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JENTECH  
ESG  
Report



**JENTECH**

Jentech Precision Industrial Co., Ltd.



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## About the Report

### Editorial Principles

In 2024, Jentech Precision Industrial Co., Ltd. (hereinafter referred to as the Company, Jentech or we) voluntarily issued the 2023 ESG Report. This report is expected to demonstrate Jentech's sustainable development strategies, commitments, and implementation results to stakeholders. The principles for information disclosure in this report are based on the GRI Sustainability Reporting Standards 2021 issued by the Global Reporting Initiative (GRI).

### Report Boundary and Data

The boundary of this report is the Taiwan-based Jentech Precision Industrial Co., Ltd. Considering their relevance with the Company's business and their impact on material topics, this report does not include the information of the following subsidiaries included in the consolidated financial statements: Elix International Co., Ltd., Wuxi Jentech Precision Industrial Co. Ltd., Kenly Precision Industrial Co. Ltd., Kenly International Tech. Ltd., Jiaxing Kenly Precision Electronic Co., Ltd., Kenly Global Ltd., and Nantong Kenly Precision Electronics Co., Ltd. The data in this report is presented through the description of commonly used words and numbers. If exceptions are made, they will be noted in the report.

## Report Management

1. The collection, measurement, and calculation of data and information disclosed are mainly based on international or local regulations to ensure transparency and compliance.
2. The data and information disclosed in this report are compiled and provided by the responsible departments of the Company, reviewed by the President, and publicly released.
3. External audit
  - Financial data:  
Audited by PwC Taiwan, with an audit report with an unqualified opinion issued.
  - Environmental data:  
ISO 14064-1 certification (SGS Taiwan).  
ISO14001 certification (SGS Taiwan).
  - Occupational safety and health data:  
ISO 45001 certification (SGS Taiwan).

## Release Time

The information disclosure period of this report is from January 1, 2023 to December 31, 2023. Jentech Precision Industrial Co., Ltd. will release an ESG report on an annual basis and disclose it on the Company's website.

Current release date: September 2024.

Next release date: Scheduled in September 2025.

## Contact Us

If you have any questions or suggestions about this report, please contact us through the following methods.

🏠 No. 40, Keji 1st Rd., Hwa Ya Technology Park, Guishan Dist., Taoyuan City

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✉️ [kueihetsai@jentech.com.tw](mailto:kueihetsai@jentech.com.tw)

🔍 <https://tw.jentech.com.tw/>

👤 Occupational Safety and Health Office

The data and information disclosed in this report are compiled and provided by the responsible departments of the Company, reviewed by the President, and publicly released.



## Message from the Management GRI 2-22

The world is facing unprecedented challenges. Shortly after the pandemic, we have faced ongoing inflation, the never-ending Ukraine-Russia war, and worsening global warming. All of these issues have a deep impact on enterprises, including Jentech. However, despite these challenges, we still set new milestones in our operations. The changes in the external environment also make us aware that our corporate responsibility is not limited to financial performance. We must take into account the comprehensive impact on the environment, society and governance (ESG) in order to achieve sustainable and stable operations. As the leader of the Company, we are well aware that while pursuing economic growth, we must also pay attention to how our corporate behavior affects the environment and society.



Since the Company was established, we have adhered to the concept of "addressing the most difficult customer challenges" to continuously seek innovative production methods in order to improve product quality, shorten development time, and increase production efficiency, thereby meeting customer needs. We use the development of high-precision molds and automated mass production capabilities, together with the semiconductor grade electroplating technology, as our foundation. We also apply the same concept to the implementation of sustainable development and the fulfillment of corporate social responsibility. When creating higher added value for products, we integrate green production, replace old equipment with energy-saving equipment, and adopt measures such as wastewater recycling and waste reuse, hoping to contribute to society and the environment. We have also obtained ISO 14001 environmental management system certification.

As the impacts of climate change become pronounced, continued GHG emissions will cause irreversible impacts on the environment. We have completed a GHG inventory and third-party verification in accordance with ISO 14064-1 every year since 2022, and have adopted the Task Force on Climate-related Financial Disclosures (TCFD) to respond to the potential operational impact of GHG-related regulations. In the future, we plan to install solar photovoltaic equipment in the Hwa Ya Factory, Dayuan Factory 2, and our new factory in Taoyuan Aerotropolis, and promote the use of green energy. At the same time, we will continue to control the energy consumption of each factory in the Group in order to slow down the impact of GHG emissions on global warming.

In addition to striving to meet the expectations of shareholders and the requirements of customers, we also uphold the idea of sharing with the public, and pursue profits and growth while paying attention to environmental protection, social responsibility and corporate governance. We firmly believe that by continuously making contributions and taking action, we can build a triple-win situation for the Company, our employees, and society, fulfill our responsibilities as a corporate citizen, and contribute to the sustainable development of the environment.



Chairman

趙宇信



Vice Chairman

趙永昌



President

林錦隆

## Honor and Recognition



**JENTECH**

**2023**

Received a Certificate of Appreciation for Active Supplier Collaboration and Continual Quality Optimization from Vitesco for our joint promotion of a sustainable thinking culture for self-driving in 2023

**2019**

Won the "HPS Material Supplier Award" at the Infineon Global Supplier Day 2019

**2018**

Won the "Global Supplier Recognition Award" at the AMD Global Supplier Day 2018

**2015**

Won the Texas Instruments Regional Supplier Recognition Award as a leading supplier of Leadframe & Heat Spatter



## 2015

Received the Distinguished Quality Supplier Award from Freescale Semiconductor at the Freescale Supplier Day event held on June 24 in Austin.

## 2015

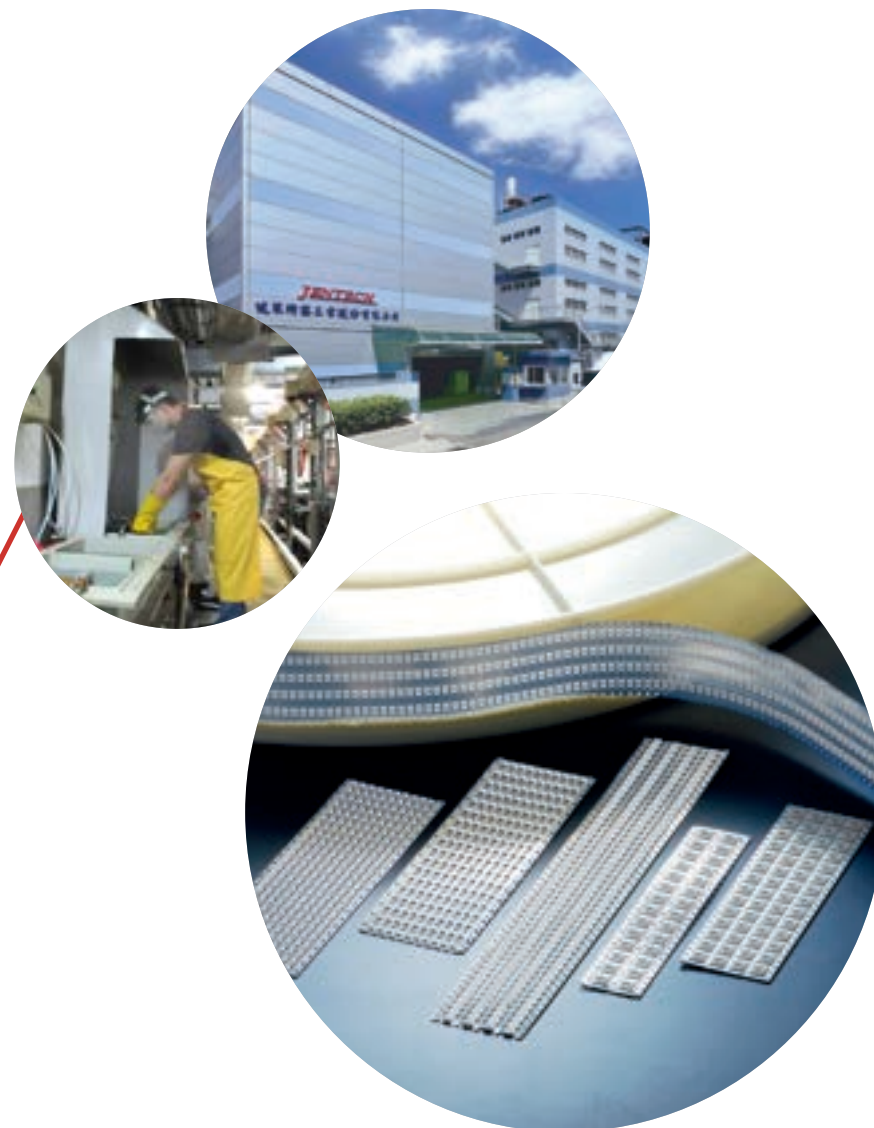
Selected as a winner of the "Supplier Excellence Award" (SEA) by PPC/Belden in 2014 for our outstanding performance in RF connectors and mechanical parts.

## 2013

Awarded the First Choice Technical Supplier Award in the field of heat sinks by Advanced Semiconductor Engineering based in Kaohsiung in June 2013

## 2010

Won the Supplier Outstanding Performance Award from Siliconware Precision Industries in December 2010 for our significant contribution and support to the company



# 1

## Jentech's Sustainability Development and Promotion

- 1.1 About Jentech
- 1.2 Sustainable Development Commitment and Promotion



## 1.1 About Jentech

### 1.1.1 Introduction to Jentech

Jentech Precision Industrial Co., Ltd. was founded in 1987. In the early stages, we used molds and stamping technology to replace CNC processing. In 2002, the Company launched a heat spreader development project, which started by producing heat spreaders for gaming console processors, and gradually expanded the business. Under the Chairman's principle of "getting sample approval from customers in one go to demonstrate our quality and technical capabilities," we have achieved product customization to meet customer needs. Currently, our main products include key parts and components such as LED lead frames, heat spreaders, IGBT radiators, CPU fasteners, and so on. We have built long-term partnerships with many internationally renowned companies. We have also received a number of international certifications including SONY's Green Partner Certificate, TS 16949, IATF 16949, ISO 9001, ISO 14001, ISO 45001, ISO 14064-1, and QC080000.

In response to growing business needs and revenue, the Company acquired Wuxi Jentech Precision Industrial Co. Ltd. in 2007 and merged with Qizheng Surface Treatment Co., Ltd. to integrate production resources and improve production efficiency. The number of employees increased from a few dozen to more than a thousand. In order to adapt to the expanded production scale, the Company has established operational headquarters in the Hwa Ya Technology Park in Guishan District, Taoyuan City.

Since the inception of the Company, we have been aware of the rapid changes in the industrial environment and the ever-changing world of electronic products. Only through innovation, embracing challenges, and pursuing excellence and ethical corporate management can we become a leader in the industry. We are committed to strengthening our quality assurance system to meet customer needs, gradually becoming one of the world's top key component suppliers, and continuously exploring markets to achieve a triple-win situation for employees, customers, and shareholders.



**Manufacturing locations:** Taiwan, China

**R&D center:** Taiwan

**Customer service agencies:** Taiwan, China, United States, Germany, Malaysia



#### Hwa Ya Factory (Headquarters)

📍 No. 40, Keji 1st Rd., Hwa Ya Technology Park, Guishan Dist., Taoyuan City



#### Dayuan Factory 1

📍 No. 19, Ln. 268, Zhongshan N. Rd., Dayuan Dist., Taoyuan City



#### Dayuan Factory 2

📍 No. 259, Zhongshan N. Rd., Dayuan Dist., Taoyuan City



#### Junshan Factory

📍 Wuxi National High-tech Industrial Development Zone, Jiangsu Province, China

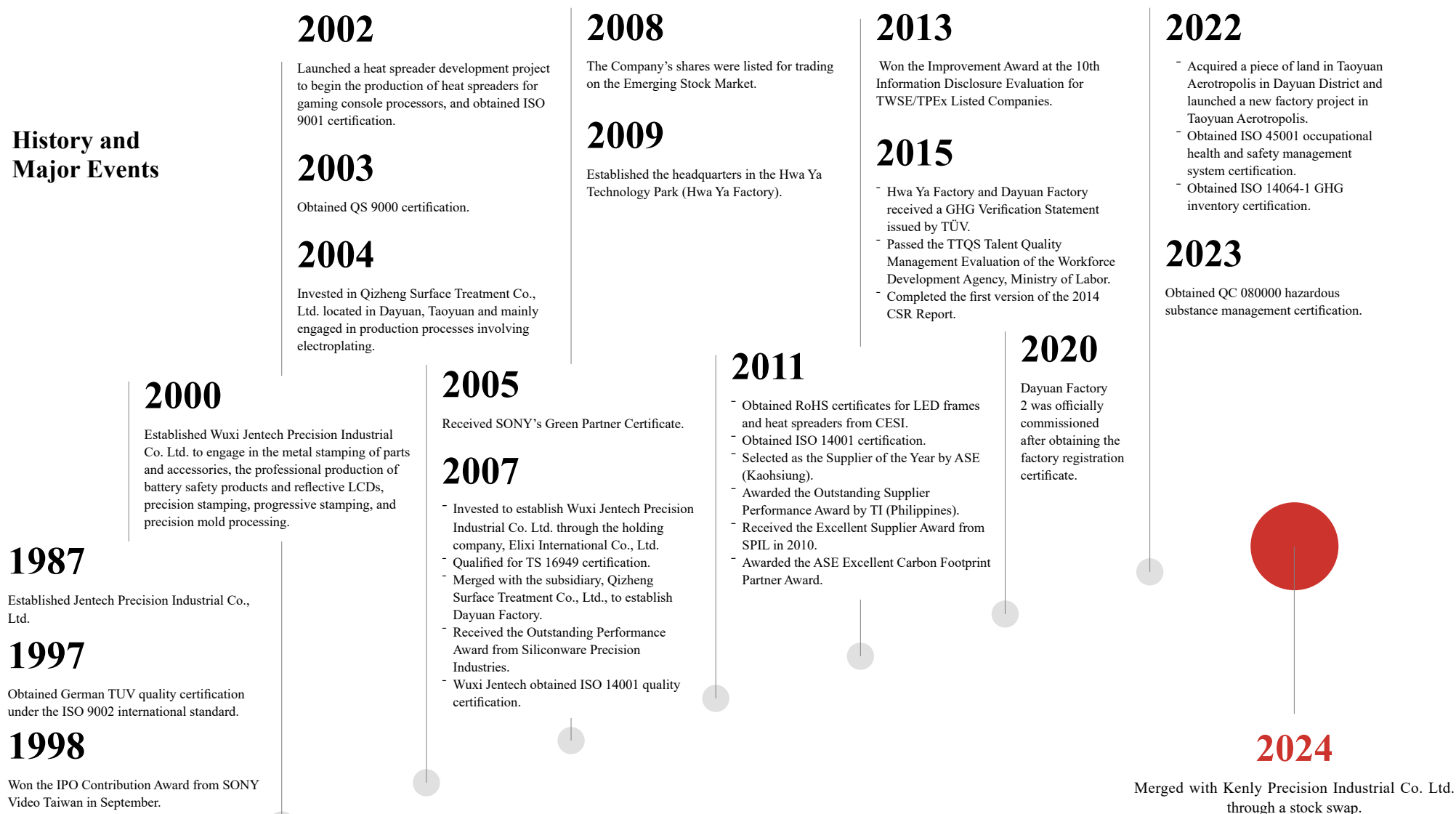


#### Xishen Plant

📍 Xishen Rd., Xinwu Dist., Wuxi City, Jiangsu Province, China

## 1.1.2 Key Milestones

### History and Major Events



## Sustainability Vision and Strategy

The Company is committed to becoming a global leading sustainable development enterprise. Our vision is to create a future of harmony and coexistence. In this future, corporate growth and environmental protection, social responsibility, and economic development can be integrated in harmony. We believe that through continuous innovation, responsible management, and win-win collaboration, we will not only promote industry progress, but also fulfill our responsibilities as a corporate citizen to achieve sustainable development.



### Environmental Protection

We are devoted to reducing the impact of business operations on the environment and actively promoting environmental protection measures. Our specific strategies include:

- **Energy conservation and carbon reduction:** Replace old equipment with energy-saving equipment. For example, replacing old air compressors and installing an energy monitoring system to improve air compressor efficiency, replacing all lighting fixtures with energy-saving ones, adding curtains to office windows to improve air conditioning efficiency, and installing solar photovoltaic systems in the Hwa Ya Factory, Dayuan Factory 2, and our new factory in Taoyuan Aerotropolis, in order to promote the use of green energy and demonstrate the Company's efforts in energy conservation and carbon reduction while reducing GHG emissions.
- **Resource utilization:** Optimize resource utilization, promote circular economy, strengthen process improvement for liquid electroplating waste control and sludge reduction, and increase the wastewater recycling rate to lower the impact of surface treatment on the environment, reduce waste generation, and promote resource recycling and reuse.
- **Green production:** Promote green production and put it in practice in all stages of the product life cycle, such as tray recycling and packaging material reduction.



### Social Responsibility

We insist on a people-oriented approach to actively fulfill our social responsibilities, striving to create value for employees, communities, and society. Our specific strategies include:

- **Employee well-being:** Provide a safe and healthy working environment, promote employee career development, and respect and protect the rights and interests of employees.
- **Community engagement:** Actively participate in and support community development projects, donate to charity organizations, and respond to charity events for the disadvantaged in society to improve community well-being.
- **Equity and diversity:** Promote diversity and inclusiveness, ensure equal job opportunities, and respect employees and stakeholders from different backgrounds and cultures.



### Economic Responsibility

We are committed to achieving sustainable operational performance and creating long-term value for shareholders and stakeholders. Our specific strategies include:

- **Innovation-driven:** Continue to invest in R&D and promote technological innovation and business model innovation, in order to respond to market changes and customer needs.
- **Quality management:** Establish a comprehensive quality management system to ensure high quality of products and services and meet and exceed customer expectations.
- **Transparent governance:** Promote transparency of corporate governance, ensure ethical corporate management, and regularly disclose the Company's operational and sustainable development performance to stakeholders.



### Win-Win Collaboration

We believe that collaboration is an important path to achieving sustainable development. We will promote win-win collaboration through the following strategies:

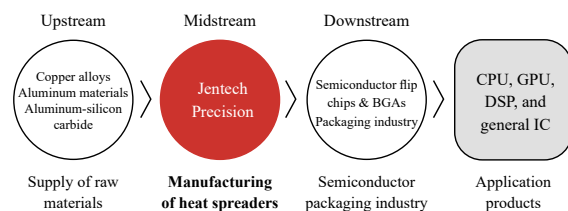
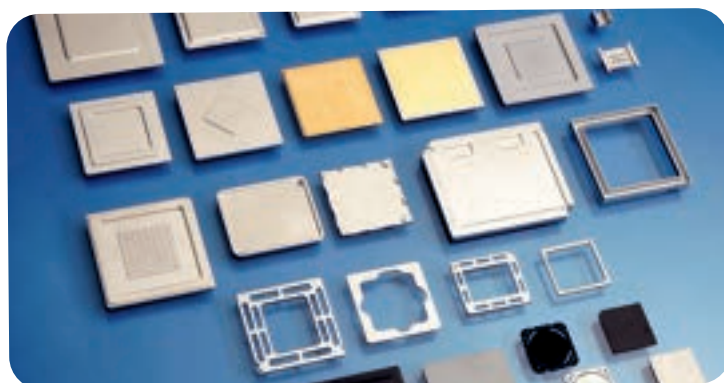
- **Supply chain management:** Promote sustainable development with suppliers and partners to build a green supply chain.
- **Collaboration with customers:** Work closely with customers to meet their requirements for various emission reduction measures and become their green supply chain partners, making contributions to environmental protection.
- **Stakeholder engagement:** Work with the government, industry associations, non-governmental organizations, and other stakeholders to promote the agenda for sustainable development.

**We firmly believe that through these strategies, we can achieve our sustainable vision and set a benchmark in the field of global sustainability.**

## 1.1.3 Company Value Chain

### Heat Spreaders

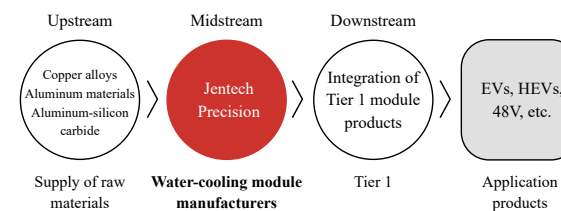
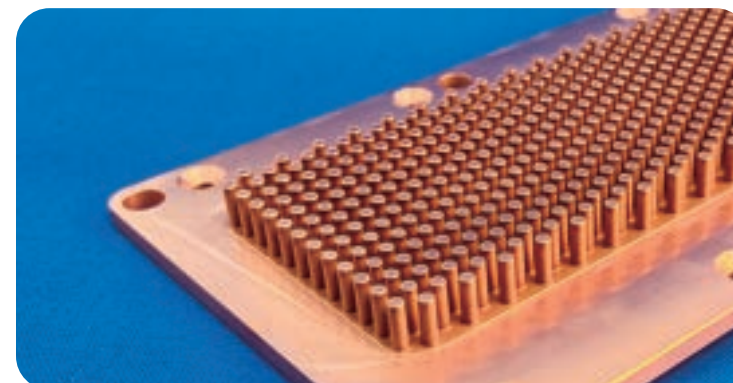
Heat spreaders can provide heat dissipation for semiconductor components, motors, and inverters.



Heat spreaders are one of the most basic heat dissipation components. They are made of copper, aluminum, and other highly heat-conductive metal materials. Generally, a heat spreader or heat sink is installed on an electronic component. With the heat conductivity of heat dissipation materials, the heat generated by electronic components or chips is transferred or diffused. Heat spreaders are used widely in electronic parts and components in the electronic information industry, semiconductors, and optoelectronic components. They are also used in downstream terminal industries such as the electronics industry.

With the rapid development of the communication, information, semiconductor and optoelectronic industries, electronic products have evolved toward high performance, high frequency, high speed and thinness. Electronic products are now in the process of transitioning to sub-micron technology, where the size of chips is further reduced, causing the amount of heat generated per unit of volume to need to exponentially increase and thus resulting in an increasing heat density of electronic components. Therefore, the heat dissipation of electronic products has become an important factor determining product stability for electronics manufacturers. Attaching a layer of heat-conductive interface material directly to the surface of a chip is the heat dissipation method currently adopted for flip-chip packaging. This method evenly distributes the heat source inside the chip on the surface of the heat spreader, and then the heat is dissipated to the outside air through additional heat sinks to achieve heat dissipation. The heat spreader is the main product produced and sold by the Company.

### Water-Cooling Module Heat Spreaders

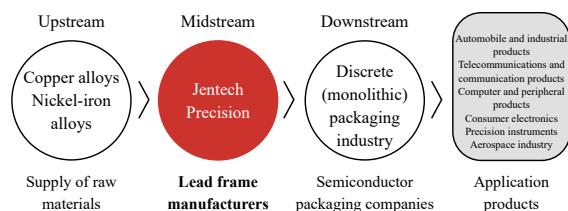
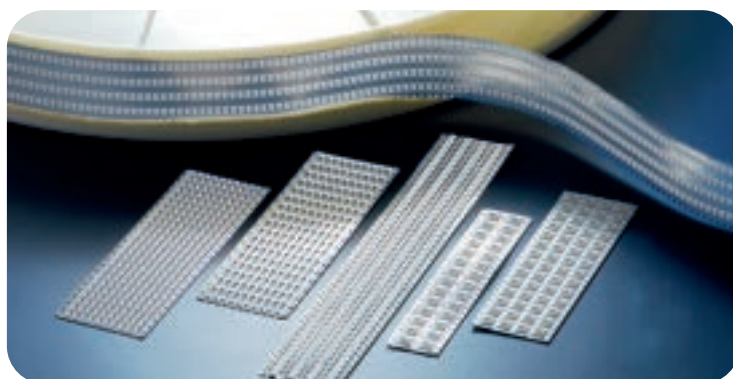


Mostly, water-cooling module heat spreaders are used as solutions to the heat dissipation problem of high-power chip modules in the inverters and rectifiers of EVs. Heat dissipation can be achieved with highly heat-conductive metal materials and metal processing techniques.

Hybrid electric vehicles (HEVs) and electric vehicles (EVs) represent the two major trends in the development of green vehicles nowadays. The power modules they use are evolving in the direction of high power, high speed, and high density. These power modules rely on well-designed metal (such as water-cooling module heat spreaders) or ceramic heat dissipation mechanisms to achieve overall heat dissipation.

## LED Lead Frames

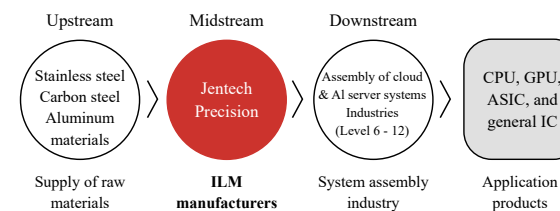
Lead frames are made of stamp-formed and electroplated copper alloys and nickel-iron alloys. Their upstream, midstream and downstream structures are shown in the figure below:



The Company plays the role of a lead frame supplier in the packaging industry in the LED industry supply chain. Lead frames, or leadframes, gold bonding wires, and encapsulation adhesives are the three main raw materials in the packaging industry. Lead frames can be classified into three types according to different packaging fields: integrated circuit lead frames, LED lead frames, and transistor lead frames. These three types of lead frames serve as the medium between chips, LED or transistors, respectively, and PCB circuits.

## Server ILM Fasteners

Mechanical fasteners for central processing units.



Server ILM fasteners are mainly used to fasten CPU chips and connectors and allow electrical signals to pass through smoothly. With the assembly of heat dissipation modules, they can ensure effective conduction of heat generated when electrical signals are passing through.

In the process of assembling a cloud & AI server, the connector is first welded to the motherboard, and then ILM mechanical fasteners are installed, followed by inserting the CPU chip into the connector and finally, installing the heat dissipation module. As connectors come with many terminals, strong pressure must be applied to these terminals to combine them with the CPU chip in order to ensure electrical operation. ILM mechanical fasteners fasten the chip processor, connector, heat dissipation module, and other components to the server motherboard to provide the required functions of load balance, long-term stability and durability for applications in cloud servers and data centers.

## 1.1.4 Introduction to Products and Services

The Company provides vertically integrated processes from engineering development to mass production, including design, mold development, stamping technology, injection molding, sandblasting electroplating surface treatment, mechanical processing technology, and assembly operations, comprehensively integrating customer needs and providing customers with one-stop shopping convenience and services.

### Products/Services

#### Products produced by the Company include:

Production of various optoelectronic products and high-luminance LED/analog and digital monolithic transistor lead frames.

Manufacturing of heat spreaders for semiconductor packaging.

High-frequency coaxial connectors, electromagnetic wave shielding covers.

Production of automotive heat sinks and condensers.

Various precision stamping products.

Various products insert-molded with precision metal.

Lead frames made of preformed thermosetting epoxy resins.



With the development of high-precision molds and automated mass production capabilities as the foundation, in combination with the semiconductor grade electroplating technology, the Company has been renowned in the semiconductor industry. The Company is committed to providing customers with high-quality and price-competitive products while striving to reduce delivery lead time to meet customer needs and achieve a win-win situation. Through these efforts, we have established close partnerships with leading semiconductor manufacturers worldwide.

Our global sites are mainly located in regions where our products are sold to serve the information technology and electronics manufacturers in Asia, the United States, and Europe. In order to provide support for various product services and development needs of customers, we strive to provide the best technical services.

With coordination and integration by our global operational headquarters in Taiwan, we can provide a wide range of services to meet the diversified needs of our customers. The Company has manufacturing sites in Taiwan and China to support mass production. In terms of R&D, our R&D center is located in Taiwan, focusing on technological innovation and product development. In addition, we have customer service agencies and offices in Taiwan, China, the United States, and Malaysia to reach out to customers nearby and quickly respond to and meet their needs.



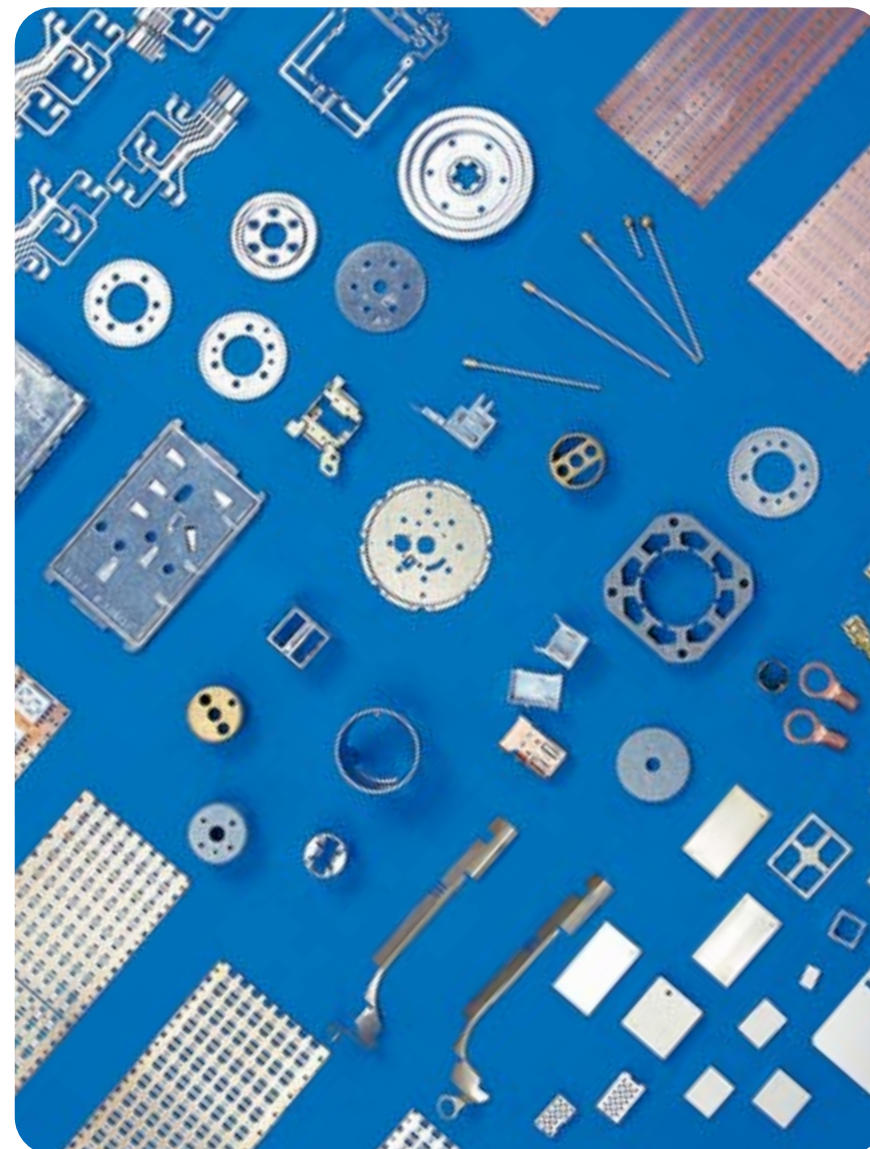
## Revenue Distribution (Unit: NTS thousand)

Main Product	2022		2023	
	Amount	%	Amount	%
Heat dissipation products	6,139,187	51.02	7,443,648	61.70
Lead frames	2,380,095	19.78	2,068,160	17.15
Electronic parts	2,128,183	17.69	1,202,876	9.97
Communication connectors	306,228	2.55	375,061	3.11
Others <sup>Note</sup>	1,078,201	8.96	972,919	8.07
<b>Total</b>	<b>12,031,894</b>	<b>100.00</b>	<b>12,062,664</b>	<b>100.00</b>

• Note: Others include raw material, mold trading and mold maintenance income.

In the current market environment, excellent customer service has become a prerequisite for every industry. To meet different customer needs, the Company provides diversified services to enhance customer satisfaction and loyalty. The Company is committed to providing the best quality and service to customers, and regards customer satisfaction as the driving force for continuous growth. In order to meet customer needs, we conduct customer satisfaction surveys every year. Through these surveys and feedback, we get closer to customers and strengthen mutual trust. Valuable suggestions from customers help improve the overall competitiveness of the Company and build a good corporate image.

The annual customer satisfaction questionnaire covers five main evaluation items: "cost competitiveness," "product quality," "on-time delivery," "technical capability," and "service evaluation." The survey targets are the top 30 customers of the Company in terms of sales, and their responses are analyzed. Through these analyses, we can understand the customer satisfaction level for the year and propose improvement plans for deficiencies as the basis for improvement and tracking in the year. The average customer satisfaction score from 2018 to 2023 was 82.61%, and the customer satisfaction score for 2023 was 85.11%, indicating that colleagues fully utilized teamwork and the advantage of work specialization, and met customer needs and completed various tasks with an honest and responsible attitude. In the future, we will continue to use the recognition and suggestions of our customers as the driving force for improving our services.



