

**SIRUBA**

**SUSTAINABILITY  
REPORT 2024**

**KAULIN MFG. CO., LTD.**



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## Words from Operator

The year 2024 was challenging for SiRUBA. The international situation remained turbulent and unstable, with the Russia-Ukraine war dragging on unresolved, escalating economic and trade tensions between China and the United States, and severe impacts on the global economy and supply chains. In the face of adversity, we swiftly adapted our operational strategy to minimize the impact. We were deeply engaged in the Asia-Pacific market, actively exploring emerging opportunities within the region to offset weak demand in our other markets. Meanwhile, we focused on developing high-value-added products to boost product competitiveness and profit margins. We also fully implemented energy-saving and carbon reduction initiatives to enhance operational efficiency and reduce costs. By implementing the above measures, we successfully stabilized the base of our operations and established a solid foundation for future recovery and growth.

In 2024, thanks to the efforts of all our colleagues, our operations gradually stabilized and achieved strong, steady results. Our consolidated operating revenue for the year reached NT\$1.63778 billion, with a net profit after tax of NT\$85.68 million, resulting in a net profit margin of 5.23%. These financial results indicated that the business structures of our company were steadily solidifying, with our adjustments in last year's business strategies beginning to take effect and providing new momentum for future growth.

While striving for financial growth, we were also actively committed to sustainable development, taking concrete actions in environmental protection, social responsibility, and corporate governance. In 2024, we prioritized and accomplished the following initiatives in sustainable development:

Accomplished the following initiatives in sustainable development:

- ✓ Promoted initiatives on energy conservation, carbon reduction, and resource recycling: Implemented the Project ReSEW to actively promote resource reuse; this year, as high as 95.45% of the materials used in our production process were renewable, and a comprehensive greenhouse gas emissions inventory was completed.
- ✓ Renewable energy made up 34.25% of our total energy consumption.
- ✓ Enhance the environmental management system: Implemented the environmental management system according to the ISO 14001 standards by systematically controlling environmental risks and continuously making improvements on processes to ensure our operations align with principles of environmental sustainability.
- ✓ Promote employee well-being and social responsibility: Dedicated to offering excellent employee care and career development, including thorough education, training, and growth opportunities. At the same time, actively engaged in community welfare by supporting educational funding, making charitable donations, and collaborating with vocational training institutions to nurture industry talent, thereby fulfilling corporate social responsibility.
- ✓ Strengthen corporate governance and the framework for sustainable management: Adhering to principles of integrity and transparency, we strengthened corporate governance to safeguard shareholders' rights. The Sustainable Development Committee oversees the company's ESG strategies, regularly monitors the progress of sustainability goals, and ensures that sustainability is deeply integrated into the company's decision-making and operations.

Looking ahead, we will continue to enhance the company's sustainability, consistently improve our performance in environmental, social, and governance areas, and actively seek innovative growth opportunities. We will also continue investing in smart manufacturing transformation and sustainable innovation to build a more resilient and competitive foundation, enabling the company to meet the challenges faced in this rapidly changing market.

We firmly believe that only by working together with all stakeholders—including shareholders, customers, employees, suppliers, and the wider community—can we create a sustainable and mutually beneficial future. Finally, I would like to sincerely thank all stakeholders for their long-term support and trust. We will continue to work together with everyone to achieve sustainable growth and shared prosperity for both the company and society.



Chairman 林陳雅子

YA ZI, LIN CHEN

## Editing Policy

The period covered by this report spans from 1st, January to 31st, December in 2024, and is a voluntary disclosure of the sustainability report of KAULIN MFG. CO., LTD. (SiRUBA for short), which includes the disclosure of the sustainability indicators of the company’s governance, economic, social and environmental aspects. In order to fully reveal the achievements of SiRUBA in sustainable development and present the outcomes of its communications with its stakeholders, the report was prepared in accordance with the latest GRI Standards (Global Reporting Initiative Standards) with reference to the Sustainability Accounting Standards Board (SASB), the Task Force on Climate-related Financial Disclosures (TCFD), and the “Corporation Rules Governing the Preparation and Filing of Sustainability Reports by TWSE Listed Companies” as required by the competent authority, and in alignment 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 aspects, as well as showcasing the company’s dedication to fulfilling social responsibility and achieving sustainable development.

## Report Review Instructions

The information and data contained in this report were collected by the Corporate Sustainable Development Committee, a governance body that reports directly to the Chairman. Each committee member gathered information on domestic and international economic, environmental, and social sustainability issues of concern by stakeholders through multiple channels, and utilized the process of engagement and analysis to identify material topics that were relevant to the company. Based on the topics, the members collected and consolidated relevant management policies and performance information. The policies and information were then reviewed and confirmed by the Sustainable Development Committee, followed by approval by the Chairman and the General Manager. Upon approval by the Board of Directors at Q3, such policies and information were made available to stakeholders through the company’s official website and the Market Observation Post System. 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 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 Sustainable Development Committee is then convened to select Material Topics, and after approval by the chairman, the implementation results are disclosed in this report.

The economic and financial performance disclosed in this report are consolidated reports of the Group and its subsidiaries. Financial data is reported in New Taiwan Dollars. The disclosure on environmental and social performance covered SiRUBA’s Head Office, Taoyuan Plant, and Ningbo Plant (Gao Yin Plant). The company’s other businesses for reinvestment were not included in this report. Any content outside this scope will be specifically addressed in the relevant chapters of the report.

## Report Management Process

Phase	Subject	Authority
Issue Collecting	<ul style="list-style-type: none"> <li>Decides stakeholder</li> <li>Collection of Concerned Issues</li> </ul>	Sustainable Development Committee
Decision of Material Topics	<ul style="list-style-type: none"> <li>Impact assessment on the economy, environment, and people by external stakeholders</li> <li>Internal Operational Impact Assessment</li> <li>Resolutions of the Council of Sustainable Development Committee</li> </ul>	Sustainable Development Committee
Aggregate Information	<ul style="list-style-type: none"> <li>Management policy and Performance data collection</li> </ul>	Sustainable Development Committee
Writing the first draft	<ul style="list-style-type: none"> <li>Report information writing</li> </ul>	Sustainable Development Committee/ Relevant Operating Departments
Reviewed and finalized drafts	<ul style="list-style-type: none"> <li>Internal Review of Reports</li> </ul>	Sustainable Development Committee
Announcement	<ul style="list-style-type: none"> <li>Report to the Chairman / Report for Issue</li> </ul>	Sustainable Development Committee

## Issuance Dates and Period

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

Last Release Date: August 2024.

Issue Date of this year: August 2025.

Next Release Date: August 2026.

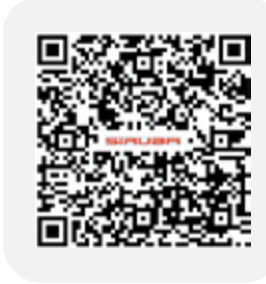
## Reorganization

This report has not been reorganized 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 chapters 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're welcome to download this report from SiRUBA website



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

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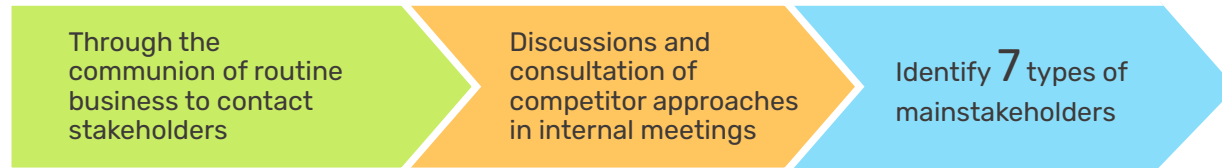
## Our Performance in Sustainability for the Year

Aspect	SDGs Goals	Achievements
 Environment	  	<ul style="list-style-type: none"> <li>Completed the greenhouse gas inventory according to ISO 14064 standards with 2024 as the base year</li> <li>The proportion of renewable materials used is 95.77%</li> <li>The proportion of packaging material recycling is 4.23%</li> <li>The waste recycling rate is 94.21%</li> <li>The proportion of renewable energy used is 34.24% of total energy consumption</li> <li>Total energy consumption in 2024 decreased by 6% compared to 2023</li> </ul>
 Sociality	     	<ul style="list-style-type: none"> <li>Remade bed bags from discarded fabrics are donated to Nantou Yuansheng International College</li> <li>Lumbar pillow donation to Sunshine Long Care Center</li> <li>Female employees account for 29.83% of all employees</li> <li>There was no violation of human rights policies documented in the year</li> <li>The salary of junior employee of the head office for both men and women is 1.81 times higher than the local basic salary</li> <li>The salary of junior employee at Gao-Yin is 2.22 times higher than the local basic salary for both men and women</li> <li>Female employees at all operating locations received an average of 42.81 hours of training, while male employees received an average of 32.27 hours</li> <li>0 serious occupational injuries and occupational diseases in all operating locations</li> </ul>
 Corporate Governance Aspect	   	<ul style="list-style-type: none"> <li>R&amp;D investment amounted to NTD 48,373 thousand, accounting for 2.95% of total revenue</li> <li>A total of 745.5 hours of training on integrity management and regulations</li> <li>Invested NT\$6,115.5 thousand to strengthen information security</li> <li>Completed the annual supplier sustainability assessment</li> </ul>

## Stakeholder Communication and Material Topics Identification



### Confirm Main Stakeholder



We value the voices of stakeholders while pursuing corporate’s sustainable operations. 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, customers, suppliers, banks, government, shareholders/investors, and community.

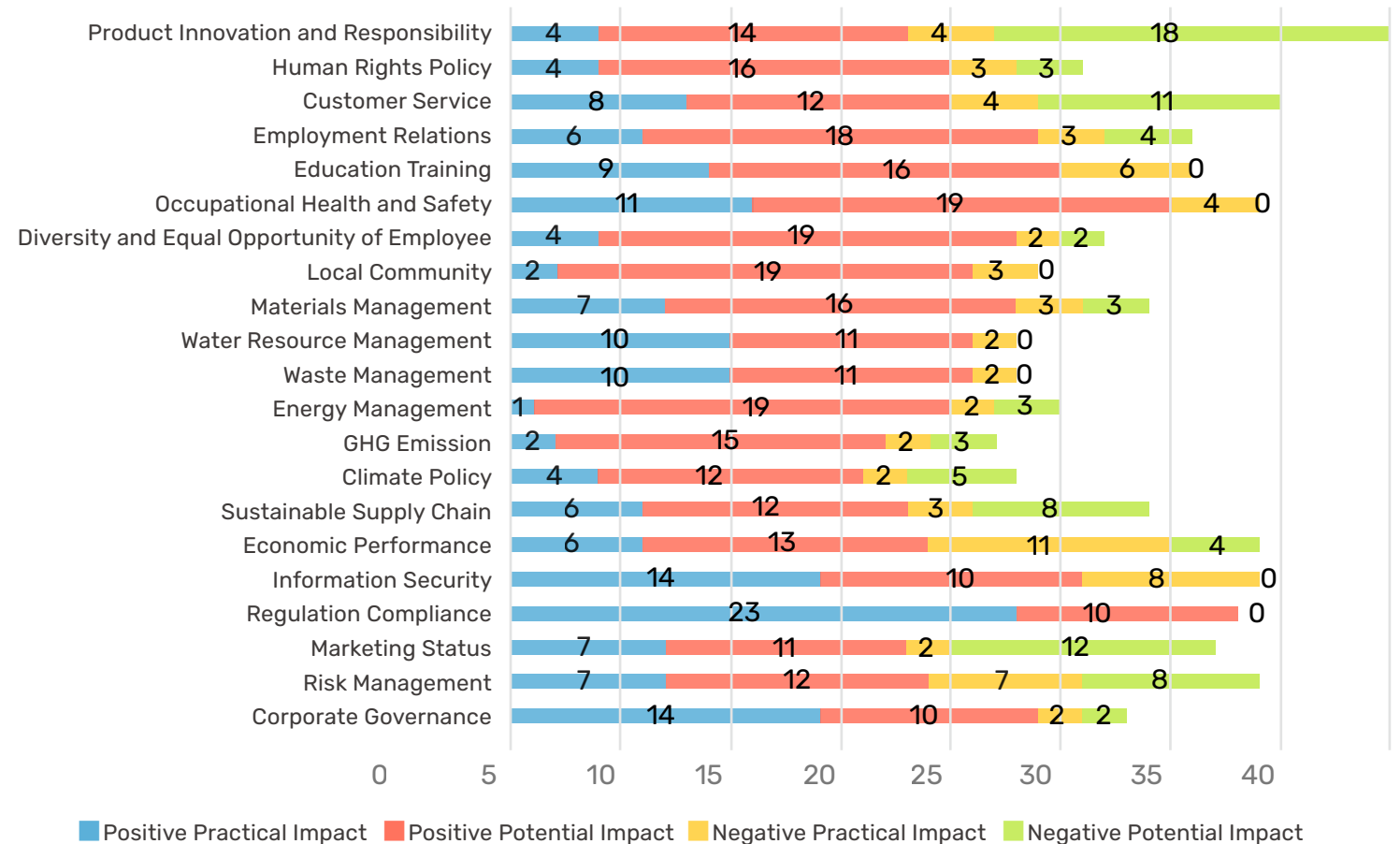
## Stakeholder Communication Channels and Concerned Issues

Stakeholders have diverse concerns regarding the issues affecting SiRUBA, due to their different roles. We provide pertinent information on the company’s 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 achieve a win-win scenario with stakeholders to pursue the concept of company’s sustainable operations and continuously reviews and enhances our performance in corporate’s sustainable development. We report main stakeholder communications at the Board of Directors meeting each year, serving as a reference for sustainable strategy planning.

The concerns raised by SiRUBA through communicating with main stakeholders from various departments during daily operational activities are collected and compiled by the Sustainable Development Committee.

The report refers 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 Assessment on Sustainability Issues



Stakeholder Communication Channels and Concerned Issues

Main Stakeholder Type	Significance of Stakeholders to the Company	Issue to Concern	Communication Channel	Communication Frequency	Communication Record
Government	Government oversee and verify companies' compliance with various regulations.	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.	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
			Company website, phone calls, and emails	Irregular	Prefecture and Email of Investor
			Institutional investors' conference	Annually	Institutional investors' conference Meeting Minutes
Supplier	Maintaining long-term positive relationships with supply partners ensures a stable supply of raw materials, components, and services. Additionally, taking actions together with supply partners helps effectively prevent environmental pollution and labor rights violations.	Sustainable Supply Chain Energy Management Product Safety and Liability Regulation Compliance Economic Performance Information Security	Meetings with suppliers/outsourced vendors	Irregular	Meeting minutes/emails/phone calls...
			Safety and Health Requirements for Contractors	Irregular	Safety, Health, and Environmental Protection Commitment/Hazard Disclosure
			Audits on suppliers/outsourced vendors	Annually	Audit reports
			Supplier questionnaires	Irregular	Declaration for Prohibited and Restricted Substances Investigations related to prohibited and restricted substances

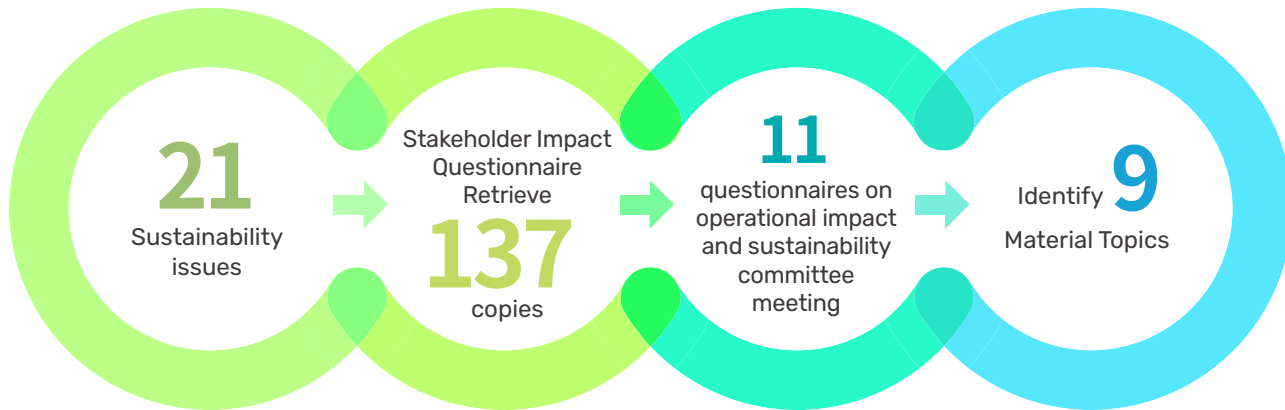


Main Stakeholder Type	Significance of Stakeholders to the Company	Issue to Concern	Communication Channel	Communication Frequency	Communication Record
Customers	Customers are the main source of revenue for the company, and the company regards product quality, safety, and after-sales service as the highest commitment to customers. Maintaining high customer satisfaction with the company helps improve customer recognition of the company.	Sustainable Supply Chain Regulation Compliance Information Security Customer Service Product Safety and Liability Business Ethics Economic Performance Occupational Health and Safety Risk Management Waste Management Energy Management Human Rights Policy Climate Change Response Water Resource Management	Customer Meeting	Irregular	Emails/phone calls
			Customer satisfaction survey	Annually	Customer satisfaction survey
			Customer Audit	Irregular	Customer Opinion E-Mail
			Customer Questionnaire	Irregular	Customer Related Questionnaire
Employees	Employees are the indispensable foundation of the company operations. The company promises to provide a healthy and diverse development working environment, enabling employees to work wholeheartedly.	Business Ethics Economic Performance Employment Relations Education Training Regulation Compliance Occupational Health and Safety Product Safety and Liability Human Rights Policy	Labor-management meeting	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 operational fundings. Close communication and interaction with banks help the company to maintain a steady competitive operational funding and ensures sustainable development.	Economic Performance Regulation Compliance Energy Management Social Participation Climate Change Response	Visiting the Bank	Irregular	Meeting minutes

Main Stakeholder Type	Significance of Stakeholders to the Company	Issue to Concern	Communication Channel	Communication Frequency	Communication Record
Community	The goal of promoting sustainable work is to contribute to social prosperity and enhance positive social influence through feedback.	Local Community Regulation Compliance Climate Change Response Energy Management Waste Management Water Resource Management	Community meetings Donate to public welfare activities	Irregular	Email, Telephone and physical meeting Company Website

### Material Topic Identification

#### Material Topic Identification Process



The SiRUBA Sustainable Development Committee has identified 21 sustainability topics in total. For this year, the committee used the results of the 2023 stakeholder online questionnaires to determine how the main stakeholders rated the impact of each sustainability topic in terms of corporate governance, environment, and people. Regarding operational impact, 11 responses were collected from management-level questionnaires. Based on stakeholder perspectives and an internal assessment of operational impact, the Sustainable Development Committee held discussions and finalized the material topics for the year. Eight material topics in the aspects of environment, society, and economy were confirmed as priorities for disclosure by SiRUBA this year. This report will outline the management policies and related disclosures for each of these material topics.



### Material Topics and Ranking

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

### Material Topic Changes

Material Topic Changes		
2023	2024	Ranking order change in 2024 compared to 2023
Product Innovation and Responsibility	Product Innovation and Responsibility	--
Sustainable Supply Chain	Occupational Health and Safety	Increased in 2024
Risk Management	Sustainable Supply Chain	Dropped 1 the ranking
Material Management	Information Security	Rose by 3 positions
Corporate Governance	Employment Relations	Rose by 1 positions
Employment Relations	Risk Management	Dropped 3 the ranking
Information Security	Energy Management	Increased in 2024
GHG Emission	GHG Emission	--
Employment Relations		



List of Material topics

Material Topics	Positive and Negative impact	GRI Standards	Material Topics: Value Chain Impact Boundaries						Management policy Revealed Chapter
			Head Office	Customers	Bank	Government Agencies	Supplier	Shareholder investor	
<b>Product Innovation and Responsibility</b>	Developing energy-saving products contributes to enhancing the company's competitiveness. Continued implementing green design in 2024, representing a negative potential impact	Self-definition	★	★	★	★	★	★	2.1 Product Liability and Security
<b>Occupational Health and Safety</b>	Providing a healthy and safe working environment along with health promotion activities helps strengthen employee cohesion and enhance workforce productivity. In 2024, there were no major occupational injuries or regulatory violations, representing a positive potential impact.	Self-definition	★		★	★		★	4.3 Occupational Safety and Health
<b>Information Security</b>	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 practical impact.	Self-definition	★	★	★	★	★	★	1.8 Information Security
<b>Labor Relations</b>	To uphold social responsibility, mitigate human rights risks, and foster a supportive work environment for our employees, we prioritized employee benefits, established communication and complaint channels, and proactively enhanced the overall working environment. This helped create a friendly workplace, representing a positive potential impact.	GRI 401-1 GRI 401-2 GRI 401-3	★	★		★			4.1 Human Resources Management 4.2 Right Person, Right Place
<b>Risk Management</b>	The company implemented comprehensive ESG risk management through the works of our Sustainable Development Committee. This helped the company responding quickly to changes in the external environment, representing a positive potential impact.	Self-definition	★	★	★	★	★	★	1.4 Risk Management
<b>Sustainable Supply Chain</b>	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
<b>Energy Management GHG Emission</b>	With the government's carbon fee starting in 2026 and the EU's carbon border tax in 2027, our company is proactively implementing energy-saving and carbon-reduction measures while increasing the use of renewable energy. This represents a positive potential impact.	302-1 305-3 302-3 305-4 305-1 305-5 305-2	★	★		★			3.1 Climate Change Management

# 01 Leading Corporate Governance

1.1 Our Strategies in Sustainable Development

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



## This Chapter: Sustainable Performance

SDGs	Achievements
<p>16.6 Develop effective, accountable and transparent systems at all levels</p>	<ul style="list-style-type: none"> <li>Establish and implement performance evaluation for the board of directors and functional committees</li> </ul>
<p>4.7 Ensuring that everyone acquires the necessary knowledge promotes sustainable development</p> <p>12.8 Ensure that everyone has relevant information and awareness of sustainable development</p>	<ul style="list-style-type: none"> <li>Directors received 81 hours of training, all of which were related to sustainable development</li> </ul>
<p>12.7 Promote sustainable development of procurement processes</p> <p>17.14 Improve policy consistency and achieve sustainable development</p>	<ul style="list-style-type: none"> <li>Improve Supplier Management Measures and strengthen supply chain sustainability.</li> <li>The sustainability evaluations for both new and existing suppliers in 2024 confirmed that all suppliers met the required standards.</li> </ul>
<p>16.5 Reduce all forms of corruption</p>	<ul style="list-style-type: none"> <li>A total of 745.5 hours of training on integrity management and regulations</li> <li>Zero major violations</li> </ul>
<p>9.5 Improve the scientific and technological capabilities of industry and commerce and encourage innovation</p> <p>12.a. Strengthen science and technology capabilities</p>	<ul style="list-style-type: none"> <li>Invested NT\$5,117,750 to strengthen information security</li> </ul>

## Material Topic - Risk Management



### Policy or Commitment

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 operations and damage company's reputation.

Externally: The Company's website provides the "Procedures for Integrity Management and Guidelines for Conduct"

Internally: Promoting compliance with the law; conducting educational training to emphasize the importance of legal compliance.

With suppliers: Contracts include standard confidentiality provisions and clauses on intellectual property protection related to the protection of intellectual property rights are included. 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

Goal / Resource / Action	Stakeholder Communication Mechanism
<p>Goals: Establish a strong culture of compliance and strictly follow ESG risk management policies and procedures</p> <p>Resources and actions:</p> <ul style="list-style-type: none"> <li>✓ Continuously enhance relevant rules and regulations</li> <li>✓ Continuously promote legal compliance awareness and integrity education and training</li> <li>✓ Continuously enforce risk management practices</li> <li>✓ Regularly report the effectiveness of risk management to the Board of Directors</li> </ul>	<p><b>Internal Grievance:</b> Utilize the company's internal email and well-defined grievance procedure</p> <p><b>External Grievance:</b> Communication channels announced in the stakeholder section of the official website</p>

## 1.1 Our Strategies in Sustainable Development

SIRUBA is committed to driving corporate sustainable development by upholding integrity in management, enforcing strong corporate governance, fulfilling social responsibilities, and striving for the concept of sustainable operations. We integrate the ideals of sustainable operations into our operational decisions and actions. Additionally, we are dedicated to fulfilling our social responsibilities and creating enduring value for the corporate through sustainable practices. We establish the policy of sustainable development.



