approach ensures the protection of both customer and vendor interests. Notably, there were no complaints regarding customer privacy breaches or confidential information leaks in 2023.









Eco-Operation

- 3.1 Climate Change Management
- 3.2 Energy Resources Management
- 3.3 Waste Management



3.Eco-Operation

sustainable performance		
SDGs	實績	
	13.2 Integrate climate change into operational strategies and planning	<ul style="list-style-type: none">Implement TCFD climate change risk managementCompleted ISO 14064 Greenhouse Gas Inventory
	12.2 Realize sustainable management of natural resources 12.5 Significantly reduce waste generation through prevention, reduction, recycling and reuse	<ul style="list-style-type: none">The proportion of renewable materials used is 99.13The proportion of packaging material recycling is 7.74%The waste recycling rate is 87.73%
	7.3 Improve energy efficiency 7.a Improve access to clean energy and technology	Power generation reached 1,3242.67GJ, and renewable energy use accounted for 35.67% of the total energy use.
	6.3 Improve water quality and reduce pollution	Domestic sewage water quality monitoring meets regulatory requirements



3.1 Climate Change Management

SiRUBA has implemented an internal control system and internal audit framework. Additionally, we have formulated policies and processes of ES risk management, and risk management encompassing sustainable operation, environmental factors, societal considerations and governance standards. Given the increasing significance of energy, climate change, and extreme weather conditions due to global warming, we have established a Task Force on Climate-related Financial Disclosures (TCFD) framework. This framework is designed to address the impact of climate change on our operations. The TCFD framework is structured around governance, strategy, risk management, indices and targets. Each member of the Sustainable Development Committee is responsible for identifying climate-related risks and opportunities. Subsequently, they develop strategies to address these factors, incorporating recommendations from external consultants. The committee regularly reports to the Board of Directors on an annual basis, ensuring effective implementation and monitoring of the outlined strategies.

Governance	Strategy	Risk Management	Index and Target
SiRUBA's approach to climate-related risks and opportunities.	Business, strategy and financial planning, actual and potential climate related impacts.	Climate-related risk management process.	Assessment and the index and target of governance climate-related Issue.
<p>The Governance of climate risk and opportunities, governance considered as part of the annual sustainable risk management issues, is reported by the Sustainability Committee to the Board of Directors on a yearly basis.</p> <p>The Board oversees the effectiveness of its implementation.</p>	Please refer the short-term, medium-term and long term climate risks and opportunities table in 2023.	<p>Our company has established ESG risk management policy and procedure and implemented the process of risk identification, assessment and management as follows.</p> <ol style="list-style-type: none"> <ul style="list-style-type: none"> Sustainable Committee members collect the climate environment background data. Climate risk and operation assessment. <ul style="list-style-type: none"> List of climate risks and opportunities. Internal shock survey questionnaire. <ul style="list-style-type: none"> Sustainable committee member analysis the opportunity of climate risk and operation impact. Decide the major risk project. Establishment of execution strategy and goal setting. Rolling review of the effectiveness of strategies and objectives through the Sustainable Development Committee meetings every year. 	Continue to implement greenhouse gas inventory Disclosure of information on websites and public information
<p>The General manager serves as the chairman of the climate change and opportunity committee.</p> <p>Risk identification, assessment, and mitigation are carried out by unit heads at each level.</p>	Please refers the climate-related impact.		<p>In 2023, The Company's</p> <ul style="list-style-type: none"> Scope 1 emissions were 267.74 metric tons of CO₂e. Scope 2 emissions were 4599.01 metric tons of CO₂e. Scope 3 emissions were 587620.62 metric tons of CO₂e.
	<p>We refer 2°C situation (2DS) and discussed it during the sustainable committee meeting. We also utilized the Taiwan Climate Change Projection and Information Platform Project (TCCIP) as a reference tool. After deliberation, we concluded that the 2DS/RCP2.6 scenario would serve as our selected climate change physical risk scenarios.</p> <p>Describe the risks and opportunities of climate change in this context in terms of physical risks and regulatory change risks.</p>	The company's risk management practices have integrated climate-related risks and opportunities into the functioning of every operations of unit.	<p>Compared with the base year 2022, the Group</p> <ul style="list-style-type: none"> 30% reduction in greenhouse gas emissions in Scope 1 + Scope 2 in 2030 50% reduction in greenhouse gas emissions from Scope 1 + Scope 2 in 2040 The company plans to purchase renewable energy certificates starting in 2030, and the purchase quota will be used to replace the scope 2 purchased electricity usage. Carbon Neutrality in 2050

The Short-term, Mid-term and Long-term Climate risk and opportunity Table in 2023							
Serial Number of Risk	Climate Change Risk Issue	Risk Level	Period	Serial Number of Opportunity	Climate Change Opportunity Issue	Opportunity Level	Period
R1	Increase in greenhouse gas emission pricing	High	Short-term, Mid-term	O1	Reduce the amount of used water and water	Medium	Mid-term, Long-term
R2	Enhanced emissions reporting obligation	Medium	Short-term, Mid-term, Long-term	O2	Utilize more efficient production and distribution processes	Medium	Mid-term, Long-term
R3	Request and supervise of present product and service	Medium	Short-term	O3	Recycle and used	Medium	Mid-term, Long-term
R4	Low-Carbon product replaces present product and service Costs of Low-Carbon	Medium	Mid-term, Long-term	O4	Use more efficient buildings	Medium	Mid-term, Long-term
R5	Technology Transition	Medium	Short-term, Mid-term	O5	Use more efficient transportation	Medium	Short-term, Mid-term, Long-term
R6	Change of client behavior	Medium	Short-term, Mid-term	O6	Use low-carbon energy	Medium	Mid-term, Long-term
R7	Rain (Water) model changes and climate model extreme changes	High	Mid-term, Long-term	O7	Take reward policy	Medium	Mid-term, Long-term
R8	Increased severity of extreme weather events such as typhoons and floods	Medium	Mid-term	O8	Use new technology	Medium	Mid-term, Long-term
R9	Increase in raw material costs	High	Mid-term Short-term, Mid-term	O9	Participate in carbon market	Medium	Mid-term, Long-term
R10	Average temperature rise	High	Mid-term Short-term, Mid-term	O10	Switching to decentralized energy	Low	Mid-term, Long-term
R11	Rising sea levels	Medium	Mid-term, Long-term				

Note 1: Short-term: 1-3 years, Medium-term: 3-5 years, Long-term: years

Climate-related Financial Impacts and Responses	
Risk and Opportunity	Financial Impact and Response Mechanisms
Rise GHG emission pricing	According to the EN Climate Change Response Act, the imposition of a carbon fee on direct or indirect emissions in 2025. The potential financial implications of this structural risk could lead to increased operational costs. However, it is important to note that, at present, our company does not belong to the category of high-carbon emission industries. Consequently, the projected impact on the overall financial performance is unlikely to be significant. Our company is committed not only ongoing greenhouse gas examination but also the rapid implementation of these practices across all group companies. Additionally, we are evaluating the feasibility of incorporating green power procurement, bioenergy utilization, and carbon credit acquisition. These initiatives are aligned with our goal of achieving carbon reduction. If the total emissions of the company's scope 1 and scope 2 in 2023 are 100 metric tons, and the carbon fee per metric ton is NTD500, the annual increase will be NTD50,000, and the financial impact will be low.
Rain (Water) model changes and climate model extreme changes	Increasing frequency of typhoons and rainstorm resulting from extreme climatic conditions could potentially lead to flooding in our office buildings and factories, thereby affecting company's operations. This situation may result in potential financial losses after a thorough assessment. In response, our company has implemented measures to mitigate immediate risks, including the establishment of drainage system maintenance protocols to handle typhoons and rainstorms. Waterproofing measures and natural disaster insurance coverage have been applied to both our building and factory areas. Furthermore, we conduct monthly maintenance on pumping motors and drainage facilities. These efforts collectively contribute to minimizing the potential impact of this risk on our overall operations.
Increase in raw material costs	The European Union has initiated the collecting of carbon tax in 2023 as a response to climate change, leading to an escalation in the cost of producing and transporting commodity raw materials. In response, a viable solution involves streamlining module design to curtail the consumption of raw materials and bolstering the proportion of locally sourced materials within the supply chain. These measures are aimed at mitigating the upward surge in raw material and transportation expenses. Moreover, it is imperative to implement medium-term and long-term strategies that encompass developing a product's product carbon footprint and decreasing carbon-related expenses through the integration of green design principles.
Average temperature rising	As the average temperature rises, the cost of electricity rises. The plan is to completely replace old lighting fixtures in the factory with more economical LED lighting fixtures and replace the refrigeration and air-conditioning system with first-class energy-efficiency equipment. Energy costs are expected to increase by 20% in the short term three years, with a medium financial impact.

Emissions reduction goals	strategic action	planning schedule
<p>Compared to base year 2022</p> <ul style="list-style-type: none"> 30% reduction in greenhouse gas emissions in Scope 1 + Scope 2 in 2030 50% reduction in greenhouse gas emissions from Scope 1 + Scope 2 in 2040 Net zero emissions by 2050 	<ul style="list-style-type: none"> Purchasing environmentally friendly labeled infrastructure equipment through green procurement The refrigeration and air-conditioning system will be completely replaced with energy efficiency level 1. Implement energy-saving projects for facilities and equipment Expand solar energy construction for self-use and purchase of green power certificates 	<p>2024~2030</p> <p>2024~2030</p> <p>2024~2030</p> <p>2030~2040</p>

GHG Emission

Material Topics		GHG Emission	12 RESPONSIBLE CONSUMPTION AND PRODUCTION	13 CLIMATE ACTION
Policies/Commitments	Energy saving and carbon reduction Continuous improvement			
Goals	<ul style="list-style-type: none"> Improve energy efficiency Priority is given to first-level energy saving for refrigeration and air-conditioning systems Renewable energy usage rate will be 30% in 2030 Net zero emissions by 2050 			
Resources invested and specific results during the year	<ul style="list-style-type: none"> Dissemination and implementation of energy saving measures Plan follow-up related energy-saving projects Implementation of Greenhouse Gas Inventory Operation 			
Responsible department /grievance mechanism	General affairs			
Evaluation mechanism /Achievement	Complete greenhouse gas inventory			

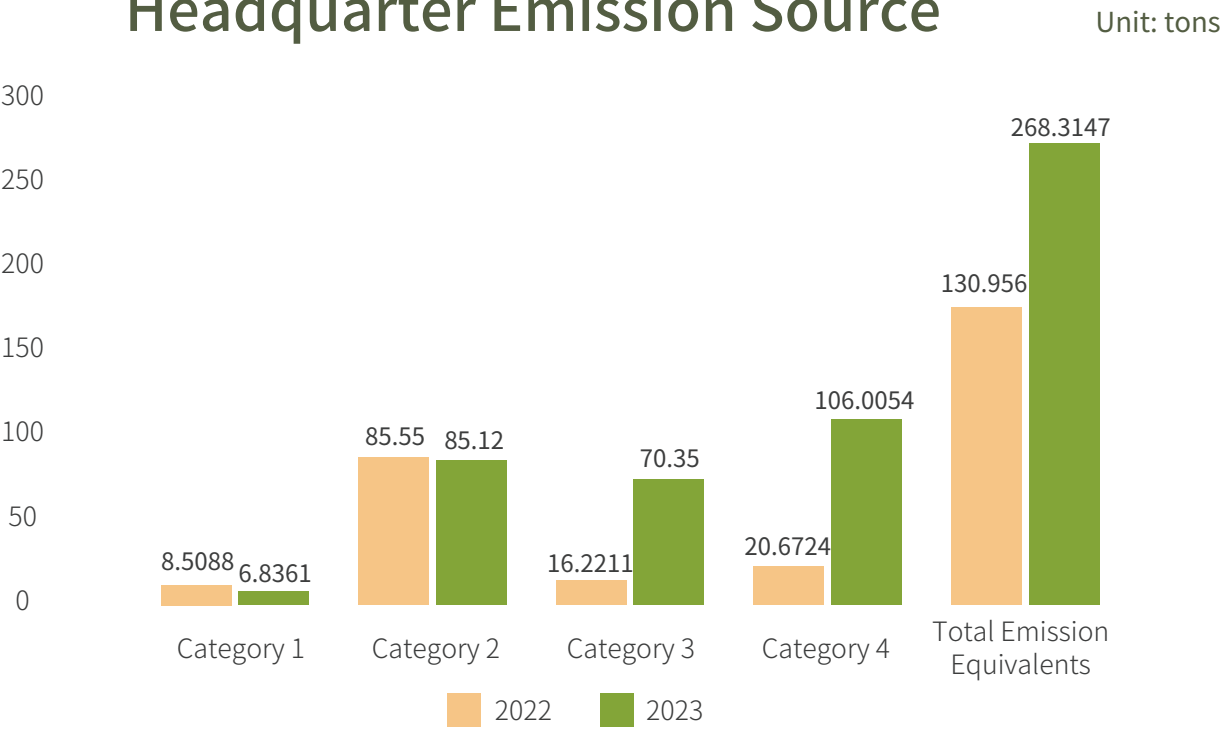
Affected by global warming in recent years, there has been ozone depletion and increasingly extreme climatic conditions. We are committed to collaborating closely with the government on this global issue. Recognizing the influence that enterprises exert on the environment, we have adopted the ISO 14064:2018 standards and requirements for Greenhouse Gas (GHG) inventories. Conducting thorough statistical analyses of inventory outcomes, we aim to provide references for future planning and the execution of improvement initiatives.

The current main emission sources are:

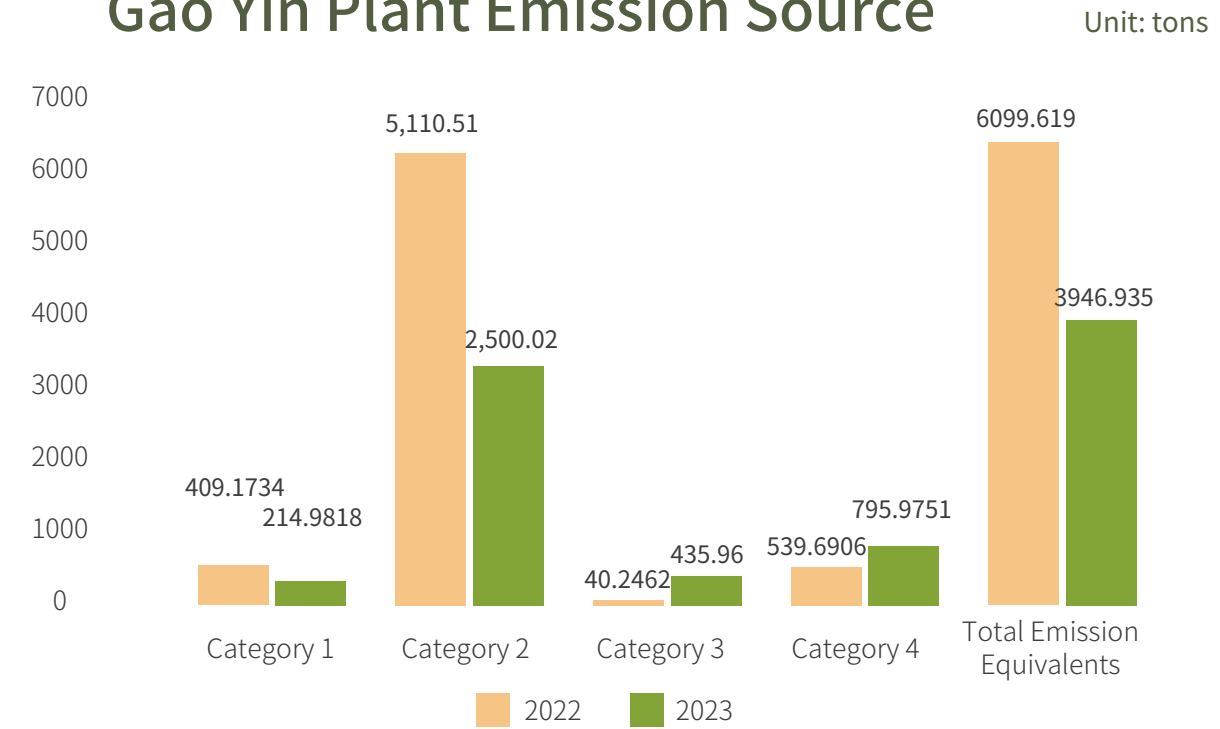
- Direct (Scope 1) greenhouse gas emissions: Category 1
- Energy indirect (Scope 2) greenhouse gas emissions: Category 2
- Other indirect (Scope 3) greenhouse gas emissions: Category 3, Category 4

Category	Project	Check Facilities /Activities
1	Stationary Fuel Combustion Source	Emergency generator, Paint burner, Coating oven,Gas stove, Disinfection machine (CO ₂ , CH ₄ , N ₂ O)
	Mobile Combustion	Gasoline for company cars, Stacker (CO ₂ 、CH ₄ 、N ₂ O)
	Process Emission Sources	Burning Acetylene (CO ₂)、Burning coated ethanol (CO ₂)
	Fugitive emission sources	Fire extinguisher (CO ₂) Air conditioner, Refrigeration equipment, Mid-large refrigerator, Constant temperature and humidity machine, Refrigerant for water dispensers and buses (HFCs), Septic tank (CH ₄)
2	Purchased Power	Electric Power (CO ₂ e)
	Purchased Steam	Steam (CO ₂ e)
3	Indirect greenhouse gas emissions from transport	Taoyuan employee commuter (Motorbike Vehicles) (CO ₂ e) Domestic business trip (High Speed Rail), Domestic business trip (Train), Domestic business trip (Car by oneself), Domestic business trip (Taxi), Business trip abroad (Airplane)(CO ₂ e)、Upstream transportation (CO ₂ 、CH ₄ 、N ₂ O)、Downstream transportation (CO ₂ 、CH ₄ 、N ₂ O)
4	Indirect greenhouse gas emissions from products used by the organization	<ul style="list-style-type: none"> Indirect energy Purchase photocopy paper water waste disposal
	Greenhouse gas emissions from customer rental use	Rental electricity

