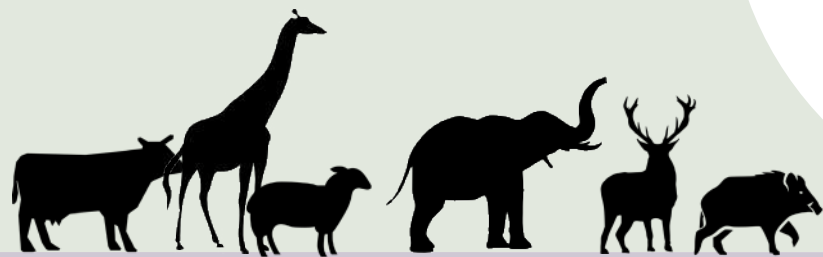


C Sun Manufacturing Ltd.

2023 Sustainability Report



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Operator Statement

To all the internal and external partners who care about C Sun:

C Sun developed industrial ovens from the market demand for electroplating products that need to be dried, and 58 years have passed in a blink of an eye, serving countless customers along the way. Our business philosophy "All Win" is based on the goal that customers, shareholders, internal and external partners are willing to maintain long-term relationships, and because of this philosophy and culture, in the past half century, C Sun has grown and thrived, and corporate social responsibility has always played an important role in corporate management. For example, senior executives spare no effort to invest in the affairs of public associations related to the industrial environment, including the Taiwan Printed Circuit Association (TPCA), Taiwan Electronic Equipment Industry Association (TEEIA), because they attach importance to public welfare feedback. Participated in the planning and establishment of the Printed Circuit Association Environment Foundation (TPCF). Under such a corporate culture, C Sun can seamlessly integrate various ESG projects, and is not only in compliance with laws and regulations, but is willing to devote itself to them.

► Environmental sustainability

In 2023, C Sun independently promoted the ISO14064-1 greenhouse gas inventory operation, carried out systematic and consistent inspections, and obtained them in May 2023 ISO14064-1 carbon inventory certificate, the inventory results were counted and summarized, as a reference for future planning and implementation of improvement plans, so as to promote the relocation plan of the office area of sales and research personnel, the 14th floor of the corporate headquarters was used as a demonstration site, combined with environmentally sustainable building materials, intelligent environmental control, green plant construction, etc. to create a healthy, energy-saving and environmentally friendly situational space.

In response to the issue of carbon emissions, C Sun has extensively planted around the factory area and the balcony area on each floor, and also proposed a supporting plan for the transformation of official vehicles and executive cars from traditional oil vehicles to electric vehicles. On Arbor Day in 2023, the C Sun Love Club launched the activity of "Paper Wants You to Be Willing to Plant Trees and Care for the Environment", collecting idle notebooks and journals in the company, and matching students in need through the Teacher Training Cent provide them for recycling purposes such as classroom notebooks and computing paper.

Recently, we established the "Old Line Activation" project organization, which not only meets the relevant transformation of production line automation, but also replaces energy-saving systems with high conversion efficiency for customers, while activating the equipment on the old production line, it also responds to ESG energy conservation and carbon reduction, not only to pay attention to environmental sustainability, but also to assist customers in transforming into green enterprises.

► Social Feedback

Over the years, C Sun has adhered to the gratitude of "taking from the society and using it for the society", and regularly gives back to social groups and the academic community, sponsoring groups such as the Upward Foundation, the Ren'an Foundation, the Rare Disease Foundation, LeShan Correctional Home, Bali Love Correctional Home, etc.

We continue to cooperate with Taiwan University, Chung Hsing University, Tsinghua University, Feng Chia University, Taiwan University of Science and Technology, QinYi University of Science and Technology, LongHua University of Science and Technology and MingZhi University of Science and Technology, including "Education and

Internship Cooperation", "Academic Research Cooperation", "Scholarships and Grants" and "Campus Lecture Tour"., the Dean's Award for Graduate Students of the College of Engineering, the Outstanding Overseas Chinese Student Scholarship, and the National Taiwan University Academic Advancement Award, G2C+ will jointly donate until 2031, with a total of NT\$20 million.

► Corporate Governance

C Sun adheres to the transparency of operation and the joint decision of the group, invites members of the board of directors with rich experience in the industry and academia to form a strong board organization, sets up an audit committee and a remuneration committee, and does a good job of supervising the company's legal operation, clean financial information, and correct strategic business direction, and then plans and implements internal rules, and regularly maintains intellectual property rights and information security risk management policies, laying a good foundation for corporate governance. In response to changes in the general environment, enterprises have been able to maintain stable profitability under the influence of economic fluctuations; It is also deeply rooted in core technologies, and was awarded the TSMC Excellent Supplier Award at the end of 2023. Under the all-round corporate governance, C Sun continues to be responsible for investors and stabilize the performance of interest distribution every year.

In order to take care of the physical and mental health of our colleagues, at the end of 2023, we held a sports certification promotion activity - "Healthy Life Activity", which included three stages: "Reducing Body Fat", "Healthy Walking" and "Healthy Running". Families are also important objects that we attach great importance to, such as proposing a high birth subsidy that is better than the law, and co-organizing a robot dream experience camp with the DIT Robotics team of the Department of Motivation of Chung Hwa University, and providing employees with their children to sign up for it. All

colleagues of C Sun will always be with internal and external partners in the spirit of All Win, and continue to work the road of ESG sustainable management.



About this report

Preparation Principles GRI 2-2, 2-3, 2-5

This report is the first sustainability report issued by C Sun Manufacturing Ltd (hereinafter referred to as C Sun, the Company or we) and is mainly based on GRI Standards 2021 published by the Global Reporting Initiative (GRI) in 2021 "Operational Regulations for the Preparation and Filing of Sustainability Reports by Listed Companies" and "Climate-related Information of OTC-listed Companies", and refers to the "Task Force on Climate related Financial Disclosures (TCFD)" to disclose sustainability-related actions.

Report Boundaries and Scope of Information

The scope of the information disclosed in this report is not consistent with the consolidated financial report, and the scope of the report covers only the operations and production bases of the Linkou headquarters, Taipei plant and Taichung plant. The information and statistics disclosed in this report are based on C Sun's own investigation and statistics, except for the annual financial data, which are quoted from the individual financial reports ((in NT\$1,000) verified by PwC United Accounting Firm. The relevant statistical data are based on international indicators, local laws and regulations, industry standards or industry practices, are explained in the form of annotations if the disclosed quantitative indicators have special significance.

Release date

This report is the first corporate sustainability report issued by C Sun Manufacturing Ltd, which will be released regularly every year in the future and will be available for browsing and downloading on the official website of C Sun.

This report is released in August 2024

The next report is scheduled to be issued in August 2025

The report is assured

The information and data of this report were compiled by the Sustainability Committee, submitted to the Board of Directors for consideration, and assured by the Board of Directors prior to issuance, and PricewaterhouseCoopers was entrusted to perform an independent limited assurance for the selected indicators in accordance with the Republic of China Assurance Standard No. 3000 "Assurance Cases Not Involving Historical Financial Information Verification or Verification". It also covers quality management systems (ISO 9001), occupational health and safety management systems (ISO 45001), environmental management systems (ISO 14001) and greenhouse gas

Feedback

If you have any suggestions about this report or the sustainable development of C Sun, please feel free to contact us.

E-mail: esg@csun.com.tw

Contact number: Kevin Yuan, Audit Office: 02-26017706 #12767

ESG website: <https://www.csun.com.tw>

Address: 7F-1, No. 266, Section 1, Wenhua 2nd Road, Linkou District, New Taipei City

Sustainable Performance Highlights

Governance

Corporate Governance

96.15 %

The average attendance rate of the board of directors

100%

average attendance of the Audit Committee.

100%

The average attendance rate of the Remuneration Committee

Integrity Management

100%

of new employees in the current year completed the relevant training on integrity management

No reports or violations of ethical conduct and ethical management practices were reported during the year.

Environment

Climate Change Adaptation

In 2023, we implemented the Climate-related Financial Disclosure (TCFD) for the first time and completed the analysis of climate-related risks and opportunities.

Greenhouse Gas Management

-5.24%

Completed the 2023 C Sun Greenhouse Gas Inventory in accordance with ISO14064-1, and the inventory result was 5.24% lower than that in 2022.

Energy Management

-8.21%

Purchased electricity consumption in 2023 decreased by 8.21% compared to 2022.

331,700 kWh

In 2023, the solar power generation capacity was

Waste Management

-36.57%

Replace wooden pallet with plastic pallet to prolong the service life of pallet. In 2023, the volume of waste wood pallet removal was 36.57% lower than that in 2022.

Products

Low-carbon products

-7.425 tons

Launched an oven energy saver in 2023 to reduce the electricity consumption of electric heaters through waste heat recovery. It helped customers reduce carbon emissions by 7.425 tons of CO₂e per year.

Product R&D

- In 2023, the R&D expenditure on product innovation was NT\$338 million , accounting for 9.32% of the turnover.
- In 2023, the education and training fund for R&D personnel was NT\$1.311 million.
- In 2023, the industry-university cooperation fund of domestic research institutions and colleges and universities reached NT\$5.418 million.

Customer satisfaction

99.39

In 2023, the customer satisfaction score was

Awarded

Won the 2023 TSMC Excellent Supplier Excellence Award.

Won the 2023 Zhen Ding Technology Group Excellent Cooperation Partner.

Local procurement

96.84%

the proportion of local procurement reached in 2023.

Employee society

Talent Attraction & Retention

- In 2023, a total of 52 employees were promoted, accounting for 13% of the total.
- In 2023, 6 large-scale education and training sessions were held for course and science supervisors, covering

Talent Cultivation and Development

- Process management, case sharing, project management and other aspects, each course had about 40 participants.
- In 2023, the total number of training hours of employees reached 7,761.67 hours, of which 4,735 hours were professional course training, accounting for 61%.
- About 70% of the positions in the company were promoted from internal employees to improve the utilization rate of internal talents.

Occupational Health and Safety

- Obtained ISO45001/14001 certified system.
- Conduct occupational safety and health audits once a month on a regular basis, and held a total of 16 audits in 2023; There were 22 violations, and the improvement rate of violations was 100%.
- In 2023, a total of 2 occupational safety and health training courses for employees were held, with a total of 162 trainees and a total of 6 training hours (3 hours/session)

1 Corporate Sustainability

1.1 About C Sun

1.1.1 Company Profile

1.1.2 Development history of C Sun

1.1.3 Operating and Financial Condition

1.1.4 Participate in the public association organization

1.2 Corporate Sustainability Governance Structure

1.3 Identification and analysis of major issues

1.4 Stakeholder Negotiation and Communication

1.1 About C Sun

1.1.1 Company Profile

C Sun Group was established in 1966, with R&D and production equipment as its main business. The Group has continuously improved, integrating the five core technologies of light, heat, filming/pressing, film Peeling and plasma cleaning, and providing high-precision production equipment. In recent years, C Sun has been more committed to transformation, actively targeting the semiconductor market from the panel field, and further expanding the scope of product applications. With leading-edge technology and flexible custom manufacturing capabilities, our products have become popular in multiple industries. In addition, C Sun is committed to providing equipment to optimize the process, helping customers produce high-quality products, and has established a close partnership with customers, continuously improving and strengthening technical services, and has earned the affirmation and support of well-known enterprises in various countries. These efforts have enabled C Sun's revenue to continue to grow steadily, and it was selected as one of the top 1000 manufacturing enterprises in Common Wealth magazine, and has won many awards at home and abroad, providing customers with more perfect solutions. C Sun's equipment is widely used in PCB circuit boards, FPD panels and touch IC substrates, semiconductor high-end packaging, solar energy, printing, painting and footwear and other major industries, and the equipment is characterized by high efficiency, energy saving and environmentally sustainable development, and is marketed all over the world, and has a pivotal position in the domestic and foreign industrial chain.

Full name of the company		C Sun Manufacturing., Ltd	
Date of establishment	1966 / 09 / 28	The date the stock was listed	2001/ 09 / 17
Chairman	Morrison Liang	managing director	Frank Liang
Industries	Electronic components industry	Stock code	2467
Amount of capital	NT\$ 1,567,553,480		
Corporate headquarters	7F-1, No. 266, Section 1, Wenhua 2nd Road, Linkou District, New Taipei City		



1986

Manual drawing site at Linkou factory



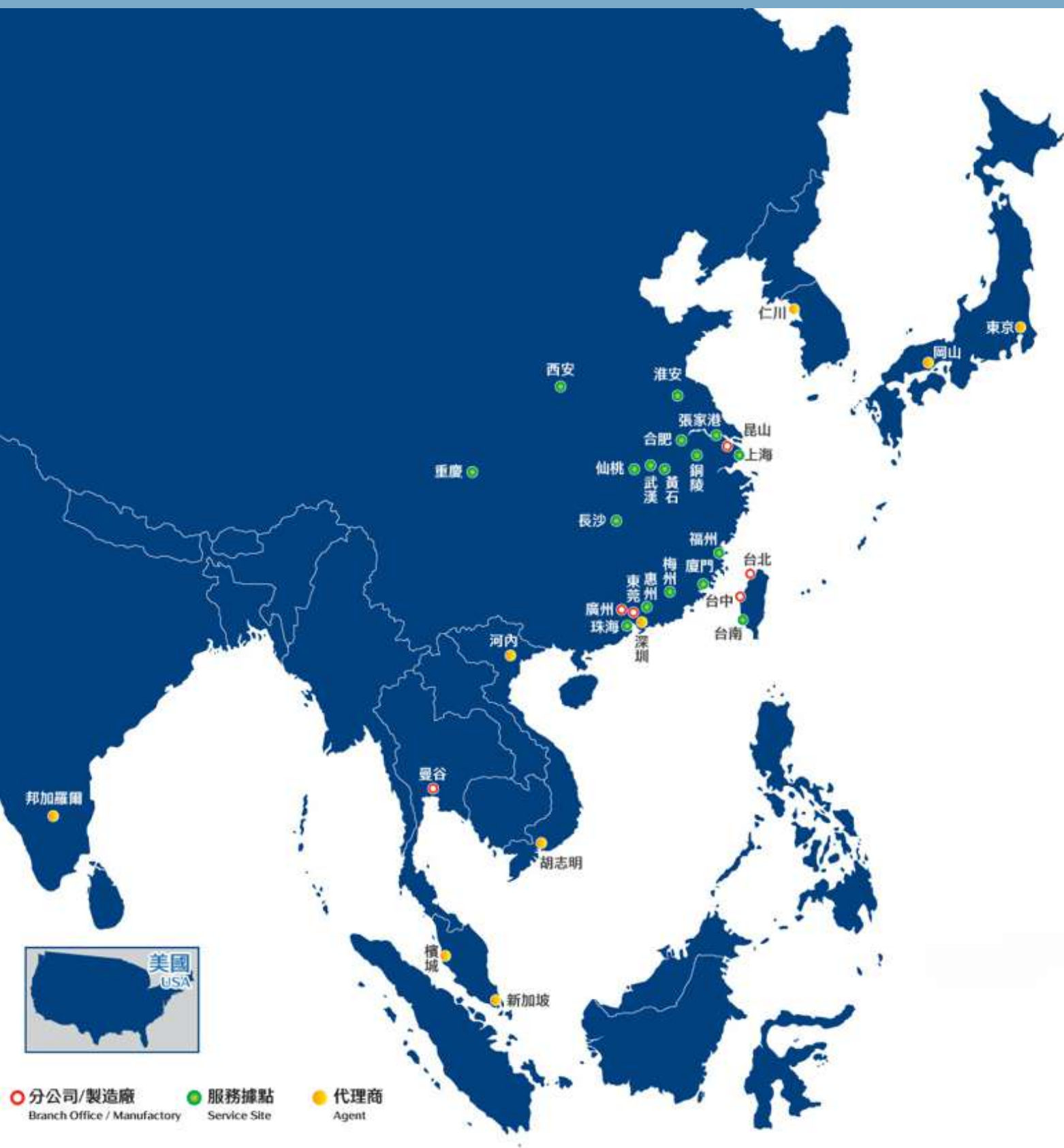
2022

Inheritance



2023

Dust-free indoor assembly site



Main product items

Technical field



thermal application



light curing



precision pressing



pressing/Peeling film

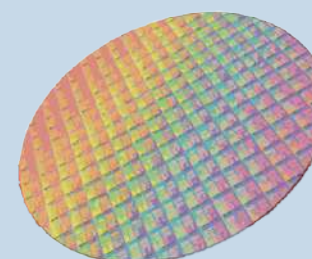


plasma



AOI/AI software development

Semiconductor products

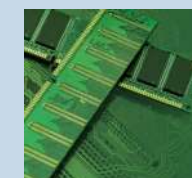


- wafer temporary bonding equipment
- wafer vacuum laminating equipment
- wafer roller laminating equipment
- wafer Peeling equipment
- wafer permanent bonding equipment
- wafer surface plasma processing equipment

Industries cover



Semiconductors



Circuit Boards



Displays

LED/Mini LED/Micre LED



electronic applications

lenses/RF modules/5G antenna/AR/VR

► The main operating bases

Taiwan: Linkou, Taichung and Tainan
Chinese mainland: Guangzhou, Kunshan and Dongguan

► Major markets

Taiwan, Chinese mainland, Thailand, Malaysia,
Singapore, India, United States and Japan

1.1 About C Sun

1.1.2 Development history of C Sun

1981	Taichung plant was established	2015	The panel high-efficiency hot air multi-layer furnace won the Gold Panel Awards 2015 Display Component Product Technology Award
1997	Established Guangzhou factory	2016	The new factory of C Sun Technology Kunshan High-tech Zone was completed and opened
1999	C Sun stock is on the OTC	2019	The operations and finance staff moved to the headquarters of the Linkou World Trade Center to expand the production scale of the Taipei plant Won the 16th Taiwan Golden Root Award Won the 5th Outstanding Medium-sized Enterprise Award
2001	C Sun stock listing	2020	The G2C+ alliance was established, and the media jointly held a press conference in September
2003	C Sun Technology Kunshan Base was established	2021	Donated to the Tsing Hua university ShuRen Fund to assist new professors in their research
2006	Merged with Jingyan Technology to establish Hsinchu Science Park Base	2022	Commonwealth Magazine ranked 519th in the top 2,000 manufacturing industries Won the first New Taipei Enterprise Classic Award - R&D Innovation Group
2007	Merged with Prof Technology	2023	Won the "Diamond Quality Award" of the Touch Taiwan Smart Display Exhibition-etouch Green Decoration Design Award Won the TSMC Excellent Supplier Excellence Award
2008	C Sun Technology Kunshan factory was completed		
2011	Invested in Suzhou tcf Optoelectronics Technology Co., Ltd. to become a subsidiary		
2012	The new plant in Taichung was completed in the Precision Machinery Park WVL automatic wafer laminating machine was awarded the Outstanding Manufacturer Forward-looking Innovation Award by the National Science Council of the Executive Yuan		

1.1 About C Sun

1.1.3 Operating and Financial Condition

In 2023, the annual revenue and net profit of C Sun reached NT\$1,892,397 thousand and net profit of NT\$486,324 thousand, respectively. At the same time, C Sun also distributed the direct economic value generated, partly to stakeholders, and partly for the company's future operation, and the direct economic value generated by C Sun in 2023 was NT\$2,066,340 thousand, a decrease of 35.5% compared with last year.

Financial performance in the past three years

(Unit: NT\$1,000)

project	2023	2022	2021
A generation of direct economic value	2,066,340	3,203,804	3,458,098
Operating income	1,892,397	3,017,502	3,381,533
Interest income	3,485	927	2,438
Dividend income	44,860	32,830	16,097
Rental income	254	290	317
Other income	81,833	52,556	31,054
Other Benefits	10,180	44,213	6,792
Investment income	33,331	55,486	19,867
B. Distribution of direct economic value	2,296,950	3,353,026	3,514,322
Operating costs and expenses	1,243,184	2,233,652	2,497,712
Employee compensation and benefits	473,522	539,188	553,694
Payments to contributors	564,319	456,569	373,014
Payments to the government	15,925	123,617	89,902
Retained Economic Value (A-B).	(230,610)	(149,222)	(56,224)

Note

1: The data in this table is the individual financial data of 2021~2023 after the visa of PwC.

2: The investment income system includes dividend income, disposal of investment benefits, and financial assets (liabilities) (losses) at fair value through profit or loss

Financial assistance from the government

(Unit: New Taiwan dollar)

Subsidy programs	Subsidy eligibility	Reason for subsidy	Amount of subsidy
R&D investment credit//smart machinery/5G investment credit	IRS	Tax deductions and credits	12,906,907
R&D plan of intelligent roller laminating equipment	Taiwan SME Joint Mentoring Foundation	Investment subsidies and R&D subsidies	1,000,000
SoIC wafer-level packaging metal hot press bonding process key equipment development plan	Taiwan SME Joint Mentoring Foundation	Investment subsidies and R&D subsidies	15,000,000

1.1 About C Sun

1.1.4 Participate in the public association organization

C Sun actively participates in relevant industry associations at home and abroad, continuing to maintain information sharing, and grasps the latest trends and development trends of the industry. In 2023, the associations in which C Sun participated as a member are as follows:

Name of the association	Aims or objectives of the Association	Identity	Role	Commission	Invest in the annual fee every year Note
SEMI International Semiconductor Association	SEMI always adheres to the principle of objectivity and neutrality, and takes integrity, transparency and agility as its core values, providing Taiwan corporate members with the role of a semiconductor industry think tank, and continuously promotes Taiwan's international influence and competitiveness by holding the annual SEMICON® Taiwan International Semiconductor Exhibition, international summits and various large-scale technical forums, and promoting in-depth exchanges between the international industry, government, academia and research circles. Promote the integration of Taiwan's semiconductor industry with the world and build a two-way communication and dialogue mechanism.	Full Membership	-	Packaging and testing commission	US\$3,255
TSIA Taiwan Semiconductor Industry Association	Founded in 1996, Taiwan Semiconductor Industry Association is a non-governmental organization with "caring for industrial development" as the starting point, hoping to gather the consensus of the industry on industrial development through the activities of the association, so as to promote cooperation in competition and promote the sound development of the overall industry.	Full Membership	-	-	120,000
Taiwan Electronic Equipment Corporation/ (TEEIA).	The Electronic Equipment Association combines the electronic equipment and components and component production, agency and manufacturer established in Taiwan to assist member manufacturers to expand business opportunities, international exchanges and cooperation, industry-academia technology research and development, and industrial upgrading in the field of electronic equipment.	Full Membership	-	I Vice President of the Association (Chairman)) I Guild Directors (managing director)	21,000

Note: Unless otherwise specified, it is in New Taiwan dollars.

Name of the association	Aims or objectives of the Association	Identity	Role	Commission	Invest in the annual fee every year Note
Taiwan Aerospace Industry Association	The Taiwan Aerospace Industry Association is the main non-governmental organization of the aerospace industry in Taiwan. The mission of the Space Society is to help its members to win the support of all sectors of the community in order to develop a sound industrial environment.	Full Membership	-	-	43,200
Taiwan Circuit Board Association (TPCA).	The establishment of TPCA symbolizes the unity of the domestic printed circuit board industry; On the other hand, the establishment of the association also represents the competition of Taiwan manufacturers in the global market, and will no longer fight alone. Through TPCA, we hope to fully integrate and give full play to various resources to enhance the overall industrial competitiveness, and then lead Taiwan's printed circuit board industry to another new era!	Full Membership	Director (General Manager)	PCB Academy Committee Conference Committee Exhibition Committee International Affairs Committee Market Information Committee Intelligent Mobilization Committee Continental Affairs Council Sustainable Development Committee Semiconductor Assembly Committee	48,000
Taiwan Rubber and Elastomer Industry Association	Create member profits and assist in sustainable operation Participate in international affairs and expand international exchanges Supervise government policies to participate in the revision of laws and regulations Set up an online platform to create business opportunities in the industry Respond to the problems of the industry and act as a bridge of communication. Strengthen peer networking and promote experience sharing.	Full Membership	-	-	24,000
Taiwan Electrical and Electronic Manufacturers Association	To provide members with a wide range of global services, promote the common good, and serve as a bridge between industry and government to promote economic development.	Full Membership	-	-	42,000
New Taipei City Import and Export Trade Association	The Association was established on October 31, 58 of the Republic of China, with the purpose of assisting the government in implementing trade policies, developing international trade, promoting the public interests of the industry and correcting its shortcomings.	Full Membership	-	-	2,400

Name of the association	Aims or objectives of the Association	Identity	Role	Commission	Invest in the annual fee every year Note
Taiwan-Japan Association for the Promotion of Industrial Technical Cooperation	The purpose of the Taiwan-Japan Industrial Technology Cooperation Promotion Association is to build a platform for Taiwan-Japan industrial technology exchange, and derive cooperation opportunities such as technical cooperation, joint research and development, mutual investment, or joint cooperation to expand the third market.	Full Membership	Supervisor (Chairman)	-	20,000
Taichung Precision Science Park Manufacturers Association	It is an organization that assists in handling the common affairs of members, safeguarding the legitimate rights of members, seeking common welfare, enhancing emotional exchanges, giving full play to mutual assistance, consolidating the strength of unity, strengthening industrial competitiveness, and promoting national economic development.	Full Membership	-	-	9,600
Taichung City General Industrial Association	With the concept of industrial management, the art of integrating politics, and the correct leadership, the conference has been expanding and developing on the goal of excellence, efficiency, implementation and service.	Full Membership	-	-	10,800
Taiwan Institute of Directors	With the goal of improving the operation of the board of directors in an all-round way, we pay attention to internal and external issues and long-term and short-term goals of the board of directors, including global vision, family governance, corporate governance and social responsibility, combine the strength of the government and academia on the island and abroad, and closely connect with other relevant organizations of the board of directors, so as to help members achieve the common goal of family prosperity for three generations and sustainable development of enterprises, and help Taiwan enterprises create the next golden generation.	Full Membership	-	-	30,000

Note: Unless otherwise specified, it is in New Taiwan dollars.

Participate in the wonderful moments of the association's activities



Participated in the SEMICON Taiwan exhibition organized by the SEMI Association



Participated in the campus lecture tour organized by the TSIA Association



Participate in and sponsor golf tournaments organized by TPCAParticipate in and sponsor golf tournaments organized by TPCA



The Chairman of the Board was elected as the Vice Chairman of TEEIA

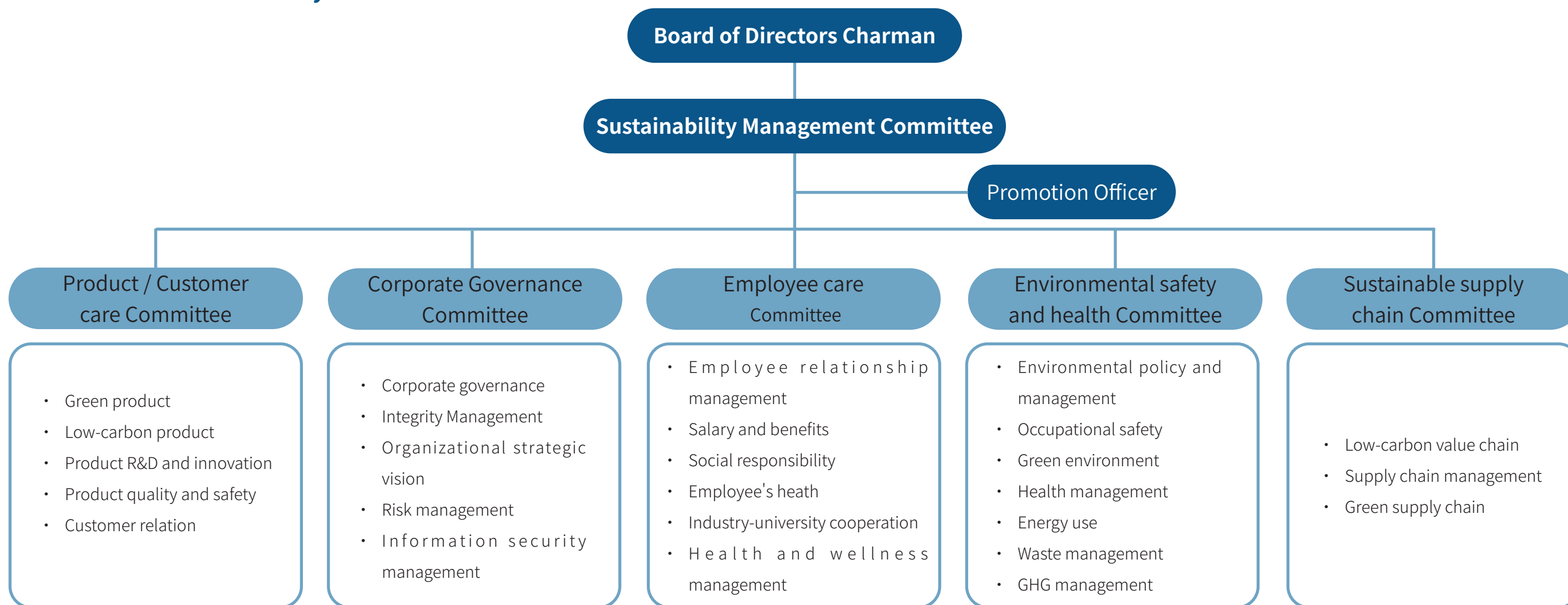
1.2 Corporate Sustainability Governance Structure

With the goal of becoming a world-class equipment leader, C Sun has established a sustainable management committee since December 2017, and will be committed to pursuing the maximum rights and interests of employees, shareholders, customers, suppliers and other stakeholders, fulfilling its corporate citizenship responsibilities, and achieving the purpose of corporate sustainable operation. The C Sun Sustainability Management Committee is the company's sustainable development unit, chaired by General Manager Frank Liang, responsible for the

company's sustainable development coordination and promotion and other related matters, under the jurisdiction of corporate governance, environmental safety and health, product/customer care, employee care and sustainable supply chain. The members of the committee are the heads and members of various ministries and departments, effectively integrate resources, and implement the sustainable strategy to all ministries and departments. At least once a year, C Sun reports to the board of directors on the effectiveness of sustainable strategy and

project implementation, and the major topics discussed include: the progress of greenhouse gas inventory implementation and ISO14001 Promotion of environmental management system, implementation of ISO45001 occupational safety and health management system, TCFD climate-related financial information disclosure. 2023 among the 6 board meetings, 3 of them mentioned sustainable development-related proposals, accounting for 50% of the overall number of board meetings.

Structure of the Sustainability Committee



1.3 Identification and analysis of major issues

In 2023, C Sun used the GRI Universal Standards 2021 to identify C Sun in accordance with Taiwan's "Operating Regulations for the Preparation and Filing of Sustainability Reports of Listed Companies". In addition to serving as the management guidelines of the sustainability report, important stakeholders and the impact of various sustainability issues can also be used to take stock of the company's sustainability status, continue to promote the implementation of relevant policies, and create value for the society and the company.

Major Topic Analysis Process



Phase 1

Understand the Organizational Context

Collect sustainability issues: 12 sustainability issues

- According to the company's industrial characteristics and internal concerns, and with reference to GRI standards, domestic and foreign sustainability trends, industry benchmarks and peer information, 12 sustainability issues are identified by intersection.

Phase 2

Assess the actual/potential impact of the topic

Assess the significance of the impact 31 internal questionnaires

- In the form of questionnaires, the supervisors of various departments of the sustainability committee were asked to fill in the questionnaires, score 12 sustainability issues, and finally collect 31 valid questionnaires.
- The positive/negative impact of the 12 sustainability issues on the economy, environment and human rights (including human rights) was evaluated, and the "positive/negative impact degree" and "positive/negative occurrence likelihood" of each topic were multiplied and summed respectively to obtain the total impact degree score of each topic

Phase 3

Establishing the Ranking of Major Topics

Topics Resolutions on Major Topics

8 Major Topics

- After discussion by the C Sun Sustainability Committee, a total of 8 major topics were identified, namely: product technology innovation, corporate governance, customer service/product quality and safety, integrity management, occupational safety and health, talent attraction and retention, talent development and cultivation, and climate change adaptation.
- This year's sustainability report is based on the above major topics, and fully discloses its management policies and performance results in the report.

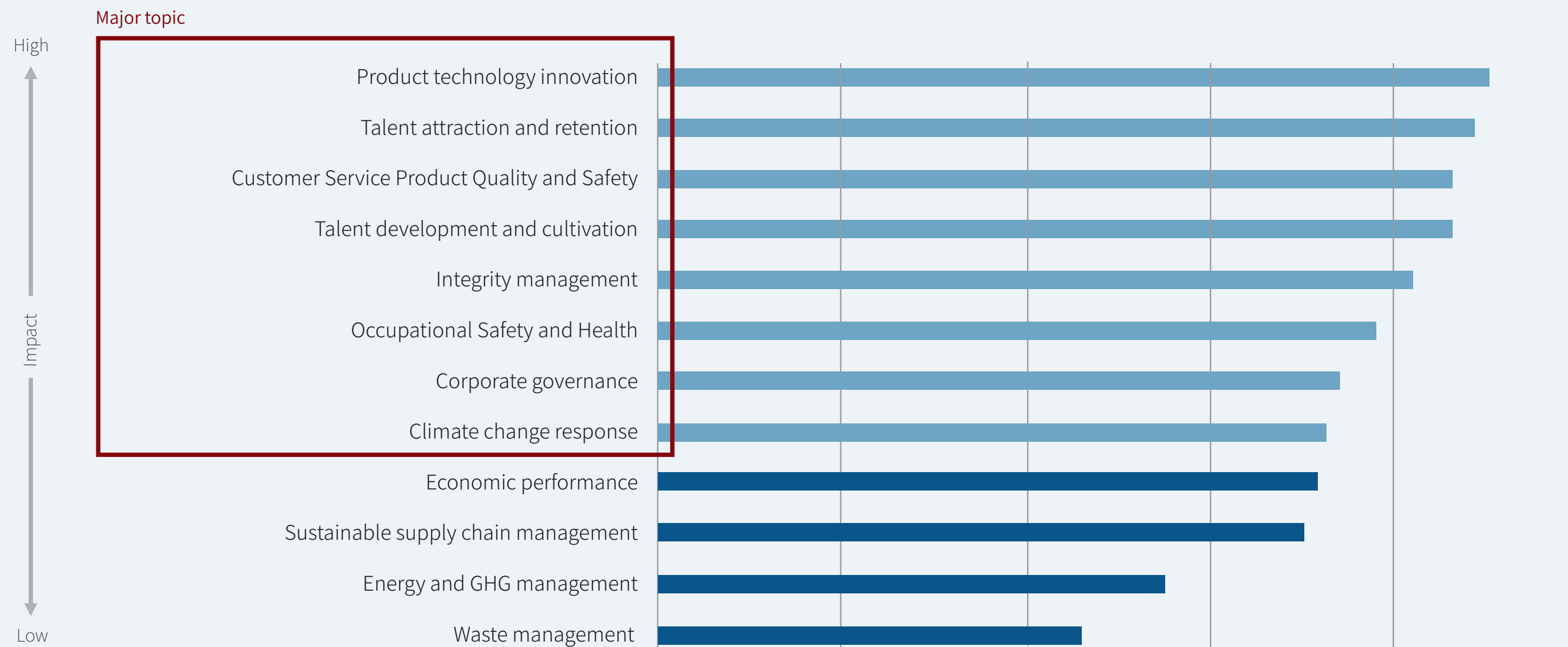
Phase 4

Reporting and Disclosure Information

Reporting and Disclosure

- The Sustainability Committee formulates management systems and processes, collects information, prepares sustainability reports, and reviews them by each committee to ensure that sustainability information and performance are accurately expressed, and the final report is approved by the Board of Directors and issued before August 31 of each year.