### Environment

- Dedicated to processes and products energy-saving and carbon reduction, in order to lessen environmental impact, mitigate climate change and maintain ecological balance.
- Invest in innovative R&D and green design to enhance efficiency in the utilization of energy and resources.
- Promoting waste reuse and advancing circular development practices.



### Sociality

- Attaches great importance to human rights, equality, diversity and labor rights.
- Ensures the safety of employees and of the supply chain working environment. Collaborating for Supply Chain Sustainability.
- Engages in charitable activities and social care.



### Corporate Governance Aspect

- 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 integrity management, rejecting improper interests, corruption and bribery.
- Improving transparency and ensuring a balanced disclosure of information.

## Sustainable Development Committee

To address sustainable development across environmental, social, and corporate governance (ESG) dimensions, SiRUBA has adopted the "Sustainable Development Practice Code" approved by the board of directors as its policy and standard. A Sustainable Development Committee was established, led by the General Manager and comprising supervisors at the division level and above, plant managers, and the CEO of the Kaulin Foundation. This committee collaboratively formulates the corporate's sustainable development strategies and goals, and develops related management policies and concrete implementation plans. Under the committee, a dedicated team gathers stakeholder concerns regarding environmental protection, occupational safety, supply chain management, labor rights, operational performance, and corporate governance. Respecting stakeholders' rights, the committee has created a dedicated stakeholder section on the official website to appropriately address key sustainability issues.

## Stakeholder Information



## SiRUBA Sustainable Development Committee



### Sustainable Development Committee Function

- ✓ Developing corporate's sustainable development targets and strategies.
- ✓ Promoting and supervising corporate's sustainable development initiatives.
- ✓ Reviewing the outcomes of corporate's sustainable development efforts.
- ✓ Addressing other matters related to corporate's sustainable development.
- ✓ Reviewing the Sustainability Report.

### Responsibility of Chairperson

- Formulating the sustainable development policy.
- Overseeing the activities of the Sustainable Development Committee in policy implementation and the sustainability report preparation.
- Presenting the annual sustainable development report to the board of directors.

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. Resolutions and decisions made through discussion by the Sustainable Development Committee are thoroughly documented. The company has appointed a dedicated sustainability manager to promote sustainable development initiatives. Through the operations of the Sustainable Development Committee, we aim to strengthen the company's efforts in implementing sustainable development practices, improve the transparency of sustainability-related information, and enhance information security. Guided by the PDCA cycle management approach, we strive to lead SiRUBA towards continuous improvement and growth in its sustainable development.

## Each team of the Sustainable Development Committee and sustainability-related issues

### Corporate Governance Team

Management of operational risks, internal auditing, financial performance, and information security  
Compliance with laws, integrity management, board governance practices, sustainable supply chain management, and procurement policies

### 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 Goals

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

SiRUBA has integrated these sustainable development goals into the company’s operational strategy. We will broaden our company’s traditional focus on financial performance to also include environmental protection, regulatory compliance, better employee benefits to retain top talent, eliminating workplace inequalities, reducing wastewater and greenhouse gas emissions, and collaborating with suppliers to improve environmental and workplace conditions as we look toward the future. We are committed to further contributing to the pursuit of sustainable development goals, fulfilling our corporate social responsibilities and embracing a positive outlook for the future.

SDGs	Detailed Target	Response from SiRUBA
	<p>1.4 Ensure equitable rights and access to economic resources for all. Especially women, men, and those who are poor and disadvantaged.</p>	<ul style="list-style-type: none"> <li>■ 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.</li> <li>■ Adjusting the employee compensation based on company profit enhances employee engagement and commitment.</li> </ul>
	<p>3.4 Enhance mental health through preventive measures and treatment.</p>	<ul style="list-style-type: none"> <li>■ Contracted onsite healthcare professionals to provide health promotion services, with nursing employee providing onsite services for 62 times and doctors for 6 times.</li> </ul>
	<p>4.5 Bridge the educational gap by providing disadvantaged groups with access to education at all levels and opportunities for job training, including for handicapped, aborigines and disadvantaged children.</p> <p>4.7 Advocates for education for sustainable development, sustainable lifestyles, human rights, gender equality, peace and non-violence.</p>	<ul style="list-style-type: none"> <li>■ Organizing specialized training for employee with diverse job roles to ensure that each employee has access to vocational training opportunities.</li> <li>■ Designing courses on sustainable development, workplace equity and labor rights, and promoting participation among colleagues.</li> </ul>
	<p>5.1 Elimination of all forms of discrimination against women.</p> <p>5.4 Supporting social protection policies approved by the government and caring of women’s family.</p>	<ul style="list-style-type: none"> <li>■ Gender is not a factor in the appointment and promotion of employees.</li> <li>■ Both males and females have the right to apply for parental leave.</li> </ul>

SDGs	Detailed Target	Response from SiRUBA
	<p>8.5 Achieve full and productive employment for all, including youth and individuals with physical or mental disabilities, ensuring equal pay for equal work.</p> <p>8.7 Prohibit child labor and eradicate forced labor.</p> <p>8.8 Protect the rights and welfare of workers, and enhance the safety of working environment, particularly for women and those engaged in hazardous work.</p>	<ul style="list-style-type: none"> <li>Gender is not a factor in the appointment and promotion of employees.</li> <li>Adjusting the employee compensation according to company profit enhances employee loyalty.</li> <li>Respect the rights and welfare of workers, including the prohibition of child labor and any form of workplace discrimination.</li> <li>Pregnant employees receive legal protections, including job reassignment and reduced</li> <li>Implementing an occupational safety and health management mechanism to significantly improve employee workplace safety.</li> </ul>
	<p>9.5 Promote innovation by expanding the R&amp;D personnel and increasing R&amp;D expenditure.</p>	<ul style="list-style-type: none"> <li>Promote innovation and substantial investment in R&amp;D to ensure our ongoing delivery of products that meet the community's expectations.</li> </ul>
	<p>10.2 Promote socio-political integration irrespective of age, gender, physical or mental disability, religion, economic status or other factors.</p> <p>10.3 Ensure that equal opportunity, reducing inequality, including the practices of eliminating discrimination.</p>	<ul style="list-style-type: none"> <li>The company does not consider employee's physical and mental difference as criteria for recruitment, assessment and promotion.</li> <li>We establish employee reporting channels and maintain a well-established reporting process to safeguard whistleblowers.</li> </ul>
	<p>12.5 Significantly reduce waste generation through prevention, reduction, recycling and reuse.</p>	<ul style="list-style-type: none"> <li>Producing eco-friendly products, improving design, and minimizing waste generation.</li> </ul>
	<p>13.2 Incorporating climate change measures into Policies, Strategies and Plans.</p>	<ul style="list-style-type: none"> <li>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.</li> <li>Implementing a greenhouse gas inventory each year.</li> </ul>
	<p>16.6 Develop efficient, responsible, and transparent systems at all levels.</p> <p>16.7 Ensure that decisions at all levels are responsive to public opinion, inclusive, participatory and representative.</p>	<ul style="list-style-type: none"> <li>Enhancing corporate governance by ensuring employees comply with company regulations through internal controls and establishing a reporting process with dedicated channels.</li> <li>Through stakeholder communication, the company understands stakeholders' expectations and reports to the Board accordingly.</li> </ul>

## 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 corporate, 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.

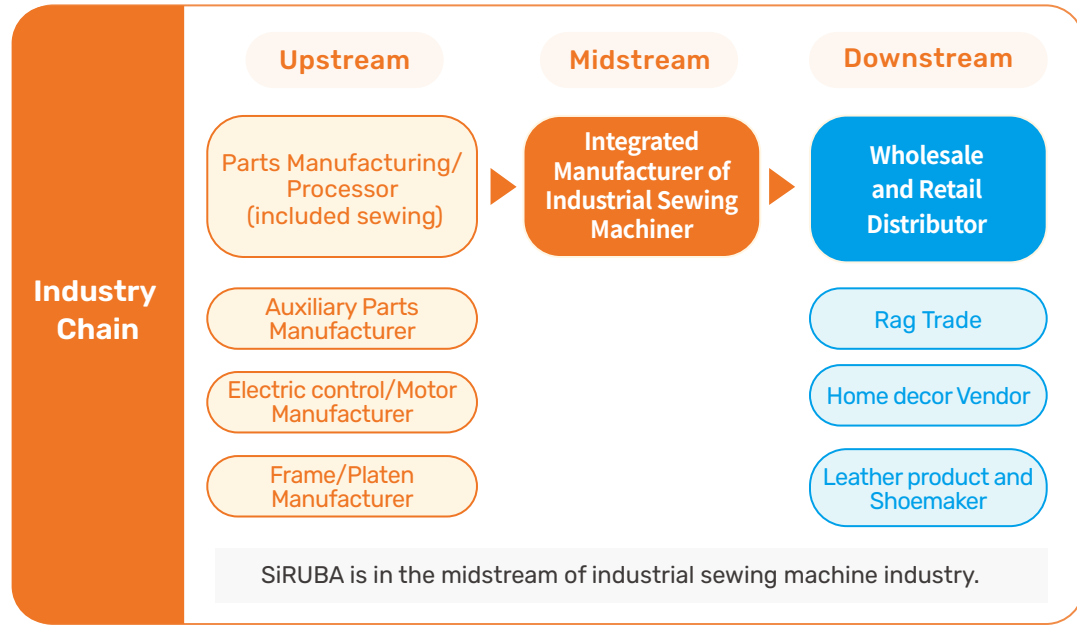
With the dawn of the intelligence era, we have invested ahead of our peers in the development and production of automated sewing equipment. These automated machines merge mechanical precision, speed and consistency, resulting not only in reduced labor costs, but also in heightened production quality 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 network extends across the globe; we serve as a steadfast support for our customers’ businesses. Wherever you are in the world with sewing requirements, we stand by your side.

<b>Company</b>	<b>KAULIN MFG. CO., LTD.</b>
<b>Number of Employee</b>	362 employees
<b>Capital Amount</b>	NTD 1.82 billion (Stock Code: 1531)
<b>Founded</b>	Oct. 5, 1965
<b>Chairman</b>	YA ZI, LIN CHEN
<b>Headquarter</b>	8F, No. 167, Dunhua North Road, Songshan District, Taipei City, Taiwan
<b>Main Business</b>	The processing, manufacture, assembly, and trading of sewing machines and their components. Casting, processing and trading of milling products. Casting, processing and trading of sewing machine parts.
<b>Main Product</b>	All kinds of industrial sewing machines, including the copying machine, three-needle machine, hand-operated and all kinds of multi-needle loop sewing machines.
<b>Service regions</b>	Global

<b>Operating locations</b>	<b>5 operating locations around the world</b> Taiwan (3), China (1), USA (1), Vietnam (2)
<b>Quantity of products produced</b>	<b>Taipei Headquarter</b> 8F, No. 167, Dunhua North Road, Songshan District, Taipei City, Taiwan
	<b>Taoyuan Plant:</b> No. 246, Section 1, International Road, Taoyuan District, Taoyuan City, Taiwan
	<b>Shezi Store:</b> No. 38, Shezi Street, Shilin District, Taipei City, Taiwan
	<b>China address:</b> No. 16, Longtanshan Road, Beilun District, Ningbo City, Zhejiang Province, China (Postal Code: 315800)
	<b>Honduras Service Center:</b> Zona Libre INHDELVA costado Este de la cancha de fútbol, 800 Mts, crrt a la Jutosa Choloma Cortes Honduras
	<b>Vietnam subsidiary:</b> Lô số 3, Khu biệt thự Hoa Phượng, xã An Khánh, huyện Hoài Đức, Hà Nộidecor
	<b>Vietnam office:</b> So 559, Hoang Van Thu, Phuong 4, Quan Tan Binh, T.P. HCM
<b>Industry Chain</b>	SiRUBA is in the midstream of industrial sewing machine industry.



## 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 on 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 to customers 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.

Project	2022	2023	2024
Income	2,471,056	1,420,562	1,637,783
Operating Cost	1,597,289	927,112	1,054,077
Employee Payment & Benefits	429,212	290,205	286,101
Payment to Sponsors	135,566	149,747	38,712
Payment to Government	81,135	67,301	5,646
Community Investment	3,148	2,366	113
Economic value of retention	224,706	(16,169)	253,134

Note: For the year 2024, changes in the dividend policy led to lower pre-tax profits, resulting in decreased income tax. Consequently, both dividends paid to investors and taxes paid to the government decreased compared to 2023.



## 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

## 1.3 Corporate Governance

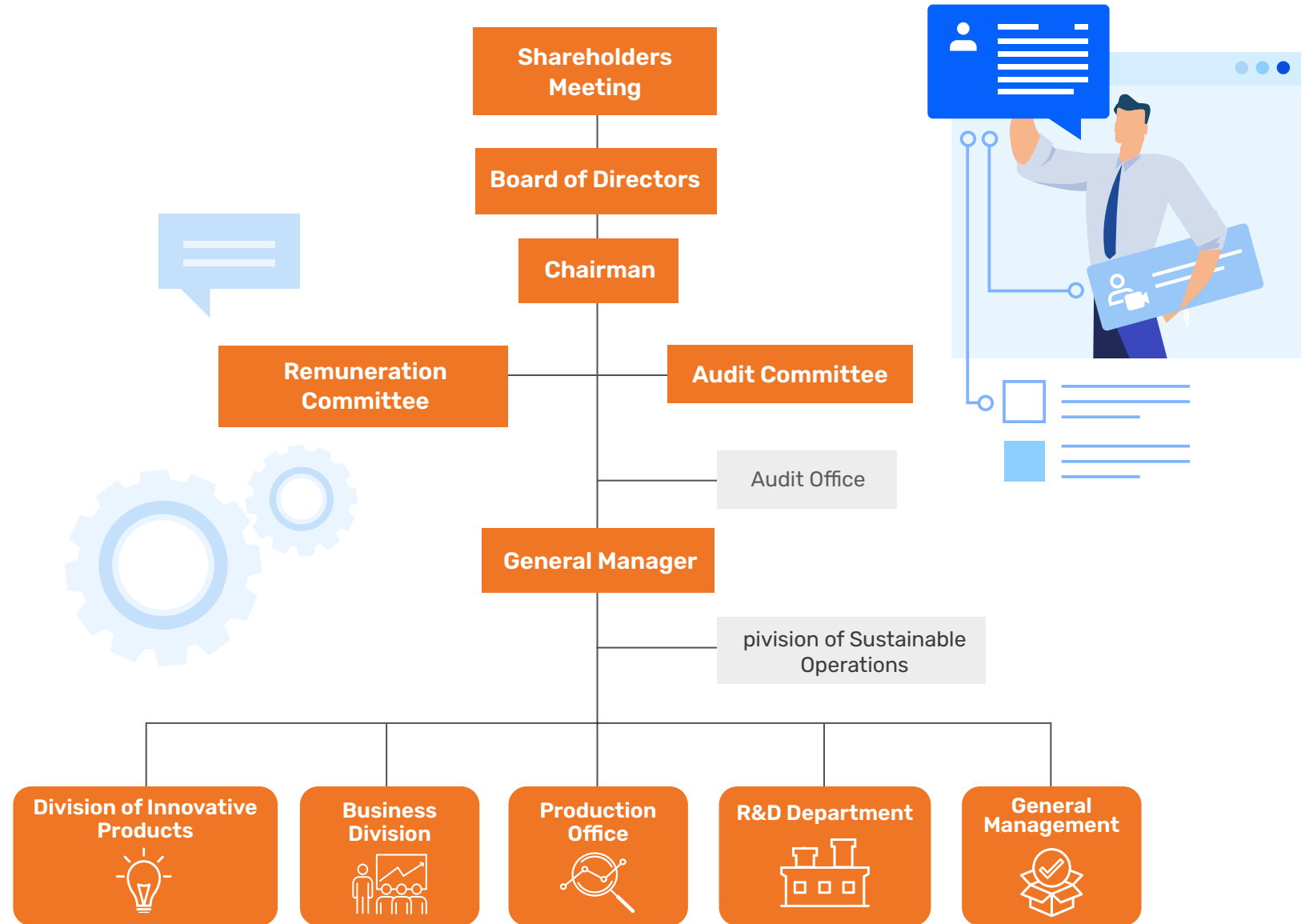
A robust corporate governance framework encompasses comprehensive Board of Directors' operations and effective risk control. This not only mitigates the operational risks but also enhances the company's overall competitiveness and brand value. We build a company culture of integrity and responsibility and strictly adhering to all laws and regulations to implement integrity management. Additionally, we uphold sound corporate governance structure to ensure the healthy growth of the company's operations while safeguarding the rights and interests of investors and other stakeholders.

The SiRUBA shareholders' meetings attended by all shareholders makes decisions on significant company matters and regularly reviews reports from the Board of Directors. The Board of Directors, as the highest governing body, consists of members who diligently fulfill their duty of care, formulate business policies, review financial performance, and ensure that the company operates in compliance with all applicable laws. The Chairman is responsible for establishing the company's strategic goals as determined by the board, while the General Manager oversees daily operations, plans for corporate's sustainable operations and strategic development, and leads the management team in reporting their performance to the board.

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 structure.

### 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, Corporate Sustainable Development Committee, among others. These entities ensure procedures for oversight and checks and balances. Our operations adhere to the respective "Board Meeting Regulations", "Rules Governing the Organization of the Remuneration Committee," and "Rules Governing the Organization of the Audit Committee."





Unit	In charge
<b>Remuneration Committee</b>	Assisting the Board to fulfill and assess the company payment, benefit policy, the payment of the directors and managers.
<b>Audit Committee</b>	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.
<b>Audit Office</b>	Responsible for the planning, execution and tracking of internal audits, and providing analysis, evaluation and other recommendations.
<b>General Manager</b>	Oversee the overall business operations and management of the entire company.
<b>Division of Sustainable Operations</b>	<ol style="list-style-type: none"> <li>1. Serving as the company's ESG decision-making hub that consists of division-level and above directors, plant managers, and the CEO of the Kaulin Foundation to establish the course and objectives for CSR and sustainable development, and develops related management policies and concrete implementation plans.</li> <li>2. Responsible for quality management, coordinating production and sales, and developing the organizational structure and talent.</li> </ol>
<b>Division of Innovative Products</b>	<ol style="list-style-type: none"> <li>1. Assist in developing marketing strategies and setting up suitable operational models.</li> <li>2. Responsible for developing new products or acquiring new customers.</li> <li>3. Combine group resources to create synergy.</li> </ol>
<b>General Management Office</b>	<ol style="list-style-type: none"> <li>1. Human resource management, organizational development, and planning, construction, development, and management of the company's information systems and equipment, annual budget planning, and activities relating to finance, accounting, and taxes.</li> <li>2. 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'</li> </ol>
<b>R&amp;D Department</b>	New product research and development, production technology and product design business.
<b>Production Office</b>	Product Manufacturing Management.
<b>Business Division</b>	Marketing and sales management.

Note: The Chairman and General Manager isn't the same person.

### 1.3.1 Board of Directors

The SiRUBA Board of Directors functions as the highest governance body and a pivotal center for making major business decisions. It consists of seven members (3 females, accounting for 42.86% of all members), including four independent directors, with a Remuneration Committee, an Audit Committee and a Corporate Sustainable Development Committee established under its control. Board members possess extensive experience and professionalism in financial, business, economy, R&D, 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 “Corporate Governance Practices”. The directors (including independent directors) are selected through a candidate nomination system. Throughout the board members 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 quarterly to help achieve the company’s operating results. The Auditor-in-Charge attends the Company’s regular board meetings and provides an audit report. Important resolutions made by the Board of Directors are also published on Taiwan Stock Exchange’s Market Observation Post System and our website. Our company held 6 board meetings in 2024 with an attendance rate of 95%. For relevant resolutions of the Board of Directors, please refer to our official website:

<https://siruba.com/tw/report/board-of-directors/>

### 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. For the year 2024, there were two instances during board meetings where directors recused themselves from voting to prevent conflicts of interest. For detailed information on these recusals, please refer to Section 3, Corporate Governance Operations, in the company’s 2024 annual report.

#### Board Members

Job Title	Name	Educational Qualifications
Chairman	Ya Zih, Lin Chen	The Chairman of JOY EAST INVESTMENT LIMITED
Director	Sheng Jhih, Lin	The Chairman of GRAND LIN INTERNATIONAL INVESTMENT CO., LTD.
Director	Yu-Chen, Lin	The Chairman of Wei Li Investment Co., Ltd.
Independent Director	Jhih Lun, Yang	Doctor of Philosophy in China University of Political Science and Law Operator of Center & Logic Law Firm
Independent Director	Li Ting, Huang	Doctor of Information Management in National Central University Associate Professor of Department of Information Management in Chang Gung University
Independent Director	Sheng Sheng, Lin	Master’s Degree of Ming Chuan University’s Institute of Management The Chairman 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, Tang	St. John’s University of Science and Technology The Chairman of Taipei Private Hua Gang Art School

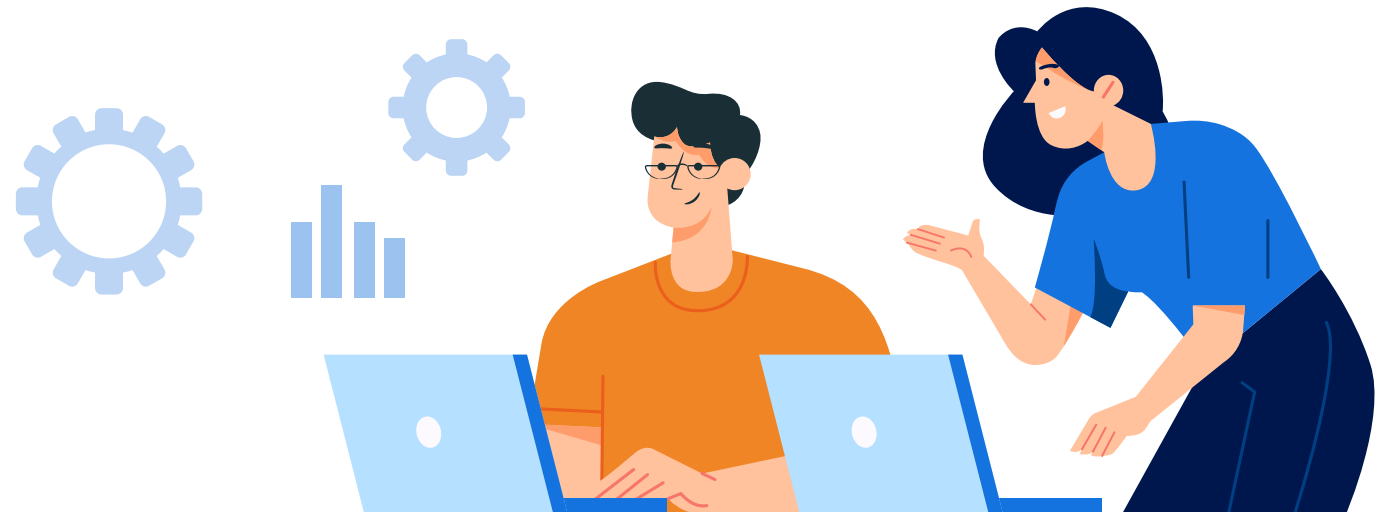
Note: For information on the independence and qualifications of the board members, please refer to page 8 of the annual report.