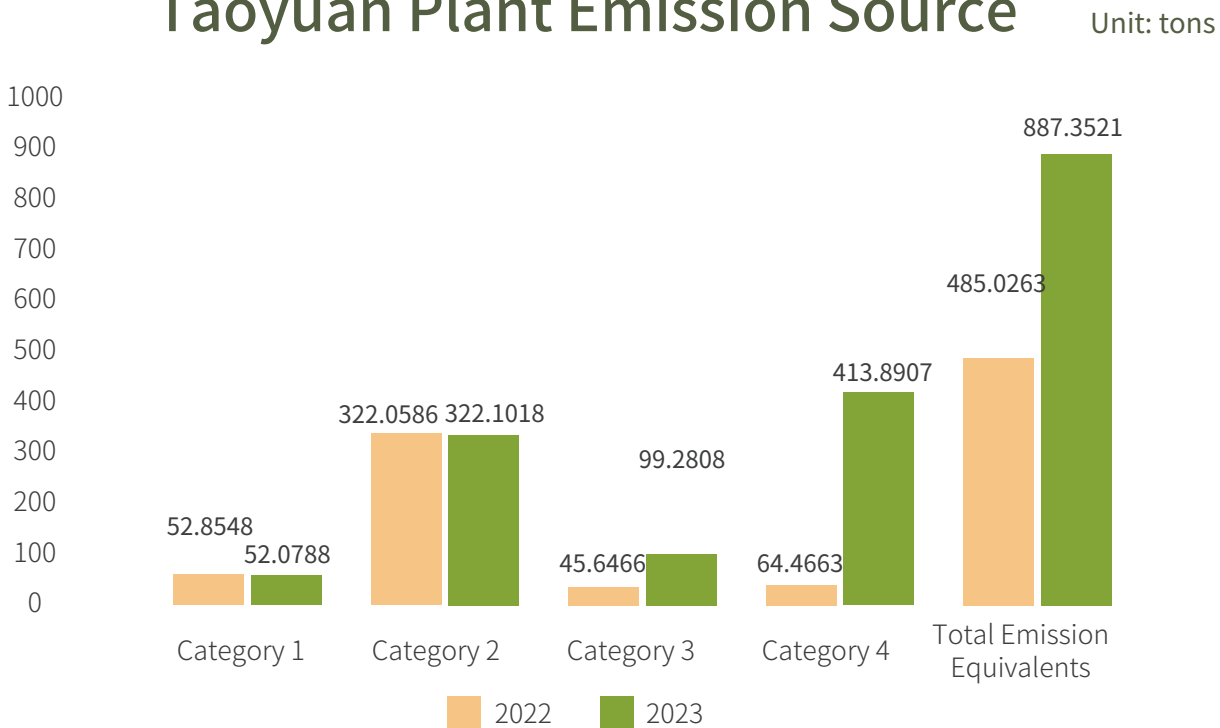
Headquarter Emission Source



Gao Yin Plant Emission Source



Taoyuan Plant Emission Source



3.2 Energy Resources Management

Efficient energy usage is imperative for modern enterprises. Energy management assumes a pivotal role in corporate operations and the preservation of ecosystem. To skillfully regulate energy consumption and bolster its efficiency, we have established the "Energy Conservation Management System" as our overarching guideline. In alignment with energy regulations, evach plant takes charge of monitoring energy usage. Through the PDCA (Plan-Do-Check-Action) cycle, we verify the effectiveness of implementation is confirmed and continually strive for enhancement. This endeavors to fulfill the company's aspirations for sustainable development and harmonious coexistence with the environment.



Energy Management Policy

Continuous Improvement

Continuously enhance energy performance by supporting improved energy design and implementing energy-saving solutions.

Rule Compliance

Adhere to energy laws and regulations, maintaining records and submitting declarations in accordance with relevant energy submitting.

Performance management

Execute energy conservation programs, allocate resources and information to achieve goals and objectives, and eliminate potential energy waste.

Energy efficiency and carbon reduction

Enhance energy techniques, develop green energy solutions, and cultivate the value of energy cycling.

How we do?

Energy saving and carbon reduction

- Turn off lights during the lunch break to reduce the energy consumption.
- Maintain office air conditioning temperatures between 26°C and 28°C to lower carbon emission.
- Innovate energy-saving and carbon reduction products.
- Install of solar power generation systems to enhance the renewable energy utilization.

Waste reduction

Garbage classification

- Practice waste separation and utilize recycling bins to achieve waste reduction
- Cease the use of disposable tableware to minimize domestic waste.

Industrial Waste

Industrial waste is required to comply with regulations, and it is classified into storages categories based on the chemical properties of waste. After classification, the waste is then entrusted to manufacturers approved by the competent authority to perform the cleaning process.

Green Purchasing

- Promise to provide products without Substance of Very High Concern (SVHC) as published by REACH.
- We adhere to the EU RoHS environmental regulations, promote green procurement management, and require suppliers to provide raw materials and process. es that are free from harmful substances.

Green Product

- SiRUBA has established a comprehensive process for controlling restricted environmental substances, which is primarily practiced as follow:
- The manufacturer signs a statement to fully comply with RoHS, REACH international environmental regulations and customer requirements.
- Regular review of substance testing reports

- Implementation of audits for supplier green product management.
- There were no violation of green product regulations or customer product requests in 2022.

Emergency Response

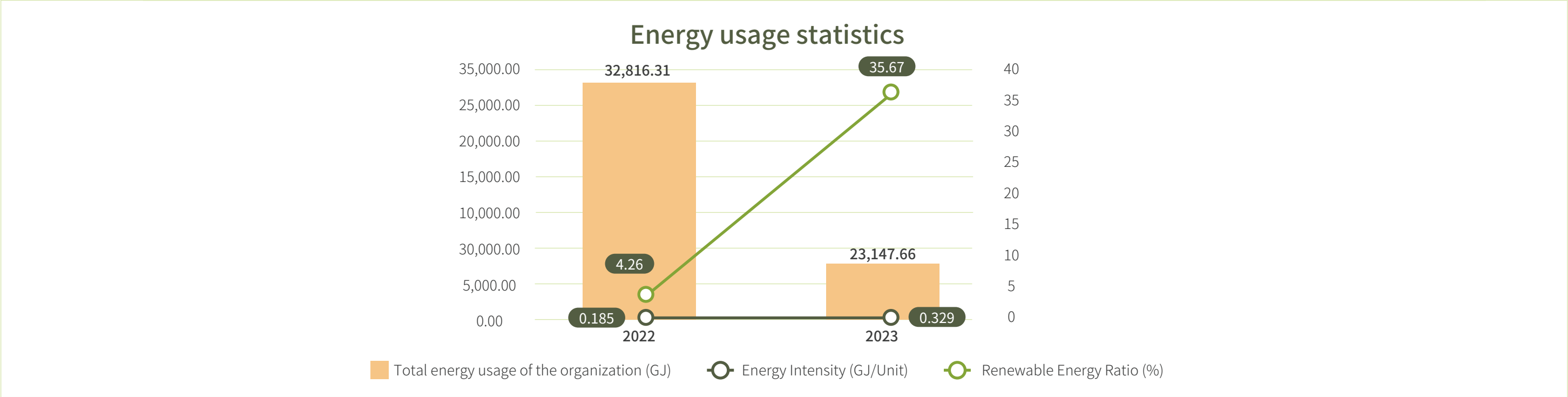
- SiRUBA has an emergency plan in place and has established emergency response command centers at each operating base. We maintain an emergency team that is prepared to handle any emergency that may arise. We conduct regular emergency education training and hold fire drills every six months. During these drills, the emergency team simulated practical scenarios to enhance employees' emergency response and self-safety management skills. These measures enable employees to take appropriate actions before a disaster escalates, thus minimizing the impact and damage caused by crises.
- Cooperating with firefighters, we receive training in fire escape procedures, first aid, and other related skills.
- In 2022, in accordance with the emergency response plan, we successfully conducted an emergency response drill. This ensures that our colleagues are well-prepared to effectively handle emergencies, minimizing both personal injuries and environmental impacts.



Energy Consumption

Energy usage within the factory primarily encompasses equipment operation, electricity consumption, official vehicles, and stackers. On the other hand, the primary energy consumption at the head office is attributed to electricity.

Year		2022						2023					
Energy Category		Usage amount						Usage amount					
		Taipei		Taipei		Taipei		Taipei		Taipei		Taipei	
		Usage amount	Conversion in GJ	Usage amount	Conversion in GJ	Usage amount	Conversion in GJ	Usage amount	Conversion in GJ	Usage amount	Conversion in GJ	Usage amount	Conversion in GJ
Non-regenerated energy resources	Gasoline	2298.20	75.00	4,015.50	131.05	4959.64	161.86	3,263.5	106.56	3,843.329	125.49	8293.79	270.80
	Diesel Fuel	-	-	548.30	19.27	6712.99	235.93	-	-	331.31	11.65	4234.16	148.88
	Natural Gas	-	-	516.00	17.27	-	-	-	-	225	7.53	-	-
	Liquid Gas	-	-	-	-	78,000.00	2,165.35	-	-	-	-	30,750	854.05
Purchased	Electric Power	168,082.14	605.10	632,728.00	2,277.82	7,147,084.00	25,729.50	172,313.08	620.33	652,028	2,347.30	2,888,595	10,398.94
Renewable Energy	Solar Energy Generation	-	-	-	-	388,379	1,398.16	-	-	-	-	2,293,369	8,256.13



Note 1: GJ=10⁹J, 1 kilowatt-hour of electricity is 3.6 million joules, 1 kcal is 4,184 joules; referring to the Taiwan Environmental Protection Agency's greenhouse gas emission coefficient management table (version 6.0.4), the calorific value of gasoline is 7800kcal/L, while diesel oil has a calorific value of 8400kcal/L; liquid gas has a calorific value of 6,635kcal/L, and natural gas has a calorific value of 8,000 kcal/M3

Note 2: The production capacity in 2023 is 59,105 units. The power generation of Gao Yin is 3,678,519 kWh, excluding the feedback grid used.

Effective energy management has become an essential strategy for SiRUBA's sustainable development. We engage in activities such as inventorying, monitoring and addressing abnormal energy usage. On a monthly basis, the factory reports its electricity consumption during factory meetings and compares it to the same period in the previous year.

Through self-supervision and management, we enhance the energy management mechanism, facilitating the establishment of energy-saving goals and plans for future energy-saving improvement. We integrate the concepts of green low carbon practices into our product development and innovative technique to minimize energy resource consumption. Our product design approach incorporates green design principles, thereby reducing environmental hazards and impacts throughout each stage of the product lifecycle.

Renewable Energy

We recognize that achieving the goal of carbon neutrality in 2050 necessitates the utilization of renewable energy as a crucial implementation strategy. Since 2022, our company has been installing solar power generation systems at the Gao Yin Plant. Since its launch in August, the electricity generated in 2023 amounted to 1,3242.67GJ. Among this total, 8,256.13GJ were consumed, resulting in a utilization rate of 62.34%. The use of renewable energy accounted for 35.67% of the total energy consumption. To ensure sustainable enterprise operations, the Taoyuan plant devised a solar roof renewable energy generation plan in 2019. The plan involved leasing the roof to the solar photovoltaic industry for the construction of new solar panels, which capture solar heat and convert it into electrical energy. This initiative aligns with governmental efforts to promote green energy and encourage businesses to participate in solar photovoltaic construction projects to address power shortage. The parallel connection of SiRUBA's solar photovoltaic power generation was established on April 13th, 2021. SiRUBA's solar power generation planning not only enables wholesale electricity distribution but also significantly diminishes the need for air conditioning in the factory area due to the shading effect of the roof scaffolding. This dual benefits facilitates energy saving and carbon reduction, promising substantial future reductions in electricity costs. The total capacity of SiRUBA's solar energy installation is 242KW, with an estimated total power generation of 5.809 thousand kWh over 20 years. The anticipated income from wholesale electricity pricing is approximately NT\$ 29.21 million, contributing to a reduction of 3.07 million kg in carbon dioxide emissions.

Material Management

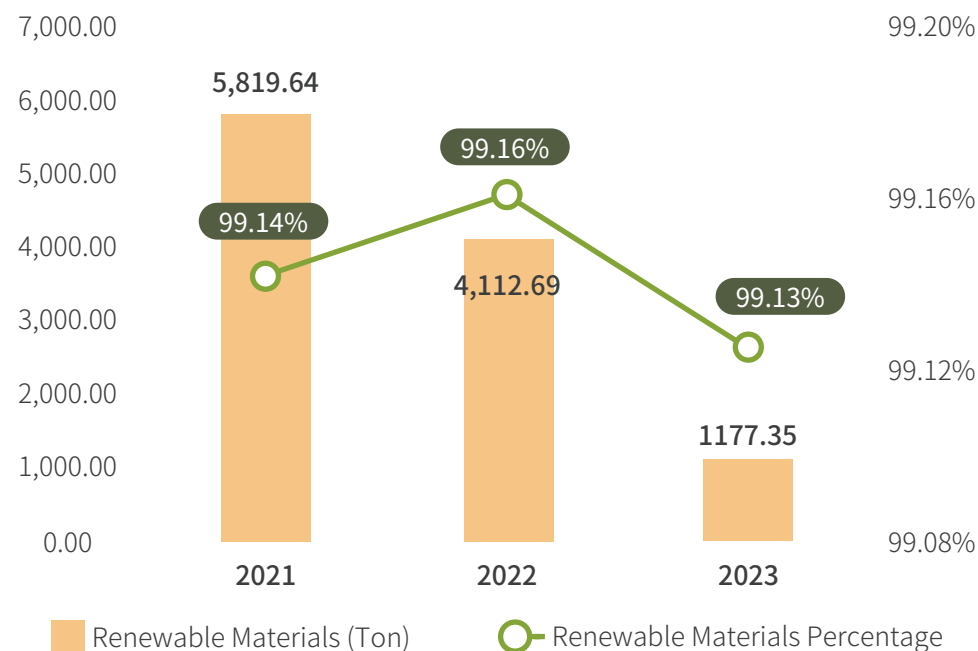
Material Topics	Material Management	12 RESPONSIBLE CONSUMPTION AND PRODUCTION	17 PARTNERSHIPS FOR THE GOALS
Policies/Commitment	Recycle and reuse to improve circular economic benefits		
Goal	Renewable material ratio is over 95%		
Resources invested and specific results during the year	<ul style="list-style-type: none">Metal and plastic parts are purchased based on recycled materialsPackaging material recycling		
Responsible department/ grievance mechanism	purchase		
Evaluation mechanism/ Achievement	<ul style="list-style-type: none">The renewable material ratio in 2023 is 99.13%The packaging material recycling rate in 2023 is 7.74%		

In recent years, the concept of the circular economy has gained momentum, prompting companies to initiate waste reduction efforts. SiRUBA participates in recycling product packaging materials such as paper, styrofoam, plastic bags, and wooden pallets. We also collaborate with suppliers to responsibly recycle and recycle environmentally friendly styrofoam. Furthermore, we implement recycling and reusing practices for process waste, including waste base oil, cutting oil, metal, and cartons. These materials are sent to qualified recycling facilities. Regarding products, the SiRUBA Foundation, the Textile Industry Research Institute, local social welfare organizations and charitable institutions jointly sponsored a series of "Project ReSEW's" activities. These initiatives involve the development and testing of sewing machines to transform waste fabrics and various textile remnants. Materials such as surplus inventory, defective products, and sample cloth from KAULIN are repurposed through sewing techniques, enhancing the value of regenerated resources. This approach is in alignment with the principles of the circular economy.

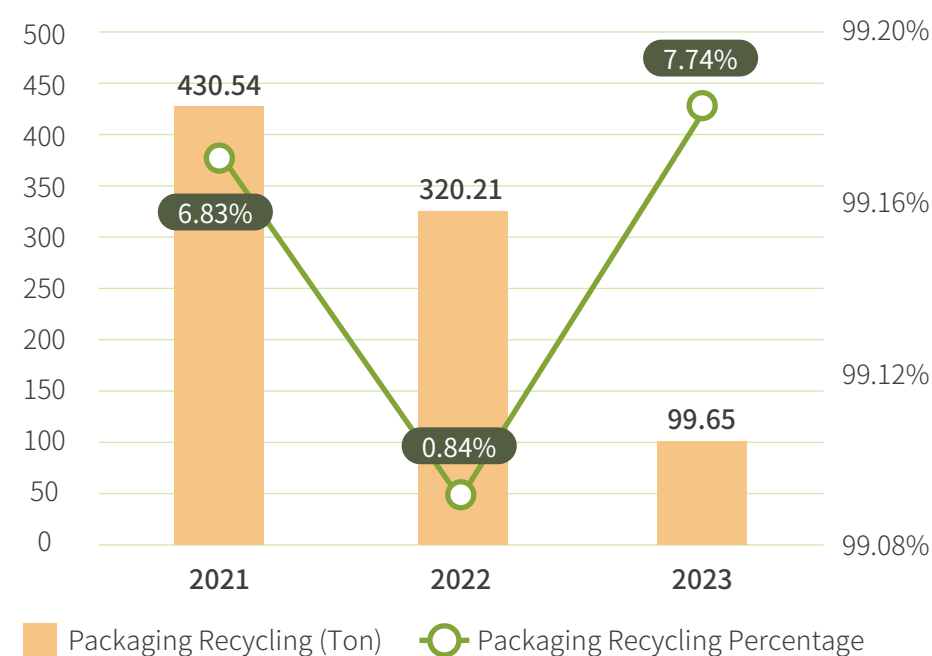
project	2021	2022	2023
Renewable Materials (Ton)	5,819.64	4,112.69	1177.35
Non-renewable materials (ton)	54.03	37.51	11.27
Packaging Recycling (Ton)	430.54	320.21	99.65
Total materials (tons)	6,304.21	4,470.41	1288.27
Renewable Materials Percentage	99.14%	99.16%	99.13%
Packaging Recycling Percentage	6.83%	0.84%	7.74%



Renewable Materials Use in Recent Years



Packaging Recycling Statistics in Recent Years



water resources management

No water is used in the production process of SiRUBA products, and all water is used for office use. Although it is not a water-intensive industry, considering the increasing shortage of water resources around the world, we actively respond to and implement the "water conservation" policy. In terms of water resources management, we follow relevant environmental laws and regulations to record and report, and conduct measurement and statistics on various water needs, and try to save water and handle it properly. According to the World Resources Institute's water resources management tool, Taiwan It is an area with medium and low water resources pressure, so it does not draw water from high-pressure areas. At the same time, it actively evaluates measures related to water resource utilization. By making good use of water resources, it reduces the waste of water resources and improves the utilization rate of water resources. The main water used by SiRUBA head office is tap water supplied by the company, while the water used by the Taoyuan factory is tap water and groundwater. The water used by the Taoyuan factory is mainly used for cooling water tower evaporation and factory cleaning and rectification. Most of it is discharged through the sewage treatment system, and the raw water of the wastewater is regularly tested. And the discharged water, the remaining water is evaporated through the cooling water tower, and the clean water is directly discharged into the general ditch. The water used in the Gao Yin process is mainly used for product cleaning and is discharged after centralized treatment in the sewage treatment plant.