C Sun sustainability topic impact ranking chart



List of major topics of C SUN

- Indirect relationship

- ✱ Business partners

Aspect	Major topics in 2023				GRI Standards Index	Corresponding Chapters
		Within the Organization	Outside the Organization			
		Dedicated Unit of C SUN	Upstream (Supplier)	Downstream (Customer)		
Governance	Corporate Governance	Corporate Governance Committee	○	※	2 General Disclosure	1 Corporate Sustainability 2 Steady Corporate Management
	Integrity Management		○	※	205 Anti-Corruption 206 Anti-competitive Conduct	2 Steady Corporate Management
Society	Talent Attraction & Retention	Employee Care Committee			401 Employment Relations 405 Employee Diversity & Equal Opportunity	5 Harmonious and Healthy Workplace
	Talent Development & Cultivation				404 Training & Education	5 Harmonious and Healthy Workplace
	Occupational Safety and Health	Environmental, Safety and Health Committee	○	※	403 Occupational Safety and Health	5 Harmonious and Healthy Workplace
Environment	Climate Change Adaptation		○	※	201 Economic Performance 302 Energy, 305 Emissions	3 Environmental Sustainability
Product	Product technology innovation	Product/Customer Care Committee, Sustainable		※		4 Product Innovation and Customer Service
	Customer Service / Product Quality & Safety			※	416 Customer Health and Safety	4 Product Innovation and Customer Service

1.4 Stakeholder Negotiation and Communication

C SUN uses the AA1000 SES Stakeholder Participation Standard to identify stakeholders, and screens out four types of stakeholders based on past experience and industry characteristics: shareholders and investors, employees, customers, and suppliers. C Sun establishes a transparent and smooth communication channel, continuously tests and improves the promotion of corporate social responsibility through continuous interaction with stakeholders and inviting actual participants in the company's activities, hoping to understand the issues that stakeholders are concerned about, and continuously improve to meet their expectations and needs.

Stakeholders	Issues of interest	Communication Channels	How to respond	Stakeholder Communication in 2023
 Shareholders & Investors	• Economic Performance • Corporate Governance • Integrity Management • Climate Change Adaptation • Energy & Greenhouse Gas Management • Waste Management	Company Spokesperson Mr. Jamie Wu Tel. :886-2-26010700#14729 Acting Spokesperson Mr. Henry Lin Tel. :886-2-26010700#10295 E-mail : IR_CSUN@csun.com.tw	• Exposed by news/ Communication of major information • Real-time announcement of important information by the media/public information observatory • Holding of information sessions for domestic corporations • Two-way communication of investor relations • Reception of domestic corporate analysts • Invited to participate in domestic and international forums	• Regularly update the official website on finance, business and corporate governance, shareholder project information and the investment public. • Provide appropriate information for shareholders/ investors' visits and inquiries at any time. • For those who have a significant impact on the company's financial business and shareholders' equity, about 27 material information announcements were issued.
 Employees	• Occupational Safety & Health • Talent Attraction & Retention • Talent Development & Cultivation	Human Resources Unit Tel. :886-2-26017706 E-mail: csunzskhr@csun.com.tw	• Continuous improvement of salary and benefits • Continuous improvement of labor relations • Focus on employee development • Continuous improvement of occupational safety and health	• ISO 45001 in 2023 • Regular Labor-Management Meeting • Monthly company-wide meeting • Provide free health check-ups for employees every year • Regular on-site consultation of medical staff • Employee Welfare Committee
 Customer	• Customer Service/Product Quality & Safety	Business Units Tel. :886-2-26017706 E-mail:sale@csun.com.tw	• Provide customers with multiple communication channels • Complaint hotline and e-mail address • Dedicated personnel to handle relevant grievances or disputes	• ISO 9001 in 2008 • Participated in 14 external exhibitions to interact with customers
 Suppliers	• Sustainable Supply Chain Management • Product Technology Innovation	Purchasing Department Materials Department Tel. :886-2-26017706 E-mail: chiao@csun.com.tw	• Pay attention to and continue to improve environmental compliance • Pay attention to and continue to improve products and services	• Communicate with suppliers from time to time every year • Discuss with suppliers at meetings for poor quality

2 Steady Business Operation

2.1 Corporate Governance

- 2.1.1 Corporate Structure and Board Composition
- 2.1.2 Nomination and Selection of Board of Directors
- 2.1.3 Functional committees
- 2.1.4 Performance Evaluation
- 2.1.5 Remuneration Policy
- 2.1.6 Sustainable Governance

2.2 Ethical Management

- 2.2.1 Integrity Management Policy and Anti-Corruption
Communication, Education and Training
- 2.2.2 The whistleblower system

2.3 Risk Management

- 2.3.1 Risk Management Organizational Structure and Response
- 2.3.2 Identification and analysis of major risks
- 2.3.3 Information Security Risk Management

2.4 Compliance with laws and regulations

2.1 Corporate Governance (Major Topic)

Grievance Mechanism

Company Spokesperson Mr. Jamie Wu Tel:886-2-26010700#14729

Acting Spokesperson Mr. Henry Lin Tel:886-2-26010700#10295

E-mail: IR_CSUN@csun.com.tw

Policies, Commitments and Importance

In order to ensure the sustainable operation of the company, C Sun attaches great importance to the transparency of the company's operation and governance. To this end, C Sun has continuously strengthened the functions of the board of directors and optimized the company's governance mechanism to pursue the best interests of the company and shareholders. In order to ensure the effective implementation of corporate governance, C Sun formulated the "Corporate Governance Practice Code" and various management measures as the management basis. We are also committed to ensuring that good and smooth communication channels and mechanisms are maintained between the independent directors, the audit committee and the head of internal audit, and that the convener of the audit committee reports to the shareholders' meeting on the communication between the head of internal audit.

In addition to the self-assessment of the internal control system, the Board, the Audit Committee and the management also review the results of the self-assessment of each department on an annual basis and review the audit reports of the auditors on a quarterly basis to ensure their feasibility.

Authorities and Responsibilities

Board of Directors

Short-term goals

1. The average attendance rate of the Board of Directors was 100%.
2. The average attendance rate of the Audit Committee was 100%.
3. The average attendance rate of the Remuneration Committee was 100%.
4. A majority of the directors and the convener of the audit committee attended the general meeting of shareholders in person.
5. Improved corporate governance evaluation scores.

medium- and long-term goals

1. Strengthen the functions of the board of directors and improve the corporate governance capabilities of the board of directors.
2. Improve the sustainable governance structure and promoting the setting of internal ESG goals have driven internal transformation.
3. Implement corporate governance evaluation, actively communicate with stakeholders, and continue to deepen the company's sustainable governance culture

Action Plan

1. The Audit Committee, which is composed of all independent directors, helps strengthen the oversight function of the Board of Directors and improves its governance performance, and ensure the operation of its effective supervision.
2. The Remuneration Committee is responsible for formulating the performance evaluation criteria for directors and managers, and regularly evaluates the achievement of their performance targets as the basis for setting individual remuneration, and the Remuneration Committee ensures that the remuneration of directors and managers is commensurate with their contributions and performance.
3. Established an independent audit unit to supervise the company's various business activities through the internal audit mechanism.

2023 Performance

1. The average attendance rate of the Board of Directors was 96.15%.
2. The average attendance of the Audit Committee was 100%.
3. The average attendance rate of the Remuneration Committee was 100%.
4. More than half of the directors and the convener of the audit committee attended the general meeting of shareholders in person

2.1 Corporate Governance

2.1.1 Corporate Structure and Board Composition

In accordance with Article 20 of the Code of Practice on Corporate Governance for Listed and OTC Companies, C Sun has formulated a diversity policy for the board of directors to ensure the implementation of corporate governance, enhance the functions of the board of directors, and improve the structure of the board of directors. The composition of the Board of Directors of C Sun takes into account diversity, and formulates appropriate diversity policies based on their own operations, business styles and development needs, which should include but are not limited to the following two major criteria:

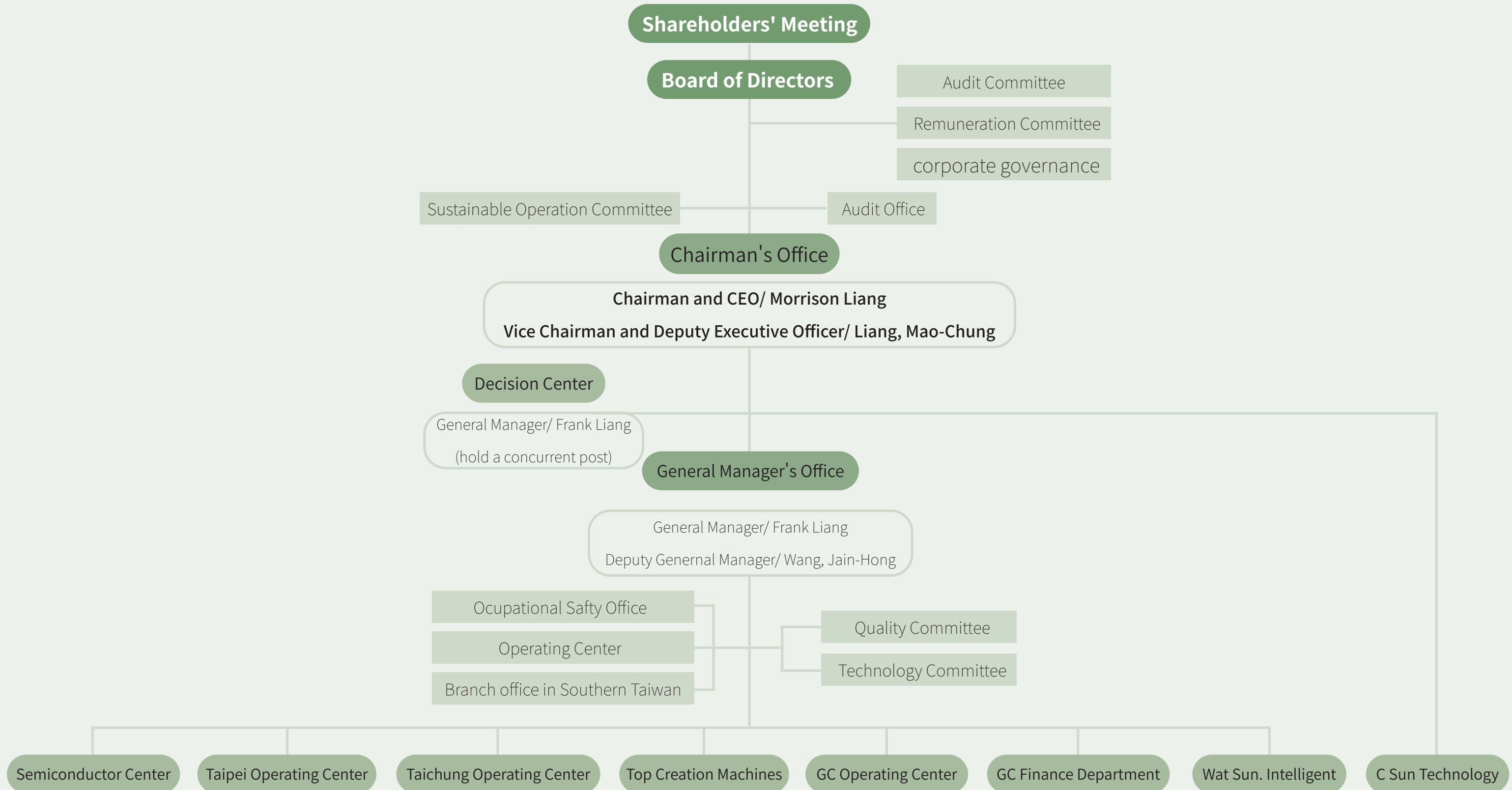
1. Basic conditions and values: gender, age, nationality and culture, etc.

2. Professional knowledge and skills: professional background (such as law, accounting, industry, finance, marketing or technology), professional skills and industrial experience, etc.

At present, the selection of the board of directors of C Sun has gradually become diversified. Through this policy, C Sun attracts talents with different professional backgrounds, professional skills and industrial experience, and continues to strengthen corporate governance and operational synergy. The current board of directors of C Sun has a total of 9 seats, composed of 5 general directors and 4 independent directors, the age of the members is between 55 years old ~ 77 years old, professional backgrounds include business, technology, marketing, finance and accounting, etc., each director has rich experience in the industry, with good operational judgment ability, accounting and financial analysis ability, management ability, crisis management ability, industry knowledge, international market view, leadership ability and decision-making ability. In 2023, 96.15% of all directors attended the board in person.

C Sun encourages board members to continue to study and enhance their professional ability and quality, to be more familiar with the current industry trends and regulatory trends, and to grasp and apply the latest management strategies and expand their corporate governance horizons, so as to cultivate their judgment and sensitivity to the market environment. In FY2023, the Board of Directors attended training courses, seminars, forums, etc., with a total of 54 hours of training, with an average of at least 6 hours per director.

Organization Chart of C Sun



Annual director training status

Course unit	Course name	Training hours
Taiwan Corporate Governance association	Discussing Taiwanese business operations and M&A strategies from the perspective of global political and economic situation	3
Taiwan Independent Director association	International carbon reduction trends and sustainable governance that boards of directors must know	3
Taiwan Corporate Governance association	Shareholders' meetings, management rights and equity strategies	3
Taiwan Independent Director association	The group's M&A strategy and post-investment management	3
Taiwan Independent Director association	Analyzing the responsibilities of directors (independent directors) from practical cases	3
Taiwan Independent Director association	A cutting-edge tool for board of directors to check fraud warnings	3
Taiwan Independent Director association	Identify financial business warning signs from cases of false financial reports	3
Taiwan Corporate Governance association	How directors and supervisors supervise risk management and crisis management and strengthen corporate governance	3
Taiwan Corporate Governance association	Looking at the information security governance strategies of listed companies from the perspective of sustainable development of ESG companies	3
Taiwan Corporate Governance association	Offensive and defensive strategies in management rights disputes and legal liability risks of company leaders (independent directors)	3
Taiwan Corporate Governance association	New version of corporate governance blueprint and ESG (Part 2)	3
Taiwan Corporate Governance association	New version of corporate governance blueprint and ESG (Part 1)	3
Taiwan Corporate Governance association	Explosion of artificial intelligence: technological development and application opportunities of chatbot ChatGPT	3
Taiwan Corporate Governance association	Carbon emissions and carbon rights trading mechanism sharing	15

Annual Board of Directors In-Person Attendance

Sessions		18th				
Date	2023/2/24	2023/5/15	2023/8/1	2023/11/9	2023/12/21	2023/12/29
Morrison Liang	V	V	V	V	V	V
Mao Zhong Liang	V	V	V	V	V	Entrust
Xiang He Sheng	V	V	V	V	V	V
Jason Chen	V	V	V	V	V	V
Shien Tsen Yang	V	V	V	V	12.4 Delegated	12.4 Delegated
Ming Jie Lin	V	V	V	V	V	V
Zhi Yuan Zhu	V	V	V	V	V	V
Shu Xian Lin	V	V	V	V	V	V
Jia Jun Zou	V	V	V	V	V	Entrust

Note: This refers to the number of training hours, scope of training, training system, training arrangements and information disclosure stipulated in the "Key Points for the Implementation of Training for Directors and Supervisors of Listed Companies"

Company directors and background

Title	Name	Gender	Age	Date of appointment	Term	Main experience	Other important positions
Chairman	Morrison Liang	Male	77	2022/06/09	3	• Bachelor of Chemical Engineering, National Taiwan University • Executives program 7th Graduation • TEEIA Vice Chairman • TJCIT supervisor • TPCF Vice Chairman • TDUA director	• CEO of our company (C Sun) • Director of C Sun Tech Co., Ltd. (Guangzhou) • King Polytechnic engineering co., LTD. • Independent Director
Vice Chairman	Liang, Mao-Zhong	Male	72	2022/06/09	3	• Cheng Yuan junior high school • Honorary President of Guangzhou Huadu Taiwanese Business Association • Vice President of Guangdong Cross-Strait Exchange Promotion Association	• Vice CEO of our company (C Sun) • Chairman of C Sun Tech Co., Ltd. (Guangzhou)
Director	Sheng, Xiang-He	Male	71	2022/06/09	3	• Bachelor of Electronic Engineering, Chung Yuan University • AUO Deputy General Manager of Module and Materials Center • UMC Materials Department Manager/ Factory Director	• Director of Anpec • Director of TSMT • Director/General Manager of Chem Tec • Ennostar Independent Director • Remuneration Committee/Audit Committee
Director	Jason Chen	Male	60	2022/06/09	3	• Master of Mechanical Engineering, Sun Yat-sen University • Chunghwa Picture Tubes, Ltd. • Design Director • Deputy General Manager of GPM • Corporate director representative of GMM	• Chairman/General manager of GPM • Director of Shin You • Chairman of APXZ-I • Corporate director representative of Gallant-Rapid Corporation limited • Chairman/General manager of GPM (Suzhou) • ESG ESGWD Director • Vice chairman of TEEIA • Taiwan Automation Intelligence and Robotics Association Vice chairman • Tongtai Independent Director

Title	Name	Gender	Age	Date of appointment	Term	Main experience	Other important positions
Director	Yang, Shien-Tsen	Male	69	2022/06/09	3	• Master of Laws, National Ehime University, Japan • Microtps chairman • CloudRiches chairman • TPCA supervisor • TPCF supervisor	
Independent Director	Lin, Ming-Jie	Male	75	2022/06/09	3	• PhD, National Chengchi University Enterprise Research Institute • JCIC Director • TPEx supervisor • Professor, Department of Business Administration, National Central University	• Chicony Electronics Co., Ltd. • Independent Director/Remuneration Committee/Audit Committee • GMI Technology • Independent Director/Remuneration Committee/Audit Committee • Unitech • Independent Director/Remuneration Committee/Audit Committee
Independent Director	Zhu, Zhi-Yuan	Male	77	2022/06/09	3	• Chung Yuan University EMBA graduated • Delta electronics Senior vice CEO&CFO	• TAIDA(Thailand) ELECTRONIC • Independent Director
Independent Director	Lin, Shu-Xian	Male	75	2022/06/09	3	• Department of Chemical Engineering, Tamkang University • Advanced Microsystems & Package Technology Alliance Director • United building Director • Dayu Optoelectronics Director	• Contrel Technology Co., Ltd. • Corporate director representative • Darzhen Venture Corporation Director

2.1 Corporate Governance

2.1.2 Nomination and Selection of Board of Directors

According to the Articles of Association of C Sun, the Board of Directors shall be set up from seven to nine members, and the candidate nomination system is adopted and the directors are elected from the list of candidates by the shareholders' meeting, and the directors shall be re-elected for a term of three years, and may extend their executive duties until the time of re-election. The Board of Directors is organized by the directors and requires the presence of more than two-thirds of the directors and the consent of more than half of the directors present. The chairman of the board of directors represents the company to hold positions externally, and the current chairman of C Sun is Morrison Liang, and he also serves as the chief executive officer of the company.

In addition, according to the Articles of Association, no less than three directors shall be appointed as independent directors in the above-mentioned number of directors, and shall not be less than one-fifth of the number of directors, and the independent directors shall also adopt the candidate nomination system, and the shareholders' meeting shall elect them from the list of independent

director candidates. The professional qualifications, shareholding and part-time restrictions, nomination and election methods, exercise of powers and other related matters of independent directors are handled in accordance with the relevant regulations of the securities authorities.

In order to avoid conflicts of interest, the rules of procedure and decision-making procedures of the board of directors in the "Code of Corporate Governance Practice" clearly stipulate the clause of directors' interest avoidance: directors should uphold a high degree of self-discipline, and those who have an interest in the proposals listed by the board of directors or the legal person they represent should explain the important content of their interests to the board of directors at the current board of directors, and shall not participate in the discussion and voting if it is harmful to the interests of the company, and shall recuse themselves from discussion and voting, and shall not exercise their voting rights on behalf of other directors. Matters concerning the recusal of directors shall be clearly stipulated in the rules of the board of directors.

2.1 Corporate Governance

2.1.3 Functional committees

In order to strengthen corporate governance and strengthen the ability to effectively discuss or avoid interests on major resolutions of the Board of Directors, C Sun has set up an Audit Committee and a Remuneration Committee to strengthen the functions of the Board of Directors, and the functions and composition of each functional committee are listed in the table below.

Functions and composition of functional committees

Audit
committee

Purpose and function of the committee :

In order to improve corporate governance and strengthen the professional functions and corporate governance of the board of directors, C Sun set up an audit committee in 2019, and the members of the audit committee of C Sun are all independent directors, and the main responsibilities of the audit committee of C Sun are as follows:

- 1. Ensure that the company's financial statements are properly expressed.
- 2. Decide on the selection (dismissal) of visa accountants, their independence and performance.
- 3. Ensure the effective implementation of the company's internal control.
- 4. Assist the company to comply with relevant laws and regulations.
- 5. Assist in the management and control of existing or potential risks of the company.

Operation of the Audit Committee :

The accountants shall explain to the independent directors of the Audit Committee at least quarterly to review the impact of the Company's financial position, the revision and issuance of accounting bulletins, and the adjustment of accounts.

Operation of the Audit Committee in 2023 :

In 2023, C Sun held a total of 5 meetings of the Audit Committee to discuss the matters to be sent to the Board of Directors for resolution, including financial reports and consolidated statements, communication between accountants and corporate governance units, 2024 annual audit plan, independence and competency assessment of incumbent accountants, repurchase of shares of the Company and other related matters. 100% attendance rate of audit committee members in 2023

The number of members is 4 and is composed of all independent directors, of which independent director Zhu, Zhi-Yuan is the chairman, and at least one of them should have accounting or financial expertise.

Remuneration
committee

Purpose and function of the committee :

In order to improve the company's salary and remuneration management and strengthen the application of remuneration strategy, C Sun has set up a remuneration committee under the Board of Directors, and the members of the committee shall faithfully perform the following duties and responsibilities with the attention of good managers, and be responsible to the Board of Directors, and submit the suggestions to the Board of Directors for discussion:

- 1. Formulate and regularly review the policies, systems, standards and structures for performance evaluation and remuneration of directors and managers.
- 2. Regularly evaluate and determine the remuneration of directors and managers.

Operation of the Remuneration Committee:

The Remuneration Committee of C Sun shall meet at least once a quarter to discuss matters relating to the remuneration of the Board of Directors.

Operation of the Remuneration Committee in 2023:

In 2023, a total of 4 Remuneration Committee meetings were held, and 100% of the directors attended in person. The content of the proposal includes the approval of the remuneration of directors and supervisors and employees in 2022, the distribution of directors' remuneration in 2023, salary adjustment and performance evaluation, etc., and the resolution is submitted to the board of directors for discussion, and the board of directors has also passed the resolution.

The number of members is 4 and consists of all independent directors. The secretary is the head of the company's human resources department or the operation and base center, who is responsible for assisting in the preparation of the committee's agenda, convening notice, proceedings, meeting minutes and other related matters.

2.1 Corporate Governance

2.1.4 Performance Evaluation

In order to implement corporate governance and enhance the function of the board of directors

C Sun has established performance goals for the board of directors to enhance the operational efficiency of the board of directors. According to the "Board of Directors Performance Evaluation Measures" the Board of Directors of C Sun shall conduct an internal board performance evaluation every year in accordance with the prescribed evaluation procedures and evaluation indicators, and shall conduct an evaluation by an external professional independent institution or an external team of experts and scholars at least once every three years. The Board of Directors is required to complete the results of internal and external performance evaluations by the end of the first quarter of the following year.

In the process of self-assessment, each executive unit collects relevant information about the activities of the board of directors, and distributes and fills in the relevant self-assessment questionnaires such as the "board performance evaluation self-assessment questionnaire", "director performance evaluation self-evaluation questionnaire" or "functional committee performance evaluation self-assessment questionnaire".

This year's board evaluation questionnaire included five aspects and 18 evaluations, with a comprehensive score of 99.17 points. The evaluation questionnaire of the board of directors included six aspects, 19 evaluations, with a comprehensive score of 98.94 points, and the results of the two evaluation questionnaires show that the performance of the board of directors this year is good, and C Sun will continue to improve the operational efficiency of the board of directors and meet the expectations of all stakeholders.

Finally, the coordinating executive unit consolidates and retrieves the completed questionnaires, records the evaluation results based on the scoring criteria for the assessment indicators, and submits the evaluation report to the board of directors for review and improvement.

The process of self-assessment

each executive unit collects relevant information about the activities of the board of directors



distributes and fills in the relevant self-assessment questionnaires such as the "board performance evaluation self-assessment questionnaire", "director performance evaluation self-evaluation questionnaire" or "functional committee performance evaluation self-assessment questionnaire"



The coordinating executive unit consolidates and retrieves the completed questionnaires, records the evaluation results based on the scoring criteria for the assessment indicators.



submits the evaluation report to the board of directors for review and improvement.

Result of evaluation questionnaire of the board			
Evaluation aspect	Questions	Percentage	Score
A. The involvement in the company's operations	4	22.22	22.22
B. Improve the quality of decision-making of the board	4	22.22	21.81
C. Structure and the composition of the board	3	16.67	16.67
D. Election of Directors and Continuing Education	4	22.22	21.94
E. Inner control	3	16.67	16.53
Total :			99.17
Result of evaluation questionnaire of the board members			
A. Mastery of the company's goals and tasks	3	15.79	15.79
B. Awareness of Directors' Responsibilities	3	15.79	15.79
C. The involvement in the company's operations	4	21.05	21.05
D. Internal relationship management and communication	3	15.79	15.79
E. Professional and continuing education of Directors	3	15.79	15.13
F. Inner control	3	15.79	15.39
Total :			98.94

2.1 Corporate Governance

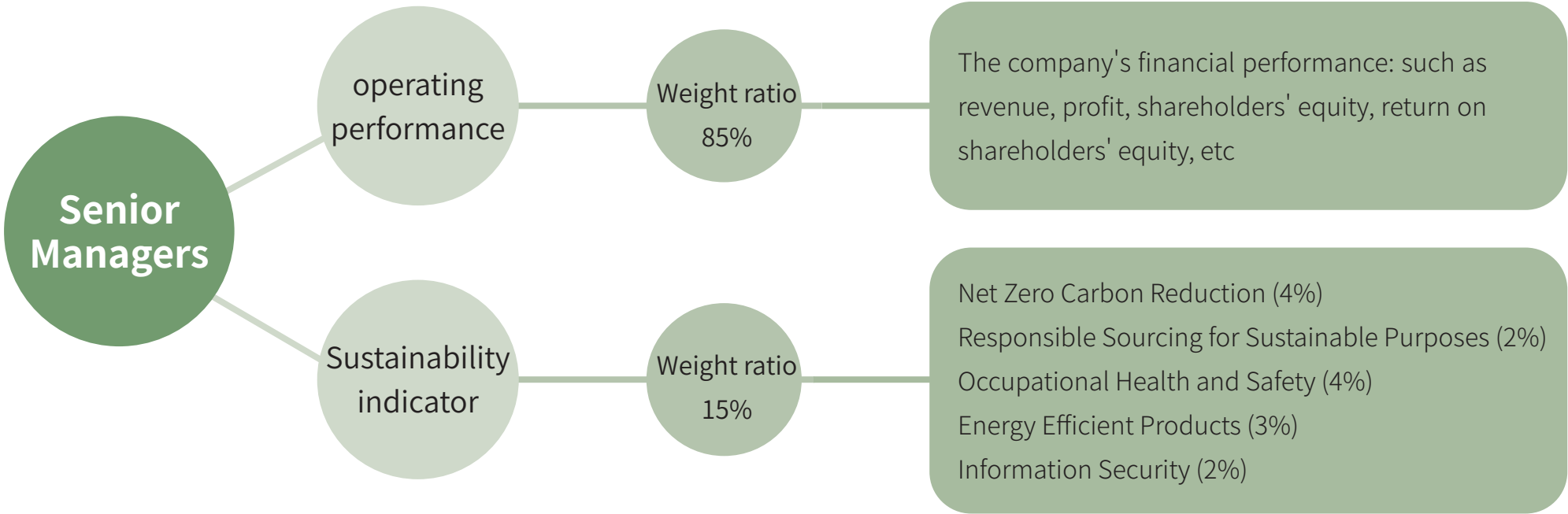
2.1.5 Remuneration Policy

C Sun shall determine the remuneration of directors and managers with reference to the usual level of payment in the same industry. At the same time, the remuneration also takes into account the responsibilities of the individual, the time invested, the achievement of goals, the performance in other positions, and the salary and remuneration that the company has given to those in the same position in recent years. In addition, we evaluate the reasonable relationship between an individual's performance and the company's operating performance and future risks, taking into account the company's short-term and long-term business objectives and the company's financial position.

The remuneration of the directors of C Sun is determined by the remuneration committee, which regularly reviews the policies, systems, standards and structure of performance evaluation and remuneration of directors and managers. The remuneration of the current directors and managers, including cash remuneration, stock options, dividends, retirement benefits or severance payments, various allowances and other measures with substantial incentives, the review of performance targets and the distribution of remuneration for the current year have been confirmed and approved by the Remuneration Committee. The participation rate of the 2023 C Sun Remuneration Committee was 100%, and there were no incidents in 2023 that the Board of Directors does not adopt or amend the recommendations of the Remuneration Committee.

In order to strengthen and create the responsibility of long-term shareholder value, the remuneration of senior managers is composed of salary and change bonus, in order to make the remuneration of senior managers highly linked with the company's operating performance and sustainable performance, the variable remuneration is linked to the sustainable development strategy and goals with the variable remuneration of our senior managers from 2023 to achieve sustainable performance management. When approving the remuneration of senior managers, the Remuneration Committee also cooperates with external professional salary consultants to ensure that the remuneration of senior managers is competitive, and to enhance the connection between the salary policy and market trends and environmental pulses.

Evaluation Indicators for Senior Managers



2.1 Corporate Governance

2.1.6 Sustainable Governance

The Board of Directors is the highest governance unit of C Sun, and at the same time supervises the sustainable development of the Company, in order to promote sustainable development and promote relevant policies more efficiently, the Company has formulated the "Corporate Social Responsibility Code" and established a Sustainable Management Committee, chaired by General Manager Frank Liang, which is responsible for coordinating and promoting the sustainable development of the Company. The group includes corporate governance, environmental safety and health, product/customer care, employee care and sustainable supply chain... and five other committees to identify and respond to economic, environmental, and human rights-related shocks. The members of these sub-committees are represented by representatives from various departments and aim to bring together talents with diverse backgrounds, expertise and experience. The Sustainability Committee reports to the Board of Directors at least once a year on the implementation status and results, and reviews them.

2023 Board of Directors Report and Proposals Related to Promoting Sustainable Development

Date	Board of Directors Report Proposal
2023/2/24	The progress of the Company's greenhouse gas inventory and the greenhouse gas inventory and schedule planning of its subsidiaries
2023/5/15	The progress of the Company's greenhouse gas inventory and the planning report of the greenhouse gas inventory schedule of the subsidiaries
2023/12/21	1. Progress report on the schedule of greenhouse gas inventory and verification 2. ISO14001 Environmental Management System &ISO45001 Occupational Safety and Health Management System, The third-party verification was passed.

2.2 Ethical Management (Major Topic)

Grievance Mechanism

The company provides a complaint hotline or e-mail address for employees to file grievances.

E-mail: audit@csun.com.tw

Hotline: +886-4-23591651 #14767

Policies, Commitments and Importance

In order to ensure the company's sustainable operation, it is necessary to establish good business practices and ethical practices to avoid operational risks caused by illegal acts and improper loss of profits. Good ethics and integrity can not only enhance the company's reputation and brand image, but also improve employee job satisfaction and loyalty, and promote the company's long-term development by maintaining social trust. C Sun has established internal norms such as the Code of Integrity Management and the Handling of Cases of Reporting Illegal, Unethical or Dishonest Behaviors to regulate the behavior of the company's personnel 叉

Authorities and Responsibilities

Audit Office

Short-term goals

- 1. Every new employee must sign a confidentiality agreement and complete 100% education and training.
- 2. In the past year, the company's colleagues have not violated any ethical conduct and integrity management rules.

medium- and long-term goals

- 1. Conduct moral integrity education and training for all employees of the company once a year.

Action Plan

- 1. A commitment to the highest ethical standards shall be reflected in all business activities, including, but not limited to, relationships with employees, customers, suppliers, competitors, governments, and the public (including shareholders).
- 2. Establish an internal organization, establishment and responsibilities, and set up a mutual supervision and check-and-balance mechanism for business activities with a high risk of dishonest conduct within the business scope.
- 3. Carry out diversified integrity management advocacy for senior executives of each unit, and improve the awareness of internal transaction regulations and integrity policies at employees and management levels.

2023 Performance

- 1. 100% of new employees in the current year have completed training related to integrity management.
- 2. During the year, there were no reports or violations of the Code of Ethics and Ethical Management by employees.

2.2 Ethical Management

2.2.1 Integrity Management Policy and Anti-Corruption Communication, Education and Training

In order to implement the company's ethical behavior and integrity management, so as to facilitate the sound development of the company's corporate culture, the board of directors of C Sun has adopted the code of integrity management, so that C Sun colleagues have a clearer direction and code of conduct for moral integrity. In addition, C Sun has set up an audit office directly under the board of directors to audit whether there are any violations of integrity management inside and outside to ensure that it can better supervise issues related to integrity management.

In 2023, C Sun completed 100% of the anti-corruption assessment of its business bases in Taiwan, and the results showed that there is no corruption in the bases, and no reports or lawsuits have been received in 2023 against ethical business practices.

In order to ensure that the company's internal colleagues have anti-corruption awareness and can implement anti-corruption in daily operations, the company organizes anti-corruption education and training for all employees every year, and in 2023, through internal courses, the communication between anti-corruption and integrity management was carried out for all types of employees, and new employees of C Sun completed integrity management related training in 2023. The percentage of those who have signed the Integrity Pact is 100%. Among the 94 suppliers, C Sun conducted anti-corruption communication with 92 suppliers, accounting for 97.8%, and we will continue to carry out anti-corruption publicity with the company's members and suppliers in the future to continuously enhance the anti-corruption awareness of the company's partners.



▲ C Sun integrity management and anti-corruption education and training

2.2 Ethical Management

2.2.2 The whistleblower system

- C Sun has set out the "Handling Measures for Reporting Cases of Illegal, Unethical or Dishonest Conduct" to standardize the relevant reporting process of the company.

Whistleblowing Channels	C Sun Manufacturing ., Ltd. website/Stakeholder area/Customer, supplier, employee report mailbox Whistleblowing Mailbox: audit@csun.com.tw
Handling Procedure	1. Anonymous report: The principle of anonymous reporting is not handled, but the content of the complaint can still be handled separately if it is deemed necessary for investigation, and used as a reference for internal review. 2. Named report: The receiving unit should clarify the intent of the report and the specific evidence, and if it believes that there is a risk of violating the law or immoral or dishonest behavior, it should report to the general manager for handling with the attached evidence. 3. The Company shall handle the report in a confidential manner, and verify it through independent channels, and fully protect the whistleblower, and the identity of the whistleblower will be kept absolutely confidential. 4. If the whistleblower is a colleague, the company guarantees that the colleague will not be improperly disposed of as a result of the whistleblowing. 5. In order to protect the rights of the counterparty in the case and avoid retaliation by others, the Company shall give the counterparty the opportunity to appeal, and convene a hearing of the Personnel Evaluation Committee if necessary. If the report is verified to be true and the circumstances are serious, the Company will disclose it at the Public Information Observatory, in addition to being dealt with by law or relevant regulations of the Company.