According to the Board Meeting Regulations, the Board of Directors should hold at least one meeting each quarter on average 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 the meeting, the responsible unit for follow-up actions should be confirmed, and the proper handling of follow-up should be reported in the subsequent meeting. When the Board Meeting Affairs Department 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 material information in accordance with the Procedures for Handling Material Inside Information and Preventing Insider Trading. For the year 2024, a total of 29 announcements for material information were released on the Market Observation Post System for communicating material events and outcomes. For more details on these topics, please visit this link (<https://mops.twse.com.tw/mops/#/web/t05st01>) and enter 1531 to search for relevant information.

Board Diversity Statistics /Year		2022		2023		2024	
		Number of People	Per-cent-age	Number of People	Per-cent-age	Number of People	Per-cent-age
Gender	Male	5	71.4%	4	57.14%	4	57.14%
	Female	2	28.6%	3	42.86%	3	42.86%
Director	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	26.86%	2	26.86%

## The Board Education and Performance Assessment

To enhance the ethical standards of conduct among our internal employee and to uphold integrity management, we have established not only a “Ethical Code of Conduct” and “Procedures for Integrity Management and Guidelines for Conduct”. The content covers preventing conflicts of interest, avoiding personal gain opportunities, maintaining confidentiality, ensuring fair transactions, protecting and properly using company assets, complying with laws and regulations, encouraging the reporting of any illegal or unethical conduct, and implementing disciplinary actions. 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 related to corporate governance, or internal control system and financial reporting responsibilities. We consistently arrange courses for both directors and employees, covering themes like sustainable corporate management and corporate governance, legal compliance, risk management, money laundering prevention and combat information security threats.





Job Title	Name	Date	Host	Class	Hours	Sustainability related
Chairman	YA ZI, LIN CHEN	2024/04/10	Taiwan Institute of Directors	▪ Guiding the corporate's journey with wisdom, leading the way with corporate governance	3	✓
		2024/07/03	Taiwan Stock Exchange	▪ 2024 Cathay Sustainable Finance and Climate Change Summit	6	✓
		2024/10/23	Taiwan Stock Exchange	▪ Promotional Course on GHG Protocol Corporate Standard and Scope 3 Standard	7	✓
Corporate director representative	Sheng Jhih, Lin	2024/06/06	Taiwan Stock Exchange	▪ Promotional Course on GHG Protocol Corporate Standard and Scope 3 Standard	7	✓
		2024/09/20	Securities and Futures Institute	▪ 2024 Insider Trading Prevention Seminar (Online Session)	3	✓
Corporate director representative	Yu-Chen, Lin	2024/04/10	Taiwan Institute of Directors	▪ Guiding the corporate's journey with wisdom, leading the way with corporate governance	3	✓
		2024/09/06	Securities and Futures Institute	▪ 2024 Insider Trading Prevention Seminar	3	✓
		2024/09/30	Taiwan Institute of Directors	▪ Leading with intelligence: Pioneering a new framework for AI governance	3	✓
Independent Director	Jhih Lun, Yang	2024/06/03	Securities and Futures Institute	▪ Institutional Investors' Forum	3	✓
		2024/09/20	Securities and Futures Institute	▪ 2024 Insider Trading Prevention Seminar (Online Session)	3	✓
		2024/10/08	Taiwan Stock Exchange	▪ 2024 WIW Forum Keynote Speech: Digital and Sustainable Finance in the Era of the AI Boom	3	✓
		2024/11/22	Securities and Futures Institute	▪ 2024 Insider Equity Transactions Act Compliance Information Seminar	3	✓
Independent Director	Sheng Sheng, Lin	2024/04/10	Taiwan Institute of Directors	▪ Guiding the corporate's journey with wisdom, leading the way with corporate governance	3	✓
		2024/04/11	Independent Director Association Taiwan	▪ 2024 Independent Director Elite Training Institute	3	✓
		2024/05/02	Taiwan Institute of Directors	▪ How to Drive Business Growth Through Strategic Mergers and Acquisitions	3	✓
Independent Director	Li Ting, Huang	2024/07/03	Taiwan Stock Exchange	▪ 2024 Cathay Sustainable Finance and Climate Change Summit	6	✓
		2024/09/30	Taiwan Institute of Directors	▪ Leading with intelligence: Pioneering a new framework for AI governance	3	✓
		2024/10/18	Securities and Futures Institute	▪ 2024 Insider Trading Prevention Seminar	3	✓
Independent Director	Yan Bo, Tang	2024/06/03	Securities and Futures Institute	▪ Institutional Investors' Forum	3	✓
		2024/09/06	Securities and Futures Institute	▪ 2024 Insider Trading Prevention Seminar	3	✓
		2024/10/08	Taiwan Stock Exchange	▪ 2024 WIW Forum Keynote Speech: Digital and Sustainable Finance in the Era of the AI Boom	3	✓

We have established “Board Performance Evaluation Measures,” which are based on Article 4 of the organizational regulations of the 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, pre-meeting understanding and participation in proposal discussions, interaction with the management team, compliance with laws and Code of Practice, efforts to enhance corporate governance, participation in continuous learning of corporate governance related courses, understanding of the company management team 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. To enhance the objectivity of the evaluation process, our company conducts external assessments at least once every three years. These evaluations are carried out by professional independent institutions or teams of external experts and scholars.

Project	Self-assessment
Performance Evaluation of Board of Directors	 <b>Excellent</b> 
Performance Evaluation of Board Members	
Audit Committee Performance Evaluation	
Remuneration Committee Performance Evaluation	
Corporate Sustainable Committee Performance	

For the complete performance self-assessment report, please refer to the official website: <https://siruba.com/tw/report/board-of-directors/>

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. Once the internal implementation of ESG becomes more mature in the future, we will engage in discussions with the Remuneration Committee to determine whether to incorporate sustainable performance within the parameters of compensation

## 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 “Procedures for Integrity Management and Guidelines for Conduct”, we have systematically established reporting channels and investigation procedures. This ensures the successful implementation of our company’s formulated “Procedures for Integrity Management and Guidelines for Conduct” 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, serving 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/report/stakeholder-engagement/>

### 1.3.2 Audit Committee

Our company has established an audit committee in accordance with the Company’s 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 is 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.
- ✓ Selection (dismissal) of CPA, independence and performance.
- ✓ Ensuring the effective implementation of internal control within the company.
- ✓ Overseeing compliance with the laws and regulations.
- ✓ Managing and controlling existing or potential risks within the company.

Throughout the year 2024, the Audit Committee conducted a total of 6 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/dQejx8>

### 1.3.3 Remuneration 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 Remuneration 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 2024, the Remuneration Committee convened a total of 6 meetings, achieving a perfect attendance rate of 100%. For a detailed insight into the functioning of the committee, please refer to the official website at: <https://reurl.cc/dQejx8>

### 1.3.4 Corporate 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 regularly reports to the Board of Directors on the progress of sustainable development efforts and upcoming work plans. For details about the committee meetings, please visit our official website at <https://reurl.cc/bWGjdr>

### 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 2024, and all related abnormal improvement items have been completed.

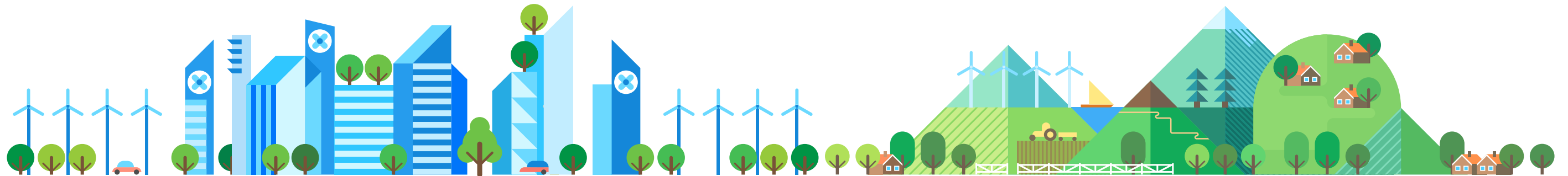


## 1.4 Risk Management

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.

Category	Risk Factor	Description	Risk Management Strategy
Environmental	<b>Energy consumption and emissions during the production process</b>	The manufacturing industry is energy-intensive and may face regulatory pressure on carbon emissions, such as Taiwan’s carbon fee and China’s dual carbon policies.	<ul style="list-style-type: none"> <li>Solar panels installed on the roof of Gao Yin plant to boost the share of renewable energy</li> <li>Energy-saving technology for process optimization</li> <li>Conduct greenhouse gas inventories, monitor carbon emission data, and establish reduction targets</li> </ul>
	<b>Waste and pollution management</b>	Improper disposal of metal processing waste and chemical solvents can lead to soil and water pollution, particularly as environmental regulations in China become increasingly stringent.	<ul style="list-style-type: none"> <li>Implement a waste recycling mechanism</li> <li>Collaborate with certified processing facilities and ensure transparent tracking</li> <li>Enhance pollution prevention and control in the plant area</li> </ul>
	<b>Water Resource Management</b>	Plants may face risks related to water scarcity.	<ul style="list-style-type: none"> <li>Installation of a circulating water system</li> <li>Regular pipeline maintenance to reduce leakage losses</li> </ul>
	<b>Supply chain environmental risks</b>	If our suppliers fail to comply with ESG standards (such as prohibiting the use of certain chemicals, illegal sourcing of raw materials, or high carbon emissions), we may incur joint liability.	<ul style="list-style-type: none"> <li>Develop standards for sustainable supply chain management</li> <li>Periodic audit of key suppliers</li> <li>Give priority to sourcing raw materials that have environmental certification</li> </ul>
Social	<b>Workers’ rights and workplace conditions</b>	Significant differences in labor laws across the Taiwan Strait may cause disputes over overtime, salary transparency, and the rights of migrant workers.	<ul style="list-style-type: none"> <li>Develop labor protection policies in accordance with local laws and regulations</li> <li>Set up anonymous complaint channels</li> <li>Conduct regular human rights education and training sessions</li> </ul>
	<b>Occupational Safety and Health (OH&amp;S)</b>	Occupational hazards in the machinery manufacturing industry, including injuries from operating machinery and exposure to noise.	<ul style="list-style-type: none"> <li>Enhance security protection equipment and automate workflows</li> <li>Conduct regular work safety drills and health screenings</li> <li>Implement the occupational health and safety management system according to the ISO 45001 standard</li> </ul>
	<b>Product safety and customer privacy</b>	If the product incorporates smart sewing technology (like IoT equipment), it could be exposed to data security risks.	<ul style="list-style-type: none"> <li>Implement encryption and access control for customer data</li> <li>Plan to obtain information security certification, such as ISO 27001</li> </ul>
	<b>Community relations and social influence</b>	Plant operations can affect nearby communities with noise, traffic, and other disturbances, particularly in densely populated areas.	<ul style="list-style-type: none"> <li>Regularly attend community meetings for communication</li> <li>Invest in local public infrastructure</li> <li>Publish environmental performance on the official website and in the sustainability report to alleviate residents’ concerns</li> </ul>

Category	Risk Factor	Description	Risk Management Strategy
Governance	Transparency in governance and board composition	Family businesses may encounter governance risks like centralized decision-making and a lack of sufficient independent directors.	<ul style="list-style-type: none"> <li>▪ Increase the number of independent directors and enhance the role of the audit committee</li> <li>▪ Publish an ESG report annually</li> <li>▪ Establish effective communication with stakeholders</li> </ul>
	Risks related to cross-border compliance	Plants on both sides of the strait must adhere to different regulations, potentially raising compliance costs and the risk of disputes.	<ul style="list-style-type: none"> <li>▪ Conduct regular regulatory reviews, and 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.</li> <li>▪ Strengthen personnel’s legal compliance awareness through education and training.</li> </ul>
	Technological innovation and intellectual property risks	The sewing machine industry is highly competitive; insufficient investment in research and development (R&D) or weak intellectual property protection could undermine market competitiveness.	<ul style="list-style-type: none"> <li>▪ Increase the share of R&amp;D funding and strategically apply for patents</li> <li>▪ Collaborate with academic and research institutions to develop green technologies</li> <li>▪ Monitor counterfeit goods and pursue legal action</li> </ul>
	Trade and geopolitical risk factors	Cross-strait relations and international trade disputes, like the China-US trade war, could impact the stability of supply chains or increase tariff expenses.	<ul style="list-style-type: none"> <li>▪ Decentralized production facilities and markets</li> <li>▪ Perform a preliminary tariff scenario simulation</li> <li>▪ Increase inventory of critical components to mitigate geopolitical impacts</li> </ul>



## 1.5 Integrity Management

All departments of SiRUBA will regularly engage with stakeholders through established communication channels. If potentially significant negative impacts on the company from stakeholders are identified, the responsible department will conduct due diligence on the stakeholder's financial situation and present the findings to the Chairman. The Chairman 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 make a resolution on the due diligence report submitted by the departments and assign it to the company's responsible departments for execution. For the year 2024, there have been no major adverse events between SiRUBA and stakeholders, 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 management as our foremost core values. The company conducts its business operations with honesty and a commitment to upholding the law. Through its "Procedures for Integrity Management and Guidelines for Conduct" and "Ethical Code of Conduct", SiRUBA underscores its core values of integrity, innovation, discipline, positivity, customer trust, and the mission to foster global connections through innovation and care. The company advocates for integrity 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 2024, SiRUBA did not receive any reported cases. Additionally, 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 meetings with customers and suppliers aiming to enhance our grievance mechanism.

## 1.6 Regulation Compliance

First and foremost, adhering to laws and regulations is the cornerstone of a corporation's secure and sustainable growth. Effective legal compliance not only prevents corruption and reduces the loss of time and expenses associated with judicial investigations, fines, lawsuits, and negative publicity, but also bolsters the corporate's reputation. This, in turn, attracts high-quality independent directors, employees, and partners, leading to a mutually beneficial scenario for the corporation, 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 Board Meeting Regulations, enhancing the Board's competency.

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 compliance through internal control mechanisms. Concerning personnel training, the company provides training for employees across different units and ranks on the laws and regulations relevant to business operations, 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 the 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 their rights and interests are safeguarded. 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.

We have upheld a clean record with no significant violations across all areas in 2024, including integrity governance, anti-competition, business accounting, environmental protection, labor rights, occupational safety and health, product responsibility, socioeconomics, customer privacy, and customer health and safety.

## 1.7 Sustainable Supply Chain

### Material Topic Sustainable Supply



<p><b>Policies/ Commitments</b></p>	<ul style="list-style-type: none"> <li>Comply with the principle of fair trade, and manufacturers comply with environmental protection, occupational safety and human rights</li> <li>Sustainable development of the supply chain, with win-win as the ultimate goal</li> </ul>
<p><b>Goals</b></p>	<ul style="list-style-type: none"> <li>The environmental and social assessment compliance rate of existing suppliers is over 95%</li> <li>The environmental and social assessment compliance rate of new suppliers is over 95%</li> </ul>
<p><b>Responsible department/ Grievance mechanism</b></p>	<ul style="list-style-type: none"> <li>Responsible department: Procurement Section</li> <li>Grievance mechanism E-mail: kevin01.chen@siruba.com</li> </ul>
<p><b>Invest Resources</b></p>	<ul style="list-style-type: none"> <li>Conduct regular environmental and social audits on existing suppliers</li> <li>Implement supplier evaluation form for assessing new suppliers.</li> <li>Completed the revision of procurement methods and Supplier Management Measures, incorporating environmental and social assessments into system management.</li> </ul>
<p><b>Evaluation mechanism</b></p>	<ul style="list-style-type: none"> <li>Assessment of new and existing suppliers in 2024 met the targets</li> </ul>

Suppliers are important partners of SiRUBA’s value chain. 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’s social and environmental development. To promote SiRUBA’s sustainable development and align with global environmental initiatives, 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, delivery time, and pricing, SiRUBA intends to incorporate the concept of corporate’s sustainable development into the supply chain starting from 2023. Through Supplier Management Measures, aspects related to sustainable development - such as environmental friendliness, occupational health and safety, labor and human rights, and ethical standards - are incorporated into supplier criteria. 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 time 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 time, with classifications ranging across four levels: Class A, Class B, Class C, and Class D. From 2024 onwards, continue to carry out evaluations of new suppliers as well as environmental and social assessments of existing suppliers.

## Supplier Quality Evaluation Statistics

Year	Head office and Taoyuan			Gao Yin		
	2022	2023	2024	2022	2023	2024
Number of new suppliers	10	11	1	9	13	3
Number of Supplier(s) Evaluated	10	11	1	9	3	3
Number of Qualified Supplier	10	11	1	8	3	3
Percentage	100%	100%	100%	89%	100%	100%
Total number of suppliers	136	113	73	149	137	137
Number of Annual Assessment	136	113	73	149	137	137
Number of Qualified Supplier	135	113	73	149	134	131
Percentage	99%	100%	100%	100%	98%	96%

Note: In 2024, the Taoyuan plant transitioned from a production facility to primarily focusing on design and development due to operational adjustments. Therefore, there will be no supplier management performance evaluations starting this year.

From 2023 onwards, we began to carry out evaluations of new suppliers as well as environmental and social assessments of existing suppliers. The 2024 evaluation results showed that all suppliers met our requirements and there was no supply disruption due to significant violations of environmental or social regulations.

## 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. Through implementing these appropriate preventive measures, it can avoid and minimize risks to SiRUBA’s operations, thereby safeguarding 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 with suppliers

SiRUBA places great importance on communication with suppliers. We maintain a firm grasp on and monitor supplier operations through various channels. By implementing an e-Procurement information management system, suppliers can clearly understand SiRUBA’s current and future purchasing requirements, helping them plan their production accordingly.

SiRUBA organizes supplier meetings, conferences, and industry exhibitions from time to time, and maintains a dedicated supplier section on the company website to strengthen relationships with suppliers.

### 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



### Invest Resources

- 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

- 2No major information security hazard incidents occurred in 2024.
- In 2024, 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.

SiRUBA implements information security management to meet stakeholder requirements, protect product and service information, and prevent unauthorized access, modification, use, disclosure, and losses from natural disasters. This approach aims to earn the trust of customers and suppliers, ensure the continuous operation of critical business functions, fulfill commitments to shareholders, and maintain the confidentiality, integrity, and availability of vital information assets in compliance with applicable 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 is responsible for managing information security risks as well as monitoring and evaluating information security objectives performance. 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.



### Policies/ Commitments

- 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

- 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 data 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.

### Responsible department/ Grievance mechanism

- Responsible department: Information Department

### Invest Resources

- Set up a dedicated information security supervisor and assign dedicated personnel to be responsible for the implementation of information security matters.

## 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 data 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 Policies

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.  
  
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.

## 2024 results

- ✓ There were no major information security incidents in 2024.
- ✓ The 2024 information security audit has been completed with no non-compliance issues found. The results indicate that the information security protection ability and their implementation are well-controlled and comprehensive.

Information security performance in 2024

Item number	Information security	Description	Total cost NT\$ (in thousands of New Taiwan Dollars)
1	Managed Detection and Response Information security system	Intent threat real-time monitoring service	5,117.75
2	Web page weak scan	Web vulnerability scanning	
3	Host weak scan	Server host vulnerability scanning	
4	Social engineering drill	Phishing email drill and cybersecurity training for company employees, with a total of 374 participants across the group	
5	Information security insurance	Tokio Marine Newa Insurance Co., Ltd	
6	Email NetEngine SPAM filtering	Email Server spam protection mechanism	
7	MAIL link turns on Openfind Mail protection	Email link filtering protection	
8	Comodo AEP Endpoint Security and Management	Comodo ITSM Server centralized management system Next generation endpoint security: firewall, antivirus, intrusion detection and prevention	
9	Comodo personal MAIL certificate	Email signature credential authentication verifies the sender of the message and prevents spoofing	
10	Compdo website protection	Comodo website security management service (WAF+DDoS+SOC)	
11	Company website SSL certificate (official website/ e-commerce)	Protect information and data transferred within or between websites by encrypting it	
12	Oracle ERP upgrade project over a period of 3 years	Replace old IE browser Add SSL certificate to increase data security Strengthen the backup mechanism to improve data recovery and response capabilities.	





# 02 Innovative Product

2.1 Product Liability and Security

2.2 Customer Service



**This Chapter: Sustainable Performance**

SDGs	Achievements
 <p>9.5 Improve the scientific and technological capabilities of industry and commerce and encourage innovation</p>	<ul style="list-style-type: none"> <li>R&amp;D investment amounted to NTD 48,373 thousand, accounting for 2.95% of total revenue</li> <li>The company obtained 5 sewing machine-related invention patents and 5 utility model patents</li> </ul>
 <p>12.5 Significantly reduce waste generation through prevention, reduction, recycling and reuse</p>	<ul style="list-style-type: none"> <li>Completed the adoption of PU foam packaging materials made from biomass materials to replace the original Styrofoam packaging for electronic control boxes</li> </ul>
 <p>13.2 Integrate climate change into operational plans</p>	<ul style="list-style-type: none"> <li>Launched the complete series of ultra-high-speed mechatronic machines: the 700N overlock sewing machine, C007N interlock sewing machine, and VC008N multi-needle machine, all designed for high efficiency and energy savings</li> </ul>
 <p>17.16 Strengthen sustainable development cooperation through multilateral partnerships</p>	<ul style="list-style-type: none"> <li>The digital customer service platform provides comprehensive services, achieving the goal of customer satisfaction</li> </ul>





**Material Topics**  
**Product Innovation and Responsibility**

**Policies/  
Commitments**

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 to each customer. Supervision of the production line is achieved through an advanced intelligent manufacturing management system, facilitating an efficient and high-quality production process. 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 green energy-related working environment. Maintaining innovation is a cornerstone of our sustainable development strategy.

**Goals**

- 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.
- Actively 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 and  
Grievance Mechanism**

- Responsible department: R&D Department
- Grievance mechanism
- Email: sirubatw@siruba.com

**Invest  
Resources**

- Development of the 700N full-series functional mechatronic overlock sewing machine
- Development of a brand new 700N FT differential stepper motor-driven mechatronic overlock sewing machine
- Development of the 700N SCT single- stepper 1-to-3 digital mechatronic overlock sewing machine
- Development of a 700N SCF single- stepper 1-to-5 digital mechatronic overlock sewing machine
- Development of a 700N DCM stepper motor-driven mechatronic overlock sewing machine for fabric post-processing
- Development of the C007N UTM built-in stepper motor-driven mechatronic interlock sewing machine
- Development of the C007N UTP built-in pneumatic presser foot interlock sewing machine with automatic thread trimming device
- Development of the C007KH/C007LH interlock sewing machine with high presser foot lift
- Development of the VC008A 25/33-needle multi-needle sewing machine
- Development of the VC008N VUT stepper motor-driven multi-needle sewing machine with automatic thread trimming device

**Evaluation  
mechanism**

- No violations of health and safety regulations related to product and service, as well as voluntary protocol events occurred in 2024.
- Obtained 5 sewing machine-related invention patents and 5 new model patents in 2024
- 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 R&D are "Automatically, intelligence, energy saving, waste reduction, emission reduction and circular economy," reflecting our commitment to sustainable sewing practices. In our product R&D efforts, we employ servo motor direct drive and oil-free/micro-oil structure design to enhance energy 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 emissions. 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, 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's manufacturing process 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 irregularities on the surface of an 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 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 waste and the rapid environment pollution caused by "fast fashion", SiRUBA is taking on its social responsibility as a leading supplier in the sewing industry. We have embraced the principles of the circular economy in our pursuit of new product R&D, centering around the pivotal goal of "zero oil, zero waste."

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 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 environmental laws 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," "Source Management Regulations" and "Quality appraisal standard". Our approach involves continuous improvement through the PDCA (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 thorough communication with vendors via methods such as video conferencing or physical interactions. This iterative communication helps pinpoint problem areas, facilitating meticulous testing and modification by our R&D engineers. This approach leads to a smooth solution in product R&D. Year after year, we maintain a commitment to innovation, consistently meeting customer expectations by delivering products that align with their needs.