Water resources usage - water intake (unit: million liters)		
Operation base	Year 2022	Year 2023
Taoyuan Factory - Groundwater	1.065	1.194
Taoyuan Factory-Tap water	3.072	4.201

Gao Yin	Year 2022	Year 2023
Water withdrawal (direct water bill usage)	-	44.25
Water consumption (used in the process)	-	24.13
Discharge water (discharged to sewage treatment plant)	-	44.25
Wastewater Recycling Amount	-	23.14

3.3 Waste Management

Being a sewing company, the primary types of industrial waste we generate include recycled paper, aluminum, iron, copper and plastic. Additionally, there are non-recyclable sewage materials that cannot be handled through incineration or landfill disposal. The hazardous waste category encompasses organic solvents.

For industrial waste management, we entrust qualified waste removal and treatment firms to handle the waste removal and treatment at the site. We adhere to the stipulations of the Waste Disposal Law, which involves submitting a "Waste Disposal Plan" to the local environmental protection bureaus. Furthermore, we

follow relevant regulations for reporting the production, temporary storage, and disposal of industrial waste. Notably, our company has not incurred any environmental penalties from competent authorities for violation of environmental laws and regulations.

Regarding domestic waste, we actively engage in garbage classification and reduction. Qualified haulers are responsible for recycling and reusing these materials, contributing to our waste management practices.

Sanitary Waste Disposal	
【Reduce】	Reduction of office waste includes items like paper and paper cups.
【Reuse】	Used office supplies can be repurposed or reused, such as recycling used paper through double-sided printing.
【Recycle】	Collect all office supplies and categorize them, including items like batteries, paper, and cans.
【Repair】	Office supplies can be repaired and reused, reducing resource waste and procurement costs.
【Refuse】	Promote green consumption in the office by refraining from purchasing or using items that contribute to environmental pollution or are not environmentally friendly.

Production and Disposal of Industrial Waste					Unit: tons		
Factory		Taiwan			Gao Yin		
Year		2021	2022	2023	2021	2022	2023
Total Amount of Regular Industrial Waste		22.04	25.41	202326.09	836.18	541.18	203.5
Total Amount of Incineration Regular Industrial Waste		10.43	12.51	13.25	812.60	529.03	188.17
Paper/ Aluminum / Iron / Plastic Cooper	Recycle	10.43	12.51	13.25	812.60	478.59	152.14
Total Amount of Regular Industrial Waste		11.61	12.37	12.84	19.26	8.38	10.23
Total Amount of Regular Industrial Waste	Commissioned Manufacturer	11.61	12.37	12.84	19.26	8.38	10.23
Total Amount of Landfill Regular Industrial Waste		0	0.53	0	4.32	3.78	5.1
Inorganic Sludge	Commissioned Manufacturer	0	0.53	0	4.16	3.78	4.78
Total Amount of Other Harmful Businesses Regular Industrial Waste		0	0	0	56.22	51.58	72.1
Organic Solvents	Commissioned Manufacturer	0	0	0	43.80	39.62	56

Note: Life-waste could be different due to the statistical or not counted; industrial waste is based on the actual declared disposal amount. The total landfill volume in 2021 at the Gao Yin plant includes the volume of waste lamps








Social Care

- 4.1 Human Resources Management
- 4.2 Right Person, Right Place
- 4.3 Occupational Safety and Health
- 4.4 Social Participation

4.Social care

Sustainable performance	
SDGs	Achievements
   <p>5.1 Eliminate all forms of discrimination against women 8.7 Prohibition of child labor and elimination of oppressed labor 10.2 Promote socio-economic and political integration 10.3 Ensure equal opportunities and reduce inequality</p>	<ul style="list-style-type: none"> There were 0 records of violations of human rights policies in the year Female employees account for 32.04% of all employees. The basic salary ratio between men and women for management positions in the head office is 1.06:1, and the basic salary ratio between men and women for non-management positions is 1.11:1; the basic salary ratio between men and women for management positions and non-management positions at SiRUBA Factory is 1:1.
 <p>8.1 Maintain economic growth based on national conditions</p>	<ul style="list-style-type: none"> The salary of junior staff of the head office for both men and women is 1.81 times higher than the local basic salary. The salary of junior staff at Gao-Yin is 2.22 times higher than the local basic salary for both men and women.
 <p>4.3 Ensure that both men and women have equal opportunities to receive education</p>	<p>In 2023, the average training hours for female employees at all operating sites is 43.27 hours, and the average training hours for male employees is 25.43 hours.</p>
 <p>10.3 Ensure equal opportunities and reduce inequality</p>	<p>The performance appraisal rate for all operating locations is 100%.</p>
  <p>3.7 Ensure healthcare is integrated into operating plans</p>	<ul style="list-style-type: none"> A total of 72 people participated in the annual employee health service and health promotion. Gao-Yin Factory passed the occupational safety and health management system and annual verification.

Sustainable performance	
SDGs	Achievements
<p>3.8 Access to high-quality basic medical care services 8.8 Protect labor rights and promote working environment safety</p>	<ul style="list-style-type: none"> 0 serious occupational injuries and occupational diseases in all operating locations. Total hours of occupational safety training: 1,259.9 hours.
 <p>1.3 Implement social protection system measures for people at the bottom</p>	<ul style="list-style-type: none"> Donated NT\$2,000 to Gao Yin Cultural and Creative Foundation Donated NT\$53,000 to Chang Gung Memorial University's academic feedback fund Remade bed bags from discarded fabrics are donated to Nantou Yuansheng International College Accompanying courses of the Aid Association Lumbar pillow donation to Sunshine Long Care Center Donation of pillows to schoolchildren in rural areas of Liugui and Nantou

Material Topic	Employment Relations/ Employee Diversity and Equal Opportunities	    
Policy	<ul style="list-style-type: none"> Provides competitive salary and comprehensive training. Effective labor-management communication Diversity recruitment Wage equality between men and women 	
Target	<ul style="list-style-type: none"> The average training hours for employees is more than 6 hours (inclusive) 0 labor disputes in the year 	
Current Year of Invest Resources and Achievement	<ul style="list-style-type: none"> Education training for new employees. Conducting labor and management meeting quarterly. Organize birthday parties, employee travel and other activities. 	
Responsible Department and Grievance Mechanism	<ul style="list-style-type: none"> Contact General Administration Division Email : kaulinhr@siruba.com 	
Assessment Mechanism	<ul style="list-style-type: none"> The labor-management committee holds labor-management meetings every three months to discuss issues such as labor dynamics, company operational information, labor activities, and benefits. No labor and management incidents occurred in 2023. 	

An enterprise, composed by people, has the potential to promote sustainable development. SiRUBA embodies the concept of "caring for people," establishing a system that prioritizes employee management and strives to create a nurturing workplace. This ensures that every employee can grow alongside the company.

SiRUBA complies with the labor-related laws, establishing a legally secure code of practice to safeguard employees' rights. It provides a safe and conducive working environment, diverse labor-management communication channels, fair compensation and raise, a compete training system, substantial benefits, and a transparent profit-sharing system This environment enables employees to work harmoniously, dedicate their abilities and performance, and grow alongside the company. This approach enhances positive labor relations, cultivates a safe and harmonious working atmosphere, and lays a solid foundation for sustainable operations.

Talent Sustainability	
Talent Selected	The criteria for hiring talent are based on the company's operational strategy. This involves promoting the company's image, enhancing SiRUBA's reputation in the labor market, and effectively leveraging the experience of retired middle-aged and elderly professionals.
Talent Hired	Respect the diverse rights of employees and human rights, ensuring a reasonable and transparent payment system. Develop a performance management system that aligns with work objectives and publicly recognizes exceptional employees.
Talent Training	Plan educational training based on rank and function, implement a rotational training system, incentivize employees for self-education, and recognize colleagues for patent applications and inventions to sustain the organization's innovative capacity.
Talent Employed	Establish competitive compensation and benefits policies, implement an employee care mechanism, and facilitate labor-management communication. Prioritize employee feedback and enhance labor-management relations.
Talent Protected	People are the most valuable asset of the company. We prioritize employee health and workplace safety. This includes implementing a workplace safety and health system to identify workplace risks, as well as fostering a "Work-life balance" environment that supports employee well-being.

4.1 Human Resources Management

SiRUBA treats every employee fairly, taking affirmative action to eliminate any conditions that could lead to workplace inequality and safeguard labor rights. Human resource development plays a crucial role in achieving sustainable development. Through the management strategy of selecting, employing, cultivating, retaining, and protecting talents, SiRUBA enables every employee to work with peace of mind, continue to develop their talents, and effectively retain outstanding talents to progress with the organization. This approach ensures the long-term development of both employees and the company, fostering a win-win situation for sustainable growth.

4.1.1 Human Rights Protection

SiRUBA adheres to the laws and regulations of the countries in which it operates. It voluntarily supports and complies with international human rights treaties, including the Universal Declaration of Human Rights, the United Nations Global Compact, the United Nations Guiding Principles on Business and Human Rights, the International Labor Organization, and the norms of international human rights treaties as well as Taiwan's labor standards laws.

Guided by the framework of human rights and spirit of these conventions, SiRUBA treats everyone with respect and follows the guidelines outlined in these documents. The company establishes a human rights policy and encourages its supply chain partners to comply with the same principles.

Policy of Human Rights	Human Rights Rised
<ul style="list-style-type: none"> Eliminate all forms of forced labor. Do not hire child labor Comply with the labor laws and provide remuneration in accordance with the legal requirements. Ensure employees' rights to take breaks, including reasonable working hours and paid leaves. Ensure employees' rights to freely associate with trade unions at all operational points. Promote employees' rights and interests in terms of gender equality and equal pay for equal work in the workplace, and to oppose all forms of discrimination. 	<ul style="list-style-type: none"> Newcomer Training Prohibition of labor force discrimination and harassment is emphasized. Instead, we emphasize the implementation of flexible working hours, protection of human rights, and provision of a healthy and safe working environment. Preventing workplace bullying By means of publicizing and announcing, employees are made aware of their responsibility to prevent the occurrence of unlawful acts in the workplace, fostering a friendly working environment. Occupational Safety Training Series This series includes promotion of health information, vocational nurse consultations for health services, labor safety and health training, and training for first aid personnel.

Furthermore, SiRUBA provides a confidential reporting system for staff, allowing them to submit reports that will be professionally investigated, and their personal information will be kept confidential. If the report is substantiated, SiRUBA promises not to treat the whistleblowers unfavorably. In 2023, SiRUBA had no records of human rights violations. We prioritize human rights and therefore plan to have employees occasionally participate in courses organized externally and by local authorities, occasionally aligned with their job roles. This initiative aims to enhance our employees" understanding of human rights knowledge and development, fostering their growth alongside the company. Newcomer training in 2023 includes the code of practice, occupational safety, and information security. The participation rate for this training was 100%. Additionally, the headquarters periodically assesses the impact of plant operations and internal management on human rights and establishes procedures to address any identified impacts. Employees can submit complaints through the company's complaint channel and the head office will respond appropriately.

4.1.2 Employee Statistics

Due to the industry's characteristic of design and high professionalism, the number of male and female worker is nearly equal. All employees at SiRUBA have indefinite contracts (as full-time employees) and are not hire as child labor. We offer a long-term and stable employment arrangement, allowing employees to fully focus on their work without concerns about their future, thus safeguarding their financial well-being. Our company does not have any unemployed workers; all workers are employed.

Statistics /Year		2021		2022		2023	
The total number of employe (Note 1)		903		593		464	
Employment Contract (Note 2)		Non-permanent	Permanent	Non-permanent	Permanent	Non-permanent	Permanent
Headquarter	Male	34	0	30	1	27	0
	Female	34	0	35	0	34	0
Taoyuan	Male	79	0	97	0	90	0
	Female	22	0	23	0	22	0
Gao Yin	Male	218	367	192	108	162	45
	Female	97	52	89	18	72	12
Labor Type (Note 3)		Non-permanent	Permanent	Non-permanent	Permanent	Non-permanent	Permanent
Headquarter	Male	34	0	31	0	27	0
	Female	34	0	35	0	34	0
Taoyuan	Male	79	0	97	0	90	0
	Female	22	0	23	0	22	0
Gao Yin	Male	585	0	300	0	207	0
	Female	149	0	107	0	84	0

Note 1: Based on the total number of employees at the end of the year (12/31).

Note 2: Labor contracts are categorized into non-fixed-term employees (regular employees) and fixed-term employees. (including Short-term, seasonal, project-specific, maternity/parental leave for former employees.)

Note 3: Labor types are classified as full-time workers (whose weekly working hours reach the maximum number of statutory working hours) and part-time workers (whose weekly working hours do not reach the maximum number of statutory working hours and who work only a portion of the working hours, such as work-study students and hourly-rated workers).

Note 4: Employees without guaranteed hours: Workers who are not assured a minimum or fixed number of working hours by the company. They may be asked to worke based on the company's needs, but the company is not contractual obligated to provide a minimum or fixed number of hours of work per day, week, or month for such employees. Temporary staff are not required to be disclosed if the company doesn't hire any.



Diversity Statistics /Year				2021		2022		2023	
				Number of People	Percentage	Number of People	Percentage	Number of People	Percentage
Employee -Headquarter	Management	Gender	Male	13	19.12%	13	19.70%	15	24.59%
			Female	5	7.35%	5	7.58%	5	8.20%
		Age	Under 30	0	0.00%	0	0.00%	0	0.00%
			Over30, under 50	10	14.71%	11	16.67%	10	16.39%
			Over 50	8	11.76%	7	10.61%	10	16.39%
		Academic Qualifications	Institution of Higher Education	1	1.47%	1	1.52%	2	3.28%
			Graduate School	16	23.53%	16	24.24%	16	26.23%
			Other	1	1.47%	1	1.52%	2	3.28%
	Non-management	Gender	Male	21	30.88%	18	27.27%	12	19.67%
			Female	29	42.65%	30	45.45%	29	47.54%
		Age	Under 30	2	2.94%	5	7.58%	4	6.56%
			Over30, under 50	32	47.06%	28	42.42%	26	42.62%
			Over 50	16	23.53%	15	22.73%	11	18.03%
		Academic Qualifications	Institution of Higher Education	11	16.18%	8	12.12%	7	11.48%
			Graduate School	33	48.53%	34	51.52%	32	52.46%
			Other	6	8.82%	6	9.09%	2	3.28%
Employee -Taiyuan	Management	Gender	Male	28	27.72%	24	20.00%	22	19.64%
			Female	4	3.96%	4	3.33%	4	3.57%
		Age	Under 30	0	0.00%	0	0.00%	0	0.00%
			Over30, under 50	12	11.88%	12	10.00%	9	8.04%
			Over 50	20	19.80%	16	13.33%	17	15.18%
		Academic Qualifications	Institution of Higher Education	3	2.97%	3	2.50%	3	2.68%
			Graduate School	18	17.82%	16	13.33%	15	13.39%
			Other	11	10.89%	9	7.50%	8	7.14%
	Non-management	Gender	Male	51	50.50%	73	60.83%	68	60.71%
			Female	18	17.82%	19	15.83%	18	16.07%
		Age	Under 30	19	18.81%	37	30.83%	28	25.00%
			Over30, under 50	39	38.61%	44	36.67%	44	39.29%
			Over 50	11	10.89%	11	9.17%	14	12.50%
		Academic Qualifications	Institution of Higher Education	2	1.98%	3	2.50%	4	3.57%
			Graduate School	39	38.61%	41	34.17%	39	34.82%
			Other	28	27.72%	48	40.00%	43	38.39%

Diversity Statistics /Year				2021		2022		2023	
				Number of People	Percentage	Number of People	Percentage	Number of People	Percentage
Employee -Gao yin	Management	Gender	Male	61	8.31%	58	14.25%	58	19.93%
			Female	9	1.23%	10	2.46%	10	3.44%
		Age	Under 30	0	0.00%	0	0.00%	0	0.00%
			Over30, under 50	64	8.72%	64	15.72%	63	21.65%
			Over 50	6	0.82%	4	0.98%	5	1.72%
		Academic Qualifications	Institution of Higher Education	0	0.00%	0	0.00%	2	0.69%
			Graduate School	17	2.32%	16	3.93%	17	5.84%
			Other	53	7.22%	52	12.78%	49	16.84%
	Non-management	Gender	Male	524	71.39%	242	59.46%	149	51.20%
			Female	140	19.07%	97	23.83%	74	25.43%
		Age	Under 30	303	41.28%	117	28.75%	49	16.84%
			Over30, under 50	347	47.28%	210	51.60%	157	53.95%
			Over 50	14	1.91%	12	2.95%	17	5.84%
		Academic Qualifications	Institution of Higher Education	0	0.00%	0	0.00%	0	0.00%
			Graduate School	26	3.54%	31	7.62%	27	9.28%
			Other	638	86.92%	308	75.68%	196	67.35%

Note: Percentage of non-managerial staff under 30 years of age = (Total number of direct employees aged under 30 at the end of the year / Total number of employees) *100%;
The formula for calculating the percentage of managerial staff with postgraduate qualifications is as follows:
(Total number of managerial staff with institute qualifications in the year / Total number of employees at the end of the year) * 100%.