- The Audit Office accepted reports from internal and external parties such as customers, suppliers, shareholders, and investors as the acceptance unit, and did not receive any reports in FY2023.

2.3 Risk Management

2.3.1 Risk Management Organizational Structure and Response

In order to improve the company's corporate governance and risk control capabilities and make the company's sustainable operation and development, the sustainable management committee is the responsible unit, and the sustainable management committee conducts various risk assessments and management of the company through hierarchical management at different levels and formulates various internal rules to face the risks brought by the external environment. To minimize the impact of risks, it is necessary to report the implementation and results to the board of directors every year, so as to grasp future development opportunities and implement the vision of sustainable development

2.3 Risk Management

2.3.2 Identification and analysis of major risks

C Sun collects industrial risk trends through the risk assessment unit every year, conducts regular risk management meetings with various departments, summarizes the potential risks of the company's current operation according to different aspects, classifies the risk factors and takes stock of the current company's response strategy and current situation, so as to ensure that all the current potential risks of the company are within a reasonable control range, and will not cause serious financial, reputational and production impacts to the company. In 2023, C Sun identified a total of 4 major operational risks, namely financial risks, climate change risks, human resources risks, and information security risks, and the following table lists the company's management policies and response strategies for the aforementioned risks.

2023 Risk Categories

ESG Aspect	Risk Categories	Risk Factors
Environment	Climate Change Risk	Failure to properly manage and prevent extreme weather and failure to actively manage and reduce greenhouse gases may increase the risk of supply chain disruption, unsustainable operation of the plant and loss of orders.
Social	Human Resource Risks	Talent Retention, Employee Development, Workplace Environment, etc.
Governance	Financial Risk	Market Risk, Price Risk, Credit Risk and Liquidity Risk
Governance	Information Security Risk	Risk of extortion or leakage of a customer's or company's sensitive data by external hackers

2023 Risk Project Response Strategy

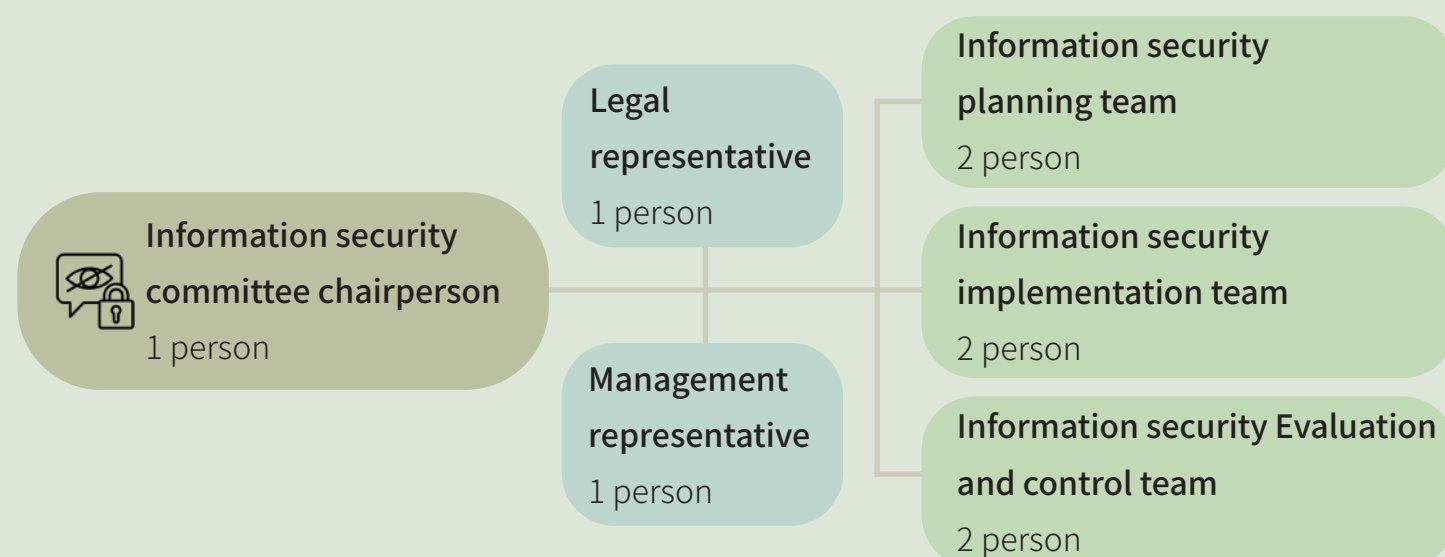
ESG Aspect	Risk Categories	Risk Response Strategy
Environment	Climate Change Risk	1. In accordance with the TCFD framework, climate change risks are regularly assessed on key climate opportunities, and response measures and management targets are set. 2. The plan is to gradually expand the scope of greenhouse gas inventory and assess the introduction of ISO 14067 product carbon footprint standards. 3. Carry out equipment replacement and optimize the production and assembly process and technology to reduce energy waste. 4. Encourage employees to propose R&D plans for energy conservation and carbon reduction, and invest in the development of low-carbon products and services.
Social	Human Resource Risk	1. Provide attractive salaries and benefits, professional attraction talents, and improve the competitiveness of C Sun. 2. To nurture talents through a series of cultural lectures to enable our colleagues to learn and grow effectively. 3. C Sun provides a complete education and training system, hoping to achieve the quality of employees day by day, and develop a good habit of further study.
Governance	Financial Risk	1. Regularly evaluate bank borrowing interest rates and liaise closely with banks to obtain preferential borrowing rates. 2. In response to exchange rate changes, the future cash flow is estimated first, and then pre-sale/purchase of foreign exchange for the net position or direct exit/purchase of foreign currency in the spot market to hedge against risk. 3. All investments have been carefully assessed and handled in accordance with the "Procedures for Acquisition or Disposal of Assets" and the requirements of the approval authority, and there is no high-risk or highly leveraged investment. 4. In terms of capital lending and endorsement guarantees, the targets are the Company's subsidiaries and grandchildren, and are handled in accordance with the Company's "Operating Procedures for Capital Lending to Others" and "Endorsement and Guarantee Regulations"
Governance	Information Safety Risk	1. An information security policy is in place to protect the company's critical information assets such as data, information, equipment, personnel, and networks, ensuring their confidentiality, integrity, and availability, thereby reducing operational risks and maintaining the company's good reputation. 2. Carry out the inventory of information assets, risk assessment and supervision of each unit, and the hierarchical authorization management of information security authority; The internal information flow is monitored by the internal server built by the information department with regular anti-virus software; External information circulation ensures data security through encryption software to ensure that intelligence does not land.

2.3 Risk Management

2.3.3 Information Security Risk Management

In order to ensure the security of enterprise information assets and ensure the smooth operation of information, C Sun has implemented an information security policy. This policy aims to protect the confidentiality and integrity of the company's critical information assets such as data, information, equipment, people and networks, thereby reducing operational risks and maintaining the company's good reputation. Over the years, we have continuously improved our internal information security management mechanism, and regularly conducted information security advocacy and employee education and training to strengthen employees' awareness and sense of responsibility for information security.

Information Security Committee Structure



The responsibilities of the sub-committees of the Information Security Committee



Information policy management

Define company information security policies Define company information management policies.

Information security management

Restrict and regulate computer equipment and assets based on policies.

Periodically provide information security records to management.
Report anomalies to the Planning and Evaluation Teams.



Assist in evaluating the effectiveness of information security policies and ensure compliance.

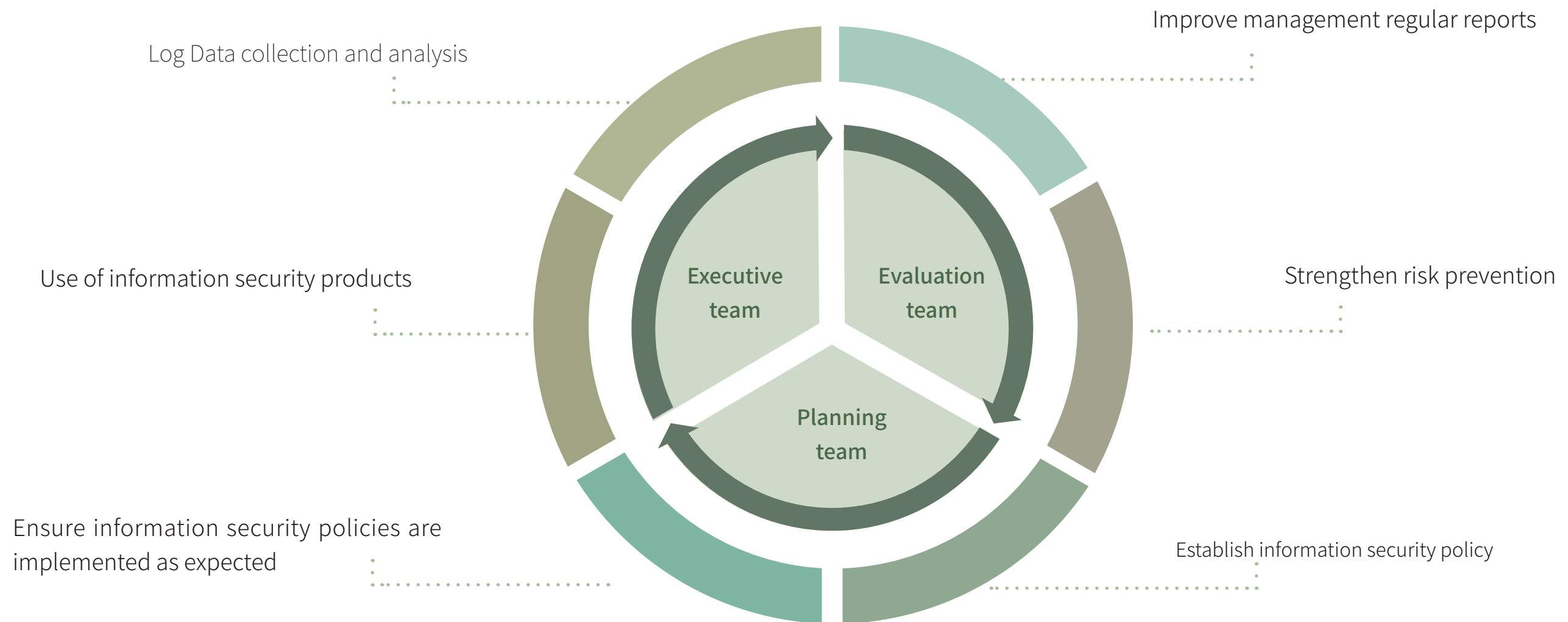
Verify execution records and report alignment to supervisors, committee chairpersons, and management.

C Sun is committed to strengthening information security management and promoting the concept that information security is everyone's responsibility. We ensure the confidentiality, integrity, and availability of our customers' and colleagues' data through a robust information security strategy and governance process to ensure the full security of the data processing process. The primary goal of C Sun is to provide safe, stable and efficient information services to maintain the market competitiveness of C Sun and protect the interests of customers and partners.

Information Security Governance Process

Information unit ► Planning team ► Sign-off Depts. ► Management Repr. ► Chairperson ► General Manager ► Doc. Center Inv.

Informatics Strategy



Information Security Education and Training

C Sun conducts company-wide information security social engineering drills and information security education and training every year. In 2023, a total of 12 monthly meetings were held to advocate and provide information security news and information security events on the company's internal portal to deepen employees' awareness of information security and the importance of information security. In addition, C Sun implements a one-month information security month every year, and November 2023 is C Sun Information Security Month, which implemented internal phishing letter drills, information security advocacy and related test exercises; Under the dual role of drills and advocacy, risks were reduced and the rights and interests of the company were protected anytime and anywhere.



▲ C Sun information security education and training

Information security maintenance

In order to create an information security environment, C Sun has invested in a number of internal and external information security maintenance measures, including the company's computer deployment of information security protection software and anti-virus software, the introduction of the company's internal and external traffic monitoring software, the setting of external mail filtering mechanism, the establishment of a network firewall mechanism, and the irregular drill of the information system emergency response plan. For the above-mentioned information security maintenance investment projects, a total of NT\$4.75 million was invested in 2023, which is listed in the following table:

Information security maintenance	investment	Amount
Information security protection software	SentinelOne TrustView	\$4.75 million
Antivirus software	TrendMirco Apex One	
Internal and external traffic monitoring software	L7 Traffic Controller	
Establishment of headquarter' s computer room and related mechanisms	Firewalls and email filtering mechanisms	

2.4 Compliance with laws and regulations

Compliance with laws and regulations is the basic responsibility of enterprises, and C Sun has always adhered to the principle of honest management and participation in social responsibility, and has maintained a good corporate image and risk control over the years. In response to the amendments of important policies and relevant laws such as corporate governance, the Company Law, the Securities and Exchange Law, etc., the Company cooperates; In addition, the management of C Sun keeps abreast of important policy and legal changes at home and abroad, and takes the initiative to take countermeasures in a timely manner and demonstrates the responsible attitude of the enterprise.

C Sun has formulated the "Code of Integrity Management" to manage the company's business activities in accordance with the law, so that the company can establish a corporate culture of integrity management and sound development, and provide a reference framework for the establishment of good business operations. The purpose of this approach is to guide employees to comply with laws and regulations in business-related activities and to avoid possible misconduct by employees. The Code designates the Audit Office as a dedicated unit under the Board of Directors, which is responsible for formulating and supervising the implementation of ethical management policies and prevention plans, and reports to the Board of Directors on a regular basis. In 2023, there were no major violations of environmental laws and regulations, major violations of social laws and regulations, and no material violations of health and safety regulations related to products and services, information on products and services, marketing communication regulations, anti-competitive practices, antitrust and monopolistic behaviors.

In addition, in 2022, there was a case of paying a fine for violating laws and regulations, and adhering to the principle of transparent and open disclosure of information, the relevant matters are disclosed in the following table. Immediately after the incident, C Sun formulated improvement measures to ensure future compliance with the law.

Date of Penalty	Announcement date	Description of the legal violation	Amount of penalty
07/01/2022	06/12/2023	Violation of Article 32, Paragraph 2 of the Labor Standards Act by extending working hours beyond the provisions of the Act	180,000(NT\$)

Future Improvement Practices

In order to improve violations, the Company has implemented the following measures:

- Strengthen working hour management

We will strengthen the monitoring and management of employees' working hours to ensure that the legal limit of extended working hours in a single month is not exceeded. Hours will be reviewed regularly every month, and an early warning mechanism will be set up to prevent overtime from occurring.
- Improve the level of automated production

Accelerate the pace of production automation to reduce the dependence on manpower, improve production efficiency, and reduce the need for extended working hours due to insufficient manpower.
- Flexible scheduling and human resource scheduling

Optimize the scheduling system and flexibly dispatch human resources to cope with sudden production needs; At the same time, we will increase the use of temporary or short-term contract workers to cope with seasonal or temporary manpower demand.
- Strengthen internal communication

Establish a more transparent and effective internal communication mechanism so that employees can understand the challenges and countermeasures faced by the company and work together to deal with difficulties.

3 Environmental Sustainability

3.1 Environmental Responsibility and Commitment

3.2 Climate Change Adaptation

- 3.2.1 Climate Governance
- 3.2.2 Climate Risk Management
- 3.2.3 Climate Change Adaptation Strategy
- 3.2.4 Indicators and Targets

3.3 Energy and Greenhouse Gas Management

- 3.3.1 Energy Use Overview
- 3.3.2 Greenhouse Gas Management
- 3.3.3 Energy Saving and Carbon Reduction Measures

3.4 Waste Management

- 3.4.1 Waste Management Systems
- 3.4.2 Waste generation
- 3.4.3 Waste Reduction
- 3.4.4 Waste Reduction Target Setting & Expected Actions

3.5 Water Resources Management

- 3.5.1 Water Risk Assessmenta
- 3.5.2 Water Intake, Water Consumption and Drainage
- 3.5.3 Water Reduction Target Setting and Expected Implementation Actions

3.1 Environmental Responsibility and Commitment

C Sun is committed to environmentally sustainable development, in order to achieve the social responsibility of "protecting the earth, loving the earth" for the purpose, in order to achieve the above purposes, C Sun promises to do the following:

Comply with laws and international standards

Comply with relevant environmental laws and international standards, protect the natural environment, and achieve environmental sustainability goals in business activities and internal management.

Improve resource utilization efficiency

Improve resource utilization efficiency and use recycled materials with low environmental load to achieve sustainable use of the earth's resources.

Establish an environmental management system

Establish an environmental management system according to the characteristics of the industry, including: collecting and evaluating the impact of business activities on the natural environment, setting measurable environmental sustainability goals, regularly reviewing, formulating specific action plans, and regularly reviewing the effectiveness.

Establishment of a dedicated unit

Set up a dedicated unit or personnel for environmental management to promote and maintain the environmental management system, and hold environmental education courses on a regular basis.

Promote sustainable consumption

Consider the impact of operations on ecological efficiency, reduce the impact on the environment from R&D, procurement, production, operation and services, including reducing resource and energy consumption, reducing pollutants and waste emissions, properly disposing of waste, improving the recyclability and reuse of raw materials or products, maximizing the use of renewable resources, extending product durability, and increasing the efficiency of products and services.

Improve the efficiency of water use

properly manage and sustainably use water resources, avoid polluting water, air and land, reduce adverse impacts on human health and the environment, and adopt the best pollution prevention and control technologies.

Conduct GHG inventory

Conduct GHG inventory using common domestic and international standards, including direct emissions (emissions from sources owned or controlled by the company) and indirect emissions (emissions from the use of purchased energy). C Sun pays attention to the impact of climate change on operations, formulates energy conservation and carbon reduction strategies, and reduces the impact of business activities on climate change.

C Sun actively promotes energy conservation and carbon reduction measures, and strives to reduce harmful substances in products to minimize the impact on the environment. Based on our ISO14001 environmental management system, we have implemented a number of energy conservation and waste reduction strategies to reduce the use of energy and resources and contribute to environmentally sustainable development.



▲ ISO14001:2015 Environmental Management System Certification

3.2 Climate Change Adaptation (Major Topic)

Grievance Mechanism

E-mail: sale@csun.com.tw

Direct Line: +886-2-2601-7706

Policies, Commitments and Importance

With the global carbon reduction failure to cause extreme weather to intensify year by year, climate change has become a problem that global enterprises must face, and if extreme weather is not properly managed and prevented, it may increase the risk of supply chain disruption and unsustainable operation of factories. Therefore, C Sun is committed to participating in international climate initiatives, such as echoing the SBTi science-based carbon reduction goals, RE100 and other commitments to achieve the long-term goal of achieving net-zero carbon emissions by 2050, in order to declare to stakeholders the determination to respond to climate change.

Authorities and Responsibilities

Sustainability Committee

Short-term ,medium- and long-term goals

1. Gradually promote the Group to complete the consolidated greenhouse gas inventory and set greenhouse gas reduction targets.
2. Evaluate the cost-effectiveness and consider increasing the proportion of renewable energy use year by year through self-consumption or external procurement of solar energy.
3. Net zero emissions by 2050.

Action Plan

1. In line with the TCFD framework, regularly conducts assessments of key climate opportunities, and sets out response measures and management targets.
2. The plan is to gradually expand the scope of greenhouse gas inventory and assess the introduction of ISO 14067 product carbon footprint standards.
3. Carry out equipment replacement and optimize the production and assembly process and technology to reduce energy waste.
4. Encourage employees to propose R&D plans for energy conservation and carbon reduction, and invest in the development of low-carbon products and services.

2023 Performance

1. In 2023, we implemented the Climate-related Financial Disclosures (TCFD) for the first time, analyzing climate-related risks and opportunities, and assessing a total of 1 opportunity, 2 transition risks, and 1 entity risk.
2. In accordance with ISO14064-1, the 2023 C Sun greenhouse gas inventory was completed, and the inventory results were reduced by 5.24% compared with 2022.
3. In 2023, the energy-saving renovation plan for the products provided to the customers will reduce the customer's carbon dioxide equivalent by about 1.58 tons per year.

3.2 Climate Change Adaptation

3.2.1 Climate Governance

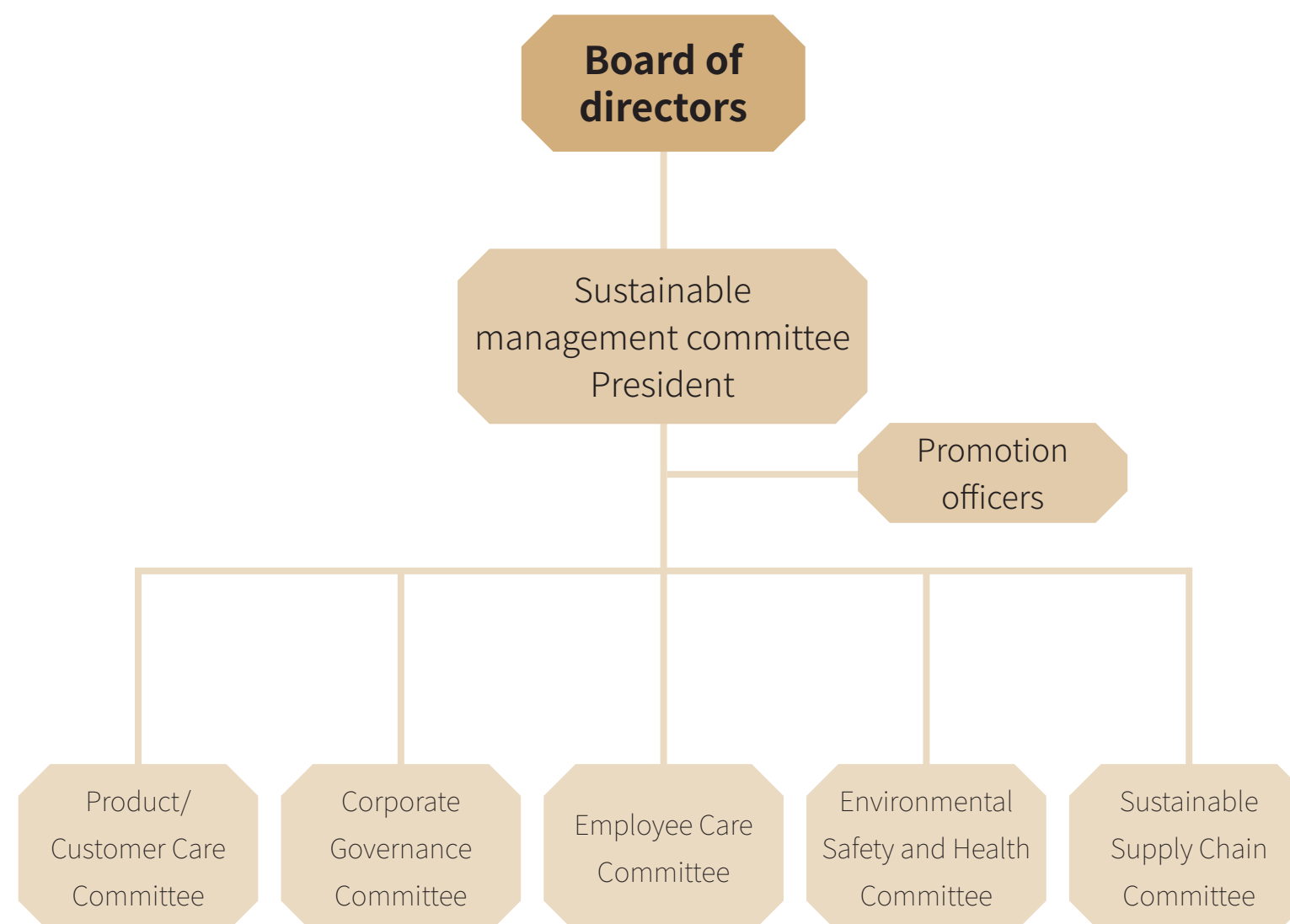
According to the 2023 Global Risks Report released by the World Economic Forum (WEF), climate change mitigation and adaptation failures, natural disasters and extreme weather events are significant long-term risks, and the threat posed by extreme weather is becoming more and more obvious. In order to respond to the potential impact of climate change on the company and implement effective climate management strategies, C Sun introduced the Task Force on Climate-related Financial Disclosures Recommendation (TCFD) formulated by the International Financial Stability Board since 2023, following the four disclosure frameworks of governance, strategy, risk management, and indicators and targets. Strengthen C Sun's identification and response to climate risks and opportunities, formulate governance strategies and goals, and implement them in the operation and management process, so as to continuously grasp and respond to the impact of climate change on C Sun.

Board of Directors

The Board of Directors is the highest unit of C Sun Climate Governance, responsible for promoting and supervising the strategic direction of climate-related issues, discussing the current climate risk opportunity trend from time to time, and making specific strategies and goals for key climate risks, so as to maintain the company's sustainable operation in a stable manner. The Board of Directors established a Sustainable Management Committee, chaired by the General Manager, reports to the Board of Directors at least once a year on the progress and implementation results of the Company's sustainability promotion.

Sustainable Management Committee

The Sustainable Management Committee is the dedicated unit of C Sun Sustainable Development and Climate Governance. Responsible for identifying key climate risks and opportunities related to C Sun's operations, and holding regular meetings with the general manager to negotiate climate response strategies, goal setting and management plans with various departments and units, and reporting the implementation results to the board of directors, and assisting in internal communication and integration.



3.2 Climate Change Adaptation

3.2.2 Climate Risk Management

In order to enable the Company to grasp the current key climate opportunities and risks, the Sustainability Committee regularly collects the risk and opportunity issues of the industry's sustainability reports, CDP climate questionnaires and international trends every year, first converges the potential climate issues of C Sun, and then collects the annual climate risk response from relevant departments and units, and identifies the major climate risks and opportunities of C Sun by interviewing the relevant units of each climate issue on the impact of the issues and the possibility of occurrence, and submits the results to the Board of Directors. The Board of Directors makes decisions and formulates the Group's strategy.

Collect issues

- Peer sustainability report
- Peer CDP questionnaire
- International trends

Track Management

- Each base submits the achievement of the target to HQ annually.
- Each base reviews achievements of goals with monthly meeting

Identify risks

- Interview with departments and units
- Sustainability committee rates risks and opportunities

Formulate response

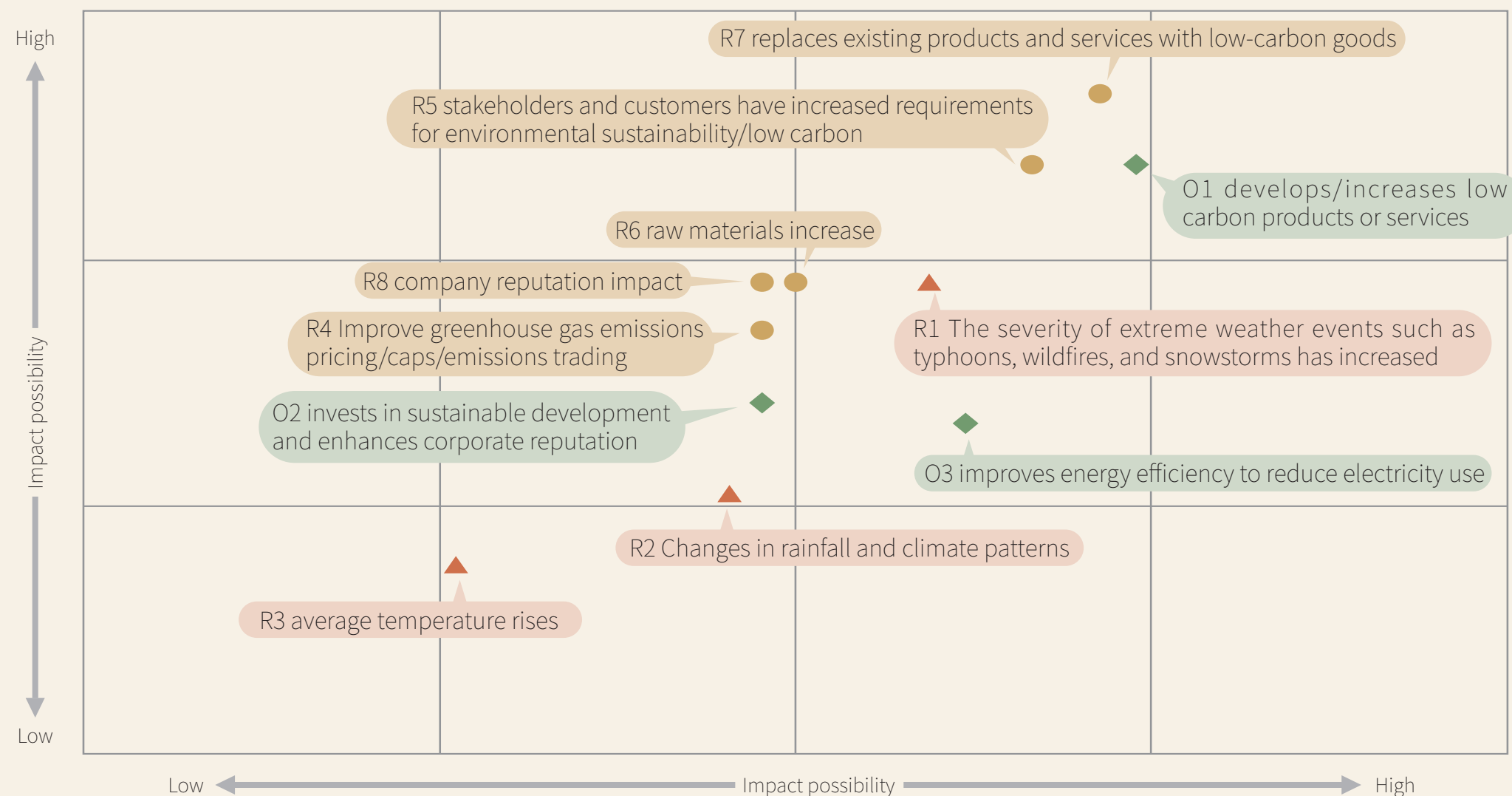
- Review the current situation of each operating base and formulate management measures according to risks and opportunities.

3.2 Climate Change Adaptation

3.2.3 Climate Change Adaptation Strategy

In order to formulate the company's key climate change strategy, it is first necessary to identify the key issues of annual climate risks and opportunities, and in 2023, the Sustainability Committee collected 11 potential climate issues from C Sun in accordance with the TCFD guidelines, peer reports, peer CDP questionnaires and international trends, and the Sustainability Committee will discuss the actual issues faced and responded to with various departments. The final resolution identified 4 key climate risks and opportunities, namely 1 physical risk, 2 transition risks and 1 climate opportunity, and the 4 major issues are listed as follows, with the occurrence period, current status and future response strategies of the issues.

Climate Risk and Opportunity Identification Matrix



Risk opportunity	Issue	Impact on the process	Current status of climate risk opportunities	Response strategies and management measures
Transition risk	Replace existing products and services with low-carbon goods	Medium term (within 3-10 years)	In response to global trends and customer requirements for energy-saving and carbon-reducing products and services, C Sun is facing the pressure of low-carbon technology transformation and needs to invest in the development of low-carbon products and services. The development of low-carbon goods and services may require the introduction of new technologies, processes and equipment investment, or the recruitment of professionals for R&D and testing. If C Sun is unable to master the technology of relevant low-carbon products and services ahead of its peers, it may cause the loss of customers and the impact of revenue decline.	- Through market research, customer research and competitive analysis, the R&D department proposes R&D projects, plans the resource budget for investment in innovative R&D, and regularly reviews the project development progress to develop low-carbon goods and services. - Formulate an overall carbon reduction strategy and targets, in addition to optimizing production and assembly technology, reducing energy and material consumption in the manufacture of its own products, and improving the efficiency of production lines; It also cooperates with technology suppliers, research institutions, and schools to jointly promote the development of product carbon reduction technology; Strengthen the supply chain to ensure that every link from raw material procurement to product delivery meets low-carbon requirements, so as to reduce the carbon footprint of products. - For the sold products and equipment, we provide customers with energy-saving transformation solutions, increase the production capacity of old equipment to reduce carbon emissions, and achieve the benefits of old line activation.
Opportunities	Developing/ adding low-carbon products or services	Medium term (within 3-10 years)	C Sun has observed that under the trend of sustainability in recent years, customers have gradually put forward the demand for low-carbon products and reduced carbon footprint, indicating that low-carbon products or services will become the trend of customer demand in the future, and at the same time, it is also the key to market segmentation. If we can reduce the carbon emissions of product manufacturing and customer use, and provide low-carbon products or services, it will help enhance the competitiveness of products and the image of the organization, strive for new market opportunities and business opportunities for the company, increase orders and market share, and lead to an increase in operating income and gross profit.	- Cooperate with domestic sustainable benchmark enterprises to carry out energy conservation and carbon reduction R&D projects, improve manufacturing technology and develop high-energy saving equipment, taking the current product "heat recovery energy-saving equipment" as an example, each equipment can help customers reduce carbon dioxide emissions by 1.58 metric tons of carbon dioxide equivalent per year. - For the sold products and equipment, we provide customers with energy-saving transformation solutions, increase the production capacity of old equipment to reduce carbon emissions, and achieve the benefits of old line activation. - Through the introduction of ISO14067 product carbon footprint standards through equipment smart meters and planning, we can understand the carbon emission hotspots in the product manufacturing process and facilitate subsequent process optimization. - Actively participate in trade shows and trade associations to promote and display low-carbon products and energy-saving equipment, attract target customer groups, and understand market demand

3.2 Climate Change Adaptation

3.2.4 Indicators and Targets

In order to effectively manage the threat posed by climate risks and strengthen C Sun's ability to respond to climate change, C Sun has set climate-related management goals to improve climate resilience, and implemented the goals in the operation and management of factories and departments. In 2022, C Sun completed the greenhouse gas inventory in accordance with international standards, and used this as a base year to set carbon reduction targets in the future. At present, C Sun has set corresponding targets for climate change, and supervises the annual achievement of each base through the sustainability committee, and revises the climate goals on a rolling basis and submits them to the board of directors every year to confirm their effectiveness and suitability year by year.

3.3 Energy and Greenhouse Gas Management

In response to the government's net-zero emission reduction and mitigating the impact of global warming on the ecological environment, C Sun responded to the Taiwan government's 2050 net-zero carbon emission goal with specific actions, and actively demonstrates its determination to reduce carbon emissions to customers and stakeholders, and actively promoted energy and greenhouse gas management measures. In order to establish a foundation for carbon reduction, C Sun has launched various energy conservation and carbon reduction measures, such as replacing energy-saving lamps and lanterns, building rooftop solar power generation equipment and promoting greenhouse gas inventory. In accordance with the ISO14064 1 standard, C Sun completed the 2022-2023 greenhouse gas independent inventory operation, established a routine internal audit and carbon inventory management system, carried out annual greenhouse gas inventory operations, accurately grasped the greenhouse gas emission status, and plans to obtain verification from an external third-party organization in 2024 to improve the data quality of greenhouse gases.

3.3 Energy and Greenhouse Gas Management

3.3.1 Energy Use Overview

C Sun's energy use was mainly for purchased electricity, gasoline and diesel for office electricity, process equipment assembly and production and other public equipment electricity, etc., while gasoline and diesel were used for official vehicles and diesel generators. In 2023, the total energy consumption of C Sun was 14,286.17 gigajoules (GJ), and the main energy consumption came from purchased electricity, accounting for about 65.38% of the total energy consumption, followed by the use of gasoline and diesel, accounted for about 34.62% of the total energy consumption. The annual energy use intensity of NT\$3.94 per million NT\$ increased by 51.52% over the previous year, mainly due to a 32.44% decline in revenue in 2023 due to the poor prosperity of the PCB and panel industries, the total energy consumption increased by only 2.37%, and the purchased electricity consumption decreased by 8.21% compared with 2022, mainly due to the development of new energy-saving systems in the manufacturing process and the replacement of energy-saving LED lamps in factories and offices to improve energy efficiency and reduce energy use. C Sun used the roof space of the Taichung factory to build a solar power generation facility with an installed capacity of 245.85 kW, and sold 331,700 kWh of solar power generation in 2023 to Taiwan Power Company. In the future, C Sun will continue to track the consumption trend of various energy categories every year and continue to reflect on energy-saving solutions.