## 1.1.5 Operations and Financial Position

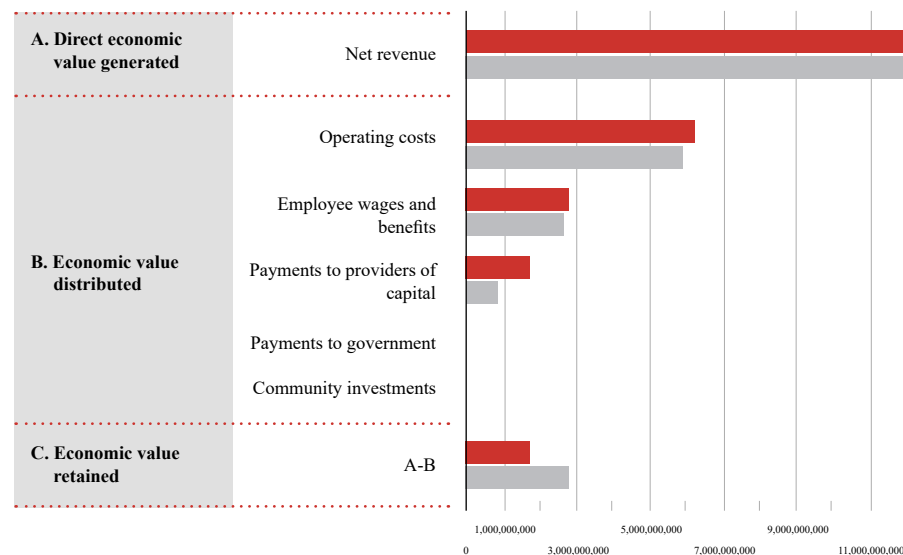
In addition to offering high-quality and competitive products, the Company is committed to reducing delivery lead time to meet customer needs and achieve a win-win situation. In response to business growth and customer needs, the Company continues to optimize the application of the SAP ERP system in operations management and procedures, and continuously attracts outstanding talent to join, promotes education and training, and strengthens the training of officers. We have increased our R&D capabilities through collaboration with world-leading manufacturers. The Company allocates R&D budgets every year to support continuous growth. In recent years, we have also extended our existing processing technology to the development and application of new material technologies, enhancing the added value of our products. In response to the global trend of environmental protection, we not only comply with the environmental protection laws and regulations of our business sites, but also actively invest in energy conservation and carbon reduction, enhance water efficiency, electrical efficiency, and air conditioning efficiency, and continue to improve the waste liquid treatment process to reduce the impact of surface treatment on the environment.

	2019	2020	2021	2022	2023
Revenue	5,488,520	6,845,497	8,801,149	12,031,894	12,062,664
Gross margin	31%	29%	31%	36%	33%
Net profit	971,592	1,188,186	1,238,142	2,656,292	2,251,706
EPS	5.95	7.51	8.99	19.54	16.59
Total assets	7,365,086	11,417,963	13,520,657	15,777,273	15,845,649

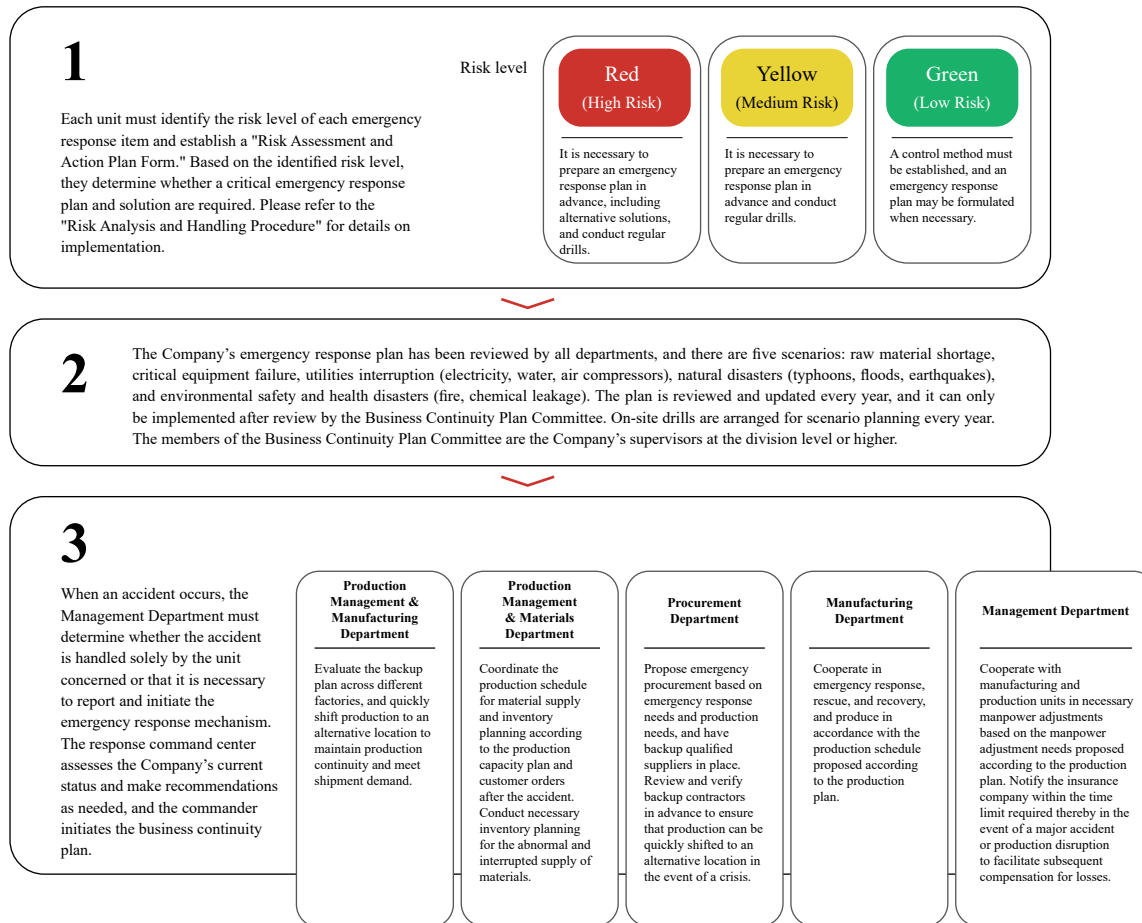
## Financial Performance

In 2023, the Company's net profit attributable to the owner of the parent company was NT\$2.29 billion, and the earnings per share was NT\$16.28. As of the end of 2023, the consolidated total assets were NT\$15.84 billion, of which cash and cash equivalents were NT\$4.15 billion, and the consolidated total liabilities were NT\$3.5 billion, with a consolidated debt ratio of 22%. The equity attributable to the owner of the parent company was NT\$12.34 billion, and the return on shareholders' equity in 2023 was 18.5%. The overall financial structure was quite sound.

The Finance Department is committed to providing comprehensive services to all sales units and is responsible for coordinating domestic and international financial market operations. The Finance Department analyzes risk exposure based on reports on the level and breadth of risks, and monitors and manages financial risks related to operations to ensure the Company's financial stability and operational efficiency.



To effectively reduce the impact of accidents and production disruptions (including those caused by material and service disruptions) on operations, the Company has established a business continuity plan. The plan includes emergency response and recovery plans and solutions (short-term and long-term). We also conduct regular drills. In case of any abnormality, internal notification will be activated timely and relevant handling actions will be taken according to the emergency response plan, in order to minimize the impact of the accident. The specific process is as follows:



## 1.1.6 Participation in Public Associations

As a key member of the global semiconductor supply chain, we integrate the concept of ESG (Environment, Social and Governance) into our daily operations, with sustainable development as our goal. The Company has systematically formulated management strategies to implement, control and review various actions. We also work with various partners and stakeholders to fulfill our commitment to society and the environment, continuing to bring more active changes to the world. We participate in various industry associations and non-profit organizations related to public policies to promote industry exchange and development. We also continue to focus on important issues such as technological innovation, corporate governance, environmental sustainability, human rights, and supply chain management. In 2023, the Company joined the Taiwan Alliance for Sustainable Supply (TASS) and the Taiwan Mold & Die Industry Association.

## 1.2 Sustainable Development Commitment and Promotion

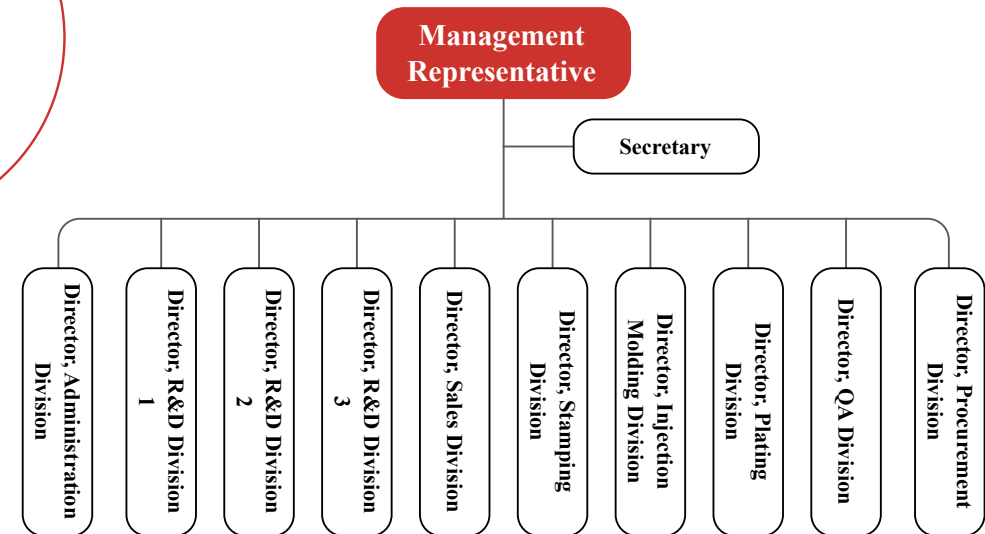
### Sustainable Development

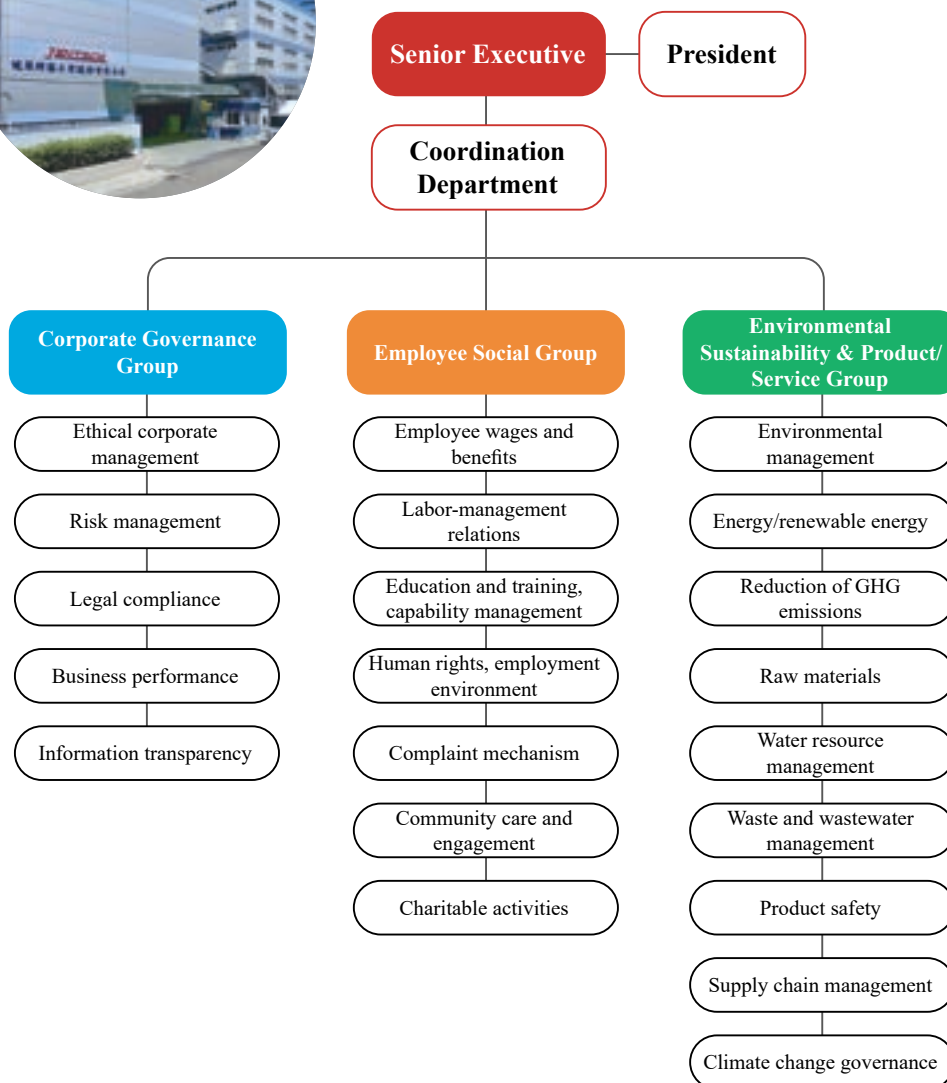


### 1.2.1 Sustainability Commitment and Organization Operations

#### Sustainable Development Committee

We have established the “Sustainable Development Committee” to implement various CSR management measures in the “economic,” “environmental,” and “social” aspects.





The Company's Board of Directors is the highest decision-making body for implementing sustainable development measures in the "economic", "environmental", and "social" aspects through the Sustainable Development Committee. These measures are intended to ensure that the Company can take into account environmental protection and social responsibility while pursuing economic benefits.

### President

The President serves as the management representative who is fully in charge of and makes decisions about matters related to sustainable development to ensure the implementation of various sustainable development strategies and goals.

### Secretary

The head of the Occupational Safety and Health Office serves as the secretary who is responsible for implementing sustainable development policies and coordinating and integrating the sustainable development-related activities of each department. The role of the secretary is critical to ensuring that the Company's environmental protection and safety policies can be effectively implemented.

### Management Members

Division-level supervisors are appointed as management members to serve as a bridge between employees and the committee. They are responsible for providing advice on corporate social management and executing the committee's resolutions and the tasks assigned thereby. These supervisors ensure the information exchange and collaboration between departments through regular meetings and reports to promote transparency and a sense of responsibility within the Company.

### Corporate Governance Group

Ensure that the Company's business activities comply with the principles of sustainable development, and are economically competitive and sustainable. This includes optimizing resource utilization, increasing operational efficiency, and creating long-term value through innovation.

### Employee Social Group

Promote the harmonious development of the Company and society, respect and protect the rights and interests of employees, and actively participate in social welfare activities. The Company is committed to providing a safe and healthy working environment, and enhancing the professional skills and professionalism of our employees through various training and development programs.

### Environmental Sustainability & Product/Service Group

Strive to reduce the impact of the Company's operations on the environment and implement various environmental protection measures, such as energy conservation and emissions reduction, resource recycling, and pollution control. The Company has actively invested in energy-saving technologies to enhance water efficiency, electrical efficiency, and air conditioning efficiency, and continues to improve the waste liquid treatment process to reduce the impact on the environment.

## Sustainable Development Measures

Through these measures, we aim to build a company with a high sense of social responsibility and sustainable development capabilities, and create greater value for shareholders, employees, and society.

### Economic

To ensure that the Company's business activities comply with the principles of sustainable development, we are committed to maintaining competitiveness and sustainability in the economy. This not only includes optimizing resource usage and improving operational efficiency, but also covers the creation of long-term value through innovation. In fact, the Company has adopted a series of measures to achieve this goal.



First, we have implemented a comprehensive resource management plan to maximize the use of available resources, reduce waste, and promote reuse and recycling. This not only helps reduce costs, but also mitigates the impact on the environment and supports our sustainable development goals.



Secondly, the Company adopts advanced technology and management methods during operations to improve production efficiency and quality. We have introduced automated production lines and digital management systems to ensure the efficient operation of the production process, and continue to improve the workflow to adapt to changes in market demand and enhance competitiveness.



In addition, innovation is the core driving force for our long-term development. The Company continues to invest in R&D, and develops new products and technologies to meet the needs of the market and customers. We encourage employees to propose innovative ideas and provide resources and support to quickly turn these innovations into reality, creating new business opportunities.



At the same time, we focus on employee training and development to ensure that they have the necessary skills and knowledge to cope with future challenges. The Company provides diversified training programs and career development opportunities to encourage employees to constantly learn and progress, thereby enhancing overall operational efficiency and competitiveness.



Finally, we are committed to establishing a transparent and responsible corporate governance structure. Through regular internal audits and external assessments, we ensure that all of our activities comply with laws and ethical standards. We also actively disclose our sustainable development achievements and challenges to maintain good communication and collaboration with stakeholders.



In conclusion, the Company has optimized the use of resources, increased operational efficiency, promoted innovation, and strengthened employee development and corporate governance to ensure that our business activities not only comply with the principles of sustainable development, but also are economically competitive and sustainable.

### Environmental

We are committed to reducing the impact of our operations on the environment and are actively implementing various environmental protection measures which include energy conservation and emission reduction, resource recycling, and pollution control. To achieve this goal, the Company has taken a series of specific actions to ensure that our environmental protection efforts have a substantial outcome.



First of all, in terms of energy conservation and emissions reduction, the Company has actively introduced and adopted advanced energy-saving technologies. We have improved water efficiency, electrical efficiency, and air conditioning efficiency. Through the installation of high-efficiency equipment, replacement of old equipment, and implementation of smart management systems, we have achieved the goal of minimizing energy consumption. These measures not only help reduce operating costs, but also significantly reduce carbon emissions, thereby mitigating environmental burden.



Secondly, for resource recycling, the Company has established a comprehensive resource recycling plan. We encourage our employees to actively participate in resource recycling activities and provide corresponding facilities and guidance to ensure that various recyclable materials are properly treated. In addition, the Company works with professional recycling companies to ensure the high efficiency and environmental protection of the recycling process, further reducing the impact of waste on the environment.



In terms of pollution control, we have continued to improve our waste liquid treatment process and adopted the latest treatment technology and equipment to ensure that the waste liquid discharged meets the environmental standards. We have also established a dedicated environmental protection monitoring team to regularly inspect and evaluate the implementation of various environmental protection measures, and make adjustments and improvements as needed.



In addition, the Company also values developing the environmental awareness of employees. We regularly organize environmental protection training and promotion activities to enhance the environmental protection knowledge and awareness of employees, and encourage everyone to practice environmental protection concepts in their daily work. Through the participation of all employees, we have made contributions to environmental protection.



In order to further improve environmental protection performance, we actively participate in and support various social environmental protection activities, and team up with the government, non-profit organizations and other enterprises to jointly promote the development of environmental protection businesses. We believe that through unwavering efforts and collaboration, we can achieve the goal of sustainable development and create a better environment for future generations.



We are committed to reducing the impact of our operations on the environment and strive to improve our environmental performance through various environmental protection measures such as energy conservation, emission reduction, resource recycling, and pollution control. We will continue to invest resources and effort in this field to ensure that our business activities meet the requirements of sustainable development and contribute to the future of the earth.

# Social

We are committed to promoting the harmonious development of the Company and society, respect and protect the rights and interests of employees, and actively participate in various social welfare activities. We deeply understand that employees are the most valuable asset of a company, therefore we have always made providing a safe and healthy working environment our top priority and adopted various measures to protect the welfare of employees.



First, we provide employees with a safe and healthy work environment that meets the highest standards. In addition to establishing a comprehensive safety management system and conducting regular safety inspections and drills, the Company has also adopted a series of preventive measures to reduce risks within the workplace. We provide professional safety equipment and training for employees engaging in high-risk work to ensure that they can work in a safe environment. In addition, we have established a health management plan to provide employees with regular health checkups and consultation services to help them maintain good physical conditions.



In terms of employee development, we are committed to enhancing the professional skills and occupational skills of employees through various training and development programs. We provide our employees with a wide range of training courses, including technical training, management training, and vocational development training to help them continuously improve their abilities and competitiveness. The Company also encourages employees to participate in external training and continuing education and also provides corresponding support and funding to help employees achieve their occupational goals.



We value our employees' career development and have established clear career paths and a fair evaluation mechanism to ensure that every employee has the opportunity to achieve career growth within the Company. We encourage employees to actively participate in the Company's various innovative and improvement plans, and also reward and recognize employees with excellent performance to encourage them to pursue excellence.



In terms of social responsibility, the Company actively participates in various charity events and is committed to giving back to society. We organize our employees to participate in community services, environmental protection activities, and charity donations, and work with various non-profit organizations to jointly promote the progress and development of society. We believe that the success of an enterprise is not only reflected in terms of economic outcomes, but also reflected in its contribution to society.



We also pay special attention to disadvantaged groups and provide them with assistance through various channels. For example, the Company regularly organizes donation activities to donate materials and funds to disadvantaged areas to help improve the living conditions of the local community. We have also established a special fund to support employees participating in public welfare activities and encourage more people to pay attention to and invest in social welfare.



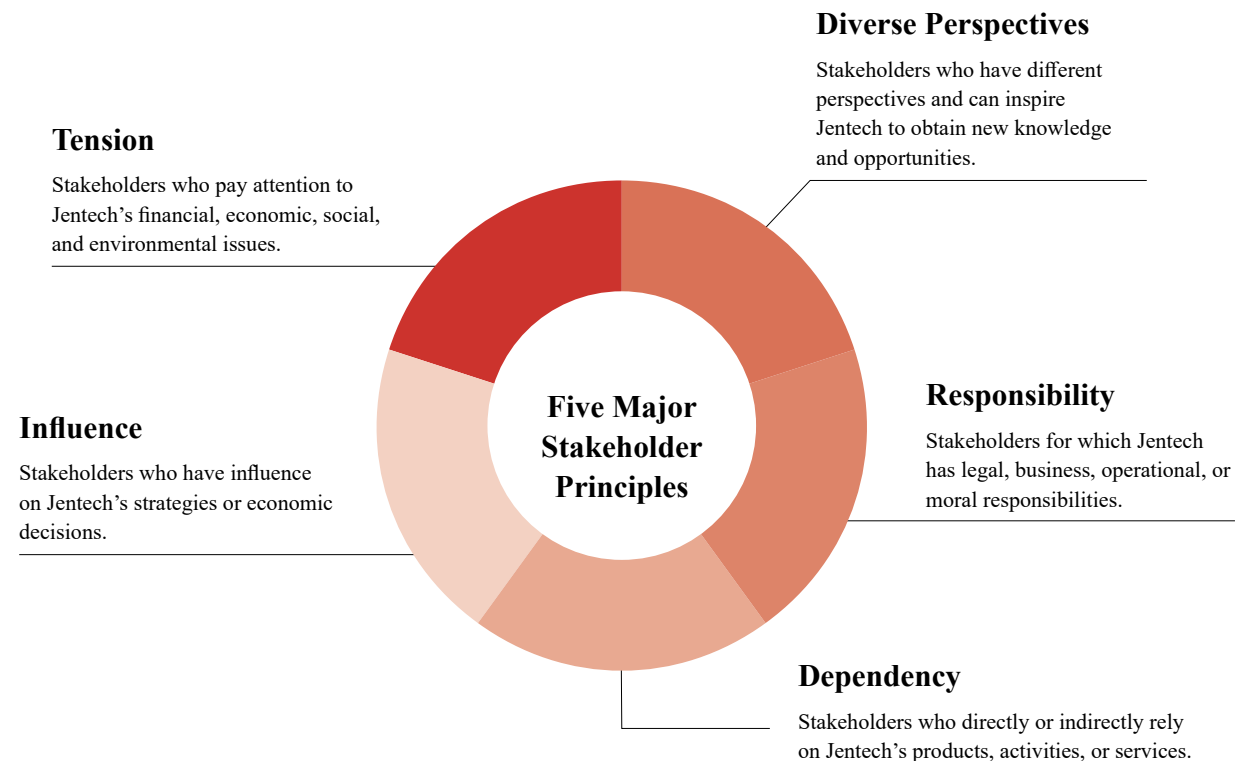
We promote the harmonious development of the Company and society, respect and protect the rights and interests of employees, and strive to achieve the common progress of the Company and society by providing a safe and healthy work environment, implementing various training and development programs, and actively participating in social welfare activities. We will continue to work hard to create a better working environment for employees and contribute to social prosperity and development.



**Build a company with a sense of social responsibility and sustainability to create greater value for society and shareholders**

## 1.2.2 Identification of Material Issues and Stakeholder Communication

The Company attaches great importance to all stakeholders. We firmly believe that the primary mission of sustainable operations is to establish a good relationship with stakeholders and obtain more trust and support to effectively assist in the Company's operations and sustainable development. We define stakeholders as "internal and external groups or organizations that will affect Jentech, or vice versa." The Sustainable Development Committee holds a meeting every year to summarize the suggestions of each member, have discussions based on the Company's sustainability context, industry characteristics, and practical experience, with reference to the five major principles of the AA1000 Stakeholder Engagement Standard (SES)-2015 (dependency, responsibility, influence, diverse perspectives, and tension; see the following figure for details), and identify five types of stakeholders by voting: investors/shareholders, customers, employees, suppliers, and competent authorities.





Stakeholder	Major Issues of Concern	Communication Form and Frequency in 2023	Actual Implementation and Communication Results in 2023
Suppliers	<ul style="list-style-type: none"> <li>Business strategy and performance</li> <li>Sustainable supply chain</li> <li>Green products</li> <li>Ethical corporate management</li> </ul>	<p>E-mail and meetings (as needed)</p> <p>MOPS (as needed)</p> <p>ESG report (annually)</p> <p>Supplier evaluation (annually)</p>	<ol style="list-style-type: none"> <li>The Company mainly communicates with suppliers by phone, e-mail, and visits for daily business activities.</li> <li>Suppliers are required to sign the Supplier's Letter of Commitment and fulfill their corporate social responsibilities.</li> <li>The Company carries out supplier evaluation and issues an ESG report every year. In 2023, a total of 12 suppliers were audited, with an average score of 89. After the audits, the suppliers were required to make improvements and follow up on items that require corrective actions. All improvements have been verified to be completed.</li> <li>We sign various declarations with suppliers, such as the Supplier CSR Promotion Letter, the Metal Mineral Source Survey Form, and the Declaration of Hazardous Substances.</li> </ol>
Shareholders	<ul style="list-style-type: none"> <li>Business strategy and performance</li> <li>Ethical corporate management</li> <li>Corporate governance</li> <li>Corporate responsibility</li> </ul>	<p>Financial statements (quarterly)</p> <p>Annual report (annually)</p> <p>Annual general meeting (once a year)</p> <p>Company website (as needed)</p> <p>MOPS (as needed)</p> <p>ESG report (annually)</p>	<ol style="list-style-type: none"> <li>Shareholders' meetings.</li> <li>Investor conferences.</li> <li>The Company's financial information and material information are disclosed on the Company's website and the MOPS in accordance with the regulations.</li> <li>We provide an email address and a contact number on our website as smooth communication channels between investors and the Company.</li> </ol>
Employees	<ul style="list-style-type: none"> <li>Employment</li> <li>Operational status</li> <li>Workplace safety</li> <li>Employee health</li> </ul>	<p>Meetings (as needed)</p> <p>Employee mailbox/hotline (permanent)</p> <p>Company website (as needed)</p> <p>Labor-management meetings, welfare committee meetings (quarterly)</p> <p>Internal website, physical bulletin board (permanent)</p> <p>Employee health examination (annually)</p> <p>Establishment of regulations governing abuse</p>	<ol style="list-style-type: none"> <li>The Company organizes employee health examinations every year. We have occupational health physicians and nurses provide on-site services at each of the Company's factories every month</li> <li>We hold labor-management meetings and welfare committee meetings every quarter as required</li> <li>The Company announces information related to employees based on actual needs</li> <li>There are employee complaint channels in place to respond to employees' opinions in a timely manner. There were four complaints in 2023. In addition to case-by-case handling, we also provided education and training for all employees and posted promotional materials and slogans.</li> </ol>
Customers	<ul style="list-style-type: none"> <li>Product quality</li> <li>Business strategy and performance</li> <li>Green products</li> <li>Customer service</li> <li>Ethical corporate management</li> <li>Customer privacy</li> </ul>	<p>E-mail and meetings (as needed)</p> <p>MOPS (as needed)</p> <p>ESG report (annually)</p> <p>Customer satisfaction survey used as a reference for internal review and market strategies (annually)</p>	<ol style="list-style-type: none"> <li>The Company mainly communicates with customers through visits, telephone, emails, meetings, etc. for daily business activities.</li> <li>Customer audits and discussions</li> <li>In the customer satisfaction survey for 2023, the score was 85.11%</li> </ol>
Competent authorities	<ul style="list-style-type: none"> <li>Compliance with environmental regulations</li> <li>Corporate governance and ethical corporate management</li> </ul>	<p>Official correspondence, email, and meetings (as needed)</p>	<ol style="list-style-type: none"> <li>We participate in the regulation briefings and seminars organized by competent authorities. In 2023, the Company participated in the Sustainable Finance and Climate Change Summit, insider trading prevention seminars, and insider stock trading compliance seminars.</li> <li>Official letters and emails</li> <li>We actively cooperate with government agencies/authorities in various promotion matters</li> </ol>

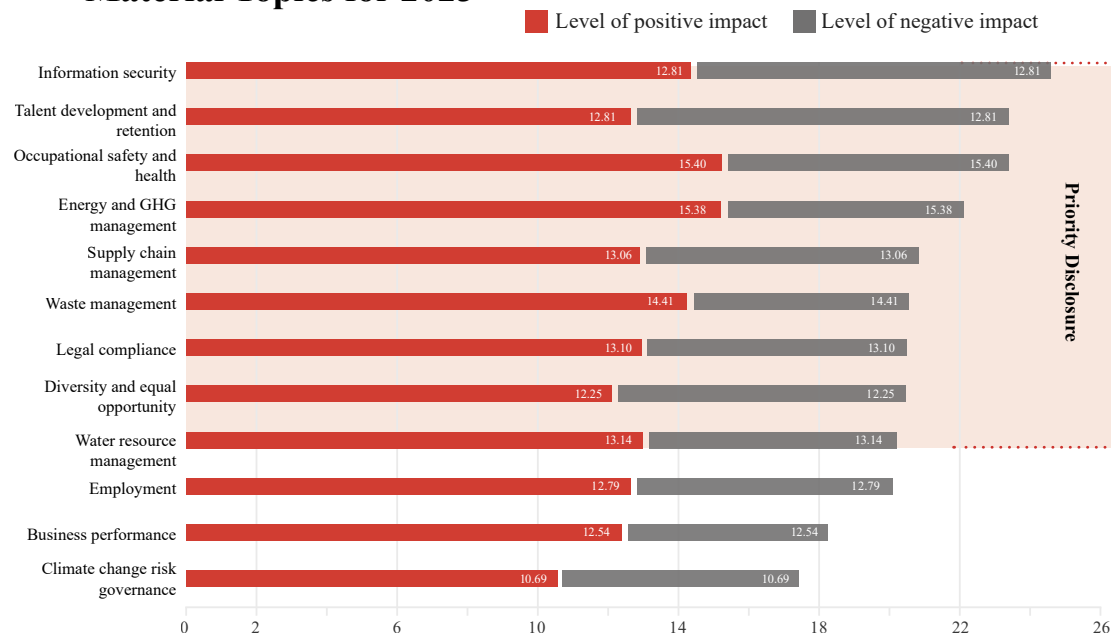
# Materiality Analysis

## Material Topic Identification Process and Result

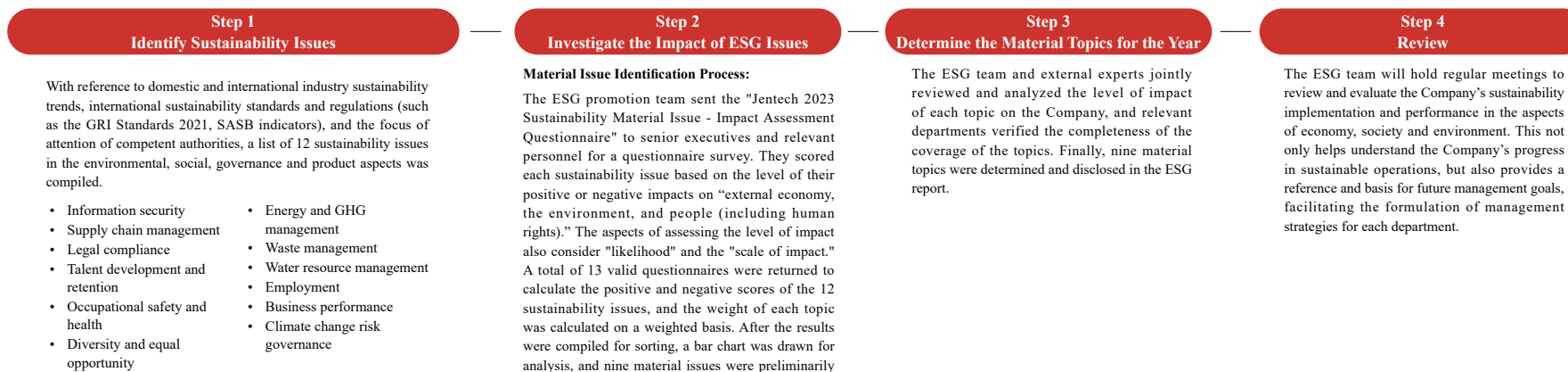
The Company implemented a comprehensive process of identifying material topics in accordance with the latest version of the GRI Standards 2021. This process includes identification, investigation, evaluation, sorting, and determination steps. First, we conducted an in-depth analysis of global sustainability trends and collected sustainability issues of concern to stakeholders, and the ESG promotion team and relevant members evaluated the positive and negative economic, environmental, and social impacts of each sustainability issue on the Company. Twelve material topics were preliminarily identified.