New Employee and Resigned Statistics /Year				2021		2022		2023	
				Total	Percentage	Total	Percentage	Total	Percentage
Area				New Employee					
Employee -Headquarter	Gender	Male		8	23.53%	8	25.81%	5	18.52%
		Female		6	17.65%	4	11.43%	6	17.65%
	Age	Under 30		2	100.00%	4	80.00%	0	0.00%
		Over30, under 50		12	28.57%	7	17.95%	11	30.56%
		Over 50		0	0.00%	1	4.55%	0	0.00%
	Academic Qualifications	Institution of Higher Education		6	50.00%	2	22.22%	4	44.44%
		Graduate School		8	16.33%	9	18.00%	7	14.58%
		Other		0	0.00%	1	14.29%	0	0.00%
Employee -Taoyuan	Gender	Male		10	12.66%	30	30.93%	6	6.67%
		Female		2	9.09%	2	8.70%	1	4.55%

New Employee and Resigned Statistics /Year			2021		2022		2023	
			Total	Percentage	Total	Percentage	Total	Percentage
Area			New Employee					
Employee -Taoyuan	Age	Under 30	6	31.58%	22	59.46%	1	3.57%
		Over30, under 50	6	11.76%	8	14.29%	4	7.55%
		Over 50	0	0.00%	2	7.41%	2	6.45%
	Academic Qualifications	Institution of Higher Education	1	20.00%	1	16.67%	2	28.57%
		Graduate School	8	14.04%	8	14.04%	3	5.56%
		Other	3	7.69%	23	40.35%	2	3.92%
Employee -Gao yin	Gender	Male	966	165.13%	378	126.00%	14	6.76%
		Female	132	88.59%	47	43.93%	6	7.14%
	Age	Under 30	608	200.66%	270	230.77%	9	18.37%
		Over30, under 50	479	116.55%	153	55.84%	11	5.00%
		Over 50	11	55.00%	2	12.50%	0	0.00%
	Academic Qualifications	Institution of Higher Education	0	0.00%	0	0.00%	2	100.00%
		Graduate School	10	21.28%	11	21.15%	5	11.36%
		Other	1088	157.45%	414	115.00%	13	5.31%
Area			Departed employees					
Employee -Headquarter	Gender	Male	2	5.88%	9	29.03%	9	33.33%
		Female	4	11.76%	3	8.57%	7	20.59%
	Age	Under 30	1	50.00%	1	20.00%	0	0.00%
		Over30, under 50	4	9.52%	10	25.64%	12	33.33%
		Over 50	1	4.17%	1	4.55%	4	19.05%
	Academic Qualifications	Institution of Higher Education	2	16.67%	4	44.44%	4	44.44%
		Graduate School	3	6.12%	7	14.00%	9	18.75%
		Other	1	14.29%	1	14.29%	3	75.00%
Employee -Taoyuan	Gender	Male	23	29.11%	12	12.37%	13	14.44%
		Female	1	4.55%	1	4.35%	2	9.09%
	Age	Under 30	6	31.58%	3	8.11%	5	17.86%
		Over30, under 50	16	31.37%	4	7.14%	10	18.87%
		Over 50	2	6.45%	6	22.22%	0	0.00%
	Academic Qualifications	Institution of Higher Education	1	20.00%	0	0.00%	1	14.29%
		Graduate School	14	24.56%	8	14.04%	6	11.11%
		Other	9	23.08%	5	8.77%	8	15.69%

New Employee and Resigned Statistics /Year			2021		2022		2023	
			Total	Percentage	Total	Percentage	Total	Percentage
Area			Departed employees					
Employee-Gao yin	Gender	Male	801	136.92%	610	203.33%	39	18.84%
		Female	96	64.43%	89	83.18%	3	3.57%
	Age	Under 30	497	164.03%	408	348.72%	23	46.94%
		Over30, under 50	390	94.89%	286	104.38%	18	8.18%
		Over 50	10	50.00%	5	31.25%	1	4.55%
	Academic Qualifications	Institution of Higher Education	1	0.00%	0	0.00%	0	0.00%
		Graduate School	9	20.93%	11	23.40%	0	0.00%
		Other	887	128.36%	688	191.11%	42	17.14%

Note: The formula for calculating the New Employee Ratio is as follows: (Total number of new employees in the specific category for the year / Total number of employees in that particular category at the end of the year) *100%.

For instance, the new female employees ratio is calculated using the formula: (Total number of new female employees / Total number of female employees at the end of year) *100% The formula for calculating Employee turnover is as follows: (Total number of employees who left the company in that particular category during the year / Total number of employees in that particular category at the end of the year) *100%.

If the ratio of employee turnover for those under 30 years old is calculated as follows: (Total number of employee who left and are under 30 years old / Total number of employees who are under 30 years

4.2 Right Person in the Right Place

A robust human resources strategy is the cornerstone of SiRUBA's sustainable development. To attract talented individuals, we offer competitive salary packages to reward employees who consistently deliver outstanding performance and exhibit long-term dedication. We prioritize equitable treatment for all employees by implementing a transparent performance evaluation, reward, and disciplinary system. This fosters a healthy environment of fair competition, motivating colleagues to invest greater effort in their work performance. Moreover, our company culture encourages the engagement of talented individuals, creating a sense of unity among workers and alignment with company values. In terms of promotion, the company ensures transparency by publicly sharing promotion-re-lated information. This approach promotes healthy competition, enabling colleagues to learn from role models and allowing the company to continuously cultivate exceptional talent. Additionally, we provide educational training opportunities for employees, empowering them to continually enhance their skills and realize their self-worth.

Lastly, SiRUBA establishes diverse communication channels to facilitate interaction with colleagues. This encourages colleagues to share their feedback, fostering a trustworthy and reciprocal exchange of information.

4.2.1 Salary and Benefits

SiRUBA follows a salary policy that ensures the average salary is positioned above the industry's median level. We are committed to offering a robust and competitive salary package to attract top talent. The company conducts annual salary surveys to gauge the market conditions and implements necessary adjustments to sustain our salary competitiveness. In 2023, the salary of junior staff of the company's Taiwan headquarter for both men and women is 1.81 times higher than the local basic wage. The salary of junior staff of Gao-Yin Company is 2.22 times higher than the local basic wage for both men and women. Following the principles of gender equality, the company rewards employees based on their performance, regardless of gender. The overall salary scale considers factors such as position, grade, experience and years of service.

When comparing salaries within the same grade, a slight difference in the average salary ratio between men and women is observed, mainly because men tend to go on business trips more frequently.

Ratio of Basic Pay to Salary		Gender		
Major Operating Site	Employee Category	Project	Male	Female
Headquarter	Management	Minimum Wage	1	0.94
		Salary	1	1.04
	Non-management	Minimum Wage	1	0.90
		Salary	1	1.23
Taoyuan	Management	Minimum Wage	1	0.86
		Salary	1	0.87
	Non-management	Minimum Wage	1	1.13
		Salary	1	1.27
Gao-Yin	Management	Minimum Wage	1	1
		Salary	1	1.1
	Non-management	Minimum Wage	1	1
		Salary	1	0.93

Note 1: Basic payment refers to the minimum wage for employees' regular duties and does not include additional payments such as overtime pay, bonuses, or other allowances.

Note 2: Salary encompasses the basic payment along with additional compensation for the workers. "Additional payment for the workers" includes years of service allowances, bonus (both cash and equity), benefits, overtime pay, time-off hours, and other allowances (such as transportation, housing, and childcare allowances).

Note 3: There is a distinction between the seniority levels of men in managerial roles and those of women in non-managerial positions.

High-order Localized Employment

Major Operating Sites	Total Number of Senior Managers in 2023	Employment of Taiwan Residents Number of Senior Managers in 2023	Employment Ratio
Taiwan Headquarter and Taoyuan Plant	18	18	100%
Gao Yin	6	2	33.33%

Note: Senior supervisors hold the position of assistant manager (or higher).

Employment Ratio: (Employment of Taiwan Residents Number of Senior Managers / Total Number of Senior Managers *100%)

SiRUBA provides welfare policies such as labor insurance, health insurance, childcare, retirement reserves, and leave and attendance systems in accordance with the Labor Standards Law and other relevant laws and regulations. All employees of the company are required to apply for labor insurance and national health insurance in accordance with the laws and regulations, and enjoy the right to insurance benefits, allowing

everyone to Every employee can feel cared for and taken care of. Additionally, the company established an "Employee Welfare Committee" in accordance with the law, consisting of a total of 8 members, and formulated the "Welfare Committee Welfare Matters" and allocated employee welfare funds in accordance with the law. In accordance with the "Labour Standards Law", SiRUBA provides employees with retirement reserves, and in accordance with the law, pays 6% of their wages to the employees' personal pension account on a monthly basis. The company also estimates and prepays pensions in the following year each year to ensure protection. Colleagues come to claim pension rights. 100% of the employees of the company's head office and Taoyuan factory participate in this retirement plan.

Parental Leave

SiRUBA's parental leave policy, as outlined in Article 16 of the Gender Equality in Employment Act, allows employees with at least six months of service to apply for unpaid childcare leave until their child turns three years old, for a maximum duration of two years.

Employee Parental Leave /Year	Gender	Area					
		Headquarter			Taoyuan		
		2021	2022	2023	2021	2022	2023
The number of employees who have applied the parental leave	Male	0	1	0	0	0	0
	Female	1	0	0	0	0	0
Number of employees who should be reinstated upon expiry of their childcare leave of absence (A)	Male	0	1	0	1	0	0
	Female	1	0	0	0	0	0
Number of employees actually reinstated upon expiry of the childcare leave suspension (B)	Male	0	1	0	1	0	0
	Female	1	0	0	0	0	0
Reinstatement rate(B/A)	Male	-	100%	-	100%	-	-
	Female	100%	-	-	-	-	-
Number of employees who have completed the period of leave of absence for babysitting in the preceding year and are still in service 12 months after resumption of duty(C)	Male	0	0	1	0	1	0
	Female	0	1	0	2	0	0
Stayed rate(C/Last year B)	Male	-	-	100%	-	100%	-
	Female	-	100%	-	100%	-	-

Note 1: The number of employees eligible for parental leave is determined based on the number of male and female employees who have applied for maternity and paternity leave within the past three years.

Note 2: Reinstatement rate = (Total number of staff actually reinstated in the year / Total number of staff expected to be reinstated in the year) *100% •

Note 3: Retention rate = (Total number of employees still in service 12 months after reinstatement in the previous year / Actual number of individuals reinstated in the previous year) *100% •

Note 4: Gao Yin Plant does not have a parental leave system and thus does not disclose related data.

Benefit system as following:

Employee Benefit Projects	Full-time Employee		
	Headquarter	Taoyuan	Gao Yin
Group Accident Insurance	■	■	
Marriage/Remarriage/Birth/Burial Allowance	■	■	■
Holiday Bonus	■	■	
Year End Bonus	■	■	■
Regular Health Checkups	■	■	■
Employee Shareholding	■	■	
Staff Travel/Travel Allowance	■	■	■
Parking space		■	■
Paid birthday leave	■	■	■
Staff dormitory/supervisor accommodation subsidy		■	■

Friendly Working Pictures

Taoyuan - Breastfeeding room



Taiyuan - Staff Restaurant



retirement farewell party



birthday party



Taoyuan Plant employee travel



Taoyuan Plant employee travel



Taipei staff travel



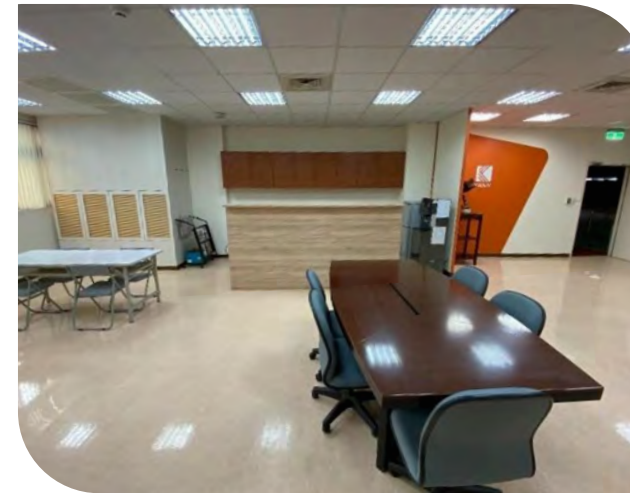
Taipei staff travel



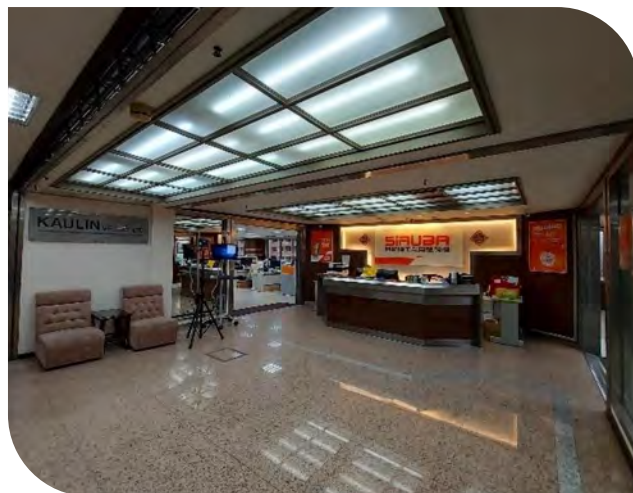
Gao Yin - employee birthday condolences



Gao Yin - Send coolness in summer



Comfortable Working Environment



4.2.2 Talent Training

We are committed to fostering the professional growth of our employees, and thus, we categorize educational training programs according to the potential challenges and skill requirements corresponding to each rank. Simultaneously, with the aim of optimizing employees performance, we offer internal staff and supervisors opportunities for rotational roles. Additionally, we incentivize employees to enhance their capabilities through rewards for pursuing advanced studies and obtaining foreign language certifications. SiRUBA also boasts an education and training management system tailored for our top-tier talents. This system is designed to yield optimal results when the right individual is matched with the right position.

SiRUBA's education and training procedure is initiated after each department proposes the training plan, which subsequently gains approval from the responsible officer. Upon completion, is evaluated based on categories. We offer employees courses such as "Quality Inspection Courses," "Product Development Courses," and "Machine Operation Courses" to enhance their abilities and proficiency. This approach empowers our employees to undertake various roles and encourages our top talents to remain, thus sustaining our competitive advantage. Additionally, we extend external training opportunities to foster well-rounded growth. Courses such as "Digital Development Course" and "Management Functions Course" provide employees with avenues for comprehensive development.

2023 Training Performance :

Taipei, Taoyuan plant /Course Name	Total training hours	Number of participants	Taipei, Taoyuan plant /Course Name	Total training hours	Number of participants
Management	972	408	Process method	319.5	153
workplace skills	844.9	637	digital marketing	58.6	23
Compliance training	667.5	371	Product development	352.5	70
Audit Accounting	36	8	manufacturing	133	52
operating system	1510.2	223	Gao Yin plant /Course Name	Total training hours	Number of participants
data analysis	21.9	13			
programming language	117.46	28	Quality Inspection Course	1238.6	1054
visual design	66.7	21	Product Development Course	225.5	62
Business foreign language	84.9	48	Machinery Operation Course	1152.5	564
product training	62.5	32	Management Skills Course	1049.5	126

Training Performance :

Training Performance Headquarter Training Performance Statistics/Year		2021	2022	2023
Average Hours of Every Employee Trained (Note 1)		24.8	16.6	39.9
Average Hours of Employee Trained by Gender (Note 2)	Male	31.1	19.4	31.1
	Female	18.5	14.0	46.9
Average Hours of Employee Trained by Category (Note 3)	Management	46.0	31.9	43.1
	Non-management	17.2	10.8	38.4
Training Performance Headquarter Training Performance Statistics/Year		2021	2022	2023
Average Hours of Every Employee Trained (Note 1)		14.0	13.2	23.5
Average Hours of Employee Trained by Gender (Note 2)	Male	12.8	12.5	16
	Female	18.2	16.2	54.3
Average Hours of Employee Trained by Category (Note 3)	Management	26.2	28.2	34.3
	Non-management	8.3	8.7	20.3
Training Performance Headquarter Training Performance Statistics/Year		2021	2022	2023
Average Hours of Every Employee Trained (Note 1)		14.0	13.2	23.5
Average Hours of Employee Trained by Gender (Note 2)	Male	12.8	12.5	16
	Female	18.2	16.2	54.3
Average Hours of Employee Trained by Category (Note 3)	Management	26.2	28.2	34.3
	Non-management	8.3	8.7	20.3

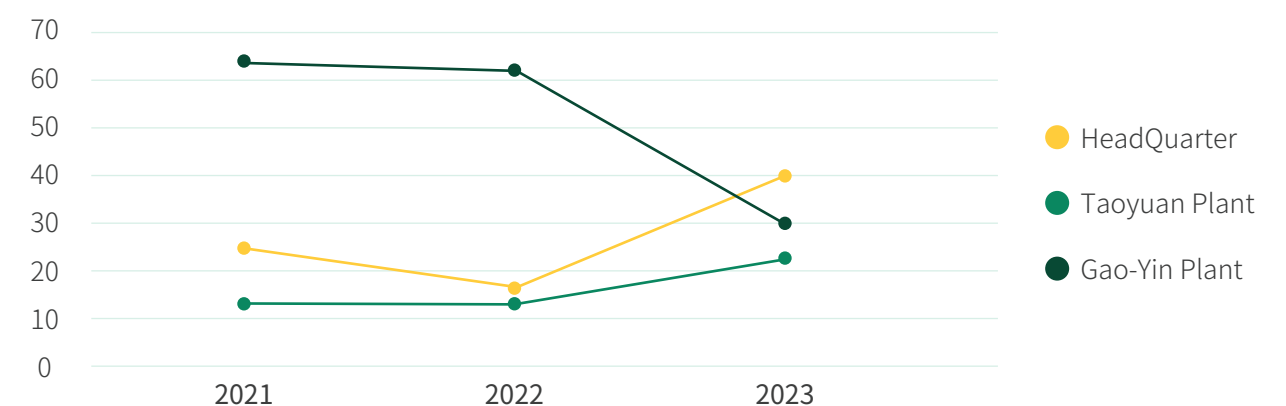
Note 1: Average training hours per employee: The total number of training hours for all employees in the current year /The total number of employees at the end of the year.