Categories ^{*1}	Base	2022	2023
Gasoline (GJ)(A) ^{*2}	Linkou HQ	105.50	132.69
	Taipei factory	441.63	1,524.99
	Taichung factory	3,081.31	3,174.65
Diesel (GJ) (B)	Linkou HQ	149.27	109.77
	Taichung factory	2.67	3.40
Purchased electricity (GJ) (C)	Linkou HQ	606.09	554.38
	Taipei factory	2,953.25	2,640.12
	Taichung factory	6,616.29	6,146.17
Total energy consumption (GJ)(A+B+C)		13,955.90	14,286.17
energy intensity (GJ/ NT\$ million) ^{*3}		2.60	3.94
Electricity sold by organization ^{*4}		1,124.39	1,184.39

Note:

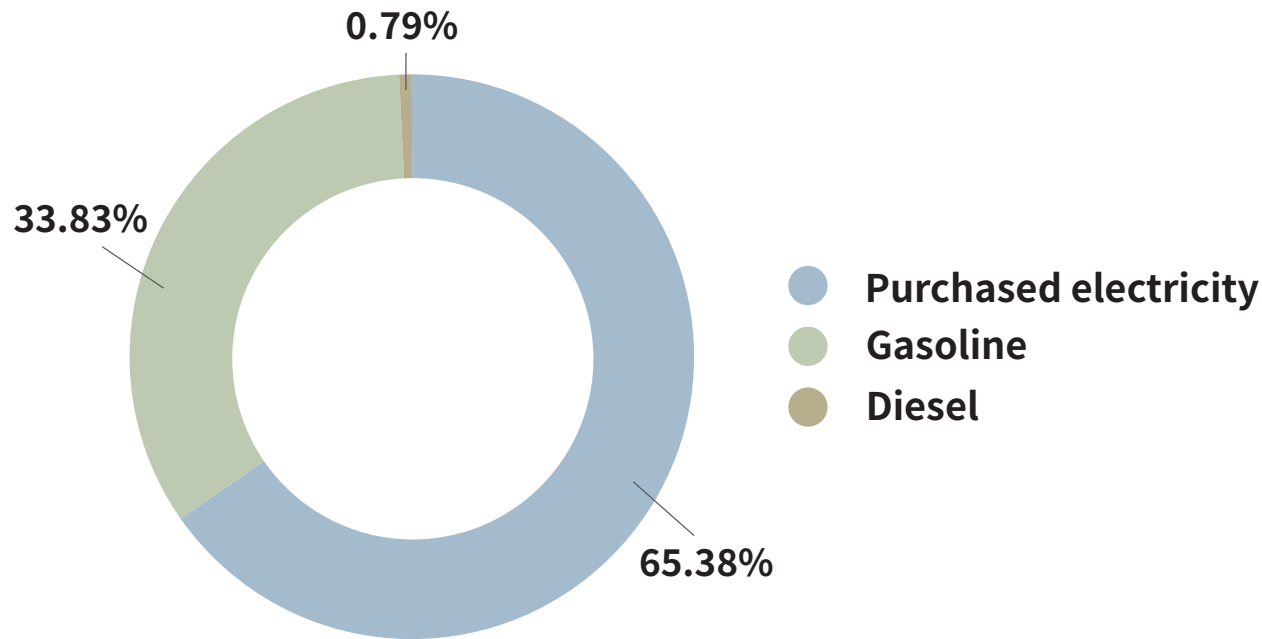
1. Gasoline calorific focus=7,800 kcal/L 、diesel calorific value=8,400 kcal/L 、electricity calorific value=860 kcal/kWh 、the coefficient is derived from the unit calorific value table of energy products of the Energy Bureau of the Ministry of Economic Affairs.

2. GJ : Gigajoules

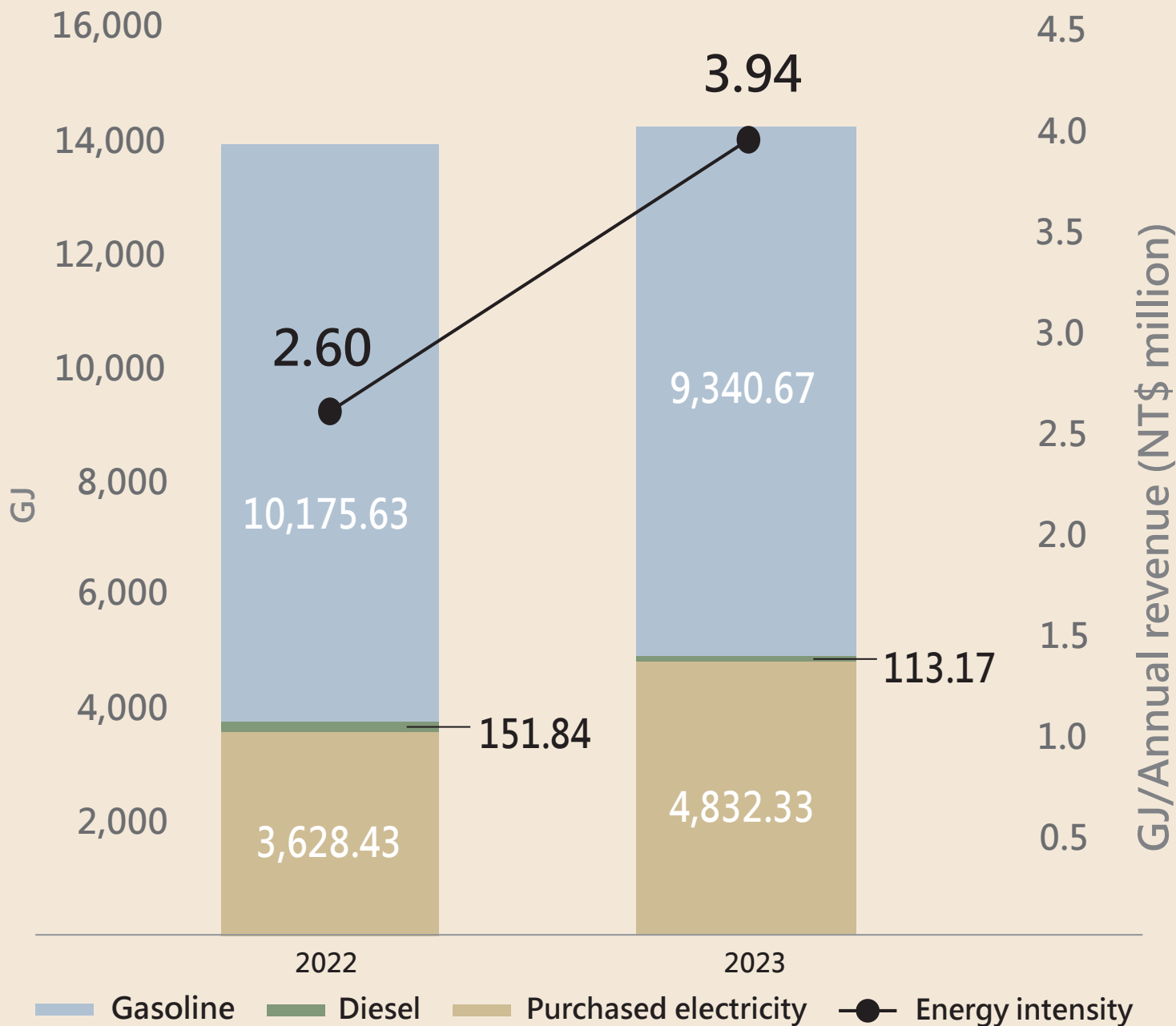
3. Energy Intensity= Total Energy Consumption (GJ) ÷ Operating Income (NT\$ million)

4. The electricity sold by C Sun is the solar power generated by the Taichung Plant, which is currently sold in full to Taiwan Power Company.

Energy usage share in 2023



Energy consumption and intensity trends in the past two years



3.3 Energy and Greenhouse Gas Management

3.3.2 Greenhouse Gas Management

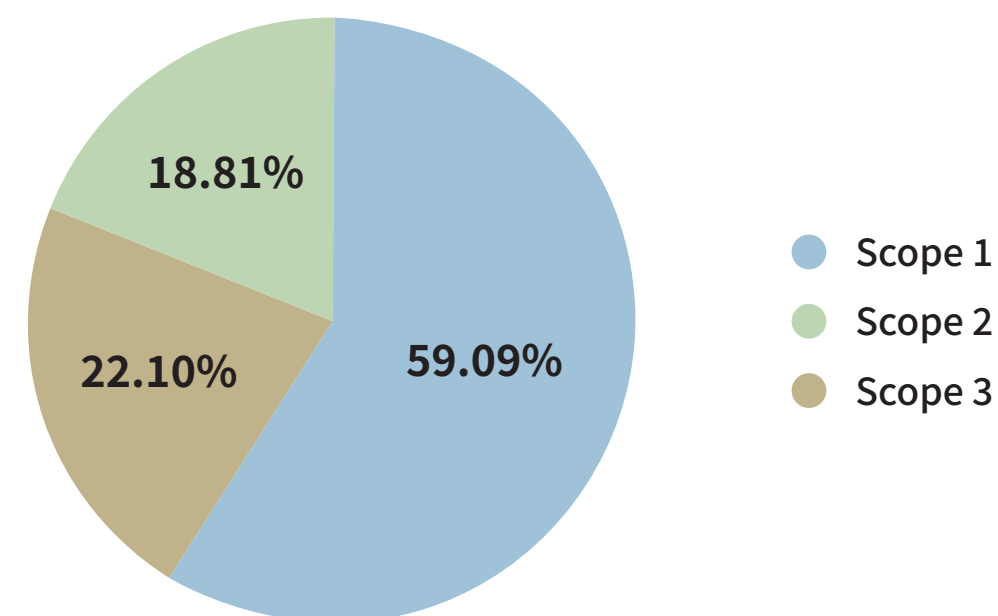
Since 2022, C Sun has completed the greenhouse gas self-inventory operation in accordance with the ISO14064 1:2018 standard every year, and plans to obtain external third-party verification/confirmation in 2024. In 2023, the total greenhouse gas emissions of C Sun were 2,195.74 metric tons of CO₂e, of which Scope 1 direct emissions account for 22.10% of the total, and the main emission sources are mobile combustion emission sources (official vehicle oil) and fugitive emission sources (refrigerant equipment, septic tanks); Category 2 accounted for 59.09% of the total, mainly due to the electricity consumption of factories, office lighting, and process equipment. In 2023, the greenhouse gas emission intensity of C Sun was 0.49 metric tons CO₂e per NT\$ million, an increase from the previous year, mainly due to the poor prosperity of the PCB and panel industries, resulting in a 32.44% decline in revenue. However, in 2023, Scope 1 and Scope 2 emissions combined decreased by 5.24% compared to the previous year. In order to continue to achieve the international reduction trend, the company's total annual carbon emissions will be reduced by 3% based on the output value in 2023.

Categories	Base	2022 (base year)	2023
Scope 1 (tons CO ₂ e)	Linkou HQ	29.26	23.98
	Taipei factory	118.50	146.45
	Taichung factory	295.33	314.75
Scope 1 subtotal		443.09	485.18
Scope 2 (tons CO ₂ e)	Linkou HQ	85.47	78.62
	Taipei factory	417.46	364.40
	Taichung factory	935.26	854.49
Scope 2 subtotal		1,438.19	1,297.51
Scope 3 (tons CO ₂ e)	Linkou HQ	8.11	22.78
	Taipei factory	116.09	133.42
	Taichung factory	260.29	256.85
Scope 3 subtotal		384.49	413.05
Total greenhouse gas emissions		2,265.77	2,195.74
Greenhouse gas emissions intensity (scope 1+scope 2) (tons CO2e / NT\$ million)		0.35	0.49

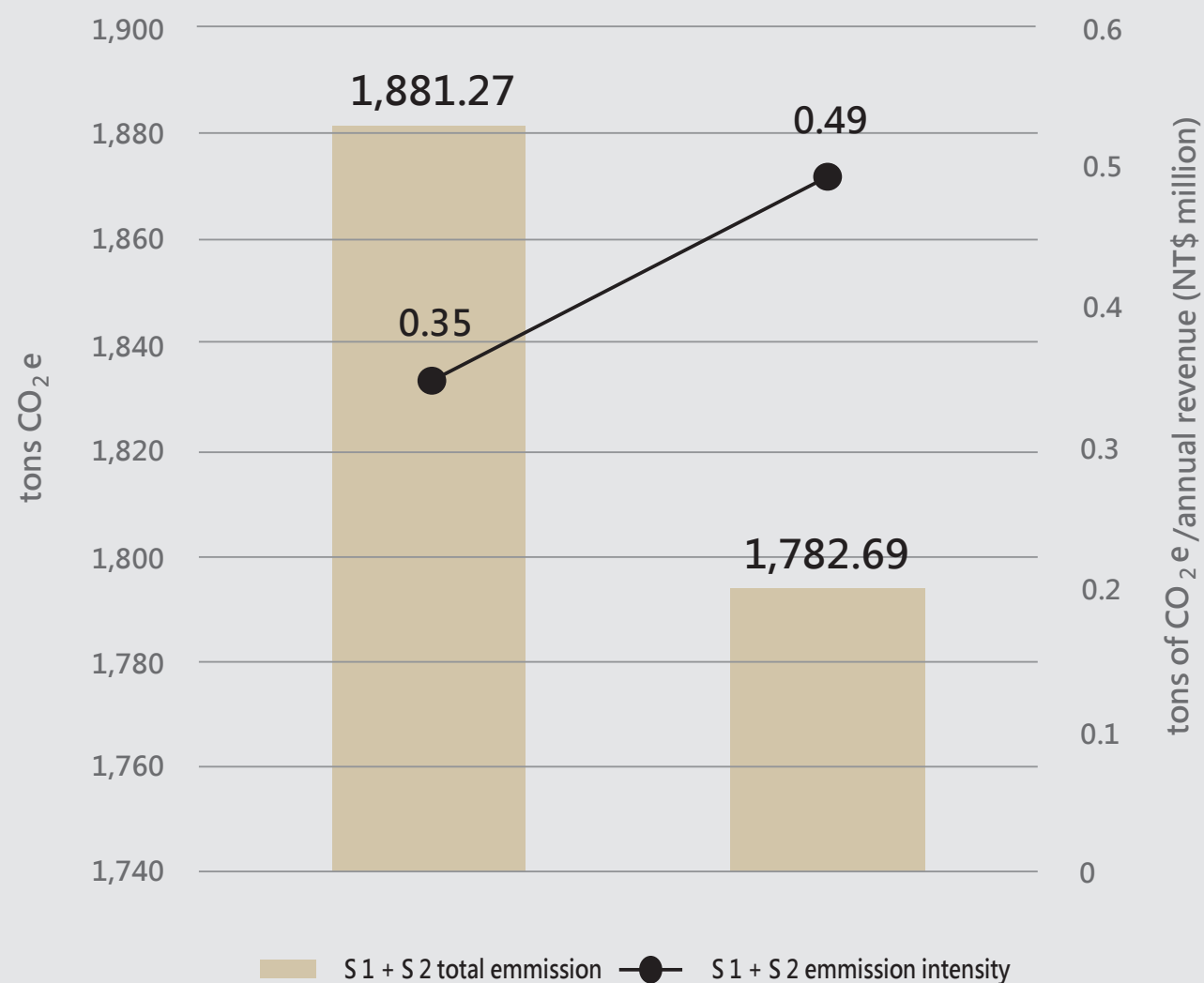
Note:

1. The calculation of greenhouse gas emissions in 2023 is based on the operational control method, and the emission factor value is quoted from the greenhouse gas emission factor management table version 6.0.4 announced by the Environmental Protection Administration, and the GWP value is quoted from the IPCC Sixth Assessment Report)
2. Greenhouse gas inventory scope: carbon dioxide (CO₂), methane (CH₄), nitrous oxide (N₂O), hydrofluorocarbons (HFCs), sulfur hexafluoride (SF₆), a total of 5 greenhouse gases.
3. Emission Intensity = (Scope 1 + Scope 2 emissions metric tons CO₂e) / Total Annual Revenue (NT\$ million).
4. The scope of the Scope 3 inventory covers "indirect GHG emissions from transportation" (downstream transportation, customer and visitor transportation, business travel), "indirect GHG emissions from the use of products by the organization" (upstream emissions from purchased goods, waste disposal), and "indirect GHG emissions related to the use of the organization's products" (downstream leased assets)

Proportion of greenhouse gas emissions across the board in



Total amount and intensity trend of Scope 1 + Scope 2 greenhouse gas emissions in the past 2 years



3.3 Energy and Greenhouse Gas Management

3.3.3 Energy Saving and Carbon Reduction Measures

In order to reduce electricity consumption, C Sun is expecting to carry out several energy-saving programs in 2024 and 2025, such as replacing old equipment and increasing energy use; Design your own smart digital management system and cooperate with professional energy-saving enterprises to incorporate smart environmental control into the design of energy-saving buildings; The equipment developed by C Sun is also designed to be energy-saving, which not only improves the product highlights and saves the power consumption of the client, but also reduces the power consumption when the product is tested in the factory.

Lighting System Replacement

In order to reduce the environmental impact of its business activities, C Sun invested in specific energy-saving actions, including replacing the lighting system of the office and factory with energy-saving lamps to reduce energy consumption, reducing the use of about 24.36 GJ in 2023, which is equivalent to reducing carbon emissions by about 3.34 metric tons of CO₂e. We will continue to actively plan and promote other energy-saving projects to further improve energy efficiency.

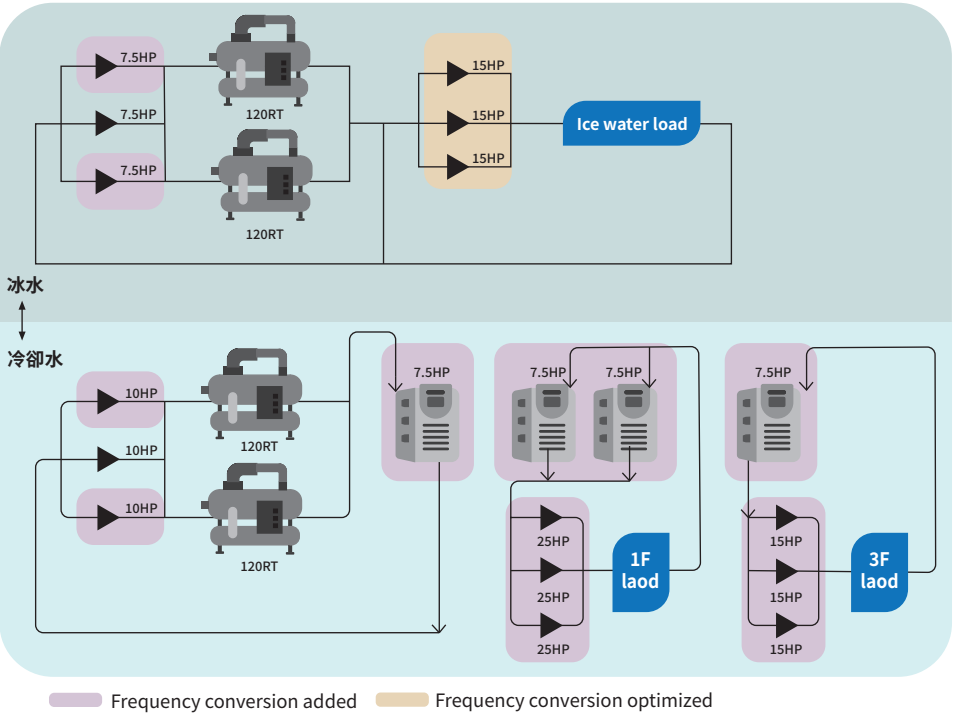
Base	Description of the energy saving action plan	Energy saving (GJ)	Carbon reduction (tons CO ₂ e)
Linkou HQ	Replacement of 13 lamps in the office area (Changed from original 36W to 13W energy-saving T8 LED)	3.14	0.43
	Replacement of 22 lamps in B2 parking lot (Changed from original 36W to 13W energy-saving T8 LED)	15.96	2.19
Taichung factory	Replacement of 10 patio lights during the manufacturing process (Changed from 200W to 150W)	5.26	0.72
Total energy saving and carbon reduction in 2023		24.36	3.34

Note:

- Energy savings are estimated by equipment specifications and operating hours, so they are estimated theoretically
- Carbon reduction = Energy saving (kWh) x 112 annual electricity carbon emission coefficient of the Energy Administration of the Ministry of Economic Affairs is 0.494

Description of the renovation of the ice machine system in the Taichung plant

The energy-saving system implemented in this case was built with PLC+SCADA system to incorporate the frequency and operation information of pumps and water towers into monitoring and management. The following is a description of the current condition of the equipment and the proposed measures:



A description of the energy saving benefits

112 tons / year can be saved in the future

System	Before improvement	After improvement	Energy saving	Carbon saving amount (tons)	Energy saving rate
Cooling water frequency conversion (third floor)	162,432	88,987	73,445	37	45%
Cooling water frequency conversion (first floor)	132,750	72,726	60,024	31	45%
Frequency conversion around ice machine	72,150	39,527	32,623	17	45%
120RT ice machine replacement	218,400	163,800	54,600	28	25%
Subtotal	585,732	365,040	220,692	112	38%

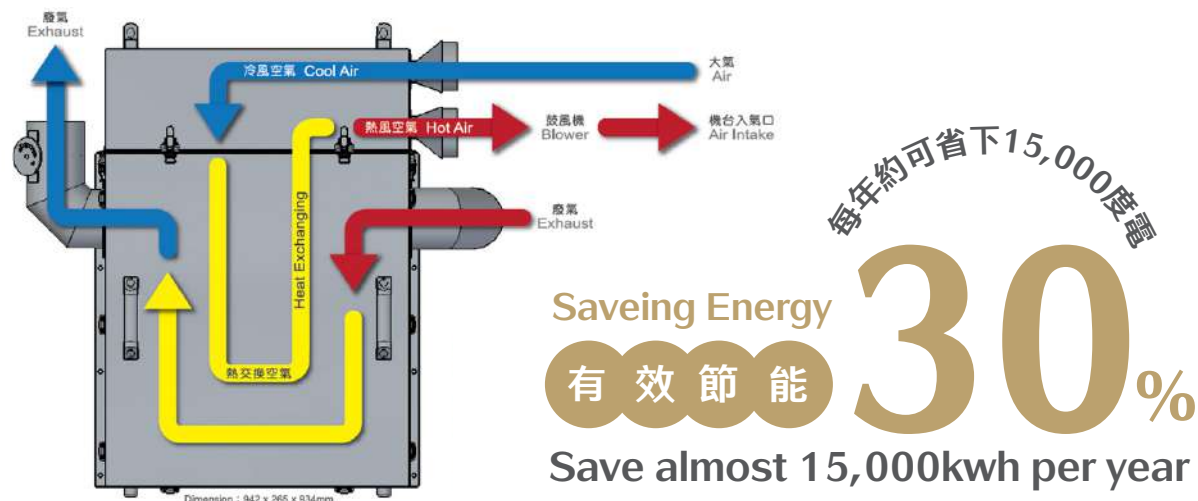
System	Status quo and description of proposed measures				
	Number of devices	Days of use /year	Hours of use /day	Total hours of use/month	Proposed measures
Cooling water on the third floor	Cooling water pump 15 HPx 3 (2 for use and 1 for backup)	360	24	8,640	Change frequency converter model
	Cooling water tower 7 5 HPx 1				
Cooling water on the first floor	Cooling water pump 25 HPx 3 (2 in use and 1 in standby)	250	15	3,750	Change frequency converter model
	Cooling water tower 7 5 HPx 2 (2 in use and 0 in standby)				
Ice machine peripherals	Ice water pump 7 5 HPx 3 (2 for use and 1 for backup)	250	13	3,250	Change frequency converter model
	Cooling water pump 10 HPx 3 (2 for use and 1 for backup)				
	Zone pump 15 HPx 3 (already a frequency converter model)				
	Cooling water tower 7 5 HPx 1				
120RT Ice machine	Ice machine 120 RT x 2(1 in use 1 back up)	250	13	3,250	Each machine is equipped with kW/RT monitoring equipment electric meter and heat meter. Long-term monitoring of the power consumption of individual ice machines will serve as a reference for subsequent evaluation of ice machine replacement.

Intelligent Building

The 14th floor of the C Sun Headquarters located on Wenhua 2nd Road, Linkou District, is currently planned as an office area for R&D and business centers, and has begun to carry out relevant planning operations, which will be regarded as a demonstration site of the future C Sun Factory, which will combine environmentally friendly building materials, intelligent environmental control, green plant construction, etc., to create a healthy, energy-saving and environmentally friendly situational space.

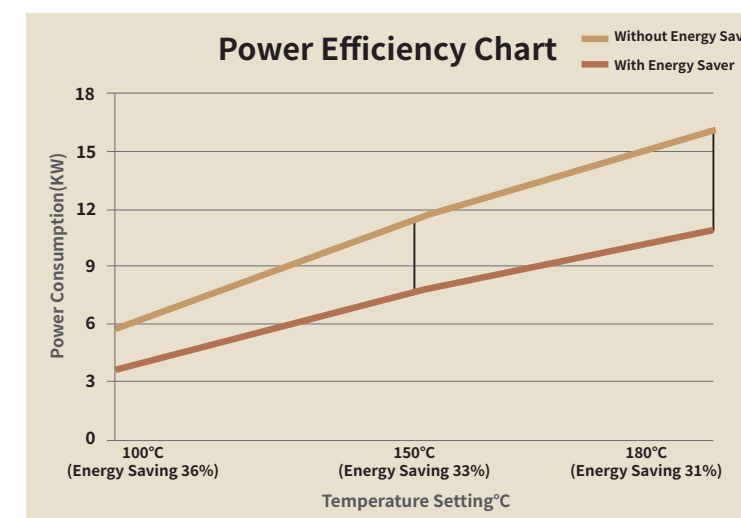
Transportation digitalization system:

The data of commuting tools (air tickets/official vehicles) for business trips are combined with intelligent digital management, such as the digitalization of air tickets and official vehicle management. In the part of the official car, through cooperation with partner companies, to build a digital management system belonging to C Sun, through the fleet management system, to understand the mileage of each car statistics at each time, fuel consumption costs, national highway billing, vehicle speeding, maintenance records, carbon emission data, accident status, maintenance hours reminder and other information combined, plus we currently fill in the vehicle use record form and pre-driving precautions and accident operation procedures, through the follow-up cooperation with IT application software development units, the future will be available QR CODE can be used for digital operations, making our fleet management and scheduling more efficient, reducing personnel costs and improving work efficiency. Air tickets are also in cooperation with partners, the company's business trip personnel travel status is presented in a unified report, distance and carbon emission data analysis, and customized cloud reports, which integrates automatically relevant data for administrative staff to understand and review regularly every month.



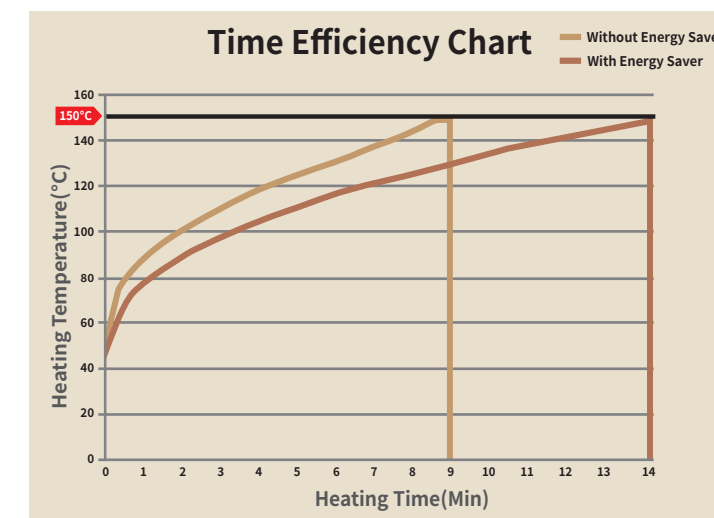
Reduce the energy demand of products and services

C Sun not only pays attention to its own energy conservation and carbon reduction, but also is committed to improving the energy efficiency of its products. In the design stage of the machine, the product can effectively improve energy efficiency by selecting smaller power transmission components to reduce the weight of the machine and the power supply components of high-efficiency switches. The oven energy saver developed by C Sun can reduce the electric energy consumption of the electric heater through waste heat recovery, and can provide energy-saving transformation according to customer needs, aiming to increase the production capacity of old equipment, thereby reducing carbon emissions and realizing the benefits of old line activation. This product technology can help customers save power consumption, which can save an average of 15,000 kWh of electricity per year according to different process conditions, reduce carbon emissions by about 7.40 metric tons of CO₂e, and can also reduce the power consumption of C Sun itself during in-plant testing, which is not only beneficial to customers to save costs, but also reduces the impact on the environment, reflecting C Sun's commitment and contribution to sustainable development.



Note:

- The energy consumption of the energy-saving device is the sum of the actual electric heating consumption and the blower consumption
- Air volume conditions: 6CMM at the air inlet and 4CMM at the air outlet.
- The energy-saving efficiency is calculated by the formula: (maximum power consumption - minimum power consumption) / maximum power consumption
- Regardless of the temperature setting, it can achieve a 30% energy saving.



Note:

The energy-saving device can reduce the heating time by 5 minutes.

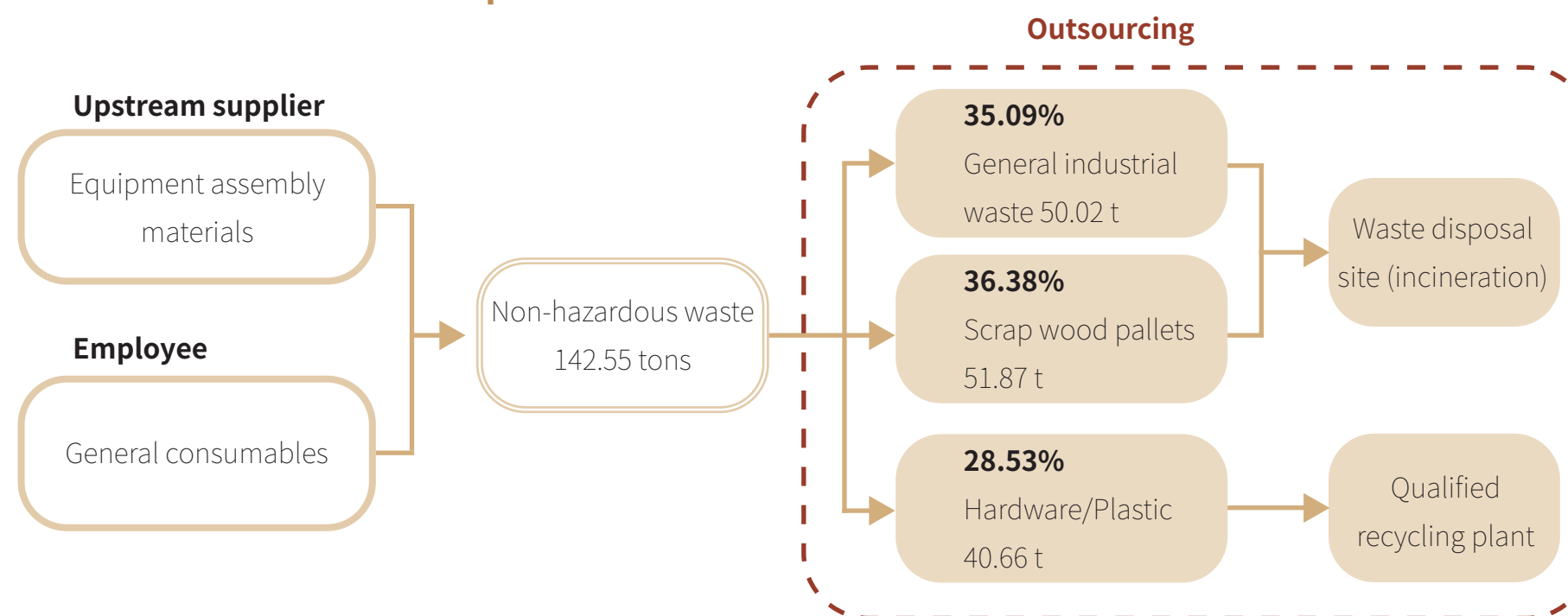
3.4 Waste Management

3.4.1 Waste Management Systems

The wastes generated in the process of C Sun's operation are all non-hazardous wastes, and the industrial wastes produced are properly classified according to the types and characteristics of the wastes in accordance with the relevant regulations, and stored in storage places that meet the requirements of laws and regulations, and regularly carry out the declaration of industrial wastes and related record retention mechanisms. In order to ensure that the waste generated by C Sun's business activities complies with laws and regulations and internal waste management procedures, C Sun has established waste management measures based on the ISO14001 environmental management system, adhering to the three principles of "source reduction", "resource recycling" and "landfill reduction", and has set a target of 20% annual waste recycling rate. In order to achieve the goal of resource recycling, we promote and promote the source reduction of waste and the recovery and reuse of resources in all operating plants, including the recycling of paper and the reuse of consumables. When selecting raw materials in the manufacturing stage, we try to select substances that are harmless to the environment and easy to decompose, and reduce the amount of materials used to reduce the consumption of the earth's resources.

In order to accurately grasp the flow of waste and fulfill the responsibility of supervision, C Sun entrusts qualified suppliers of the Environmental Protection Department to remove and dispose of waste, and conducts annual audits of waste manufacturers by environmental safety and health personnel to ensure that the entrusted waste is disposed of in accordance with the contract. At the same time, on-site audits are also conducted every 6 months for waste disposal manufacturers, and in 2023, C Sun has completed on-site audits of 4 waste disposal companies, and no violations have been found.

2023 C Sun waste flow map



Waste value chain management measures

Waste value chain management measures	
Upstream of the value chain – raw materials	Monthly statistics on incoming materials
Own operations – office and factory waste	• Waste management mechanism: regular waste declaration, monthly meeting review mechanism, regulatory compliance, waste data retention mechanism • Resource recycling policy: Implement a resource recycling mechanism and set an annual
Downstream value chain waste treatment	• Complete monthly reporting records based on the waste triple form • Conduct on-site audits of waste processors

3.4 Waste Management

3.4.2 Waste generation

The main waste generated by C Sun is non-hazardous waste, including common hardware/plastics, waste wood pallets, general business waste, etc. In 2023, the total amount of waste in C Sun is 142.55 metric tons, a decrease of 18.81% compared to 2022. In 2023, the recycling rate of C Sun was 28.5%, an increase of 5.48% compared to 2022, and the annual waste recycling target of 20% has been reached.