## 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.

## Valid Patents Obtained in 2024

Patent name	Mode	Category
Electrically controlled stitch length adjustment device for sewing machines	700L-BKF (mechanical structure)	new type
Cloth cutting structure of sewing machine	LBH-1790L	invention
Automatic sewing machine and its method for curved stitching	Overlock	invention
Height adjustment device for the feed dog of a sewing machine	Overlock	new type
Feeder lowering mechanism for a sewing machine	700X	new type
Pressure adjustment device for sewing machine presser foot	700X	new type
Rotary shuttle electric control cooling system	LBH-1790L (electric control)	invention
Edge trimming device for feed-up-the-arm sewing machine	S007KD	new type
Stitch cam that is easy to clean when threads are tangled	D007S	invention
Electromagnetic suture tension control device	700X	invention

## 2.2 Customer Service

SiRUBA values every customer’s opinions and strives to fulfill their requests while dedicating itself to delivering top-notch service to customers. In pursuit of this commitment, we have established a highly capable customer service team. This team spans across various stages, including R&D, 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 customers’ requirements and expectations.

### Customer Service Process



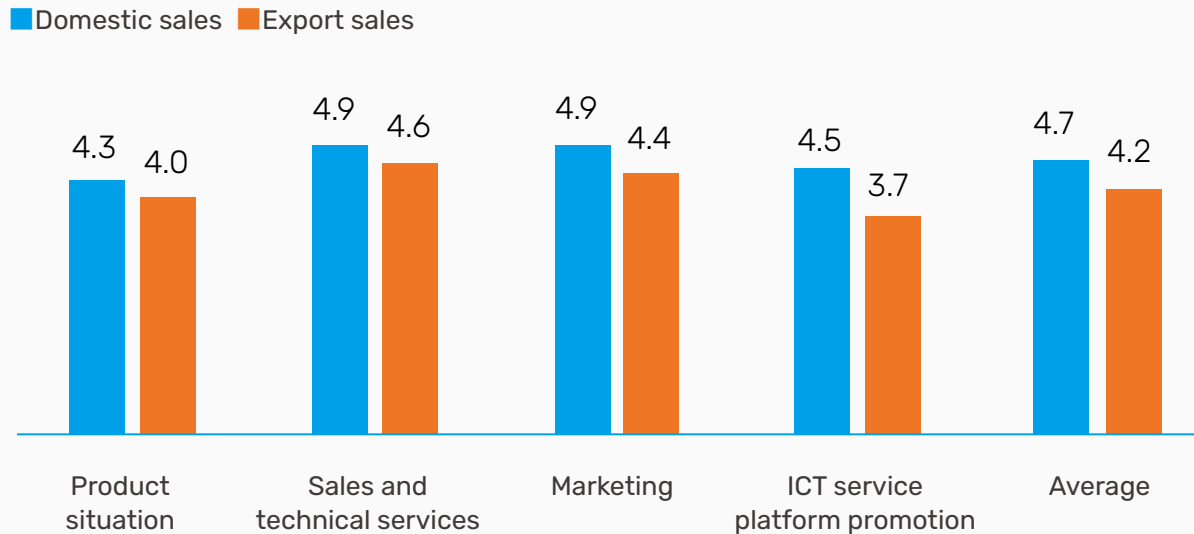
### BPM System Workflow for Customer Service Process





SiRUBA regards customers' feedback and opinions as a fundamental cornerstone for cultivating strong customer relationships, enabling us to comprehend customers' needs through multiple communication channels. Customers can have the opportunity to provide insights on quality discrepancies, performance issues and future requirement via these channels. For each piece of customer's opinion, SiRUBA conducts regular examinations and analyses, formulating appropriate improvement plans and establishing comprehensive response protocols for customers' needs. 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 2024. Additionally, to accurately understand customer satisfaction, we conduct annual satisfaction surveys for both domestic and international customers.

### Satisfaction statistics for 2024



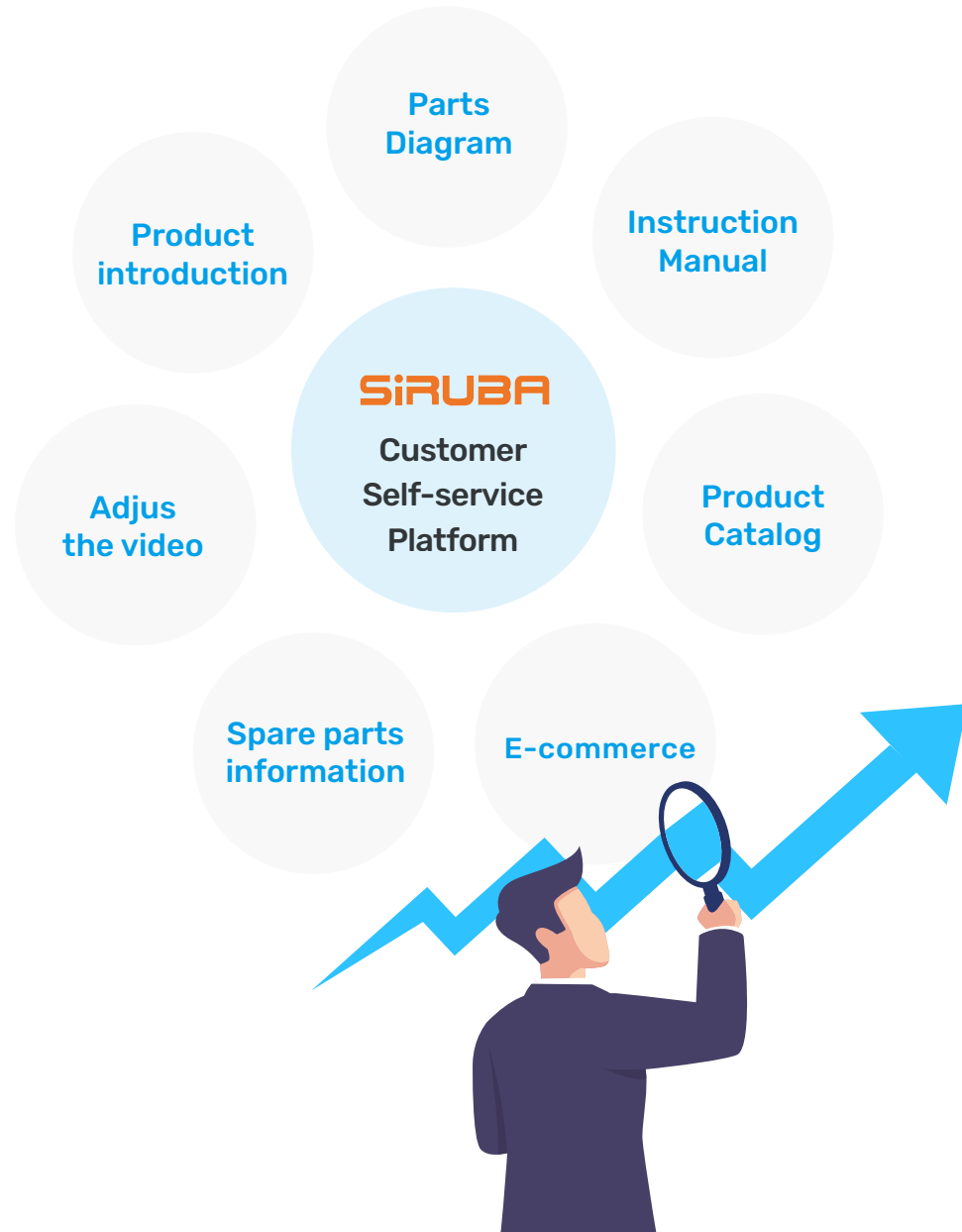
2024 satisfaction rating	Product situation	Sales and technical services	Marketing	ICT service platform promotion	Average
Domestic sales	4.3	4.9	4.9	4.5	4.7
Export sales	4.0	4.6	4.4	3.7	4.2

### 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 customers with the data 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 corporation's reputation and customer relationships.
- ✓ The establishment of an E-commerce system simplifies B2B trading procedure for partners. 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.

**“Customer Self-service Platform” provides latest information**



**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 with customers.

**Social Media**

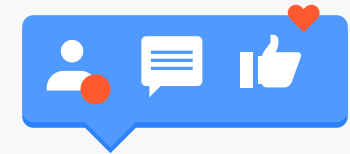
We have our own dedicated pages and channels on platforms such as Facebook, YouTube, and Tiktok. We consistently publish sewing-related content, which encompasses product videos, images, usage tutorials and customer feedback, etc. Through well-crafted visuals and scripts, we effectively capture the attention and engagement of potential customers.

FB : <https://www.facebook.com/Siruba-Sewing-Machine-2049415885307683>

YouTube : [https://www.youtube.com/@SiRUBA\\_SewingMachine](https://www.youtube.com/@SiRUBA_SewingMachine)

Tiktok : [https://www.tiktok.com/@siruba\\_sewing\\_machine](https://www.tiktok.com/@siruba_sewing_machine)

Linkedin : <https://www.linkedin.com/company/siruba>



**Video Demonstration**

Video serves as the most direct and impactful communication tool. 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, customer usage experiences and more. Our goal is to ensure the content is dynamic and engaging, with a clear and concise message. Our aim is to pique customer interest and create resonance of the customer within a short timeframe.

[https://www.youtube.com/@SiRUBA\\_SewingMachine](https://www.youtube.com/@SiRUBA_SewingMachine)



### Corporate Image Display

We project our corporate image through irregular publication of pictures and videos. Our videos encompass not only our corporate 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.

<https://siruba.com/tw/about-us/>

### Customer Interaction and Feedback

Utilizing social media platform to engage with the customers, 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.

<https://siruba.com/tw/contacts/>



### Customers' Privacy Protection

We recognize the significance of safeguarding confidential 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 customer complaints regarding customer privacy breaches or confidential information leaks in 2024.

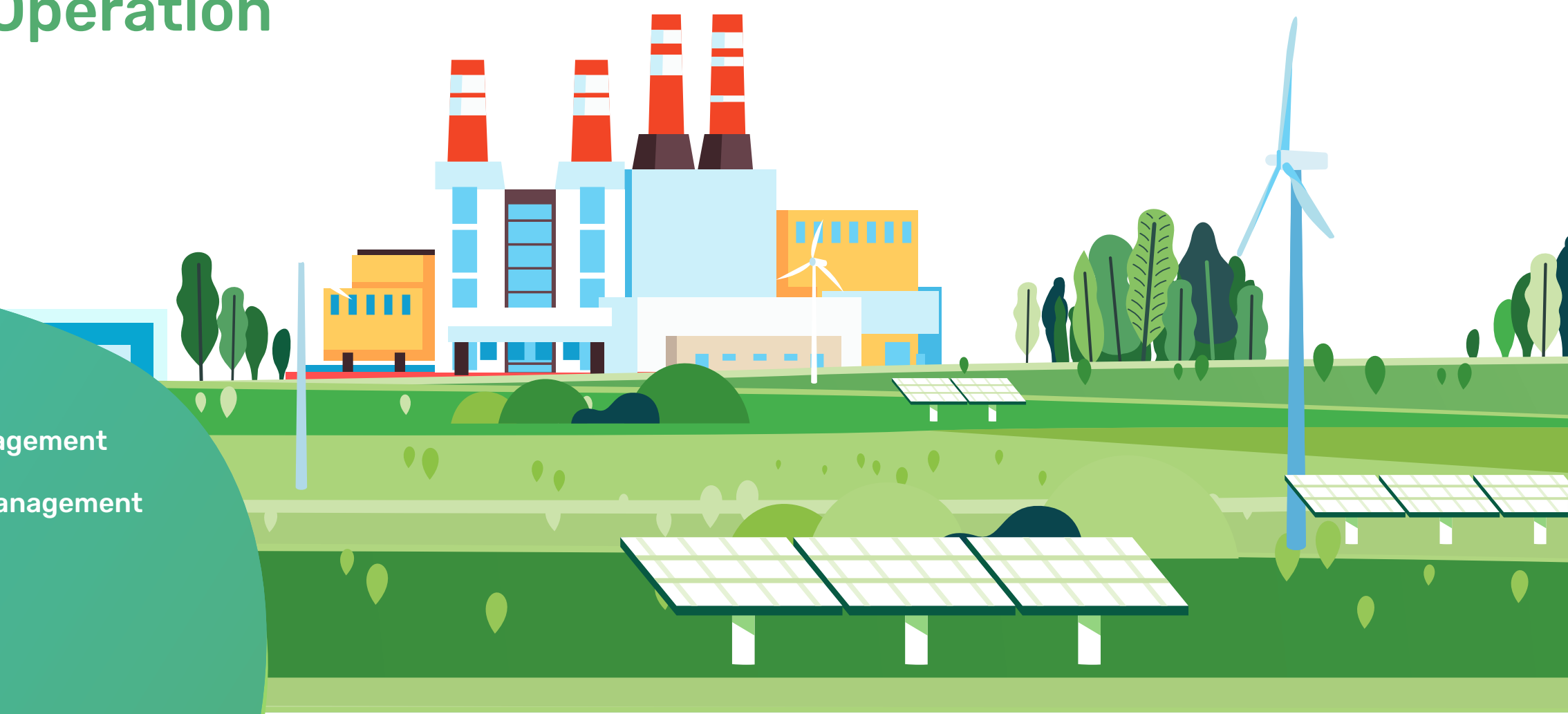


# 03 Eco-Operation





3.1 Climate Change Management

3.2 Energy Resources Management

3.3 Waste Management



This Chapter: Sustainable Performance

SDGs	Achievements
 <p>13.2 Integrate climate change into operational strategies and planning</p>	<ul style="list-style-type: none"> <li>■ Implement TCFD climate change risk management</li> <li>■ Completed ISO 14064 Greenhouse Gas Inventory</li> </ul>
 <p>12.2 Realize sustainable management of natural resources 12.5 Significantly reduce waste generation through prevention, reduction, recycling and reuse</p>	<ul style="list-style-type: none"> <li>■ The proportion of renewable materials used is 95.77%</li> <li>■ The proportion of packaging material recycling is 4.23%</li> <li>■ The waste recycling rate is 94.21%</li> </ul>
 <p>7.3 Improve energy efficiency 7.a Improve access to clean energy and technology</p>	<ul style="list-style-type: none"> <li>■ Renewable energy consumption was 7,450.0272 GJ, making up 34.24% of the total energy consumption</li> <li>■ Total energy consumption in 2024 decreased by 6% compared to 2023</li> </ul>
 <p>6.3 Improve water quality and reduce pollution</p>	<ul style="list-style-type: none"> <li>■ Domestic sewage water quality monitoring meets regulatory requirements</li> </ul>



### 3.1 Climate Change Management

SiRUBA has implemented an internal control system and internal audit framework. Additionally, we have formulated policies and processes of ESG risk management, and risk management encompassing sustainable operation, environmental factors, societal considerations and governance standards. Given the increasing significance of energy and climate change issues in recent years, and extreme weather conditions due to global warming, we have established a Task Force on Climate-related Financial Disclosures (TCFD) framework since 2022. 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 a yearly basis and the Board of Directors oversees the effective implementation and monitoring of the outlined strategies.

Governance	Strategy	Risk Management	Index and Target
<p>SiRUBA's approach to climate-related risks and opportunities</p>	<p>Business, strategy and financial planning, actual and potential climate related impacts</p>	<p>Climate-related risk management process</p>	<p>Assessment and the index and target of governance climate-related issue</p>
<p>The Governance of climate risk and opportunities, governance considered as part of the annual sustainable risk management issues, is reported by the Sustainable Development Committee to the Board of Directors on a yearly basis. The Board of Directors oversee the effectiveness of its implementation.</p>	<p>Please refer the short-term, medium-term and long term climate risks and opportunities table in 2024</p>	<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"> <li>1 ■ Sustainable Development Committee members collect the climate environment background data.</li> <li>2 ■ Climate risk and operation assessment.</li> <li>3 ■ List of climate risks and opportunities.</li> <li>4 ■ Internal shock survey questionnaire.</li> <li>5 ■ Sustainable Development Committee member analysis the opportunity of climate risk and operation impact.</li> <li>6 ■ Establishment of execution strategy and goal setting.</li> <li>7 ■ Rolling review of the effectiveness of strategies and objectives through the Sustainable Development Committee meetings every year.</li> </ol>	<ul style="list-style-type: none"> <li>■ Continue to implement greenhouse gas inventory</li> <li>■ Disclosure of information on websites and public information</li> </ul>
<p>The General Manager serves as the chairman of the climate risk and opportunity committee. Risk identification, assessment, and mitigation are carried out by unit heads at each level.</p>	<p>Please refer the climate-related impact</p> <p>We use the RCP2.6 and RCP4.5 scenarios to evaluate transition and physical risks under various warming levels. Through scenario analysis, we provide thematic descriptions of climate change risks and opportunities associated with both physical and transition risks. Please refer to the scenario analysis table.</p>	<p>Our company's ESG risk management policies and procedures have integrated climate-related risks and opportunities into the functioning of each unit.</p>	<p>For 2024, the Group's Scope 1 emissions were 260.8291 metric tons of CO<sub>2</sub> equivalent; Scope 2 emissions were 2,482.4809 metric tons CO<sub>2</sub> equivalent; and Scope 3 emissions were 1,891.1761 metric tons CO<sub>2</sub> equivalent</p> <p>Compared to the base year 2022, the group had</p> <ul style="list-style-type: none"> <li>■ 30% reduction in greenhouse gas emissions in Scope 1 + Scope 2 in 2030</li> <li>■ 50% reduction in greenhouse gas emissions in Scope 1 + Scope 2 in 2040</li> <li>■ 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.</li> <li>■ Carbon Neutrality in 2050</li> </ul>

### The Short-term, Mid-term and Long-term Climate risk and opportunity Table in 2024

R

Serial Number of Risk	Climate Change Risk Issue	Risk Level	Period
R1	Increase in greenhouse gas emission pricing	High	Short-term, Mid-term
R2	Enhanced emissions reporting obligation	Medium	Short-term, Mid-term, Long-term
R3	Request and supervise of present product and service	Medium	Short-term
R4	Low-carbon product replaces present product and service	Medium	Mid-term, Long-term
R5	The cost of low-carbon Technology Transition	Medium	Short-term, Mid-term
R6	Change of customer behavior	High	Mid-term, Long-term
R7	Rain (Water) model changes and extreme changes in climate models	Medium	Mid-term, Long-term
R8	Increased severity of extreme weather events such as typhoons and floods	Medium	Mid-term
R9	Increase in raw material costs	Medium	Mid-term, Long-term
R10	Average temperature rise	High	Short-term, Mid-term, Long-term
R11	Rising sea levels	Medium	Mid-term, Long-term

O

Serial Number of Opportunity	Climate Change Opportunity Issue	Opportunity Level	Period
O1	Reduce the amount of used water and water	Medium	Mid-term, Long-term
O2	Utilize more efficient production and distribution processes	Medium	Mid-term, Long-term
O3	Recycling and reusing	Medium	Mid-term, Long-term
O4	Use more efficient buildings	Medium	Mid-term, Long-term
O5	Use more efficient transportation	Medium	Short-term, Mid-term, Long-term
O6	Use low-carbon energy	Medium	Mid-term, Long-term
O7	Take reward policy	Medium	Mid-term, Long-term
O8	Use new technology	Medium	Mid-term, Long-term
O9	Participate in carbon market	Medium	Mid-term, Long-term
O10	Switching to decentralized energy	Low	Mid-term, Long-term

Note: Short-term refers to 1 to 5 years, mid-term refers to 5 to 10 years, and long-term refers to over 10 years



Scenario analysis

Scenario mode	Scenario description	Potential financial impact	Responsive strategy
<p>Stricter policies and regulations aimed at limiting global warming to within 1.5°C</p>	<ul style="list-style-type: none"> <li>Accelerating the implementation of carbon pricing across the strait (including Taiwan’s carbon fee and the expansion of China’s carbon market)</li> <li>Mandatory increase in the use of renewable energy in the manufacturing industry</li> <li>Prohibit the use of high carbon-emission equipment or processes</li> </ul>	<ul style="list-style-type: none"> <li>Rising carbon cost expenses</li> <li>Rising costs of equipment replacement and technology upgrades</li> <li>Risk of fines or production shutdown due to regulatory non-compliance</li> </ul>	<ul style="list-style-type: none"> <li>Invest early in low-carbon technology</li> <li>Participate in carbon credit trading to reduce emissions</li> </ul>
<p>Physical risks are steadily increasing with a 2°C temperature rise and extreme weather becoming the new normal</p>	<ul style="list-style-type: none"> <li>Accelerating the implementation of carbon pricing across the strait (including Taiwan’s carbon fee and the expansion of China’s carbon market)</li> <li>Mandatory increase in the use of renewable energy in the manufacturing industry</li> <li>Prohibit the use of high carbon-emission equipment or processes</li> </ul>	<ul style="list-style-type: none"> <li>Cost of repairing damages to plant facilities</li> <li>Losses due to production halt</li> <li>Supply chain disruption causes order defaults</li> </ul>	<ul style="list-style-type: none"> <li>Enhance flood protection and disaster resilience for the design of plant area</li> <li>Build a decentralized supply chain network</li> <li>Purchase climate-related commercial insurance coverage</li> </ul>
<p>Market transformation needs global trend for net-zero transition, customer demand for low-carbon products</p>	<ul style="list-style-type: none"> <li>International brand customer demand carbon neutrality in their supply chains</li> <li>Increasing demand for low-carbon sewing equipment, including energy-efficient and recyclable material models</li> <li>Decline in market share of traditional high-carbon products</li> </ul>	<ul style="list-style-type: none"> <li>Higher upfront costs for green products R&amp;D</li> <li>Risk of order loss</li> <li>Responsible for the product carbon footprint certification fee</li> </ul>	<ul style="list-style-type: none"> <li>Develop the “Green Sewing Machine” product line</li> <li>Obtain worldwide recognized ecolabel(s)</li> <li>Work with customers to design supply chain solutions that reduce carbon emissions</li> </ul>





## Climate-related Financial Impacts and Responses

Risk and Opportunity Project	Financial Impact and Response Mechanisms
<p><b>Rise GHG emission pricing</b></p>	<p>According to the EN Climate Change Response Act, the imposition of a carbon fee on direct or indirect emissions in 2026. 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 of operations 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. Assuming the Group's major operating locations will emit a total of 2,800 metric tons of Scope 1 and Scope 2 emissions in 2024, and taking into account Taiwan's carbon fee of NT\$300 per metric ton, the annual additional cost would amount to NT\$840,000; the financial impact is low.</p>
<p><b>Customer demand for low-carbon products</b></p>	<p>To meet customers' requirements for ISO 14067 compliance, the accounting of product carbon footprint must be implemented. Full compliance is expected across the supply chain, transportation, and low-carbon manufacturing processes, resulting in an additional cost of NT\$2 million per product; the financial impact is medium.</p>
<p><b>Average temperature rise</b></p>	<p>As the average temperature rises, the cost of electricity rises. The plan is to completely replace old lamps in the plants with energy-saving LED lighting fixtures, and replace the refrigeration and air-conditioning systems with level 1 energy-efficiency equipment to increase the proportion of renewable energy consumption. Energy costs are expected to increase by 20% in the short term, over three years; the financial impact is medium.</p>

### Emissions reduction targets

- Compared to base year 2022
- ✓ 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



### Strategic action

- ✓ 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 installations for self-consumption and the purchase of green energy certificates

### Planning schedule

- 2025~2030
- 2025~2030
- 2025~2030
- 2035~2040



**Material Topics**  
**Energy Management**  
**for GHG Emission**



Affected by global warming in recent years, there has been ozone depletion and increasingly extreme climatic conditions. We are committed to collaborating closely with this global issue and government policies. Recognizing the impact that corporate exert on the environment, we have adopted the ISO 14064:2018 standards and requirements for Greenhouse Gas (GHG) inventory since 2022, and conduct thorough statistical analyses of inventory outcomes, aiming 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