Note 2: Average training hours per female employee : The total number of training hours of all female employees in the current year / The total number of female employees at the end of the year.

Note 3: Average training hours per category of employee: The total number of training hours of every category of employees in the current year / The total number of employees in the category at the end of the year.

In 2023, due to the online digital platform courses and incentive system, the training hours will increase significantly.

Average Hours of Every Employee Trained



Note 1: Taipei and Taoyuan will introduce digital development courses in 2023, making the training more timely.

Note 2: Due to the decrease in the total number of employees at the Gao-Yin Factory compared with 2022, the average training hours of employees have decreased.

Education and training highlights

Health Seminar-Workplace Bullying



Information security promotion



Earth Environmental Protection Day Promotion



Earth Environmental Protection Day Promotion



Safety and health courses



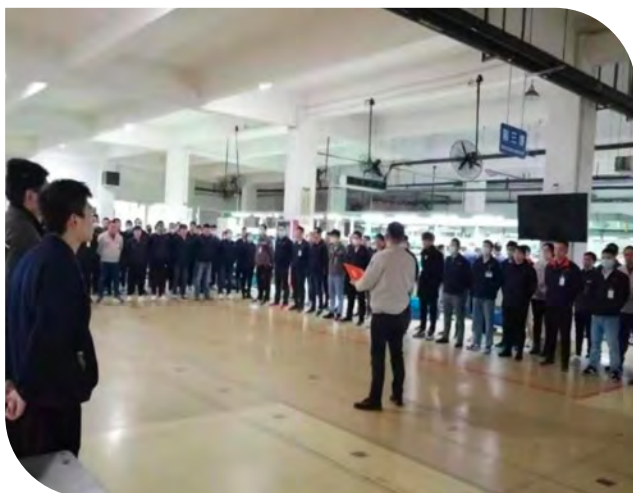
Safety and health courses



How front-line supervisors control costs



Explanation of employee work rules



Performance Evaluation

To reward those who perform well, we assess every employee’s performance and consider the results when planning career advancements. This approach cultivates professionalism through individual efforts. Employees demonstrating management ability and leadership capabilities are promoted to managerial positions, thereby offering comprehensive career development opportunities for their colleagues.

Performance Evaluation of Headquarter and Taoyuan Plant in 2023		Number of inspected people	Number of employee	Percentage
Gender	Male	117	173	68%
	Female	56		32%
Employee Category	Management	46	173	27%
	Non-management	127		73%

Performance Evaluation of Gao-yin Plant in 2023		Number of inspected people	Number of employee	Percentage
Gender	Male	199	282	70.57%
	Female	83		29.43%
Employee Category	Management	63	282	22.34%
	Non-management	219		77.66%

Note: Employees in categories such as babysitting, XX, etc. are not included in the performance Evaluation

4.2.3 Labor-Management Negotiation

Diversified Negotiation Channels

SiRUBA adheres to a belief in respect, embracing diversified labor-management negotiations and valuing employees' opinions. This approach fosters harmonious labor relations and team cohesion, significantly enhancing operational performance. Therefore, we actively establish diversified labor-management communication channels, maintaining smooth two-way communication between labor and management, not only ensures the timely and effective dissemination of company information, but also aids in refining various management initiatives. These communication methods are elaborated below as SiRUBA's three key labor-management communication strategies.

- Various types of Meetings: Including Unit / Department meetings and other gatherings.
- Announcement / Inquiries / Assessments / Feedback: Encompassing performance evaluations, opinion feedback, channels for employee complaints, and personnel announcement.
- Labor-Management Negotiation Meeting Organization: This organization deals with labor-management negotiation meetings, employee benefits, and related matters. The description above highlights the utilization of diverse communication channels, including one-way, two-way, and interactive modes. These communication methods are integrated with the organization's internal operations and management standards to ensure the seamless transmission of various messages.

If the company closes an existing factory establishes a new one, resulting in employee repatriation or a

change in the factory site, we will comply with the Mass Dismissal of Workers Protection Act. This involves reporting to the local government's Labor Bureau 60 days in advance and adhering to the notice period.

■ Labor-Management Negotiation Meeting Organization

We respect that the right of assembly granted by the laws and no oppose or interfere with employees exercising it.

Meanwhile, once approved by the authorities, the labor-management meeting and employee benefit committee will commence their operations. Currently, the labor-management conference convenes regularly on a quarterly basis, and the employee welfare committee also holds regular meetings. Each labor-management communication entity has a distinct role, focusing on different issues, and collaborates to enhance the co-prosperity and coexistence of employers and employees. This collaborative effort creates mutually beneficial and win-win situations for both parties.

■ The Resolution of Compliant

We maintain a strong labor-management channel, and our workers have excellent rapport. There were no significant complaint cases in 2023.

■ The Resolution of Discrimination and Sexual Harassment

The company has established a "Preventive measures, complaints and penalties of sexual harassment" in the workspace policy. In the event of sexual harassment or workplace bullying, and to ensure employees' rights, the affected employee can report the incident through our internal notification mechanism. Since its implementation, there have been no reported cases of sexual harassment and bullying in 2023.

■ The Action in Response to Corruption and Bribery Incidents

The company has established the "Code of Ethical Conduct" as the foundation for employees' daily ethical behavior.

There have been no reported incidents of corruption or bribery involving company employees. Should any similar incidents arise in the future, they will be thoroughly investigated and addressed in accordance with pertinent management regulations. If the investigation substantiates the claims with clear evidence, appropriate actions will be taken following company management protocols or relevant government laws and regulations.

4.3 Occupational Safety and Health

4.3.1 Commitment and Policy of Occupational Safety and Health

SiRUBA has implemented International Standards ISO 45001 for Occupational health and safety management systems in Gao-Yin Plant but also at the headquarters and Taoyuan Plant. Every operating site has established occupational health and safety management systems. Our company health policy is rooted in "respect for the value of life," a commitment to uphold the "safety discipline," and a dedication to prevention of "industrial safety accidents".

Our primary objective is to adhere to governmental environmental protection and occupational safety and health laws. This commitment underscores our fulfillment of corporate social responsibilities. We assure our clients that our products comply with the relevant laws and standards, offering both high quality and safety. Furthermore, we are deeply committed to preventing occupational accidents by promoting health and cultivating a workplace conducive to well-being, thereby fulfilling our corporate social responsibilities.

SiRUBA is committed to promoting occupational health and safety while minimizing occupational accidents. We adhere to with occupational safety and health regulations as well as international norms of social responsibility. Our continuous efforts aim to enhance the safety and well-being of employees within their work environment, preventing occupational injuries and illnesses, and mitigating risk factors. We strive to fully comply with occupational safety and health laws and regulations, striving to establish a corporate workplace that is not only high-quality but also safe and conducive to health. Our dedication lies in creating a workspace that adheres to occupational safety and health laws and regulations, ensuring it is of high-quality, safe, and fosters a healthy environment. For a significant duration, we have been committed to looking after our employees' health and safety. This commitment stems from our responsibility to society and our pursuit of sustainable development. We firmly believe that the well-being of our employee is invaluable to us.

Occupational safety and health management system



4.3.2 The Participation, Consultation and Communication of Workers

To establish a safe workplace, SiRUBA has adhered to Article 23 of the Occupational Safety and Health Law. Occupational safety and health committees have been established at each operational base. Occupational safety and health committees have been established at each operational base. These committees are responsible for providing suggestions on safety and health policies formulated by the safety and health office. They also undertake tasks such as reviewing, coordinating, and recommending safety and

health-related matters. The committee comprises occupational safety and health personnel, department heads, research and development personnel, production unit staff, and specialists. These collective forms the highest deliberative body for safety and health management. Regular quarterly meetings are held to provide recommendations on occupational safety and health policies. Additionally, the committee addresses various safety and health concerns, including health management, environmental monitoring programs, various safety and health proposals, prevention of occupational diseases, and health promotion.

To encourage open communication, an employee intranet site features a dedicated channel for comments, questions, complaints, and suggestions. This channel allows employees to express themselves anonymously if desired. They can also choose to share their comments or replies publicly or restrict them to specific individuals. Once an employee submits a comment and specifies the relevant department for replies, the system forwards the message to the designated department for processing. It is mandatory for the department to provide an online response to the employee. Both the design of the employee suggestion box system and the complaint process prioritize the complainant's privacy. This ensures that employees can submit online messages or directly contact the occupational safety and security window without concerns regarding any occupational safety and security-related complaints in 2023.

4.3.3 Hazard Identification, Risk Assessment and Accident Investigation

In accordance with the operating standards outlined in the Occupational Safety and Health Act, the Company systematically identifies hazards and assesses associated risks on a regular basis. It establishes diverse operating procedures based on the degree of risk. Moreover, the Company plans annual safety and health-related education and training activities. These initiatives include organizing fire extinguishing drills and emergency evacuation drills, aimed at familiarizing employees with the Company's safety and health facilities their proper usage. The intention is to enable employees to instinctively and intuitively assess potential disaster impacts beforehand. By providing knowledge on using fire extinguishers and guiding employees in advance evacuation, the company aims to preclude significant accidents and injuries. This approach ensures the timely use of fire extinguishers and guides employees to evacuate proactively, thereby preventing the occurrence of major accidents.

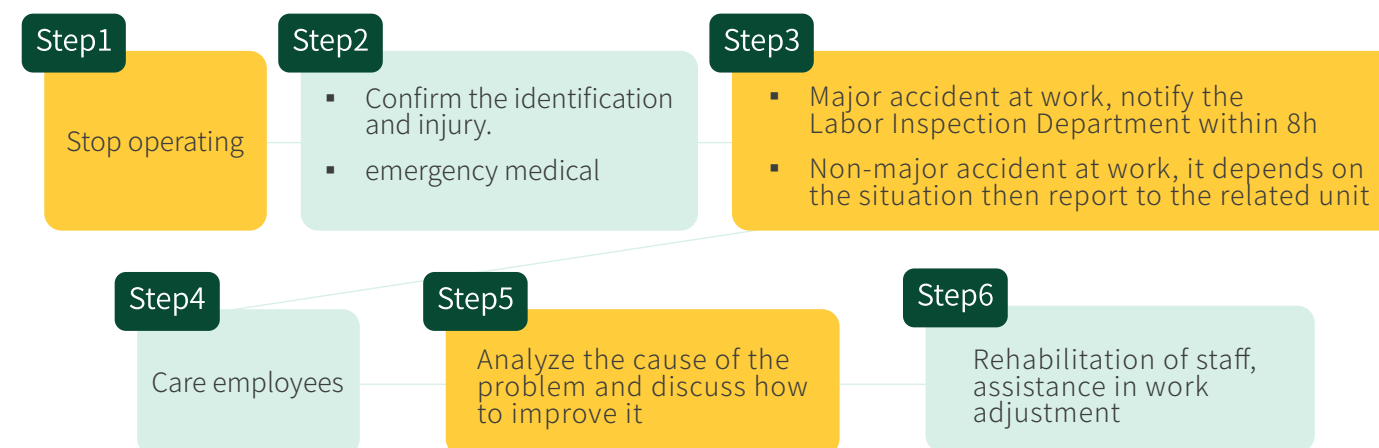
SiRUBA operates in the machinery and equipment manufacturing and repair industry, which falls under the highest risk category due to significant potential hazards. As such, we have established an occupational safety and health management system tailored to our size and nature. Through functions like planning, implementation, inspection, and improvement, we have successfully achieved safety and health management goals and elevated our safety and health standards. Our dedicated safety and health office plays a vital role in preparing, overseeing, and promoting safety and health management matters. This office guides relevant departments in executing necessary measures.

To avert emergencies, we have devised "Disaster Emergency Response Guidelines" to swiftly identify potential disaster triggers. By adhering to these guidelines, we undertake essential measures to minimize injuries, mitigate losses, and prevent secondary environmental pollution. Our company primarily addresses two common hazards: traffic accidents during commutes and finger cuts resulting from unintentional sewing machines operations. We effectively counter these risks through administrative directives and related actions. In cases of occupational accidents, the unit where the incident occurred notifies the labor safety

responsible unit. Subsequently, an investigation is launched, delving into the incident's details, analyzes direct, indirect, and root causes, offering post-incident support, and devising countermeasures to prevent recurrence. Upon the investigation completion, both the unit supervisor where the accident occurred, and the relevant unit endorse the findings.

Hazard type (high risk)	Coping mechanism
A fire broke out in a hazardous chemicals warehouse due to the use of an open flame	Provide employees with labor protection supplies and fire-fighting facilities, install explosion-proof lights and other explosion-proof electrical equipment, and conduct regular cleaning and safety inspections.
The spray line operation may encounters an ignition source explosion or inhalation of toxic volatile organic compounds.	Provide employees with labor protection supplies, fire-fighting facilities, install explosion-proof electrical equipment such as explosion-proof lights, use robots to reduce personnel contact, and provide regular safety training.
Gas room operation may experience valve leaks or sparks occur when handling gas cylinders	Install electrostatic grounding and explosion-proof electrical equipment such as explosion-proof lights. Handle equipment with care and perform regular safety inspections.

Accident Investigation Flowchart



Headquarter Statistics/Year		2021	2022	2023
Total experienced working hours (actual total working hours attended)		125,384	134,955	89,093
Fatal accidents caused by occupational injuries (Note 1)	Number of people	0	0	0
	percentage	0.00%	0.00%	0.00%
Serious occupational injury (Note 2)	Number of people	0	0	0
	percentage	0.00%	0.00%	0.00%
Recordable occupational injuries (Note 3)	Number of people	0	0	0
	percentage	0.00%	0.00%	0.00%
occupational diseases	Number of people	0	0	0
	percentage	0.00%	0.00%	0.00%
Recordable occupational diseases	Number of people	0	0	0
	percentage	0.00%	0.00%	0.00%
Taoyuan Statistics/Year		2021	2022	2023
Total experienced working hours (actual total working hours attended)		204,488	215,302	223,721
Fatal accidents caused by occupational injuries (Note 1)	Number of people	0	0	0
	percentage	0.00%	0.00%	0.00%
Serious occupational injury (Note 2)	Number of people	0	0	0
	percentage	0.00%	0.00%	0.00%
Recordable occupational injuries (Note 3)	Number of people	0	0	0
	percentage	0.00%	0.00%	0.00%
occupational diseases	Number of people	0	0	0
	percentage	0.00%	0.00%	0.00%
Recordable occupational diseases	Number of people	0	0	0
	percentage	0.00%	0.00%	0.00%
Gao-Yin Statistics/Year		2021	2022	2023
Total experienced working hours (actual total working hours attended)		1,855,506	1,132,736	615,934.5
Fatal accidents caused by occupational injuries	Number of people	0	0	0
	percentage	0.00%	0.00%	0.00%
Serious occupational injury	Number of people	0	0	0
	percentage	0.00%	0.00%	0.00%
Recordable occupational injuries	Number of people	8	6	3
	percentage	0.862%	1.059%	0.11%

Gao-Yin Statistics/Year		2021	2022	2023
Total experienced working hours (actual total working hours attended)		1,855,506	1,132,736	615,934.5
occupational diseases	Number of people	0	0	0
	percentage	0.00%	0.00%	0.00%
Recordable occupational diseases	Number of people	0	0	0
	percentage	0.00%	0.00%	0.00%

Note 1: Serious occupational injuries: Serious occupational injuries that cause the employee to be unable or difficult to return to the state of health before the injury within six months, but the number of deaths should be excluded from the statistics.

Note 2: Recordable occupational injury or disease: Occupational injury or disease caused by any of the following circumstances, such as death, leaving work, restriction of work or change of work, medical treatment beyond first aid, or loss of consciousness, or by a doctor or other significant injury or illness diagnosed by a licensed health care professional (even if it does not result in death, time away from work, restriction or transfer of work, medical treatment beyond emergency care, or loss of consciousness), but statistics should Contains fatalities.

Note 3: Recordable occupational injury rate = (number of recordable occupational injuries/total working hours experienced) *20000

4.3.5 Occupational Health Services

SiRUBA places significant emphasis on the well-being of its employees and has established employee health guidance and management measures in alignment with the "Code of Practice on Safety and Health." Additionally, SiRUBA proactively advances health care promotion programs, engaging with employees to enhance their overall health.

SiRUBA arranges pre-arrival health checkups for new employees and mandates the submission of medical checkup forms on their first day of work. This process is designed to monitor the health status of new employees.