General categories of waste	Waste details	Base	Processing method	Waste disposal volume (tons)	
				2022	2023
Non-hazardous waste	Hardware/Plastics	Linkou HQ	—	—	—
		Taipei factory	Recycle	—	1.08
		Taichung factory	Recycle	40.47	39.59
	Scrap wood pallets	Linkou HQ	—	—	—
		Taipei factory	—	—	—
		Taichung factory	Incineration (non-energy recovery)	81.78	51.87
	General industrial waste	Linkou HQ	Incineration (non-energy recovery)	0.54	0.54
		Taipei factory		24.00	20.68
		Taichung factory		28.80	28.80
	Total waste			175.59	142.55
Recovery ratio			23.05%	28.53%	

3.4 Waste Management

3.4.3 Waste Reduction Action

In order to solve the waste generated by the high damage rate of wood pallets, C Sun cooperated with suppliers to launch a waste reduction project, replacing wood pallets with plastic pallets for reuse, and prolonging the service life of pallets. In 2023, the volume of waste wood pallets removed by C Sun decreased by 29.91 metric tons, a decrease of 36.57%, compared with 2022. This project not only reduced the generation of C Sun waste, but also reduced the number of wooden pallets purchased by suppliers.



3.4 Waste Management

3.4.4 Waste Reduction Target Setting & Expected Actions

Setting and executing short-, medium- and long-term goals is critical in waste management for companies that can help them progressively reduce waste generation, increase recycling rates, and ultimately achieve holistic waste management. Here are specific recommendations for goal setting and execution:

Short-term goals

within 0 to 1 year

Goal setting

- Reduce total waste: Reduce total corporate waste by 20% within 3 years.
- Increase recycling rates: Increase the recycling rate of recyclable materials within the company to 50%.
- Establish a basic waste management system: Establish and improve systems and processes for waste classification, collection, and treatment.

Expected Implementation Actions

Inventory
of waste
types

Measures: Conduct a comprehensive inventory of waste again, identifying the main sources, types and quantities of waste, and identifying opportunities for possible re-reduction and recycling.

Execution method: Engage professional consultants or set up an internal team to conduct audits, and formulate waste reduction strategies based on the results of the inventory.

Waste Separation and Recycling:

Measures: Implement a waste separation policy within the company, set up clear recycling sites, and separate and recycle materials such as paper, plastics, and metals.

Execution method: Continuously set up sorting bins in each office area, restaurant, factory, etc., and provide staff training and guidance.

Awareness
and
education

Measures: Raise awareness of waste management among employees and encourage active participation in sorting and reduction through internal awareness and training activities.

Execution method: Conduct education through internal newsletters, training courses, work-shops, etc.

Medium-term goals

within 1-3 years

Goal setting

- Further reduction of total waste: Reduce total waste by 50% within 5 years.
- Increase recycling rate: Increase recycling rate to 70%.
- Achieve harmless treatment of specific types of waste: such as e-waste and hazardous waste, to achieve 100% harmless treatment.

Implementation measures

Recycle
and reuse

Measures: Establish an internal resource recovery system to promote the use of reuse and recycled materials and reduce the use of virgin resources.

Execution method: Invest in recycling facilities or work with recycling companies to treat and reuse waste from the company's production process.

Promote a
paperless
office

Measure: to facilitate the transition to a paperless office, reduce paper use, and optimize digital workflows.

Execution method:

1. Units with a large amount of paper use (R&D units/material units) adopt an electronic document management system (expected to be introduced in 2024). It is expected to reduce usage by 10%.
2. Enterprise electronic business card system is being introduced, and it is being evaluated in H2 2024.
3. SCM supply chain management system (expected to be introduced in Q3 2024) will significantly reduce the paper output of material units to the supply chain.

Supply Chain
Cooperation
(Green Procurement)

- **Measures:** The supplier management policy will be revised and implemented in 2025, strengthen supplier management, implement the concept of sustainable and green procurement, and plan to formulate internal regulations such as sustainable procurement policy and supplier management regulations in 2025. In the future, we will gradually establish and optimize the process and review mechanism of supplier management with reference to the requirements of external standards of government agencies and the practical implementation direction of benchmark peers, encourage suppliers to implement corporate social responsibility, and encourage suppliers to work with the company to promote sustainable development of economy, environment and society, and move towards a mutually beneficial future. Actively promote the green procurement policy, and give priority to the procurement of products with environmental protection labels, energy-saving labels, water-saving labels, green building materials labels, carbon footprint reduction labels, Taiwan timber labels and recognized foreign labels, or other green products with recycled materials, recyclable, low pollution and other related conditions, so as to support various operations and implement environmentally friendly procurement into the system.
- Work with suppliers to reduce packaging waste and promote the use of recyclable or biodegradable packaging materials.
- **Execution method:** In 2025, we plan to revise our procurement policy, prioritize suppliers who use environmentally friendly materials, and work with suppliers to develop waste reduction plans.

Waste
Reduction
Incentives

Measures: Implement internal incentives to reward departments or employees who reduce waste or increase recycling rates.

Execution method: In 2025, an annual or quarterly unit waste reduction competition will be set up (for units with large consumption, such as R&D/material units), and the winners can receive bonuses or other forms of recognition.

Source
reduction

Product design: Promote enterprises to design and produce products that are easy to recycle and degradable, and reduce the use of single-use plastic products.

Packaging reduction: Promote the reduction of packaging materialsencourage the use of environmentally friendly materials and simple packaging.

Shopping bag management: Implement a plastic bag charging policy and encourage the use of reusable shopping bags.

Recycling
and reuse

Waste sorting: Strengthen waste sorting policies and set up special recycling facilities to ensure that resource waste is effectively recycled and reused.

Resource recycling: Promote the concept of "waste into resources", establish an industrial chain of waste recycling and recycling, and support the market development of renewable products.

Food Waste
Management

Food waste treatment: Promote the separation and collection of kitchen waste in enterprises, and establish special food waste treatment facilities, such as food waste treatment machines.

Long-term goals

more than 5 years

Goal setting

- Achieve "zero waste to landfill": Achieve zero corporate waste to landfill within 10 years, and 100% of all waste is recycled or reused.
- Comprehensively improve recycling and reuse: the recovery rate reaches more than 90%, and realizes the closed-loop management of waste resources.
- Develop a circular economy: Completely transform waste into reusable resources and become a model enterprise for the circular economy.

Implementation measures

Circular
economy
model

Measures: Fully implement the circular economy model, treat waste as a re-source, and establish internal and external resource recycling chains.

Execution method: Invest in innovative technologies and facilities, develop recycled materi-als and products, and expand resource recovery networks.

Zero Waste
Facility
Certification

Measures: Obtain international or national certification of a zero waste facil-ity to demonstrate the company's leadership in waste management.

Execution method: Cooperate with certification bodies to conduct audits and improvements to meet the standard requirements of zero waste.

Continuous
Improvement

Measures: Continuously improve waste management policies and practices, pursue best practices, and actively share experiences and success stories within the industry.

Execution method: Participate in industry associations and environmental organizations, learn and introduce international best practices, and continuously optimize the company's internal processes.

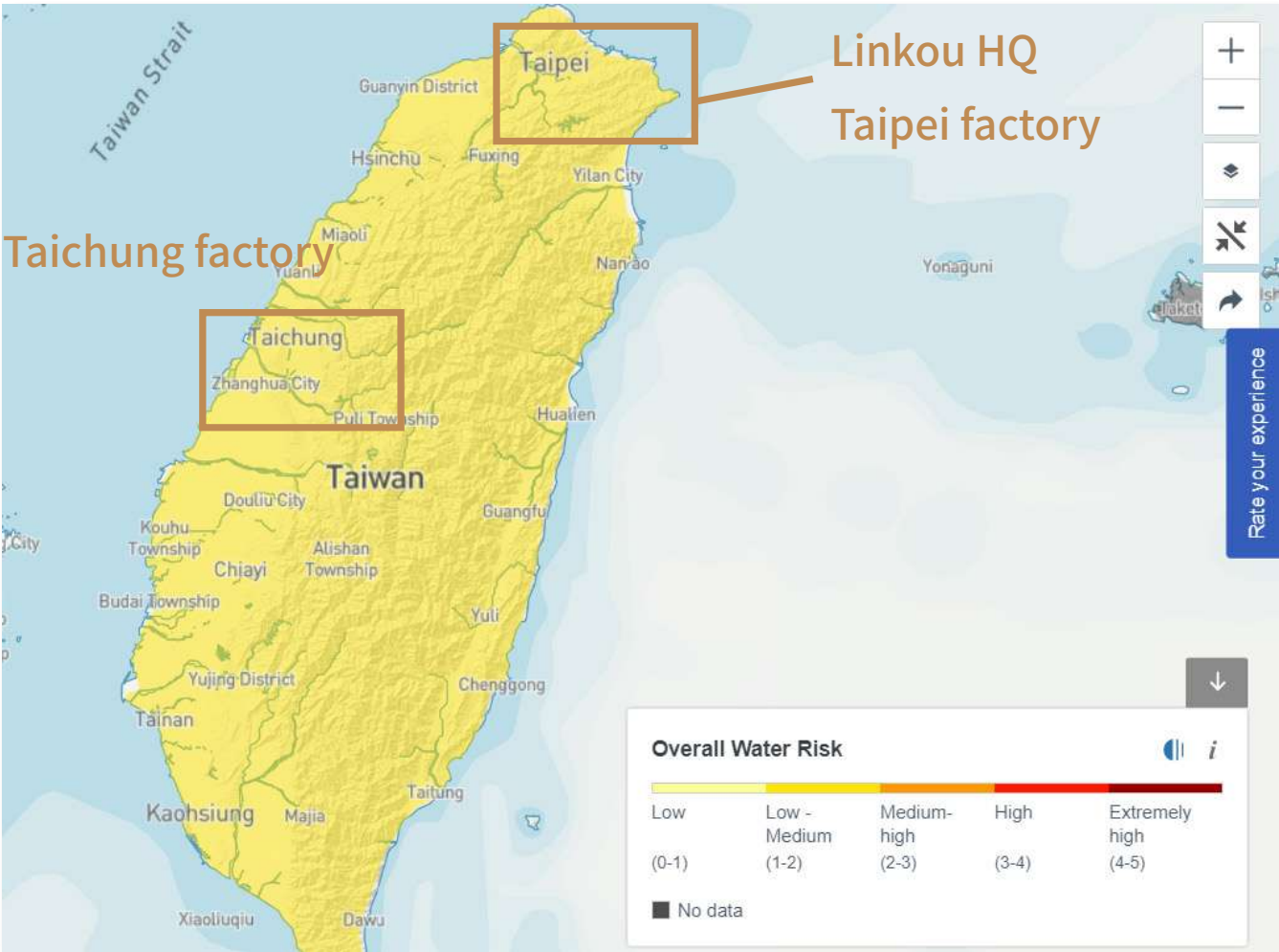
3.5 Water Resources Management

3.5.1 Water Risk Assessmenta

Reliable and stable supply of water resources has become one of the key to the continuous operation of enterprises. To ensure a stable water supply, C Sun uses the World Resources Institute's (WRI) Aqueduct Water Risk Atlas to identify overall water risks. The results showed that the Linkou headquarters, the Taipei plant and the Taichung plant were all areas with medium and low water risk. Although C Sun is a low-water intensive enterprise, we will continue to move towards the goal of improving water efficiency and zero waste year by year.

Destinations for water intake and discharge from each base

Base	Site	Maim Water Soirce	Water Stress
Linkou HQ	7F, No. 266, Section 1, Wenhua 2nd Road, Linkou District, New Taipei City	Shimen Reservoir	Low – Medium (1-2)
Taipei factory	No.2-1, Gong 8th Rd., Gong’ er Industrial Park, Linkou Dist., New Taipei City 244	Shimen Reservoir	Low – Medium (1-2)
Taichung factory	No.11, Jingke 2nd Rd., Nantun Dist., Taichung City 408	Liyutan Reservoir	Low – Medium (1-2)



Note: WRI's online tool results were used to conduct an overall water risk assessment for the C Sun Headquarters, Taipei Plant, and Taichung Plant.

3.5 Water Resources Management

3.5.2Water Intake, Water Consumption and Drainage

The water intake of C Sun's headquarters in Linkou, Taipei Plant and Taichung Plant is all from the water supply of third-party water companies, and the main process of C Sun is product assembly, and the water demand is not large, most of which is water for people's livelihood and some factory equipment, and the total water withdrawal in 2023 was 11.9291 million liters, a **decrease of 6.30%** compared with the previous year.

Water category	Intake/drainage	Base	2022	2023
	destination classification			
Water intake	Tap water intake	Linkou HQ	0.5105	0.4651
		Taipei factory	3.5530	3.8710
		Taichung factory	8.6680	7.5930
		Total water with-drawal	12.7315	11.9291
Displacement *3			6.5135	6.7121
Water consumption *4			6.2180	5.2170

Note:

1. The water intake category is all fresh water (≤ 1,000mg/ Lttotal dissolved solids). Water data is calculated based on annual water bills.
2. The Linkou headquarters is used for people's livelihood, and the drainage is included in the urban sewer, and there is no meter metering; There is no sewage discharge pipe in the industrial zone where the Taipei plant is located, and there is no meter metering.
3. Only the Taichung plant uses the flow meter to calculate the drainage data, and the Linkou headquarters and the Taipei plant use the water intake as the drainage statistics.
4. Water Consumption = Water Intake - Discharge.

Implementation method: Introduce professional equipment for wastewater treatment and reuse, and evaluate its economic benefits and water-saving effects.

Employee Education and Behavior Hope Project Establishment

Water Conservation Culture Promotion

Measures: Promote water conservation awareness among employees through internal training and awareness campaigns, such as posters, email announcements and external seminars to establish collaboration channels.

Implementation method: 5S organization of the plant department, responsible for promoting the concept of water conservation and supervising the improvement of daily behavior.

Water Conservation Competitions and Incentives

Measures: Hold water conservation proposal competitions within the enterprise to encourage all departments and employees to propose innovative water conservation solutions, and reward departments or employees with remarkable water conservation results.

How to do it: Establish clear rules and evaluation criteria for the competition, and set up bonuses or other incentives.

Promote the concept of environmental conservation

Regular inspection and feedback

Measures: Cooperate with public associations or cultural and educational foundations, go to pre-planned schools or institutions, jointly organize activities, promote envi-ronmental conservation education courses, through various activities, draw interesting teaching, go to local protected areas, and learn about the local environment/ecology. Through cooperation with public associations or cultural and educational foundations, we convey the concept of resource restoration and ecological conservation to students, so as to achieve the goal of sustainable development.

Implementation method: Set an expected implementation twice a year and compare the results with the target to ensure the effective implementation of the measures.

Supervision and performance evaluation

Regular inspection and feedback

Measures: The 5S organization of the plant department is responsible for regularly inspecting the water consumption situation in all parts of the plant, and understanding and improving it according to the monitoring data.

Implementation method: Compare the water consumption of the plant with the tar-get every quarter to ensure the effective implementation of water-saving measures.

Performance Evaluation and Rrting

Measures: Establish performance indicators (KPIs), incorporate water conservation effectiveness into performance appraisals, and report progress to the committee on a regular basis.

Execution method: Review the data of water consumption, and if the target is not achieved, immediately improve the correction method and record it.

4 Product Innovation & Customer Service

4.1 Product Technology & Innovation

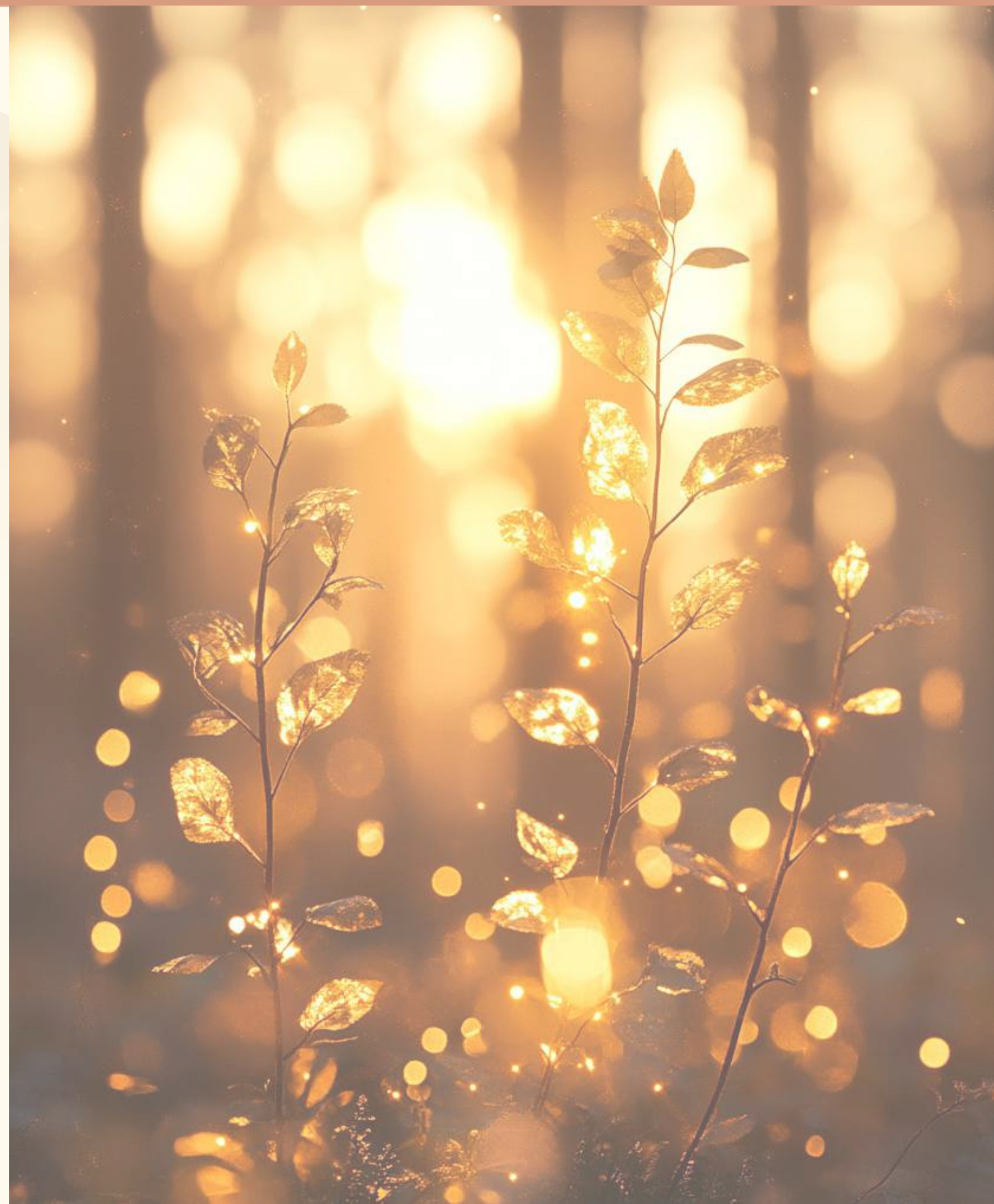
- 4.1.1 Product & Technology Layout
- 4.1.2 Innovative R&D Policy and Awards
- 4.1.3 Specific achievements of technological innovation
- 4.1.4 R&D personnel and capital investment
- 4.1.5 Innovation Exhibition and Industry-Academia Cooperation
- 4.1.6 Intellectual Property Protection and Patent Layout

4.2 Customer Service/Product Quality and Safety

- 4.2.1 Product quality management
- 4.2.2 Customer Relationship
- 4.2.3 Customer complaint handling process

4.3 Sustainable Supply Chain

- 4.3.1 Supply Chain Overview
- 4.3.2 Supply chain management



4.1 Product Technology & Innovation (Major Topic)

Grievance mechanism

E-mail : sale@csun.com.tw

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Policies, Commitments and Importance

C Sun promotes on energy conservation and carbon reduction, promotes energy-saving measures in factory operations and product design, provides new products with low energy consumption and transforms old production lines, and assists customers in achieving net-zero emissions. To this end, the company implements professional training and participation seminars for R&D personnel to promote technological innovation and product research and development to meet the needs of diversified industries. In addition, C Sun actively carries out industry-university cooperation, communicates with academic and research institutions, grasps the latest scientific research results, and enhances innovation ability and competitiveness. C Sun promises to use a variety of product equipment and core technologies to achieve R&D, design, and production one-stop service to meet the needs of various industries. At the same time, we promote energy conservation and carbon reduction in product technology, and adopt energy-saving components, low-carbon materials, heat recovery systems and monitoring system design, and are committed to providing environmentally friendly and efficient products

Authorities and Responsibilities

R&D center

Action Plan

- Reward innovative research: Encourage all employees to participate in R&D, formulate a PAC proposal to improve the reward system and patent application reward system, and provide additional bonuses to stimulate innovation. After the PAC proposal is reviewed and approved, it will receive a bonus of NT\$2,000 to 16,000, and a reward of NT\$432,000 was issued in 2023. NT\$5,000 for new patents and NT\$40,000 for invention patents.
- Personnel education and training: Arrange innovative R&D courses, taught by senior internal colleagues and external professional lecturers, and encourage colleagues to participate in external seminars.
- Industry-academia cooperation: Long-term cooperation with National Taiwan University, Tsinghua University, Zhongxing, Fengjia, Qinyi University of Science and Technology, Mingzhi University of Science and Technology and other schools to integrate school research resources and strengthen technical strength.
- Industry technical cooperation: Cooperate with domestic and foreign research institutions and companies to develop technology, improve R&D equipment and internal personnel technical strength and innovative thinking. Form a G2C+ alliance, integrate the resources of alliance companies, establish a supply chain and service system, and provide customers with one-stop services

Short, medium and long-term goals

- Extension of existing product technology: research on the cross-industry application of product technology
- Energy-saving design of existing products: increase energy-saving related design of existing product technology
- Development of new product technology: investigate the development trend of customer industrial technology and market demand, and establish future competitive technology

2023 Performance

- The R&D expenditure for product innovation was 338 million NTD, accounting for 9.32% of the operating amount.
- the education and training expenditure for R&D personnel was 1.311 million NTD
- The industry-university cooperation fund for domestic research institutions and colleges and universities reached 2.026 million NTD.

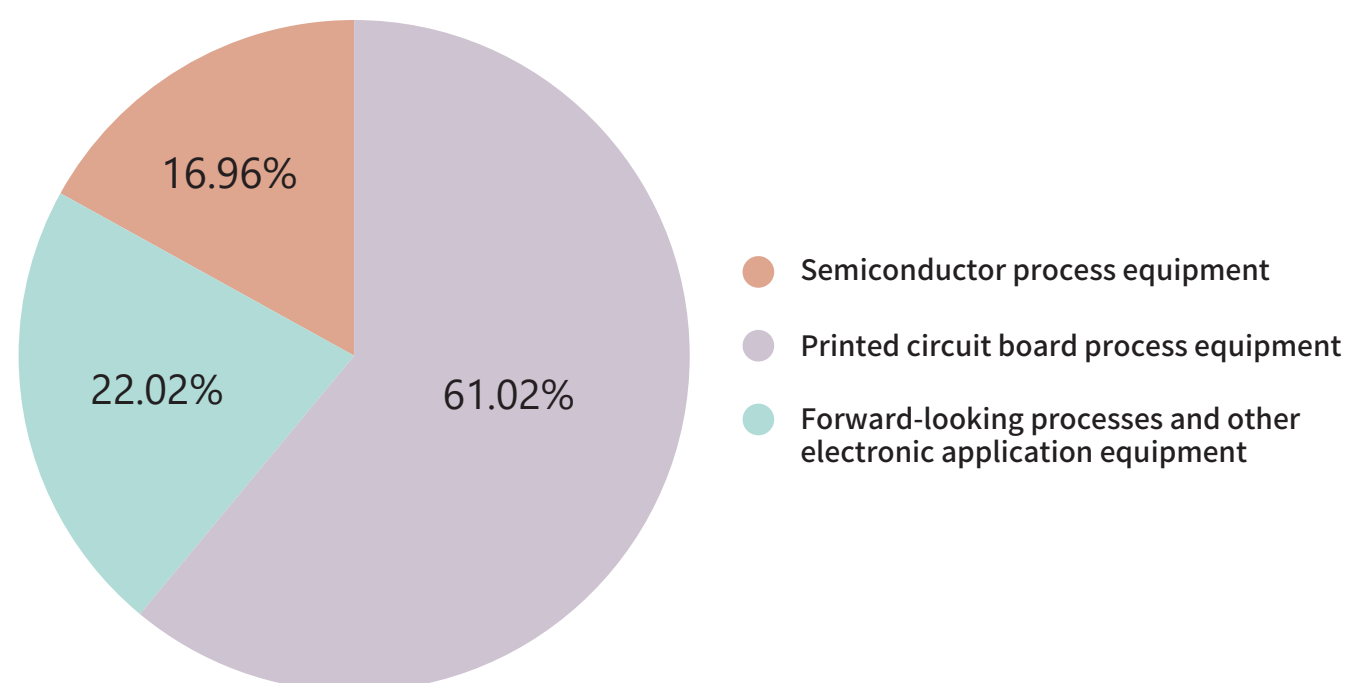
4.1 Product Technology & Innovation

4.1.1 Product & Technology Layout

With light and heat as the core, C Sun implements the integration and research of five core technologies of heat, light, filming/pressing, Peeling film and plasma cleaning, and provides high-precision production equipment for PCB circuit boards, FPD panels and touch IC substrates, semiconductor high-end packaging, solar energy, printing, coating, footwear and other major industries, and is a leading brand of process equipment in Greater China. The products are mainly divided into three categories: semiconductor process equipment, printed circuit board process equipment, forward-looking process and other electronic application equipment.

Sales status of main products sold in 2023

Main product name	Revenue share	Sales vol-ume (unit)
Semiconductor process equipment	16.96%	227
Printed circuit board process equipment	61.01%	334
Forward-looking process and other electronic application equipment	22.02%	573



Semiconductor process equipment



Peeler and Laminator



Plasma Equipment

High density plasma etcher



Oven
High Cleanliness Surround
Radiant Turance

Printed circuit board process equipment



Mylar Peeler



Exposure System

Auto Exposure System



Laminator

Vacuum Laminator

Forward-looking process and other electronic application equipment



Touch Panel Processing

Seal Main Cure / Annealing
Oven / CF Post Bake



Touch Panel Processing



Touch Panel Processing

Technology layout

In order to meet the demand trend of semiconductor advanced packaging process and future AI chips, C Sun has increased R&D investment, promoted technological innovation, and ensured technology leadership and market competitiveness.

Specialized production division of labor and all-round solutions:

- Taiwan base: will strive to become a leader in semiconductor advanced packaging process equipment, providing total solution capabilities that integrate materials, equipment and process technologies, and work on meeting the special needs of forward-looking process and AI chip manufacturing
- China base: Work on consolidating and expanding the market leading position of CSP process equipment in other PCB and electronics industries in Greater China, and continues to improve the integration and innovation capabilities in other electronic process technologies.

High-efficiency, energy-saving, high-precision production solutions:

- Specializing in providing high-efficiency, energy-saving, and high-precision production technology and equipment for customers in the fields of semiconductor advanced packaging, IC substrates, and high-bandwidth memory (HBM) to ensure that the service content and technology are the most competitive.

Innovation and sustainable development:

- All bases will actively engage in the R&D and application of intelligent and energy-saving, energy-saving and sustainable technologies, explore and practice more innovative technologies and environmental sustainability solutions, and lead the industry towards a more efficient and greener future.

Based on the core technology of the printed circuit board lamination process, C Sun continues to develop high-end ovens and other process equipment in the semiconductor advanced packaging process. In response to the evolution of new printed circuit board manufacturing processes, the demand for yield improvement, and the rising trend of labor costs in mainland China, C Sun actively develops yellow light chamber process equipment with high automation, high alignment accuracy, high resolution and high energy saving. In addition, in the flat panel display industry, in response to the transformation of Taiwanese customers, the process equipment technology applied in automotive panels, FoPLP, Micro LED, and Mini LED products is also one of the future R&D priorities. C Sun will continue to consolidate its leading position in the market of CSP process equipment for the PCB and electronics industries in Greater China, and expand and develop the production equipment of semiconductor advanced packaging process equipment and future AI chips, becoming a provider of all-round solutions.

Key future R&D projects

Semiconductor process equipment:

- Carrier bonder upgrade project, WTW Bonder development project, Panel bonder mod-ule development, roller lamination upgrade project, semiconductor technology project

Printed circuit board process equipment:

- RCC pre-pasting machine, high-end roller laminating machine, ABF film Peeling machine, solder mask Peeling machine, double-row ceramic substrate laminating machine

4.1 Product Technology & Innovation

4.1.2 Innovative R&D Policy and Awards

C Sun focuses on providing process equipment such as bonding, lamination, peeling, heat treatment, ultraviolet (UV), wet process and plasma technology. With the development of AI technology and its applications, such as cloud computing servers, big data analysis, AI model training and inference, autonomous driving and other fields showing huge growth potential, semiconductor advanced packaging technology has maturely used 2.5D/3D chip stacking technology as the key to meet AI needs, not only to reduce the line spacing between chips, but also to achieve the advantages of smaller size, lower power consumption, cost savings and performance improvement. Therefore, as an important equipment supplier to the world's leading manufacturers in the semiconductor field, C Sun plans to apply innovative technologies to these advanced packaging fields to meet the rapid development and emerging needs of AI technology, and connect with G2C+ strategic partner technology and market, extend the application of innovative technology to other industries, expand business and overseas tentacles, and hope to deepen and expand core technologies and intelligent AI, and provide customers with more complete and comprehensive products and services

C Sun innovative R&D strategy



C Sun's award-winning achievements in innovative R&D

C Sun adheres to the principle of meeting the diverse needs of customers in different industries through innovative R&D, through the continuous investment of internal R&D personnel in R&D, and exchanges with external industry-academia cooperation, in the past ten years, we have won the recognition of domestic and foreign manufacturers with superior quality and innovative technology. In 2023, C Sun won the TSMC Excellent Supplier Excellence Award, which represents the successful transformation of C Sun from the global printed circuit board (PCB) industry laminating and oven equipment to high-end semiconductor process equipment in recent years.

Year of Award	Award	Description	
2023	TSMC 2023 excellent performance award	Excellent production support	
	2023 Zhen Ding Tech. Group Excellent cooperation partner		
2022	First New Taipei Enterprise Classic Awards	R&D Innovation Group	
	2022 etouch Green Decoration Design Award	Gold award	
	2022 TPCA Green Decoration iECO silver award		
2020	TCL CSOT Excellent safety unit		
	2020 Taiwan Excellence Award	MP-A25/MP-A25 Plus_automatic peeler	
	2020 Taiwan Excellence Award	UVE-A270(L/H) inner UV LED_Auto exposure	
2019	CEC CHOT best supplier partner	G8.6 LCD panel production line	
	BOE Technology Group Co., Ltd. (Wuhan) 2019 Safety production selection	Advanced unit	
	BOE Technology Group Co., Ltd. CELL Excellent Safety Award		
	Taiwan MITTELSTAND Award	5th	
	TITA Golden root		
	2018	2018 Taiwan Excellence Award	Automatic UV LED exposure machine for inner and outer layers
	2017	Gold Panel Awards 2017	High-definition display process-intelligent hot plate multi-layer furnace
2016	Gold Panel Awards 2016	New alignment technology for display panels-UV multi-layer furnace	
2015	Prospective Innovation Award for Outstanding Manufacturers of National Science Council	WVL automatic semiconductor wafer vacuum laminating machine	



TSMC 2023 excellent performance
award



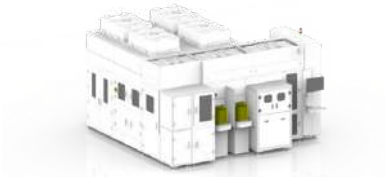
2023 Zhen Ding Tech. Group Excellent
cooperation partner

4.1 Product Technology & Innovation

4.1.3 Specific achievements of technological innovation

C Sun actively participates in innovation and sustainable development, and enhances the company's innovation momentum through the recruitment of professional talents and the encouragement of internal innovation. All of C Sun's bases actively engage in the R&D and application of intelligent, energy-saving reuse and environmental sustainable technologies, and explore and practice more innovative technologies and environmental sustainability solutions in each plant area, leading the industry to develop towards a more efficient and greener future. The R&D achievements of C Sun in recent years are listed below.

Photo	Year	Equipment name	Product development characteristics	Description
	2023	High Power Pressure Oven (for Burn In Test)	1. Unique high-pressure pre-burn-in test technology 2. Patented flow field technology of array fan combination 3. Ultra-high heat resolution capacity technology 4. Superior temperature uniformity and wind speed uniformity	This equipment is used for the Burn In Test of high-power chips. In a high-voltage environment, through high temperature, high voltage and high current, chips with shorter lifespan are eliminated to ensure that high-quality chips are selected. Through new technology strategies, the high-pressure environment (greater than 1 atm) and the physical principle of increasing molecular density are used to improve heat conduction efficiency. Together with the flow field design of efficient cooling gas and array fan combination, the heat dissipation rate is greatly improved. Different from the common pre-grill boxes at home and abroad that have low normal pressure and low heat-removing capabilities, it can meet the needs of high-power pre-burn tests, such as high-power AI ICs of 300W~1000W.
	2022	High Temperature & Inert Gas Vacuum Auto Oven (for PI Curing)	1. High temperature curing technology in vacuum environment 2. Vacuum pressure control technology in vacuum environment 3. Low oxygen content and low nitrogen consumption 4. Superior temperature uniformity and uniform flow field	This equipment is used for polyimide dielectric curing (PI curing) of advanced packaging, and can also be used for applications such as wafer-to-wafer (WtW) bond annealing, alumina annealing, and dewatering drying, with superior vacuum pressure control capabilities, temperature uniformity, low oxygen content, and greatly improved process yield, fewer defects than atmospheric pressure curing, less outgassing, low wafer warpage, and less nitrogen consumption. At present, the goal is to replace foreign semiconductor process equipment, and jointly develop with customers to improve process yield.

Photo	Year	Equipment name	Product development characteristics	Description
	2022	RCC Pre-Laminator for HDI	1. Plate automatic alignment technology 2. carrier board, membrane repressurization technology 3. membrane tension control technology 4. RCC precision cutting technology 5. RCC segmented hot spot lamination technology	RCC adhesive copper foil, a key material in the additive process of carrier boards, is one of the main ways for PCB manufacturers to introduce the additive multilayer board manufacturing process. At present, in order to reduce the line width, line spacing and reduce the total board thickness of HDI boards and SLP carrier boards, RCC adhesive copper foil has been used to improve the manufacturing process. In response to the new RCC process, we have invested in the development of CSL-A25V/RCC pre-mounting equipment to meet the automation requirements required by the process.
	2021	Laminator for SoIC	1. High temperature and high pressure technology in vacuum environment 2. Pressure uniformity control technology during bonding 3. Accuracy self-test technology after bonding 4. Online image defect detection technology	The core value of this equipment is to develop the SoIC packaging process, and to develop the corresponding methods with the different uses of the product, cooperate with the introduction of innovative manufacturing processes, and develop equipment applications that meet the requirements of stable thermal energy and uniform pressure, so as to greatly improve the yield of SoIC products. At
	2020	Multi-stage Vacuum Laminator System for Dry Film / DFSM / Buildup Materials/ / Molding Film	1. Suitable for ABF, ABF RCC, green paint dry film and ink and other products 2. High temperature and high vacuum lamination technology 3. Lamination planarization technology 4. Conveying alignment control technology	At present, 9% of the substrate dielectric material (ABF) lamination equipment market is monopolized by Japanese equipment, because of its process stability and technology in a leading position, it is also the pioneer of this substrate lamination and flattening equipment, so carrier board manufacturers mostly use Japanese equipment. As the carrier board becomes more and more multi-layer and the circuit is miniaturized, the demand for process applications is increasing, so it has invested in the development of lamination and leveling equipment to improve the level of domestic equipment.
	2020	Vacuum laminator for SoW	1. Material and wafer separation technology in vacuum environment 2. High temperature and high pressure technology in vacuum environment 3. Cladding process, control of static electricity and dust-free cleanliness 4. Cladding process, pressure uniformity control technology	This equipment is used in the back-end packaging Info SoW process, which is an innovative process for RDL cladding in SoW, and develops new dielectric layer material application and cladding technology that meets the needs.