In addition, we conducted a cross analysis of the level of impact and the level of concern based on the survey on the level of stakeholder concern. After review at the meetings with senior executives and the supervisors of various ESG units, nine material topics were selected. The disclosure of relevant management approaches and performance will be prioritized for these topics. We review material topics every two years to ensure their relevance and influence, and regularly review the impact of the topics as the basis for sustainable development strategy planning. At the same time, we transparently disclose the positive and negative impacts of sustainability issues and their management measures.

## Material Topics for 2023



## Implementation Practices



## Material Issues and Organizational Boundaries

Material Issue	Significance to the Organization	Impact Boundary							Corresponding Chapter
		Within the organization	Outside the organization						
			Upstream		Midstream			Downstream	
	Raw material suppliers	Process consumables suppliers	Development and research	Process optimization	Product production and assembly	Customers			
<b>Energy and GHG management</b>	We are committed to using production equipment with low energy consumption to achieve the core goals of conserving energy and reducing energy consumption. The policy aims to continuously improve energy efficiency and promote the use of more sustainable methods for production process development.	✓	✓	✓	✓	✓	✓	✓	3.1.2 Energy and GHG Management
<b>Waste management</b>	We strictly carry out waste sorting to achieve the transfer of waste into resources and make waste harmless. We also ensure that 100% of hazardous waste is recycled and disposed of to reduce the impact on the environment, and make sure that all operations comply with related environmental protection laws and regulations.	✓	✓	✓	✓	✓	✓	✓	3.2.2 Waste Management
<b>Water resource management</b>	The Company emphasizes water reduction, recycling, and reuse to mitigate the burden on water resources.	✓	✓	✓		✓	✓	✓	3.2.1 Water Resource Management
<b>Talent development and retention</b>	We implement talent cultivation, assign the right talent to the right place, and plan relevant training courses according to the needs for professional capabilities to encourage employees to increase professional knowledge. In addition, we also utilize mechanisms to attract talent to join in order to enhance the Company's competitiveness.	✓							4.2 Talent Development and Cultivation
<b>Occupational safety and health</b>	In order to effectively manage the Company's occupational safety and health practices and compliance with occupational safety regulations, implement regulatory requirements, and avoid regulatory penalties, we carry out responsible occupational safety and health management to reduce the Company's cost risks and the probability of occurrence of occupational accidents while increasing the safety of colleagues in the production and manufacturing process.	✓							4.3 Occupational Health and Safety
<b>Diversity and equal opportunity</b>	Employees are our most important capital. The wisdom, experience, and commitment of employees are the key to the success of the Company. The Company is committed to providing employees with fair remuneration, reasonable working conditions, and a benefit system that is superior to what is required by law. We respect the personal rights of employees, establish a friendly environment, promote the development of the Company, and enhance employee satisfaction.	✓							
<b>Information security</b>	As international manufacturers account for an extremely high percentage of our business contacts, our customers have increasingly demanded the Company's information security. How much we invest in and value information security can directly affect our operating revenue. The responsibilities and penalties of personnel for trade secret protection and disclosure, and the Company's requirement for details regarding internal management and the implementation of information security will directly affect the Company's external competitiveness.	✓	✓	✓	✓	✓	✓	✓	
<b>Supply chain management</b>	We will strengthen the sustainable development of the supply chain to ensure that suppliers adhere to environmental protection and labor rights during the process of providing products and services, in order to fulfill social responsibility and achieve continuous improvement and enhancement, with the hope of growing together with the suppliers and establishing a long-term stable supply chain.	✓	✓	✓					2.6 Supply Chain Management
<b>Legal compliance</b>	Compliance with laws and regulations is the fundamental principle of business operations. We prevent and manage potential illegal incidents to achieve management goals and enhance the expectations of stakeholders. Jentech will continue to pay attention to any domestic and foreign laws and regulations related to the Company's economic, environmental and business matters, endeavor to implement regulatory requirements, and continuously improve and strengthen management in order to maintain the Company's sustainable development.	✓	✓	✓	✓	✓	✓	✓	2.4 Legal Compliance

## 1.2.3 Short-, Medium-, and Long-Term Goals and Action Plans

### Management Approaches for Material Topics

#### [Governance]

Material Topic	Policy and Commitment	Positive/Negative Impact	Goal/Objective	Effectiveness Assessment
Information security	<p>In order to strengthen and establish a basis for the implementation of information security, the Company officially formed an Information Security Team in 2022 to bring company-wide attention to information security. The Company is committed to setting clear information security goals based on the information security management system, further strengthening information security management measures and ensuring effective protection of trade secrets and information security.</p> <p><b>The main responsibilities of the Information Security Team include:</b></p> <ol style="list-style-type: none"> <li>Formulating and implementing information security strategies: Set specific information security goals based on the Company's information security management system, and ensure that these goals are effectively implemented at all levels of the Company.</li> <li>Promoting the participation of all: Raise the awareness and importance of information security among all employees through training and promotion to ensure that everyone understands and complies with relevant information security regulations and procedures.</li> <li>Strengthening information security management measures: Implement multi-layer information security protection measures covering data encryption, access control, network security, and disaster recovery to ensure that the Company's information assets are not subject to unauthorized access, alteration, or damage.</li> <li>Ensuring the confidentiality, integrity, and availability of information operations: Establish and maintain comprehensive information operations to ensure the confidentiality, integrity, and availability of data during transmission, storage, and processing.</li> <li>Periodic assessment and improvement: Conduct periodic assessment and auditing of information security risks and continuously improve and upgrade information security measures based on the latest developments in security threats and technologies.</li> </ol> <p>Through these measures, we are committed to establishing a stable and efficient information security management system to ensure the best protection of the Company's trade secrets and information assets, thereby enhancing the Company's overall security and reliability.</p>	<p>With the operation of the information security organization, the Company convenes regular report meetings to conduct in-depth discussions on internal and external information security matters. In the meetings, we will report the Company's current status, assess the impact of various information security incidents on the Company, and formulate and strengthen corresponding countermeasures.</p> <p><b>Our specific measures include:</b></p> <ol style="list-style-type: none"> <li>Social engineering drills: We conduct social engineering drills regularly to simulate digital intrusion scenarios, enhance the sensitivity of computer users to digital intrusion, and enable employees to identify and respond to phishing attacks and other social engineering threats.</li> <li>Reminders of information security anomalies: We will immediately send reminders to all employees for information security anomalies to ensure that they can take appropriate preventive measures quickly and reduce potential risks.</li> <li>Participation in external information security seminars: The Company actively participates in various external information security seminars to understand the latest industry trends and best practices, learn the advanced experience of other companies in information security, and continuously improve our information security management level.</li> <li>Assessment of internal and external information security matters: We conduct detailed assessments of internal and external information security incidents to analyze their impact on the Company and propose improvement and enhancement measures to ensure that the Company's information security strategy always remains in a leading position.</li> </ol> <p>Through these measures, we have not only raised the information security awareness and prevention capabilities of all employees, but also ensured that the Company can quickly respond to various information security threats and maintain the stable and secure operation of the information system.</p>	<p><b>Short-term goals:</b></p> <p>We will enhance physical security and execute monitor upgrade projects and host hardware update projects within the year. We will optimize the monitoring system, improve the coverage and clarity of monitoring, and update host hardware to ensure the reliability and performance of equipment, thereby enhancing overall security.</p> <p><b>Medium-term goals:</b></p> <p>We will complete the on-the-job information security education and training and social engineering drill program. The Company will provide employees with regular information security training to enhance their safety awareness and skills. In addition, through simulations and drills, employees can effectively respond to social engineering attacks and enhance their overall prevention capabilities.</p> <p><b>Long-term goals:</b></p> <p>We will build an information security operation system in accordance with the ISO 27001 standard and obtain objective implementation results based on this standard. The Company will systematically establish and improve an information security management system to ensure that all security measures and processes comply with international standards and enhance the Company's information security level and reliability.</p>	<p>The Trade Secret Security Audit Team will conduct internal audits to ensure the effective implementation of the Company's internal information security management system. We will also invite an external third party to evaluate the information security software system and make improvements based on the evaluation score and the recommendation report. These improvement measures will demonstrate their effectiveness with specific data and ensure the continuous improvement of the Company's information security management level.</p> <p><b>Our specific measures include:</b></p> <ol style="list-style-type: none"> <li>Internal audits: The Trade Secret Security Audit Team conducts regular inspections of the Company's information security measures and processes to discover and fix potential loopholes and deficiencies.</li> <li>External evaluations: We hire professional third-party organizations to evaluate our information security software system and provide objective evaluation scores and recommendations for improvement to ensure that our information security measures meet the industry's best standards.</li> <li>Data-based results presentation: The results of improvement measures are shown with specific data, such as the percentage of security loopholes reduced, and the indicators of improved system reliability, so that our internal and external stakeholders can understand and recognize our efforts and results in information security.</li> <li>Continuous improvement: We formulate and implement improvement plans based on internal audits and external evaluations to continuously improve the Company's information security management level and ensure the security of trade secrets and important information.</li> </ol> <p>These measures have not only enhanced our information security management capabilities, but also strengthened the overall security protection level of the Company, ensuring that we can timely address and prevent constantly changing information security threats.</p>
	<b>GRI Indicator</b>			

Material Topic

Policy and Commitment

We have formulated the "Supplier Management Operating Procedure" to comprehensively improve the management and risk control of suppliers in the supply chain. We have established a system for supplier risk assessment, covering multiple aspects such as delivery lead time, quality, finance, and operations. We have also introduced supplier sustainability rating methods. These rating methods include but are not limited to environmental protection measures, labor rights protection, and social responsibility fulfillment to ensure that suppliers can meet our high standards in all aspects.

To further strengthen supply chain management, we require all suppliers to sign a "Letter of Commitment to Corporate Sustainability" to ensure that they comply with the principles of sustainable development in their business activities. These principles include:

1. Environmental protection: Suppliers must take measures to reduce environmental impact, including reducing carbon emissions, conserving energy and water resources, and managing waste.
2. Labor rights: Suppliers must ensure that they provide a safe and healthy working environment, respect and protect the fundamental rights of employees, and prevent child labor and forced labor.
3. Social responsibility: Suppliers must actively participate in social welfare activities, promote community development, and maintain a high ethical standard in business practices.

These sustainability scoring methods are used together with conventional delivery lead time, quality, financial, and operational risk assessments as an important basis for our procurement strategy. We believe that these measures can effectively reduce supply chain risks and ensure that we and suppliers are committed to sustainable development.

In addition, we regularly review our suppliers, evaluate their performance in various fields, and classify and manage them based on the evaluation results. For suppliers with outstanding performance, we will give them priority in considering collaboration and reward them appropriately. For suppliers with problems, we will provide improvement suggestions and follow up on their adjustments to ensure that they can meet our requirements.

Through this comprehensive supplier management system, we aim to establish a stable, efficient, and sustainable supply chain to ensure the Company's long-term stable development.

Positive/Negative Impact

We are committed to strengthening and implementing the sustainable development of the supply chain to ensure that suppliers comply with laws and standards on environmental protection and labor rights during the process of providing products and services. We hope that through these measures, we will fulfill our corporate social responsibility and grow together with our suppliers on the basis of continuous improvement and enhancement. We firmly believe that only by establishing a sustainable supply chain can we achieve long-term stable partnerships.

To achieve this goal, we have taken the following specific measures:

1. Environmental protection standards: Suppliers are required to comply with strict environmental protection standards to ensure that pollution and waste are reduced during the production process, promoting green production.
2. Labor rights protection: Suppliers must protect labor rights, provide a safe and healthy working environment, respect workers' fundamental rights, and eliminate all forms of discrimination and exploitation.
3. Periodic review: We conduct periodic review of our suppliers to evaluate their performance in environmental protection and labor rights, ensuring that they meet our standards and requirements.
4. Continuous improvement: We encourage our suppliers to continuously improve their production and management processes, and provide them with the necessary support and training to help them enhance their technical and management levels.
5. Long-term collaboration: We are committed to building long-term stable partnerships with suppliers to achieve the sustainable development of the supply chain through joint efforts, creating a win-win situation.

Through these efforts, we hope to grow together with our suppliers and establish a long-term stable supply chain system that can develop sustainably.

Goal/Objective

Short-term goals:

In order to improve sustainable risk control, promote a green low-carbon supply chain, and establish a comprehensive supplier management mechanism:

1. We require raw material suppliers to sign and return quality and other related agreements and declarations. Achievement rate: 90%.
2. We require raw material suppliers to fill out declarations related to hazardous substances. Achievement rate: 95%.
3. We require relevant raw material suppliers to fill out a "Metal Mineral Source Survey Form" or make a self-declaration. Achievement rate: 80%. 2023 - 2025: 15% of direct material suppliers complete ESG evaluation (self-evaluation)

Medium-term and long-term goals:

2026 - 2027: 60% of direct material suppliers complete ESG evaluation (self-evaluation)

2028 - 2030: 100% of direct material suppliers complete ESG evaluation (self-evaluation)

Effectiveness Assessment

We conduct a comprehensive evaluation of all our suppliers according to the "Supplier Evaluation Form" every year. The evaluation covers multiple aspects, including product quality, on-time delivery, environmental protection measures, labor rights protection, and social responsibility fulfillment. These evaluation indicators ensure that our suppliers can meet our high standards in all aspects.

If a supplier is disqualified during the evaluation, we will require immediate adjustment and correction. The supplier is required to draw up a detailed improvement plan and complete improvement measures within the prescribed time limit. We will strictly monitor the supplier's improvement status to ensure that it makes adjustments according to the plan.

After the improvement is made, the supplier must be re-evaluated to ensure that it has met our standards in all aspects. Only after passing a re-evaluation can the supplier start trading with us again. We believe that through this rigorous evaluation and improvement mechanism, we can ensure the stability and high quality of the supply chain, and drive suppliers to continuously improve their operational level and sustainable development capabilities.

We have also established a supplier performance file that details the result of each evaluation and adjustment status. These data will serve as an important basis for selecting partners in the future. We adhere to the principles of transparency and fairness in evaluation to ensure that each supplier can be evaluated fairly and has the opportunity to improve its business through efforts.

These measures have not only enhanced our supply chain management level, but also urged suppliers to constantly improve and enhance their competitiveness, ultimately achieving a win-win partnership with suppliers.

Supply chain management

Material Topic	Policy and Commitment	Positive/Negative Impact	Goal/Objective	Effectiveness Assessment
Legal compliance	<p><b>Social and economic</b></p> <p>The Company requires employees and suppliers to comply with laws and social ethics. We have formulated the "Ethical Corporate Management Best Practice Principles" to establish relevant operating procedures and conduct guidelines, and incorporate them into the employee performance evaluation and human resource policy. We have developed effective reward &amp; punishment and complaint systems, with an independent, full-time internal audit unit conducting regular and irregular business and financial audits to measure operational effectiveness and efficiency and ensure that the Company complies with relevant laws and regulations.</p> <p><b>Environmental</b></p> <ol style="list-style-type: none"> <li>We are committed to complying with relevant laws and regulations of the central and local governments.</li> <li>We value pollution prevention and continuous improvement, enhance energy efficiency, improve environmental quality, protect the natural environment, and achieve the goal of sustainable operations.</li> </ol>	<ol style="list-style-type: none"> <li>The Occupational Safety and Health Office conducts regular regulatory inspections to ensure that all activities comply with the latest regulatory requirements.</li> <li>We have promoted and been certified to ISO 14001 (Environmental Management System) and ISO 45001 (Occupational Health and Safety Management System), and have third-party certification bodies regularly verify the compliance of our activities.</li> </ol>	<p><b>Social and economic</b></p> <p><b>Short-term goals:</b> Ensure that the Company's operations comply with government regulations to implement the fundamental principles of ethical corporate management.</p> <p><b>Medium-term and long-term goals:</b></p> <p>Effectively manage and comply with business conduct and ethical corporate management principles, and regularly examine and review performance based on the Company's operating standards to eliminate corruption and illegal conduct. Emphasize the Ethical Corporate Management Best Practice Principles and the Code of Ethical Conduct in pre-service training and strive to achieve 100% promotion.</p> <p><b>Environmental</b></p> <p><b>Short-term goals:</b> Comply with laws and regulations, maintain and strengthen various pollution control equipment, and ensure compliance with government regulations.</p> <p><b>Medium-term and long-term goals:</b> Comply with environmental protection laws and regulations, strengthen management of air pollution, wastewater, and waste emissions, and value the protection of the surrounding environment.</p>	<p><b>Social and economic</b></p> <p>The Internal Audit Office reviews the self-assessment report of the Company every year, including the modification of internal control deficiencies and abnormalities, as the basis for the Board of Directors and the President to evaluate the effectiveness of the internal control system and issue a "Statement of Internal Control System" in order to reasonably ensure that the design and implementation of the internal control system achieves the following three goals:</p> <ul style="list-style-type: none"> <li>Effectiveness and efficiency of operations.</li> <li>Reporting reliability, timeliness, transparency, and compliance.</li> <li>Compliance with relevant laws and regulations.</li> </ul> <p>To improve ethical corporate management, each unit is responsible for formulating and supervising the implementation of ethical corporate management policies and prevention programs, and regularly reports the following matters to the Board of Directors:</p> <ul style="list-style-type: none"> <li>Assisting in incorporating ethics and integrity values into the Company's business strategy and formulating relevant anti-corruption measures in accordance with the law.</li> <li>Formulating and revising the Ethical Corporate Management Procedure and Code of Conduct.</li> <li>Promoting and coordinating integrity policy education and training.</li> <li>Planning a whistleblowing system.</li> <li>Assisting the Board of Directors and management in auditing and assessing the effectiveness of ethical management and preventive measures, and regularly assessing compliance with relevant business processes to form reports.</li> </ul> <p><b>Environmental</b></p> <p>We comply with government regulations and operate in accordance with the Company's operating standards.</p>
	GRI Indicator	GRI2-27		

[Social]

Material Topic	Policy and Commitment	Positive/Negative Impact	Goal/Objective	Effectiveness Assessment
Occupational safety and health	<ol style="list-style-type: none"> <li>Ensure the safety and health of employees and protect them from the threat of disease and injury.</li> <li>Eliminate hazards and reduce safety and health risks.</li> <li>Comply with the organization's commitments, rules, and systems and fulfill our environmental, safety and health obligations.</li> <li>Continue to improve environmental, safety, and health management to enhance management performance.</li> </ol>	<p>In order to effectively manage the Company's occupational safety and health practices and compliance with occupational safety regulations, implement regulatory requirements, and avoid regulatory penalties, we carry out responsible occupational safety and health management to reduce the Company's cost risks and the probability of occurrence of occupational accidents while increasing the safety of colleagues in the production and manufacturing process.</p> <ol style="list-style-type: none"> <li>In accordance with ISO 45001, we conduct internal audits, external audits, and management reviews of the occupational safety and health management system every year to evaluate its effectiveness following the PDCA cycle.</li> <li>The Occupational Safety and Health Committee meets on a quarterly basis to review the occupational safety and health activities of the previous quarter, and make improvements if there are any deficiencies.</li> </ol>	<p><b>Goals for 2023 - 2025:</b></p> <ol style="list-style-type: none"> <li>The disabling injury frequency rate (FR) is lower than the average of the industry.</li> <li>The disabling injury severity rate (SR) is lower than the average of the industry.</li> <li>The frequency severity index (FSI) is lower than the average of the industry.</li> </ol> <p><b>Goals for 2026 - 2027:</b> No major occupational accidents. <b>Goals for 2028 - 2030:</b> No major occupational accidents.</p>	<ol style="list-style-type: none"> <li>In accordance with ISO 45001, we conduct internal audits, external audits, and management reviews of the occupational safety and health management system every year to evaluate its effectiveness following the PDCA cycle.</li> <li>The Company has carried out internal management in accordance with the safety and health management standards, implemented self-management by each unit, and adopted the self-management performance of each unit as the effectiveness evaluation mechanism.</li> </ol>
	GRI Indicator	GRI2-8    GRI403-1-GRI403-10		

Material Topic	Policy and Commitment	Positive/Negative Impact	Goal/Objective	Effectiveness Assessment
Talent development and retention	<ol style="list-style-type: none"> <li>Unit managers may recommend talent for promotion every year.</li> <li>We work with universities to recruit students in cooperative education programs and cultivate them from the ground up every year.</li> <li>The Company conducts biannual technical evaluations to ensure the productivity of employees.</li> <li>We set a target number of improvement proposals every year for each division to continuously encourage optimization and innovation.</li> </ol>	<p><b>Positive:</b> Talent training programs enhance employee productivity, promote innovation, increase operating revenue, and improve national tax revenue, exerting a positive impact on the economy.</p> <p><b>Negative:</b> If talent development and retention are ignored, it may lead to an increase in employee turnover, a decrease in productivity, and a lack of innovation, posing a negative impact on the economy.</p> <p><b>Positive impact management</b></p> <ul style="list-style-type: none"> <li>Providing promotional channels.</li> <li>Providing tuition assistance and part of the benefits we offer to permanent employees to students in cooperative education programs.</li> <li>Giving employees who have passed technical evaluations corresponding allowances based on the evaluation results.</li> <li>Offering bonuses for the winning improvement proposals.</li> </ul> <p><b>Negative impact management</b></p> <ul style="list-style-type: none"> <li>Conducting an employee opinion survey every six months to listen to the opinions of employees as the basis for improvement.</li> <li>Providing employees with allowances for obtaining professional certifications, learning skills, and participating in various seminars to enhance their professional skills.</li> </ul>	<ol style="list-style-type: none"> <li>Establishing a talent pool and increasing the internal promotion rate of sectional and departmental supervisors to 70%.</li> <li>Retaining three graduate students in cooperative education programs every year.</li> <li>Maintaining the payment of a 20% technical allowance.</li> <li>Increasing the bonus distributed by 10% each year to promote quality cases.</li> </ol>	Periodically review according to regulations.
GRI Indicator <span style="border: 1px solid black; border-radius: 50%; padding: 2px;">GRI2-7</span> <span style="border: 1px solid black; border-radius: 50%; padding: 2px;">GRI201-3</span> <span style="border: 1px solid black; border-radius: 50%; padding: 2px;">GRI404-1-GRI404-3</span>				

Diversity and equal opportunity	<p>Jentech Precision offers employees a dignified and safe working environment. We are committed to employment diversity and fairness in remuneration and promotion opportunities, and ensuring that our employees will not be discriminated against, harassed or treated unfairly due to race, gender, religion, beliefs, age, political stance, and other circumstances protected by applicable laws and regulations.</p>	<p><b>Positive:</b> Two-way communication in labor relations promotes smooth operations</p> <p><b>Negative:</b> Safety, diversity, equality, and compliance in the working environment can affect the retention or resignation of talent.</p> <p>The Company values the diversity of employees and employs employees with disabilities. In 2023, the Company employed more employees with disabilities than required by law. There have been no incidents of violation of their rights to work, nor of human rights. By enhancing the recruitment and retention of talent and strengthening the ability and sense of self-worth of employees, we promote the sustainable operations of a happy enterprise, improve our R&amp;D innovation capabilities, and provide diverse, open, and transparent communication channels:</p> <ul style="list-style-type: none"> <li>Physical suggestion box</li> <li>Complaint email address</li> <li>Complaint hotline and fax</li> <li>Sexual Harassment Reporting Committee</li> </ul> <p>Regular functional communication meetings:</p> <ul style="list-style-type: none"> <li>Labor-management meetings</li> <li>Supervisor management discussion meetings</li> <li>Employee Welfare Committee</li> </ul>	<p><b>Short-term (2024 - 2025):</b></p> <ol style="list-style-type: none"> <li>0 discrimination-related incidents</li> <li>Continue to employ employees with disabilities until the number of employees with disabilities required by law is reached (in 2023, the number was not reached, and in 2024, the number was reached)</li> </ol> <p><b>Medium-term (2026-2027):</b></p> <ol style="list-style-type: none"> <li>0 sexual harassment complaints</li> <li>0 incidents of violation of work rights and human rights</li> </ol> <p><b>Long-term (2028-2030):</b></p> <p>Increase the percentage of female executives (to 30%)</p>	<p><b>Employees</b></p> <ol style="list-style-type: none"> <li>Wrap up 100% of existing proposals in the quarterly labor-management meeting</li> <li>Increase the feedback rate for each employee satisfaction survey conducted every six months</li> </ol>
GRI Indicator <span style="border: 1px solid black; border-radius: 50%; padding: 2px;">GRI405-1</span> <span style="border: 1px solid black; border-radius: 50%; padding: 2px;">GRI405-2</span>				

## [Environmental]

Material Topic	Policy and Commitment	Positive/Negative Impact	Goal/Objective	Effectiveness Assessment
Energy and GHG management	<p><b>Policy:</b> The Company inventories the GHG generated from the organization's operating activities (all factories) and commissions an external verification body to verify the same, thereby conducting routine energy efficiency monitoring and gathering energy statistics.</p> <p><b>Commitment:</b> As we value the environmental and climate impacts of GHG emissions on global warming, we set emissions reduction targets in the hope of achieving Taiwan's net zero emissions target by 2050.</p>	<p><b>Positive impact management</b> Promoting low-carbon manufacturing and using the best production and manufacturing technology to reduce Scope 1 &amp; 2 GHG emission intensity</p> <p><b>Negative impact management</b></p> <p><b>Prevention:</b> In the future, we plan to introduce the ISO 50001 energy management system. We will establish a standardized management system to improve energy efficiency, implement energy conservation and carbon reduction projects (for lighting systems/air conditioning systems, etc.), regularly review the operating efficiency of air compressors, and initiate equipment replacement programs if the operating efficiency is reduced to 80%. We will also increase the number of backup equipment and use variable frequency motor units to adjust spare capacity as needed, and separate the areas where heat is generated from the operation of equipment motors to reduce the energy consumption of the air conditioning system, thereby improving energy efficiency.</p> <p><b>Actual:</b> In response to the Financial Supervisory Commission's Sustainable Development Roadmap and the requirements of customers, the organization has not only started a GHG inventory for the factories of the parent company, but also successively initiated a GHG inventory for the factories of the subsidiaries since 2023.</p>	<p><b>Short-term goals:</b></p> <ul style="list-style-type: none"> <li>Reduce GHG emissions intensity by 3% compared to 2023</li> <li>Increase the average annual electricity saving rate to 1%</li> <li>Cover all our subsidiaries in Taiwan in the GHG inventory</li> </ul> <p><b>Medium-term goals:</b></p> <ul style="list-style-type: none"> <li>Reduce GHG emission intensity by 14% compared to 2023</li> <li>Reduce Scope 1 + 2 GHG emissions by 5% compared to 2023</li> <li>Increase the average annual electricity saving rate to 5%</li> <li>Increase the percentage of renewable energy usage to 2%</li> <li>Cover 50% of our overseas subsidiaries in the GHG inventory</li> </ul> <p><b>Long-term goals:</b></p> <ul style="list-style-type: none"> <li>Reduce GHG emission intensity by 28% compared to 2023</li> <li>Reduce Scope 1 + 2 GHG emissions by 15% compared to 2023</li> <li>Increase the average annual electricity saving rate to 10%</li> <li>Increase the percentage of renewable energy usage to 15%</li> <li>Cover 100% of our overseas subsidiaries in GHG inventory</li> </ul>	<ol style="list-style-type: none"> <li>The Company conducts annual ISO 14064 verification and assurance, and makes regular reports to the Sustainability Committee to track and confirm the achievement status.</li> <li>We have implemented an ISO 50001 energy management system and obtained a certificate.</li> </ol>
	<b>GRI Indicator</b> GRI302, GRI305			
Waste management	<p><b>Policy:</b> Metal surface treatment generates solid waste and high-concentration waste liquid in the Company's manufacturing process. Therefore, we attach great importance to waste management, and select and commission qualified waste disposal contractors to strictly prevent pollution and hazardous incidents, and set up a strict review and audit mechanism for waste disposal contractors.</p> <p><b>Commitment:</b> When new raw materials are used in the production process, we will identify environmental risks to ensure that the generated waste and byproducts can be properly directed in the upstream and downstream value chains in order to reduce environmental burden, striving for low-pollution corporate development to achieve co-prosperity and co-existence with the environment.</p>	<p><b>Positive impact management</b> Urging waste disposal contractors to mitigate any environmental protection deficiencies leading to penalties, deepening value chain relationships.</p> <p><b>Negative impact management</b></p> <p><b>Prevention:</b> Examining the compliance of waste disposal contractors with environmental regulations and conducting regular on-site visits.</p> <p><b>Actual:</b> Commissioning government-approved qualified waste disposal contractors to dispose of waste and using the GPS of disposal vehicles to track the flow of waste.</p>	<p><b>Short-term goals:</b> Pay an on-site visit to waste disposal contractors every year</p> <p><b>Medium-term goals:</b> Implement an audit mechanism for waste disposal contractors</p> <p><b>Long-term goals:</b> Zero solidification and landfill for waste treatment</p>	<ol style="list-style-type: none"> <li>We use external audit orders for waste disposal to audit qualified waste disposal contractors to ensure that the disposal process is legal.</li> <li>The Company has implemented the ISO14001 environmental management system to systematically manage waste disposal.</li> </ol>
	<b>GRI Indicator</b> GRI306			

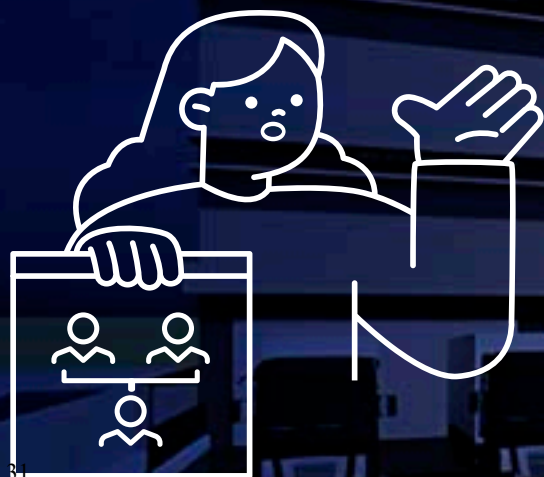


Material Topic	Policy and Commitment	Positive/Negative Impact	Goal/Objective	Effectiveness Assessment
Water resource management	<p><b>Policy:</b> We implement water conservation, enhance and optimize the utilization efficiency of water resources, and prevent pollution from causing a negative impact on the environment.</p> <p><b>Commitment:</b> We will continue to install high-end treatment systems to improve overall wastewater treatment performance, and implement wastewater recycling to reduce water consumption.</p>	<p><b>Positive impact management</b></p> <p>Formulating system maintenance and inspection mechanisms to maintain normal system operation and achieve the goal of reducing pollutant emissions.</p> <p><b>Negative impact management</b></p> <p><b>Prevention:</b> Increasing the frequency of voluntary monitoring of effluent quality and equipment inspections, and reducing water consumption.</p> <p><b>Actual:</b> To further improve wastewater treatment performance, we have reduced pollutant emissions and the use of chemicals, installed an automated water quality monitoring system, increased the manual sampling and testing analysis of discharge outlets to prevent the discharge area from being polluted due to system abnormalities, and recycled and purified the wastewater from product cleaning through the recycling machine for reuse to achieve water consumption reduction.</p>	<p><b>Short-term goals:</b> Reduce suspended solid particles in effluents by 10%, and water consumption by 3%</p> <p><b>Medium-term goals:</b> Reduce suspended solid particles in effluents by 20%, and water consumption by 3%</p> <p><b>Long-term goals:</b> Reduce suspended solid particles in effluents by 30%, and water consumption by 5%</p>	<p>We conduct water quality testing regularly, record water consumption, and report the data to the Sustainability Committee to verify the test statistics and observe the reduction trend.</p>
<p><b>GRI Indicator</b> <span style="background-color: #00a651; color: white; border-radius: 50%; padding: 2px;">GR1303</span></p>				

# 2

## Responsible Governance and Ethical Corporate Management

- |     |                                       |     |                         |
|-----|---------------------------------------|-----|-------------------------|
| 2.1 | Composition of the Board of Directors | 2.5 | Customer Service        |
| 2.2 | Remuneration Policy                   | 2.6 | Supply Chain Management |
| 2.3 | Ethical Corporate Management          | 2.7 | Information Security    |
| 2.4 | Legal Compliance                      |     |                         |



## 2.1 Composition of the Board of Directors

In the modern business environment, good corporate governance is not only the foundation, but also one of the indispensable elements of sustainable corporate development. We are dedicated to building a solid corporate governance structure to not only enhance information transparency, but also facilitate more effective internal control. By gradually promoting various systems and regulations, we ensure effective response to future changes and challenges, so that stakeholders can receive accurate information, practicing the spirit of corporate governance and demonstrating the Company's long-term sustainable development vision.