<b>Policies/ Commitments</b>	Energy efficiency and carbon reduction Continuous Improvement
<b>Goals</b>	<ul style="list-style-type: none"> <li>▪ Improve energy efficiency</li> <li>▪ Priority is given to first-level energy saving for refrigeration and air-conditioning systems</li> <li>▪ Renewable energy usage rate will be 30% in 2030</li> <li>▪ Net zero emissions by 2050</li> </ul>
<b>Resources invested and specific results during the year</b>	<ul style="list-style-type: none"> <li>▪ Dissemination and implementation of energy saving measures</li> <li>▪ Plan follow-up related energy-saving projects</li> <li>▪ Implementation of Greenhouse Gas Inventory Operation</li> </ul>
<b>Responsible department/ grievance mechanism</b>	<ul style="list-style-type: none"> <li>▪ Responsible department: Sustainable Development Committee</li> <li>▪ Grievance mechanism</li> <li>▪ EMAIL: iana.chang@siruba.com</li> </ul>
<b>Evaluation mechanism/ Achievement</b>	<ul style="list-style-type: none"> <li>▪ Complete greenhouse gas inventory</li> </ul>

Category	Project	Check Facilities /Activities
1	<b>Stationary Fuel Combustion Source</b>	Emergency generator, Paint burner, Coating oven, Gas stove, Disinfection machine (CO <sub>2</sub> 、CH <sub>4</sub> 、N <sub>2</sub> O)
	<b>Mobile Combustion</b>	Gasoline for company cars, Stacker (CO <sub>2</sub> 、CH <sub>4</sub> 、N <sub>2</sub> O)
	<b>Process emission sources</b>	Combustion of acetylene (CO <sub>2</sub> ) and combustion of ethanol used in coatings (CO <sub>2</sub> )
	<b>Fugitive emission sources</b>	Fire extinguishers (CO <sub>2</sub> )、air conditioning systems, refrigeration equipment, medium to large refrigerators, environmental chambers, water dispensers, refrigerants (HFCS) 、used in business vehicles, and septic tanks (CH <sub>4</sub> )
2	<b>Electricity purchased</b>	Electric Power (CO <sub>2</sub> e)
	<b>Purchased Steam</b>	Steam (CO <sub>2</sub> e)
3	<b>Indirect greenhouse gas emissions from transportation</b>	Employee commuting at Taoyuan Plant (with scooters and cars) (CO <sub>2</sub> e) Domestic business trips (by THSR), domestic business trips (by train), domestic business trips (by personal vehicles), domestic business trips (by taxi), overseas business trips (by airplane) (CO <sub>2</sub> e)
4	<b>Indirect greenhouse gas emissions from products used by the organization</b>	Indirect energy (CO <sub>2</sub> e) Purchase copy paper (CO <sub>2</sub> e) Water usage (CO <sub>2</sub> e) Waste disposal (CO <sub>2</sub> e)
5	<b>Greenhouse gas emissions from customer rental use</b>	Rental electricity (CO <sub>2</sub> e)



Emission source: Categories 1 through 6		Sum	Head Office (Metric tonCO <sub>2</sub> e/year)	Taoyuan Plant (Metric tonCO <sub>2</sub> e/year)	Gao-Yin Plant (Metric tonCO <sub>2</sub> e/year)
<b>Category 1</b>					
Permanent		260.8291	NA	0.2859	85.6711
Mobile combustion			3.4437	9.6159	47.1788
Combustion from production process			NA	0.0000	0.4977
Fugitive emissions			0.3783	52.7624	60.9954
<b>Category 2</b>					
Electricity purchased from external sources		2482.4809	90.0792	263.1686	789.1620
Purchased Steam			NA	NA	1340.0711
<b>Category 3</b>					
Emissions produced by employee commuting/ transportation	Employee commuting (Scooter)	232.5898	NA	5.7105	NA
	Employee commuting (Car)		NA	18.3051	NA
	Employee business travel (Airplane)		87.9424	NA	NA
Emissions from business travel transportation	Employee business travel (THSR)		109.3900	NA	NA
	Employee business travel (Train)		0.0427	NA	NA
	Employee business travel (Taxi)		0.4853	NA	NA
	Employee business travel (Personal vehicles)		10.7018	NA	NA
	Employee business travel (Scooter)	0.0120	NA	NA	

Emission source: Categories 1 through 6		Sum	Head Office	Taoyuan Plant	Gao-Yin Plant
			(Metric tonCO <sub>2</sub> e /year)	(Metric tonCO <sub>2</sub> e /year)	(Metric tonCO <sub>2</sub> e /year)
<b>Category 4</b>					
Greenhouse gas emissions resulting from the organization's procurement of raw materials, extraction, manufacturing, and processing activities	Carbon footprint of upstream power generation and distribution	838.6829	18.4909	54.0217	Undisclosed
	Petroleum extraction and production process		0.8824	2.2134	Undisclosed
	Diesel fuel extraction and production process		NA	0.2486	Undisclosed
	Natural gas extraction and production process		NA	0.0789	Undisclosed
	water		0.0910	0.4994	94.37775
	Purchase of copy papers		Undisclosed	Undisclosed	0.0697312
Handling emissions produced from solid and liquid waste disposal	Incineration of general waste		1.4959	3.4884	Undisclosed
	Recycling of cardboard boxes		NA	Undisclosed	45.4416
	Transportation of general waste		NA	0.9610	616.3223
<b>Category 5</b>					
Greenhouse gas emissions from customer rental use	Rental electricity	819.9033	NA	NA	819.9033

### Group GHG Emission Intensity

Scope	Total Emissions (Metric ton CO <sub>2</sub> e)	Emission Intensity (Metric tonCO <sub>2</sub> e/NT\$M (per million dollars of revenue))
Scope 1 (Category 1)	260.8291	0.1593
Scope 2 (Category 2)	2482.4809	1.5157
Scope 3 (Category 3, 4, 5)	1,891.1761	1.1547

Note: The consolidated revenue for 2024 was NT\$1.6378 billion; the carbon emission factor for electricity at Taiwan operating locations in 2024 was 0.474 kg CO<sub>2</sub> per kWh; at the Gao-Yin Plant, the carbon emission factor was 0.5992 kg CO<sub>2</sub> per kWh.



## 3.2 Energy Resources Management

Efficient energy usage is imperative for modern corporates. 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, each 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 economic value of energy cycling.

### How we do?

**Energy Efficiency and Carbon Reduction**

- ✓ Encourage turning 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.
- ✓ Energy-saving and carbon reduction products R&D.
- ✓ Install of solar power generation systems to enhance the renewable energy utilization.



**Waste Reduction - Garbage Sorting**

- ✓ Prompte garbage sorting 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 green environmental regulations, promote green procurement management, and require suppliers to provide raw materials and process. es that are free from harmful substances.



**Green Products**

- 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’s requirements.
  - ✓ Regular review of substance testing reports.
  - ✓ Implementation of audits for supplier green product management.
  - ✓ There were no violations of green product regulations and customer’s requirements for products in 2024.

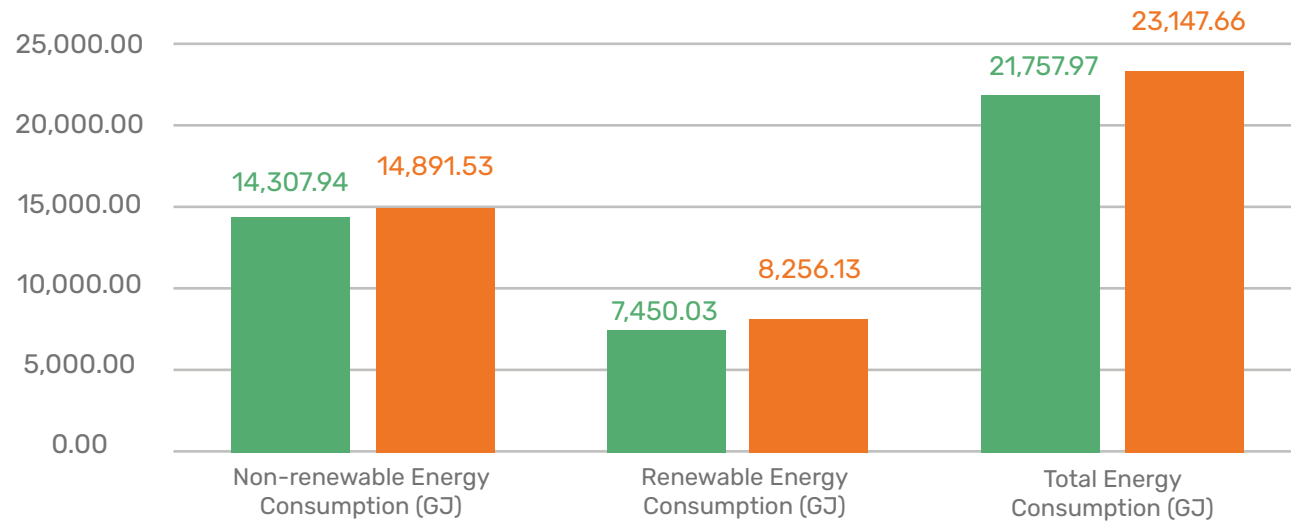
## Energy Consumption

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		2024						2023					
Energy Category		Usage amount						Usage amount					
		Taipei		Taoyuan		Gao-Yin		Taipei		Taoyuan		Gao-Yin	
		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-renewable fuel	Petroleum (L)	1,460.9	147.6996	3,664.55	119.6505	6,780.92	221.4025	3,263.5	106.56	3,843.329	125.49	8293.79	270.80
	Diesel Fuel (L)	-	-	369.33	12.9865	5,335.50	187.6090	-	-	331.31	11.65	4234.16	148.88
	Natural Gas (M <sup>3</sup> )	-	-	152	5.1	-	-	-	-	225	7.53	-	-
	Liquid Gas (L)	-	-	-	-	49,086	1,363.3200	-	-	-	-	30,750	854.05
Purchased	Electric Power	190,040.5634	684.1460	555,208	1,998.7488	2,685,356	9,667.2816	172,313.08	620.33	652,028	2,347.30	2,888,595	10,398.94
Total Non-renewable Energy (GJ)		14,307.9445						14,891.53					
Renewable Energy	Solar Energy Generation	-	-	-	-	2,069,452	7,450.0272	-	-	-	-	2,293,369	8,256.13
Total Energy Consumption		21,757.9717						23,147.66					
Renewable Energy Ratio (%)		34.24						35.67					
Energy Intensity (GJ/NT\$M)		13.28						16.29					

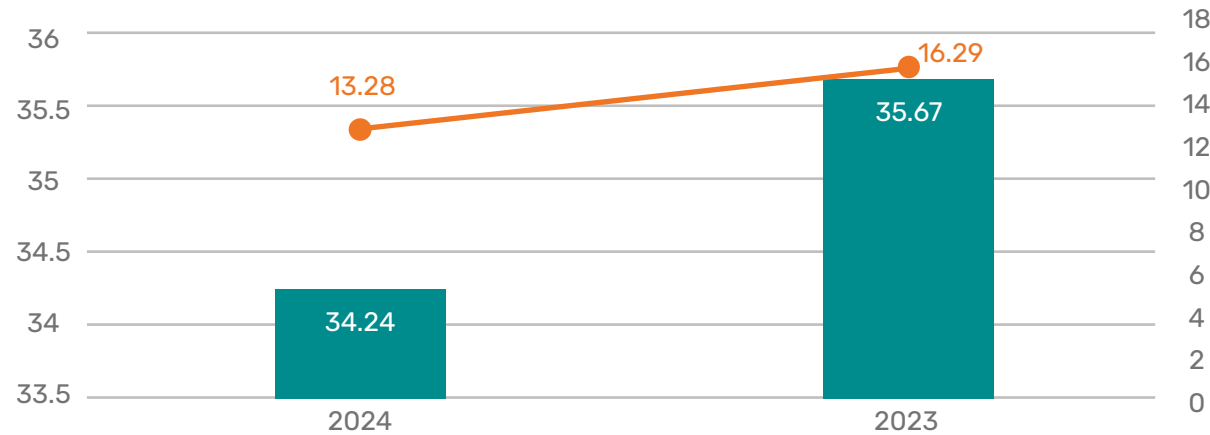
## Energy Consumption

2024 2023



## Renewable Energy Consumption and Intensity

Renewable Energy Ratio Energy Intensity (GJ/NT\$M)



Note 1:  $GJ=10^9J$ , 1 kilowatt-hour of electricity equals to 3.6 million joules, 1 kcal equals to 4,186 joules; by the Taiwan Environmental Protection Agency's Greenhouse Gas Emission Factor Management Table (version 6.0.4), the calorific value of gasoline is 7800kcal/L, while diesel oil has a calorific value of 8,400kcal/L; liquid gas has a calorific value of 6,635kcal/L, and natural gas has a calorific value of 8,000 kcal/M<sup>3</sup>

Note 2: The consolidated revenue was NT\$1.4206 billion for the year 2023 and NT\$1.6378 billion for the year 2024.

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 R&D 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, we have been installing solar power generation systems at Gao-Yin Plant, which was fully operational in August 2023. In 2023, the plant generated 13,242.67 GJ of electricity, with 8,256.13 GJ consumed onsite, resulting in a utilization rate of 62.34%. In 2024, the total photovoltaic power generation reached 3,532,150 kWh, with 2,069,452 kWh used, corresponding to a utilization rate of 58.59%. Renewable energy accounts for 34.25% of total energy consumption. To ensure corporation's sustainable 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 corporates 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 benefit 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 Topics**  
**Raw Material Management**



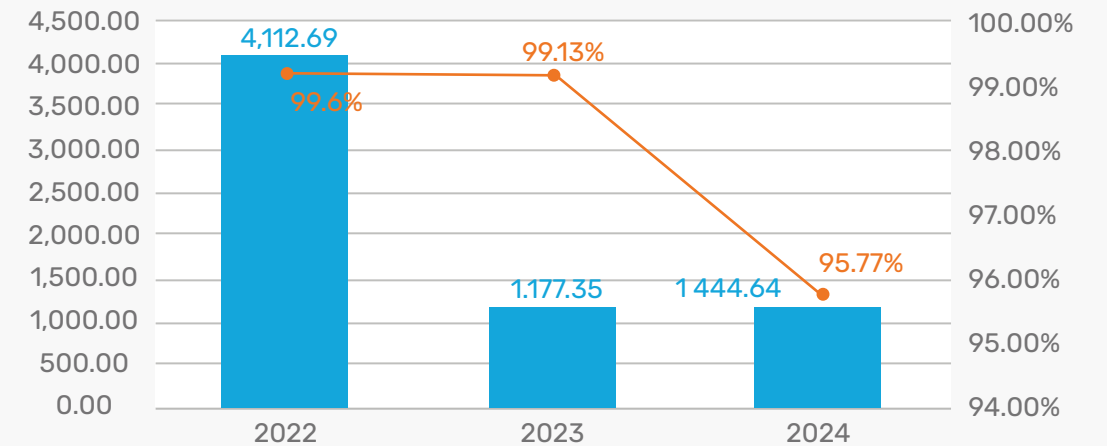
In recent years, the issue of the circular economy has gained momentum, prompting corporates to initiate waste reduction efforts. SiRUBA participates in recycling product packaging materials such as paper, styrofoam, plastic bags, and wooden pallets. We also collaborate with suppliers to responsibly 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 R&D 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.

**Use of Renewable**

Project	2022	2023	2024
<b>Renewable Materials (Metric Ton)</b>	4,112.69	1,177.35	1,141.64
<b>Non-renewable materials (Metric Ton)</b>	37.51	11.27	10.65
<b>Packaging Recycling (Metric Ton)</b>	320.21	99.65	50.47
<b>Total materials (Metric Ton)</b>	4,470.41	1,288.27	1,192.11
<b>Renewable Materials Percentage</b>	99.16%	99.13%	95.77%
<b>Packaging Recycling Percentage</b>	0.84%	7.74%	4.23%

<b>Policies/ Commitments</b>	Recycle and reuse to improve circular economic benefits
<b>Goals</b>	<ul style="list-style-type: none"> <li>Renewable material ratio is over 95%</li> </ul>
<b>Resources invested and specific results during the year</b>	<ul style="list-style-type: none"> <li>Metal and plastic parts are purchased based on renewable materials</li> <li>Packaging material recycling</li> </ul>
<b>Responsible department/ grievance mechanism</b>	<ul style="list-style-type: none"> <li>Purchase</li> <li>Grievance mechanism</li> <li>EMAIL: candy.wang@siruba.com</li> </ul>
<b>Evaluation mechanism/ Achievement</b>	<ul style="list-style-type: none"> <li>The renewable material ratio in 2024 is 95.53%</li> <li>The packaging material recycling rate in 2024 is 4.47%</li> </ul>





## Water Resource 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 Plant is tap water and groundwater. The water used by the Taoyuan Plant 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.

Use of Water Resources - Water Intake (unit: million liters)		
Operating Locations	2023	2024
Taoyuan Plant - Groundwater	1.194	1.173
Taoyuan Plant - Tap water	4.201	3.201
Head office - Tap water	-	0.583
Gao-Yin Plant		
	2023	2024
Water withdrawal (direct water bill usage)	44.25	49.48
Water consumption (used in the process)	24.13	25.93
Discharge water (discharged to sewage treatment plant)	44.25	49.48
	23.14	24.82



Million liters equals (the amount of water used (cubic meters)/1000)

## 3.3 Waste Management

Being a sewing machine 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. In 2024, our plants generated a total of 349.01 metric tons of waste, of which 328.8 metric tons were recycled and processed, achieving an overall recycling rate of 94.21%.

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

### Household 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: Metric Tons			
Factory		Taoyuan			Gao-Yin		
Year		2022	2023	2024	2022	2023	2024
Total Amount of Regular Industrial Waste		25.41	26.09	21.87	25.41	26.09	21.87
Total Amount of Recycled Regular Industrial Waste		12.51	13.25	11.35	12.51	13.25	11.35
Paper / Aluminum / Iron / Plastic / Cooper	Recycling Resources	12.51	13.25	11.35	12.51	13.25	11.35
Total volume of incinerated Regular industrial waste		12.37	12.84	10.26	12.37	12.84	10.26
Total Amount of Regular Industrial Waste	Commissioned Manufacturer	12.37	12.84	10.26	12.37	12.84	10.26
Total Amount of Landfill Regular Industrial Waste		0.53	0	0.26	3.78	5.1	3.375
Inorganic Sludge	Commissioned Manufacturer	0.53	0	0.26	3.78	4.78	3.225
Total Disposal Amount of Other Harmful Industrial Waste		0	0	0	51.58	72.1	46.225
Organic Solvents	Commissioned Manufacturer	0	0	0	39.62	56	43.625
Waste recycling rate (%)		49.23	50.79	51.90	97.75	92.47	97.04



Note: Household waste could be different due to the statistical or not counted; harmful industrial waste is based on the actual declared disposal amount.

# 04 Social care

4.1 Human Resources Management








4.2 Right Person, Right Place

4.3 Occupational Safety and Health

4.4 Social Participation



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SDGs	Achievements
<div style="display: flex; justify-content: space-between;"> <div style="text-align: center;">  <p>5 GENDER EQUALITY</p> </div> <div style="text-align: center;">  <p>8 DECENT WORK AND ECONOMIC GROWTH</p> </div> <div style="text-align: center;">  <p>10 REDUCED INEQUALITIES</p> </div> </div> <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"> <li>■ There were 0 records of violations of human rights policies in the year</li> <li>■ Female employees account for 29.83% of all employees.</li> <li>■ The basic salary ratio between male and female employees holding management positions at the head office was 1 to 0.94.</li> <li>■ The basic salary ratio between male and female employees holding non-managerial positions was 1 to 0.9.</li> <li>■ The basic salary ratio between male and female employees holding management positions at Taoyuan plant was 1 to 0.86.</li> <li>■ The basic salary ratio between male and female employees holding non-managerial positions was 1 to 1.13.</li> <li>■ The basic salary ratio between male and female employees, both managerial and non-managerial, at Gao-Yin Plant was 1 to 1.</li> </ul>
<div style="text-align: center;">  <p>8 DECENT WORK AND ECONOMIC GROWTH</p> </div> <p>8.1 Maintain economic growth based on national conditions</p>	<ul style="list-style-type: none"> <li>■ The entry-level salary employee of the head office for both men and women is 1.81 times higher than the local basic salary.</li> <li>■ The entry-level salary of employee Gao-Yin Plant is 2.22 times higher than the local basic salary for both men and women.</li> </ul>
<div style="text-align: center;">  <p>4 QUALITY EDUCATION</p> </div> <p>4.3 Ensure that both men and women have equal opportunities to receive education</p>	<ul style="list-style-type: none"> <li>■ In 2024, the average training hours for female employees at all operating locations is 42.81 hours, and the average training hours for male employees is 32.27 hours.</li> </ul>
<div style="text-align: center;">  <p>10 REDUCED INEQUALITIES</p> </div> <p>10.3 Ensure equal opportunities and reduce inequality</p>	<ul style="list-style-type: none"> <li>■ The performance appraisal rate for all operating locations is 100%.</li> </ul>
<div style="display: flex; justify-content: space-between;"> <div style="text-align: center;">  <p>3 GOOD HEALTH AND WELL-BEING</p> </div> <div style="text-align: center;">  <p>8 DECENT WORK AND ECONOMIC GROWTH</p> </div> </div> <p>3.7 Ensure medical care is integrated into operational plans                      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"> <li>■ Gao-Yin Plant passed the occupational health and safety management system and annual verification.</li> <li>■ 0 serious occupational injuries and occupational diseases in all operating locations.</li> <li>■ Total hours of occupational safety training: 622.4 hours.</li> </ul>
<div style="text-align: center;">  <p>1 NO POVERTY</p> </div> <p>1.3 Implement social protection systems for people living below the poverty line</p>	<ul style="list-style-type: none"> <li>■ Donated NT\$100,000 to Chang Gung Memorial University's endowment fund</li> <li>■ Remade bed bags from discarded fabrics are donated to Nantou Yuansheng International College</li> <li>■ Accompanying courses of the Aid Association</li> <li>■ Lumbar pillow donation to Sunshine Long Care Center</li> <li>■ Donated pillows to schoolchildren in rural areas of Liugui and Nantou</li> </ul>

## Material -Topics Employment Relations/ Employee Diversity and Equal Opportunities



<b>Policy</b>	<ul style="list-style-type: none"> <li>Provides competitive remuneration and comprehensive on-the-job training.</li> <li>Effective labor-management communication</li> <li>Diversity recruitment</li> <li>Remuneration equality between men and women</li> </ul>
<b>Goals</b>	<ul style="list-style-type: none"> <li>The average training hours for employees is more than 10 hours (inclusive)</li> <li>0 labor disputes in the year</li> </ul>
<b>Current Year of Invest Resources and Achievement</b>	<ul style="list-style-type: none"> <li>Education training for new employees and on-the-job training.</li> <li>Conducting labor-management meeting quarterly.</li> <li>Organize birthday parties, employee travel and other activities.</li> </ul>
<b>Responsible Department and Grievance Mechanism</b>	<ul style="list-style-type: none"> <li>Contact: General Management Office</li> <li>Email: kaulinhr@siruba.com</li> </ul>
<b>Evaluation mechanism</b>	<ol style="list-style-type: none"> <li>The labor-management committee holds labor-management meeting every three months to discuss issues such as labor dynamics, company operational information, labor activities, and benefits.</li> <li>No labor and management incidents occurred in 2024.</li> </ol>

To promote corporate’s sustainable development, SiRUBA embraces a "people-centric" management philosophy. We've built a comprehensive employee care and support system to create a friendly workplace. This ensures every employee can grow with the company, free from worries.

SiRUBA complies with the labor-related laws, establishing a code of practice to legally secure employees’ rights. It provides a healthy and safe working environment, diverse labor-management communication channels, fair remuneration 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-management relations, cultivates a safe and harmonious working atmosphere, and lays a solid foundation for sustainable operations.

## Talent Sustainability

<b>Talent Selected</b>	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.
<b>Talent Hired</b>	Respect the diverse rights of employees and human rights, ensuring a reasonable and transparent hiring and remuneration system. Develop a performance management system that aligns with work objectives and publicly recognizes exceptional employees.
<b>Talent Training</b>	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.
<b>Talent Employed</b>	Establish competitive remuneration and benefits policies, implement an employee care mechanism, and facilitate labor-management communication. Prioritize employee feedback and enhance labor-management relations.
<b>Talent Protected</b>	People are the most valuable asset of the corporate. We prioritize employee health and workplace safety. This includes implementing a occupational health and safety management system to identify workplace risks, as well as fostering a "Work-life balance" working 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 training and development plays a crucial role in achieving corporate’s sustainable operations. 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 consistently upholds its commitment to human rights, viewing the protection of human rights as a core value essential to the corporate’s sustainable development. We value and respect the dignity and rights of every employee, and are dedicated to fostering a safe, equal, diverse, and inclusive working environment.