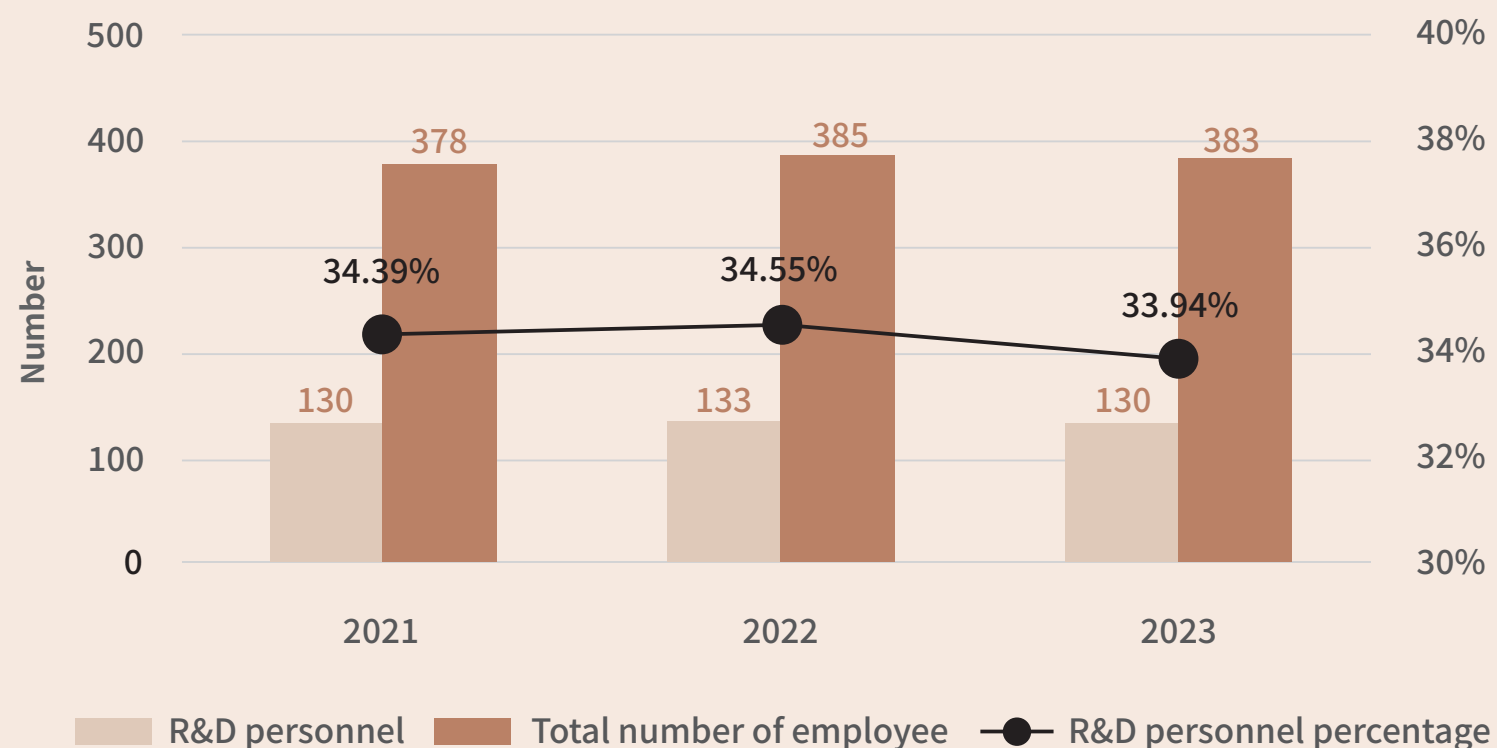
4.1 Product Technology & Innovation

4.1.4 R&D personnel and capital investment

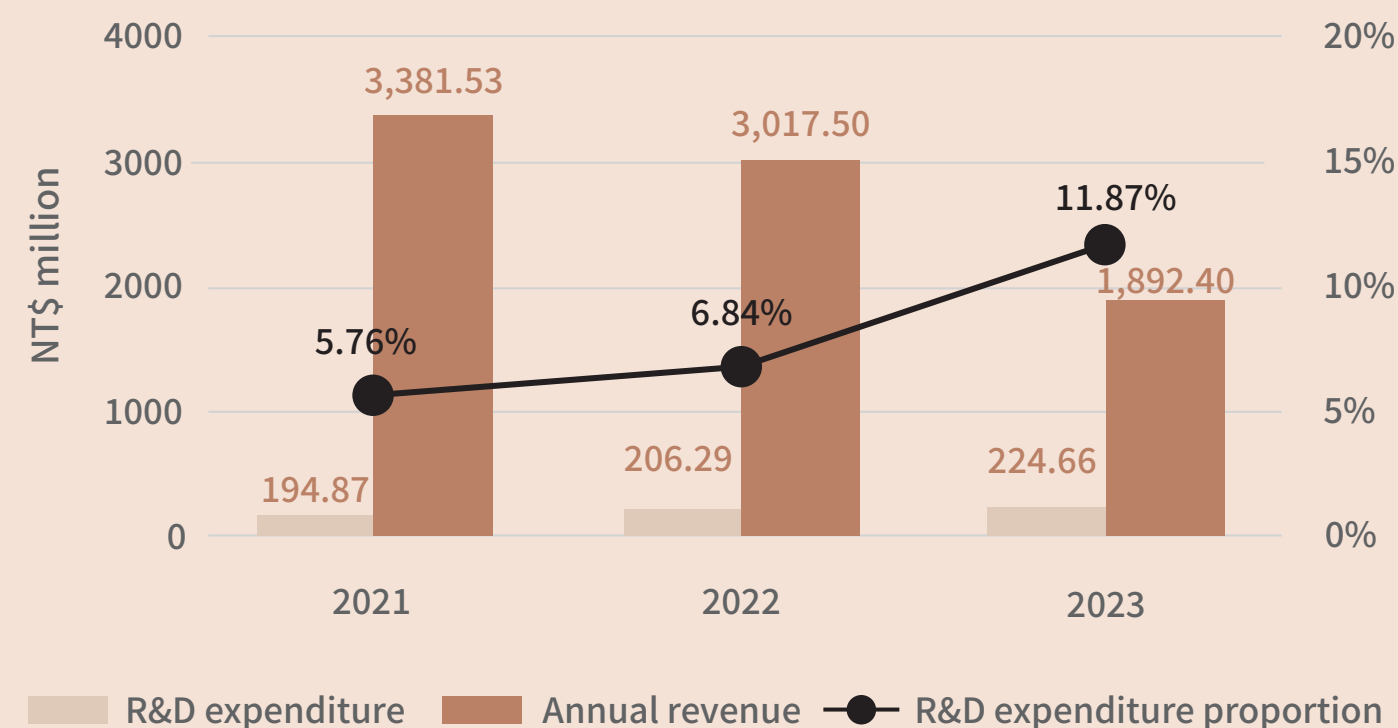
In order to maintain the competitiveness of the industry and meet the multi-faceted and changing needs of customers, C Sun firmly believes that the innovative ideas of each R&D personnel can bring value to the company. Therefore, C Sun has increased the proportion of R&D personnel year by year, and the number of R&D personnel has reached 61.62% of the total number of employees in 2023, hoping to bring more internal innovation to the company and continue to create more value for C Sun's customers by recruiting industrial professionals.

In order to improve the operating environment and resources of the company's R&D personnel, C Sun has increased the investment in R&D funds year by year. In 2023, a total of about NT\$338 million was invested in R&D, an increase of 4.32% compared with 2022, and the annual R&D expenditure accounted for 17.86% of the total operating income.

Number and proportion of R&D personnel in the past three years



R&D expenditure and proportion in the past three years



4.1 Product Technology & Innovation

4.1.5 Innovation Exhibition and Industry-Academia Cooperation

R&D Education and Training

- For C Sun, the selection of professional courses is an important issue, and we combine the suggestions of supervisors and colleagues in the selection of courses to ensure that the course content can meet the needs of the company's development and colleagues at the same time. Supervisors provide guidance in areas of expertise or knowledge, while encouraging colleagues to contribute their opinions, respecting individual wishes and ensuring consistency in the direction of the entire team. In addition, regular discussions and feedback to ensure that the chosen course truly meets the actual needs of the team not only helps to improve professional knowledge, but also strengthens team cohesion and a sense of common purpose.
- In 2023, C Sun held a total of 14 R&D-related education and training, seminars and technical exchange meetings, with **337 participants and a total of 1,575 hours**, which reflects our emphasis on and support for the R&D professional growth of our team members.

Technical Seminar

Organizing technical seminars is one of the important activities of C Sun every year. We regularly offer different research topics and ask professors from academia to evaluate them. It is expected to stimulate the creativity and R&D enthusiasm of colleagues, and also provide opportunities to showcase their results, obtain professional evaluation and suggestions, and further improve and refine their research results. Through exchanges with professors in academia, the company can obtain the latest scientific research results and technology trends, which has helped guide the company's product research and development direction and improve the company's innovation ability and competitiveness.

▼ 2023 C Sun's 14th Technical Seminar



Year	Competition	Publish Technology
2023	C Sun's 14th Technical Seminar	• New generation material ABF_RCC point line surface • 3DIC fantasy journey-exploration of sub-micron technology • Discussion on energy-saving structure and benefits of anaerobic ovens • Design and application of membrane surface detection system • Study on the changes of plasma etching parameters on the properties of polyimide films
2022	C Sun's 13th Technical Seminar	• Heat flow analysis of PI pre-baking process equipment • Creating a new world together - Micro LED lamination technology • Advanced packaging materials: polyimide (PI) vacuum curing • The evolution of ABF carrier board Peeling film technology • Integration of equipment energy saving and management • Automatic optical inspection and artificial intelligence
2021	C Sun's 12th Technical Seminar	• Micro LED Plasma Descum Analysis and Optimization • 5G new generation flattening process equipment • Microcup EPDs exposure technology • Analysis and optimization of flow field in hot blast stove • Packaging process alignment and EFEM system integration • Advanced packaging planarization equipment • Process integration system for die pick and place

Industry-Academia Collaboration

- Technological research in academia has always been an important driving force in the early stage of industrial technology research and development. In addition, industry-academia collaborative research not only helps students practice technology application, accelerates technology transfer and industrial upgrading in academia, but also cultivates professional talents for the industry and creates opportunities for C Sun to attract outstanding students and researchers to join.
- In recent years, C Sun has actively cooperated with the campus to explore the possibilities of new technologies. Since 2006, C Sun has successively cooperated with National Taiwan University, Chung Cheng University, Feng Chia University and Datong University to jointly develop a number of innovative technologies, hoping to combine the strength of industry and academia to lay a solid foundation for industrial technological innovation. In 2023, C Sun invested about NT\$2.026 million in industry-university cooperation. In the future, C Sun hopes that with the joint efforts of learning and research institutions, more emerging technologies will be applied to the industry, and more talents will be attracted to enter the industry and enhance the momentum of innovation.

School	Project	Collaborative R&D results and applications	Funding investment in 2023 (NT\$10,000)
National Taiwan University	DLP interpolation algorithm evaluation research plan	- R&D achievements: The joint development of interpolation algorithms, which has been realized in the fusion of GPU and CPU through heterogeneous integration, has initially overcome the problem of a large number of numerical operations required for digital microscopic shadows. - Application: It can be further combined with the optical imaging system to form an optical machine head to establish a direct imaging exposure machine.	35
National Chung Cheng University	18-inch Plasma Descum device simulation analysis	- R&D achievements: through simulation optimization design, the results of <5% of plasma simulation uniformity (equipment specification<10%) - Application: In the future, it will be used in semiconductor advanced packaging processes, such as RDL PI coating before cleaning, carrier debonding after residual glue cleaning, heterogeneous bonding, Wafer pressing before lamination, etc., and then through the new high-end plasma etching machine for wafer surface degumming and cleaning.	55
Fengjia university	ESG Green Energy Research Plan (2022~2026)	- R&D achievements: development of high-efficiency and energy-saving large-area UHF plasma etching technology - Application: In the future, it can be applied to new high-end plasma etching machines to achieve energy saving and carbon reduction. - R&D achievements: Development of a microscopic detection system for thin film surface defects using AI technology. - Application: In the future, it can be applied to laminator equipment to detect defects on the surface of products or wafers, which can improve the yield of the post-process and reduce costs.	100
Datong University	Laminating machine design and machine image plan advance technology transfer	According to the company's current logo, brand identity, color, font and other elements are integrated into the design to strengthen the brand awareness and reflect the core values and concepts of the brand.	12.6

4.1 Product Technology & Innovation

4.1.6 Intellectual Property Protection and Patent Layout

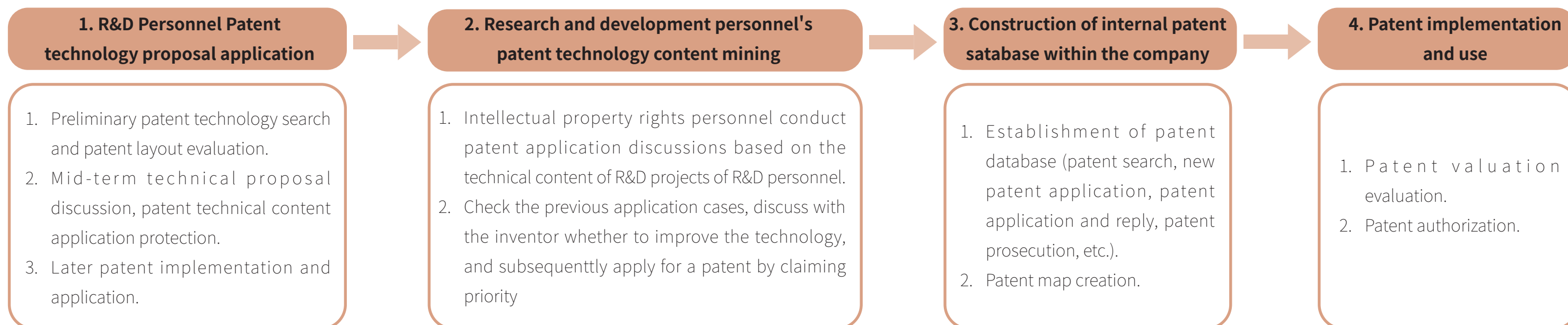
Through the intellectual property management system, C Sun creates the operation mode of the company's value, improves the competitiveness of the enterprise, protects the company's operating results, strengthens the competitive advantage, and promotes the continuous improvement of the industry.

R&D Patent Layout

In 2011, C Sun formulated the "Patent Management Practice Specification", which was announced for implementation after approval. The operation specification mainly includes patent proposal application, patent technology content mining, the company's internal patent database construction and patent implementation and application, and the company has set up a special department responsible for evaluating and implementing various patent-related affairs

C Sun patent management strategy

C Sun continues to develop and improve new products, provide customers with the best equipment in the industry, and become the most trusted partner of customers. Through education and training, to enhance the intellectual awareness of colleagues, but also encourage colleagues to be creative, motivate employees to submit patent applications, and provide incentives to applicants or application teams when the patent proposal is approved and when the patent right is obtained, a total of 432,000 incentives was issued to R&D personnel in 2023, and C Sun will continue to encourage R&D personnel to apply for patents for R&D results to complete the technical layout and enhance the company's industrial competitiveness. In 2023, C Sun obtained a total of 6 new patents, and since the end of 2023, C Sun has obtained a total of 441 patents, including 103 invention announcements.



Intellectual Property Management

Intellectual Property Management Intellectual Property Management Intellectual property is an important intangible asset of the enterprise, in order to promote the use of intellectual property to create advantages and value for the organization, C Sun formulated the "Intelligent Property Management Manual" according to the operation strategy, established a systematic management system linked to the operation objectives, and applied for the re-verification of the Taiwan Intellectual Property Management Standard (TIPS) in 2022, and passed the review after review. It is valid from January 1, 2023 to December 31, 2024, which means that C Sun declares its determination to implement the intellectual property management system.

C Sun innovative R&D and intellectual property management strategy

1.

Implement
intellectual property
strategies

2.

Maintain
competitive
advantage

3.

Promote intellectual
and financial
knowledge

4.

Development
product
technology

5.

Encourage
innovative
proposals

6.

Increase
confidentiality
awareness

4.2 Customer Service/Product Quality and Safety (Major Topic)

Grievance mechanism

E-mail : sale@csun.com.tw

Hotline : +886-2-2601-7706

Policies, Commitments and Importance

Product quality and safety are very important to C Sun, not only related to the customer's evaluation of our and the safety of our operators, but also affect the customer's purchase confidence and the company's revenue. To this end, we follow the ISO 9001 international quality management standard, integrating product planning, operation and production, performance evaluation and review improvement, and continuously optimize the quality management system to ensure the provision of high-quality equipment. C Sun promises to pursue excellent quality and customer satisfaction service, takes improving customer satisfaction as the primary goal, attaches importance to the consulting needs of each customer, and is committed to improving the after-sales service process to ensure that customers receive comprehensive support.

Authorities and Responsibilities

Quality Committee

Action Plan

1. Regularly visit customers to understand product usage and satisfaction, and continuously improve products and services according to the feedback from return visits.
2. Regularly train employees to improve their service skills and product knowledge.
3. In order to prevent or track customer complaints caused by quality problems, quality meetings are held every month and customer satisfaction surveys are conducted regularly.
4. The annual strategy meeting also reviews the statistical report of the customer's quality feedback and conduct a corresponding review.
5. Conduct regular on-site inspections of suppliers to check whether their production process and product quality control system meet the requirements.

Short, medium and long-term goals

1. The proportion of customer complaints about various equipment models was 10% lower than the data of the previous year.
2. Customer satisfaction has been maintained at more than 90% for a long time.

2023 Performance

1. The customer satisfaction score in 2023 was 99.39 points.
2. TSMC excellent performance award
3. Zhen Ding Tech. Group Excellent cooperation partner

4.2 Customer Service/Product Quality and Safety

4.2.1 Product quality managementa

Product Quality Assurance

"Adhere to quality, customer satisfaction, professional and practical, enterprise sustainability" are C Sun's four major policies, high-precision production equipment requirements of product quality control, precision, requirements are very rigorous, so there can be no slack in quality management, in order to strengthen the process and internal control policy of C Sun product quality management, C Sun to PDCA (planning, execution, review, amendment) cycle management mode, and in 2008 passed ISO 9001 quality management system verification, through the standard operating procedures, to ensure that the production quality can meet the quality requirements. In addition, C Sun Semiconductor's related equipment products have passed the SEMI S2 specification certification formulated by the International Semiconductor Equipment and Materials Organization (SEMI) and comply with the SEMI F47 standard, which means that our products have passed the verification of credible institutions, which is enough to make domestic and foreign customers rest assured of product quality, and also enable us to expand our business to foreign markets more effectively.



▲ ISO 9001:2015 quality management system certification



▲ SEMI S2 certification

Products obtain safety certification categories	
Product name	Safety certification
WVL-M12	SEMI S2
WVL-A12W	SEMI S2
CSL-A16W	SEMI S2
CSL-A12W	SEMI S2
CSL-A8W	SEMI S2
CSL-A6W	SEMI S2
CSL-A4W	SEMI S2
CVBO-A12-FT/WVL-A12-BONDER	SEMI S2

Product Hazardous Substance Management

- With the increasing global awareness of environmentally sustainable development, the public's attention to environmentally sustainable development has increased, and many chemical leakage incidents have had a serious impact on the environment and human health in recent years, resulting in global concern and concern about the management of hazardous substances. Compliance with TSCA and other norms has become a norm that enterprises cannot ignore.
- C Sun attaches great importance to the potential risks that products may cause to downstream manufacturers, so it is committed to cooperating with customer requirements and complying with the restrictions and specifications of hazardous substances. In 2023, C Sun did not violate any health and safety regulations for products and services, and is deterribed to maintain an excellent record in the future.

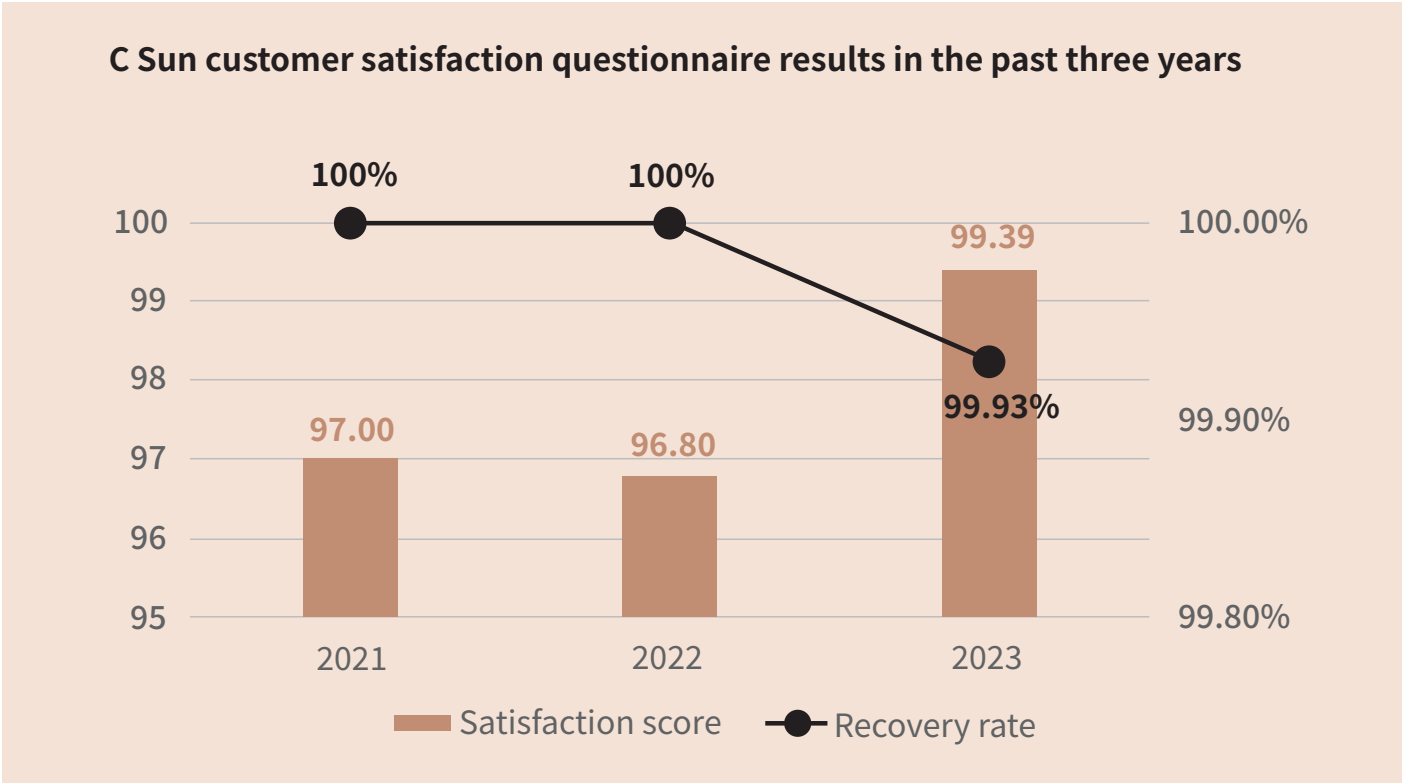
4.2 Customer Service/Product Quality and Safety

4.2.2 Customer Relationship

Customer Satisfaction

C Sun has always prioritized providing fast and flexible customized services with, full support for customers, usually maintains close contact with customers, and builds a professional customer service team and improves the sales service system to provide a full range of quality services, to help customers enhance competitiveness and create higher added value self-promise, so to meet customer needs and manage customer relations, is our important topic, in order to make it easier for business units to grasp customer suggestions for products, and provide a complete analysis as a reference for the next equipment improvement. The company conducts annual customer satisfaction survey feedback according to the customer satisfaction survey procedure to grasp the customer's satisfaction with products, technology, quality, delivery time and service, and regularly reviews the results as the direction and basis for future improvement. In the past three years, the recovery rate of the questionnaires issued has been 100%, and the customer satisfaction score in 2023 was 99.39 points, indicating that customers are quite satisfied with and agree with the company's overall service satisfaction

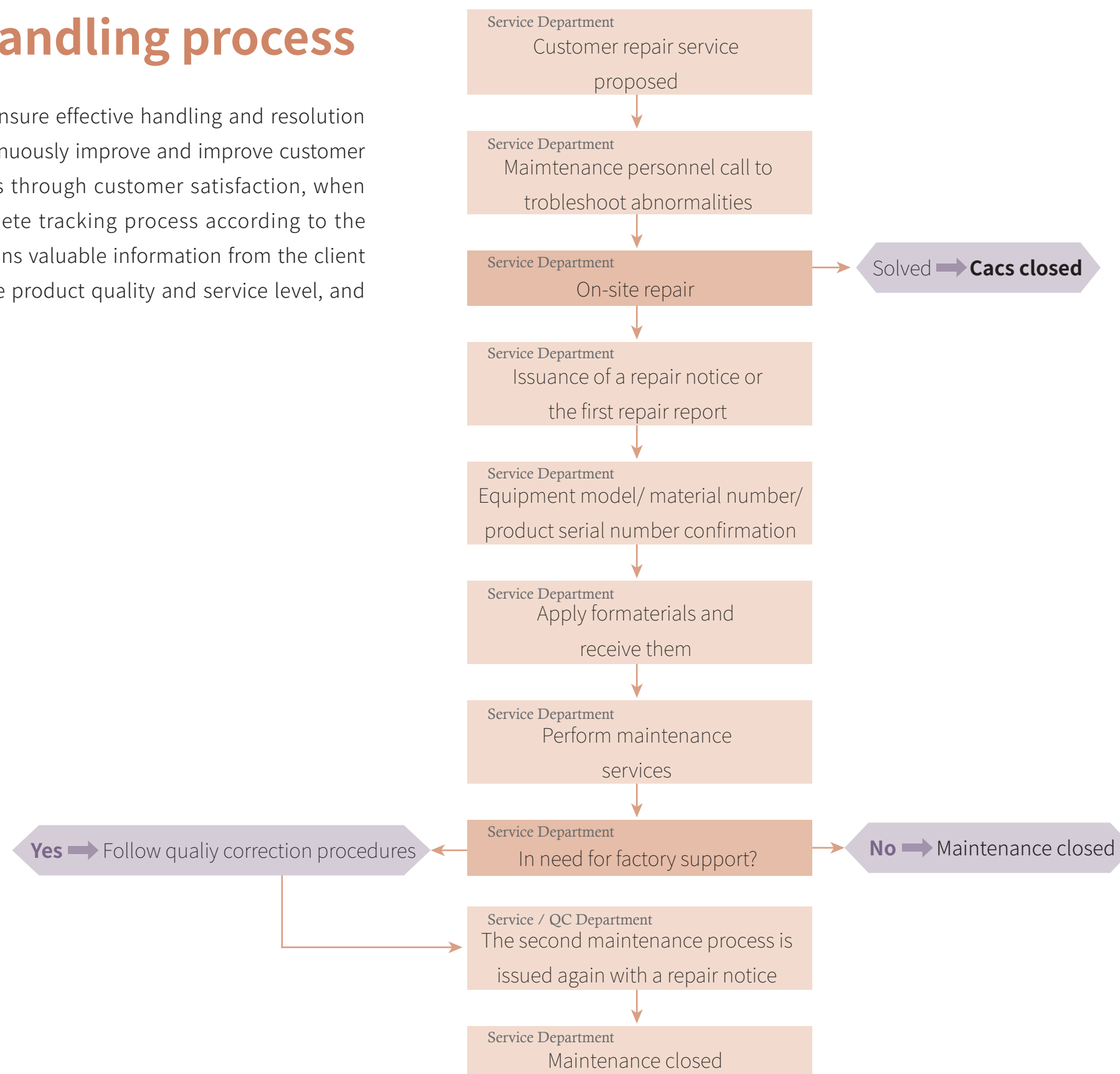
Year	Number of surveys	Number of recovered copies	Recovery rate	Satisfaction score
2021	462	462	100%	97.00
2022	986	986	100%	96.80
2023	2831	2829	99.93%	99.39



4.2 Customer Service/Product Quality and Safety

4.2.3 Customer complaint handling process

Establishing an effective customer complaint handling process to ensure effective handling and resolution of customer complaints is an important operation for C Sun to continuously improve and improve customer satisfaction. In addition to understanding the needs of customers through customer satisfaction, when customers complain or give feedback, the company has a complete tracking process according to the characteristics of the industry and practical requirements, and obtains valuable information from the client through customer case analysis and improvement, so as to improve product quality and service level, and prevent the recurrence of similar customer complaints.



4.3 Sustainable Supply Chain

Sustainable supply chain management has become an increasingly important part of today's global economy. With the increasing focus on environmental and social responsibility, consumers and stakeholders have raised expectations for corporate sustainability and social impact. In this context, the establishment of a sustainable supply chain can not only reduce the risk of enterprises, but also improve the competitiveness of enterprises, while making a positive contribution to society and the environment. C Sun is well aware of the importance of sustainable supply chain management, **we not only integrate the concept of sustainable development into the strategic planning of the enterprise, but also strive to promote the sustainable development of the entire supply chain through close cooperation with suppliers.**

4.3 Sustainable supply chain

4.3.1 Supply Chain Overview

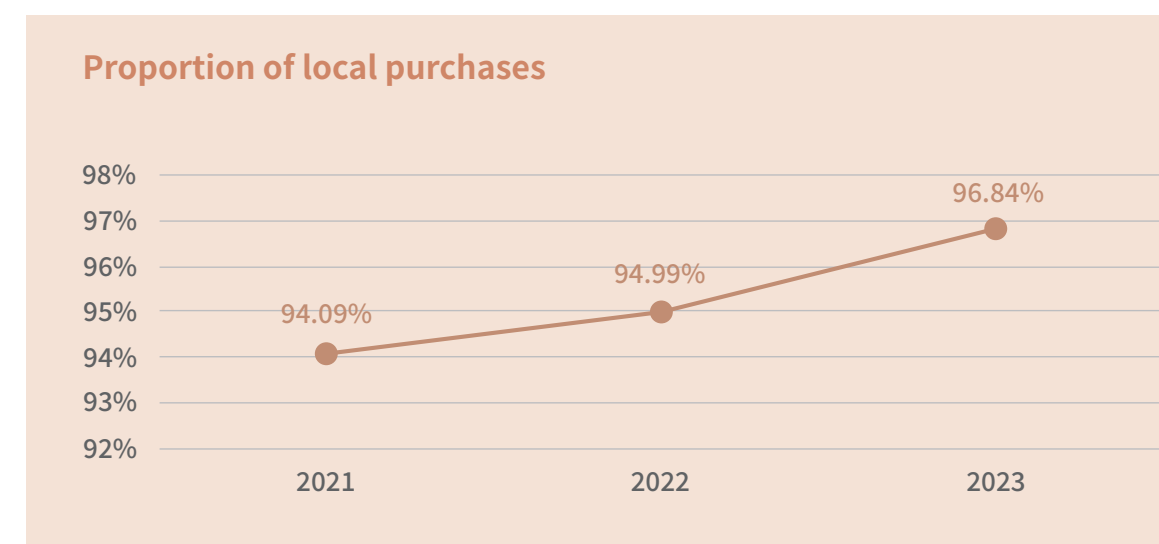
- C Sun engages mainly in the machinery and equipment manufacturing industry, and the upstream industries are hardware parts, electronic components, light source systems, power supply components, sheet metal parts processing, etc.; The downstream industries of machinery and equipment manufacturing industry can be applied in different industries according to the extended demand, including printed circuit boards, flat chip displays, semiconductors, printing and coating, shoemaking, solar photovoltaics, electronic components, etc., the company's product application fields span a variety of industries, and the sales area covers Taiwan, China, Japan, the United States, South Korea, Singapore, Malaysia, Vietnam, Thailand, India and other places.
- The main raw materials of C Sun products are heaters, edge finders, Robots, pneumatic components, HEPA, ball screws, servo motors and thermostats, etc., taken from domestic and foreign manufacturers such as: Festo, Burgeion, YiMin, Coagent Technology, CENS, ShiBao, Hiwin, Mitsubishi and RKC, etc., due to long-term cooperation, a stable supply relationship has been established with each other, the supply of goods is sufficient, and its quality and delivery time can maintain a certain level.

Local procurement

In order to promote the agglomeration of industrial clusters and deepen the localized production and supply of raw materials, in addition to shortening the delivery time of products and reducing transportation costs, it also reduces carbon emissions in the transportation process, and can also promote local economic development. In 2023, **C Sun's procurement amount was NT\$885 million, of which the local procurement amount was approximately NT\$856 million, accounting for 96.84% of the procurement amount, an increase of 1.85% from 2022.**

Year	2021	2022	2023
Total net purchases from local suppliers (NT\$ million)	1,842.90	1,441.33	856.90
Total net purchases (NT\$ million)	1,958.69	1,517.41	884.89
Proportion of local purchases	94.09%	94.99%	96.84%

Note: "Local" is defined as suppliers located in Taiwan



4.3 Sustainable supply chain

4.3.2 Supply chain management

Suppliers are important partners of C Sun's value chain, in order to continue to promote sustainable actions, C Sun has established long-term partnerships with suppliers, and incorporated the spirit of sustainability into the "Supplier Management Procedures", regularly implemented ESG management system risk assessment, sustainability management questionnaire self-assessment, and hoped to establish a supply chain that protects the environment, attaches importance to social responsibility and sustainable development. C Sun's supply chain management methods include "new supplier evaluation", "supplier management" and "supplier communication". The specific practice is summarized as follows:

Supplier evaluation

- All suppliers must first fill in the "Supplier Evaluation Form" and have it checked by a specialist.
- If it is not a local purchase manufacturer, it is necessary to conduct a separate supplier on-site evaluation and monitoring form, and the evaluation specialist will visit and score on the spot.
- In the case of a machined parts manufacturer, a sample of the actual finished product will be requested for evaluation.

Supplier audit

- The Company's supplier auditors regularly audit the quality and yield of suppliers through the sustainability self-assessment questionnaire and the monthly report of supplier incoming material evaluation, and strengthen the four aspects of labor, morality, intellectual property and environment.
- Every year, the top 50 major suppliers will be surveyed on a monthly basis.
- Conduct monthly supplier audit and evaluation, and conduct ABC rating, and C-level will arrange supplier coaching meetings and on-site coaching training.

Supplier training

- Our company will hold a special meeting for manufacturers with poor delivery quality evaluations to list counseling topics and specific strategies, and launch counseling and training activities based on the official meeting minutes.
- In response to ESG sustainability issues, the company uses its Taipei factory as a demonstration site to conduct carbon inventory. It also shares supply chain carbon inventory subsidies and implementation experience with suppliers, and arranges training activities through multiple channels such as telephone conferences and video conferences.

Supplier Forum and Recognition

- Every year, the Company will hold an annual dinner party for employees and an invitation dinner for excellent suppliers in the branch area, and invite suppliers who have achieved quality control, cost reduction, stable delivery and ESG counseling to participate in public activities to exchange the company's future layout and development and strengthen the supply chain.
- The company's annual cross-site year-end dinner event will be equipped with excellent supplier seats to motivate supply partners.