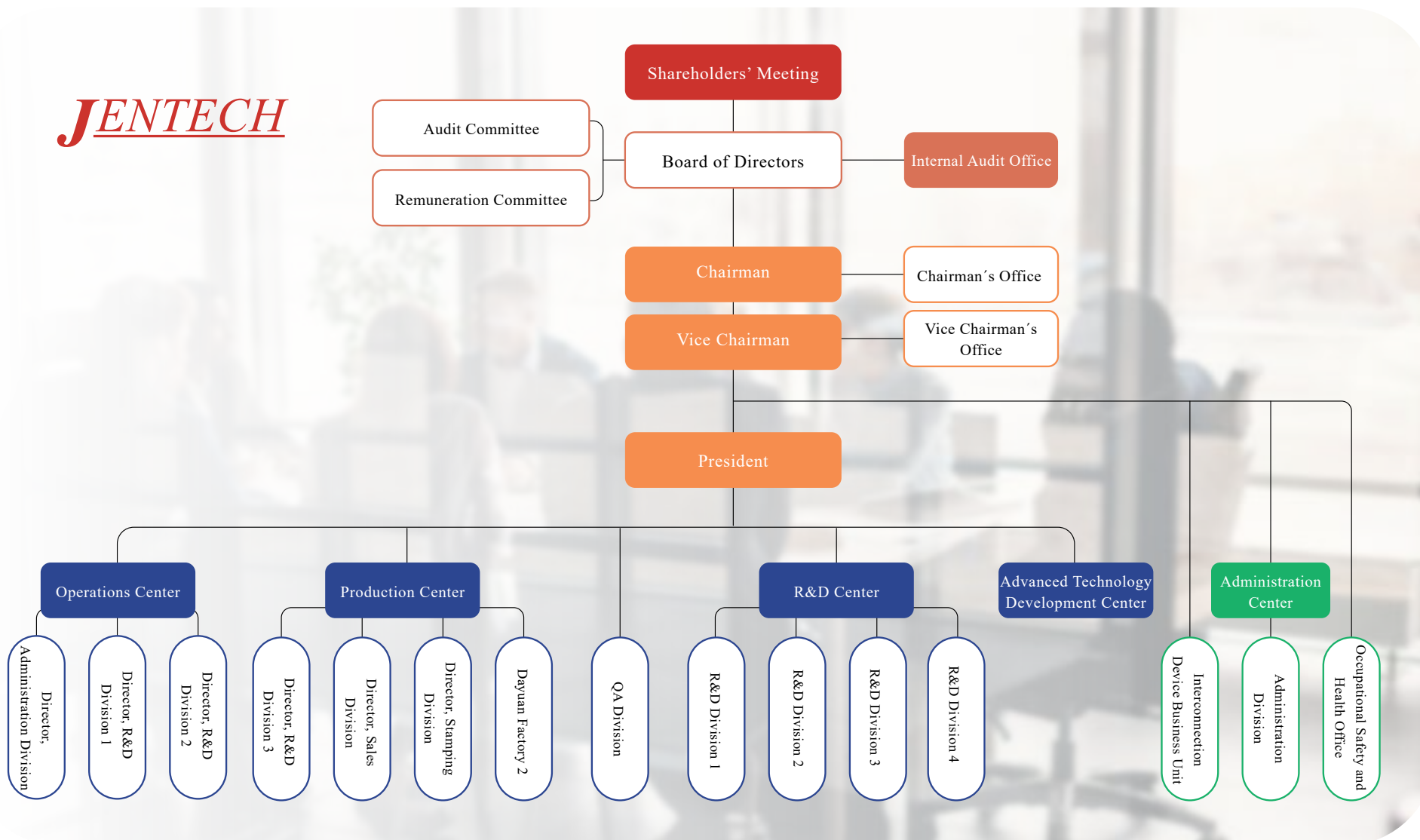
### 2.1.1 Corporate Governance Structure

The Company has established a sound corporate governance structure and a good corporate governance system in accordance with the "Articles of Incorporation," the "Corporate Governance Best Practice Principles" and relevant laws and regulations, and adheres to legal compliance and ethical corporate management to ensure the Company's stable operations and continuous growth. Through supervision and management by the Board of Directors, the Company strives to protect the rights and interests of shareholders and other stakeholders and actively communicates and interacts with them. The Company also continues to enhance information transparency and implement sustainable corporate development, which are the main development focuses of corporate governance promotion.

The "Board of Directors Performance Evaluation Regulations" have been established to stipulate that at least one performance evaluation shall be carried out for the Board of Directors, directors, the Remuneration Committee, and the Audit Committee each year. The evaluation is conducted by the Administration Division using internal questionnaires and covers four aspects: the Board of Directors' operation, directors' participation, the Remuneration Committee's operation, and the Audit Committee's operation. The evaluation specifically includes: directors' evaluation of the Board of Directors' operation, directors' evaluation of their participation in the Board of Directors' operation, Remuneration Committee members' evaluation of the Remuneration Committee's operation, and Audit Committee members' evaluation of the Audit Committee's operation. The above performance evaluation results will be used as a reference for director election or nomination and as a reference for determining the remuneration of individual directors and functional committee members.

In order to improve the supervisory function and strengthen the Company's management function, the Board of Directors has established an Audit Committee and a Remuneration Committee, which are responsible for discussing the Company's major proposals and economic, environmental, social, human rights, risk, information security, and other issues. Please refer to pages 10 to 22 of the 2023 Annual Report for the detailed disclosure of the education and experience, professional knowledge, and remuneration of directors.

## Management Organizational Structure



## 2.1.2 Composition and Operation of the Board of Directors

At the shareholders' meeting on June 8, 2022, the Board of Directors elected 11 directors, including three independent directors and one female director. The Board of Directors adopts the candidate nomination system and cumulative voting system, and the shareholders' meeting elects directors from the list of director candidates. The election of the current directors was approved by the Board of Directors through discussion, and was based on the lists of candidates proposed by shareholders with more than 1% ownership in accordance with Article 192-1 of the Company Act, which were accepted from March 28, 2022 to April 7, 2022. After the acceptance period ended, the Board of Directors reviewed the lists of director candidates on May 6, 2022. After verifying their eligibility for directors, the candidates were put forward to the shareholders' meeting for election.

According to Article 20 of the "Corporate Governance Best Practice Principles for TWSE/TPEx Listed Companies," the "Corporate Governance Best Practice Principles" stipulate the policy and specific management objectives for the gender, expertise and experience of directors. Currently, 11 directors (including three independent directors) have been appointed based on the scale of operations and development needs. After the full re-election at the 2022 shareholders' meeting, one female independent director was newly elected. The professional background of directors covers business management, leadership decision-making, industry knowledge, and financial accounting in order to achieve member diversity for the Company's Board of Directors.

The members of the Company's Board of Directors have academic and professional experience in fields related to the Company's industry. They supervise the management team's compliance with laws and regulations, and provide the management team with guidance on major decision-making based on their own experience, in order to build integrity and ethics while fulfilling corporate responsibility.

Considering the scale of the Company's business development and the shareholdings of major shareholders, the Company has appointed more than five directors based on practical needs. In view of gender equality, we have ensured that female directors account for one-third of all the directors. In order to achieve the ideal goal of corporate governance, the members of the Board of Directors have the following abilities:



The Board of Directors is the highest governance body and the core of major operational decisions. The Board of Directors adheres to the principles of openness and honesty, provides complete and transparent information, builds good mutual trust and communication with stakeholders, and combines feedback with business decision-making to lay the foundation for sustainable corporate development. The Audit Committee, the Remuneration Committee, and the Sustainable Development Committee of the Board of Directors assist the Board of Directors in fulfilling its supervisory responsibilities.

The Company adopts the candidate nomination system for the election of directors. We take the overall composition of the Board of Directors into consideration when electing directors and ensure the diversity of the Board of Directors in line with the Company's operations, business model, and development needs. Currently, the Board of Directors has 11 members, including three independent directors. These members possess knowledge, skills, and competencies in business, accounting, industry, finance, marketing, and business management to meet the needs of the Board of Directors.

## 2.1.3 Performance Evaluation of the Board of Directors

The Board of Directors operates based on the "Rules of Procedure for Board of Directors' Meetings." According to Article 27, if an attending director or the legal person he/she represents has an interest in an agenda item, the important content of the interest shall be explained at the current Board of Directors' meeting. If the interest may harm the Company's interests, the director shall not participate in the discussion and voting of the item, and shall not act as another director's proxy to exercise his/her voting right. In addition, the director shall voluntarily recuse himself/herself from the discussion and voting to ensure the fairness and objectivity of the decision-making. This provision is intended to prevent conflicts of interest, protect the best interests of the Company and shareholders, and ensure that the Board of Directors can make decisions in a fair and transparent environment. This system not only strengthens the governance capability of the Board of Directors, but also enhances the transparency and credibility of the Company's operations, which will help the Company to continue to grow on a solid foundation of stable operations. For directors' conflicts of interest in 2023, please refer to page 24 of the Company's 2023 Annual Report.



The Company has established the "Board of Directors Performance Evaluation Regulations" to stipulate that at least one performance evaluation shall be carried out for the Board of Directors, directors, the Remuneration Committee, and the Audit Committee each year. The evaluation is conducted by the Administration Division using internal questionnaires and covers four aspects: the Board of Directors' operation, directors' participation, the Remuneration Committee's operation, and the Audit Committee's operation.

The evaluation specifically includes the following:

Directors		Remuneration Committee Members		Audit Committee Members	
<b>Evaluation of the Board of Directors' operation</b>	<b>Evaluation of directors' participation</b>	<b>Evaluation of the Remuneration Committee's Operation</b>	<b>Evaluation of the Audit Committee's Operation</b>		
Evaluate the overall operational efficiency, decision-making quality, and strategic planning of the Board of Directors.	Evaluate the participation in, contribution to and influence on the Company's development of individual directors.	Evaluate the performance of the Remuneration Committee in the formulation and implementation of remuneration policies.	Evaluate the effectiveness of the Audit Committee's work in financial monitoring, internal control, and risk management.		

The above evaluation results will serve as an important reference for director election or nomination to ensure that the Company can elect directors and committee members considering their past performance and contributions. In addition, the performance evaluation results of directors and functional committee members will be used to determine their individual remuneration to ensure that the remuneration system can reflect the actual contributions and performance of the members, further stimulating their high efficiency and active performance in future work.

Through this system, the Company aims to improve the operational efficiency of the Board of Directors and various functional committees and ensure the transparency and fairness of corporate governance, thereby promoting the Company's steady development and long-term success.



4 board meetings were convened in 2023

## 2.2 Remuneration Policy

According to Article 24 of the Company's Articles of Incorporation, if the Company has a profit in the year, the Board of Directors will make a resolution to allocate 5% to 20% of the profit as the remuneration to employees and no more than 2% as the remuneration to directors. The Remuneration Committee assesses the remuneration to directors based on their performance evaluation results, taking into overall consideration their participation in and contribution to the Company's operations, the Company's operating results, and the remuneration level of the industry and listed companies.

The Company's manager remuneration policy is based on the salary level of the same position in the market, and takes into account the responsibility of the position in the Company and its contribution to the Company's operational goals (such as operating revenue and net profit growth rate). The procedure to determine remuneration is based on the overall performance of the Company, the personal performance achievement rate, and the contribution to the Company's performance to ensure that the remuneration is reasonable and motivating.

The above remuneration to directors and managers is determined in accordance with the Articles of Incorporation and various salary and bonus systems, reviewed by the Remuneration Committee and submitted to the Board of Directors for approval, and then reported to the shareholders' meeting. The Company's management and the Remuneration Committee will periodically review and adjust the remuneration policy, if necessary, to achieve a balance in risk control.

The functions of the Company's Remuneration Committee are to exercise the due care of a good administrator, faithfully perform the following duties, and submit its suggestions to the Board of Directors for discussion.

1. **Formulate and regularly review the performance evaluation standards, annual and long-term performance targets, and remuneration policies, systems, standards and structures for directors and managers.**
2. **Periodically evaluate and determine the remuneration of directors and managers**

The principles to be followed by the Remuneration Committee when performing its duties are as follows:

1. The performance evaluation and remuneration of directors and managers shall be based on the general pay level in the industry, with the reasonableness of correlation with individual performance, the Company's operating performance, and future risks taken into account.
2. Directors and managers shall not be induced to engage in conduct beyond the Company's risk appetite for the purpose of remuneration.
3. The ratio of short-term performance bonuses to directors and senior managers and the timing of payment of partial variable remuneration shall be determined based on the characteristics of the industry and the nature of the Company's business.

In terms of implementation, the Remuneration Committee evaluates the following points:

### Directors' Participation and Contribution

Including the frequency of attending meetings, the depth of participation in discussions, and influence on major decisions.

### Company's Operating Results

Assessing the Company's financial performance, strategic goal achievement, and market competitiveness.

### Industry and Market Benchmarks

Taking into consideration the remuneration level of the industry and other listed companies to ensure that the Company's remuneration policy is competitive.

Through these measures, the Company is committed to establishing a fair, transparent, and motivating remuneration system to attract and retain outstanding directors and managers and to promote the Company's long-term and stable development.

## 2.3 Ethical Corporate Management

The Company's Board of Directors has formulated the "Ethical Corporate Management Best Practice Principles" and the "Code of Business Conduct" as the basic guidelines for ethical corporate management to regulate the conduct of the Company's directors, independent directors, managers and employees and ensure that they comply with the "Company Act," "Securities and Exchange Act," and other related laws and regulations. The members of the Board of Directors and management actively participate in relevant ethical corporate management and legal compliance courses to enhance their knowledge and ensure their effective implementation of ethical corporate management.

The "Ethical Corporate Management Best Practice Principles" of the Company are applicable to the Company's subsidiaries, foundations where more than 50% of the funds were donated directly or indirectly by the Company, and institutions or legal persons over which the Company has substantial control (hereinafter referred to as the "group enterprises and organizations"). The principles clearly prohibit unethical conduct, regulate the handling of conflicts of interest, design prevention programs, regulate business activities for ethical corporate management, and prohibit bribery and acceptance of bribes. Ethical corporate management is the primary core value of the Company and group enterprises and organizations. The Board of Directors and management are committed to actively implementing it in internal management and external business activities.

The Finance Department of the Company is responsible for promoting "ethical corporate management" and reports the promotion status to the Board of Directors on an annual basis. In addition to continuously promoting the concept of ethical corporate management to all employees, the Company also strengthens the promotion for new employees to ensure that they understand and comply with the principles of ethical corporate management. New employees are required to sign declarations related to the principles of ethical corporate management to ensure that they are clearly aware of the Company's expectations and requirements from the beginning. The Company also provides proper whistleblowing channels (a hotline, a whistleblowing email address on the Company's website, and an employee suggestion box), and has a dedicated unit handle whistleblowing reports according to the regulations and specified process.

Our specific measures include:



### Training and Education

We regularly organize training and lectures related to ethical corporate management to ensure that all employees understand the latest laws and regulations and the Company's policies.



### Supervision and Inspection

The Finance Department conducts regular internal reviews to supervise the compliance of each department and ensure there is no unethical conduct.



### Whistleblowing Mechanism

An anonymous whistleblowing channel has been established to encourage employees to report any conduct that involves ethical corporate management violations and to protect the identity of the whistleblower.



### Reward and Punishment System

We commend and reward employees who adhere to ethical corporate management and make outstanding contributions. We also punish employees who violate the regulations.

Through these measures, the Company is committed to creating an honest and fair business environment and ensuring the Company's long-term stable development. Ethical corporate management is not only a core value of the Company, but also an important cornerstone for the Company's continuous success.

The Company strives to comply with the principle of "integrity and honesty" in all business activities, strictly abides by government laws and regulations, and implements five major aspects of legal compliance: corporate governance; securities regulations and insider trading; protection of intellectual property rights and fair competition; environmental, safety and health regulations; and labor regulations. These measures aim to maintain the Company's reputation, adhere to business conduct and ethical standards, and engage in business activities with fairness, integrity, trustworthiness, and transparency while actively preventing unethical conduct and implementing the ethical corporate management policy.

In order to strengthen corporate governance and improve the internal control mechanism, the Company has formulated the "Code of Business Conduct," "Code of Ethical Conduct," and "Ethical Corporate Management Procedure and Code of Conduct." These regulations and codes are not just requirements for all employees. They also communicate the core values of integrity and accountability to all employees through various specific actions to ensure that every employee can comply with and practice these principles.



**There were no incidents of corruption, bribery, or violation of the Fair Trade Act, conflicts of interest, money laundering, or insider trading in 2023.**



## 2.4 Legal Compliance

The Company has adopted self-management standards that are higher than legal standards, covering the "Labor Standards Act" related to employees, the "Patent Act" and "Trade Secrets Act" related to products, as well as "professional ethics" and the "Company Act" related to corporate governance. For detailed management regulations, please refer to the relevant chapters. The Company regularly reviews and actively tracks changes in government regulations to ensure that internal assessments and revisions are done in a timely manner and that all employees have a sense of responsibility and obligation to comply with applicable laws.

In 2023, we continued to adjust compliance measures in response to changes in regulations. We modified relevant documents, conducted education and training, and made compliance announcements to ensure that all members are aware of and comply with all laws and regulations related to operations. In addition, the Company has provided complaint channels on the corporate website in order for employees and stakeholders to raise legal compliance-related questions and suggestions.

In response to changes in important domestic and international policies and regulations, the Company has actively consulted with consultants, lawyers, accountants, and other professional institutions and, when necessary, commissioned them to conduct assessments, make recommendations, and plan response measures to ensure the Company's legal compliance and reduce the adverse impact of regulatory changes on the Company's finance and business. These measures aim to achieve the goal of no major violations of social and economic laws and regulations within the Company in the medium and long term.



**In 2023, the Company committed no violations of laws and regulations, and there were no major illegal incidents with a fine of more than NTS1 million.**



Our specific measures include:

<b>Regular Legal Reviews</b>	A dedicated team regularly checks the existing laws and regulations for any changes and reports them to the Company's management immediately.
<b>Internal Assessments and Revisions</b>	We conduct internal impact assessments according to regulatory changes and quickly revise relevant policies and processes to ensure compliance.
<b>Employee Education and Training</b>	The Company regularly organizes compliance education and training to ensure that all employees understand the latest regulatory changes and their impact on daily work.
<b>Compliance Announcements and Document Revisions</b>	The Company makes announcements on the latest compliance requirements through the internal announcement system and updates relevant documents in a timely manner.
<b>Professional Consultation and External Assistance</b>	The Company maintains close contact with external consultants, lawyers, accountants, and other professional institutions and, when necessary, commissions them to conduct in-depth assessments and make recommendations.

We are committed to creating a transparent and compliant business environment to ensure that all of our business activities are carried out in accordance with the law. We also enhance our corporate governance and compliance capabilities through various measures to support the Company's sustainable development and long-term success.

## 2.5 Customer Service

Providing good customer service has become an indispensable requirement for all industries. We provide diversified services to meet different customer needs, which not only improves customer satisfaction, but also strengthens customer loyalty.

The Company has always been committed to providing the best quality and service, and customer satisfaction is the driving force behind our continuous growth. In order to better meet customer needs, the Company conducts a customer satisfaction survey every year. Through these surveys and customer feedback, we can get closer to customers and strengthen the trust between us. Customers' valuable suggestions have an important meaning to the Company's overall competitiveness and the establishment of a good corporate image.

The annual customer satisfaction questionnaire covers five major evaluation items, namely, "cost competitiveness," "product quality," "on-time delivery," "technical capability," and "service evaluation." We conduct surveys and analysis on the top 30 customers by sales, carry out in-depth analysis of the problems raised by the customers to understand the customer satisfaction level for the year, and propose improvement plans for any deficiencies. These plans serve as the basis for improvement and tracking for the year.



Our specific measures include:

### Diversified Services

Based on the needs of different customers, we provide personalized and diversified services to meet the expectations of various customers and enhance their satisfaction and loyalty.

### Customer Satisfaction Survey

We conduct a customer satisfaction survey every year to collect and analyze customer feedback and suggestions to understand their satisfaction with our services and products.

### Feedback Mechanism

We have established an effective customer feedback mechanism to respond to customer suggestions and questions in a timely manner and continue to improve our products and services.

### Improvement Plans

Based on survey results, we formulate specific improvement plans for deficiencies and execute them to ensure that improvement measures are effectively implemented, thereby enhancing customer satisfaction and loyalty.

### Five Evaluation Items

We conduct surveys on the five aspects of "cost competitiveness," "product quality," "on-time delivery," "technical capability," and "service evaluation" every year to fully understand and improve customer satisfaction.

### Survey of Top 30 Customers

We carry out detailed surveys and analysis of our top 30 customers by sales, and propose targeted improvement plans based on their feedback.

Through these measures, we are able to continuously improve and enhance our service level, meet customer needs, strengthen market competitiveness, and ensure the steady development of the Company.

## 2.6 Supply Chain Management

### Supply Chain Management and Sustainable Development

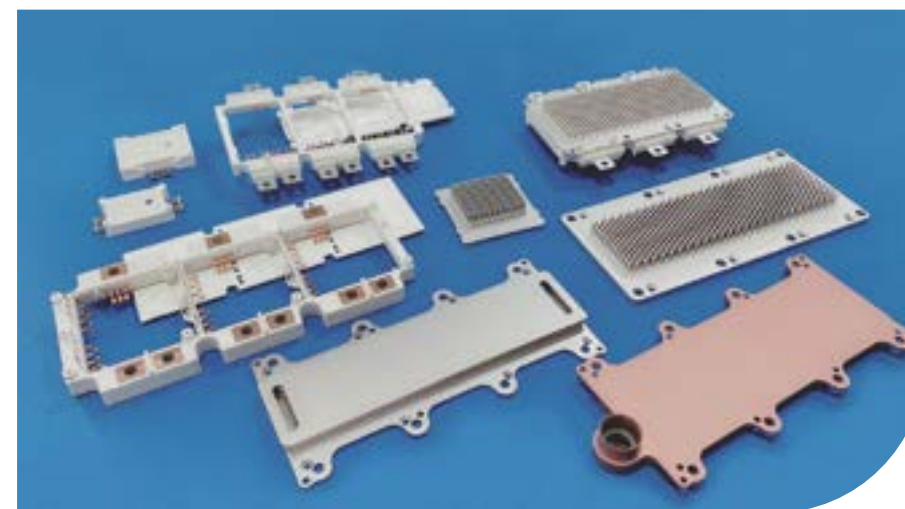
The Company strives to follow international trends and promote ESG (environmental, social, governance) development. Based on our existing new supplier selection process and existing supplier management structure, we adopt the QCDS (quality, cost, delivery, service) standard to conduct regular supplier evaluation and monitoring in order to achieve the goals of reducing procurement costs, reducing procurement delivery time, improving quality, and meeting customer needs. In addition to these conventional management methods, the Company has introduced several new management systems and measures in recent years.

First, we have implemented the Green Product (GP) Management System to strictly monitor environmentally hazardous substances to ensure the environmental protection of products during their production and use. In addition, the Company attaches great importance to corporate social responsibility (CSR) and requires suppliers to fulfill related responsibilities. We require our suppliers to fill out the "Sustainability and Social Responsibility Survey Form" and sign the "Letter of Commitment to the Management of Prohibited and Restricted Substances," "Letter of Commitment to the Supplier Social Responsibility and Code of Conduct," and "Conflict Minerals Policy and Commitment Letter" to ensure the compliance and ethical responsibility of all supply chain segments.

These measures can enhance the integrity of the Company's internal and external management systems. We hope that these efforts can drive the upstream and downstream supply chains to jointly strengthen the sustainable development resilience of enterprises at all stages and regard sustainable supply chain management as the permanent goal of the enterprises.

We will continue to promote this concept not only to pursue excellence in internal management, but also to influence and drive the entire supply chain to achieve greater environmental protection and social responsibility fulfillment. We believe that through these efforts, we can not only stand invincible among the market competition, but also contribute to the sustainable development of the world.

### Types of Suppliers



#### Procurement of Raw Materials

Metal materials, plastics, chemicals, packaging materials, and oils directly used in the manufacturing process.

#### Procurement of Goods

Goods that are not processed in the factory and are outsourced to suppliers for manufacturing or direct sales.

#### Procurement of Semi-finished Products

Products produced by suppliers with self-prepared materials or materials supplied by the Company and then sent to customers after processing in the factory.

#### Procurement of General Supplies

General supplies and cleaning supplies, and purchases not directly related to production.

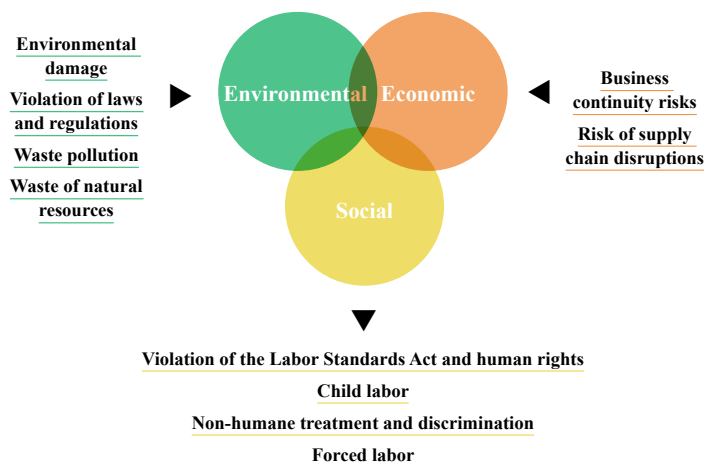
#### Construction Procurement

Procurement of asset equipment (repair and maintenance of machines and repair of factory facilities), mold parts, and hardware parts.

## Management Approach

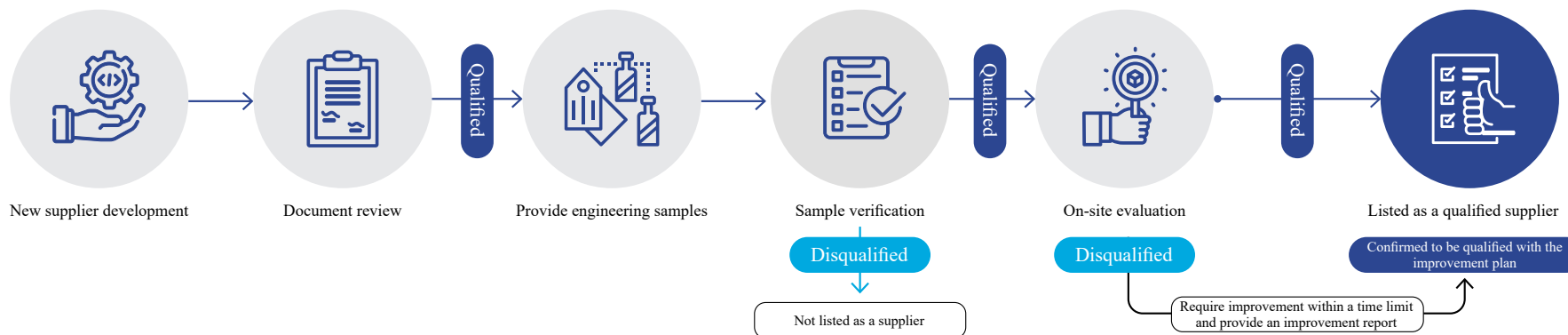
To reduce potential supply capacity problems and risks to the environment and society, we have established strict management objectives and management systems to build a supply chain with sustainable growth. The following is our management objectives for suppliers:

### Potential Sustainability Risks of Suppliers



<b>See suppliers as important partners for sustainable business operations</b>	We consider suppliers as key partners for corporate success and are committed to establishing long-term stable partnerships with them.
<b>Establish a sustainable supply chain</b>	We value environmental protection, social responsibility, and labor equality, and are committed to building a supply chain system that adheres to these principles.
<b>Manage the production processing and delivery capabilities of suppliers</b>	We strictly manage the production processing, environmental protection quality, and delivery capability of our suppliers to ensure that they meet our standards.
<b>Management Principles with Fairness and Mutual Trust</b>	Based on fairness and mutual trust, we have established detailed supplier management procedures to ensure the transparency and fairness of supplier management.
<b>Implementation of Supervision and Guidance</b>	We fulfill our responsibility to supervise and guide suppliers through a comprehensive management system to help them improve their capabilities and competitiveness.
<b>Providing a Positive Communication Platform</b>	We have established an effective communication platform to reduce the perception differences between customers and suppliers and to enhance the trust between partners.
<b>Enhancing Supplier Competitiveness</b>	We actively help suppliers enhance their competitiveness and promote the implementation of corporate social responsibility to ensure that their business operations comply with relevant standards and regulations.

## New Supplier Introduction Process



## Current Local Procurement

We not only focus on enhancing our competitiveness, but also pay attention to the current status of Taiwan's economic development. In the procurement of "direct materials," we give priority to products from Taiwanese companies. However, "copper materials," one of the materials for electronic products constituting a major part of the transaction amount for direct materials, accounted for 35% of the total raw material transaction amount in 2023. Most of these copper materials were designated by customers and were mainly sourced from large copper companies in Taiwan. Therefore, in the utilization of direct materials, the proportion of Taiwanese suppliers was about 60%.

We have always been committed to enhancing the competitiveness of the Company while supporting local enterprises and promoting the continuous development of Taiwan's economy. Despite the challenges of the international supply chain, we continue to seek a balance to ensure that we can support local suppliers as much as possible while meeting customer needs.

Through these measures, we are committed to establishing a supply chain system that is more environmentally friendly, safer, and in line with international standards.

## Our Green Partners

As global attention to environmental protection issues increases, the Company has established a series of management guidelines and necessary letters of commitment for the products delivered by suppliers to meet international standards and customers' special requirements in terms of the environment, safety and health:

- ✓ Conform to the SONY SS-00259 standard
- ✓ Provide a material certificate for the products delivered
- ✗ Prohibit the use of conflict metals
- ✗ Prohibit the use of products containing rare earth elements
- ✓ Conform to the RoHS Directive (EU Directive on the Restriction of the Use of Hazardous Substances in Electrical and Electronic Equipment)
- ✓ Conform to the Reach SVHC (Substances of Very High Concern) regulations
- ✓ Comply with the Principles for Screening and Identification of Toxic Chemical Substances of the Ministry of Environment, Executive Yuan
- ✓ Comply with China's Measures for the Control of Pollution from Electronic Information Products
- ✓ Provide a declaration of non-use of conflict metals

In consideration of corporate social responsibility and ethics, we require our suppliers to make sure that the following metals: gold (Au), tantalum (Ta), tungsten (W), cobalt (Co), palladium (Pd), and tin (Sn) do not come from conflict regions controlled by non-governmental military organizations or illegal military arms in the DRC. The illegal mining activities in these regions not only violate human rights, but also cause environmental degradation. In order to ensure social justice and environmental protection, we actively respond to global action to boycott conflict minerals and require suppliers to provide letters of commitment, promising:

1. To inform the Company immediately if any conflicting metals have been used in the goods supplied to the Company.
2. To conduct reasonable due diligence in the supply chain to ensure that the metals used in the supplied goods do not come from conflict regions.