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

- ✓ 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 operating locations
- ✓ 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

#### Human Rights Awareness Raised

- ✓ **Newcomer Training:** Prohibition of forced labor, 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:** Through ongoing awareness campaigns and official announcements, 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 employee, 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 2024, SiRUBA had no records of human rights violations. We prioritize human rights issue 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. In 2024, the training related to human rights for new hires covered the code of practice, occupational safety, information security, human rights protection, and more. Additionally, the headquarters irregularly 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 percentage of male employees is slightly higher than that of female employees. 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. For the year 2024, we had one employee who is with disability. As of December 31, 2024, there were a total of 16 employees from ethnic minority groups (including indigenous peoples, Hui, Tibetan, Miao, Uighur, and others).

Statistics /Year		2022		2023		2024	
The total number of employe (Note 1)		593		464		362	
Employment Contract (Note 2)		Open-ended	Fixed-term	Open-ended	Fixed-term	Open-ended	Fixed-term
Headquarter	Male	30	1	27	0	19	0
	Female	35	0	34	0	32	0
Taoyuan	Male	97	0	90	0	31	0
	Female	23	0	22	0	10	0
Gao-Yin	Male	192	108	162	45	150	48
	Female	89	18	72	12	66	6
Employment Type (Note 3)		Full-time	Part-time	Full-time	Part-time	Full-time	Part-time
Headquarter	Male	31	0	27	0	19	0
	Female	35	0	34	0	32	0
Taoyuan	Male	97	0	90	0	31	0
	Female	23	0	22	0	10	0
Gao-Yin	Male	300	0	162	0	198	0
	Female	107	0	72	0	72	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 open-ended contract employees (full-time employees) and fixed-term contract 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 work 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.

Note 5: The Taoyuan Plant has transferred its production line to Gao-Yin Plant and now only retains the R&D department, resulting in a reduction of employees in 2024

Diversity Statistics/Year				2022		2023		2024	
				Number of People	Percentage	Number of People	Percentage	Number of People	Percentage
Employees - Head office	Management	Gender	Male	13	19.70%	15	24.59%	11	55%
			Female	5	7.58%	5	8.20%	7	35%
		Age	Under 30	0	0.00%	0	0.00%	0	0%
			Over 30, under 50	11	16.67%	10	16.39%	8	40%
			Over 50	7	10.61%	10	16.39%	10	50%
		Academic Qualifications	Graduate school	1	1.52%	2	3.28%	2	10%
			Higher education institutions	16	24.24%	16	26.23%	16	80%
			Others	1	1.52%	2	3.28%	0	0%
	Non-management	Gender	Male	18	27.27%	12	19.67%	8	24%
			Female	30	45.45%	29	47.54%	25	76%
		Age	Under 30	5	7.58%	4	6.56%	1	3%
			Over 30, under 50	28	42.42%	26	42.62%	20	61%
			Over 50	15	22.73%	11	18.03%	12	36%
		Academic Qualifications	Graduate school	8	12.12%	7	11.48%	4	12%
Higher education institutions			34	51.52%	32	52.46%	26	79%	
Others			6	9.09%	2	3.28%	3	9%	

Diversity Statistics/Year				2022		2023		2024	
				Number of People	Percentage	Number of People	Percentage	Number of People	Percentage
Employees - Taiyuan plant	Management	Gender	Male	24	20.00%	22	19.64%	113	87%
			Female	4	3.33%	4	3.57%	2	13%
		Age	Under 30	0	0.00%	0	0.00%	0	0%
			Over 30, under 50	12	10.00%	9	8.04%	9	60%
			Over 50	16	13.33%	17	15.18%	6	40%
		Academic Qualifications	Graduate school	3	2.50%	3	2.68%	3	20%
			Higher education institutions	16	13.33%	15	13.39%	10	67%
			Others	9	7.50%	8	7.14%	2	13%
	Non-management	Gender	Male	73	60.83%	68	60.71%	18	69%
			Female	19	15.83%	18	16.07%	8	31%
		Age	Under 30	37	30.83%	28	25.00%	3	12%
			Over 30, under 50	44	36.67%	44	39.29%	15	58%
			Over 50	11	9.17%	14	12.50%	8	31%
		Academic Qualifications	Graduate school	3	2.50%	4	3.57%	5	19%
Higher education institutions			41	34.17%	39	34.82%	15	58%	
Others			48	40.00%	43	38.39%	6	23%	



Diversity Statistics/Year			2022		2023		2024		
			Number of People	Percentage	Number of People	Percentage	Number of People	Percentage	
Employees - Gao-Yin Plant	Management	Gender	Male	58	14.25%	58	19.93%	52	19.26%
			Female	10	2.46%	10	3.44%	8	2.96%
		Age	Under 30	0	0.00%	0	0.00%	0	0%
			Over 30, under 50	64	15.72%	63	21.65%	53	19.63%
			Over 50	4	0.98%	5	1.72%	7	2.59%
		Academic Qualifications	Graduate school	0	0.00%	2	0.69%	1	0.37%
			Higher education institutions	16	3.93%	17	5.84%	17	6.3%
			Others	52	12.78%	49	16.84%	42	15.56%
		Non-management	Gender	Male	242	59.46%	149	51.20%	146
	Female			97	23.83%	74	25.43%	64	23.7%
	Age		Under 30	117	28.75%	49	16.84%	45	16.67%
			Over 30, under 50	210	51.60%	157	53.95%	147	54.44%
			Over 50	12	2.95%	17	5.84%	18	6.67%
	Academic Qualifications		Graduate school	0	0.00%	0	0.00%	0	0.00%
Higher education institutions			31	7.62%	27	9.28%	25	9.26%	
Others		308	75.68%	196	67.35%	185	68.52%		

New Employee and Resigned Statistics /Year			2022		2023		2024		
			Number of People	Percentage	Number of People	Percentage	Number of People	Percentage	
Headquarter	New Employee	Gender	Male	8	25.81%	5	18.52%	4	67%
			Female	4	11.43%	6	17.65%	2	33%
		Age	Under 30	4	80.00%	0	0.00%	0	0%
			Over 30, under 50	7	17.95%	11	30.56%	5	83%
			Over 50	1	4.55%	0	0.00%	1	17%
		Academic Qualifications	Graduate school	2	22.22%	4	44.44%	0	0%
			Higher education institutions	9	18.00%	7	14.58%	6	100%
			Others	1	14.29%	0	0.00%	0	0%
		Taoyuan Plant	Gender	Male	30	30.93%	6	6.67%	7
	Female			2	8.70%	1	4.55%	0	0%
	Age		Under 30	22	59.46%	1	3.57%	3	43%
			Over 30, under 50	8	14.29%	4	7.55%	3	43%
			Over 50	2	7.41%	2	6.45%	1	14%
	Academic Qualifications	Graduate school	1	16.67%	2	28.57%	3	43%	
Higher education institutions		8	14.04%	3	5.56%	3	43%		
Others	23	40.35%	2	3.92%	1	14%			

Note: Percentage of non-management employee under 30 years old = (Number of direct employee under 30 at year-end/Total number of employees at year-end) \*100%;  
 Percentage of managerial employee with graduate school degrees = (Total number of managerial employee with graduate school degrees in the current year/Total number of employees at the end of the year) \*100%.

New Employee and Resigned Statistics /Year		2022		2023		2024		
		Number of People	Percentage	Number of People	Percentage	Number of People	Percentage	
Area	New Employee							
Gao-Yin	Gender	Male	378	126.00%	14	16.76%	161	81.31%
		Female	47	43.93%	6	7.14%	10	13.89%
	Age	Under 30	270	230.77%	9	18.37%	119	264.44%
		Over 30, under 50	153	55.84%	11	5.00%	48	24%
		Over 50	2	12.50%	0	0.00%	4	16%
	Academic Qualifications	Graduate school	0	0.00%	2	100.00%	0	0%
		Higher education institutions	11	21.15%	5	11.36%	5	11.9%
		Others	414	115.00%	13	5.31%	166	73.13%

New Employee and Resigned Statistics /Year		2022		2023		2024		
		Number of People	Percentage	Number of People	Percentage	Number of People	Percentage	
Area	Employee departure							
Headquarter	Gender	Male	9	29.03%	9	33.33%	9	60%
		Female	3	8.57%	7	20.59%	6	40%
	Age	Under 30	1	20.00%	0	0.00%	0	0%
		Over 30, under 50	10	25.64%	12	33.33%	12	80%
		Over 50	1	4.55%	4	19.05%	3	20%
	Academic Qualifications	Graduate school	4	44.44%	4	44.44%	3	20%
		Higher education institutions	7	14.00%	9	18.75%	12	80%
		Others	1	14.29%	3	75.00%	0	0%

New Employee and Resigned Statistics /Year		2022		2023		2024		
		Number of People	Percentage	Number of People	Percentage	Number of People	Percentage	
Area	Employee departure							
Taoyuan	Gender	Male	12	12.37%	13	14.44%	68	88%
		Female	1	4.35%	2	9.09%	9	12%
	Age	Under 30	3	8.11%	5	17.86%	26	34%
		Over 30, under 50	4	7.14%	10	18.87%	33	43%
		Over 50	6	22.22%	0	0.00%	18	23%
	Academic Qualifications	Graduate school	0	0.00%	1	14.29%	2	3%
		Higher education institutions	8	14.04%	6	11.11%	30	39%
		Others	5	8.77%	8	15.69%	45	58%
	Gao-Yin	Gender	Male	610	203.33%	39	18.84%	166
Female			89	83.18%	3	3.57%	22	30.56%
Age		Under 30	408	348.72%	23	46.94%	113	251.11%
		Over 30, under 50	286	104.38%	18	8.18%	69	34.5%
		Over 50	5	31.25%	1	4.55%	6	24.00%
Academic Qualifications		Graduate school	0	0.00%	0	0.00%	2	200%
	Higher education institutions	11	23.40%	0	0.00%	7	16.67%	
	Others	688	191.11%	42	17.14%	179	78.85%	

Note: Percentage of new employees = (Total number of new employees in the specific category in the current year / Total number of employees in the specific category at the end of the year) \*100%.  
 For instance, the percentage of new female employees = (Total number of new female employees in the current year / Total number of female employees at the end of the year) \*100%  
 Percentage of employee turnover = (Total number of employees who left the company in the specific category in the current year / Total number of employees in the specific category at the end of the year) \*100%.  
 For instance, the percentage of employee turnover for those under 30 years old = (Total number of employee who left the company and are under 30 years old in the current year / Total number of employees who are under 30 years old at the end of the year) \*100%.

## 4.2 Right Person, Right Place

A robust human resources strategy is the cornerstone of SiRUBA’s sustainable operations. To attract talented individuals, we offer competitive remuneration 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 employees and alignment with company values. In terms of promotion, the company ensures transparency by publicly sharing promotion-related 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 Remuneration and Benefits

SiRUBA follows a transparent remuneration policy that ensures the average salary is positioned above the industry’s median level. We are committed to offering a robust and competitive remuneration package to attract and retain top talent from all fields. The company conducts annual salary surveys to gauge the market conditions and implements necessary adjustments to sustain our salary competitiveness. In 2024, the entry-level salary of employee at the Taiwan head office for both men and women was 1.81 times higher than the local basic wage. The entry-level salary of employee Gao-Yin Plant was 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 remuneration scale considers factors such as position, grade, experience and years of service. When comparing remuneration 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 Salary to Remuneration			Gender	
Major Operating Locations	Employee	Project	Male	Female
Headquarter	Management	Basic Salary	1	0.94
		Remuneration	1	1.04
	Non-management	Basic Salary	1	0.90
		Remuneration	1	1.23
Taoyuan	Management	Basic Salary	1	0.86
		Remuneration	1	0.87
	Non-management	Basic Salary	1	1.13
		Remuneration	1	1.27
Gao-Yin	Management	Basic Salary	1	1
		Remuneration	1	1
	Non-management	Basic Salary	1	1
		Remuneration	1	1

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

Note 2: Remuneration encompasses the basic salary 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: At Gao-Yin Plant, male management employee have longer tenure than their female counterparts, whereas among non-management employees, females have longer tenure than males, indicating a difference in seniority.



### Senior Management Localized Employment

Major Operating Locations	Total Number of Senior Supervisors in 2024	Employment of Taiwan Residents Number of Senior Supervisors in 2024	Employment Ratio
Taipei Headquarter and Taoyuan Plant	18	18	100%
Gao-Yin	4	4	100%

Note: Senior supervisors hold the position of assistant manager (or higher).  
 Employment Ratio: (Employment of Taiwan Residents Number of Senior Supervisors / Total Number of Senior Supervisors\*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 every employee to feel cared for and supported. 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 of colleagues when they claim pension rights. 100% of the employees of the company's head office and Taoyuan Plant participate in this retirement plan.

Gao-Yin Plant contributes to five social insurances and one housing fund for employees upon their employment in accordance with the Social Insurance Law of the People's Republic of China and the Regulations on Management of Housing Provident Fund. Upon retirement of an employee, if the employee has contributed to the local fund for a full 15 years (which is gradually increasing to 20 years), the employee can process his or her retirement locally and receives a monthly pension from the local Human Resources and Social Security Bureau. Additionally, the company is a member of the local labor union.

Under the Trade Union Law, the company must allocate union funds twice a year (in July and the following January), amounting to 2% of the total employee salaries. Of this, 20% is provided to higher-level union funds, while 80% is retained by the Gao-Yin union fund and used appropriately for employee welfare expenses during the year. Organized by members of the union committee.

### Parental leave

Employee Parental Leave /Year		區域					
		Headquarter			Taoyuan		
		2022	2023	2024	2022	2023	2024
The number of employees who have applied for the parental leave	Male	1	0	1	0	0	0
	Female	0	0	1	0	0	1
Number of employees who should be reinstated upon expiry of the parental leave (A)	Male	1	0	0	0	0	0
	Female	0	0	0	0	0	1
Number of employees who were actually be reinstated upon expiry of the parental leave (B)	Male	1	0	0	0	0	0
	Female	0	0	0	0	0	1
Reinstatement rate (B/A)	Male	100%	-	-	-	-	-
	Female	-	-	-	-	-	100%
Number of employees who have completed the period of parental leave in the preceding year and are still in service 12 months after resumption of duty (C)	Male	0	1	0	1	0	0
	Female	1	0	0	0	0	0
Retention rate (C/Last year B)	Male	-	100%	-	100%	-	-
	Female	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 employee actually reinstated in the current year / Total number of employee expected to be reinstated in the current year) \*100%.  
 Note 3: Retention rate = (Total number of employees still in service 12 months after reinstatement in the previous year / Actual number of employees 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.

Employee 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	✓	✓	-
Employee Travel/Travel Allowance	-	✓	✓
Parking space	✓	✓	✓
Paid birthday leave	✓	✓	✓
Employee dormitory/supervisor accommodation subsidy	-	✓	✓
Paid leave for natural disasters	✓	✓	-
Complimentary afternoon tea and coffee	✓	✓	-
Onsite healthcare services	✓	✓	-
Long Service Award	✓	✓	✓

### Friendly Working Pictures



Taoyuan - Breastfeeding room



Taoyuan - Employee Restaurant



Birthday party - Taipei



Birthday party - Taoyuan



Taoyuan Plant - group photo at the Groundbreaking Ceremony



retirement farewell

Friendly Working Pictures



Charity event for tracheostomy mask



Foundation pillows - group photo at the Taoyuan Plant



Office environment at Gao-Yin

Comfortable Working Environment



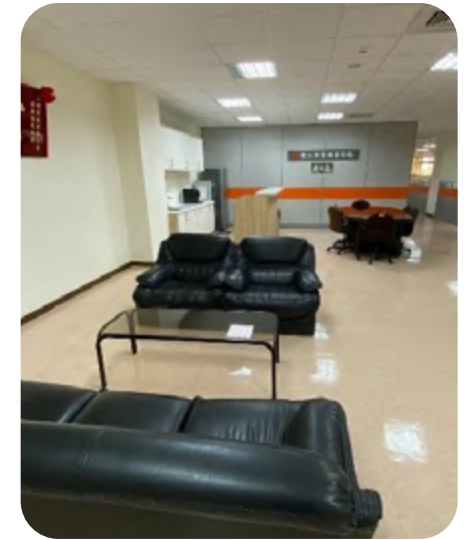
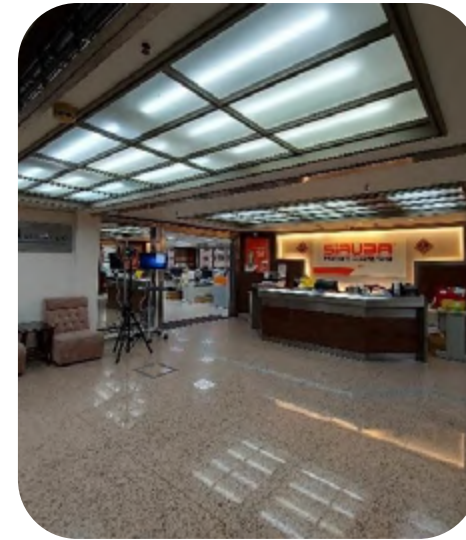
Company trip for Gao-Yin



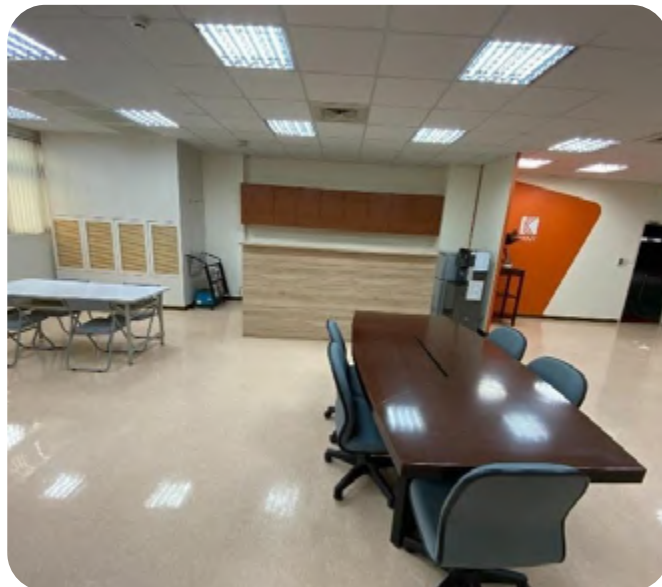
Gao-Yin - Send coolness in summer



Showroom at Gao-Yin



**Comfortable Working**



**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 corresponding to each rank and skill requirements for each department. Simultaneously, with the aim of optimizing employees' performance, we offer internal employees 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, the training is evaluated based on categories. We offer employees courses such as "Quality Inspection Courses," "Product R&D Courses," and "Machine Operation Courses" to enhance their abilities and proficiency. This approach empowers our employees to undertake various roles and encourages our top talent to remain, thus sustaining our competitive advantage. Additionally, we extend external training opportunities to foster well-rounded growth. Courses such as "Digital Development" and "Management Functions" provide employees with avenues for comprehensive development.

2024 Training Performance		
Taipei,Taoyuan Plant/ Course Name	Total Training Hours	Number of participants
Management	436	436
workplace skills	711.8	711.8
data analysis	71.1	71.1
programming language	84.5	84.5
visual design	127.3	127.3
digital marketing	69.8	69.8
Business Foreign language	94	94
Compliance audits	371.5	371.5
operating system	903.96	903.96
R&D technology	198	198

2024 Training Performance		
Gao-Yin	Total Training Hours	Number of participants
Quality Inspection Course	1238.6	1054
Product R&D Course	225.5	62
Machine Operation Course	1152.5	564
Management Functions Course	1049.5	126



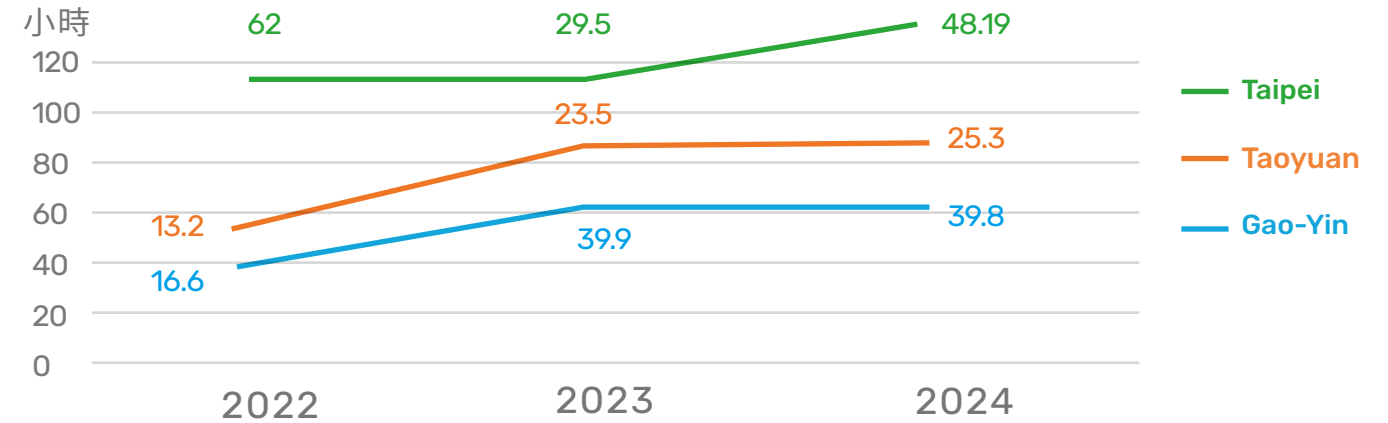
Training Performance

Training Performance Headquarter Statistics by Year		2022	2023	2024
Average Hours of Every Employee Trained (Note 1)		16.6	39.9	39.8
Average Hours of Employee Trained by Gender (Note 2)	Male	19.4	31.1	25.1
	Female	14.0	46.9	48.6
Average Hours of Employee Trained by Category (Note 3)	Management	31.9	43.1	34.7
	Non-management	10.8	38.4	42.7

Taoyuan Plant Training Performance Statistics by Year		2022	2023	2024
Average Hours of Every Employee Trained (Note 1)		13.2	23.5	25.3
Average Hours of Employee Trained by Gender (Note 2)	Male	12.5	16	20.7
	Female	16.2	54.3	39.4
Average Hours of Employee Trained by Category (Note 3)	Management	28.2	34.3	33.4
	Non-management	8.7	20.3	20.6

Gao-Yin Plant Training Performance Statistics by Year		2022	2023	2024
Average Hours of Every Employee Trained (Note 1)		62	29.5	48.19
Average Hours of Employee Trained by Gender (Note 2)	Male	71.8	29.2	51.01
	Female	34.4	28.6	40.43
Average Hours of Employee Trained by Category (Note 3)	Management	13.2	24.1	52.7
	Non-management	71.8	18.9	46.9

Average Hours of Every Employee Trained



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.



## Highlights of Education and Training Sessions



Health Seminar - Fighting Metabolic Syndrome



Intellectual Property Training Course



Transitioning from a Technical Role to Management



Focused Inspection Training for Different Models

## Performance Evaluation

To ensure that employees' work performance is accurately reflected in their individual remuneration, we assess every employee's performance annually 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.