New Supplier Evaluation

- In order to promote the sustainable actions of suppliers, the new suppliers are evaluated in six aspects: "quality", "cost", "delivery", "service", "environmental sustainability" and "occupational safety", and new suppliers are encouraged to sign the "Supplier Social Responsibility and Integrity Commitment".
- C Sun defines important parts manufacturers and suppliers with large transaction amounts as major suppliers. In 2023, 3 new qualified major suppliers were added, of which the signing rate of the "Supplier Social Responsibility and Integrity Commitment" was 100%.

Supplier social responsibility and integrity commitment

Employee Labor

- Anti-discrimination
- Ban child labor
- Human treatment
- Provide reasonable remuneration and a safe and healthy working environment

Ethics

- Abide by laws and regulations, maintain good corporate governance, and strictly abide by business ethics
- Uphold high ethical standards and avoid violating business integrity principles
- No conflict minerals used

Environment

- Waste management procedure and standards must meet or exceed minimum legal requirement
- Reduce adverse impact on the environment and natural resources
- The raw materials provided do not contain hazardous substances that are prohibited or restricted in use under international treaties and national laws

Supplier management

C Sun regularly evaluates suppliers every year, and the procurement and quality assurance units conduct written scores based on their monthly delivery quality, delivery accuracy, cooperation, environment, occupational safety and other items. If the evaluation score is below 75 points (Rating C), the supplier will be included in the training and counseling list, and the project counseling meeting and on-site counseling training will be held, requiring the manufacturer to improve the accuracy of delivery and improve the quality, and make appropriate payment extension or overdue deduction according to the situation. If the score is less than 75 points for three consecutive evaluations, the manufacturer must be re-evaluated and reviewed, and if it is still C after the re-evaluation and review, it will be listed as a termination of the subscription. In 2023, a total of 583 manufacturers was evaluated, and a total of 5 manufacturers was rated C at a time, all of which will be improved after counseling, and there were no manufacturers rated C for two consecutive months.

In order to ensure the safety of the working environment of C Sun Supply Chain, the respect and dignity of employees, the promotion of environmentally sustainable development and compliance with ethics in business operations, in 2023, C Sun reformulated the "Supplier Social Responsibility and Integrity Commitment", requiring suppliers to comply with labor (young labor, non-discrimination, working hours, etc.), health and safety (work injury), environment, ethics and management system related norms, and at the same time comply with the laws and regulations of the countries and regions where they operate. Among them, it is required that the delivery of C Sun products or parts metal shall not use conflict minerals, and the raw materials, semi-finished products and finished products provided by suppliers shall not comply with the EU Hazardous Substances Prohibition Directive/RoHS, Halogen (halogen-free), REACH, VOCS, TSCA and other regulations. In 2023, a total of 92 major suppliers was re-approved, accounting for 95% of the total suppliers.

Supplier communication

C Sun maintains the frequency of contact with suppliers through the monthly "Supplier Procurement Evaluation Monthly Report" and the selection of the top 50 suppliers to fill in the "Sustainability Self-assessment Questionnaire". C Sun will also prepare excellent supplier seats through the annual cross-site year-end dinner event to motivate supply partners, convey the company's technology development, market layout and ESG sustainability practices and strategies, strengthen the common growth of the supply chain, and gradually require suppliers to introduce carbon inventory to improve the carbon footprint of the company's product production.

Rating results	Countermeasures
Those whose overall rating has been grade A for 6 consecutive months	The procurement personnel can attach the countersign of the factory's quality control supervisor and sign to the general manager's signature and evaluation information, apply for the 7th month, the manufacturer's payment terms are cash without deducting % of the reward, for one year, if the A-level manufacturer is B for three consecutive months, the cash without deducting % of the reward will be reduced to half a year, and the qualification will be cancelled if the manufacturer's total rating is C-level within one year (the number of A-level manufacturers, the total number of North and Central two factories is not more than 20)
Grade A(90~100)	Suppliers are encouraged to maintain good supply performance, and those who have been given preferential procurement measures for 6 consecutive months will be given additional measures.
Grade B(75~89)	Maintain current operations, but require suppliers to continue to strengthen management mechanisms.
Grade C(below 75)	Manufacturers are required to improve delivery accuracy and quality, and depending on the situation, appropriate payment invoice extensions, overdue deductions, or arrangements to go to the manufacturer for counseling are required.
Grade C three times in a row	The manufacturer must be re-evaluated and reviewed. If it is still grade C after the re-evaluation and review, the order will be terminated.

5 Harmonious and Healthy Workplace

5.1 Harmonious and healthy workplace

- 5.1.1 Promoting the protection of human rights in the workplace
- 5.1.2 Human Resource Structure and Diverse Workplaces
- 5.1.3 Smooth communication channels

5.2 Talent Attraction & Retention

- 5.2.1 New Recruits and Resignations
- 5.2.2 Sound salary system
- 5.2.3 Diversified Employee Benefits
- 5.2.4 Parental leave

5.3 Talent Cultivation and Development

- 5.3.1 Talent Development Management
- 5.3.2 Performance Appraisal Mechanism

5.4 Occupational Safety and Health

- 5.4.1 Occupational Safety and Health Policy and Management System
- 5.4.2 Hazard Identification and Risk Assessment Management
- 5.4.3 Occupational Accident Investigation Procedures
- 5.4.4 Occupational Safety and Health
- 5.4.5 Occupational Health Services and Promotion Activities
- 5.4.6 Occupational Injuries and Occupational Diseases

5.5 Social Participation

5.1 Harmonious and healthy workplace

5.1.1 Promoting the protection of human rights in the workplace

In order to fulfill corporate social responsibility, protect the basic human rights of all employees and stakeholders, and prevent any infringement or violation of human rights, C Sun also complies with domestic and foreign laws and regulations related to labor and gender equality work laws, and formulates relevant human rights protection, labor policies and implementation related measures. For example, in accordance with labor laws and regulations, C Sun formulates work rules and related personnel management regulations to protect the rights and interests of employees, and convenes labor-management meetings in accordance with the law, in addition to providing employees with multiple communication channels so that employees and management can communicate and discuss openly and directly, and at the same time publicize the company's policies, welfare measures and various activities, so that employees can fully express their opinions and give timely responses and assistance. In addition, we conduct human rights policy promotion in the education and training of new employees from time to time and the monthly company-wide monthly meeting.

Human Rights Policy	Content	2023 performance
Healthy and safe workplace	We attach great importance to workplace safety and health, aim to build a safe and healthy workplace and zero occupational accidents, regularly review employee health and safety risks, and carry out improvement plans based on the results of the identification.	The Occupational Safety and Health Committee is held on a quarterly basis, and a total of 4 meetings were held in 2023
Employee autonomous associations	The company respects the rights of employees, and employees can freely form associations in accordance with the law, set up diversified associations, and actively encourage colleagues to join associations.	C Sun has a love club, a badminton club, a yoga club and other clubs to provide employees with multiple learning channels
Labor negotiations	Establish open and direct communication procedures between employees and management, provide employees with multiple communication channels, advocate company policies, systems, welfare measures and various activities, and allow employees to fully express their opinions, and respond and assist them in a timely manner.	In 2023, the second factory held four labor-management meetings each to strengthen the communication channels between employees and employers.
Diversity, Inclusion and Equity Opportunities	Provide employees with a gender-equal and diverse working environment, uphold the principle of openness and fairness, and do not discriminate on the basis of gender, race, physical or mental disabilities, etc. Implement fairness in employment, remuneration and benefits, training, evaluation and promotion, and provide an effective grievance mechanism.	In the same year, a total of 2 gender equality advocacy sessions were held at the monthly meeting of the whole plant.
No child labor	Comply with local minimum age laws and regulations, and do not employ child labor.	In FY2023, C Sun did not employ and did not oppose the employment of any child labor
Comply with basic salary and reasonable working hours	Provide employees with wages and benefits that meet or exceed the minimum required by local laws and regulations.	Salaries in 2023 were higher than the salary standards set by the Labor Standards Law

5.1 Harmonious and healthy workplace

5.1.2 Human Resource Structure and Diverse Workplaces

In 2023, C Sun employed a total of 383 employees, of which full-time (indefinite contract) employees account for about 95% of the total number of employees, and non-employee workers are only preserved. In terms of gender distribution, about 78% of employees are male and 22% are females. In terms of age distribution, colleagues aged between 31~50 years old accounted for the largest proportion, accounting for about 67% of the total number of employees, followed by colleagues under the age of 30, accounting for 21% of all employees; In terms of staff ranks, there were a total of 19 senior executives. In the future, the composition of C Sun employees will move towards the direction of diversified development, aiming to build a friendly employment environment, and in the future, some job development will set up gender-specific training and gender equality promotion policies, so that the organization will present a more balanced gender ratio, so as to enhance diversity and inclusion in the workplace. Not only does it help attract a wider range of talent, but it also helps to increase the creativity and efficiency of the team.

C Sun employee composition structure

Base	Gender	Category	Years		
			2023	2022	2021
		Full-time (indefinite contract)	368	368	368

In 2023, there were 4 employees with disabilities, 1 employee with aboriginal status, and 5 foreign employees, with an average service experience of more than 2.5 years. During the New Year's Festival, C Sun provided foreign colleagues with Lunar New Year stove and vegetable money, helds C Sun Christmas party, and annual employee travel, so that foreign colleagues can still feel the warmth given by the company in a foreign land; In the office area, C Sun is also equipped with barrier-free ramps, toilets, and lactation rooms to provide an equal and consistent workplace experience for all colleagues. In 2023, C Sun did not receive any cases of discrimination, use of child labor, forced or compulsory labor found through reports or investigations.



2023C Sun Christmas Party



Employee travel activities
(including foreign colleagues)



- Department dinner
(including foreign colleagues)

C Sun employee composition structure

Base	Gender	Category	Years			
			2023	2022	2021	
Linkou HQ	Male	Full time	contract	0	0	1
			Indefinite	22	22	17
		Subtotal		22	22	18
	Female	Full time	contract	2	0	0
			Indefinite	21	22	20
		Subtotal		23	22	20
Taipei factory	Male	Full time	contract	8	7	8
			Indefinite	85	89	89
		Subtotal		93	96	97
	Female	Full time	contract	3	6	5
			Indefinite	27	27	28
		Subtotal		30	33	33
Taichung factory	Male	Full time	contract	5	4	9
			Indefinite	177	170	168
		Subtotal		182	174	177
	Female	Full time	contract	0	5	1
			Indefinite	33	33	32
		Subtotal		33	38	33
Total			383	385	378	

Note:

1. The number of employees on the end of the statistical reporting period is December 31.
2. Fixed/irregular contract: Please refer to the definition in Article 9 of the Labor Standards Act.

C Sun non-employee worker composition structure

Base	Gender	Category	Years		
			2023	2022	2021
Linkou	Male	Security	0	0	0
HQ	Female		0	0	0
Taipei	Male		1	1	1
factory	Female		0	0	0
Taichung	Male		2	2	2
factory	Female		0	0	0
Total	Male		3	3	3
	Female		0	0	0

Note: The number of employees on the end of the statistical reporting period is December 31.

C Sun's diverse human resources composition

Base	Employee Category	Under 30		30 ~ 50		Above 50		Total
		Male	Female	Male	Female	Male	Female	
Linkou HQ	Senior executive	0	0	4	2	3	0	9
	Mid-level executive	0	0	2	1	0	2	5
	Junior supervisor	1	0	2	2	1	0	6
	General employees	1	5	7	10	1	1	25
	Subtotal	2	5	15	15	5	3	45
Taipei factory	Senior executive	0	0	2	0	2	0	4
	Mid-level executive	0	0	6	0	1	0	7
	Junior supervisor	1	0	22	2	0	1	26
	General employees	21	2	32	20	6	5	86
	Subtotal	22	2	62	22	9	6	123
Taichung factory	Senior executive	0	0	3	0	7	0	10
	Mid-level executive	0	0	14	1	2	0	17
	Junior supervisor	2	1	34	3	4	1	45
	General employees	41	6	68	18	7	43	143
	Subtotal	43	7	119	22	20	4	215
Total	Total	67	14	196	59	34	13	383
	Ratio of total employees (by gender)	17%	4%	52%	15%	9%	3%	100%
	Ratio of total employees (by age)	21%		67%		12%		100%

Note:

1. Senior executive: supervisor at factory level or above
2. Middle-level executive: managerial-level supervisor
3. Junior supervisors: group-level supervisors, class-level supervisors

5.2 Talent Attraction & Retention (Major Topic)

Grievance mechanism

E-mail : csunhr@csun.com.tw

Policies, Commitments and Importance

- Provide a safe, healthy, and comfortable work environment and work with a commitment to creating a supportive team atmosphere and culture.
- Competitive compensation and benefits packages are available, including base salary, bonuses, benefits, treasury shares, shareholding trusts, and more.
- Provide career development opportunities and training programs to enable employees to continuously upgrade their skills and knowledge, and have the opportunity to be promoted or transferred.
- Establish effective communication channels to encourage employees to participate in decision-making and provide feedback, so that employees feel respected and valued.
- Establish a reward and recognition system to recognize and reward employees for outstanding performance and motivate them to continue to work hard.

Authorities and Responsibilities

Head of HR related
departments

Action Plan

1. Provide a good working environment and welfare benefits to improve employees' job satisfaction.
2. Establish open and transparent communication channels to encourage employees to make suggestions and opinions and participate in company decision-making.
3. Regularly organize employee activities and team-building activities to enhance employee cohesion and teamwork.
4. Offers a competitive compensation and benefits package including base salary, bonuses, stock options, health insurance, and more.
5. Establish a regular human resources risk assessment mechanism to analyze internal and external risk factors that may affect talent attraction and retention.
6. Establish a complete crisis response plan, including responding to various possible crisis situations such as employee turnover, reputational damage, and working environment problems.
7. Respond promptly to employee questions and concerns and effectively manage and resolve issues that may impact employee satisfaction and loyalty.

Short, medium and long-term goals

Short and medium term goals:

- Reduce employee turnover rate: the annual employee turnover rate shall not exceed 10%.
- Improve recruitment efficiency: reduce recruitment time and cost by 5% every year.

Long term goals:

- Improve leadership and management capabilities: train 5% of middle managers every year.
- Improve employee participation: Hold at least one employee participation activity every quarter, and the employee participation ratio is 90% of the total number of employees.

2023 Performance

1. Supervisor training: 6 factory-level supervisors were trained in 2023, and mid-level supervisors were promoted to manager-level supervisors.
2. Employee promotion: A total of 52 employees was promoted in 2023, accounting for 13% of the total number.
3. Training activities/seminars: In 2023, 6 large-scale educational trainings were held for course and management-level supervisors, covering various aspects such as process management, case sharing, and project management. About 40 people participated in each course.

5.2 Talent Attraction & Retention

5.2.1 New Recruits and Resignations

In 2023, C Sun recruited a total of 61 new employees, with a new employment rate of about 16%, and a total of 66 employees left, with a turnover rate of about 17%, and the new employment rate and turnover rate in 2023 decreased compared with 2022, due to 7 retirees in 2022, compared with 2 retirees in 2023. In the future, we will strengthen the explanation of the work content during the interview to ensure that the job seeker's understanding is consistent with the actual situation, and will also provide relevant assistance such as leave of absence without pay and study subsidies to provide employees with all-round support to improve the retention rate of outstanding talents.

New employee statistics

Area	Gender	Age	2023		2022		2021	
			Number of new recruits	New entry rate	Number of new recruits	New entry rate	Number of new recruits	New entry rate
Linkou HQ	Female	<30	3	5%	2	2%	1	1%
		31~50	1	2%	5	5%	2	2%
		>51	0	0%	0	0%	0	0%
	Male	<30	3	5%	1	1%	3	2%
		31~50	2	3%	1	1%	4	3%
		>51	0	0%	0	0%	1	1%
Taipei factory	Female	<30	13	21%	15	16%	16	13%
		31~50	5	8%	8	9%	17	14%
		>51	0	0%	0	0%	0	0%
	Male	<30	3	5%	3	3%	4	3%
		31~50	1	2%	1	1%	11	9%
		>51	0	0%	0	0%	2	2%
Taichung factory	Female	<30	23	38%	28	30%	34	28%
		31~50	3	5%	14	15%	22	18%
		>51	1	2%	0	0%	0	0%
	Male	<30	2	3%	9	10%	1	1%
		31~50	1	2%	6	6%	3	2%
		>51	0	0%	0	0%	0	0%
Total			61		93		121	

Statistics of resigned employees

Area	Gender	Age	2023		2022		2021	
			Number of resignations	Turnover rate	Number of resignations	Turnover rate	Number of resignations	Turnover rate
Linkou HQ	Female	<30	4	6%	1	1%	0	0%
		31~50	1	2%	1	1%	1	1%
		>51	0	0%	1	1%	0	0%
	Male	<30	1	2%	2	2%	1	1%
		31~50	2	3%	0	0%	3	4%
		>51	0	0%	0	0%	1	1%
Taipei factory	Female	<30	16	24%	12	14%	6	7%
		31~50	9	14%	9	11%	17	21%
		>51	2	3%	1	1%	2	2%
	Male	<30	4	6%	2	2%	2	2%
		31~50	2	3%	1	1%	7	9%
		>51	0	0%	0	0%	1	1%
Taichung factory	Female	<30	11	17%	29	35%	15	18%
		31~50	6	9%	10	12%	23	28%
		>51	0	0%	3	4%	0	0%
	Male	<30	4	6%	8	10%	2	2%
		31~50	4	6%	3	4%	1	1%
		>51	0	0%	0	0%	0	0%
Total			66	83	82			

5.2 Talent Attraction & Retention

5.2.2 Sound salary system

C Sun is committed to providing a transparent and fair salary system, and approves the salary level based on employees' academic experience, professional knowledge and technology, years of experience and individual performance. In addition, C Sun pays quarterly performance bonuses and year-end bonuses in accordance with the company's operating objectives, and implements the system of employee dividends, treasury shares and warrants, so as to motivate employees to work together with C Sun and work together for the company's sustainable growth.

Employee shares

When the company handles cash capital increase, it retains 10%~15% of the shares subscribed by employees according to law. The shares subscribed by the Company's employee shareholding policy may not be transferred for a certain period of time in accordance with the relevant provisions of the Company Law.

Employee dividends

If the company makes a profit in the year, it allocates 1%~9% for employee remuneration, which shall be distributed by the board of directors in stock or cash. However, if the company still has accumulated losses, it shall reserve the amount of compensation in advance, and then allocate the remuneration of employees and directors in accordance with the proportion of the preceding paragraph.

The remuneration of all employees of C Sun does not differ on the basis of gender, age, ethnicity, nationality, religion, political affiliation or gender orientation. In 2023, there was no significant difference in the salary ratio of women to men in the company as a whole, except for senior executives, there is a large difference in the salary ratio of male and female senior executives, because in order to support gender equality and enhance the development opportunities of women in their careers, C Sun has two newly promoted female senior executives in 2023, whose qualifications are still young, so the average monthly salary is lower than that of other senior executives. The remuneration policy of C Sun is based on the responsibilities of each position, performance and contribution to the company, regardless of gender.

C Sun 2023 Female to Male Salary Ratio

Rank	Male Salary : Female Salary
senior executive	100 : 74
mid-level executive	100 : 98
Junior supervisor	100 : 97
General employees	100 : 96

Note:
1. Senior supervisor: supervisor at factory level or above
2. Middle-level supervisor: managerial-level supervisor
3. Grassroots supervisors: group-level supervisors, class-level supervisors

5.2 Talent Attraction & Retention

5.2.3 Diversified Employee Benefits

With the concept of maintaining a comfortable and convenient working environment and satisfying employees' balance between family and work and life, C Sun provides various welfare activities, a perfect insurance system (including life insurance, injury and accident insurance, medical insurance, occupational accident benefit insurance, etc.) and childcare services to employees, and establishes an employee welfare committee in accordance with the Employee Welfare Regulations to formulate more comprehensive and perfect welfare measures for employees, and attaches importance to every family member of C Sun. Handle various welfare matters with employee welfare funds, such as: weddings and funerals, New Year's gifts, maternity, hospitalization, major disasters and other subsidies, and hold employee tourism activities.

C Sun Friendly Parenting Practices

Category	Content
Flexible working hours	Allow employees to apply for flexible working hours on a case-by-case basis to better accommodate their childcare needs.
Family support services	Provide special nursery information to help employees make multiple choices.
Maternity incentive allowance	Under certain seniority, the company provides maternity incentive allowance to cover employees' childcare expenses.

Retirement Plan and Implementation

C Sun allocates the labor retirement reserve fund in accordance with the new labor retirement system of the Labor Pension Ordinance, and establishes the Labor Retirement Reserve Supervision Committee to manage all matters related to the labor retirement reserve. Employees of the Company shall receive a monthly pension of 6% of their total salary and deposit it into a special personal pension account for employees set up by the Labor Insurance Bureau. For details, please refer to the Company's 2023 Annual Report.

Pension system	Old system	New system
Applicable legal sources	Labor Standards Act	Labor Pension Ordinance
Withdrawal method	- Current Status: The Company has withdrawn the full amount, and the current fixed application is suspended every year - Normal Withdrawal: 2% of the total monthly salary of employees will be withdrawn and deposited into the special account of the Bank of Taiwan (formerly the Central Trust Bureau) in the name of the Company	According to the employee's insurance level, 6% will be allocated to the personal account of the Labor Insurance Bureau
Withdrawal amount	As of 2023, the accumulated amount of withdrawals was NT\$156,436,000	Provision of NT\$19,131,000 in 2023

5.2 Talent Attraction & Retention

5.2.4 Parental leave

In order to encourage and support employees to cultivate the next generation with peace of mind, C Sun allows employees to enjoy the right to leave without pay for childcare, and the company assists employees to handle childcare leave without pay in accordance with the provisions of the Labor Standards Law. In 2023, a total of 8 colleagues in C Sun applied for childcare leave without pay, and it is expected that 5 were expected to return and 4 actually returned, with a reinstatement rate of 80%.

Category	Male	Female	Total
2023 - The right to apply for childcare leave (A)	31	5	36
2023 - Actual application for childcare stay (B)	4	4	8
2023 - Estimated return to work after childcare leave (C)	2	3	5
2023 - Actual childcare leave and reinstatement (D)	1	3	4
2022 - Actual childcare leave and reinstatement (E)	-	-	-
2022 - Those who are still employed twelve months after returning to work after parental leave (F)	-	-	-
Application rate for child care leave without pay (B/A)	13%	80%	22%
Reinstatement rate (D/C)	50%	100%	80%
Retention rate (F/E)	-	-	-

C Sun attaches great importance to gender equality, in addition to providing childcare stay, C Sun also provides postpartum childcare protection for colleagues, C Sun sets up a nursing room for female employees, to create a comfortable working environment, so that C Sun colleagues can take care of their families at the same time.



▲ C Sun has set up nursing room seating and posted signs to create a warm environment and create a breastfeeding space for women.

5.3 Talent Cultivation and Development (Major Topic)

Grievance mechanism

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Policies, Commitments and Importance

- Dual-track promotion system: The company implements a dual-track promotion system, that is, professional and supervisor. For employees who are suitable for managerial positions, education and training will be provided at different levels to help them develop leadership and management skills. For employees who are suitable for professional positions, the company also provides relevant professional training and development opportunities to enhance their professional level and knowledge.
- Executive training subsidy: For senior executives, the company provides advanced training subsidies, such as EMBA and other executives, to expand their management horizons and enhance their professional capabilities.
- Subsidized funding for training courses: The company is committed to providing appropriate financial support for training and development programs to help employees improve their professional competencies and skills. The company will provide subsidies for employees to participate in various training courses, including professional training, management training and refresher courses.

Short, medium and long-term goals

Short and medium term goals:

- At least 30% of employees are trained to participate in professional skills improvement courses every year.
- Increase employee satisfaction by 80% as a measure of satisfaction with the training and development opportunities provided by the company.
- Cultivate at least 10 potential middle management talents every year.
- Cultivate 3 outstanding senior executives, improve the company's leadership management level, and maintain the mobility of senior executives.
- Increase employee promotion rate by 3%, measuring employees' career advancement opportunities through training and development opportunities.
- At least 2 large-scale training activities or seminars are held every year to attract employees to participate and improve their professional knowledge.

Long term goals:

- Establish an excellent talent pool to ensure that the company has enough high-quality talents.
- At least 15~25% of employees are promoted from within each year to improve the development and utilization of talents within the company.
- Establish a dedicated talent development and cultivation plan, including regular training courses and professional cultivation programs, to enhance employees' professional capabilities and professionalism.
- Provide employees with promotion opportunities and training programs to encourage them to continuously improve their skills and knowledge.
- Establish a mentorship system so that employees can receive guidance and support from mentors.
- Establish a risk assessment process to regularly assess the risks and hidden dangers of talent development and cultivation plans, and take timely measures to reduce risks. Strengthen the promotion and training of the company's values and ethics, improve employees' awareness of professional ethics, and prevent negative incidents caused by ethical issues.
- Establish a complaint handling process to promptly handle complaints and issues raised by employees to ensure fair and effective resolution.
- Organize ethics training and legal and regulatory training to improve employees' awareness of and compliance with professional ethics and laws and regulations, and to avoid and reduce the occurrence of negative incidents.

5.3 Talent Cultivation and Development

5.3.1 Talent Development Management

C Sun plan corresponding education and training courses for different levels and positions, so as to improve employees' professional functions, enhance management capabilities, achieve the company's operating goals, and strengthen the competitiveness of enterprises. In 2023, C Sun provided employees with complete professional skills development and self-growth by organizing various education and training such as new employee training, professional and technical training, quality management training, employee growth-related training, and labor safety and health. The 2023 education and training were conducted online and in-person for newcomers; Provide a variety of course content for supervisors and colleagues at different levels to meet different needs. These courses aim to comprehensively improve the professional ability, management level and quality of life of the members of the organization, so that everyone can better adapt to the challenges of work and life, and contribute more value to the development of the company. In 2023, the total number of training hours in education and training reached 7,761.67, with an average of 20.27 training hours.

C Sun education and training program

Categories	Contents
New recruits training	• Online Courses: Covers 12 general education lessons and requires newcomers to complete reading and pass exams within a week. Newcomers are required to complete the ISO course, ERP operation and Japanese 50-tone course within three months, and pass the exam. Finally, a newcomer briefing will be arranged, including self-introduction, job description, SWOT analysis, thoughts on reading the "Seven Habits", and suggestions and future expectations for the company. Only newcomers who pass the examination can be formally appointed. • Physical courses: will be held in June and December each year, covering the staff awareness activities, company introduction, company culture advocacy and communication courses, etc., these activities are designed to establish a platform for colleagues to have the opportunity to get to know each other and have the opportunity to interact with senior executives, so as to increase the centripetal force and cohesion of colleagues.
Supervisor Education and Training	• Junior Supervisor Courses: Courses such as supervisor responsibilities and role cognition, process management, cross-unit communication and coordination, and time management are offered to help grassroots supervisors better cope with daily management challenges. • Mid-level Supervisor Course: Focusing on company case sharing, let the supervisors of each factory share practical cases and solutions, and discuss with the managerial supervisors to explore other possible solutions, so as to enrich everyone's management experience.
Other courses	• Project Management Course: It is designed for colleagues who often participate in projects, aiming to improve project management ability and improve the efficiency and success rate of project execution. • Soft courses: For each colleague, we provide courses to relieve stress and solve family-related problems, such as the management of children's 3C supplies, the resolution of family love conflicts, and the use of government long-term care resources. At the same time, the latest digital tool operation courses are held from time to time to improve the work efficiency of colleagues.

Since 2021, the number of employee education and training hours has been increasing for three consecutive years, from an average of 10.11 hours in 2021 and an average of 14.72 hours in 2022 to 20.27 hours this year. In the future, C Sun will gradually improve the content and quality of employee education and training, so that the quality of employees can maintain a leading position in the industry.

Average training hours in the past three years

Gender	Employee Category	2023			2022			2021		
		Number of people	Total training hours	Average training hours	Number of people	Total training hours	Average training hours	Number of people	Total training hours	Average training hours
Male	Senior executive	26	372.5	14.33	19	92.50	4.87	17	23.00	1.35
	Mid-level executive	30	690	23.00	23	472.00	20.52	22	446.50	20.30
	Junior supervisor	71	1,738.50	24.49	60	1,337.00	22.28	59	674.00	11.42
	General employees	172	2,546.00	14.80	190	2,244.50	11.81	194	1,526.00	7.87
Female	Senior executive	2	50	25.00	0	0.00	0.00	0	0.00	0.00
	Mid-level executive	4	151	37.75	6	178.50	29.75	5	152.50	30.50
	Junior supervisor	11	370	33.64	7	166.00	23.71	8	183.00	22.88
	General employees	67	1,843.67	27.52	80	1,176.50	14.71	73	815.00	11.16
	Total	383	7,761.67	20.27	385	5,667.00	14.72	378	3,820.00	10.11

5.3 Talent Cultivation and Development

5.3.2 Performance Appraisal Mechanism

C Sun regularly implements annual performance appraisal every six months, sets the time for each appraisal operation according to actual needs, and distributes the work of each department together with the assessment content, assessment schedule and precautions for each factory. The assessment was based on the "work performance", "attendance performance", "reward and punishment performance", "training and certification" of colleagues, etc., and the objective and fair evaluation data were used as an important reference basis for position adjustment, work content adjustment, salary and bonus, etc.

Personnel who were rated as Class C by the resolution of the head office personnel appraisal committee were rearranged by the department head for three months of education and training, and filled in the target tracking and performance improvement form after the assessment; At the end of the training, the head of department should re-evaluated the fitness of the officer, and if there was no improvement in the officer's performance, he or she will be arranged for "transfer" or "reassignment" according to the actual situation. In addition, C Sun arranged 3-6 months of training for new employees, and relevant verification and briefing will be conducted at the end of the training period to understand the level and learning effectiveness of the personnel.

In 2023, a total of 89% of C Sun's regular employees will completed the annual performance appraisal, except for those who had been in office for less than six months, those who had left the company (including those who had received a resignation order and are expected to leave) or those who had been left without pay for more than three months (inclusive) during the current period, and those who had special circumstances will not be evaluated.

C Sun Performance Appraisal Project

Assessment Categories	Assessment details
Work performance	Evaluate colleagues' work performance based on "KPIs, functional projects, daily management and project counter-signing".
KPI	The supervisor at the next level will propose the next assessment items and target values during the previous assessment interview, and confirm them one month before this assessment.
Functional projects	The company shall uniformly formulate the functional requirements for each category (supervisor positions, engineering and technical positions, business marketing positions, and administrative management positions).
Daily management	Including disciplinary performance, training and certification, internal and external cooperation and attendance.

C Sun 2023 employee performance appraisal statistics table

Gender	Employee Category	Number of people	Number of people	
			who actually completed the assessment	Assessment ratio
Male	Senior executive	21	21	100%
	Mid-level executive	25	25	100%
	Junior supervisor	67	65	97%
	General employees	184	151	82%
Female	Senior executive	2	2	100%
	Mid-level executive	4	4	100%
	Junior supervisor	10	10	100%
	General employees	70	63	90%
Total		383	341	89%

5.4 Occupational Safety and Health (Major Topic)

Grievance mechanism

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Policies, Commitments and Importance

C Sun introduced the ISO 45001 occupational safety and health management system, complied with the requirements of labor safety and health, continuously improved the working environment, prevents the occurrence of occupational safety incidents, reduced the risk of occupational accidents, and prevented and reduced illegal infringement in the workplace through the hazard identification and assessment of the working environment, personnel composition and work activities, and improves the retention rate of the enterprise; Occupational safety accidents were not properly handled, resulting in employee turnover and media coverage of the company's reputation.

Short, medium and long-term goals

Short and medium term:

- Strengthen the management of accidents and false alarms to reduce the incidence of accidents.
- Cultivate personnel at all levels to receive safety and health management education and training in the occupational safety and health management system, and have the necessary safety and health awareness and ability to predict hazards.
- 5S on-site environment rectification, and effective implementation of safety and health management regulations to ensure a safe and healthy working environment.
- Complete corporate sports certification and green environmental label certification in 2024.

Long-term:

- Disabling injury frequency (FR) 0.22 in 2027.
- Reduce chemical risks and improve chemical classification and hazard prevention management.
- Promote the balanced development of body and mind and create a healthy and friendly workplace.

Action Plan

1. Carry out health risk prediction, risk management and healthy environment creation together with specially appointed medical staff every month to care for the health of colleagues.
2. All project projects in the North, Central and South districts maintain an auditing system at least once a month.
3. Implement environmental, safety and health policies: comply with legal requirements, implement education and training, effectively utilize resources, prevent accidents, continue to promote improvements, and engage in consultation and participation by all employees.

Authorities and Responsibilities

2023 Performance

Occupational
Safety and Health
Committee

1. Obtained ISO45001/14001 certification system.
2. Regularly conducted occupational safety and health audits once a month. A total of 16 audits were held in 2023; there were 22 violations, and the improvement rate for the defects was 100%.
3. In 2023, employee occupational safety and health training courses were held. A total of 2 courses were held, with a total of 162 trainees and a total training time of 6 hours (3 hours/course).
4. No cases of occupational diseases have occurred in the factory so far.
5. There was only one traffic accident in occupational disaster cases in 2023, affecting 4 people.
6. A total of 383 employees participated in the employee health examination service, and the amount invested in employee health examinations reached NT\$453,000; supervisor subsidies totaled 14 people, and the amount of health examinations amounted to NT\$400,000.
7. A total of 3 occupational safety and health education training sessions for contractors were held in 2023. In the first half of the year, no training was held due to the impact of the epidemic, and 3 sessions were held in the second half of the year. A total of 56 contractors were trained, and the training hours reached 1.5 hours per session.
8. The factory has completed the AED automatic external defibrillator since July 1, 2020, and has commissioned manufacturers to come to the factory every year to implement AED operation teaching training.
9. Three times a month, professional nurses from major hospitals were invited to the factory to conduct 2-hour health education promotion courses.

5.4 Occupational Health and Safety

5.4.1 Occupational Safety and Health Policy and Management System

C Sun follows the ISO45001: 2018 Occupational Safety and Health Management System, with the "Environment, Safety and Health Management Manual", "Environmental Operation Control Procedures" and "Occupational Safety and Health Automatic Inspection and Management Procedures" and other operating measures, covering all workers (employees, contractors and visitors) in all factories in Taiwan (Taipei Plant, Taichung Plant), with an overall field coverage rate of 100%. In order to evaluate the effectiveness of the management system, C Sun conducts internal audits of each plant every year in accordance with ISO 45001, and conducted an external audit of occupational safety and health for each production base in 2023, and obtained the ISO45001:2018 third-party certification. C Sun has established various requirements of the environment, safety and health management system to effectively manage any negative impact or non-compliance caused by it to the environment, safety and health, and continuously improve the overall environmental safety and health performance.

In order to implement and promote various occupational health and safety plans, C Sun has set up occupational safety and health committees in each factory, and set up more than seven members in accordance with the provisions of the "Occupational Safety and Health Management Measures and Regulations", of which one-third of the members are occupational safety and health labor representatives. The committee meets regularly every three months, and the meeting mainly discusses the safety of commuting colleagues, the safety of packaging work, epidemic prevention and health safety. Ordinary employees can also make suggestions to the supervisor of the unit and the occupational safety and health labor representative by phone or email for discussion in the committee. As for the relevant occupational safety and health laws and regulations, all employees can learn about safety and health information through posters in the factory and departmental publicity



▲ Poster photo of the Occupational Health and Safety Initiative in the factory



▲ ISO 45001 certification

5.4 Occupational Health and Safety

5.4.2 Hazard Identification and Risk Assessment Management

In order to identify the hazards that may occur in the working environment and operation activity process, C Sun Occupational Safety and Health Specialized Unit implements hazard identification and operational safety risk assessment every year, and carries out hazard identification and risk assessment in a continuous and proactive manner for various activities, products and services that may cause personal injury or unhealth, and determines the risk assessment matrix through its severity and likelihood, and judges and takes risk control. Based on the risk assessment matrix, we develop corresponding strategies and action plans to continuously improve and reduce the hazard risk value.