In addition, to prevent soil loss, dust pollution, and the depletion of rare natural resources, we have stipulated that the products supplied by our suppliers should not contain the following rare earth elements: lanthanide (La), cerium (Ce), praseodymium (Pr), neodymium (Nd), promethium (Pm), samarium (Sm), europium (Eu), gadolinium (Gd), terbium (Tb), dysprosium (Dy), holmium (Ho), erbium (Er), thulium (Tm), ytterbium (Yb), and lutetium (Lu), as well as the two elements of the lanthanide series: scandium (Sc) and yttrium (Y).

Finally, we require all the products, part assemblies, raw materials, and packaging materials supplied to the Company to not contain substances of very high concern that are harmful to human beings and to comply with the following standards:

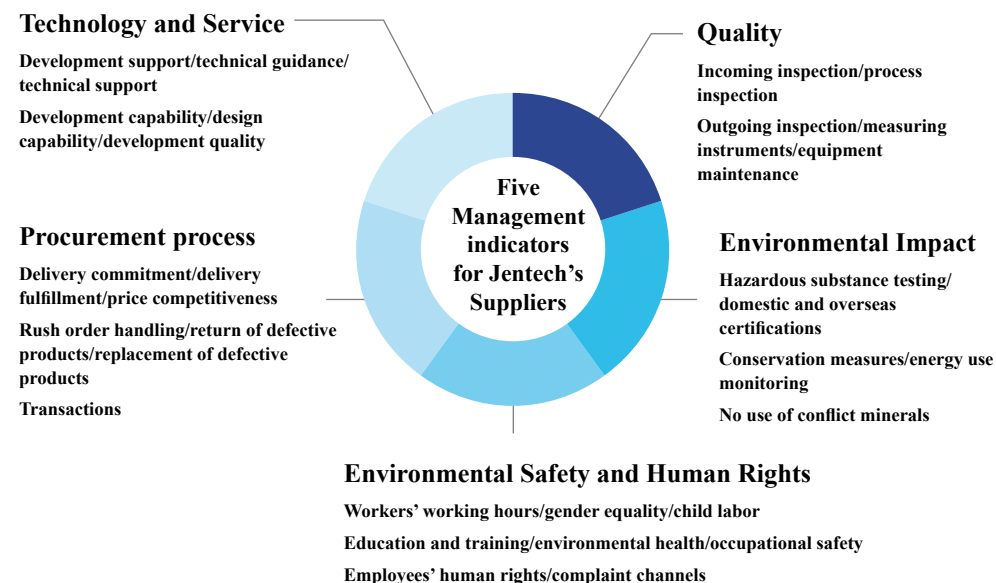
1. EU REACH Regulation
2. Regulations on SVHC limit values and management

## CSR Promotion

In order to meet the requirements with respect to labor equality, the environment, safety, and health, and ethics in the "Electronic Industry Code of Conduct," we are committed to complying with the following regulations and we ask our suppliers to comply with them too, so as to work together towards a better future:

<b>Minimum Age Requirement for Employment</b>	Minimum age requirement for employment: We comply with the minimum age requirement for employment stipulated by the International Labor Organization (ILO) and Taiwan's Labor Standards Act.
<b>Anti-discrimination Policy</b>	We prohibit discrimination in any form to ensure that there is no discrimination in recruitment, training, promotion, etc. due to age, race, gender, religion, sexual orientation, or political stance.
<b>Prevention of Misconduct</b>	We prohibit all forms of exploitation, intimidation, abuse, coercion, sexual harassment, or insulting behavior, and we have established relevant management systems to prevent such behavior.
<b>Environmental, Safety and Health Laws and Regulations</b>	We comply with the environmental, safety and health laws and regulations in Taiwan, conserve energy and resources, and reduce risks.
<b>Transparent Management</b>	The Company's business activities, organizational structure, and financial position are disclosed in accordance with the law, and employees are prohibited from corruption, blackmail, embezzlement or falseness.
<b>Compliance with Labor Regulations</b>	We comply with the labor regulations of Taiwan and promote continuous improvement in line with the spirit of the "Corporate Social Responsibility Best Practice Principles for TWSE/GTSM-Listed" of Taiwan.
<b>Protection of Intellectual Property Rights</b>	We are committed to protecting the intellectual property rights of our business partners, and we comply with fair trade, advertising, and competition regulations and adopt measures to protect customer information.

## Supplier Management System



Jentech's supplier management system includes three major aspects: annual supplier audits, quarterly supplier reviews, and supplier development. These tasks are jointly performed by the procurement, QA, R&D, and environmental safety units, and are evaluated based on the five major indicators of "quality," "environment," "technology and service," "procurement process," and "environmental safety and human rights." We actively communicate and coordinate with suppliers during the management process with reference to the Electronic Industry Citizenship Coalition (EICC) standard, the "Restriction of Hazardous Substances (RoHS) Directive," and the environmental protection requirements of customers to review the safety of the working environment of suppliers, employees' human rights, and due environmental protection responsibilities, jointly building a sustainable supply chain.

 <b>Supplier Management Units</b>	<p>Supplier management involves multiple departments, and each unit works together to ensure the high-performance operation and compliance of the supply chain.</p>
 <b>Procurement Unit</b>	<p>The procurement unit is mainly responsible for assessing the quotation and production capability of suppliers. The unit needs to understand the production process, cost structure, and supply capacity of suppliers in depth to ensure that the Company obtains the best supply solutions. In addition, the procurement unit is responsible for promoting and communicating CSR to suppliers. The unit needs to ensure that suppliers understand and comply with the Company's requirements in environmental protection, social responsibility and corporate ethics, thereby enhancing the sustainability of the entire supply chain.</p>
 <b>QA Unit</b>	<p>The QA unit is responsible for assessing and providing guidance on the production capability and product quality of suppliers. The unit reviews suppliers regularly to ensure that their production process meets the Company's standards. In addition, the QA unit is responsible for the incoming inspection of direct or indirect raw materials. Through strict quality control procedures, it ensures that all materials entering the production process meet the specifications. These measures help improve product quality, reduce production risks, and ensure the reliability and safety of final products.</p>
 <b>R&amp;D Unit</b>	<p>The R&amp;D unit is committed to seeking suppliers with new process technology and sufficient production capacity. The unit needs not only to find suppliers with advanced technology and high production capacity, but also to ensure that these suppliers can meet the Company's technical needs and production requirements. Furthermore, the R&amp;D unit also focuses on reducing the use of natural resources and promoting the application of environmental protection technologies to support the Company's sustainable development goals.</p>
 <b>Occupational Safety Unit</b>	<p>The occupational safety unit monitors suppliers' performance in labor equality, social ethics, and environmental protection according to the guidelines of the "Supplier CSR Promotion Letter." The unit is responsible for assessing whether suppliers comply with labor regulations and protect labor rights and interests and ensuring that the suppliers do not cause harm to the environment during the production process. In addition, the occupational safety unit conducts regular reviews and supervision to ensure that suppliers continue to improve their social responsibility and environmental protection measures, maintaining the Company's good reputation and social image.</p>

Through the collaboration of these departments, the Company can ensure the efficient operation of the supply chain and promote the sustainable development of the entire supply chain, thereby enhancing the Company's market competitiveness and social responsibility image.

## Supplier Audits and Reviews

Jentech values the sustainable development of the supply chain. Through quarterly reviews and annual audits, we ensure that our suppliers meet our requirements in terms of quality systems, environmental protection, occupational safety and health management, fundamental human rights, and social ethics to achieve our expectations of sustainable management. These audit processes provide a platform for two-way trust and equal communication. Supplier self-assessments, on-site inspections, and deficiency counseling can clarify the perception differences between the two parties, which helps reduce various risks and improve delivery quality and yield.

- 1. Monthly Review**

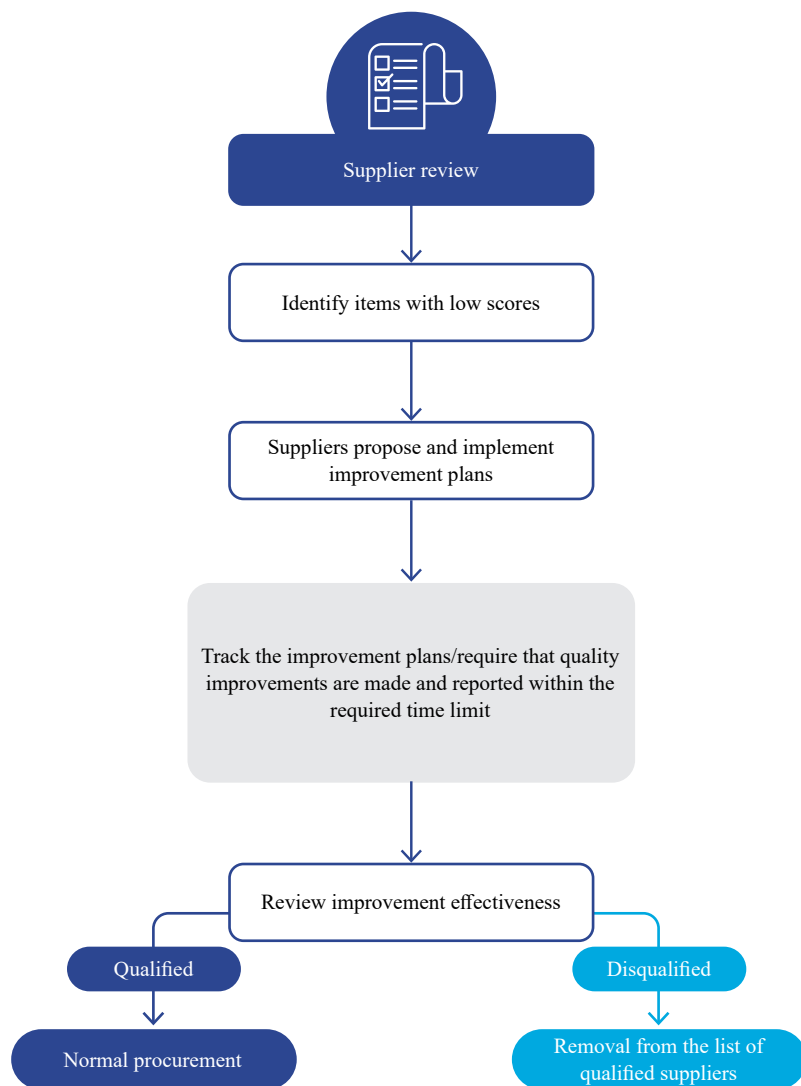
We conduct a monthly review on qualified suppliers that deliver goods five times or more a month to ensure that they continue to meet our requirements.
- 2. Quarterly Review**

For qualified suppliers that deliver goods five times or more each quarter, we conduct a review in January, April, July, and October to ensure that they continue to meet our requirements.
- 3. Annual Review**

We conduct annual audits on the top five suppliers in terms of the annual transaction amount and the six lowest-rated suppliers in the annual delivery quality evaluation. We will conduct an audit whenever there is any major abnormality in delivery quality to ensure that suppliers' problems are solved in a timely manner. The average audit score for 2023 was 89%.



## Supplier Guidance and Improvement Process



## Supplier Development Timing and Principles

When developing new suppliers, we follow the following principles:

<b>Market Competition Advantages</b>	Suppliers must have reasonable market competition advantages and have the sincerity to build long-term partnerships with us.
<b>Production Capacity and Technical Capability</b>	The production capacity, production capability, technical capability, and environmental protection quality of suppliers must meet the Company's requirements.
<b>Corporate Social Responsibility</b>	Suppliers must be committed to complying with our CSR standards and the Electronic Industry Code of Conduct.
<b>Conflict-free Minerals</b>	Suppliers must ensure that the raw materials they provide do not come from conflict mining regions.
<b>Financial Position</b>	Suppliers must have a good financial position to ensure stable supply and maintain long-term collaboration.

Percentage of Jentech's new suppliers that were screened using environmental/social criteria in 2023:

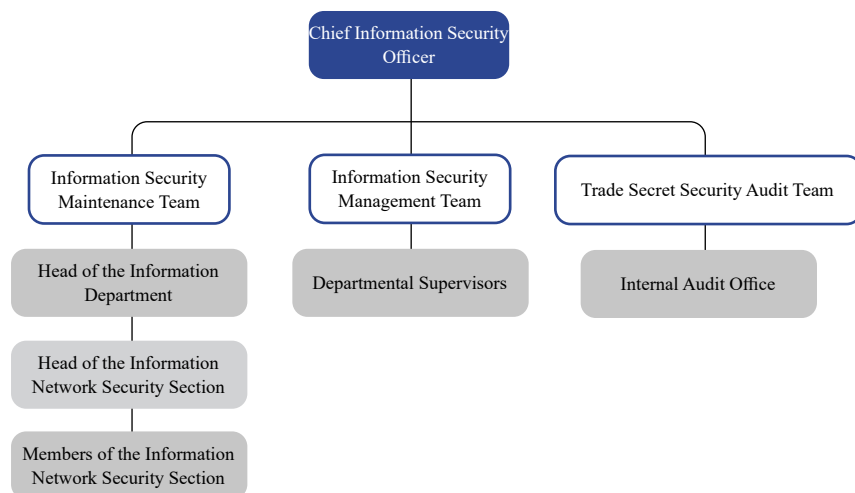
**52%**

Through these measures, we aim to establish a stable, efficient, and sustainable supply chain system to ensure the growth of suppliers and the Company, achieving a win-win partnership.



## 2.7 Information Security

The Company established the Information Security Team in July 2022 as a dedicated project organization to promote the Group's information security. The Information Security Team has established the QP0A-11 Information Security Management Operating Procedure to strengthen the Company's internal information security management. The Company holds an information security meeting every six months and invites middle and senior executives to the meeting to understand and know the various projects and plans promoted by the Information Security Team. The implementation of relevant protection measures and risk response methods are reviewed for internal and external information security incidents, and the occurrence of various major information security incidents is recorded.



In the operating procedure, the Company has formulated several implementation matters, including information security audits, information security drills, business continuity plans, and disaster recovery drills. In addition, the Company backs up data off-site and continues to build off-site backup server rooms to ensure the stability and security of business operations.

In the replacement of old analogue monitors, the Company has worked with many international manufacturers to obtain the core competitiveness of independent R&D and innovation. To ensure the independent R&D of production equipment, customer confidentiality in the production area, production process innovation, and smart factories, the area storing the R&D unit's development drawings and samples, server rooms, and the confidential document storage area are equipped with surveillance cameras and access control.

The server migration project for high availability application service protection aims to respond to rapid business growth. The existing application services are installed on standalone servers. As the number and service life of the servers increases, the probability of damage grows. In addition, there have been increasingly more information security threats. Therefore, the Company has implemented a plan to procure additional dedicated servers and switch to virtual servers to reduce the amount of hardware for maintenance and ensure the stability of system operation.

The Company originally adopted the traditional magnetic tape storage method. However, as recovery time is subject to the response speed of magnetic tapes, recovery can take several to dozens of hours. In order to reduce backup recovery response time, the Company has purchased additional storage media, introduced storage snapshot software and large-capacity hard drives, and implemented digital and snapshot recovery storage mechanisms to significantly lower data recovery response time and achieve timely recovery of operations.

In terms of the introduction of website security certificates, even though the Company's external website does not involve transaction activities or confidential data, we have decided to introduce an HTTPS security certificate for the website to strengthen the security of data exchange.

In addition, to enhance employees' information security awareness, the Company has set up screensavers on all computers to display the Company's information security requirements and precautions in order to remind employees to raise their awareness of information security at any time.

No data leakage incident occurred in 2023. We instill the concept of information security in every new employee and announce signs of suspicious emails or send new information security knowledge and social engineering drill reminders from time to time via email.

# 3

## Green Factories and Sustainable Operations

- 3.1 Climate and Energy Management
- 3.2 Pollution Control Management



## 3.1 Climate and Energy Management

### 3.1.1 Climate Change Governance

In order to actively strengthen the concept of sustainable management and its environmental sustainability governance function, the Board of Directors resolved in 2023 to set up the "Sustainable Development Committee" as the highest advisory body for sustainable governance operations. The committee is committed to integrating climate-related operational policies, risk management systems, and business processes into the Company's existing governance structure.

For the climate change issue governance structure of the Company, the Environmental Protection Team of the Sustainable Development Committee is responsible for identifying climate-related impacts, discussing climate-related risks and opportunities, and formulating and implementing relevant response measures and plans. The committee meets every six months to report to the Board of Directors on the implementation and effectiveness of actions for relevant issues to reduce the impact of climate issues on the Company's operation and enhance the Company's operational resilience.

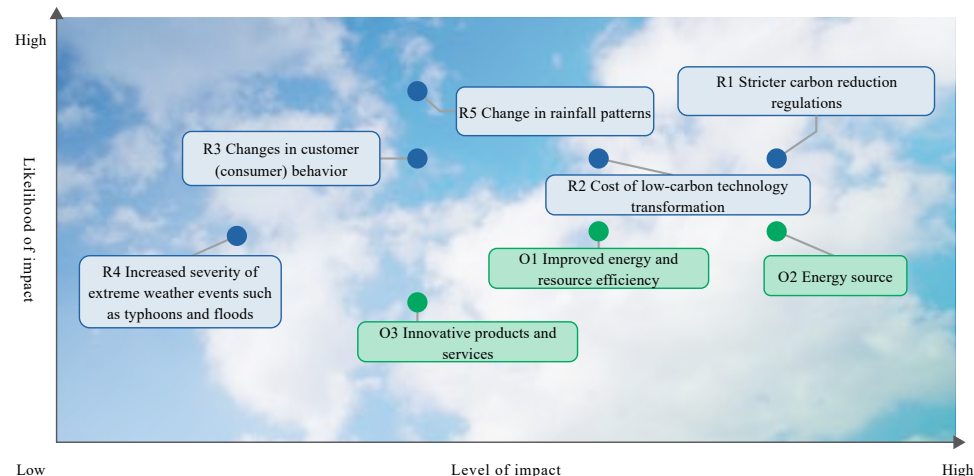
### Climate Risk Management Process

In order to identify the impact of climate change on the operation and strategic management of the Company, the Sustainable Development Committee reduced the potential financial impact of climate change on the Company through the following risk management process in 2023.



The impact of the risks and opportunities faced may be defined as short-term (less than 3 years), medium-term (3 - 5 years), and long-term (more than 5 years). This year, for five risks and three opportunities, the Company invited factory, financial, procurement, and environmental safety supervisors to conduct risk assessment, complete the analysis of material risks and opportunities, carry out financial impact assessment, and formulate risk mitigation measures and opportunity management measures. The risk matrix is shown in the figure.

### Climate Risk and Opportunity Matrix



The results of the identification of material risks and opportunities, the impact on the value chain, the duration of the impact, and mitigation/management measures are organized as follows:

No.	Risk/ Opportunity Type	Item	Risk/Opportunity Description	Financial Impact	Affected Party	Geographic Location	Time Point of Impact	Countermeasure
R1	Policies and regulations	Stricter carbon reduction regulations	Taiwan's carbon fee system has been in place since 2024. Our factories in Taiwan have been faced with the pressure of the government's energy-saving requirements, water conservation charges, and renewable energy installation requirements, resulting in increased operating costs for the Company.	Increased costs of sales and logistics, operating costs, and asset expenditures	Jentech	Taiwan	Medium-term	<ul style="list-style-type: none"> <li>In response to the potential risks of the carbon fee system, the Company has initiated carbon inventory work. Since 2022, we have conducted an inventory of the carbon emissions of our factories in Taiwan every year, and will expand the inventory to include our global subsidiaries in the future in order to fully understand the Company's carbon emissions and initiate subsequent carbon reduction measures.</li> <li>In response to the government's energy and water conservation measures, we have actively implemented energy improvement plans and recycled process water to reduce water resource withdrawal. The Company has installed solar photovoltaic systems in the existing factories (Hwa Ya Factory and Dayuan Factory 2) and planned to install such systems in our new factory in Taoyuan Aerotropolis to meet the requirements of the Bureau of Energy for the installation of renewable energy equipment.</li> </ul>
R2	Technology	Cost of low-carbon technology transformation	For the low-carbon transformation of factories, it is necessary to conduct carbon inventory and equipment replacement, and the implementation of carbon reduction strategies and the purchase of green power require costs.	Increased asset expenditures	Jentech	Taiwan	Short-term	<ul style="list-style-type: none"> <li>Every year, the Company conducts a carbon inventory to analyze the power consumption and carbon emission hotspots of factories, assesses the capital invested in and the efficiency of carbon reduction strategies for prioritization, and evaluates and compares the possible combinations of green power options in the market to minimize the cost required for carbon reduction.</li> </ul>
R3	Market risks	Changes in customer (consumer) behavior	Customers require the establishment of short-, medium- and long-term plans and reduction action plans for GHG emissions. Failure to actively cooperate may result in the loss, or even cancellation, of orders.	Decreased operating revenue: Order reduction and customer loss	Downstream customers	Taiwan	Short-term	<ul style="list-style-type: none"> <li>We gradually expand the scope of carbon inventory, and formulate relevant short-, medium- and long-term plans and reduction action plans in response to customer requirements.</li> </ul>

No.	Risk/Opportunity Type	Item	Risk/Opportunity Description	Financial Impact	Affected Party	Geographic Location	Time Point of Impact	Countermeasure
R5	Chronic physical risks	Change in rainfall patterns	Water is an important resource for the operation of the Company's factories. According to the simulation analysis results of the IPCC Sixth Assessment Report, Taiwan may face more significant differences in wet and dry seasons and more days of no rainfall in the future. In case of water outage, the operation of the Company's factories will be disrupted.	Business disruption	Jentech's operations	Taiwan	Long-term	<ul style="list-style-type: none"> <li>The water consumption of the Dayuan Factory and Dayuan Factory 2 is relatively high. In response to possible water shortage, we have built an emergency water tank with a capacity of 2000 metric tons in the Dayuan Factory 2. In the event that there is water outage and no water trucks are available, the tank can be used immediately to supply the water required for the operation of the Dayuan Factory and Dayuan Factory 2.</li> </ul>
O1	Resource utilization efficiency	Improved energy and resource efficiency	As the government's control over GHG, water resource management, and waste disposal capacity becomes stricter, the market prices of electricity, water, and waste disposal are expected to increase. Improving energy and resource efficiency can help reduce operating costs and increase operational resilience.	Reduced energy costs, improved operational resilience	Jentech's operations	Taiwan	Medium-term	<ul style="list-style-type: none"> <li>All our factories have gradually replaced lamps with energy-saving ones, and regularly clean cooling water pump motors, in order to achieve energy conservation.</li> <li>The Company has actively formulated energy improvement plans, and regularly reviews the operating efficiency of air compressors and initiated equipment replacement programs if the operating efficiency is reduced to 80%. We have increased the number of backup equipment and used variable frequency motor units to adjust spare capacity as needed, and separated the areas where heat is generated from the operation of equipment motors to reduce the energy consumption of the air conditioning system, thereby improving energy efficiency. We have installed an air compressor energy management system first in the Dayuan Factory 2. A total of seven air compressors in the Dayuan Factory 2 are internet-enabled, which allows for online real-time optimal operation to reduce energy consumption demand. The installation is expected to be completed in 2024.</li> <li>The Company's metal waste is disposed of and reused by professional contractors. The Company has adopted a new wastewater treatment process, which has significantly reduced the amount of sludge.</li> <li>The wastewater from each factory is recycled for reuse in the manufacturing process, cooling towers, and scrubbers. In 2023, the recycling rate of the Dayuan Factory and Dayuan Factory 2 was 23.2% and 15%, respectively. In the future, our new factory in Taoyuan Aerotropolis will use reclaimed water to further improve the efficiency and stability of water use.</li> </ul>
O3	Development of renewable energy	Development of new markets	Under the trend of low-carbon transformation in the overall market, presenting the carbon footprint data of products and OEM services as a low-carbon procurement strategy when facing potential customers and having organizational carbon reduction strategies in place will help develop new markets.	Increased orders	Downstream customers	Europe Taiwan	Medium-term	<ul style="list-style-type: none"> <li>In 2023, we gathered product carbon footprint data and obtained ISO 14067 certification.</li> </ul>

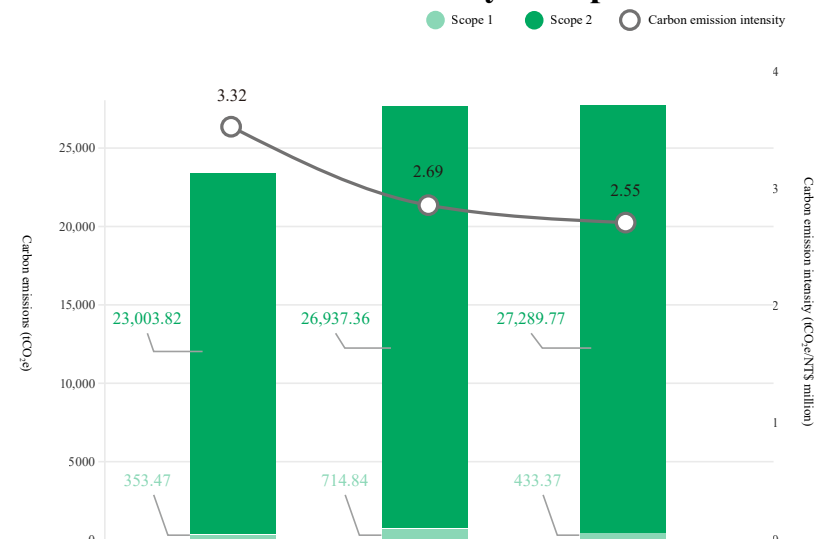
## 3.1.2 Energy and GHG Management

To save the world from climate change, governments around the world have actively responded to the Paris Agreement that set a goal of no more than 1.5°C of temperature rise by the end of the century. In 2022, Taiwan released the Sustainable Development Roadmap. In 2023, the “Climate Change Response Act” was amended and passed to strengthen the management of enterprises’ GHG emissions. The White House established the National Climate Task Force in 2021, which is promoting the Clean Competition Act (CCA). In addition to promoting carbon trading since 2005, the EU also launched the Carbon Border Adjustment Mechanism (CBAM) in 2023. It is clear that the control of GHG emissions from the operations and products of enterprises is a major risk item for corporate management. The Company has adopted the ISO14064-1:2018 organizational carbon inventory for the factories in Taiwan. In the future, the Company will gradually expand the scope of the inventory to include the Company’s overseas locations to prepare for the next step in carbon management.

Scope 2 emissions (from purchased electricity) constitute a majority of the Company’s GHG emissions. The Company’s Scope 3 emissions are mainly from employee commuting.



## GHG Emissions and Carbon Intensity Comparison



## Statistics on GHG Emissions in the Last Three Years

	2021	2022	2023
Scope 1 (tCO <sub>2</sub> e) <sup>Note 1</sup>	353.47	714.84	433.37
Scope 2 (tCO <sub>2</sub> e) <sup>Note 2</sup>	23,003.82	26,937.36	27,289.77
Scope 1 + Scope 2 emissions (tCO <sub>2</sub> e)	23,357.29	27,652.20	27,723.13
Scope 3 (tCO <sub>2</sub> e) <sup>Note 4</sup>	162	2,078	891
Emission intensity (tCO <sub>2</sub> e/operating revenue in NT\$ million) <sup>Note 3</sup>	3.32	2.69	2.55

• Note 1: The inventory of GHG emissions is conducted using the operational control method. The emissions are calculated as follows: activity data\*emission factor\*GWP value (the emission factor is derived from the Greenhouse Gas Emission Factor Management Table (Version 6.0.4) released by the Ministry of Environment in 2019; the GWP value is derived from the IPCC Sixth Assessment Report (2021)). GHGs include carbon dioxide, methane, nitrous oxide, hydrofluorocarbons, perfluorocarbons, sulfur hexafluoride, and nitrogen trifluoride.

• Note 2: For the Scope 2 emissions in 2023, the electricity emission factor of 0.494kg CO<sub>2</sub>e/kWh announced by the Bureau of Energy is used.

• Note 3: Emission intensity = Scope 1 + Scope 2 carbon emissions/operating revenue in NT\$ million.

• Note 4: In 2022, the categories of upstream/downstream transportation and procurement of goods were included in the scope of the inventory in line with the guidance on product carbon footprint inventory.

## Total Energy Consumption



• Note: The calculation of energy intensity covers the use of electricity, steam, gasoline, and diesel.

## Statistics on Energy Consumption in the Last Three Years

	2021	2022	2023
Purchased electricity (GJ)	156,965.76	188,379.95	191,813.82
Steam (GJ)	8,547.90	10,750.02	9,514.48
Gasoline (GJ)	662.87	548.79	634.93
Diesel (GJ)	1,945.26	1,761.71	1,490.85
Total energy consumption (GJ)	168,121.79	201,440.47	206,850.09
Energy intensity (GJ/operating revenue in NT\$ million)	23.88	19.59	19.03

• Note 1: Unit heating value: "Heat Content of Energy Products" of the Bureau of Energy, Ministry of Economic Affairs.  
• Note 2: GJ means gigajoule.



The Company's energy consumption includes purchased electricity, steam, gasoline, and diesel. Purchased electricity and steam account for the largest proportion. Electricity is mainly used for production, lighting, and air conditioning systems, while steam is mainly used for production processes. Diesel and gasoline are mainly used for generators, forklifts, and company vehicles. The total energy consumption in 2023 was 206,850.09 (GJ), which increased compared to 2022 due to the expansion of production capacity. However, the energy intensity decreased from 23.88 in 2021 to 19.03 GJ/NT\$million due to the improvement of production efficiency and energy-saving measures.

The Company's largest source of GHG emissions and energy consumption is electricity. At present, various measures for GHG reduction have been implemented, including promoting the replacement of office and factory lamps and water pumps, and optimizing the operation of air compressors, to reduce energy consumption and GHG emissions. In 2023, a total of 197,170 kWh of electricity was saved, reducing 97.40mt CO<sub>2</sub>e of GHG emissions in total.

Measure Promoted	Electricity Savings (kWh)	GHG Emissions Reduced (mt CO <sub>2</sub> e)
Replacement of lamps	91,353	45.13
Cleaning and maintenance of air compressor coolers	97,736	48.28
Replacement of cooling water pump motors with energy-saving ones	8,081	3.99

In view of the severity of climate risks, the Company is committed to promoting low-carbon manufacturing, using the optimal technology to reduce GHG emissions in production, and planning to introduce the ISO 50001 energy management system to continuously improve energy efficiency. In the future, we will also promote GHG inventory for our subsidiaries, and set our own carbon reduction targets, including for GHG emission intensity, power saving rate, renewable energy utilization rate, and GHG verification coverage.

Target Year	Emission Reduction Target (tCO <sub>2</sub> e/operating revenue in NTS million)	Power Saving Target	Renewable Energy Utilization Rate	GHG Verification Coverage
2024 (short-term)	3%	1%	-	Coverage of 100% of subsidiaries in Taiwan
2027 (medium-term)	14%	5%	2%	Coverage of 50% of overseas subsidiaries
2030 (long-term)	28%	10%	15%	Coverage of 100% of overseas subsidiaries

• Note: The base year for emissions reduction and power saving targets is 2023.

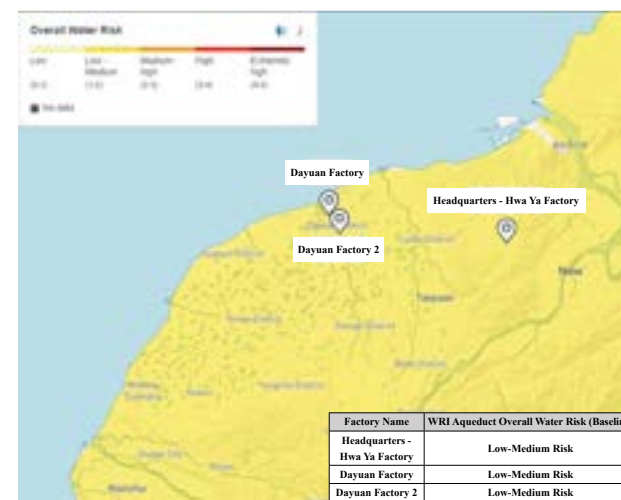
We expect to install solar photovoltaic systems in our existing factories (Hwa Ya Factory/Dayuan Factory 2) in 2024. With an installation capacity of 576kW, it is expected to provide 690MWh of electricity for self-use each year. Our new factory in Taoyuan Aerotropolis will be completed in 2027, and the factory has been designed to incorporate a solar photovoltaic system. With a future installation capacity of 304kW, it is expected to provide 520MWh of electricity for self-use each year, which can significantly reduce the carbon footprint of the Company's production and manufacturing, moving towards a new era of low-carbon manufacturing.