Head Office and Taoyuan Plant 2024 Performance Evaluation		Number of inspected people	Number of employees	Percentage
Gender	Male	50	92	54%
	Female	42		46%
Employee Category	Management	33	92	36%
	Non-management	59		64%

Gao-Yin Plant 2024 Performance Evaluation		Number of inspected people	Number of employees	Percentage
Gender	Male	198	270	73.33%
	Female	72		26.67%
Employee Category	Management	60	270	22.22%
	Non-management	210		77.78%

Note: Employees who were taking parental leave are not included in the performance evaluation

### 4.2.3 Labor-Management Negotiation

#### Diversified Communication Channels

SiRUBA adheres to a belief in respect, embracing diversified labor-management negotiation channels and valuing employees' opinions. This approach fosters harmonious labor-management relations and team cohesion, significantly enhancing operational performance. Therefore, we actively establish diversified labor-management negotiation channels, maintaining smooth two-way communication between labor and management, and ensures the timely, correct 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 negotiation strategies.

- ✓ Various types of Meetings: Including Unit / Department meetings and meetings by function.
- ✓ Announcement / Inquiries / Assessments / Feedback: Encompassing performance evaluations, opinion feedback, channels for employee complaints, and personnel announcement.
- ✓ Labor-Management Meeting Organization: This organization deals with labor-management meetings, employee welfare committee, and related matters. The description above highlights the use of diverse negotiation 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 negotiation messages.

If the company closes an existing factory and establishes a new one, resulting in employee relocation 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 Meeting Organization

We respect employees' legal rights to freedom of assembly and association, and we do not oppose, prevent, or interfere with employees' rights to organize or join such activities. Meanwhile, once approved by the authorities, the labor-management meeting and employee welfare committee will commence their operations. Currently, the labor-management meeting convenes regularly on a quarterly basis, and the employee welfare committee also holds regular meetings. Each labor-management negotiation organization 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.

#### Handling and resolution of complaints

We maintain a strong labor-management negotiation channel, and our workers have excellent rapport. There were no significant complaint cases in 2024.



#### Handling of discrimination or sexual harassment incidents

The company has established a "Policy on Preventive Measures, Complaints, and Penalties for Sexual Harassment in the Workplace". In the event of sexual harassment or workplace bullying, and to ensure employees' rights, the affected employee can report the incident through our "internal reporting mechanism". Since its implementation, there have been no reported cases of sexual harassment and bullying in 2024.

#### Actions taken 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

## 4.3 Occupational Health and Safety

### 4.3.1 Commitment and Policy of Occupational Health and Safety

SIRUBA has implemented International Standards ISO 45001 for Occupational Health and Safety Management System at Gao-Yin Plant, whereas the headquarters and Taoyuan Plant have yet to implement this system. Every operating location has established occupational health and safety management regulations. 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 health and safety laws. This commitment underscores our fulfillment of corporate social responsibilities. We assure our customers 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 occupational health and safety regulations as well as international norms of social responsibility. Our continuous efforts aim to enhance the safety and well-being of employees within their working environment, preventing occupational injuries and illnesses, and mitigating risk factors in the working environment. We strive to fully comply with occupational health and safety laws and regulations, striving to establish a corporate workplace that is not only high-quality but also safe and conducive to health.

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 corporate operations. We firmly believe that the well-being of our employees is invaluable to us.



### Occupational health and safety management system



### 4.3.2 The Participation, Consultation and Communication of Workers

To establish a safe working environment, SIRUBA has adhered to Article 23 of the Occupational Health and Safety Law. Occupational safety and health committees have been established at each operating locations. Occupational health and safety committees have been established at each operational base. These committees are responsible for providing suggestions on health and safety policies formulated by the health and safety office. They also undertake tasks such as reviewing, coordinating, and recommending safety and health-related matters. The committee comprises occupational health and safety personnel, department heads, research and development personnel, production unit employee, and specialists. These collective forms the highest deliberative body for health and safety management. Regular quarterly meetings are held to provide recommendations on occupational health and safety 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 our employee suggestion box system and the complaint process are designed with the protection of the complainant's privacy as the top priority. Employees can feel secure leaving comments online or contacting the occupational safety and health representative directly via phone. In 2024, no occupational safety complaints were recorded.

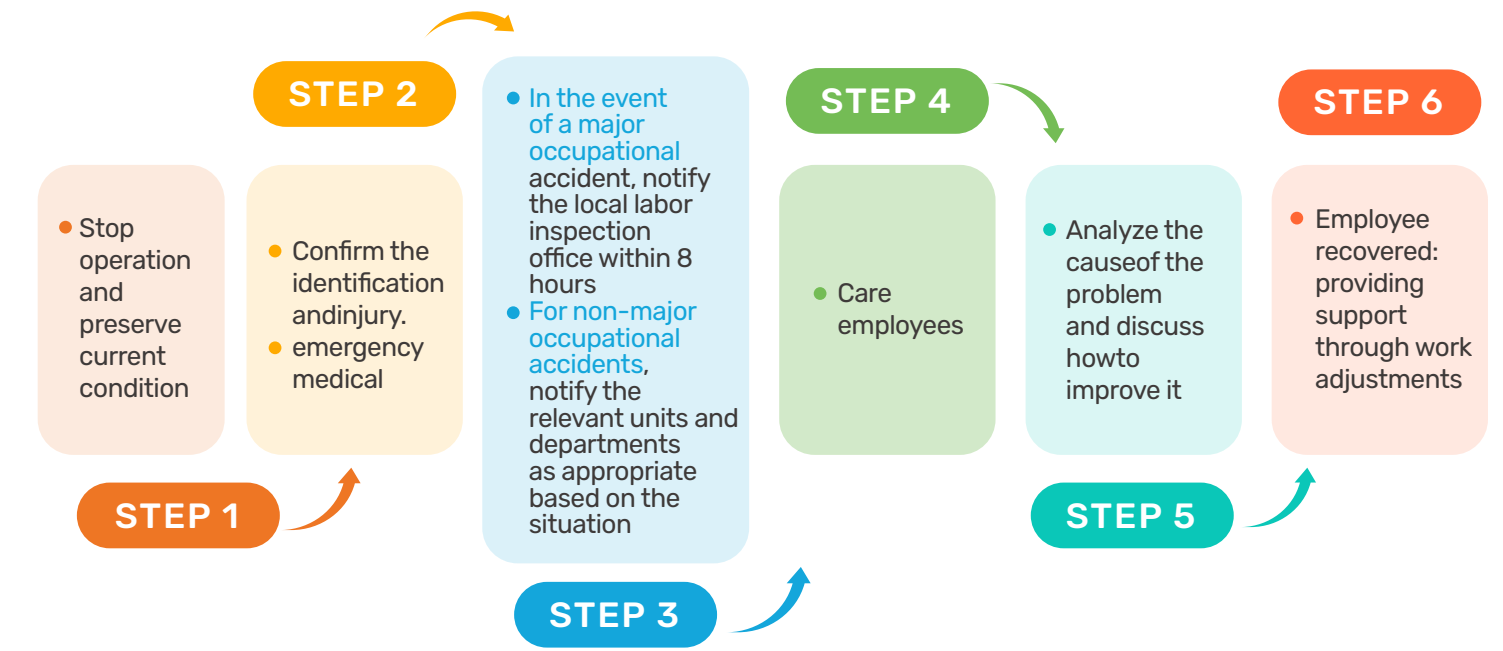
### 4.3.3 Hazard Identification, Risk Assessment and Accident

In accordance with the operating standards outlined in the Occupational Health and Safety 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 health and safety-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.

SiRUBA operates in the machinery and equipment manufacturing and repair industry, which falls under the highest risk category I due to significant potential hazards. As such, we have established an occupational health and safety management system tailored to our size and nature. Through management functions like planning, implementation, inspection, and improvement, we have successfully achieved health and safety management goals and elevated our health and safety standards. Our dedicated health and safety office plays a vital role in preparing, overseeing, and promoting health and safety 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. 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)	Response mechanism
A fire broke out in a hazardous chemicals warehouse due to the use of an open flame	<ul style="list-style-type: none"> <li>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.</li> </ul>
The spray line operation may encounters an ignition source explosion or inhalation of toxic volatile organic compounds.	<ul style="list-style-type: none"> <li>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.</li> </ul>
Gas room operation may experience valve leaks or sparks occur when handling gas	<ul style="list-style-type: none"> <li>Install electrostatic grounding and explosion-proof electrical equipment such as explosion-proof lights. Handle equipment with care and perform regular safety inspections.</li> </ul>

### Accident Investigation Flowchart



### 4.3.4 Occupational Accidents by Year

#### Headquarter

Statistics/Year		2022	2023	2024
Total experienced working hours (actual total working hours attended)		134,955	89,093	90,017
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 (Note 3)	Number of people	0	0	0
	percentage	0.00%	0.00%	0.00%

#### Taoyuan

Statistics/Year		2022	2023	2024
Total experienced working hours (actual total working hours attended)		215,302	223,721	130,678
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 (Note 3)	Number of people	0	0	0
	percentage	0.00%	0.00%	0.00%

#### Gao-Yin

Statistics/Year		2022	2023	2024
Total experienced working hours (actual total working hours attended)		1,132,736	615,934.5	632,649.5
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	6	3	3
	percentage	1.059%	0.974%	0.984%
occupational diseases	Number of people	0	0	0
	percentage	0.00%	0.00%	0.00%
Recordable occupational diseases (Note 3)	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 medical care professional (even if it does not result in death, leaving work, restriction of work or change of work, medical treatment beyond first aid, or loss of consciousness), but statistics should contains fatalities.

Note 3: Recordable occupational injury rate = (number of recordable occupational injuries/total number of hours worked) \*200000

### 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 Health and safety." 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 gathering feedback from colleagues after the event through employee mailboxes.
- ✓ SiRUBA employs medical professionals, including Labor Health Services nurse practitioners and OSHA employee, to offer guidance on health management related to maternal protection, overwork, and abnormal health screening results. In 2024, we provided a total of 136 hours of onsite medical services, including 6 sessions by doctors (2 hours per session) and 62 sessions by nursing employee (2 hours per session).



### 4.3.6 Occupational Health and safety Training

Concerning occupational safety and health education and training, SiRUBA adheres to an education and training plan. In addition to the obligatory regular statutory health and safety 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 2024 training outcomes.

Taoyuan Plant Course Name	Total Training Hours	Number of participants
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
Special Operations Safety Training	40	40

Gao-Yin Course Name	Total Training Hours	Number of participants
On-duty safety inspection training during the Spring Festival	11	11
Safety training before special holidays	64.5	43
Daily operation training for the fire alarm control panel	8	8
Training on safety accident cases and preventive measures	17	17
Limited space emergency rescue drill	17	17
Emergency rescue drill for explosive dust incidents	14	14
Fire emergency drill	248	248
Legal knowledge training	20	20
Occupational health-related policies and regulations and fire safety training	43	43

### 4.3.7 Emergency Response

- ✓ SiRUBA has an emergency plan in place and has established emergency response command centers at each operating location. 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 2024, 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. A total of 50 employees from the Taoyuan Plant and 248 employees from the Gao-Yin Plant participated in the fire drill.



### Occupational health and safety training (Gao-Yin)



Gao-Yin - Safety inspection training for holiday duty



Safety training before special holidays



Daily operation training for the fire alarm control panel



Training on safety accident cases and preventive measures

### Occupational health and safety training (Gao-Yin)



Guide to using materials in confined spaces training for holiday duty



Confined space and dust explosion rescue drill



Legal knowledge seminar



Occupational health and safety training

### 4.3.8 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 Health and safety 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.
- ✓ Gao-Yin Plant regularly schedules health check-ups to effectively manage employee health and safety.





## 4.4 Social Participation

As a vital component of society, SiRUBA coexists with investors, employees, local communities, and various stakeholders. We aspire to set an exemplary precedent, guiding other enterprises to strive for excellence. Our operating locations 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 "Project ReSEW's" through the sewing machine manufacturing industry to research and develop trial sewing using textile waste such as discarded fabrics, stock fabrics, defective products, sample fabrics, etc. to re-sew and upgrade these materials, thereby recreating and enhancing the recycling value of resources..

### Charity event - Giving a nap pillow

Schools located neither in the mountains nor in the city

Jan 18,2024 Before the New Year, the foundation quickly made 60 pillows from ROOTS' stock of clothes. Finally delivered to Liugui Xinwei Elementary School and Nantou Shuangwen Elementary School which are located neither in the mountains nor in the city, just before the winter vacation, as gifts for children in remote communities.



### Community Engagement Public Welfare Activities

Bade Cultural Health Station

Jan 31,2024 First trip to the Taoyuan Kaen Service Center - Bade Cultural Health Station.

This time, the foundation specially repurposed brand-new uniforms from the head office inventory into lumbar pillows (providing comfortable back support for grandparents after long periods of sitting, and can also be hugged to help them fall asleep) and drawstring bags (filled with snacks suitable for the elderly). At the event, the purpose and meaning of sustainability were thoroughly explained, and the indigenous elders all gave thumbs up, expressing their approval and enjoyment!



## Charity event - Sustainable sewing course

Selective Mutism Association of Taiwan (SMAT)

Mar 6-Jun 5, 2024 The Selective Mutism Association of Taiwan, in collaboration with the KAULIN Foundation, has launched the "Mutism Handmade Sewing Workshop". This series of courses helps individuals with selective mutism learn sewing skills and develop awareness of sustainability and environmental protection. By completing projects, participants gain a sense of achievement and build shared experiences, which fosters interpersonal confidence and communication. Through gradual integration, they practice expressing themselves in their own verbal or non-verbal ways and at their own pace, making social interaction and learning more comfortable.



## Eastern ReSEW's Laboratory

Mustard Seed Mission Hualien Art Learning Center

Mar 29, 2024 KAULIN and the Mustard Seed Mission have partnered to create ReSEW's Laboratory at the Hualien Art Learning Center. This is the first learning center established by the KAULIN Foundation in Taiwan's eastern region. To support the Mustard Seed Mission's mission of helping others, the foundation donated eight professional-grade sewing machines that are eco-friendly and energy-efficient. These machines help community members in need acquire new skills to generate income, while also promoting active participation in environmental conservation. This year, the newly launched sewing class emphasizes environmental protection by reusing discarded fabrics to reduce carbon emissions, while incorporating indigenous traditional weaving techniques to create products with unique local features.



### Charity event - Joyful Hat Sewing Workshop

Awakening Foundation and Do+T Doing Plus Thinking Center

Apr 29, 2024 KAULIN, Awakening Foundation, and Do+T Doing Plus Thinking Center, two organizations that previously had a rare opportunity, jointly held a free sewing class. For these two hours, Teacher Li Xiulan will guide the participants in making joyful hats to give to patients undergoing chemotherapy. In the future, joyful hats produced will be distributed to major cancer centers in hospitals throughout Taiwan via a connected network.



### Charity event - Resewing cherished old clothes

Count me in for a sustainable and better life

The Sustainable Good Days event, hosted by United Online, specially invited the KAULIN Foundation to the venue to promote the resewing cherished old clothes campaign. Over two days, a total of 160 pieces of old clothing were upcycled. To accommodate those who couldn't join the on-site event, the foundation held a special extra class called "Turning Jeans into Tote Bags". Participants were delighted and pleasantly surprised to see their old clothes transformed into bags or cushions, and many expressed their intention to cherish and use these "recycled" creations.



## Charity event - Resewing cherished old clothes

Count me in for a sustainable and better life

The ReSEW's Laboratory, established by the Hualien Art Learning Center, is the first learning center set up by the KAULIN Foundation in Eastern Taiwan. To support the charitable mission of the Mustard Seed Mission, the Foundation donated eight professional-grade sewing machines that are eco-friendly and energy-efficient. This initiative helps community members in need acquire new skills to generate income, while also actively contributing to environmental conservation.

On July 21, 2024, during the summer vacation, a sustainable upcycling workshop was specially organized for everyone at the Art Learning Center, where women learned easy skills to transform old T-shirts. On Sunday afternoon, everyone arrived punctually at the ReSEW's Laboratory. Even though many women brought the wrong materials, they were still able to complete their projects thanks to the support and generosity shared among the group.

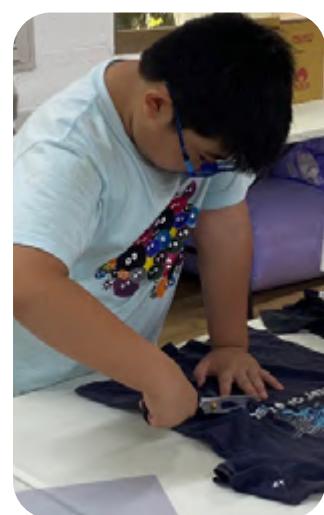
In addition to the sustainable courses, this trip specially brought 300 Bat brand professional backpacks, donated by #KAULIN SPORTS CO., LTD. to the Social Development Department of the Mustard Seed Mission. The backpacks were distributed mainly to disadvantaged families and sponsored children. Everyone at the Art Learning Center was very happy and moved by this gesture.



### Eastern ReSEW's Laboratory

Relief Association 1919 Tutoring Class

July 21-26,2024 Since last year, the KAULIN Foundation has transformed the LET'S RUN English 1919 Tutoring Road Run into a sustainable handmade course under the Re-stitching Project. They have been holding KAULIN Aesthetic Workshops across northern, central, and southern regions, directly sponsoring tutoring classes to nurture sustainable education from a young age. There are six tutoring classes across the northern, central, and southern regions, offering twelve courses with a total of 121 participants. In addition to acquiring skills, students get to create their own unique projects, which gives them a stronger sense of achievement.

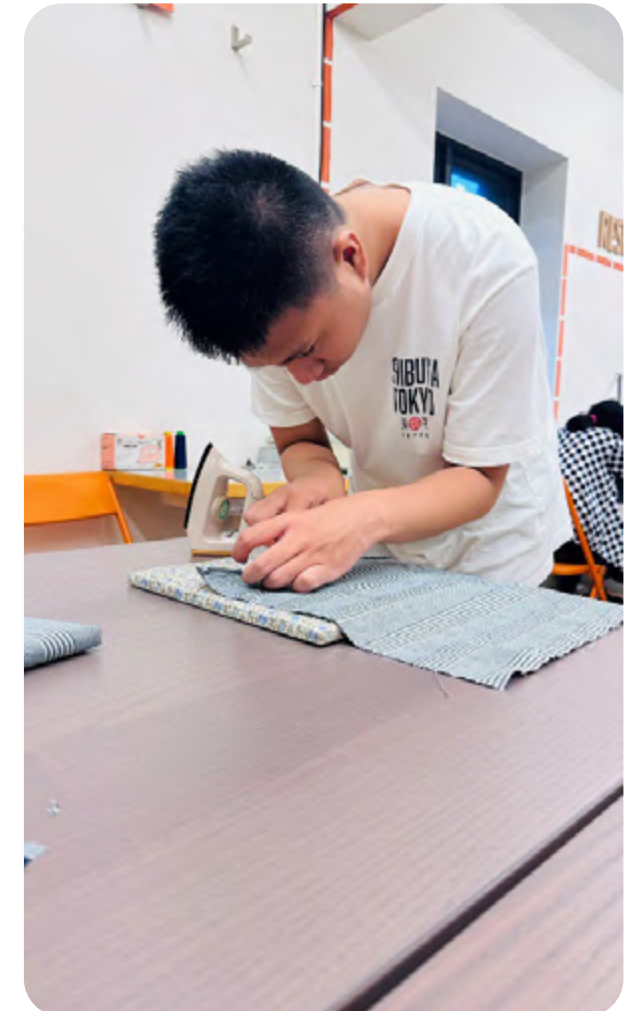




## Charity event - Sustainable sewing course

Selective Mutism Association of Taiwan (SMAT)

July 31-Sep 18,2024 The second session of the [Mutism Handmade Sewing Class] has begun. Both mutism students and their parents hope to continue with the second course while their skills are sharp and the students remain enthusiastic. The second part of the course involves using your own unworn jeans to create sustainable projects. I'm excited to see the final results!



### Charity event - Sustainable sewing course

Coaster made from a banana fiber recycled workshop

Lovely Taiwan x KAULIN Foundation = A Proposal for Sustainable Living

Aug16-17,2024 Lovely Taiwan Foundation’s first session of the “Sustainable Living Proposal” in Chaozhou invited the KAULIN Foundation, originally known for making sewing machines, to guide participants through a beginner sewing project - making coasters. Together, they created unique coasters that reflect local culture and embody sustainability. KAULIN will install a flatbed machine at Lovely Taiwan Foundation offices in Chaozhou and Nanzhou, enabling local residents and visitors to stay connected with the community’s ongoing sustainability and revitalization efforts.



## Create employment opportunities

Awakening Foundation

Provide a professional industrial sewing machine environment as a skills training workshop. Provided professional industrial sewing machines for five years from 2020 to 2024, serving as a skills training workshop. Nearly 400 women were trained in total.



社團法人台北市婦女新知協會  
Taipei Awakening Association  
**新知工場**

### 「2024女人圓夢新織\_新知專業培力工作坊」 第二期

◎課程日期：2024年8月6日(二)-10月15日(二)  
◎課程時間：每週二(9:30-12:30、13:30-16:30)  
共10堂-60小時

☆課程地點：財團法人高林文化创意基金會\_重縫實驗室  
(台北市重慶南路3段2號3樓303室)

☆課程師資：吳素緞 老師  
勞動部勞動力發展署技能檢定女裝甲級

◇收費標準：保證金:500元  
\*一般民眾\_請匯NT\$ 3,500元，  
\*新知協會會員\_請匯NT\$ 3,000元，  
\*中低收入、特殊境遇身份\_請匯NT\$ 3,000元

Call : 02-23114678  
報名網址: <https://forms.gle/VZnwo1hAqw1gYcq7>

高林文創基金會 KAULIN FOUNDATION 臺北市政府社會局 Department of Social Welfare, Taipei City Government

## Charity Event Tracheostomy Mask Sewing

Cancer Hope Center

Tracheostomy Mask Protects Vitality Charity Event - Aug 29, 2024

After visiting the cancer center to understand the needs of head and neck cancer patients, we collaborated with an industry expert from Fu Jen Catholic University's textile department for the design and secured fabric sponsorship from CHIA HER INDUSTRIAL CO., LTD. During the procurement of parts and fabric cutting, we were deeply moved by the empathetic suppliers who offered their help at highly discounted prices. For sewing, in addition to KAULIN himself, indigenous mothers from Hualien who are currently enrolled in certification courses at the Eastern ReSEW's Laboratory also participated. We plan to deliver around 400 tracheostomy masks by the end of August and aim to fulfill an annual demand of approximately 1,600 tracheostomy masks by early next year.



## Charity Event Tracheostomy Mask Sewing

KAULIN MFG. CO., LTD.

Charity event for tracheostomy mask sewing - Nov 8, 2024

The tracheostomy mask was originally designed by a head and neck cancer patient. The foundation has improved it in several ways, such as using more breathable fabrics, simplifying the sewing process (reducing loose threads for greater comfort), and enlarging the adhesive area to better fit users with different head sizes.

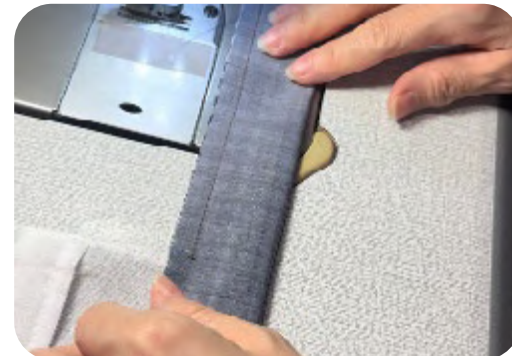
KAULIN specially gathered employees from two locations in Taipei and Taoyuan to participate together in a charitable sewing event. They provided pre-recorded sewing videos beforehand for employees to practice, aiming to spend an entire day at the NPO re-sewing lab to produce 100 tracheostomy masks. In the future, we will continue to recruit volunteers from different areas to sew more tracheostomy masks to support patients who need them.