SiRUBA carries out complimentary employee health checkups every three years, in compliance with legal requirements. The results of these health checkups are thoroughly analyzed to reinforce employee health management and promotion. Moreover, we uphold the confidentiality of the employees' personal health information.

SiRUBA organizes employee health-related education and training as well as hygiene promotion initiatives. We enhance health communication among colleagues by utilizing questionnaires, interviews, suggestions from labor representatives, and staff mailboxes.

These measures aim to gather feedback from colleagues after such activities.

Highwood employs medical professionals, including Labor Health Services nurse practitioners and OSHA staff, to offer guidance on health management related to maternal protection, overwork, and abnormal health screening results. In 2023, we provided a total of 144 hours of on-site medical services, including 12 hours by physicians and 72 hours by nurse practitioner.

4.3.6 Occupational Safety and Health Training

Concerning occupational safety and health education and training, SiRUBA adheres to an education and training plan. In addition to the obligatory regular statutory safety and health retraining courses (designed for technicians, business supervisors, fire prevention administrators, and first-aid providers) and newcomer training, we conduct biannual fire drills. These in-house training and awareness campaigns are provided free of charge. To ensure the efficacy of our training, evaluations and tests are administered upon the conclusion of specific programs, such as newcomer training. Below is a summary of the 2023 training outcomes.

Taoyuan Plant/ Course Name	Total Training Hours	Number of People
Safety inspection training	11	11
Instructions for Using Fire Fighting Equipment	11	11
Vaccination Training for Rehabilitated Workers	11	11
Hazardous Chemicals Safety Management Training	106.9	7
Occupational Safety Training	40	40
Gao-Yin Plant/ Course Name	Total Training Hours	Number of People
Level 3 safety education and training for newcomers	232	58
Training on epidemic prevention inspections for those returning to work after New Year's Day and Spring Festival	11	11
On-duty safety inspection training during the Spring Festival	11	11
Training for company leaders and security personnel	98	7
Micro fire station administrator training	216	6
Hazardous chemicals safety manager training	32	2
Limited space emergency rescue drill	29	29
Safety production knowledge training	24	24
Fire emergency drill	269	269
Environmental protection facility operation precautions training	7	7
Occupational health-related policies and regulations and fire safety training	116	58
Training on precautions related to daily fire-fighting equipment inspections and assistance with safety production ledgers	35	35

Occupational safety and health training



GaoYin- Epidemic prevention inspection for thos returning to work after the Spring Festival



Safety production knowledge



4.3.7 Improves Worker Health

SiRUBA places the utmost importance on our employees, recognizing them as our most valuable asset. Our commitment lies in cultivating a welcoming work environment that prioritizes employee well-being and nurtures a healthy work-life balance. For colleagues engaged in office-based, sedentary, or repetitive tasks, we conduct musculoskeletal and cardiac assessments. Our professional nurse practitioners carry out interviews to evaluate overload prevention and human factors. They provide suitable ergonomic advice and recommend adjustments to work posture. In cases of mental health concerns, nurses or doctors may recommend appropriate medical professionals and services, alongside facilitating access to psychological counseling for employees in need. Our human resources unit diligently monitors employees with irregular attendance, offering timely support and companionship. Furthermore, we provide comprehensive employee group insurance coverage, ensuring that employees facing health challenges can seek medical care without apprehension about hospitalization, surgery, and related expenses. Additional health promotion programs and services encompass the following:

Promote healthy eating and exercise through the Occupational Safety and Health e-newsletter.

Provide information on leisure exhibitions from time to time and encourage colleagues to participate in leisure activities.

Regularly surveying the needs of employees, purchases books, and provides books for loan. This program includes not only professional design books but also healthcare and mental-emotional books to enrich the physical, mental, and spiritual health of employees.



Limited space emergency rescue drill



Occupational health-related policies and regulations and fire safety



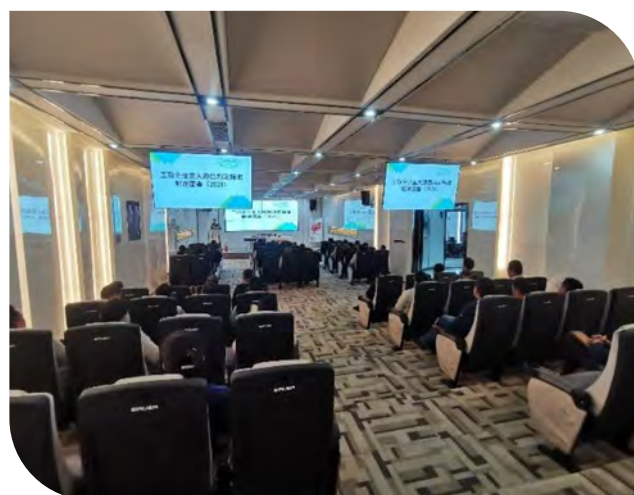
Occupational health-related policies and regulations and fire safety

Occupational health-related policies and regulations and fire safety

4.4 Social Participation

As a vital component of society, SiRUBA coexists with investors, employees, locals, and various stakeholders. We aspire to set an exemplary precedent, guiding other enterprises to strive for excellence. Our operational sites actively collaborate with local organizations, ensuring that resources are directed toward those who genuinely require assistance, thus contributing to the betterment of our society.

In view of the environmental pollution caused by fast fashion, upholding corporate social responsibility, the Foundation is committed to promoting the "ReSEW's" through the sewing machine manufacturing industry to research and develop trial sewing and textile discarded fabrics and all kinds of textile discarded fabrics, stock fabrics, defective products, sample fabrics, etc. to re-sew and upgrading and re-creation of the recycling value of resources.





In view of the environmental pollution caused by fast fashion and upholding corporate social responsibility The foundation is committed to promoting "Project ReSEW's" Testing waste fabrics through the sewing machine manufacturing industry And various textile waste fabrics, stock fabrics, defective products, sample fabrics, etc. are re-sewed and up cycled to create the regeneration value of resources.

Implement sustainable education

Reduce environmental pollution

Caring for the disadvantaged in society

Sustainable Education • Guan Yin High School

The Kaulin Foundation's "Project ReSEW" s" will visit Taoyuan Guan Yin High School in mid-June to conduct a hands-on quilting training course with the teachers and students of the Multimedia Animation Department. In the current increasingly hot climate, almost everyone has a glass of hand-shaken drink...sometimes more than one a day. It would be great if the aesthetics and practicality could be considered while reducing plastic waste. Under the instructor's guidance, participants will start by selecting waste materials and designing their favorite style. The project will culminate in hand sewing (or machine sewing), along other activities throughout the process. Some students learned how to tie knots and hand-sew for the first time, and they finally completed unique portable cup holders. With a sense of accomplishment, everyone happily decided to take it out together after the trip! In recent years, more and more young students are willing to participate in sustainable education and practice it. We hope everyone can continue to work hard.



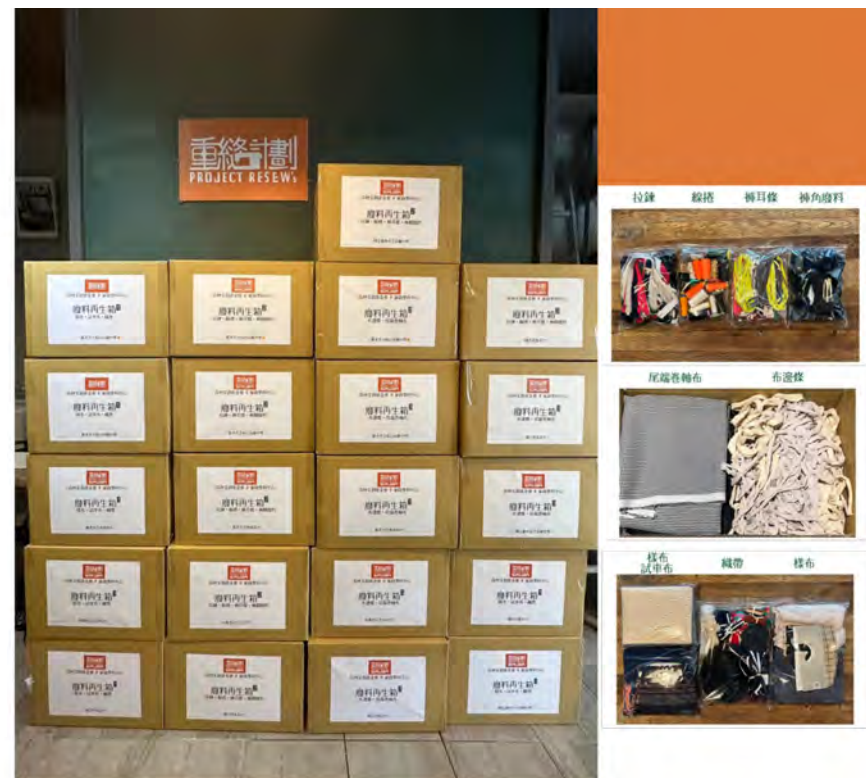
Promotion and Utilization

2023 Sustainable Education

Kaulin Cultural and Creative Foundation's Re-Sewing Project - Education Sustainability, following the five schools in 2022 and 2023, we specially selected six schools in Taiwan with the Home Economics Subject Center to provide waste recycling bins :

- Taipei Municipal Songshan High School
- Taipei Municipal Nangang High School
- National Judong High School
- National Tainan Girls' High School
- National Kaohsiung Wenshan High School
- National Hualien Girls' High School

These waste materials come from various garment and textile industries, out-of-season, defects, and inventory, as well as Kaulin's own test run waste materials. They are sorted by the foundation to reduce the costs of enterprises, so that students can use rich waste materials to create. This kind of education sustainability bar makes the entire cycle more meaningful.



Sustainable education. Feishan Feicheng

JuYang United Charity Activities

In cooperation with the JuYang Humanities Development Education Foundation, it went to schools in non-mountain and non-city areas and settled in the "Sustainable Together Bar" • Bringing the seeds of design aesthetics into schools and overturning the stereotype of waste.

participating schools

- Xizhi Baochang Elementary School
- Sanxia Chengfu Elementary School
- Sanxia Minyi Elementary School
- Xindian Quchi Elementary School



Sustainable Education · Yucheng High School

On the 20th anniversary of Yucheng High School, the teachers specially invited the foundation to arrange a sustainable education and re-sewing activity for all the teachers and students to participate in. Teachers who usually specialize in subjects are eagerly participate in the design and tailoring of non-core subjects. Under the guidance of Kaulin's Teacher, the seemingly difficult handbags began to take shape one after another. The students were not afraid to try, and were very creative. They even exclaimed how beautiful the combination of waste materials turned out to be. The principal, who attended the event, announced that a series of fashion sustainability courses would be offered as electives for students. It was really great.



Create job opportunities

Replace old ones with new ones
Sewing Machine Subsidy Scheme

2023

Has the sewing machine in your studio been working with you for ten or twenty years? Although the old sewing machine can still operate, the noise, vibration and power consumption it generates greatly affect the quality and efficiency of your work, and also impact the natural environment. The Foundation invites good partners who are engaged in sewing to love the earth together. "Kaulin Foundation, in cooperation with "Kaulin MFG. Co., Ltd.", launched the SIRUBA "Energy-saving New Generation Replacement of Old Machines with New Machines" activity. Whether an old friend of SIRUBA or using other brands, users who exchange their old machines for new ones through this activity will receive an "Energy Saving Sponsorship" of NT\$6,000 from Kaulin Foundation. This allow customers to get a brand new energy-saving sewing machine for as low as NT\$9,000.



主辦單位 高林文創基金會 協辦單位 高林股份有限公司

RESEW's Lab 重縫實驗室

We provide professional field of industrial sewing machines and sustainable fabric bank supplies. With the "Project Resew" as the centered around, through design and implementation courses, we make good use of the remaining resources of the fashion industry and cultivate "repair. alter. make" skills to extend the length of clothes. Extend the lifespan of clothing and maximize the benefits of sustainable fashion.

Corporate world

Providing textile waste materials

Academia

Research and implementation

Arts and literature

Promotion and Utilization

Disadvantaged groups

Create job opportunities



Collect



Classification



Design



Renewal value



Produce

Create job opportunities

RESEW's Lab

In 2023, the Textile Research Institute's Talent Training Class of the Knitted Garment Sampling Center applied to implement the Vocational Training Bureau plan. The foundation specially built a new industrial machine equipment facility in the basement with 15 flat lathes, 3 copy machines and 1 three-way lathe. These machines were lent to the Textile Research Institute for a total of 300 hours of mass production training courses in garment making technology.



Create job opportunities

RESEW' s Lab X Taipei NPO Tribe

Supply the necessary materials for the industrial sewing machine workplace and sustainable fabric bank. The central focus of the reunion program is to introduce tribal members, who might be less acquainted with sustainable fashion, to the knowledge, appreciation, and hands-on experience of using industrial sewing machines. The aim is to demonstrate how environmental protection and fashion can coexist harmoniously.



Create job opportunities

Awakening Foundation Songde Women and Family Services Center

The Mustard Seed Mission
Zhongzheng Women's Center

Provide a professional field for industrial sewing machines as a skill-building workshop.
Provide professional field of industrial sewing machines in four years from 2020 to 2023 domain, as a skills-building workshop.
A total of more than 300 women have been trained.



Re-stitch. Regeneration course

Community connection •
Sharing and co-creation

- NG cement bag reuse
- Kaulin Foundation
- 2022 Opportunity Cannot Be Missed - Kaohsiung Almonds Shop HAPPY LANE and 2020 Opportunity Cannot Be Missed - Tainan pattiwa-ku cross-regional cooperation, using foundation-subsidized industrial sewing machines to hold used clothes for citizens and tourists, and combining with GAIN HWANG PAPER MFG. Co., Ltd. to provide NG cement bags, flags Flag cycle transformation and other teaching experience courses.



Create job opportunities

RESEW' s LabX Shilin Datong Women' s Center

RESEW' s LabX Shilin Datong Women' s Center
Kaulin Foundation, Datong Shilin Women's Training Center and Taipei Awakening Association work together to realize crafts x creativity x business for women friends

course features

- The course is free, but there are only 16 places!!
- 8 lessons for you to learn how to make denim tote bags and garden skirts...
- The big Easter egg is that you can also learn dressing and makeup skills at the end, which will increase women' s confidence.



一起来做 牛仔布大改造
把舊牛仔褲變成新包包!

專人教學指導 x 婦女就業培訓
縫紉機器上手 x 動手做圍裙、杯墊、托特包

活動時間：
11/2/09/06 起至 11/2/11/08 每週三 09:30-12:30
共10堂課

活動地點：
高林重縫實驗室 (台北市中正區重慶南路三段2號3樓303室 NPO聚落)

招募對象：
居住於臺北市或新北市之女性
(歡迎經濟弱勢及有就業需求之婦女)

報名方式：
請掃右側 QRcode, 限額16位

相關事宜請聯絡
大同士林婦女支持培力中心
2558-0170

主辦單位：
婦女支持培力中心

協辦單位：
社團法人台北市婦女新知協會
財團法人高林文化創意基金會

Re-stitch. regeneration course

Community links. Sharing and co-creation

In view of the environmental pollution caused by fast fashion, the Kaulin Foundation adheres to corporate social responsibility and promotes the re-sew project Project ReSew's. It hopes to use sewing machines to recycle waste materials used for test runs and various textile waste fabrics, inventory fabrics, defective products, sample fabrics, etc. Sewing recreates the value of waste materials.

If you have never used a sewing machine, if you have no idea about sewing, and if you want to complete homemade works, this course is absolutely suitable for you.



Charitable activities

Sustainable design of LAKESHORE HOTEL

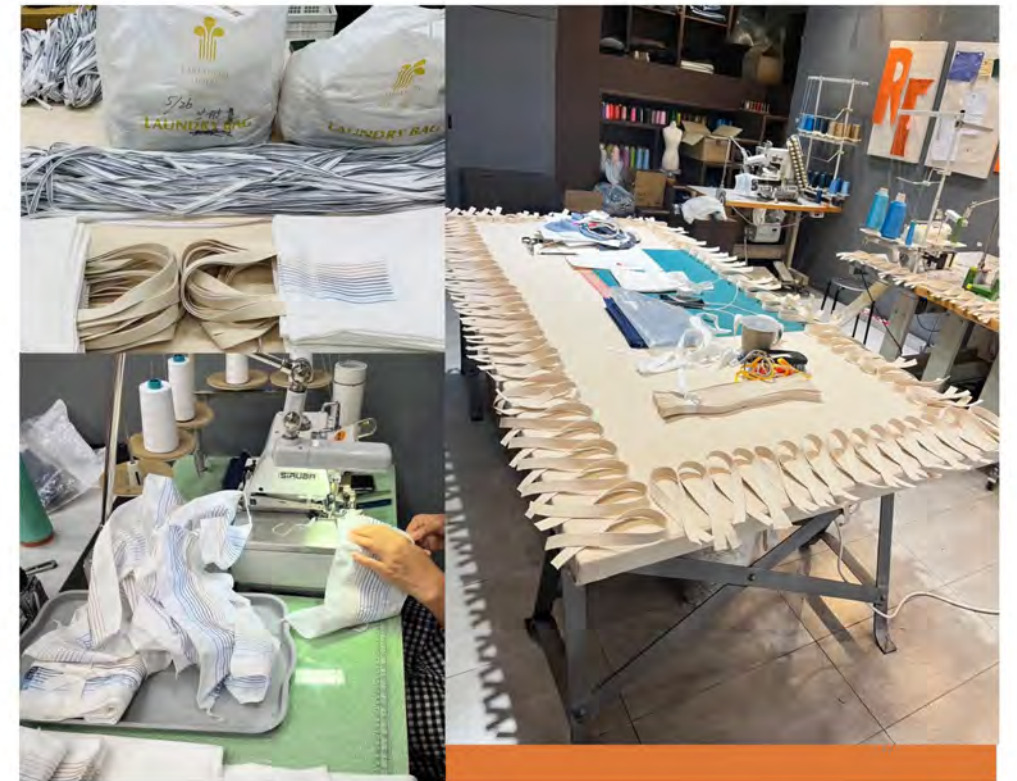
Assisted LAKESHORE HOTEL to use old bed sheets to redesign them according to the theme of the event.