## 3.2 Pollution Control Management

### 3.2.1 Water Resource Management

In recent years, as climate change intensifies, international attention to water resource management has increased. In response to increasingly scarce water resources, the Taiwanese government has promoted corporate water conservation and striven for water justice. Since 2023, the government has imposed water conservation charges on companies with high water consumption. Facing external water environment pressure and regulations, we will gradually implement sustainable management of water resources.

In addition to incorporating water-related risks into the TCFD risk management mechanism, the Company uses the Aqueduct Water Risk Atlas of the World Resources Institute (WRI) to assess the overall water resource risk of each operating location. According to the analysis results, low to moderate risks have been identified for the headquarters (Hwa Ya Factory), Dayuan Factory, and Dayuan Factory 2. To prevent a higher risk of water shortage caused by climate change, we will continue to review our water consumption and monitor the risk to evaluate and optimize relevant strategies.



• Note: This is the overall water risk assessment result for each of the Company's operating locations obtained using the WRI Aqueduct Water Risk Atlas (inquiry date: June 2024).



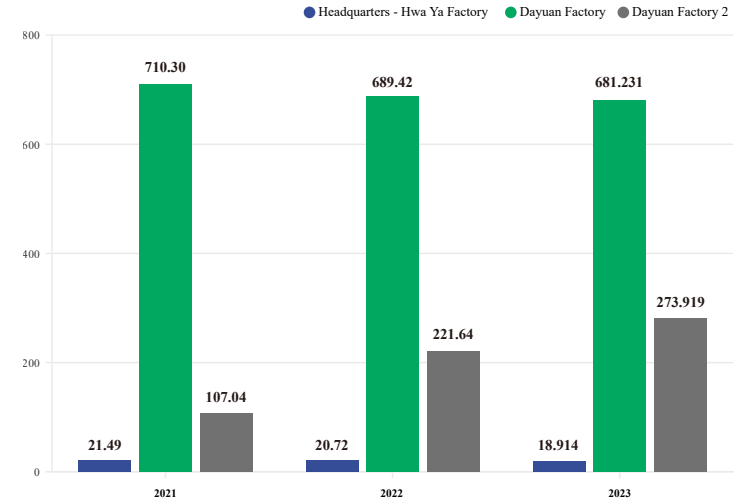
## Water Withdrawal, Discharge, and Consumption

The water resources of all our factories mainly come from tap water, not from surface water and groundwater. The water used in factories includes domestic water, process water, water recycled for use by cooling towers and scrubbers, etc. Our source of water withdrawal is Shihmen Reservoir.

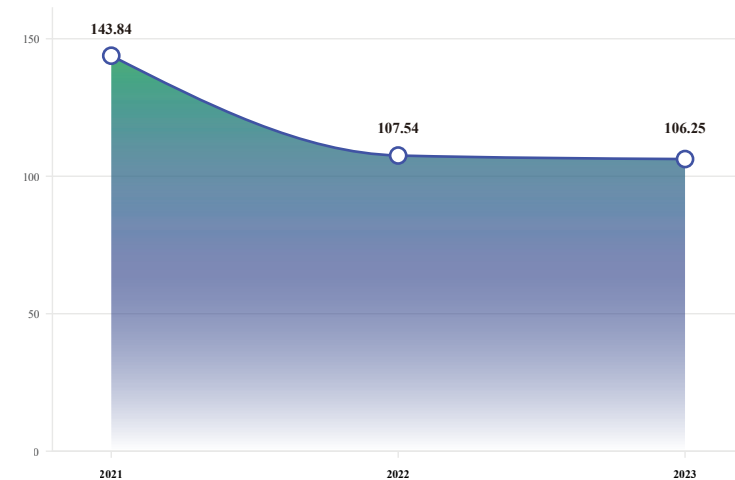
Item		Factory	2021	2022	2023
Water withdrawal source	Third-party water (Tap water)	Headquarters - Hwa Ya Factory	21.49	20.72	18.914
		Dayuan Factory	710.30	689.42	681.231
		Dayuan Factory 2	107.04	221.64	273.919
		<b>Total</b>	<b>838.83</b>	<b>931.78</b>	<b>974.064</b>
Water withdrawal		Headquarters - Hwa Ya Factory	21.49	20.72	18.914
		Dayuan Factory	710.30	689.42	681.231
		Dayuan Factory 2	107.04	221.64	273.919
		<b>Total</b>	<b>838.83</b>	<b>931.78</b>	<b>974.064</b>
Water discharge		Headquarters - Hwa Ya Factory	11.00	13.38	14.85
		Dayuan Factory	641.96	605.58	626.73
		Dayuan Factory 2	105.07	216.74	242.12
		<b>Total</b>	<b>758.03</b>	<b>835.70</b>	<b>883.70</b>
Water consumption		Headquarters - Hwa Ya Factory	10.49	7.34	4.06
		Dayuan Factory	68.34	83.84	54.50
		Dayuan Factory 2	1.97	4.90	38.54
		<b>Total</b>	<b>80.80</b>	<b>96.08</b>	<b>97.10</b>

• Note: All water is treated through the sewage treatment plant and is then confirmed to meet the legal standards before being discharged into the receiving water body.

## Water Consumption Data



## Water Use Intensity (water consumption (metric tons)/operating revenue in NTS million)



• Note: Water consumption = Water withdrawal + Water recycled.

Process wastewater discharge in 2023 was 825,336 tons. Discharge of process wastewater met the requirements of Taiwan's laws and regulations, and wastewater treatment and water quality testing were carried out in accordance with the law. The Company regularly monitors wastewater discharge and makes operational adjustments. Our wastewater quality data is based on test report statistics. The Company's wastewater discharge quality in recent years has met the Effluent Standards of the Water Pollution Control Act. We will continue to monitor wastewater. If any of our operating locations fail to meet the discharge requirements, we will immediately initiate a corrective improvement plan.

The Company's wastewater can mainly be classified based on characteristics into: general process rinsing wastewater, degreasing wastewater, high-concentration cyanide wastewater, cyanide wastewater, micro-etching rinsing water, nickel sulfate rinsing water, potassium gold cyanide rinsing water, and palladium chloride rinsing water. As we produce different categories and quantities of products each year, the concentration of pollutants in the process wastewater varies, leading to an increase or decrease in the annual final water discharge quality.

## Wastewater Discharge Quality Data

(water quality indicator: average concentration)

Company	Type of Wastewater	Year	Water Temperature	Chemical Oxygen Demand (COD)	Suspended Solids (SS)	Hydrogen Ion	Copper	Nickel
Headquarters - Hwa Ya Factory <sup>Note</sup>	Domestic sewage	2023	-	239.00	43.00	-	-	-
		2021	16.10	16.10	2.78	7.15	0.03	0.05
Dayuan Factory	Process wastewater	2022	22.98	22.98	2.55	7.23	0.22	0.13
		2023	25.80	25.80	2.70	7.13	0.04	0.09
Dayuan Factory 2	Process wastewater	2021	26.55	12.77	1.67	7.67	0.24	0.07
		2022	24.53	12.48	2.05	7.40	0.03	0.12
		2023	26.63	14.20	1.58	7.20	0.05	0.28

\* Note: The headquarters (Hwa Ya Factory) does not generate process wastewater, and its domestic sewage is directed to the sewage treatment plant in the park. The water quality test data is based on the data published by the park's sewage treatment plant. (There is no available data for 2021 and 2022)

## Introduction to the Wastewater Treatment Process

### 1. General Process Rinsing Wastewater

Equalization tank → pH adjustment tank → UF membrane buffer tank →  
UF membrane reaction tank → Intermediate tank → Neutralization tank → Discharge tank

### 2. Degreasing Wastewater

Degreasing equalization tank → Degreasing batch treatment tank → Plate and frame filter press

### 3. High-concentration Cyanide Wastewater

High-concentration cyanide wastewater collection tank → Cyanide wastewater equalization tank

### 4. Cyanide Wastewater

Cyanide wastewater equalization tank → First cyanide oxidation tank →  
Second cyanide oxidation tank → Wastewater equalization tank

### 5. Micro-etching Rinsing Water

Copper sulfate/nickel sulfate wastewater collection tank → Batch treatment tank →  
Copper/nickel sludge storage tank → Plate and frame filter press

### 6. Potassium Gold Cyanide Rinsing Water

Potassium gold cyanide wastewater collection tank → Potassium gold cyanide resin column →  
Cyanide wastewater equalization tank

### 7. Palladium Chloride Rinsing Water

Palladium chloride wastewater collection tank → Palladium chloride flash mixing tank →  
Palladium chloride buffer tank → UF membrane reaction tank

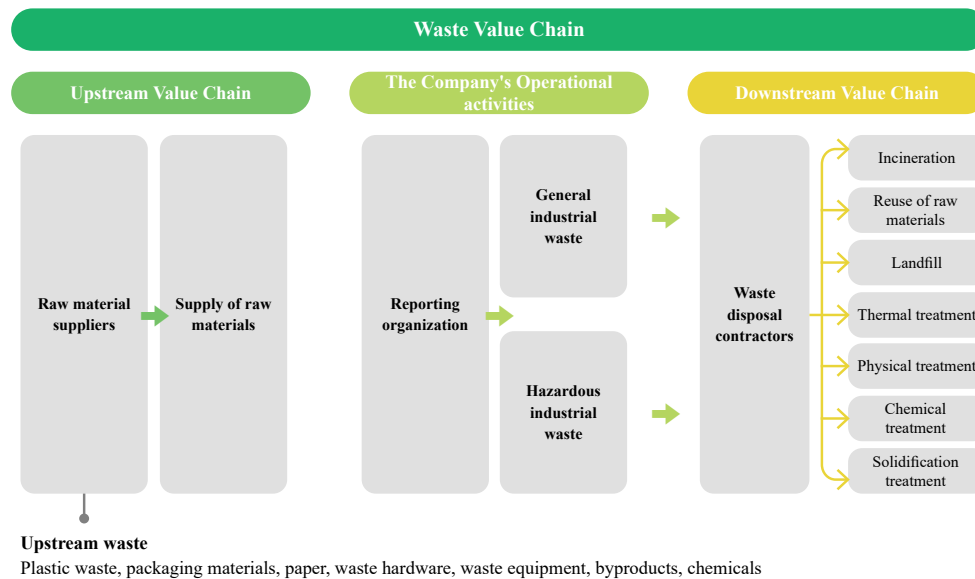
## Water Conservation and Wastewater Management

We have invested in water-saving projects since 2021. At the Dayuan Factory, we have reused the condensed water generated by the pure water machine for the factory's facilities. Over the course of three years, we have saved a total of 195.6 thousand tons of water. In addition, for wastewater improvement, we have recycled and treated the water used by the finished product washing machine through an ion exchange resin system for reuse in the production process, saving 145.19 thousand tons of water over three years. In the future, we will gradually improve our water resource management measures to further optimize the water efficiency of our factories.

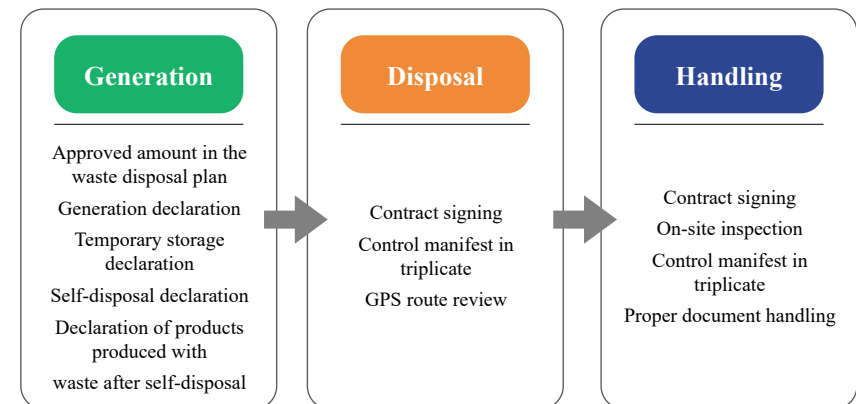
## 3.2.2 Waste Management

To implement waste management, the Company declares and disposes of waste in accordance with the Waste Disposal Act and takes the reduction of environmental impact as the main consideration. Waste in operating locations is prioritized for recycling and reuse; those that are not recyclable will be centrally stored for incineration, and those that cannot be incinerated will be disposed of by landfill. We have selected and commissioned qualified waste disposal contractors to strictly prevent pollution and hazardous incidents. We have established a strict review and audit mechanism for waste disposal contractors through on-site inspection plans and GPS flow tracking. In addition, the Company has implemented ISO 14001 certification to systematically manage and track waste disposal and related data. The Company assesses the impact of waste on the environment in the three stages of the value chain, namely, the upstream value chain, the Company's operations, and the downstream value chain, and establishes management practices to reduce such impact.

### Waste Flow in 2023



### Waste Management Process



## Waste Generation and Disposal

The waste generated by the Company can be divided into general industrial waste and hazardous industrial waste. The Company's general industrial waste mainly includes general garbage, waste plastic mixtures, waste plastic, and waste wood. We have recycled 100% of waste plastic, waste wood, and other waste materials. The Company's hazardous industrial waste is mainly the wastewater treatment sludge from the electroplating process during the production process.

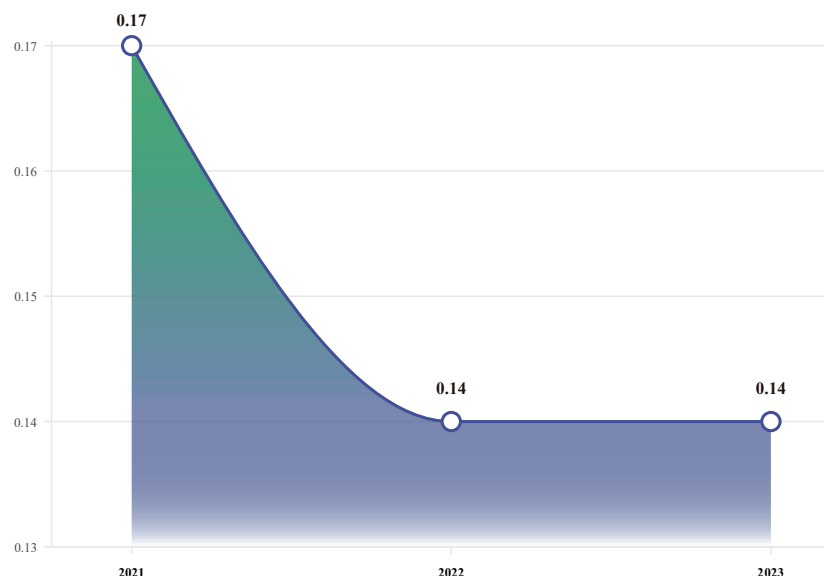
## 2023 Waste Disposal Statistics

Waste Type	Waste Name	Generation Volume (metric tons)	Disposal Volume (metric tons)	Percentage by Disposal Method (%)	Disposal Method
General industrial waste	General garbage from business activities	197.54	197.54	32.40%	Incineration (with energy recovery)
	Non-hazardous mixed waste liquid	0.57	0.57	0.09%	Incineration (without energy recovery)
	Waste plastic	77.43	77.43		
	Waste glass	2.14	2.14	25.08%	Reuse of raw materials
	Waste wood	110.54	110.54		
	Ion exchange resin containing precious metals	0.44	0.44	0.08%	Chemical treatment
	Other single non-hazardous waste metal or waste metal mixtures	1.00	0.06		
	Sandblasting waste	7.98	7.98		
	Lead frame waste materials containing gold (silver, palladium)	76.27	76.27	24.72%	Physical treatment
	Waste lubricant oil	26.86	26.86		
	Waste plastic mixtures	150.91	50.26		
	Waste glass, ceramic, bricks, tiles, clay, and other mixtures	0.20	0.20	17.66%	Cleaning treatment
	Sludge mixtures	33.00	33.00		
Hazardous industrial waste	Other corrosive industrial waste mixtures	0.62	0.62	0.08%	Incineration (without energy recovery)
	Waste containing heavy metal and its containers	0.01	0.01	0.00%	Cleaning treatment
	Waste cyanide electroplating solution	26.83	26.83	3.56%	Chemical treatment
	Copper and its compounds (total copper)	5.36	5.36	0.71%	Physical treatment
		3.60	3.60	0.48%	Reuse of raw materials
	Wastewater treatment sludge from the electroplating process	716.27	707.72	94.48%	
		8.55	1.14%	Thermal treatment	

## Waste Statistics for the Last Three Years

Waste Category by Attribute		2021		2022		2023	
		Off-site	On-site	Off-site	On-site	Off-site	On-site
Non-hazardous waste (tons)	Disposal and transfer	104.06	-	171.77	-	190.11	-
	Direct disposal	314.74	120.74	378.94	132.62	433.51	134.29
Hazardous industrial waste (tons)	Disposal and transfer	232.25	0.00	218.33	-	707.72	-
	Direct disposal	394.61	0.03	536.53	0.11	44.96	0.01
Total waste disposal volume (tons)		1,376.31	-	1,305.57	-	1,376.31	-

## Waste Intensity (waste generation (metric tons)/operating revenue in NTS\$ million)



## Waste Reduction Measures

In the past, the Company only contracted with one treatment plant to dispose of general garbage from business activities daily. When the treatment plant was performing annual maintenance or had insufficient capacity, it would directly affect the disposal of general garbage, resulting in insufficient storage space, affecting personnel movement, and generating bad smells. Since 2022, the Company has taken into account proximity and the flexibility of disposal services as evaluation criteria, taken into account the reduction of GHGs during the disposal process, and given priority to local treatment in increasing the number of backup general waste treatment plants to effectively reduce the risk of daily disposal.

In addition, starting in 2023, the Company has focused on zero waste to landfill, and sought other treatment methods for the sandblasting waste produced in the surface treatment process during production. In the past, after generating a certain amount of sandblasting waste, we used high strength transparent plastic bags for packaging, which were then put into a bulk bag for storage and collection. Finally, this was transported by the waste disposal contractor to the treatment plant for landfill. Landfill treatment has a greater impact on GHGs, land use, and the neighboring environment, which invisibly increases the social costs of carbon, raises enterprises' external waste costs, and causes failure to respond to public expectations for the circular economy. After assessing compliance management, disposal inspections, disposal audits, etc., we have switched from landfill to physical treatment to reduce the impact on the environment. In addition, we have obtained proper waste disposal documents to avoid increasing the risk of dumping due to the treatment transition.

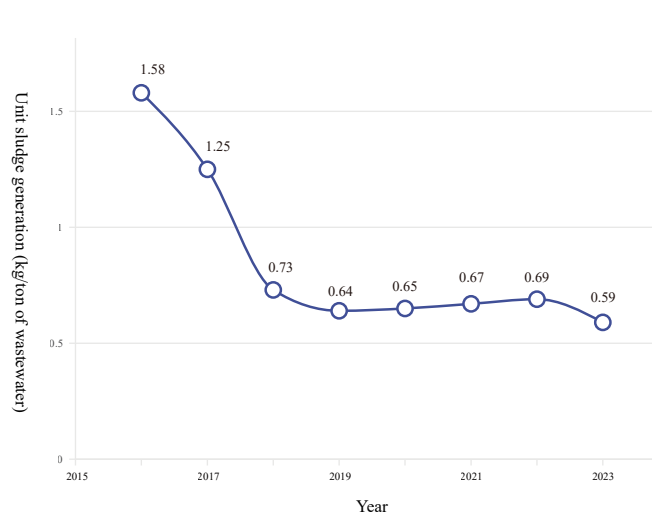
In the future, we will continue to reduce waste emissions from the source through process design, technology improvement, and continuous promotion of material reuse.

## Wastewater Sludge Reduction Plan

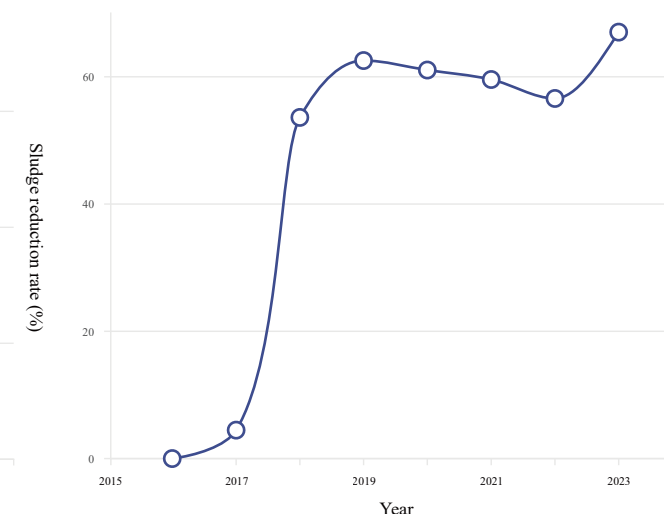
The wastewater generated in the electroplating industry contains various pollutants. In the past, to achieve the effluent quality standard, the wastewater was treated using the traditional chemical coagulation technology where a large amount of coagulants and flocculants must be added for the polymerization and precipitation of pollutants to form a large amount of hazardous sludge. In order to reduce the amount of hazardous sludge, the Company's Dayuan Factory has implemented a wastewater sludge reduction plan since 2017. From 2017 to 2019, wastewater treatment membrane systems were installed successively to reduce the amount of chemicals used to achieve the goal of sludge reduction. The plan achieved a sludge reduction rate of 20.9% in the first year of implementation. After the completion of the installation of membrane treatment systems throughout the factory in 2019, the sludge reduction rate reached up to 59.5%. From 2019 to 2023, the cumulative sludge reduction rate was 58.9%, and the average total sludge reduction was about 67.9 metric tons/month.

In early 2024, we and our wastewater treatment facility supplier participated in the selection of domestic remarkable suppliers of environmental protection equipment for the "Industry Coexistence and Energy and Resource Integration Promotion Plan" of the Industrial Development Administration, Ministry of Economic Affairs with the membrane filtration system. The new membrane filtration system has replaced the traditional coagulation and precipitation treatment, which can achieve the benefits of cost saving, higher energy efficiency, improved equipment and consumables durability, and better product performance.

## Sludge Generation Trend



## Sludge Reduction Rate Trend



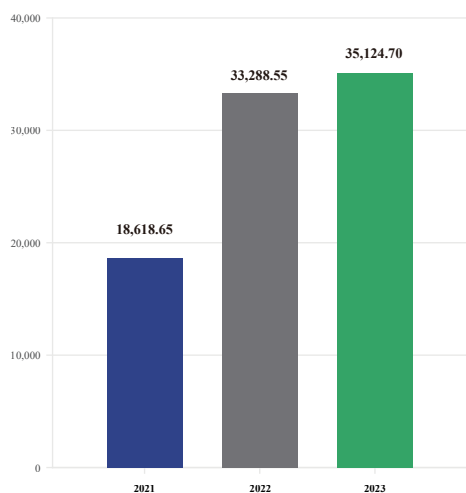
## Annual Sludge Generation and Total Reduction

Year	2016	2017	2018	2019	2020	2021	2022	2023	Total
Annual wastewater treatment volume (tons)	554,688	591,866	728,460	790,943	744,173	715,926	710,762	685,920	4,968,050
Theoretical sludge generation (tons)	876.3	935.1	1,150.9	1,249.6	1,175.7	1,131.1	1,122.9	1,083.7	7,849
Actual sludge generation (tons)	876.3	737.3	534.1	504.4	485.9	477.5	492.4	405.8	3,637
Unit sludge generation (kg/ton)	1.58	1.25	0.73	0.64	0.65	0.67	0.69	0.59	0.73
Total sludge reduction (tons)	0.0	197.8	616.7	745.2	689.8	653.6	630.5	677.8	4,211

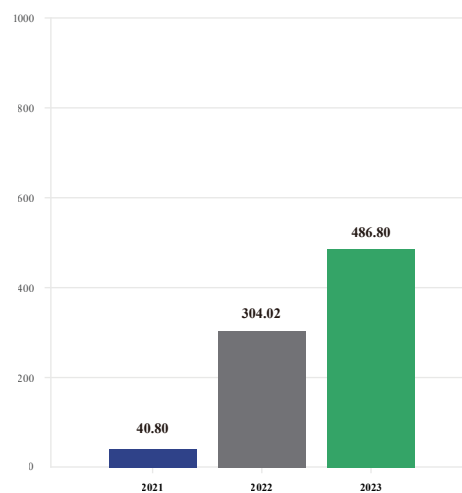
### 3.2.3 Air Pollution

The air pollutants emitted in 2023 mainly included suspended particulates and organic waste gas. We have installed various control equipment that is compliant with legal standards such as wet scrubbers and bag dust collectors to treat process gases and control the air pollution emission concentration. In recent years, due to the continuously expanded production capacity of the Company and differences in the annual use of raw materials, volatile organic compounds (VOCs) emissions have increased year by year. For suspended particulates, emissions have increased significantly since the emissions of particulate pollutants from the electricity consumption of the electroplating process were included in the calculation in the third quarter of 2022.

#### Emissions of VOCs and Suspended Particulates over the Years (unit: kg)



VOCs



Suspended Particulates



In response to continuous operation expansion in the future, in addition to the existing regular maintenance and inspection, we will implement a discharge management plan to continuously provide operators with education and training to maintain the normal operation of systems and ensure that the discharged gas does not harm the living environment. Moreover, the Company expects to replace the existing waste gas scrubbers in 2024. Through the renewal of control equipment, we implement source management and improvement to ensure that the waste gas from the production process is properly and effectively treated in order to lower the concentration of air pollution emissions, thereby reducing their environmental impact.

# 4

## Inclusive Workplace and Prosperous Society

- 4.1 Human Resource Employment and Policy
- 4.2 Talent Development and Cultivation
- 4.3 Safe and Healthy Workplace
- 4.4 Social Engagement





## 4.1 Human Resource Employment and Policy

### 4.1.1 Human Resource Structure

Employees are the most important asset of the Company and the cornerstone of corporate sustainable development. We are well aware of the importance of maintaining a good labor-management relationship for the Company. We are committed to creating a diverse and inclusive workplace environment that encourages and values every employee. In compliance with the Gender Equality in Employment Act and the internationally recognized fundamental human rights standards, we hire employees based on their professional capabilities and work experience, and do not treat them differently based on gender, race, age, marital status, political stance, religious beliefs, or nationality. We are committed to creating a healthy and trustworthy working environment that respects professionalism, ensures equality, and is diverse. As of the end of 2023, the total number of full-time employees in the Company was 1,755, of which 1,036 are male and 719 are female. As of the end of 2023, the Company had 31 non-employee workers, mainly contracted personnel for security, cleaning, and catering.



### Distribution of Employees by Type in 2023

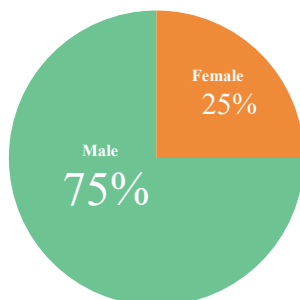
Item	Type	Male	Percentage	Female	Percentage	Total	Percentage
Position	Senior executives	18	1.02%	1	0.06%	19	1.08%
	Middle executives	117	6.67%	44	2.51%	161	9.18%
	General indirect personnel	151	8.60%	111	6.32%	262	14.92%
	General direct personnel	750	42.74%	563	32.08%	1313	74.82%
Total		1,036	59.03%	719	40.97%	1,755	100%
Age	<30 years old	189	10.77%	104	5.93%	293	16.70%
	30-49 years old	752	42.85%	543	30.94%	1295	73.79%
	≥ 50 years old	95	5.41%	72	4.10%	167	9.51%
Total		1,036	59.03%	719	40.97%	1,755	100%

- Note 1: The above data is based on the number of active employees on December 25, 2023.
- Note 2: Senior executives and middle executives are part of the supervisor system and are in charge of management; direct personnel are personnel directly related to production; and indirect personnel are other professionals.

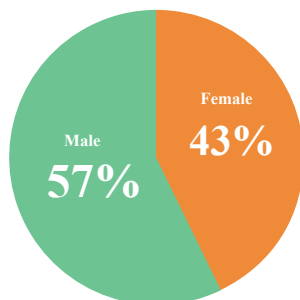
## 4.1.2 Diverse and Friendly Workplace

For both executives or non-executive personnel, the number of female employees has been maintained at a certain level. We insist on treating every employee fairly, providing work security, and selecting talent and promoting them without consideration of gender. By providing fair development opportunities and continuously improving the benefit system, the Company can create an environment conducive to long-term retention of female employees. We believe that through these efforts, employees can fully exert their personal value and better contribute to the Company and society.

**Percentage of Male and Female Executives in 2023**



**Percentage of Male and Female Non-executive Personnel in 2023**



**Male-to-Female Basic Salary Ratio in 2023**

Type	Male	Female
Senior executives	1	0.92
Middle executives	1	0.86
General indirect personnel	1	0.81
Direct personnel	1	0.87

**Overall Male-to-Female Remuneration Ratio in 2023**

Type	Male	Female
Senior executives	1	0.55
Middle executives	1	0.88
General indirect personnel	1	0.81
Direct personnel	1	0.88



The Company is committed to creating a diverse and friendly workplace. As of the end of 2023, a total of 14 persons with disabilities (including four persons with severe disabilities) were employed, which exceeded the number of persons with disabilities that should be employed by the Company in accordance with the law in 2023. To enable employees with disabilities to quickly become familiar with their work and fit in the Company, we have flexibly and appropriately adjusted their work based on their learning progress and adaptation status. In addition, as of the end of 2023, we employed a total of 669 employees of foreign nationality. We believe that employees from diverse backgrounds can not only bring more diverse perspectives and innovative ideas to the Company, but also further promote the Company's continuous development. Furthermore, to increase the participation of middle-aged and older people in the workforce and promote their re-employment, we hired 22 middle-aged and older adult employees in 2023. We believe that this measure can not only protect the employment rights of middle-aged and older people, but also implement decent work and help foster collaboration and experience inheritance between generations within the Company. In the future, we will keep striving to promote diversity and inclusion to create a working environment where everyone can unleash their potential.

## 4.1.3 Talent Attraction and Retention

New employees bring new energy to the Company, introduce new ideas and creativity to the Company, provide new skills and professional knowledge, and further enrich the Company's diversity and competitiveness. New employees represent the Company's future and their participation is the key to achieving long-term success. At the same time, we also understand that employee turnover is an inevitable part of business life. Therefore, we are committed to continuously recruiting outstanding new employees and maintaining care for employees who have left the Company. We also take active measures, including expanding the recruitment of new employees and providing career development plans and continuous employee training, to ensure the steady growth of the Company's team. We firmly believe that by attracting and retaining the best talent, we will achieve sustainable development and lay a solid foundation for the Company's future.

### Total Number and Percentage of New Employees in 2023

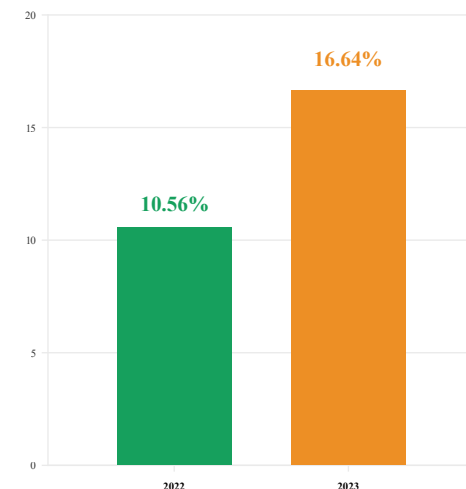
Age Distribution	Male	Percentage	Female	Percentage	Total	Percentage
<30 years old	82	43.39%	37	35.58%	119	40.61%
30-49 years old	111	14.76%	88	16.21%	199	15.37%
≥ 50 years old	7	7.37%	1	1.39%	8	4.79%
Total	200	19.31%	126	17.52%	326	18.58%

### Total Number and Percentage of Employees Leaving the Company in 2023

Age Distribution	Male	Percentage	Female	Percentage	Total	Percentage
<30 years old	58	30.69%	37	35.58%	95	32.42%
30-49 years old	104	13.83%	78	14.36%	182	14.05%
≥ 50 years old	13	13.68%	2	2.78%	15	8.98%
Total	175	16.89%	117	16.27%	292	16.64%

- Note 1: Percentage of new full-time employees = (Number of new full-time employees in the respective categories in 2023) ÷ (Number of employees on December 25, 2023).
- Note 2: Turnover rate of full-time employees = (Number of employees leaving the Company in the respective categories in 2023) ÷ (Number of employees on December 25, 2023).