**援氣罩護元氣 公益活動**

高林文創基金會成立於2014年，其母企業高林股份有限公司以自創品牌 SIRUBA 工業用縫紉機行銷全球50年，全心致力於工業用高速自動化縫紉機之研發。鑑於快速時尚造成對環境的污染並秉持著企業社會責任，基金會致力推動「重縫計劃」，期望透過縫紉機研發試車用廢棄料物件及各種紡織廢棄布、庫存布、瑕疵品、樣布及二手回收等的重新縫製並升級再造創造資源的再生價值。

援氣罩是讓頭頸癌患者保護人工氣道 避免異物進入影響呼吸順暢的好物  
2024年高林捐了400個元氣罩  
供應症希望基金會與各醫院發放  
每年預計分批捐贈 希望能照顧更多人

**協助車縫援氣罩**  
募集有縫紉機使用經驗志工  
年齡 18以上  
車縫地點 台北市大直街34巷30號  
車縫時間 每周五(至少3小時)  
車縫小確幸 免費獲得使用特殊機車縫杯墊乙次  
預約方式 <https://forms.gle/yepLeVFR8cq19jJ78>



### Promotion and use

Let's achieve education sustainability in 2024

January 18, 2022 | KAULIN Foundation - Preparation Meeting for the Re-sewing Project

March 8, 2022 | Cross-departmental collaborative workshop - KAULIN Foundation

August 30, 2022 | Promoting Sustainable Education - Providing Waste Recycling Boxes

Center for the Department of Home Economics is collaborating with the KAULIN Foundation on clothing and waste fabric-related SDG projects to promote environmental education together.

<<Topic/Lecturer>>

March 8, 2022

[I] Waste Fabric Recycling Workshop (Hands-on Experience)

KAULIN Foundation

[II] Discussion on the development and expansion of each school Center

for the Department of Home Economics

[III] Each school develops sustainable courses using waste recycling boxes Center

for the Department of Home Economics



### School applying for waste recycling bins

2022

Taipei Municipal Song-Shan Senior High School  
Taoyuan Municipal Xinwu High School  
National Hsinchu Girls' Senior High School  
Taichung Municipal Wen-Hua Senior High School  
National Tainan Girls' Senior High School

2023

Taipei Municipal Song-Shan Senior High School  
National Tainan Girls' Senior High School  
Kaohsiung Municipal Wunshan Senior High School  
National Hualien Girls' Senior High School  
National Chutung Senior High School  
Taipei Municipal Nan-Gang High School

2024

Shu Lin Senior High School  
National Tainan Second Senior High School  
Taoyuan Municipal Nei Li Senior High School  
National Kaohsiung Normal University Affiliated Senior High School  
Taichung Municipal Huiwen High School  
New Taipei Municipal SanChong High School  
National Tainan Girls' Senior High School

Delivery date: October 14, 2024



## Industry-academia Cooperation with Shih Chien University

### Eco Buttonhole Woven Playground

In 2024, the foundation and Shih Chien University collaborate on industry-academia creative projects primarily guided by the school's curriculum. The design approach must incorporate KAULIN's specialized industrial sewing machine, the "buttonhole machine", as the central element for woven playground-themed designs. The project aims to apply and showcase these designs, achieving a core focus on the aesthetics and playful creativity of innovative button weaving.

Students using special sewing machines have unleashed unlimited creativity in the woven playground.



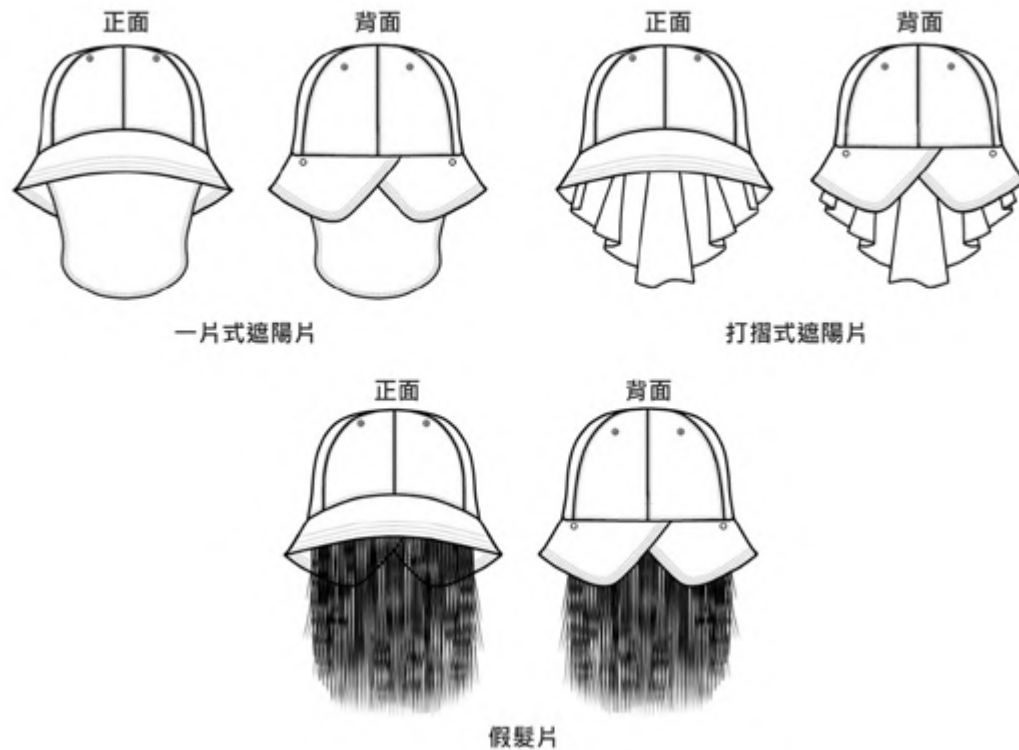
### Industry-academia collaboration - Design of hats for cancer patients

Department of Textiles, Fu Jen Catholic University

This project, initiated by the KAULIN Foundation to create care hats for cancer patients, combines the expertise of the Department of Textile and Clothing at Fu Jen Catholic University. Through the department's basic clothing design internship course and a hands-on sustainable care production workshop, it supports the design and creation of sustainable care hats for cancer patients.

Aiming to extend the philosophy of sustainable fashion and benevolent care, which both parties have been continuously cultivating, through the processes of concept ideation, design, and production; this not only enhances students' ability to apply sustainable and benevolent design principles but also offers opportunities for fashion design educators and students in academia to practice and realize their creative ideas.

鈕合完成設計圖





## KAULIN lends his support. Capturing the Future Through Dreams

In 2017, increase sports sponsorship and support sports organizations or individuals in participating in sports activities and competitions to promote the thriving development of the sport.

2024

Hanxi Elementary School, Yilan  
National Yuli Senior High School, Hualien  
Min-De Junior High School, Tainan  
Magong Junior High School, Penghu

Dacheng Junior High School, Taoyuan  
Pony Representative  
Zhonghe Junior High School Basketball Team, Chiayi



## Eastern ReSEW's Laboratory

Mustard Seed Mission Hualien Art Learning Center

The KAULIN Foundation has set up its first learning base in the eastern region, ReSEW's Laboratory. All students from the first certification class successfully graduated and will take the Level C [Women's Wear] theoretical certification exam on November 3, 2024. Additionally, from October 12 to November 9, they showcased an impressive exhibition of handmade woven products created by masters and apprentices on the first floor of the Art Learning Center, titled "Revitalization through Work".



# 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 prepared this report for the period from January 1 to December 31, 2024, in accordance with the GRI Standards.

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.

Topics marked with \* are material topics

### GRI 2: General Disclosures 2021

Topic	Disclosure Project	Project Description	Chapter	Omission/Note
The Organization and Reporting Practices	2-1	Organization details	1.2 About SiRUBA	
	2-2	Entities included in the organization's sustainability reporting.	Editing Policy	
	2-3	Reporting period, frequency and contact	Editing Policy	
	2-4	Reorganization of information	Editing Policy	
	2-5	External assurance/ verification	Editing Policy	
Activities and Workers	2-6	Activities, value chains and other business relationships	1.2 About SiRUBA	
	2-7	Employees	4.1 Human Resources Management	
	2-8	Workers who are not employees	4.1 Human Resources 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 Our Strategies in Sustainable Development	
	2-13	Delegation of responsibility for managing impacts	1.1 Our Strategies in Sustainable Development	

Topic	Disclosure Project	Project Description	Chapter	Omission/Note
Governance	2-14	Role of the highest governance body in sustainability reporting	1.1 Our Strategies in Sustainable	
	2-15	Conflicts of interest	Development	
	2-16	Communication of critical concerns	1.3 Corporate Governance	
	2-17	Collective knowledge of the highest governance body	1.1 Our Strategies in Sustainable	
	2-18	Evaluation of the performance of the highest governance body	Development	
	2-19	Remuneration policies	1.3 Corporate Governance	
	2-20	Process to determine remuneration	1.3 Corporate Governance	
	2-21	Annual total remuneration ratio	1.3 Corporate Governance	Confidential information
Strategy, Policies and Practice	2-22	Statement on sustainable development strategy	1.3 Corporate Governance	
	2-23	Policy commitments	Omission of the closures	
	2-24	Embedding policy commitments	Words from Operator	
	2-25	Processes to remediate negative impacts	1.1 Our Strategies in Sustainable	
	2-26	Mechanisms for seeking advice and raising concerns	Development	
	2-27	Regulation Compliance	1.1 Our Strategies in Sustainable	
	2-28	Membership associations	Development	
Stakeholder Engagement	2-29	Policy of stakeholder engagement	1.4 Risk Management	
	2-30	Collective bargaining agreements	1.6 Regulation Compliance	The companies does not sign collective bargaining agreements with labor union

GRI 3: Material Topics 2021

Topic	Disclosure Project	Project Description	Chapter	Omission/Note
Material Topics	3-1	List of Material topics	Stakeholder Communication and Material Topics Identification	
	3-2	Material Topics Management	Stakeholder Communication and Material Topics Identification	
*Information Security				
GRI 3: Material Topics 2021	3-3	Material Topics Management	1.8 Information Security	
*Risk Management				
GRI 3: Material Topics 2021	3-3	Material Topics Management	1.4 Risk Management	
*Product Innovation and Responsibility				
GRI 3: Material Topics 2021	3-3	Material Topics Management	2.1 Product Liability and Security	
<b>Economy</b>				
Economic Performance				
GRI 201: Economic Performance 2016	201-1	Direct economic value generated and distributed by organization	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, Right Place	
Market Standing				
GRI 202: Market Standing 2016	202-1	Ratios of standard entry level salary by gender compared to local minimum salary	4.2 Right Person, Right Place	
	202-2	Proportion of senior management hired from the local community	4.1 Human Resources Management	

Economy

Anti-competitive Behavior

GRI 206: Anti-competitive Behavior 2016	206-1	Legal actions for anti-competitive behavior, anti-trust, and monopolistic practices	1.6 Regulation Compliance	Not any activities of legal actions involving anti-competitive, antitrust, and monopolistic practices
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Environment

Material Management

GRI 301: Materials 2016	301-1	Materials used by weight or volume	3.2 Energy Resources Management
	301-2	Renewable Materials used	3.2 Energy Resources Management
	301-3	Reclaimed products and their packaging materials	3.2 Energy Resources Management

\*Energy Management

GRI 3: Material Topics 2021	3-3	Material Topics Management	3.1 Climate Change Management
GRI 3: Material Topics 2021	302-1	Energy consumption within the organization	3.2 Energy Resources Management
	302-2	Energy consumption outside of the organization	Omission
	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

The information provided is incomplete. The organization's external energy consumption includes both upstream and downstream activities in the value chain; however, data for fuel and electricity consumption for these external activities is unavailable.

\*GHG Emission

GRI 3: Material Topics 2021	3-3	Material Topics Management	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

Environment

\*GHG Emission

GRI 305: Emission 2016	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: Management Policies	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
GRI 306: Waste 2020	306-3	Waste generation	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	Material Topics Management	4. Social care
	401-1	New employee hires and employee turnover	4.1 Human Resources Management
GRI 401: Employment 2016	401-2	Benefits provided to full-time employees that are not provided to temporary or part-time employees	4.2 Right Person, Right Place
	401-3	Parental leave	4.2 Right Person, Right Place

Labor/Management Relations

GRI 402: Labor/Management Negotiation 2016	402-1	Minimum notice periods regarding operational changes	4.2 Right Person, Right Place
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Sociality

Occupational Health and Safety

GRI 3: Material Topics 2021

3-3

Material Topics Management

4.3 Occupational Health and safety

403-1

Occupational health and safety management system

4.3 Occupational Health and safety

403-2

Hazard identification, risk assessment, and incident investigation

4.3 Occupational Health and safety

GRI 403: Occupational Health and Safety 2018 Management Policies

403-3

Occupational health services

4.3 Occupational Health and safety

403-4

Worker participation, consultation, and communication on occupational health and safety

4.3 Occupational Health and safety

403-5

Worker training on occupational health and safety

4.3 Occupational Health and safety

403-6

Improves Worker Health

4.3 Occupational Health and safety

403-7

Prevent and reduce occupational health and safety impacts directly associated with business relationships

4.3 Occupational Health and safety

403-8

Workers covered under the occupational health and safety management system

4.3 Occupational Health and safety

GRI 403: Occupational Health and Safety 2018

403-9

Occupational injuries

4.3 Occupational Health and safety

403-10

Occupational diseases

4.3 Occupational Health and safety

Training and Education

GRI 404: Training and Education 2016

404-1

Average hours of training per year per employee

4.2 Right Person, Right Place

404-3

Percentage of employees receiving regular performance and career development reviews

4.2 Right Person, Right Place

Employee Diversity and Equal Opportunities

GRI 405: Employee Diversity and Equal Opportunities 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, Right Place

Sociality

\*Sustainable Supply Chain

GRI 3: Material Topics 2021	3-3	Material Topics Management	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 taken	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	Unit of measurement	Number	Disclosure Chapter and Description
Energy Management	(1) Total energy consumed, (2) Percentage grid electricity and (3) Percentage of renewable energy	Quantitative	Gigabit joule (GJ), Percentage (%)	RT-IG-130a.1	3.2 Energy Resources
Employee 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 Health and Safety
Fuel Consumption & 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 machine	Quantitative	Gallons per hour	RT-IG-410a.2	Not applicable to our sewing machine products
	Sales-weighted fuel efficiency for stationary engines	Quantitative	Watts per gallon	RT-IG-410a.3	Not applicable to our sewing machine products
	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 products
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
Remanufacturing Design & Service	Revenue from remanufactured products and remanufacturing services	Quantitative	Currency in financial statements	RT-IG-440b.1	Not applicable to our sewing machine products
Product yield		Quantitative	Amount	RT-IG-000.A	No remanufacturing of our products
Number of Employee		Quantitative	Amount	RT-IG-000.B	362 employees

## Appendix 3: Listed Company Climate-related Information

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

#### Project

#### Company response

1

Description of the Board of Directors' and management's oversight and governance of climate-related risks and opportunities

According to the EN Climate Change Response Act, the imposition of a carbon fee on direct or indirect emissions in 2026. 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 of operations 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. Assuming the Group's major operating locations will emit a total of 2,800 metric tons of Scope 1 and Scope 2 emissions in 2024, and taking into account Taiwan's carbon fee of NT\$300 per metric ton, the annual additional cost would amount to NT\$840,000; the financial impact is low.

2

Description of how the identified climate risks and opportunities affect the corporate, strategy and finances of the organization (short, medium and long term)

#### Climate-related Financial Impacts and Responses

##### Risk and Opportunity Project

##### 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 2026. 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 of operations 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. Assuming the Group's major operating locations will emit a total of 2,800 metric tons of Scope 1 and Scope 2 emissions in 2024, and taking into account Taiwan's carbon fee of NT\$300 per metric ton, the annual additional cost would amount to NT\$840,000; the financial impact is low.

Customer demand for low-carbon products

To meet customer's requirements for ISO 14067 compliance, the accounting of product carbon footprint must be implemented. Full compliance is expected across the supply chain, transportation, and low-carbon manufacturing processes, resulting in an additional cost of NT\$2 million per product; the financial impact is medium.

Average temperature rise

As the average temperature rises, the cost of electricity rises. The plan is to completely replace old lamps in the plants with energy-saving LED lighting fixtures, and replace the refrigeration and air-conditioning systems with level 1 energy-efficiency equipment to increase the proportion of renewable energy consumption. Energy costs are expected to increase by 20% in the short term, over three years; the financial impact is medium.

3

Describe the financial impact of extreme climate events and transition measures

Project

4

Description of climate risk identification, assessment and management procedure and how to integrate into the overall of risk management.

5

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.

Company response

Implement the following in accordance with the risk management policy

- When members of the Sustainable Development Committee assess ESG risks, they also assess climate risks.
- The Sustainable Development 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.

Scenario analysis

Scenario mode	Scenario description	Potential financial impact	Responsive strategy
Stricter policies and regulations aimed at limiting global warming to within 1.5°C	<ul style="list-style-type: none"> <li>● Accelerating the implementation of carbon pricing across the strait (including Taiwan's carbon fee and the expansion of China's carbon market)</li> <li>● Mandatory increase in the use of renewable energy in the manufacturing industry</li> <li>● Prohibit the use of high carbon-emission equipment or processes</li> </ul>	<ul style="list-style-type: none"> <li>● Rising carbon cost expenses</li> <li>● Rising costs of equipment replacement and technology upgrades</li> <li>● Risk of fines or production shutdown due to regulatory non-compliance</li> </ul>	<ul style="list-style-type: none"> <li>● Invest early in low-carbon technology</li> <li>● Participate in carbon credit trading to reduce emissions</li> </ul>
Physical risks are steadily increasing with a 2°C temperature rise and extreme weather becoming the new normal	<ul style="list-style-type: none"> <li>● Accelerating the implementation of carbon pricing across the strait (including Taiwan's carbon fee and the expansion of China's carbon market)</li> <li>● Mandatory increase in the use of renewable energy in the manufacturing industry</li> <li>● Prohibit the use of high carbon-emission equipment or processes</li> </ul>	<ul style="list-style-type: none"> <li>● Cost of repairing damages to plant facilities</li> <li>● Losses due to production halt</li> <li>● Supply chain disruption causes order defaults</li> </ul>	<ul style="list-style-type: none"> <li>● Enhance flood protection and disaster resilience for the design of plant area</li> <li>● Build a decentralized supply chain network</li> <li>● Purchase climate-related commercial insurance coverage</li> </ul>
Market transformation needs global trend for net-zero transition, customer demand for low-carbon products	<ul style="list-style-type: none"> <li>● International brand customer demand carbon neutrality in their supply chains</li> <li>● Increasing demand for low-carbon sewing equipment, including energy-efficient and recyclable material models</li> <li>● Decline in market share of traditional high-carbon products</li> </ul>	<ul style="list-style-type: none"> <li>● Higher upfront costs for green products R&amp;D</li> <li>● Risk of order loss</li> <li>● Responsible for the product carbon footprint certification fee</li> </ul>	<ul style="list-style-type: none"> <li>● Develop the "Green Sewing Machine" product line</li> <li>● Obtain worldwide recognized ecolabel(s)</li> <li>● Work with customers to design supply chain solutions that reduce carbon emissions</li> </ul>

Project

Company response

6

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.

Average temperature rise: (1) Replace air conditioning systems with products rated at energy efficiency level 1; (2) establish an energy storage system to enhance energy utilization efficiency; (3) increase the share of renewable energy use

Resource efficiency improvements and low-carbon products:

- 1. Strengthen supply chain management and improve industrial energy conservation and carbon reduction benefits.
- 2. 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 corporates for energy-saving products.

Related indicator targets:

- 1. Reduce greenhouse gas emissions in Scope 1 + Scope 2 by 30% in 2030.
- 2. Continuously improve product performance, reduce production energy consumption, increase product gross profit, and propose at least one project every year.

7

If uses the internal carbon pricing as planning tool, it should state the price-setting basis.

Internal carbon pricing has not yet been implemented

8

It should describe the activities, GH emission category, planned schedule, progress achieved every year and other information if set up the related-target 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

- Compared to base year 2022
- ✓ 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

Strategic action

- ✓ Purchasing environmentally friendly labeled infrastructure equipment through green procurement
- ✓ The refrigeration and air-conditioning system will be completely replaced with energy efficiency level
- ✓ Implement energy-saving projects for facilities and equipment
- ✓ Expanding solar energy construction for self-use and purchasing of green power certificates

Planning schedule

- 2025~2030
- 2025~2030
- 2025~2030
- 2035~2040

Project

Company response

9

Greenhouse gas inventory and verification, 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 Ton CO<sub>2</sub>e) in the last two years, including intensity (Metric Ton CO<sub>2</sub>e/NT\$M), data coverage and verification.

Greenhouse gas emission statistics for 2024

Scope 1	Total Emissions(Metric Ton CO <sub>2</sub> e)	Intensity (Metric Ton CO <sub>2</sub> e/ Million dollars)	Verification Agency	Statement of Verification (Certificate of Verification)
Parent Company	3.8220	0.0023		
Taoyuan Plant	62.6642	0.0383		
Gao-Yin Plant	194.3430	0.1187		
Scope 2	Total Emissions(Metric Ton CO <sub>2</sub> e)	Intensity (Metric Ton CO <sub>2</sub> e/ Million dollars)		
Parent Company	90.0792	0.0550	Without Verification	Without Verification
Taoyuan Plant	263.1686	0.1607		
Gao-Yin Plant	2,129.2331	1.3001		
Scope 3	Total Emissions(Metric Ton CO <sub>2</sub> e)	Intensity (Metric Ton CO <sub>2</sub> e/ Million dollars)		
Parent Company	229.5344	0.1401		
Taoyuan Plant	85.5270	0.0522		
Gao-Yin Plant	1,576.1147	0.9623		

Note: The consolidated revenue for 2024 was NT\$1,637.8 million

### Greenhouse gas emission statistics for 2023

Scope 1	Total Emissions(Metric Ton CO <sub>2</sub> e)	Intensity (Metric Ton CO <sub>2</sub> e/ Million dollars)	Verification Agency	Statement of Verification (Certificate of Verification)
Parent Company	6.6140	0.0047		
Taoyuan Plant	52.0698	0.0367		
Gao-Yin Plant	209.0590	0.1472		
Scope 2	Total Emissions(Metric Ton CO <sub>2</sub> e)	Intensity (Metric Ton CO <sub>2</sub> e/ Million dollars)		
Parent Company	85.1227	0.0599	Without Verification	Without Verification
Taoyuan Plant	322.1018	0.2267		
Gao-Yin Plant	2,543.1616	1.7903		
Scope 3	Total Emissions(Metric Ton CO <sub>2</sub> e)	Intensity (Metric Ton CO <sub>2</sub> e/ Million dollars)		
Parent Company	70.3505	0.0495		
Taoyuan Plant	99.2808	0.0699		
Gao-Yin Plant	587,450.9872	413.5342		

Note: The consolidated revenue for 2023 was NT\$1,420.562 million



1-2 Greenhouse gas reduction targets, 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
<p>Compared to base year 2022</p> <ul style="list-style-type: none"> <li>✓ 30% reduction in greenhouse gas emissions in Scope 1 + Scope 2 in 2030</li> <li>✓ 50% reduction in greenhouse gas emissions from Scope 1 + Scope 2 in 2040</li> <li>✓ Net zero emissions by 2050</li> </ul>	<ul style="list-style-type: none"> <li>✓ Purchasing environmentally friendly labeled infrastructure equipment through green procurement</li> <li>✓ The refrigeration and air-conditioning system will be completely replaced with energy efficiency level</li> <li>✓ Implement energy-saving projects for facilities and equipment</li> <li>✓ Expanding solar energy construction for self-use and purchasing of green power certificates</li> </ul>	<p>2025-2030</p> <p>2025-2030</p> <p>2025-2030</p> <p>2035-2040</p>

Goal achievement status

2022	2024	Achievement Status
<p>Scope 1 + Scope 2 greenhouse gas emissions are 5,988.65 metric tons CO<sub>2</sub>e</p>	<p>Scope 1 + Scope 2 greenhouse gas emissions are 2,743.31 metric tons CO<sub>2</sub>e</p>	<p>Emissions were reduced by 54.19%, achieving the target ahead of 2030.</p>

**SIRUBA**

# SUSTAINABILITY REPORT 2024

KAULIN MFG. CO., LTD.