After deconstructing the white-colored discarded bed sheets, the special model of SiRUBA 12 was used

The thread traces of the sewing machine are sewn into the blue of the sea and the gold of LAKESHORE, and the trouser ear strips always come up with sustainable new ideas under LAKESHORE 's ingenuity.

Being able to use the hotel's own waste materials to transform them into exquisite gifts that can be given to hotel guests is indeed a good thing that kills two birds with one stone!

The production of event merchandise is completed by a professional team trained by the Kaulin Foundation.



Charitable activities

Charity Links • Public Sponsorship

CHENG,HUI-CHUNG Clothing Studio provided discarded bed sheets, and the foundation made 72 sets of bed bags and pillowcases and donated them to Nantou Vox Nativia International Academy.



Charitable activities

Shanghai CISMA exhibition VIP gift bag

CISMA-China International Sewing Equipment Exhibition

The foundation specifically used a sewing machine to test waste materials and incorporated the sewing stitches of SiRUBA' s special machine to create an impressive gift bag that can be included in VIP packages.



Kaulin Aesthetics Workshop

Aid association • accompanying course

In addition to covering the registration fee for the entire company to participate in the Studio Classroom Accompanying Road Run and providing a registration gift to encourage couples to join the event, we have been sponsoring the Chinese Christian Relief Association's accompanying class is to assisting with the distribution of the food bank at the end of last year. The Kaulin Foundation uses "Project ReSEW" s" to conduct sustainable handicraft courses at the North, Central and South Kaulin Aesthetics Workshops. We also directly sponsors accompanying classes, allowing sustainable education to take root from an early age.

2023

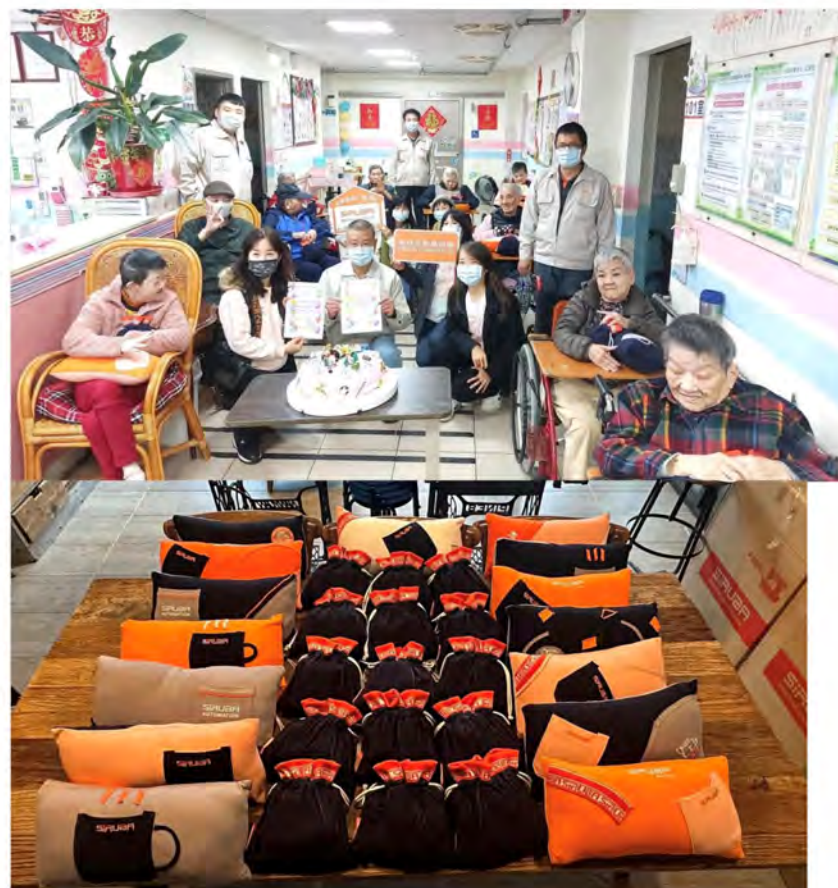
- Dream 1919 Accompanying Class
- Huilin 1919 accompanying class
- Sanguang 1919 accompanying class
- Daya Shang Feng Church
- Dongshan 1919 accompanying class
- Christian Prosperous Church



Community care public welfare activities

Sunshine Center

At the end of the year, Kaulin organized community care charity activities, this time visiting the Sunshine Long-term Care Center next to the Taoyuan Plant. This time, the foundation specially transformed the new uniforms in stock into lumbar pillows (which provide comfortable support for grandparents after sitting for a long time, and can also be hugged to sleep) and drawstring pockets (for carrying snacks suitable for the elderly). The purpose and significance of sustainability were explained in detail at the event. The grandparents gave it a thumbs up! Director Huang expressed his gratitude to SiRUBA for his hard work and dedication. Regenerating inventory uniforms into other sustainable items and increasing their value has always been the purpose of the foundation. We will continue such activities in the future



Charitable activities

Love Materials X Kaulin X ROOTS

On December 30th, the foundation, Love Materials and ROOTS jointly participated in Banqiao Mega City's Hug charity event. The well-known brand ROOTS specially invites long-term fans of the brand to bring their old T-shirts to the counter for professional sewing masters trained by the Kaulin Foundation transformed the old clothes into love pillows. These pillows inherit the old clothes, creating small pillows that people can't resist holding onto. Everyone was very happy and delighted with the result. The foundation also used the ROOTS inventory to quickly produce 60 pillows two years ago and prepare to distribute them to schools in Liugui and Nantou for children in rural areas before the winter vacation.



Kaulin helps, captures the future.

Charity baseball training camp

The 5th Charity Baseball Training Camp of the Taiwan Martian Sports Development Association went to the outlying island of Orchid Island to provide guidance to the island's Orchid Island Middle School and three elementary schools in YA-YO, Langdao, and Orchid Island. A total of more than 40 students participated in the training camp in December. The peaceful Orchid Island is in a state of excitement! The foundation also participated in this charity event, bringing the equipment needed by students to implement the "Kaulin Tianyi Dreaming for the Future" project.



Kaulin helps, captures the future.

We continue to sponsor physical education and provide support for sports teams, individual activities, and competitions since 2017, all aimed at enhancing our physical education initiatives.

2017

Chiayi Dongshi High School
Chiayi Minhe Junior High School
Wugu Gengliao Elementary School
Taitung Hongye Elementary School

2018

The First Martian Self-organized training camp
Xindian Dafeng Elementary School
Xizhi Xiufeng High School
Daxi Renshan Elementary School
Daxi Renhe Junior High School
Balidakan Elementary School
Bade Dayong Elementary School
Guishan Shoushan High School

2019

Chiayi Zhonghe Junior High School Basketball Team
Taichung City Dali High School
Chiayi Magnum High School
Shezi Junior Badminton Team
Shihlin Business Taoyuan Pingzhen Junior High School
Haobei Municipal Beitou Junior High School
Puli Junior High School Girls Baseball Team
Jinshan Junior High School
Kongying Road Run

2020

Hualien Sanming Middle School
Tainan Jiansheng Junior High School
Tainan Nanyang Commerce and Industry

2020

Taipei City University of Education
Universal University of Science and Technology
Bade Dayong Elementary School
Bade Renshan Elementary School
Yinggejianshan Junior High School
Guishan Shoushan High School
Tainan Chang Jung University
Taoyuan Daxi High School
Sanhong Mingzhi Junior High School
Taoyuan Xinwu High School
Taipei Private Daojiang Commercial College
Taipei Municipal Yangming High School
Chiayi Dongshi High School
Chiayi Dongshi Junior High School
Kongying Road Run
Zhuluoshan Cup

2021

The 1st Martian Softball Little League Invitational Tournament
Taiwan sports rugby team
Chiayi Zhonghe Junior High School Basketball Team
Hualien Zhongzheng Elementary School
Yinggejianshan Junior High School
Taoyuan Dayong Elementary School
Hualien Guangfu Elementary School
Kongying 1919 Reading Running Activity
Hsinchu Chengde High School
Taitung Xinseng Junior High School
Hualien Yuli High School
Kaohsiung Qiecheng Junior High School
Taoyuan Chengde High School
Taoyuan Zhongping Elementary School
Penghu Xingren Elementary School
Penghu Magong Kingdom Middle School
Penghu Shiquan Elementary School
Penghu Huxi Elementary School
Taoyuan Daxi High School
Hsinchu Hulin Junior High School
Jinan University Women's Softball Team
Tainan Anqing Elementary School
Taoyuan Qingxi Junior High School

2022

Yinggejianshan Junior High School
Hualien Guangfu Elementary School
Taoyuan Daxi High School
Penghu Magong Kingdom Middle School
Penghu Shiquan Elementary School
Penghu Huxi Elementary School
Keelung Xinyi Junior High School
Chiayi Zhonghe Junior High School
Taitung Success Commercial Water
Pingtung Meihe High School
Taipei Chongqing Junior High School

2023

Tainan Minde High School
Taipei City University
Meihe University of Science and Technology
Hualien Yuli High School
Chiayi Zhonghe Junior High School Basketball Team
Tainan Shanhua High School
Lanyu Elementary School
Sanzhi Mingzhi Junior High School

Charity sponsorship of sustainable concept creation

Kangya Zhu Fiber Art Exhibition-Re/Un/Repack

The journey is about to start, What do you care about? What items should be loaded in the backpack? Or are you worried about which pair of shoes to wear when traveling? Sit in front of big backpack, follow the steps that have traveled around the world, and observe carefully the starting point of the intertwined threads. If you are lost and have no way to visit, then gently feel the life energy in your bag.

Kangya Zhu Fiber Art Exhibition-Repack
Re/Un/Repack
2023/5/12-8/27
REHOW LIVING LAB REHOW LIVING LAB



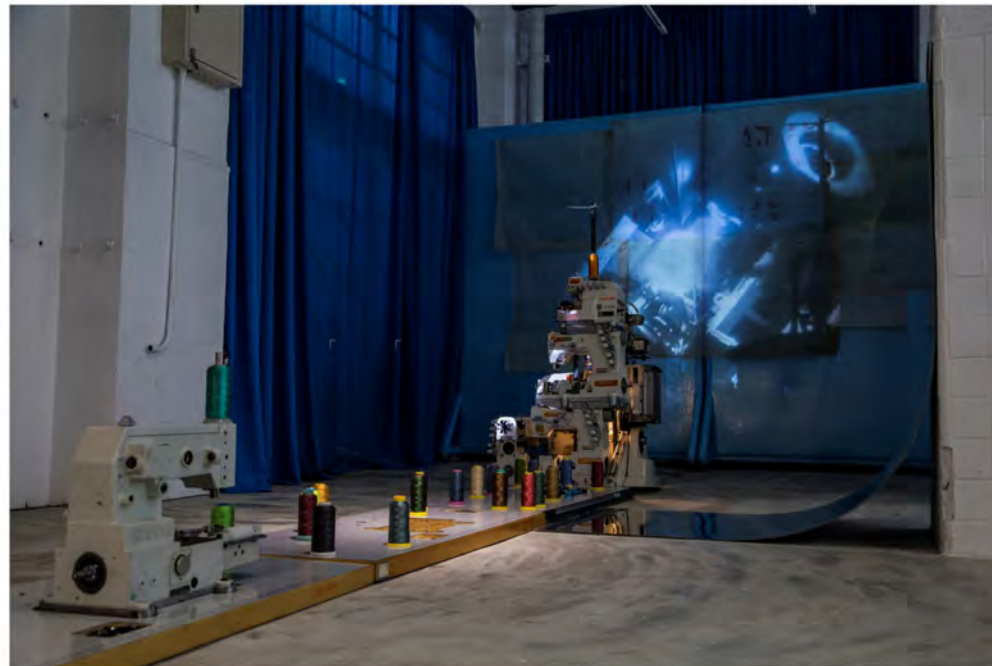
Charity sponsorship and sustainable concept creation

Digging for light and tunneling Video Installation Exhibition

The Kaulin Foundation once again collaborated with the sustainable brand REHOW, inviting artist Guo Yichen to use abandoned sewing cars during the production process as creative materials, using sustainability as the needle and design as the thread, transforming the sewing action of threading the needle into image power. The punctum of the installation is a well formed by repeatedly stacking the tailor's machine from top to bottom, digging out an endless river.

2022.12.1-2023.2.28

"Digging for light and tunneling" video installation exhibition
REHOW LIVING LAB
Songshan Cultural and Creative Circle
Xixiang Tobacco Factory

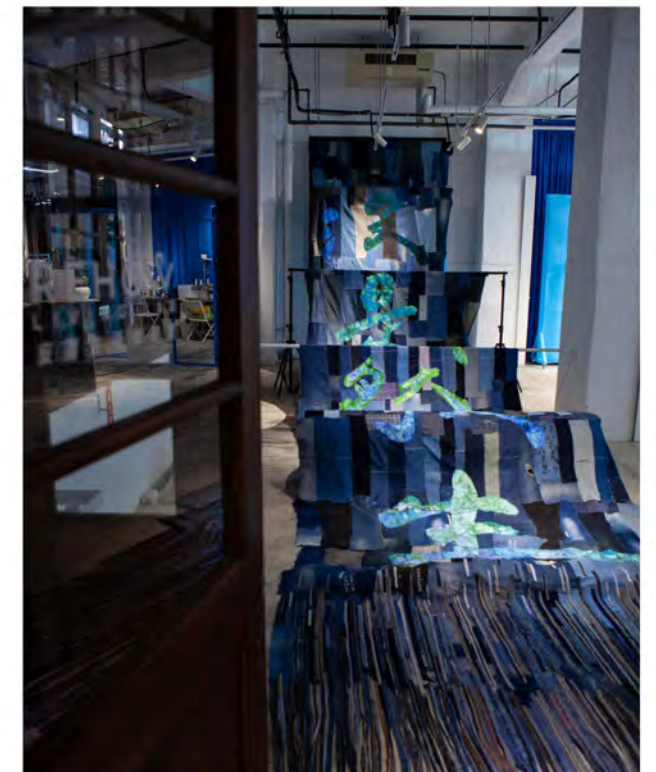


Charity sponsorship of sustainable concept creation

Tonight I am the hand of Wu Jizhen's text art exhibition

Using the concept of sustainability to recycle the materials provided by the foundation
Jeans, pieces of discarded jeans are cut and spliced slowly to form a river.

2022.12.1-2023.2.28
"Digging for light and tunneling" video installation exhibition
REHOW LIVING LAB
laboratory
Songshan Cultural and Creative Park
Xixiang Tobacco Factory



Appendix

GRI Standards
SASB Sustainability Accounting Standards Board
Climate-related Information for Listed Company

Appendix 1: GRI Sustainability Reporting Guidelines Comparison Table				
Statement of use	KAULIN MFG. CO., LTD. has complied the GRI reporting guidelines since Jan. 01, 2023 to Dec. 31, 2023.			
Used GRI 1	GRI 1 : Basic 2021			
Applicable GRI Industry Guidelines	The Company is listed in the electrical machinery industry and does not have GRI Industry Guidelines.			
Note	*: as the major topic.			
Topic	Disclosure Project	Project Description	Chapter	Omission/Note
GRI 2: General Disclosures 2021				
The Organization and Reporting Practices	2-1	Organization details	1.2 About SiRUBA	
	2-2	Entities included in the organization's sustainability reporting.	Editorial Policy	
	2-3	Reporting period, frequency and contact point	Editorial Policy	
	2-4	Restatements of information	Editorial Policy	
	2-5	External assurance	Editorial Policy	
Activities and Workers	2-6	Activities, value chains and other business relationships	1.2 About SiRUBA	
	2-7	Employees	4.1 Human Resource Management	
	2-8	Workers who are not employees	4.1 Human Resource Management	
Governance	2-9	Governance structure and composition	1.3 Corporate Governance	
	2-10	Nomination and selection of the highest governance body	1.3 Corporate Governance	
	2-11	Chair of the highest governance body	1.3 Corporate Governance	
	2-12	Role of the highest governance body in overseeing the management of impacts	1.1 Sustainable Development Strategy and Performance	
	2-13	Delegation of responsibility for managing impacts	1.1 Sustainable Development Strategy and Performance	
	2-14	Role of the highest governance body in sustainability reporting	1.1 Sustainable Development Strategy and Performance	
	2-15	Conflicts of interest	1.3 Corporate Governance	
	2-16	Communication of critical concerns	1.1 Sustainable Development Strategy and Performance	
	2-17	Collective knowledge of the highest governance body	1.3 Corporate Governance	
	2-18	Evaluation of the performance of the highest governance body	1.3 Corporate Governance	
	2-19	Remuneration policies	1.3 Corporate Governance	
	2-20	Process to determine remuneration	1.3 Corporate Governance	
	2-21	Annual total compensation ratio	Omission of the closures	Confidential informations
	2-22	Statement on sustainable development strategy	Words from Operator	
Strategy, Policies and Practice	2-23	Policy commitments	1.1 Sustainable Development Strategy and Performance	
	2-24	Embedding policy commitments	1.1 Sustainable Development Strategy and Performance	
	2-25	Processes to remediate negative impacts	1.4 Risk Management	
	2-26	Mechanisms for seeking advice and raising concerns	1.6 Regulation Compliance	