## Turnover Rate in the Last Two Years



In 2023, the Company's overall turnover rate was 16.64%, an increase compared to the previous year. This was mainly due to competition in the talent market where companies continued to offer favorable policies, which increased the incentives for employees to change jobs. For employees leaving the Company, our hiring unit and human resources department conduct interviews to understand their reasons for leaving, so as to facilitate continuous improvement and review the hiring policy. Despite talent market competition, we continue to meet the Company's talent needs through different measures to maintain the Company's future growth momentum.

## 4.1.4 Maternity Support

The Company attaches great importance to the family life of employees, including maternity support. Our relevant policies include providing friendly parking spaces for employees during pregnancy and setting up breastfeeding rooms. We are well aware of the importance of parental leave for employees and their families. Therefore, the Company not only strictly abides by related laws and regulations, but also strives to ensure that every employee has the equal right to full parental leave regardless of gender, title or work location. Our goal is to create a diverse and inclusive working environment where all employees can use this policy with peace of mind.



### Statistics on Parental Leave without Pay in 2023

Item	Male	Female	Total
Total number of employees entitled to parental leave (A)	60	41	101
Total number of employees who actually took parental leave (B)	6	9	15
Total number of employees expected to return to work from parental leave in the current year (C)	7	12	19
Total number of employees who actually returned to work from parental leave in the current year (D)	5	7	12
Total number of employees who returned to work from parental leave in the previous year (E)	3	8	11
Total number of employees who returned to work from parental leave in the previous year and remained active for a period of 12 months thereafter (F)	3	8	11
Application rate for parental leave without pay (B/A)	10.0%	22.0%	14.9%
Reinstatement rate (D/C)	71.4%	58.3%	63.2%
Retention rate (F/E)	100.0%	100.0%	100.0%

• Note 1: Reinstatement rate = (Total number of employees who actually returned to work from parental leave/Total number of employees who should return to work from parental leave) x 100.

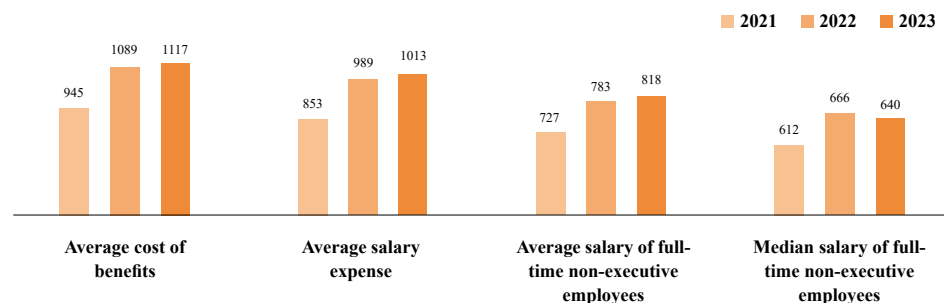
• Note 2: Retention rate = (Total number of employees who returned to work from parental leave and remained active for a period of 12 months thereafter/ Total number of employees who returned to work from parental leave in the previous reporting period) x 100.

In addition to the parental leave system, Jentech also offers maternity subsidies, pregnancy gift vouchers (those who meet the application criteria may notify the medical room and complete a maternal health protection assessment by occupational medicine physicians to apply for the pregnancy gift vouchers to purchase maternity and baby supplies of equal value), paternity leave, breastfeeding rooms, special offers from partner child care centers, and other benefits to provide the most comprehensive support for parents during the parenting stage. We hope that these measures can provide the greatest convenience and care to employees and their families, allowing them to achieve a balance between work and family life and work with peace of mind.

## 4.1.5 Employee Remuneration and Benefits

The Company values the salary and benefits of employees, and is committed to planning a complete remuneration system and a good working environment. Our overall remuneration system includes base salary, allowances, bonuses, and rewards. We regularly analyze the salary trend and competitiveness level of the talent market, and formulate an appropriate overall remuneration plan based on the Company's operation goals to provide motivating remuneration. These measures aim to attract, retain, motivate, and cultivate outstanding talent to ensure the Company's long-term development and competitiveness. The average salary of employees, the average cost of employee benefits, and the average and median salary of full-time non-executive employees in recent years are as follows:

### Turnover Rate in the Last Three Years (unit: NT\$ thousand)



In addition to the above remuneration, we also provide various bonuses, allowances, and subsidies to take care of various aspects of employees' lives, hoping to grow together with them.

#### Year-end Bonus/ Employee Remuneration

In order to commend employees' contributions and share the results of the Company's operations, we distribute year-end bonuses annually based on operating performance. In addition, a portion (10% in 2023) of the Company's earnings is allocated as employee remuneration every year to thank employees for their hard work. The year-end bonuses and employee remuneration are closely linked to the Company's overall operating performance and the performance of individual employees to ensure that rewards are fair and equal and truly reflect the efforts and contributions of each employee.

#### Improvement Proposal Bonuses

We value the ideas of every employee. To further stimulate the innovation potential and promote the team spirit of our colleagues, we have set up an improvement proposal bonus scheme. Any improvement opinions, inventions, or ideas that are beneficial to the Company's operations may be proposed. The bonus is paid together with the monthly salary after review and approval every month.

#### Tenure Rewards

We believe that employees' continuous contributions are the cornerstone of the Company's success. We have established a tenure reward system to thank our employees for their hard work and loyalty over the years. We publicly commend and present a commemorative gold coin to employees who have served for at least one year to express our appreciation for their contributions and motivate them to continue working with us.

#### Other Benefits

- Marriage subsidies for employees and their children
- Marriage, funeral, and maternity subsidies for employees, as well as pregnancy gift vouchers (those who meet the application criteria may notify the medical room and complete a maternal health protection assessment by occupational medicine physicians to apply for the pregnancy gift vouchers to purchase maternity and baby supplies of equal value).
- Birthday cash gifts, Labor Day/Dragon Boat Festival/Mid-Autumn Festival bonuses, and year-end party lottery.
- Employee meal subsidies, and employee cafeteria and dormitory
- Travel subsidies for employees and their family members and club subsidies.
- Free employee health examinations and on-site medical consultations by occupational medicine physicians

In addition to providing basic labor and health insurance for employees in accordance with the law, the Company also offers additional group insurance coverage for all employees, including life insurance, critical illness insurance, accident insurance, occupational injury insurance, hospitalization insurance, and critical burn injury and overseas emergency rescue, to ensure that our employees can receive appropriate care in various circumstances. We also make pension contributions under the new and old pension systems in accordance with the government's "Labor Standards Act" and "Labor Pension Act."

## 4.1.6 Labor-management Communication and Complaints

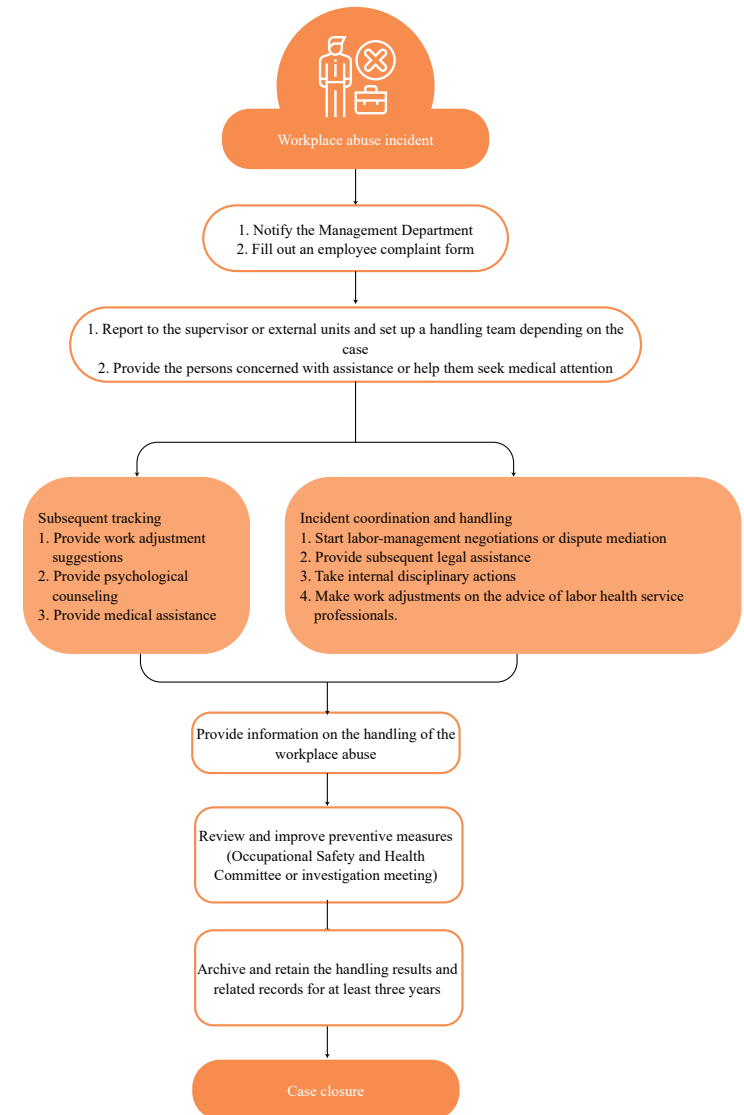
The Company strives to create a transparent and open working environment. To ensure effective labor-management communication, we provide various labor-management communication channels to allow employees to share their opinions. We hold regular labor-management meetings and quarterly communication meetings with foreign employees to discuss various issues and solve problems. In addition, the Company provides a dedicated complaint hotline (0928-618-137) for employees to raise problems or make suggestions at any time. We also have a whistleblowing email address (Spokesperson@jentech.com.tw) in place for employees to submit their concerns or make reports anonymously or non-anonymously. To better meet the needs of employees, we have set up a President's Suggestion Box in the cafeteria and employee dormitory of each factory to provide a convenient means for employees to submit suggestions and feedback at any time. In addition, the Company conducts at least one employee opinion survey every six months to ensure that every employee has the opportunity to participate in the survey, further promoting the Company's development and improvement.

We also take workplace abuse incidents very seriously, especially sexual harassment or discrimination. In addition to regularly and irregularly promoting awareness among employees of both Taiwanese nationality and foreign nationality, we have also established the "Regulations Governing Prevention and Management of Abuse in the Performance of Duties" to track and manage each case in order to ensure that each complaint can be handled properly and that necessary support and protection are provided to the parties involved.

### Sexual Harassment Prevention Seminar



## Implementation of the Regulations Governing Prevention and Management of Abuse in the Performance of Duties



## 4.2 Talent Cultivation

### 4.2.1 Education & Training and Development

In the ever-changing business environment, enterprises are faced with unprecedented challenges. Volatile markets, unpredictable futures, and complex and unclear situations have become the new normal that enterprises must accept. In this case, the most valuable resource of a company is its employees. In order to enable talent to quickly adapt to external competition, technological progress, and policy adjustment, we have listed talent cultivation as one of the core strategies to enhance competitiveness. The Company provides a diversified and complete training system to encourage employees to constantly learn, innovate and break through. Our education and training can be divided into the following systems:



#### General Knowledge

In addition to occupational safety and health training required by law and the Company's internal regulations, general knowledge courses include courses on core competencies for each function, such as quality control, process management, statistical analysis, risk management, anomaly handling, internal audits and internal control, and financial management.



#### Management

The Company provides specialized leadership training courses for managers at different levels, especially entry and middle level managers. These courses aim to enhance the management capabilities of executives, cultivate effective leadership skills, and help them better manage their teams and improve efficiency.



#### Functions

We formulate talent training plans based on different process and functional requirements. The training covers multiple professional fields, including product manufacturing, mold development and design, process technology, and environmental management. These training sessions aim to enhance the professional skills of employees, thereby improving product quality and ultimately achieving the goal of improving customer satisfaction.

### Average Hours of Training per Employee in 2023 - By Gender

Type	Total Training Hours	Number of Employees	Average Hours of Training
Male	6,432.5	2,259	2.85
Female	2,810.5	965	2.91
Total	9,243	3,224	2.87

### Average Hours of Training per Employee in 2023 - By Employee Type

Type	Total Training Hours	Number of Employees	Average Hours of Training
Senior executives	21	14	1.5
Middle executives	2,015.5	681	2.96
General indirect personnel	2,413.5	1,016	2.38
General direct personnel	4,793	1,513	3.17
Total	9,243	3,224	2.87

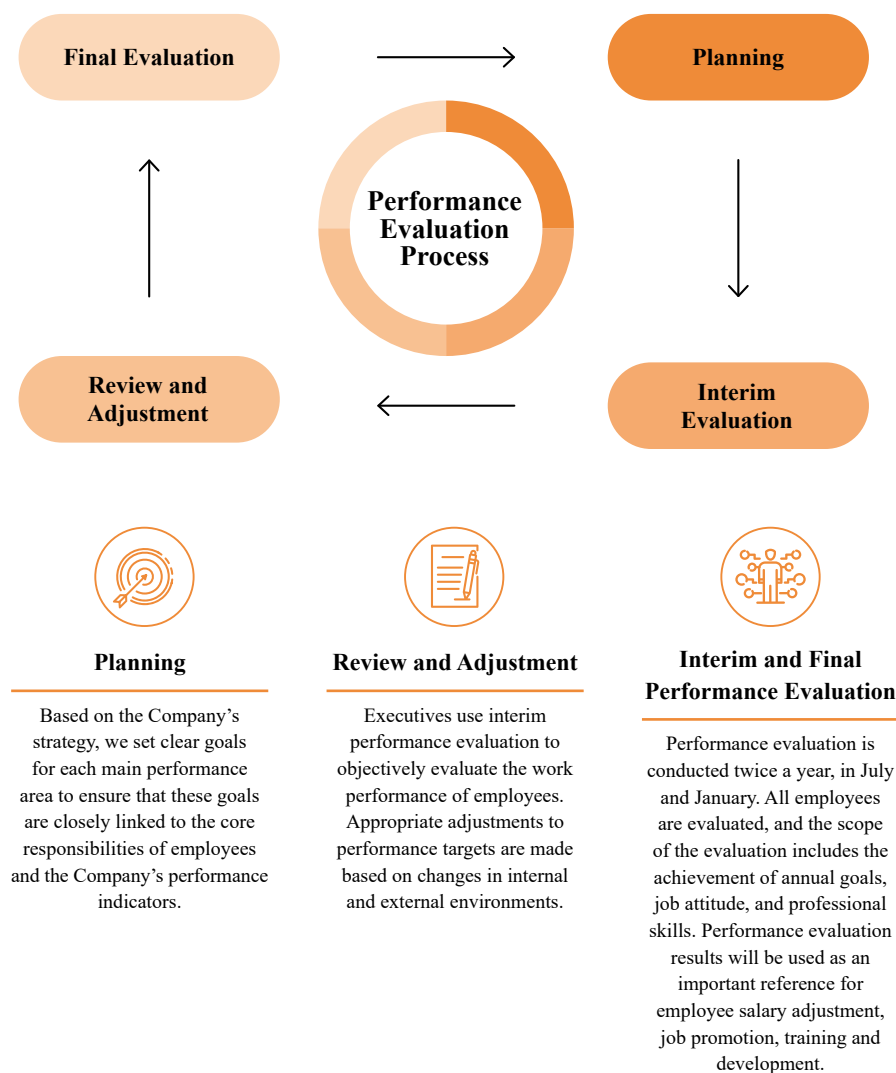
## 4.2.2 Performance Management Mechanism

The core spirit of the performance management system lies in creating a positive cycle that can motivate employees and promote organizational growth. We hope to help every employee to unleash their potential and achieve the long-term goals of the organization by setting clear goals, providing real-time feedback, and conducting quantitative performance evaluation. Through a comprehensive performance management system with annual department goals and individual performance indicators, we conduct regular reviews for progress tracking to ensure that each employee can contribute to the Company's goals. Performance reviews are applicable to all employees. All employees must undergo regular performance reviews, whether they are managerial personnel, indirect personnel, or direct personnel.

### Percentage of Employees Receiving Regular Performance Reviews

Type	Number of Employees Receiving Regular Performance and Career Development Reviews	Number of Employees	Average Hours of Training
Senior executives	19	19	100%
Middle executives	161	161	100%
General indirect personnel	259	262	99% <sup>Note</sup>
General direct personnel	1,306	1,313	99% <sup>Note</sup>
Total	1,745	1,755	99% <sup>Note</sup>

• Note: The differences in the number of employees are because of employees who had left or been on leave without pay before the performance reviews.





## 4.3 Safe and Healthy Workplace

### 4.3.1 Occupational Safety and Health Management

We deeply understand the importance of occupational safety and health. We firmly believe that only by providing a safe and healthy working environment can we make every worker feel secure and create high-efficiency and high-quality work performance. In order to ensure that employees are fully protected in the workplace, the Company has introduced an occupational safety and health management system in accordance with the ISO45001 standard and the PDCA spirit, which has been certified by a third party. The management system covers employee and non-employee workers, with 100% coverage.

In order to build a good participation channel, the Company has established the Safety, Health and Environmental Protection Promotion Committee in accordance with the “Occupational Safety and Health Act.” The committee regularly holds a meeting every three months to discuss various matters related to safety and health. The committee has 12 members, of which four are junior staff elected by the labor-management meeting as labor representatives. Committee members make suggestions to the occupational safety and health policy, review occupational safety and health training plans and various safety and health proposals, monitor the working environment and various hazard prevention measures, and participate in the reporting of occupational accident investigations in accordance with the law. In addition, all employees can make suggestions on occupational safety and health through meetings at all levels, the whistleblowing hotline and email address, or the President's Suggestion Box in the cafeteria and employee dormitory of each factory.



### Key Discussions and Improvements of the Safety, Health and Environmental Protection Promotion Committee in 2023

#### Discussions

- Making suggestions on the occupational safety and health and environmental protection policies formulated by the Company.
- Coordinating and proposing safety and health and environmental protection self-management plans.
- Discussing safety, health, and environmental protection education and training implementation plans.
- Examining the working environment monitoring plan, monitoring results, and measures to be taken.
- Discussing health management, occupational disease prevention, and health and environmental protection promotion matters.
- Discussing various safety, health, and environmental protection proposals.
- Discussing voluntary inspection and safety and health audit matters.
- Discussing preventive measures for hazards from machinery, equipment, raw materials, or materials.
- Discussing occupational accident investigation reports.
- Safety, health and environmental protection management performance.
- Discussing matters with regard to the safety, health and environmental protection management of undertaken activities.
- Asking employee representatives for their opinions on safety, health and environmental protection management systems and matters.

#### Improvements

There was **one** improvement in 2023

Improvement of the lighting in the Hwa Ya Factory's outdoor parking lots for cars and motorcycles:


- Some old and yellow lights resulted in insufficient lighting in the parking lot at night. When the light of the surrounding buildings is turned off at night, the lighting of the parking lot would be more dim, causing safety concerns for colleagues when commuting at night.
- We replaced the existing old lamps with LED lamps to enhance the brightness of the parking lot for cars, increasing the average illuminance from 60 lux to 100 lux. A set of LED lamps were added to dark corners to enhance the brightness of the parking lot for motorcycles, increasing the average illuminance from 45 lux to 70 lux.

## 4.3.2 Hazard Identification, Risk Assessment, and Incident Investigation

We understand the risks and opportunities we face and plan response actions to eliminate hazards and reduce risks. By enhancing the performance of occupational safety and health management, we also ensure that the occupational safety and health management system can achieve the expected results and continuous improvement in order to attain the goal of a safe and healthy workplace. Risk assessment is divided between factories and units based on their scope of work. The name and content of the operation, the description of the possible consequences of the hazard (hazardous operation, degree of hazard), the hazard type, the existing protective facilities (engineering control, management control, protective equipment), the assessment of risks and opportunities, the planned actions, and the estimated risks after control are recorded, and then used as the basis for implementing hazard identification and risk and opportunity assessment. If there are new or modified internal activities, occupational accidents, false alarms, or legal updates, the Company will conduct non-routine occupational safety risk assessments at any time. The identification personnel of each unit will also receive training courses on risk assessment methods to acquire the risk assessment methods and hazard control identification capabilities. If risk assessment results indicate that the risk should be addressed, the Company should plan and implement risk mitigation actions. Improvement actions should be in the following order of priority: (1) eliminating hazards; (2) using less hazardous methods; (3) engineering control; (4) management control; and (5) personal protective equipment, and should be incorporated into occupational safety and health goals and management plans. Through the above risk control measures, we aim to achieve the goal of minimizing risks by making continuous improvements and eliminating hazards in the factories. Every year, the effectiveness of risk control measures is regularly reviewed, and the review results are submitted to senior executives for approval in open meetings. The Company continues to conduct hazard identification and risk assessment to minimize the probability of accidents. The additional hazards identified in 2023 and their countermeasures are as follows.



Hazard identified	<b>Risk of personnel struck by robotic arms</b>
Personnel at high risk	6
Response measure	Installing protective fences, light curtains, emergency off (EMO) switches outside the operating radius of robotic arms to prevent the risk of personnel being struck.



Hazard identified	<b>Risk of electric shock from contact with rectifiers</b>
Personnel at high risk	14
Response measure	Installing protective shields at the live terminal of rectifiers to prevent the risk of electric shock to operators.

The Company has established an effective investigation and handling system in accordance with the "Occupational Safety and Health Act" to conduct investigations into the cause and potential causes of work-related injuries, ill health, diseases and accidents in order to identify the errors in the occupational safety and health management system. We have also taken effective corrective and preventive measures to prevent the recurrence of work-related injuries, ill health, diseases and accidents. The accident handling process is as follows:

# 1.

## Accident reporting

In the event of an accident, the personnel at the scene immediately execute emergency response tasks, and notify the head of the unit concerned and the personnel of the Occupational Safety and Health Office and the medical room to properly treat the injured personnel.

# 2.

## Incident investigation

The head of the unit concerned forms an investigation team of relevant units to investigate and analyze the cause of the accident. The investigation team consists of the head of the unit concerned, operators, employee representatives, the Occupational Safety and Health Office, and other relevant professionals.

# 3.

## Formulation and implementation of corrective and preventive measures

The unit concerned analyzes the cause of the accident, develops corrective and preventive measures, and completes risk assessment before the implementation of the measures to ensure that the safety and health risk after the improvement will be reduced to an acceptable level. The corrective and preventive measures should be completed within a given time frame to eliminate the cause of the accident and prevent recurrence.

# 4.

## Improvement evaluation

After the corrective and preventive measures for the accident are completed, the Occupational Safety and Health Office confirms whether the corrective and preventive measures are effectively implemented and whether the risk is reduced to an acceptable level, and makes a report to the Safety, Health and Environmental Protection Promotion Committee in the current quarter for communication and case closure.

# 5.

## Prevention of recurrence

The Occupational Safety and Health Office presents the statistics, causes, corrective actions, and handling results of various accidents to the Safety, Health and Environmental Protection Promotion Committee and the management review meeting for review. The office also adopts relevant measures to prevent the recurrence of similar accidents and incorporates these measures into ongoing improvements.

# 6.

## Employee communication

The Occupational Safety and Health Office communicates resolved incidents of injury, ill health or disease or accidents to departments and employees through internal communication mechanisms to achieve the goal of accident prevention.



In accordance with the "Occupational Safety and Health Act," the Company communicates to new and active employees during safety education and training that if they find any signs of imminent danger when performing duties, they may stop working and retreat to a safe place without endangering the safety of other workers, and should immediately report to their immediate supervisor. Employees have the right to refuse to work in an unsafe environment. The Company should not fire or transfer the employees, refuse to pay them the wage for the period of time where they stopped working, or impose other disciplinary actions on them. If an employee is treated improperly, he/she may file a complaint directly to the top management of the Company through the "Employee Complaint Channel."

In addition to maintaining the occupational safety and health of our own workplace, we also follow the requirements of the Responsible Business Alliance (RBA) to strengthen the diversity, equality, and safety and health management of employees to ensure that the product supply process and service of upstream suppliers are continuously improved through appropriate supervision, management, and performance evaluation to meet the requirements of the Company for occupational safety and health management. The Company helps upstream suppliers strengthen the operation of their occupational safety and health management systems through supplier audits and guidance, hoping to create a sustainable and healthy workplace and reduce workplace risks together. In 2023, the Company conducted on-site audits of 12 upstream suppliers, and provided guidance on mitigating 11 occupational safety and health management deficiencies, with a 100% deficiency mitigation rate.

### 4.3.3 Occupational Safety and Health Education and Training

We are devoted to enhancing the safety and health awareness of workers and disaster prevention. We have strengthened the awareness of employees through continuous education, training, and promotion to reduce the occurrence of accidents caused by unsafe behavior. We provide occupational safety and health training for different personnel every year or from time to time, including new employees, active employees, the emergency response team, and special management personnel. These training sessions are designed to ensure that all workers understand the hazardous factors in the environment, comply with safety regulations, and enhance safety awareness. In addition, our occupational safety and health personnel and first aid responders have obtained relevant certificates and completed on-the-job training in accordance with the law to ensure their acquisition of the latest safety and health knowledge. Through these measures, we strive to create a safe and reliable working environment to protect the health and safety of every employee.



### Jentech's Key Occupational Safety and Health Training Items in 2023

Training Course	Target Group	Number of Participants
Education and training on emergency response to chemical leakage	Emergency response team members	11
Safety and health of new foreign workers	New foreign employees	1181
Traffic safety promotion courses	Active employees	60
Safety and health of active workers	Active employees	747
Basic fire safety concepts and drills	New employees/self-defense firefighting team	529
Prevention of hazards from forklift operation	Forklift drivers	17
Safety and health of new workers	New employees	1017
Management of environment-related substances	Employees responsible for activities related to environment-related substances	53
Awareness of special hazards at work	Employees who require Level 2 or higher levels of management according to their special health examination results	120
Annual first-aid training (CPR+AED)	Employees who have not been trained	127

## Awareness of Special Hazards at Work



## Chemical Leakage Drill



## Annual first-aid (CPR+AED) training



For education and training, we use tests or questionnaires to evaluate the effectiveness of training. With these evaluation methods, we can examine training effectiveness, identify areas that need improvement, and make adjustments to solve deficiencies. These measures not only help improve the quality of training, but also ensure that workers have the necessary safety and health knowledge, so as to create a safer working environment. In addition, for the training courses for foreign employees, foreign languages are used for teaching to ensure that the employees can fully grasp the training content.

## 4.3.4 Occupational Injuries and Occupational Diseases

In 2023, there were no employee deaths due to work in the Company. However, there were eight incidents of occupational injury, mainly falls, pinching, and cuts. One of the incidents involved a severe occupational finger crush injury. The Company immediately investigated the cause of the incident, completed the installation of safety devices, and conducted education, training and promotion. In order to prevent the recurrence of occupational accidents, the Company also conducts investigations on each occupational injury incident, improves the working environment according to the investigation results, and strengthens occupational safety education, training and promotion, striving to achieve the goal of zero disasters. In 2023, no non-employee workers suffered occupational injuries.



Item	Employees	Non-employee Workers
Total hours worked <sup>Note 1</sup>	3,248,296	283,512
a. Number of general occupational injuries <sup>Note 2</sup>	7	-
b. Number of severe occupational injuries <sup>Note 3</sup>	1	-
c. Number of deaths	-	-
Number of recordable occupational injuries (a+b+c)	8	-
Number of lost workdays	202	-
Severe occupational injury rate <sup>Note 4</sup>	0.31	-
Occupational injury death rate <sup>Note 5</sup>	0.00	-
Recordable occupational injury rate <sup>Note 6</sup>	2.46	-
Lost workday rate <sup>Note 7</sup>	62.19	-
Frequency severity index <sup>Note 8</sup>	0.39	-

Every year, we conduct special operation health examinations for colleagues who work in workplaces with special hazards. The examination rate has been 100%. We implement hierarchical management based on the examination results. For employees who require Level 2 or higher levels of management, we provide health guidance. We also provide and require protective equipment for all possible hazards to prevent occupational diseases. The Company uses the musculoskeletal pain questionnaire during annual health examinations and the job overload scale to achieve early detection and early prevention. In 2023, the Company had one occupational disease case under management. The employee was a production line technician with carpal tunnel syndrome in both hands due to frequent hand use. In 2020, the employee's condition was diagnosed as an occupational disease by an occupational medicine physician in an on-site consultation. After treatment and rest, the employee returned to the factory for work. An occupational medicine doctor conducted a work resumption assessment and made job adjustment suggestions. Subsequently, the employee's role was changed from an on-site technician to a general administrative employee who is responsible for the registration of visitors and factory inspections. We have assigned tasks that do not involve frequent hand use and heavy lifting to the employee, and have medical personnel regularly follow up on the employee's condition.

- Note 1: Total hours worked are calculated by adding up the numbers of hours actually worked by all employees and workers as of December 31, 2023.
- Note 2: General occupational injuries: Injuries with less than 180 lost workdays
- Note 3: Severe occupational injuries: Injuries with more than 180 lost workdays, excluding deaths.
- Note 4: Severe occupational injury rate = Number of severe occupational injuries\*1,000,000/Total hours worked
- Note 5: Occupational injury death rate = Number of deaths\*1,000,000/Total hours worked
- Note 6: Recordable occupational injury rate = Number of recordable occupational injuries\*1,000,000/Total hours worked (disabling injury frequency rate (FR)).
- Note 7: Lost workday rate = Number of lost workdays\*1,000,000/Total hours worked (disabling injury severity rate (SR)).
- Note 8: Frequency severity index = [(FR X SR)/1,000]^0.5

## 4.3.5 Occupational Health Service and Promotion

The Company is committed to providing a safe and healthy working environment to ensure that employees have access to the best care in the workplace. The Company provides health examinations better than what is required by law. We carry out general and special health examinations every year, and implement health management based on employees' health examination results. Each of our factories has on-site medical personnel follow up on the health condition of employees. In addition, we provide monthly on-site occupational medicine physician services, including health-related education and guidance, health consultations, and work resumption/work fitness assessments. We organize various health promotion activities to promote the idea of "prevention is better than cure" to ensure the physical and mental health of workers.



### General Health Examination

The Company provides employees with a higher frequency of health examinations with items better than those required by law each year. For employees aged 45 or above, the Company provides more detailed examination items, including ultrasound scans, ECG examinations, bone mass density examinations, and other examinations required by law. After the health examinations, medical personnel conduct health management classification and regularly follow up on the health condition of the employees. If necessary, the Company will arrange interviews with occupational medicine physicians, provide relevant health education and guidance, and make job adjustments according to the health condition of the employees to protect their health and safety.

### Special Health Examination

Additional health examinations are provided for special operations in the Company's factories. For employees with one or more years of labor insurance seniority, medical personnel apply for the Labor Insurance Health Examination Subsidy for Prevention of Occupational Diseases to the Bureau of Labor Insurance; for employees with less than one year of labor insurance seniority, we will pay for the health examinations.