Topic	Disclosure Project	Project Description	Chapter	Omission/Note
GRI 2: General Disclosures 2021				
Strategy,Policies and Practice	2-27	Compliance with laws and regulations	1.6 Regulation Compliance	
	2-28	Membership associations	1.2 About SiRUBA	
Stakeholder Engagement	2-29	Approach to stakeholder engagement	Stakeholder communication and Major Subject Distinguish	
	2-30	Collective bargaining agreements	4.2 Right Person in the Right Place	Failure of companies to sign group agreements with trade unions
GRI 3: Material Topic 2021				
Material Topic	aav	Process to determine material topics	Stakeholder Communication and Major Subject Distinguish	
	3-2	List of Material topics	Stakeholder Communication and Major Subject Distinguish	
*Corporate Governance				
GRI 3 : Material Topics 2021	3-3	Process to determine material topics	1.3 Corporate Governance	
*Information Security				
GRI 3 : Material Topics 2021	3-3	Management of material topics	1.8 Information Security	
*Risk Management				
GRI 3 : Material Topics 2021	3-3	Management of material topics	1.4 Risk Management	
*Innovation and Responsibility of Products				
GRI 3 : Material Topics 2021	3-3	Management of material topics	2.1 Product Liability and Security	
Economy				
Economic Performance				
GRI 201 : Economic Performance 2016	201-1	Direct economic value generated and distributed	1.2 About SiRUBA	
	201-2	Financial implications and other risks and opportunities due to climate change	3.1 Climate Change Management	
	201-3	Defines benefit plan obligations and other retirement plans	4.2 Right Person in the Right Place	
Market Status				
GRI 202 : Market Presence 2016	202-1	Ratios of standard entry level wage by gender compared to local minimum wage	4.2 Right Person in the Right Place	
	202-2	Proportion of senior management hired from the local community	4.1 Human Resources Management	
Anti-competitive Behavior				
GRI 206 : Anti-competitive Behavior 2016	206-1	Legal actions for anti-competitive behavior, anti-trust, and monopoly practices	1.6 Regulation Compliance	Not any activities of legal actions involving anti-competitive, antitrust, and monopolistic
Environment				
*Material Management				
GRI 3 : Material Topics 2021	3-3	Management of material topics	3.2 Energy Resources Management	
GRI 301: Materials 2016	301-1	Materials used by weight or volume	3.2 Energy Resources Management	

Topic	Disclosure Project	Project Description	Chapter	Omission/Note
Environment				
*Material Management				
GRI 301: Materials 2016	301-2	Recycled input materials used	3.2 Energy Resources Management	
	301-3	Reclaimed products and their packaging materials	3.2 Energy Resources Management	
*Energy Management				
GRI 302 : Energy 2016	302-1	Energy consumption within the organization	3.2 Energy Resources Management	
	302-2	Energy consumption outside of the organization	Omission	The information provided is incomplete. The organization's external energy consumption covers both up and down the value chain, but data for external up and down fuel consumption power is unavailable.
	302-3	Energy intensity	3.2 Energy Resources Management	
	302-4	Reduction of energy consumption	3.2 Energy Resources Management	
	302-5	Reductions in energy requirements of products and services	3.2 Energy Resources Management	
*GHG Emission				
GRI 3 : Material Topics 2021	3-3	Management of material topics	3.1 Climate Change Management	
GRI 305: Emission 2016	305-1	Direct (Scope 1) GHG emissions	3.1 Climate Change Management	
	305-2	Energy indirect (Scope 2) GHG emissions	3.1 Climate Change Management	
	305-3	Other indirect (Scope 3) GHG emissions	3.1 Climate Change Management	
	305-4	GHG emission intensity	3.1 Climate Change Management	
*Waste management				
GRI 306 : Waste 2020	306-1	Waste generation and significant waste-related impacts	3.3 Waste Management	
	306-2	Management of significant waste-related impacts	3.3 Waste Management	
	306-3	Waste generated	3.3 Waste Management	
	306-4	Waste diverted from disposal	3.3 Waste Management	
	306-5	Waste directed to disposal	3.3 Waste Management	
Sociality				
*Employment Relations				
GRI 3 : Material Topics 2021	3-3	Management of material topics	4.Social Care	
GRI 401 : Employment 2016	401-1	New employee hires and employee turnover	4.1 Human Resources Management	
	401-2	Benefits provided to full-time employees that are not provided to temporary or part-time employees	4.2 Right Person in the Right Place	
	401-3	Parental leave	4.2 Right Person in the Right Place	

Topic	Disclosure Project	Project Description	Chapter	Omission/Note
Labor/Management Relations				
GRI 402 : Labor/Management Relations 2016	402-1	Minimum notice periods regarding operational changes	4.2 Right Person in the Right Place	
Occupational Health and Safety				
GRI 403 : Occupational Health and Safety 2018	403-2	Hazard identification, risk assessment, and incident investigation	4.3 Occupational Safety and Health	
	403-3	Occupational health services	4.3 Occupational Safety and Health	
	403-4	Worker participation, consultation, and communication on occupational health and safety	4.3 Occupational Safety and Health	
	403-5	Worker training on occupational health and safety	4.3 Occupational Safety and Health	
	403-6	Promotion of worker health	4.3 Occupational Safety and Health	
	403-9	Work-related injuries	4.3 Occupational Safety and Health	
	403-10	Work-related ill health	4.3 Occupational Safety and Health	
*GHG Emission				
GRI 404 : Training and Education 2016	404-1	Average hours of training per year per employee	4.2 Right Person in the Right Place	
	404-3	Percentage of employees receiving regular performance and career development reviews	4.2 Right Person in the Right Place	
*GHG Emission				
GRI 305: Emission 2016	3-3	Management of material topics	4.1Human resource management	
GRI 405: Diversity and Equal Opportunity 2016	405-1	Diversity of Governance Bodies and Employees	1.3 Corporate Governance 4.1 Human Resources Management	
	405-2	Ratio of basic salary and remuneration of women to men	4.2 Right Person in the Right Place	
*GHG Emission				
GRI 3 : Material Topics 2021	3-3	Management of material topics	1.7 Sustainable Supply Chain	
GRI 308 : Supplier Environmental Assessment 2016	308-1	New suppliers that were screened using environmental criteria	1.7 Sustainable Supply Chain	
	308-2	Negative environmental impacts in the supply chain and actions	1.7 Sustainable Supply Chain	
GRI 414: Supplier Social Assessment 2016	414-1	New suppliers that were screened using social criteria	1.7 Sustainable Supply Chain	
	414-2	Negative social impacts in the supply chain and actions taken	1.7 Sustainable Supply Chain	

Appendix 2: Comparison Table for Sustainable Accounting Standards

Topic	Accounting Indicators	Category	Units of Measurement	Number	Disclosure Chapter and Description
Energy management	(1) Total energy consumed, (2) Percentage grid electricity and (3) Percentage renewable	Quantitative	Gigabit joule (GJ), Percentage (%)	RT-IG-130a.1	3.2 Energy Resources Management
Workforce Health & Safety	(1) Total recordable incident rate (TRIR), (2) Fatality rate, and (3) near miss frequency rate (NMFR)	Quantitative	Rate	RT-IG-320a.1	4.3 Occupational Safety and Health
Fuel Economy & Emissions in Use-phase	Sales-weighted fleet fuel efficiency for medium- and heavy-duty vehicles	Quantitative	Gallons per 1,000 ton-miles	RT-IG-410a.1	Not applicable to our sewing machine products
	Sales-weighted fuel efficiency for non-road equipment	Quantitative	Gallons per hour	RT-IG-410a.2	Not applicable to our sewing machine product
	Sales-weighted fuel efficiency for stationary generators	Quantitative	Watts per gallon	RT-IG-410a.3	Not applicable to our sewing machine product
	Sales-weighted emissions of (1) Nitrogen oxides (NOx) and (2) aerosol (PM) split into (a) marine diesel engines, (b) railroad locomotive diesel engines, (C) on-road medium and heavy-duty engines, and (d) other off-road diesel engines	Quantitative	Grams per kWh	RT-IG-410a.4	Not applicable to our sewing machine product
Material Sourcing	Description of the management of risks associated with the use of critical materials	Discussion and analysis	n/a	RT-IG-440a.1	3.2 Energy Resources Management
Remanufacturing Design & Service	Revenue from remanufactured products and remanufacturing services	Quantitative	Currency in financial statements	RT-IG-440b.1	No remanufacturing of our products

Appendix 3: Listed Company Climate-related Information

Risks and Opportunities for the Company Arising from Climate Change and Related Measures Taken by the Company.

project	Company response	
Description of the Board's And management’s oversight and governance of climate-related risks and opportunities	The climate risk and opportunity governance status and annual sustainable risk management issues are reported to the board of directors by the sustainability committee every year, and the board of directors supervises the implementation results.The general manager serves as the chairman of climate risk and opportunity governance, and each first-level unit is in charge of risk identification, assessment, and treatment.	
Description of how the identified climate risks and opportunities affect the business, strategy and finances of the organization (short, medium and long term)	Climate-related financial Impacts and responses	
	Risk and Opportunity Project	Financial Impacts and coping mechanisms
	Increase pricing on greenhouse gas emissions	The Climate Change Response Act will impose a carbon fee on products with high direct or indirect emissions in 2025. The possible financial impact of this aspect of risk is an increase in operating costs. However, at this stage, the company is not in a high-carbon-emitting industry, so the impact on the overall operating finances will not be significant. In addition to continuing to implement greenhouse gas inventory, the company will promote it to all group subsidiaries in the short term. It will also conduct evaluationsand set carbon reduction targets for the purchase of green electricity, biomass energy and carbon rights. If the total emissions of scope 1 and scope 2 of the head office in 2023 are 100 metric tons, and the carbon fee per metric ton is 500 NT dollars, the annual increase will be 50,000 NT dollars, and the financial impact will be low.
	Changes in rainfall (water) patterns and extreme changes in climate patterns	Due to the increase in extreme weather events, the frequency of typhoons and heavy rains has increased, which may cause flooding of office buildings and factories, affecting the company's operations, and may result in low financial losses after assessment. The company's response measures are to implement maintenance of drainage systems and establish emergency response plans for typhoons and heavy rains to reduce immediate risks. The building and factory area have completed waterproofing works, natural disaster insurance, and monthly maintenance of pumping motor drainage facilities, so the risk will not have a significant impact on the overall operation.
	Rising raw material costs	Due to climate change, including the European Union's trial imposition of a carbon tax from 2023, the cost of raw material production and transportation of commodities will increase, thereby affecting operations. In response to the plan, the module is minimized in design to reduce the use of raw materials, and the proportion of localized procurement in the supply chain is strengthened to reduce the increase in costs of raw materials and transportation; medium and long-term planning implements product carbon footprints and reduces carbon through green design and environmentally friendly design cost.

project		Company response		
Description of the impact of extreme climate issue and transition of finance	Climate-related financial Impacts and responses			
	Risk and Opportunity Project		Financial Impacts and coping mechanisms	
	Average temperature rise	As the average temperature rises, the cost of electricity rises. The plan is to completely replace old lamps in the factory with more economical LED lighting fixtures, and replace the refrigeration and air-conditioning system with level 1 energy-efficiency equipment. Energy costs are expected to increase by 20% in the short term, over three years, with a moderate financial impact.		
Description of climate risk identification, assessment and management procedure and how to integrate into the overall of risk management.	Implement the following in accordance with the risk management policy <ul style="list-style-type: none">When members of the Sustainable Development Committee assess ESG risks, they also assess climate risks.The Sustainability Committee meeting discusses and resolves major ESG risks and climate risks, which are approved by the general manager.Based on the approved ESG risks and climate risks, set implementation strategic goals. Report ESG risk and climate risk implementation status to the board of directors every year.			
If scenario analysis is used to assess resilience to climate change risks, the scenarios, parameters, assumptions, analysis factors and major financial impacts used should be explained.	The company discussed in the Sustainability Committee meeting with reference to the 2°C Scenario (2DS). If the total emissions of scope 1 and scope 2 of the company in 2023 are 100 metric tons and the carbon fee per metric ton is NT\$500, the financial impact will be an increase of NT\$50,000 per year, which is considered a Low Impact on finances. Using the tools provided by TCCIP (Climate Change Integrated Service Platform) as a reference for assessing physical risk scenarios of climate change, the RCP8.5 scenario was finally selected as the company's physical risk scenario of climate change. This scenario assumes that the temperature will rise by 1.9°C in 2050, and electricity consumption will increase by 5%. If the base electricity fee remains unchanged, the derived electricity fee will increase by 5%.			
If has the transformation program for climate-related risk management, it should state the plan and indicators and targets for identifying, managing entity risk and transformation risk.	The average temperature rises: 1. Introduce air conditioning systems and replace them with energy efficiency level 1 products 2. Build energy storage systems to improve energy efficiency 3. Increase the proportion of renewable energy Resource efficiency improvements and low-carbon products: <ul style="list-style-type: none">Strengthen supply chain management and improve industrial energy conservation and carbon reduction benefits.The R&D center’s industrial carbon emission issues are also oriented towards energy conservation and efficiency, and the research and development of low-carbon products is completed to meet the needs of enterprises for energy-saving products. Related indicator targets: <ul style="list-style-type: none">Reduce greenhouse gas emissions in Scope 1 + Scope 2 by 30% in 2030.Continuously improve product performance, reduce production energy consumption, increase product gross profit, and propose at least one project every year.			
If uses the internal carbon pricing as planning tool, it should states the price-setting basis.	Internal carbon pricing has not yet been implemented			
It should describe the activities, GH emission category, planned schedule, progress achieved every year and other information if set up the related-tar-get of climate. If uses the carbon offset or Renewable Energy Certificates (RECs) to achieve the related target, it should describe the source and mount of carbon offset, and mount of Renewable Energy Certificates(RECs).	Emissions reduction targets		strategic action	planning schedule
	Compared to base year 2022 <ul style="list-style-type: none">30% reduction in greenhouse gas emissions in Scope 1 + Scope 2 in 203050% reduction in greenhouse gas emissions from Scope 1 + Scope 2 in 2040Net zero emissions by 2050		<ul style="list-style-type: none">Purchasing environmentally friendly labeled infrastructure equipment through green procurementThe refrigeration and air-conditioning system will be completely replaced with energy efficiency level 1.Implement energy-saving projects for facilities and equipmentExpanding solar energy construction for self-use and purchasing of green power certificates	<ul style="list-style-type: none">2024~20302024~20302024~20302030~2040
Greenhouse gas inventory and assurance, reduction targets, strategies and specific action plans (fill in 1-1) and (1-2)	As shown in the following table			

1-1 Greenhouse gas inventory information

Describe the greenhouse gas emissions (metric tons CO₂e), intensity (metric tons CO₂e / million yuan), data coverage and confidence in the last two years.

The current status of the company's greenhouse gas emissions inventory is subject to independent management and voluntary disclosure to facilitate understanding of current trends and early response. It has not yet been confirmed by an external third-party verification agency in 2023.

Greenhouse gas emission statistics for 2022				
Scope 1	Total Emissions (Ton CO ₂ e)	Intensity (Ton CO ₂ e/ Million dollars)	Agency	Statement of Certainty (Certificate of Verification)
Parent Company	8.51	0.0034	TUV	Inspection result of GHG In 2022 Has proved by TUV in May, 2023 and acquired the statement in Jul, 2023
Taoyuan Plant	52.85	0.0214		
Gao Yin Plant	409.17	0.1656		
Scope 2	Total Emissions (Ton CO ₂ e)	Intensity (Ton CO ₂ e/ Million dollars)		
Parent Company	85.55	0.0346		
Taoyuan Plant	322.06	0.1303		
Gao Yin Plant	5,110.51	2.0681		
Scope 3	Total Emissions (Ton CO ₂ e)	Intensity (Ton CO ₂ e/ Million dollars)		
Parent Company	36.89	0.0149		
Taoyuan Plant	110.11	0.0446		
Gao Yin Plant	579.94	0.2347		

Noted: Total revenue 2,471.056 million in 2022

Greenhouse gas emission statistics for 2023				
Scope 1	Total Emissions (Ton CO ₂ e)	Intensity (Ton CO ₂ e/ Million dollars)	Agency	Statement of Certainty (Certificate of Verification)
Parent Company	6.6140	0.0047	Without Assurance	Without Assurance
Taoyuan Plant	52.0698	0.0367		
Gao Yin Plant	209.0590	0.1472		
Scope 2	Total Emissions (Ton CO ₂ e)	Intensity (Ton CO ₂ e/ Million dollars)		
Parent Company	85.1227	0.0599		
Taoyuan Plant	322.1018	0.2267		
Gao Yin Plant	2,543.1616	1.7903		
Scope 3	Total Emissions (Ton CO ₂ e)	Intensity (Ton CO ₂ e/ Million dollars)		
Parent Company	176.3559	0.1241		
Taoyuan Plant	513.1715	0.3612		
Gao Yin Plant	590,207.7699	415.4748		

Noted: Total revenue 1,420.562 million in 2023

1-2 Greenhouse gas reduction goals, strategies and specific action plans

Describe the greenhouse gas reduction base year and its data, reduction targets, strategies, specific action plans and achievement of reduction targets.

Emissions reduction targets	strategic action	planning schedule
Compared to base year 2022 <ul style="list-style-type: none">30% reduction in greenhouse gas emissions in Scope 1 + Scope 2 in 203050% reduction in greenhouse gas emissions from Scope 1 + Scope 2 in 2040Net zero emissions by 2050	<ul style="list-style-type: none">Purchasing environmentally friendly labeled infrastructure equipment through green procurementThe refrigeration and air-conditioning system will be completely replaced with energy efficiency level 1.Implement energy-saving projects for facilities and equipmentExpanding solar energy construction for self-use and purchasing of green power certificates	<ul style="list-style-type: none">2024~20302024~20302024~20302030~2040

Goal achievement status

2022	2023	Goal achievement status
Scope 1 + Scope 2 greenhouse gas emissions are 5,988.65 metric tons CO ₂ e	Scope 1 + Scope 2 greenhouse gas emissions are 4866.76 metric tons CO ₂ e	Emission reduction reached 18.73%, with a further reduction of 11.27% required by 2030.





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