Measures for a Healthy and Safe Workplace	Item Description	Target Group
<b>Special operation health management</b>	For employees who require Level 2 or higher levels of management according to their health examination results, physicians provide special hazard awareness lectures and give personal labor health guidance. For employees who require Level 3 management, occupational medicine physicians further assess reclassification, and, if necessary, on-site visits will be conducted. For employees who require Level 4 management, we arrange physician consultations for work fitness assessment and adopt hazard controls and relevant management measures. (In 2023, a total of 102 employees requiring Level 2 management participated in the lectures; there were no employees requiring Level 3 and 4 management)	Employees who require Level 2 or higher levels of health management for special operations
<b>Physiological assessment for respiratory protective equipment</b>	Colleagues who wear respiratory protective equipment in the factories are surveyed through questionnaires annually. After review by medical personnel and occupational medicine physicians, we arrange physician interviews for colleagues who could be affected by hazards, and then conduct respiratory protective equipment suitability assessments'. In 2023, 168 colleagues were assessed.	Employees who wear respiratory protective equipment
<b>On-site physician services</b>	The Company hires occupational medicine physicians from the Linkou Branch of Chang Gung Memorial Hospital to provide on-site services in each factory every month, including health management, work fitness, work resumption, maternal care, and abnormal workload assessments. During the process, the physicians and medical personnel conduct a health risk assessment, carry out on-site visits with relevant units, and provide relevant advice and health education and guidance. In addition, for groups at high risk of cardiovascular disease, we arrange physician consultations, depending on how abnormal their health examination results are, and then have medical personnel conduct follow-up management. We also take administrative control measures to control the number of overtime hours for employees with high health risks. In 2023, 364 employees received the services.	Every employee
<b>General health examination classification management</b>	Health examination results are classified by medical personnel. Employees who require Level 3 and 4 health management according to the results will receive health education and guidance from medical personnel or physicians. In 2023, a total of 338 employees were provided with health education and guidance.	Employees who require Level 3 and 4 health management
<b>Abnormal workload</b>	Each year, the Company arranges physician interviews for employees who need them according to questionnaire survey results to provide personal advice or work adjustment measures. 43 employees were interviewed in 2023.	Every employee
<b>Ergonomic prevention</b>	Each year, we arrange physician interviews for employees who could be affected by hazards based on questionnaire survey results. If necessary, on-site visits with physicians, medical personnel, occupational safety and health personnel, and on-site supervisors are conducted to use appropriate ergonomic assessment methods and provide improvement suggestions or work adjustments. 26 employees were interviewed in 2023.	Every employee
<b>Maternal protection</b>	In order to encourage pregnant employees to report their pregnancy early, employees who report their pregnancy to the medical room of the factories and complete a maternal health protection assessment can apply for pregnancy gift vouchers (12 applicants in 2023). Employees reported as requiring maternal health protection should complete a maternal work and health risk assessment with the unit head, medical personnel, and occupational safety and health personnel; physicians will conduct health risk classification and recommend measures. 27 employees were interviewed in 2023.	Employees who are pregnant and less than one year after childbirth
<b>AED installation</b>	AED equipment is installed in each factory and employee dormitory for emergency use. CPR and AED first-aid training is held every year to familiarize employees with the use of the equipment and increase the success rate of emergency rescues.	Every employee
<b>Installation of emergency showers with Diphoterine</b>	In addition to emergency showers, we have also provided Diphoterine on floors where acid and alkaline chemicals are used for emergency use to ensure that employees can respond to accidents immediately and prevent threats to their safety.	Every employee

In addition, a series of health promotion and propaganda activities have been organized to improve the physical and mental health of employees and enhance their quality of life. Through these activities, we not only hope to improve the quality of life and work of our employees, but also strive to create a healthier and more active working environment. We believe that only employees in good physical and mental health can maximize their work efficiency and contribute to the Company's and their own continuous development. In the future, the Company will continue to invest resources in promoting more diversified health promotion activities, so that every employee can enjoy work-life balance and achieve comprehensive physical and mental health.

Health Promotion Activity	Activity Description	Frequency
<b>Monthly health report</b>	Medical personnel compile the latest health-related information, such as COVID-19 information, prevalent diseases, vaccination information, etc., and send them to colleagues via the Company's email.	Once a month
<b>5 Simple Tips for Relaxation and Stress Relief</b>	As people nowadays face more stress, we encourage employees who have a higher workload and are interested to participate in the stress relief lecture	Once a year
<b>Stretches to Relieve Shoulder and Neck Pain</b>	Employees who have a score of $\geq 3$ in the ergonomic prevention management survey, whose jobs require heavy lifting, and who often need to take leave due to back pain are invited to participate in the health lecture	Once a year
<b>One Way to Fight Metabolic Syndrome</b>	Colleagues with metabolic syndrome conditions are invited to participate in the lecture	From time to time
<b>CPR+AED first-aid training</b>	Professional lecturers provide training sessions in Chinese and English. Employees who have not received such training are invited, hoping to ensure that every colleague can acquire CPR skills and provide further protection for high-risk groups.	Twice a year
<b>Explanation of annual health examination reports</b>	After annual health examinations, professional lecturers and occupational medicine physicians will explain health examination reports to help employees better understand their physical condition.	Once a year
<b>Taoyuan City's lung cancer screening program</b>	In line with the Taoyuan City Government's lung cancer screening expansion program, medical personnel conduct surveys and assist colleagues in signing up and making appointments.	Once every two years
<b>Badminton club</b>	In order to improve employee interaction, relieve work pressure, stabilize emotions, and build a strong body, the badminton club has a two-hour exercise session every week, and the Company provides the club with a subsidy of NTS\$10,000 every quarter.	Once a week



Monthly health report



5 Simple Tips for Relaxation and Stress Relief



Stretches to Relieve Shoulder and Neck Pain



One Way to Fight Metabolic Syndrome



CPR+AED first-aid training



## 4.4 Social Engagement

### 4.4.1 Social Practice

As a responsible corporate citizen, we are aware that while pursuing financial benefits, we also bear the important mission of promoting social care and environmental sustainability. We have always adhered to the concept of "giving back to society" to actively fulfill our corporate social responsibility. Our social responsibility practices mainly focus on the following aspects:



#### Community Development and Safety

The Company makes regular donations to the Dayuan District Gan Tian Charity Association, Beigang Village Neighborhood Watch Team, Dayuan District Neighborhood Watch Association, and Dayuan District Neihai Village Office to support local charity work, neighborhood watch, and community development. In addition, the Company makes donations regularly to the Third Battalion of the Taoyuan City Volunteer Fire Brigade to support the improvement of local firefighting capacity and enhance the community's emergency response capabilities.



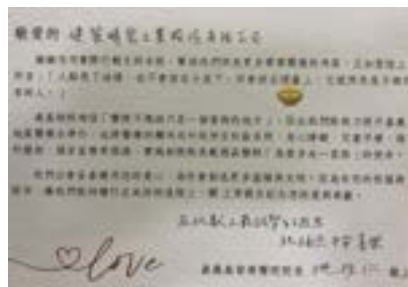
#### Care for the Disadvantaged and Local Education

We make donations to the social relief fund account of Taoyuan City, the construction of a building of the Chia-Yi Christian Hospital, and Neihai Elementary School and Fu Jen Catholic University in Dayuan District on a regular and irregular basis, so that the schools can have more funds to promote and develop various types of education and related activities.



#### Environmental Protection

Since 2019, we have actively participated in the river adoption event of the Taoyuan City Government's Department of Environmental Protection to regularly maintain and manage a stretch of river from Xucuogang to the mouth of the Laojie River. We have also invited employees to participate in the beach cleanups at the mouth of the Laojie River.



Donation to the construction of an intelligent surgery building in the Chia-Yi Christian Hospital



Donation to Fu Jen Catholic University



Jentech's participation in the river adoption event of the Taoyuan City Government's Department of Environmental Protection



Dayuan District Gan Tian Charity Association's winter relief and charity activities

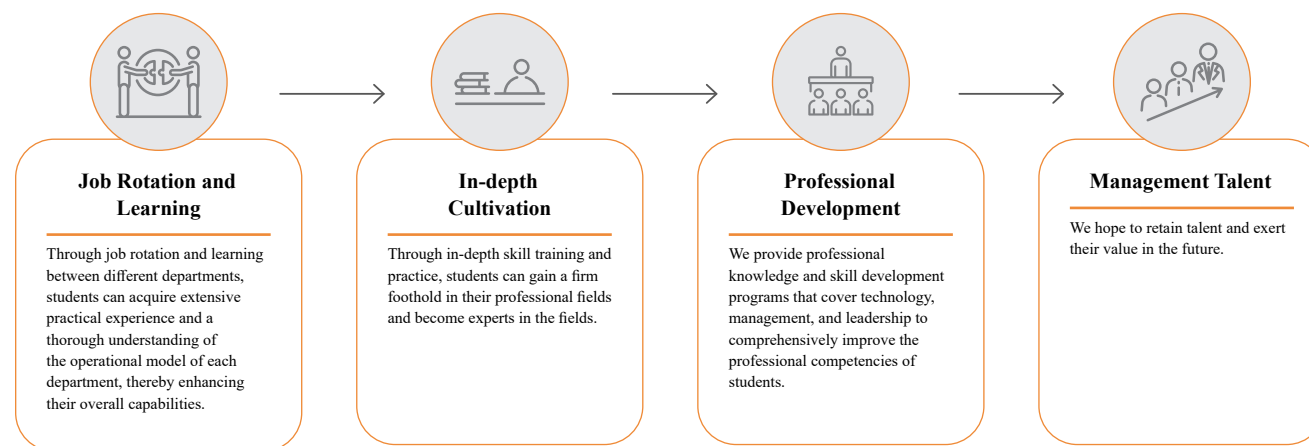


Beach cleanup at the mouth of the Laojie River

In the future, we will continue to cement our connection with local communities, expand the width and depth of social engagement, and strive to become an active force to promote social progress and sustainable development.

## 4.4.2 Industry-academia Collaboration

The Company actively promotes industry-academia collaboration, hoping to cultivate future talent with professional skills through systematic training. The Company's Chairman and Vice Chairman hope that these young students can become an important cornerstone for the Company's future development and bring new momentum to Taiwan's industry. The Company has planned a comprehensive training blueprint for cooperative education program students and interns. We arrange job rotation and learning between departments according to the professional needs of factories and the students' majors. We record the students' personal growth process with the Learning Passport, so that they can accumulate experience in diverse practical environments, thereby enhancing their workplace competitiveness and adapting them to future work challenges. The Company has established the Audit Committee to regularly evaluate the learning progress of the students and understand their needs through care interviews to provide the most comprehensive support. This training mechanism not only ensures the quality of training, but also enhances the learning motivation of students to become a new force of the industry in the future.



### Learning Passport



- 1 We develop a 12-week learning program, where instructors and students can review the learning progress and make adjustments to ensure the most suitable content according to the learning progress of individual students
- 2 Students record their learning process, learn according to the learning blueprint developed by the respective departments, and are taught by professional instructors.
- 3 Students review their learning status, and the Company understands their work conditions and mental care through HR care and interviews.
- 4 We conduct practical evaluations to confirm whether students follow the correct steps and perform standard actions in order to ensure their theoretical and practical development.

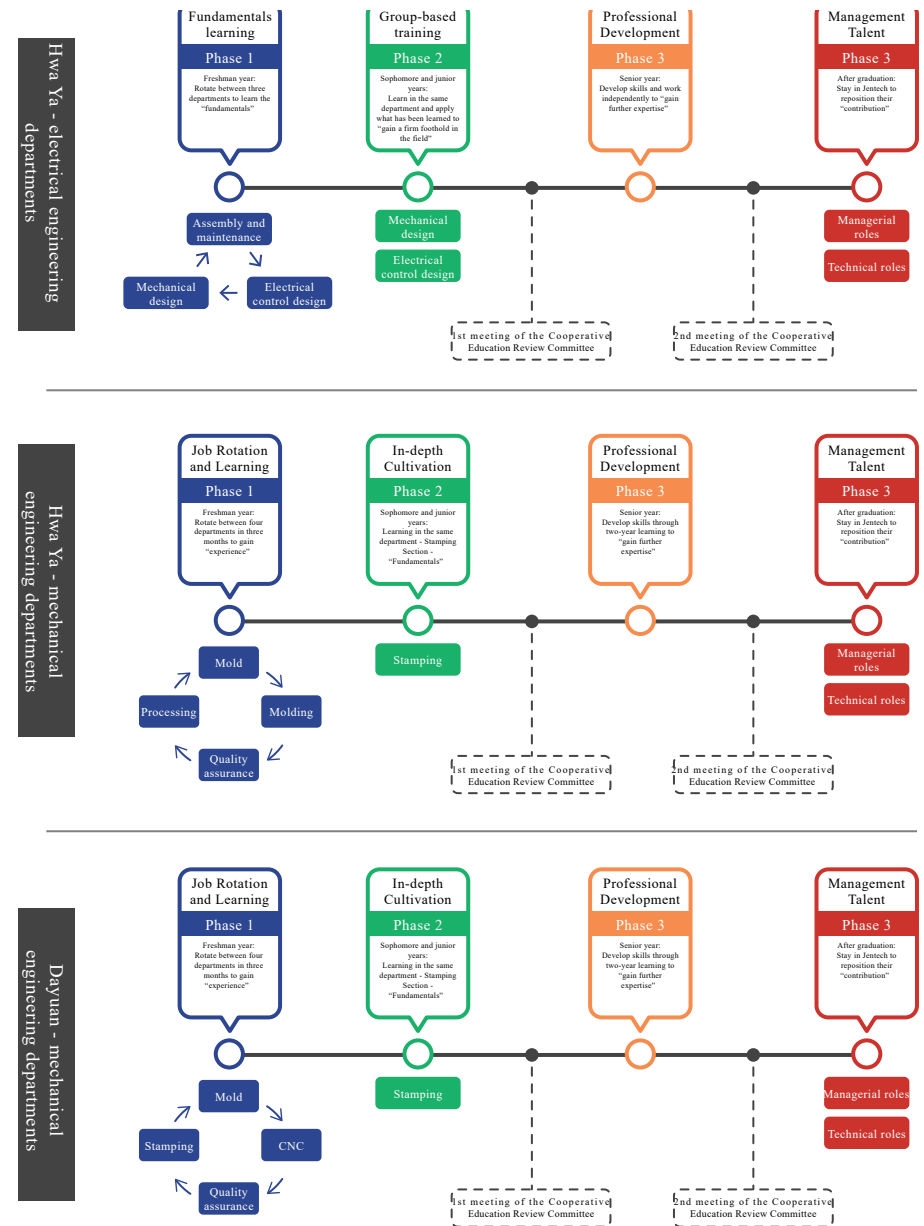
## Cultivation Philosophy



## Working Environment



## Training System



## Appendix 1: GRI Standards Index

### GRI Standards Disclosure Index

<b>Terms of Use</b>	Jentech has reported in accordance with the GRI Standards for the period from January 1 to December 31, 2023.
<b>GRI 1 Used</b>	GRI 1: Foundation 2021
<b>Applicable GRI Industry Standards</b>	Not applicable

### General Disclosures: 2021

GRI Standards	Disclosure Item	Corresponding Chapter and Supplementary Description	Page
<b>The organization and its reporting practices</b>			
2-1	Organizational details	1.1.1 Introduction to Jentech	8
2-2	Entities included in the organization's sustainability reporting	About the Report	4
2-3	Reporting period, frequency and contact point	About the Report	2
2-4	Restatements of information	There were no restatements of information.	--
2-5	External assurance	No external assurance has been obtained for this report.	85
<b>The organization and its reporting practices</b>			
2-6	Activities, value chain and other business relationships	1.1.3 Company Value Chain	11-12
2-7	Employees	4.1.1 Human Resource Structure	62
2-8	Workers who are not employees	4.1.1 Human Resource Structure	62
<b>Governance</b>			
2-9	Governance structure and composition	2.1.1 Corporate Governance Structure	32
2-10	Nomination and selection of the highest governance body	2.1.2 Composition and Operation of the Board of Directors	34
2-11	Chair of the highest governance body	2.1.2 Composition and Operation of the Board of Directors	34
2-12	Role of the highest governance body in overseeing the management of impacts	2.1.2 Composition and Operation of the Board of Directors	34
2-13	Delegation of responsibility for managing impacts	2.1.2 Composition and Operation of the Board of Directors	34
2-14	Role of the highest governance body in sustainability reporting	2.1.2 Composition and Operation of the Board of Directors	34

GRI Standards	Disclosure Item	Corresponding Chapter and Supplementary Description	Page
<b>Governance</b>			
2-15	Conflicts of interest	2.1.2 Composition and Operation of the Board of Directors	34
2-16	Communication of critical concerns	2.1.2 Composition and Operation of the Board of Directors	34
2-17	Collective knowledge of the highest governance body	2.1.2 Composition and Operation of the Board of Directors	34
2-18	Evaluation of the performance of the highest governance body	2.1.3 Performance Evaluation of the Board of Directors	35
2-19	Remuneration policies	2.2 Remuneration Policy	36
2-20	Process to determine remuneration	2.2 Remuneration Policy	36
2-21	Annual total compensation ratio	To ensure information confidentiality, the Company does not disclose the annual total compensation of the highest-paid individual.	
<b>Strategy, policies and practices</b>			
2-22	Statement on sustainable development strategy	Message from the Chairman and President 1.1.2 Key Milestones	3-4 9
2-23	Policy commitments	1.2.1 Sustainability Commitment and Organization Operations 2.4 Legal Compliance	17
2-24	Embedding policy commitments	1.2.1 Sustainability Commitment and Organization Operations 2.4 Legal Compliance	17 38
2-25	Processes to remediate negative impacts	1.2.2 Identification of Material Issues and Stakeholder Communication	21
2-26	Mechanisms for seeking advice and raising concerns	1.2.2 Identification of Material Issues and Stakeholder Communication 4.1.6 Labor-management Communication and Complaints	21 67
2-27	Compliance with laws and regulations	2.4 Legal Compliance	38
2-28	Membership associations	1.1.6 Participation in Public Associations	16
<b>Stakeholder engagement</b>			
2-29	Approach to stakeholder engagement	1.2.2 Identification of Material Issues and Stakeholder Communication	21
2-30	Collective bargaining agreements		84

## Disclosure of Material Issues

GRI Standards	Disclosure Item		Corresponding Chapter and Supplementary Description	Page
<b>GRI 3 Material Topics</b>	3-1	Process to determine material topics	1.2.2 Identification of Material Issues and Stakeholder Communication	21
	3-2	List of material topics	1.2.2 Identification of Material Issues and Stakeholder Communication	21
	3-3	Management of material topics	1.2.3 Short-, Medium-, and Long-Term Goals and Action Plans	25
<b>Information security</b>				
<b>Information Security</b>	NA	NA	2.7 Information Security	46
<b>Supply chain management</b>				
<b>GRI 204 Procurement Practices</b>	204-1	Proportion of spending on local suppliers	2.6 Supply Chain Management	40
<b>GRI 308 Supplier Environmental Assessment</b>	308-2	Negative environmental impacts in the supply chain and actions taken	2.6 Supply Chain Management	40
<b>GRI 414 Supplier Social Assessment</b>	414-2	Negative social impacts in the supply chain and actions taken	2.6 Supply Chain Management	40
<b>Climate change governance/energy and GHG management</b>				
<b>GRI 302 Energy</b>	302-1	Energy consumption within the organization	3.1.2 Energy and GHG Management	51
	302-3	Energy intensity	3.1.2 Energy and GHG Management	51
	302-4	Reduction of energy consumption	3.1.2 Energy and GHG Management	51-52
<b>GRI 305 Emissions</b>	305-1	Direct (Scope 1) GHG emissions	3.1.2 Energy and GHG Management	51
	305-2	Energy indirect (Scope 2) GHG emissions	3.1.2 Energy and GHG Management	51
	305-3	Other indirect (Scope 3) GHG emissions	3.1.2 Energy and GHG Management	51
	305-4	GHG emissions intensity	3.1.2 Energy and GHG Management	51
	305-5	Reduction of GHG emissions	3.1.2 Energy and GHG Management	51
<b>Water resource management</b>				
<b>GRI 303 Water and Effluents</b>	303-1	Interactions with water as a shared resource	3.2.1 Water Resource Management	53
	303-2	Management of water discharge-related impacts	3.2.1 Water Resource Management	53
	303-3	Water withdrawal	3.2.1 Water Resource Management	53
	303-4	Water discharge	3.2.1 Water Resource Management	53
	303-5	Water consumption	3.2.1 Water Resource Management	53

GRI Standards	Disclosure Item		Corresponding Chapter and Supplementary Description	Page
<b>Waste management</b>				
<b>GRI 306 Waste</b>	306-1	Waste generation and significant waste-related impacts	3.2.2 Waste Management	56
	306-2	Management of significant waste-related impacts	3.2.2 Waste Management	56
	306-3	Waste generated	3.2.2 Waste Management	57
	306-4	Waste diverted from disposal	3.2.2 Waste Management	58
	306-5	Waste directed to disposal	3.2.2 Waste Management	58
<b>Waste management</b>				
<b>GRI 403 Occupational Health and Safety: 2018</b>	403-1	Occupational health and safety management system	4.3.1 Occupational Safety and Health Management	70
	403-2	Hazard identification, risk assessment, and incident investigation	4.3.2 Hazard Identification, Risk Assessment, and Incident Investigation	71
	403-3	Occupational health services	4.3.2 Hazard Identification, Risk Assessment, and Incident Investigation	71
	403-4	Worker participation, consultation, and communication on occupational health and safety	4.3.2 Hazard Identification, Risk Assessment, and Incident Investigation	71
	403-5	Worker training on occupational health and safety	4.3.2 Hazard Identification, Risk Assessment, and Incident Investigation	71
	403-6	Promotion of worker health	4.3.2 Hazard Identification, Risk Assessment, and Incident Investigation	71
	403-7	Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	4.3.2 Hazard Identification, Risk Assessment, and Incident Investigation	71
	403-8	Workers covered by an occupational health and safety management system	4.3.2 Hazard Identification, Risk Assessment, and Incident Investigation	71
	403-9	Work-related injuries	4.3.2 Hazard Identification, Risk Assessment, and Incident Investigation	71
	403-10	Work-related ill health	4.3.2 Hazard Identification, Risk Assessment, and Incident Investigation	71

GRI Standards	Disclosure Item		Corresponding Chapter and Supplementary Description	Page
<b>Talent development and retention</b>				
<b>GRI 201 Economic Performance</b>	201-3	Defined benefit plan obligations and other retirement plans	4.1.5 Employee Remuneration and Benefits	66
	404-1	Average hours of training per year per employee	4.2.1 Education & Training and Development	68
<b>GRI 404 Training and Education</b>	404-2	Programs for upgrading employee skills and transition assistance programs	4.2.1 Education & Training and Development	68
	404-3	Percentage of employees receiving regular performance and career development reviews	4.2.2 Performance Management Mechanism	69
<b>Diversity and equal opportunity</b>				
<b>GRI 405 Diversity and Equal Opportunity</b>	405-1	Diversity of governance bodies and employees	4.1.2 Diverse and Friendly Workplace	63
	405-2	Ratio of basic salary and remuneration of women to men	4.1.2 Diverse and Friendly Workplace	63

## Disclosure of General Topics

GRI Standards	Disclosure Item		Corresponding Chapter and Supplementary Description	Page
<b>Operations and financial position</b>				
<b>GRI 201 Economic Performance</b>	201-1	Direct economic value generated and distributed	1.1.5 Operations and Financial Position	15
<b>Ethics and integrity</b>				
<b>GRI 205 Anti-corruption</b>	205-2	Communication and training about anti-corruption policies and procedures	2.3 Ethical Corporate Management	37
<b>Air pollution</b>				
<b>Air Pollution</b>	NA	NA	3.2.3 Air Pollution	60
<b>Employment</b>				
<b>GRI 401 Employment</b>	401-1	New employee hires and employee turnover	4.1.3 Talent Attraction and Retention	64

GRI Standards	Disclosure Item		Corresponding Chapter and Supplementary Description	Page
<b>Remuneration and benefits</b>				
<b>GRI 401 Employment</b>	401-2	Benefits provided to full-time employees that are not provided to temporary or part-time employees	4.1.5 Employee Remuneration and Benefits	66
	401-3	Parental leave	4.1.4 Maternity Support	65

## Appendix 2: Sustainability Disclosure Indicators - Electronic Parts/Components Industry

No.	Indicator	Indicator Type	Information Disclosed in 2023	Page
1	Total energy consumption, percentage of purchased electricity, utilization rate (renewable energy)	Quantitative	Total energy consumption: 206,850.09 GJ Percentage of purchased electricity: 100% Renewable energy utilization rate: 0%	52
2	Total water withdrawn, total water consumption	Quantitative	Total water withdrawn: 974.064 m <sup>3</sup> Total water consumption: 97.10 m <sup>3</sup>	54
3	Total hazardous waste generated and percentage recycled	Quantitative	Weight of hazardous waste generated: 749.745 t Percentage of hazardous waste recycled: 94.50%	55
4	Description of the types of, number of employees in, and rate of occupational accidents	Quantitative	There were eight incidents of occupational injury this year, of which seven involved general occupational injuries and one involved a severe occupational injury. The recordable occupational injury rate was 2.46%.	75
5	Product lifecycle management disclosure: including weights of scrap and electronic waste and percentage recycled	Quantitative	Weight of scrap and electronic waste: 2,173.21 t Percentage recycled: 98.95%	-
6	Description of the management of risks associated with the use of critical materials	Qualitative description	For the description of the management of risks associated with the use of critical materials, please refer to 2.6 Supply Chain Management	40
7	Total amount of monetary losses as a result of legal proceedings associated with anti-competitive behavior regulations	Quantitative	None.	-
8	Production by product category	Quantitative	Heat dissipation products: 315,268 KPCS LED lead frames: 11,508,825 KPCS	-

## Appendix 3: Task Force on Climate-Related Financial Disclosures (TCFD) and Climate-Related Information of TWSE/TPEX Listed Company Index

TCFD Recommended Disclosures	Climate-Related Information of Listed Companies	Corresponding Chapter and Supplementary Description	Page
<b>Governance</b>			
<b>TCFD 1 (a)</b>	The board's oversight of the issue.		
<b>TCFD 1 (b)</b>	Management's assessment and management of the issue.	1. Describe the board of directors' and management's oversight and governance of climate-related risks and opportunities.	3.1.1 Climate Change Governance 48
<b>Strategy</b>			
<b>TCFD 2 (a)</b>	The climate-related risks and opportunities the organization has identified over the short, medium, and long term.	2. Describe how the identified climate risks and opportunities affect the business, strategy, and finances of the business (short, medium, and long term).	47
<b>TCFD 2 (b)</b>	The impact of the issue on the organization's businesses, strategy, and financial planning.	3. Describe the financial impacts of extreme weather events and transformative actions.	3.1.1 Climate Change Governance The Company has not used scenario analysis to assess resilience to climate change risks. 47-48
<b>TCFD 2 (c)</b>	Scenario analysis (including a 2°C or lower scenario).	5. If scenario analysis is used to assess resilience to climate change risks, the scenarios, parameters, assumptions, analytical factors and major financial impacts used should be described.	-
<b>Risk management</b>			
<b>TCFD 3 (a)</b>	Processes for identifying and assessing climate-related risks.		
<b>TCFD 3 (b)</b>	Processes for managing climate-related risks.	4. Describe how climate risk identification, assessment, and management processes are integrated into the overall risk management system.	3.1.1 Climate Change Governance 46
<b>TCFD 3 (c)</b>	Describe how the above risk identification and management processes are integrated into the organization's overall risk management system.		
<b>Metrics and targets</b>			
<b>TCFD 4 (a)</b>	Disclose the metrics used by the organization to assess climate-related risks and opportunities in line with its strategy and risk management process.	6. If there is a transition plan for managing climate-related risks, describe the content of the plan, and the metrics and targets used to identify and manage physical risks and transition risks.	3.1.2 Energy and GHG Management 47-48
<b>TCFD 4 (b)</b>	Disclose Scope 1, Scope 2, and, if appropriate, Scope 3 GHG emissions, and the related risks.	9. GHG inventory and assurance status and reduction targets, strategy, and concrete action plan.	49
<b>TCFD 4 (c)</b>	Management targets and performance against the targets.	8. If climate-related targets have been set, the activities covered, the scope of GHG emissions, the planning horizon, and the progress achieved each year should be specified. If carbon offsetting or renewable energy certificates (RECs) are used to achieve relevant targets, the source and quantity of carbon credits or RECs to be offset should be specified. 7. If internal carbon pricing is used as a planning tool, the basis for setting the price should be stated.	49 -







ISO 14001(2023 - 2026) certification

## Appendix 4: External Audit Certificates



IATF 16949:2016 certificate (2024.05.09 - 2027.05.08)  
(Hwa Ya Factory)



IATF 16949:2016 certificate (2024.05.09 - 2027.05.08)  
(Dayuan Factory 1)





ISO 9001:2015 certificate (valid from 2024.05.09 - 2027.05.08)

## Appendix 4: Independent Limited Assurance Report

### Independent Limited Assurance Report

To **Jentech Precision Industry Co., Ltd.**

We have been engaged by Jentech Precision Industry Co., Ltd. (“the Company”) to perform assurance procedures in respect of the key performance indicators identified by the Company and reported in the 2023 Sustainability Report (hereinafter referred to as the “Identified Key Performance Indicators”) and have issued a limited assurance report based on the result of our work performed.

#### Subject Matter Information and Applicable Criteria

The subject matter information is the Identified Key Performance Indicators of the Company. The Identified Key Performance Indicators and the respective applicable criteria are stated in the “Summary of Subject Matter Assured” on appendix five of the Sustainability Report. The scope of the aforementioned Identified Key Performance Indicators is set out in the “Scope and Boundary” on page 1 of the Sustainability Report.

#### Management's Responsibility

The Management of the Company is responsible for the preparation of the Identified Key Performance Indicators disclosed in the Sustainability Report in accordance with the respective applicable criteria. This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation of the Identified Key Performance Indicators that are free from material misstatement, whether due to fraud or error.

#### Inherent Limitations

Certain subject matter information assured involves non-financial data which is subject to more inherent limitations than financial data. Qualitative interpretations of the relevance, materiality and the accuracy of data are more dependent on individual assumptions and judgments.

#### Compliance of Independence and Quality Management Requirement

We have complied with the independence and other ethical requirements of the International Code of Ethics for Professional Accountants (including International Independence Standards) issued by the International Ethics Standards Board for Accountants (IESBA Code), which is founded on fundamental principles of integrity, objectivity, professional competence and due care, confidentiality and professional behavior.

Our firm applies the Standard on Quality Management 1, “Quality Management for Public Accounting Firms” of the Republic of China, which requires the firm to design, implement and operate a system of quality management including policies or procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

### Our Responsibility

Our responsibility is to express a limited assurance conclusion on the Identified Key Performance Indicators based on the procedures we have performed and the evidence we have obtained. We conducted our limited assurance engagement in accordance with the Standard on Assurance Engagements 3000, “Assurance Engagements other than Audits or Reviews of Historical Financial Information” of the Republic of China. This standard requires that we plan and perform this engagement to obtain limited assurance about whether the Identified Key Performance Indicators are free from material misstatement.

Under the requirements of the aforementioned standards, our limited assurance engagement involves assessing the suitability in the circumstances of the Company's use of the criteria as the basis for the preparation of the Identified Key Performance Indicators, assessing the risks of material misstatement of the Identified Key Performance Indicators whether due to fraud or error, responding to the assessed risks as necessary in the circumstances and evaluating the overall presentation of the Identified Key Performance Indicators. A limited assurance engagement is substantially less in scope than a reasonable assurance engagement in relation to both the risk assessment procedures, including an understanding of internal control, and the procedures performed in response to the assessed risks.

The procedures we performed were based on our professional judgment and included inquiries, observation of processes performed, inspection of documents, and agreeing or reconciling with underlying records.

Given the circumstances of the engagement, in performing the procedures listed above, we:

- Made inquiries of the persons responsible for the Identified Key Performance Indicators to obtain an understanding of the processes, and the relevant internal controls relating to the preparation of the aforementioned information to identify the areas where there may be risks of material misstatement; and
- Based on the above understanding and the areas identified, performed analytical procedures on the Identified Key Performance Indicators and performed substantive testing on a selective basis, to obtain evidence for limited assurance.

The procedures performed in a limited assurance engagement vary in nature and timing from, and are less in extent than for, a reasonable assurance engagement. Consequently, the level of assurance obtained in a limited assurance engagement is substantially lower than the assurance that would have been obtained had we performed a reasonable assurance engagement. Accordingly, we do not express a reasonable assurance opinion about whether the Company's Identified Key Performance Indicators have been prepared, in all material respects, in accordance with the respective applicable criteria.

We also do not provide any assurance on the Sustainability Report as a whole or on the design or operating effectiveness of the relevant internal controls. Furthermore, our assurance does not extend to information disclosed in the Sustainability Report for the period ended December 31, 2022 or prior periods.

**Limited Assurance Conclusion**

Based on the procedures we have performed and the evidence we have obtained, nothing has come to our attention that causes us to believe that the Identified Key Performance Indicators in the Sustainability Report are not prepared, in all material respects, in accordance with the applicable criteria.

**Other Matter**

The Management of the Company is responsible for maintaining the Company's website. We have no responsibility to re-perform any procedures regarding the Identified Key Performance Indicators after the date of our assurance report, even if the Identified Key Performance Indicators or the applicable criteria have been subsequently modified.

For and on behalf of PricewaterhouseCoopers, Taiwan  
20 November, 2024

**Appendix 5: Summary of Assurance Items**

**Summary of Assurance Items for Jentech's 2023 ESG Report**

No.	Key Performance Indicator	Aspect	Applicable Criteria
1	The total number of employee training hours in 2023 reached 9,243.	Social (S)	Total number of hours of training courses throughout the Company in 2023.
2	The application rate for parental leave without pay in 2023 was 14.9%	Social (S)	Calculated as the total number of employees who actually took parental leave in 2023 divided by the total number of employees eligible for parental leave.
3	Total water withdrawal: 974.064 thousand tons	Environmental (E)	Calculated based on the tap water withdrawal of each factory in 2023.

***JENTECH***

Jentech Precision Industrial CO., LTD.

[www.jentech.com.tw](http://www.jentech.com.tw)