Hazardous Event Risk Possibility Assessment Form

Level		Impact of personnel injuries and illnesses
P5	Very likely	No protective equipment; no work controls or protective gear or markings.
P4	More likely	No protective equipment; but there are work controls or protective gear or signs.
P3	Possible	There is protective equipment; but no work controls or protective gear or markings.
P2	Unlikely	There is protective equipment; and there are work controls or protective gear or signs.
P1	Very unlikely	There are double layers of protective equipment; and there are work controls or protective gear or signs.

Hazard Event Risk Severity Assessment Form

Level	Impact of personnel injuries and illnesses	Scope of Hazardous Impact
S5 Extreme	Resulting in the death of one or more people, injuries to three or more people, or exposure to irrecoverable occupational diseases or cancer-causing environments.	A large amount of hazardous substances leaked; the scope of the hazards expanded to outside the factory, which had an immediate and sustained impact on the environment and public health.
S4 Major	Disasters or emergencies that cause permanent disability or recoverable occupational diseases.	The leakage of a moderate amount of hazardous substances; the scope of the hazard is not only inside and outside the factory, but also has a temporary impact on the environment and public health.
S3 High	Disasters that require outpatient medical treatment and cause loss of working hours.	A small amount of hazardous substances leaked; the hazardous impact was limited to local areas of the factory.
S2 Moderate	It only requires first aid treatment or outpatient medical treatment, but does not cause any loss of working hours.	Trace amounts of hazardous substances are leaked; the harmful effects are limited to the vicinity of local equipment.
S1 Mild	No obvious danger (injury).	No apparent harm.

Risk assessment matrix diagram

Risk level		Likelihood of consequences				
		P5	P4	P3	P2	P1
Severity of consequences	S5	5	5	4	3	2
	S4	5	4	3	2	1
	S3	4	3	2	2	1
	S2	3	2	2	2	1
	S1	2	1	1	1	1

By assessing the severity and likelihood of risk occurrence, C Sun draws a risk assessment matrix, and based on the results presented in the matrix, we will take the following risk control countermeasures:

Risk level	Nature of risk	Countermeasures	
5	Very high risk (unacceptable risk)	Immediately review the integrity of existing protective measures and promptly carry out engineering, management improvement plans or operational controls or strengthen response capabilities.	
4	High risk (unacceptable risk)	Immediately review the integrity of existing protective measures, and carry out engineering, management improvement plans or operational controls or strengthen response capabilities before a reasonable deadline.	
3	Medium to high risk (temporarily accept risk)	It is temporarily acceptable, but it is necessary to pay attention to whether more effective protection measures or appropriate operating procedures, control and safety measures should be adopted. It is determined by the risk assessment meeting that it should be improved. The integrity of the existing protection measures should be reviewed and within a reasonable period. carry out engineering, management improvement plans or operational controls in advance or enhance emergency response capabilities.	
2	Moderate risk (temporarily accept risk)	Acceptable for now.	To accept risks, mechanisms such as maintenance, supervision and inspection, and education and training of existing protective facilities must be implemented or strengthened.
1	Low risk (acceptable risk)	Acceptable	

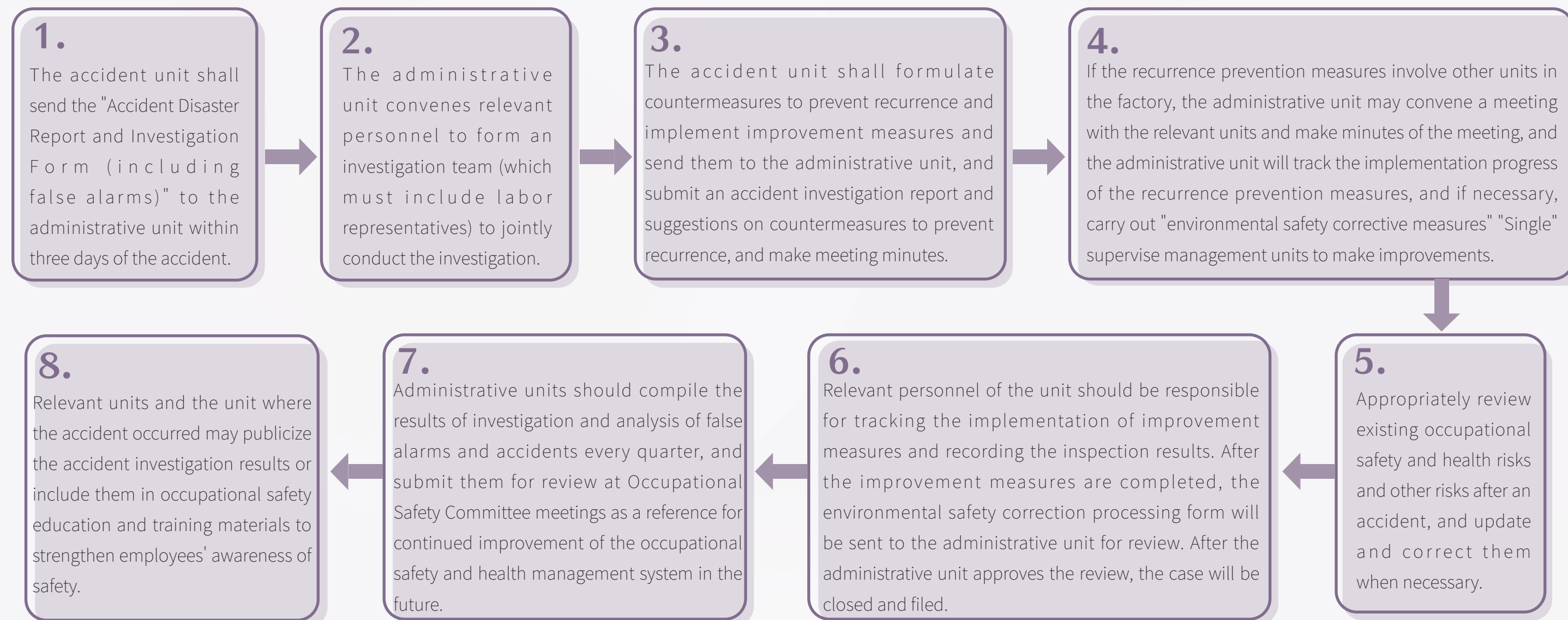
5.4 Occupational Health and Safety

5.4.3 Occupational Accident Investigation Procedures

In order to ensure the safety of all workers, C Sun has formulated the "Accident Notification and Investigation Management Procedures", which makes the investigation of disasters and accidents more efficient through complete investigation procedures, confirms the causes of accidents and decides to improve countermeasures, so as to reduce the probability of recurrence of accidents. If a worker finds a dangerous situation in the workplace, he or she can stop the operation and retreat to a safe place, and report to the superior to take appropriate contingency measures, and avoid being punished.

If there is an occupational accident among the workers of C Sun, the accident discoverer should provide emergency treatment to the injured after the disaster occurs, and carry out on-site treatment of the disaster accident, and then notify the administrative unit, and the administrative unit will immediately notify the head of the administrative unit and the top supervisor of the factory after receiving the notification, and the company convenes relevant personnel to form an investigation team (including labor representatives) to jointly conduct an investigation, and put forward an accident investigation report and countermeasures to prevent recurrence to make suggestions, make meeting minutes, and if necessary, pass the "corrective treatment management procedures." Supervise the accident unit to make improvements.

C sun Disaster Accident Investigation and Correction Process



5.4 Occupational Health and Safety

5.4.4 Occupational Safety and Health

In order to ensure that all employees understand the occupational safety and health regulations and are familiar with the company's safety and health management mechanism, C Sun provides employees with safety and health education and training in accordance with laws and regulations and job requirements, including: general safety and health education and training, occupational safety and health personnel retraining, health education advocacy and training, fire self-defense marshalling drills, contractor entry and safety and health education and training, and occupational safety and health education and training for new employees. In 2023, C Sun occupational safety and health education and training, with a total of 3,052 training hours.

2023 Occupational Safety Education and Training at a Glance

Course category	Number of training hours (A)	Number of trainees (B)	Held events (C)	Total training hours (A*B*C)
General safety and health education and training	3	131	2	786
Refresher training for occupational safety and health personnel	12	2	2	24
Health education promotion and training	2	105	2	420
Fire prevention and self-defense group drill	4	145	2	1160
Contractor admission and safety and health education training	2	86	2	344
Occupational safety and health education and training for new employees	3	53	2	318
Total	26	522	12	3052



▲ Occupational safety and health drills

5.4 Occupational Health and Safety

5.4.5 Occupational Health Services and Promotion Activities

C Sun is committed to creating a safe and comfortable working environment, taking care of the health of employees in an all-round way, and adjusting the work according to the health status of workers to adapt to the ability of workers. so that employees can receive perfect care for their bodies, minds and souls, so as to enhance their sense of identity and centripetal force, and continue to stand up for C Sun as a leading position in the industry.

C Sun employee workplace health care services

Categories	Content description	2023 performance
Employee health check	C Sun attaches great importance to the physical and mental health of employees, arranges medical institutions to conduct annual health examinations for all colleagues, and increases subsidies for employee health examination items, so that employees can understand their own health status and do a good job of self-care or seek medical treatment in a timely manner with perfect examination items.	A total of 386 people completed the health examination in 2023, accounting for approximately 100% of the total number of employees.
Sports certification promotion activities	In order to maintain the health of our employees, C Sun organized a sports certification promotion activity of "Healthy Students", which included three stages: "Reducing Body Fat", "Walking Ahead Healthily" and "Healthy Running", and is committed to developing the exercise habit of employees. Encourage colleagues to take an average of 8,000 steps per day, so as to achieve the goal of weight loss and reduce the three high risks.	A total of 80 colleagues participated in sports certification promotion activities in 2023.
Subsidies for participating in sports events	n order to promote a good sports atmosphere in the enterprise, C Sun subsidizes colleagues to participate in sports events organized by the local government, such as the Linkou Zhulinshan Temple Prayer Road Run and the Taichung Super Supao Cup.	A total of 60 colleagues applied for sports event subsidies in 2023
Nurses come to the factory every month to provide services	In order to take care of the health of colleagues, C Sun arranges nurses to visit the factory for 8 hours a month to provide nursing consulting services for colleagues.	In 2023, the total number of hours nurses were stationed in the factory wss 96 hours.
Physicians come to the factory to provide services every quarter	In order to take care of the health of colleagues, doctors enter the factory for 2 hours every quarter to provide professional medical consulting services for colleagues.	In 2023, the total number of hours doctors were stationed in the factory was 8 hours.
Nursing and health lecture	Nurses hold quarterly health talks to encourage colleagues to participate and absorb relevant knowledge	A total of 4 nursing and health lectures were held in 2023.



▲ Employee health check



▲ Sports certification
promotion activities



▲ C sun hosts sporting events



▲ Health lecture



▲ Nursing lecture

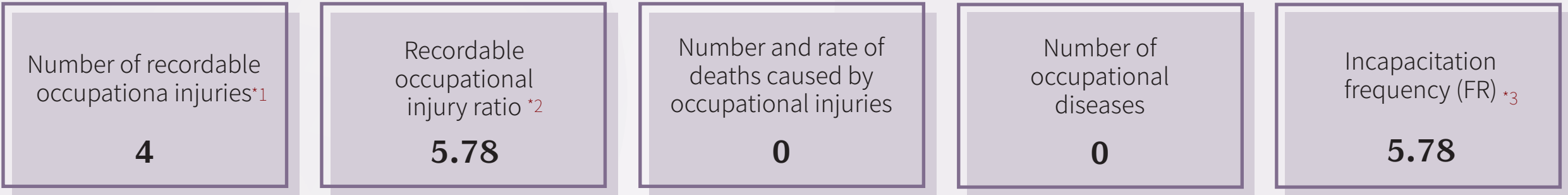
5.4 Occupational Health and Safety

5.4.6 Occupational Injuries and Occupational Diseases

In order to ensure the effectiveness of occupational safety and health management measures, C Sun uses statistical data on occupational injuries and occupational diseases as important indicators to evaluate management performance and track the root cause of problems. The number of occupational accidents in C Sun in 2023 was 4, and the proportion of occupational disasters was 1.04%, and there were no serious occupational accidents, disability injuries or deaths due to occupational disasters. In response to these identified problems, C Sun quickly formulated corresponding management measures, which include strengthening traffic safety and safety advocacy during the journey to ensure the safety of employees on their commute to and from work and during business trips. Looking forward to the future, C Sun will continue to improve the supporting measures related to occupational injuries and diseases, and achieve regular review and dynamic optimization. At the same time, the company will also strengthen communication with employees, listen to their opinions and suggestions, and ensure that everyone's voice can be heard and respected. Through these efforts, C Sun is committed to maintaining a safe working environment with zero occupational accidents, so that every employee can work with peace of mind and go home healthy.

Note: The ratio of occupational accidents is the number of recordable occupational accidents divided by the total number of employees at the end of the year.

Occupational injury data in 2023



Note:

1. The occupational injury in 2023 is a traffic incident.

2. Ratio of recordable occupational injuries = number of recordable occupational injuries × 1,000,000/total working hours experienced. The total number of hours worked in 2023 is 692,248 hours.

3. FR = number of people injured by incapacitation × 1,000,000/total working hours experienced. The total number of incapacitation injuries is calculated as: the total number of deaths, permanent total incapacitation, permanent partial incapacitation and temporary total incapacitation. The total number of hours worked in 2023 is 692,248 hours.

5.5 Social Participation

Social Welfare Service

"Take from the Society, Use for the Society." For C Sun, it's not just a slogan. Over the years, C Sun has adhered to the original intention of thinking about the source of drinking water and caring for the society, looking forward to creating a sustainable and co-prosperous environment, in addition to regularly sponsoring resources to special diseases, disadvantaged families and other related foundations and groups, but also working with colleagues to give back to the society and participate in charity support associations and other activities. During the severe period of the epidemic, C Sun also invested in the epidemic prevention team, and jointly donated hats and shoe covers with friendly neighbor Honour Glow Trading to assist the police and anti-epidemic units; Provided Taiwan anti-epidemic isolation gowns to relevant units, donated testing stations, and cooperated with industry associations to participate in the zero-contact collection and inspection station fundraising plan, and did our best to be a member of the society.



C Sun participated in the International Semiconductor Industry Association's donation of zero-contact inspection stations to raise funds

Industry-University Cooperation

C Sun also spares no effort in the cultivation of industrial talents, because the company's operating locations are mainly in New Taipei and Taichung, and for many years it has continued to cooperate with colleges and universities in the areas where the company operates, such as Mingzhi University of Science and Technology in New Taipei City, Feng Chia University in Taichung City and other universities, and encourages senior executives to serve as lecturers in various universities, give full play to the spirit of industry teachers, inherit industrial experience, narrow the gap between learning and application, and take cultivating outstanding talents in the industry as its own responsibility.

Four major aspects of C Sun's industry-university cooperation

Industry and
education
internship
cooperation

Academic
research
cooperation

Provide
scholarships
and bursaries

Campus
lecture tour

C Sun and MingChi University of Science and Technology Industry-Academic Cooperation Plan

In 2023, we cooperated with Mingzhi University of Science and Technology to launch the "2023 Promotion of Cooperation with Enterprises and Government-sponsored Students". C Sun subsidized students' tuition, fees and scholarships through internship cooperation, which enabled students to study with peace of mind during their studies, and also created industrial combat power, improved the solution to the dilemma of labor shortage and gap between learning and use, and promoted employment opportunities and academic development.



C Sun donated 5 million to the Innovation Incentive Development Fund over five years

Since 2006, C Sun has been cooperating with Fengjia University for a long time, providing millions of NTD in scholarships and grants and corporate internship resources, benefiting Fengjia students, and accumulating more than 500 enterprise visits. In addition, since 2020, C Sun has joined the Fengjia International Industry-University Alliance and unconditionally donated NT\$5 million to Fengjia University for five years as a team innovation incentive development fund for teachers and students, aiming to promote academic activities related to ESG sustainable enterprises from the construction of the school's team, hoping to work together with enterprises and academia to move towards a low-carbon era and synchronize with the global environmental sustainability goals.

Arts & Culture Support

We care about character education, support the arts and culture industry and various sports events, sponsor the Taoyuan Zhongping National Baseball Team, check the learning environment and resources of sports teenagers, encourage Taiwanese youth to go international, and nurture tomorrow's stars in the international arena. In addition, the company also supports cultural and artistic activities with actions, promotes volunteer culture, provides information and channels for all colleagues of the company to participate in social welfare activities, and cultivates a high-quality corporate culture of gratitude and mutual assistance among colleagues.

C Sun, GMM and ViewMove jointly sponsored the baseball team of Taoyuan Zhongping Primary School

Project Name	Funding Amount (NT\$)
Ren Ching Community Service Association donation	1,000,000
Fengjia Industry-Academic Cooperation_ESG Green Energy Research	1,000,000
Taiwan Clinical Oncology Research Foundation donation	200,000
Taoyuan City Chung ping Elementary School Little League five-year donation	200,000
Beyond old association AiLan Cao donation	500,000
Taiwan Brain Disease Foundation donation	200,000
Asia-pacific mechanics contest for college students sponsor	200,000
Taiwan Society for Precision Engineering Topic and Thesis Awards donation	600,000
College of engineering National Taiwan University Special funds for academic awards	300,000
Chinese Taipei Equestrian Association corporate donation	250,000
Torch of wisdom publishing house donation	451,400
Total	4,901,400



C Sun donated NT\$5 million to the Innovation Incentive Development Fund over five years



C Sun, GMM and ViewMove jointly sponsored the baseball team of Taoyuan Zhongping Primary School



2023 ESG Corporate Sustainability-National Taiwan University College of Engineering Reward Award

Appendix 1: GRI Standards Index Table

Statement of use	C Sun Mfg, Ltd. prepares a sustainability report in accordance with GRI standards. The data information range is from Jan 1 to Dec 31, 2023.
GRI 1version	GRI 1: Foundation 2021
GRI Industry Code	Non

GRI standard	Disclosure	Page	Corresponding chapter/ Additional information
GRI 2 : general disclosure (2021)			
GRI 2-1	Organization details	8	1.1.1 Company profile
GRI 2-2	Entities included in organizational sustainability reporting	5	About this report
GRI 2-3	Reporting period, frequency and contact person	5	About this report
GRI 2-4	Information rearrangement	—	This year is the first issuance
GRI 2-5	External assurance/assurance	5	About this report
GRI 2-6	Activities, value chains and other business relationships	8	1.1.1 Company profile
		80	4.3.1 Supply Chain Overview
GRI 2-7	Employee	86	5.1.2 Human Resource Structure and Diverse Workplace
GRI 2-8	non-employee workers	86	5.1.2 Human Resource Structure and Diverse Workplace
GRI 2-9	Governance structure and composition	23	2.1.1 Corporate Structure and Board Composition
GRI 2-10	Nomination and selection of the highest governance unit	28	2.1.2 Nomination and Selection of Board of Directors
GRI 2-11	Chairman of the highest governance unit	28	2.1.2 Nomination and Selection of Board of Directors
GRI 2-12	The role of the highest governance unit in monitoring impact management	16	1.2 Corporate Sustainability Governance Structure
		20	1.4 Stakeholders negotiation and communication
		23	2.1.1 Corporate Structure and Board Composition
GRI 2-13	Head of Impact Management	16	1.2 Corporate Sustainability Governance Structure
GRI 2-14	The role of the highest governance unit in sustainable reporting		1.2 Corporate Sustainability Governance Structure

GRI standard	Disclosure	Page	Corresponding chapter/ Additional information
GRI 2-15	conflict of interest	28	2.1.2 Nomination and Selection of Board of Directors
GRI 2-16	Communicate major events	16	1.2 Corporate Sustainability Governance Structure
GRI 2-17	Crowd intelligence in the highest governance unit	23	2.1.1 Corporate Structure and Board Composition
GRI 2-18	Performance evaluation of the highest governance unit	30	2.1.4 Performance Evaluation
GRI 2-19	remuneration policy	31	2.1.5 Remuneration Policy
GRI 2-20	Salary Decision Process	31	2.1.5 Remuneration Policy
GRI 2-21	annual total compensation ratio	—	The annual total remuneration of the highest-paid individual may fluctuate due to consideration of job content, individual annual performance, and company profitability, etc. In order to avoid misleading information disclosure, it will not be disclosed.
GRI 2-22	Statement on sustainable development strategy	3	Operator's Statement
GRI 2-23	policy commitments	22 33 44	2.1 Corporate governance 2.2 Integrity management 3.2 Major topic management
GRI 2-24	policy commitments inclusion	63 76	4.1 Product Technology and Innovation 4.2 Customer Service/Product Quality and Safety
GRI 2-25	Procedures for remediating negative shocks	89 94 99	5.2 Talent Attraction and Retention 5.3 Talent Cultivation and Development 5.4 Occupational Safety and Health
GRI 2-26	Mechanisms for seeking advice and raising concerns	35	2.2.2 The whistleblower system
GRI 2-27	Compliance	41	2.4 Compliance with laws and regulations
GRI 2-28	Membership of public associations	12	1.1.4 Participate in the public association organization
GRI 2-29	Stakeholder discussion policy		1.4 Stakeholders negotiation and communication
GRI 2-30	group agreement	—	No signed group agreement

Major topic

GRI standard	Disclosure	Page	Corresponding chapter/ Additional information
GRI 3 : Major topic (2021)	3-1 Process for deciding major topics	17	1.3 Identification and analysis of major issues
	3-2 List of major topics	17	1.3 Identification and analysis of major issues
Corporate governance			
	3-3 Major topic management	22	2.1 Corporate governance
Integrity management			
	3-3 Major topic management	33	2.2 Integrity management
GRI 205 (2016) : Anti-corruption	205-1 Operational locations that have undergone corruption risk assessments	34	2.2.1 Integrity Management Policy and Anti-Corruption Communication, Education and Training
	205 2 Communication and training on anti-corruption policies and procedures		
	205 3 Confirmed corruption incidents and actions taken		
Climate Change Adaptation			
	3-3 Major topic management	44	3.2 Climate Change Adaptation
GRI 201 (2016) : Economic performance	201-2 Financial impacts and other risks and opportunities arising from climate change	46	3.2.3 Climate Change Adaptation Strategy
Talent Attraction and Retention			
	3-3 Major topic management	89	5.2 Talent Attraction and Retention
GRI 201 (2016) : Economic performance	201-3 Defining Benefit Plan Obligations and Other Retirement Plans	91	5.2.3 Diversified Employee Benefits
GRI 404 (2016) : Training and Education	401-1 New recruits and retired employees	90	5.2.1 New Recruits and Resignations
	401-2 Benefits provided to full-time employees (excluding temporary or part-time employees)	91	5.2.3 Diversified Employee Benefits
	401-3 Parental leave		5.2.4 Parental leave

Other topics

GRI standard	Disclosure	Page	Corresponding chapter/ Additional information
GRI 200 : Economy			
GRI 201 (2016) : Economic performance	201-1 The direct economic value generated and distributed by the organization	11	1.1.3 Operating and Financial Condition
	201-4 Financial subsidies from the government	11	1.1.3 Operating and Financial Condition
GRI 204 (2016) : Procurement Practice	204-1 Proportion of procurement spend from local suppliers	80	4.3.1 Supply Chain Overview
GRI 206 (2016) : Anti-competitive behavior	206-1 Legal Action for Anti-Competitive Conduct, Antitrust and Monopolistic Conduct	41	2.4 Compliance with laws and regulations
GRI 300 : Environment			
GRI 302 (2016) : Energy	302 1 Energy consumption within the organization	49	3.3.1 Energy Use Overview
	302 3 Energy Intensity	49	3.3.1 Energy Use Overview
	302 4 Reduce energy consumption	52	3.3.3 Energy Saving and Carbon Reduction Measures
	302-5 Reduce the energy requirements of products and services	52	3.3.3 Energy Saving and Carbon Reduction Measures
GRI 303 (2018) : Water and flowing water	303-1 Interactions among shared water resources	59	3.5.1 Water Risk Assessment
	303-3 Water intake	59	3.5.2 Water Intake, Water Consumption and Drainage
	303-4 Drainage	59	3.5.2 Water Intake, Water Consumption and Drainage
	303-5 Water consumption	59	3.5.2 Water Intake, Water Consumption and Drainage
GRI 305 (2016) : Emission	305-1 Direct (Scope 1) greenhouse gas emissions	51	3.3.2 Greenhouse Gas Management
	305-2 Energy indirect (Scope 2) greenhouse gas emissions	51	3.3.2 Greenhouse Gas Management
	305-3 Other indirect (Scope 3) greenhouse gas emissions	51	3.3.2 Greenhouse Gas Management
	305-4 Greenhouse gas emission intensity	52	3.3.3 Energy Saving and Carbon Reduction Measures
	305-5 Greenhouse gas emission reduction	55	3.4.1 Waste Management Systems

GRI standard	Disclosure	Page	Corresponding chapter/ Additional information
GRI 306 (2020) : Waste	306-1 Waste generation and significant waste-related impacts	55	3.4.1 Waste Management Systems
	306-2 Managing significant waste-related impacts	55	3.4.1 Waste Management Systems
	306-3 Waste generation	56	3.4.2 Waste generation
	306-4 Waste disposal and transfer	56	3.4.2 Waste generation
	306-5 Direct disposal of waste	56	3.4.2 Waste generation
GRI 308 (2016) Supplier Environmental Assessment	308 1 Use environmental criteria to screen new suppliers	81	4.3.2 Supply chain management
GRI 400 : Society			
GRI 405 (2016) : Employee Diversity and Equal Opportunities	405 1 Diversity of governance units and employees	23	2.1.1 Corporate Structure and Board Composition
	405 2 Female to male base salary plus salary ratio	91	5.2.2 Sound salary system
GRI 413(2016) Local community	413-1 Operational activities subject to local community consultation, impact assessment and development planning	108	5.5 Social Participation
GRI 414 (2016) : Supplier Social Assessment	414 1 Use social criteria to screen new suppliers	81	4.3.2 Supply chain management
GRI 418 (2016) : Customer privacy	418 1 Complaints of substantiated breach of customer privacy or loss of customer information		2.3.3 Information Security Risk Management

Appendix 2. Index table of "Climate-related information of listed companies"

Categories	Disclosure Categories	Corresponding chapter	Page
1.	Board and management oversight and governance of climate-related risks and opportunities	3.2.1 Climate Governance	45
2.	Identification of climate-related risks and opportunities affect the company's business, strategy and finance (short, medium and long term)	3.2.3 Climate Change Adaptation Strategy	46
3.	Description of the financial impact of extreme climate events and transition actions	3.2.3 Climate Change Adaptation Strategy	46
4.	Integration of climate risk identification, assessment and management processes into the overall risk management system	3.2.2 Climate Risk Management	46
5.	If scenario analysis is used to assess climate risks, describe the scenarios, parameters, assumptions, analysis factors and main financial impacts used.	Not using situational analysis yet	—
6.	If there is a transformation plan to manage climate-related risks, describe the plan content, and the indicators and targets used to identify and manage physical and transformation risks.	No major transformation plan has been formulated yet	—
7.	If internal carbon pricing is used as a planning tool, explain the basis for setting the price	Not yet using carbon pricing tools	—
8.	If climate-related goals are set, the activities covered, the scope of greenhouse gas emissions, the planning schedule, annual achievement progress and other information should be explained; if carbon offsets or renewable energy certificates (RECs) are used to achieve relevant goals, the information should be explained. Source and quantity of offset carbon reduction credits or quantity of renewable energy certificates (RECs)	3.2.4 Indicators and Targets Note: No carbon offset or renewable energy certificates are used	49
9.	Greenhouse gas inventory and assurance, reduction targets, strategies and specific action plans	3.3.2 Greenhouse Gas Management	51

Appendix 3. "Operation Methods for Preparation and Submission of Sustainability Reports by Listed Companies Sustainability Disclosure Indicators – Electronic Components Industry" Index

Number	Indicator	Indicator type	Unit	Annual disclosures		Corresponding chapter	Page								
1.	Total energy consumption, percentage of purchased electricity and renewable energy usage rate	Quantify	(GJ), (%)	Total energy consumption: 14,286.17 GJ. Percentage of purchased electricity: 65.38%. Renewable energy usage rate: C Sun does not use renewable energy.		3.3.1 Energy Use Overview	49								
2.	Total water intake and total water consumption	Quantify	(t)	Total water intake: 11,929 tons. Total water consumption: 5,217 tons.		3.5.2 Water Intake, Water Consumption and Drainage	59								
3.	Weight of hazardous waste generated and percentage recycled	Quantify	(t), (%)	C Sun produces no hazardous waste.		—	—								
4.	Explain the types, number and proportion of occupational accidents	Quantify	(%), number	In 2023, C Sun Company had only one recordable occupational injury caused by a traffic accident. The number of injured people was 4, and the occupational accident ratio was 1.04%. <i>Note: The proportion of occupational accidents is the number of recordable occupational accidents divided by the total number of employees at the end of the year</i>		5.4.6 Occupational Injuries and Occupational Diseases	107								
5.	Disclosure of product life cycle management: including the weight of end-of-life products and electronic waste and the percentage of recycling	Quantify	(t), (%)	Not applicable		—	—								
6.	Description of risk management associated with the use of critical materials	Qualitative description	Not applicable	In 2023, C Sun re-formulated the "Supplier Social Responsibility and Integrity Commitment Letter", which requires that the metals delivered to C Sun products or parts must not use conflict minerals, and requires suppliers to provide raw materials, semi-finished products and finished products that must not violate EU hazardous substances Prohibited directives/RoHS, Halogen (halogen-free), REACH, VOCS, TSCA and other regulations		4.3.2 Supply chain management	81								
7.	Total pecuniary losses resulting from legal proceedings related to anti-competitive conduct regulations	Quantify	Reporting currency	C Sun has not violated any relevant laws and regulations		2.4 Compliance with laws and regulations	41								
8.	Output of main products by product category	Quantify	Varies by product type	<table><tr><td>Main product name</td><td>Sales (machine)</td></tr><tr><td>Semiconductor process equipment</td><td>227</td></tr><tr><td>Printed circuit board process equipment</td><td>334</td></tr><tr><td>Forward-looking processes and other electronic application equipment</td><td>573</td></tr></table>		Main product name	Sales (machine)	Semiconductor process equipment	227	Printed circuit board process equipment	334	Forward-looking processes and other electronic application equipment	573	4.1.1 Product & Technology Layout	64
Main product name	Sales (machine)														
Semiconductor process equipment	227														
Printed circuit board process equipment	334														
Forward-looking processes and other electronic application equipment	573														

Record 4. Accountant's Limited Assurance Report and Confidence Summary



會計師有限確信報告

資會綜字第 23012000 號

志聖工業股份有限公司 公鑒：

本會計師受志聖工業股份有限公司（以下簡稱「貴公司」）之委任，對 貴公司選定西元 2023 年度永續報告書所報導之關鍵績效指標（以下簡稱「所選定之關鍵績效指標」）執行確信程序。本會計師業已確信竣事，並依據結果出具有限確信報告。

標的資訊與適用基準

本確信案件之標的資訊係 貴公司上開所選定之關鍵績效指標，有關所選定之關鍵績效指標及其適用基準詳列於 貴公司西元 2023 年度永續報告書第 137 頁之「確信項目彙總表」。前述所選定之關鍵績效指標之報導範圍業於永續報告書第 4 頁之「報告書邊界與資料範圍」段落述明。

管理階層之責任

貴公司管理階層之責任係依照適用基準編製永續報告書所選定之關鍵績效指標，且設計、付諸實行及維持與所選定之關鍵績效指標編製有關之內部控制，以確保所選定之關鍵績效指標未存有導因於舞弊或錯誤之重大不實表達。

先天限制

本案諸多確信項目涉及非財務資訊，相較於財務資訊之確信受有更多先天性之限制。對於資料之相關性、重大性及正確性等之質性解釋，則更取決於個別之假設與判斷。

會計師之獨立性及品質管理

本會計師及本事務所已遵循會計師職業道德規範有關獨立性及其他道德規範之規定，該規範之基本原則為正直、公正客觀、專業能力及專業上應有之注意、保密及專業行為。

本事務所適用品質管理準則 1 號「會計師事務所之品質管理」，該品質管理準則規定會計師事務所設計、付諸實行及執行品質管理制度，包含與遵循職業道德規範、專業準則及所適用法令有關之政策或程序。

會計師之責任

本會計師之責任係依照確信準則 3000 號「非屬歷史性財務資訊查核或核閱之確信案件」規劃及執行有限確信案件，基於所執行之程序及所獲取之證據，對第一段所述 貴公司所選定之關鍵績效指標是否未存有重大不實表達取得有限確信，並作成有限確信之結論。

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依確信準則 3000 號之規定，本有限確信案件工作包括評估 貴公司採用適用基準編製永續報告書所選定之關鍵績效指標之妥適性、評估所選定之關鍵績效指標導因於舞弊或錯誤之重大不實表達風險、依情況對所評估風險作出必要之因應，以及評估所選定之關鍵績效指標之整體表達。有關風險評估程序（包括對內部控制之瞭解）及因應所評估風險之程序，有限確信案件之範圍明顯小於合理確信案件。

本會計師對第一段所述 貴公司所選定之關鍵績效指標所執行之程序係基於專業判斷，該等程序包括查詢、對流程之觀察、文件之檢查是否適當之評估，以及與相關紀錄之核對或調節。

基於本案件情況，本會計師於執行上述程序時：

- 已對參與編製所選定之關鍵績效指標之相關人員進行訪談，以瞭解編製前述資訊之流程，以及攸關之內部控制，以辨認重大不實表達之領域。
- 基於對上述事項之瞭解及所辨認之領域，已對所選定之關鍵績效指標選取樣本進行包括查詢、觀察、檢查等測試，以取得有限確信之證據。

相較於合理確信案件，有限確信案件所執行程序之性質及時間不同，其範圍亦較小，故於有限確信案件所取得之確信程度亦明顯低於合理確信案件中取得者。因此，本會計師不對 貴公司所選定之關鍵績效指標在所有重大方面，是否依照適用基準編製，表示合理確信之意見。

此報告不對民國 2023 年度永續報告書整體及其相關內部控制設計或執行之有效性提供任何確信，另外，除所選定之關鍵績效指標，西元 2023 年度永續報告書中屬西元 2022 年 12 月 31 日及更早期間之資訊未經本會計師確信。

有限確信之結論

依據所執行之程序與所獲取之證據，本會計師並未發現第一段所述 貴公司所選定之關鍵績效指標在所有重大方面有未依照適用基準編製之情事。

其它事項

貴公司網站之維護係 貴公司管理階層之責任，對於確信報告於 貴公司網站公告後任何所選定之關鍵績效指標或適用基準之變更，本會計師將不負就該等資訊重新執行確信工作之責任。

資誠聯合會計師事務所

會計師 張瑞婷

西元 2024 年 8 月 28 日

Summary of selected subject matter information

Number	Item	Assurance target information	Page	Applicable benchmark
1	Percentage of new employees completing integrity management-related training in 2023.	The percentage of new employees of C Sun in 2023 who have completed integrity management-related training, including an explanation of the integrity management principles and signing of the integrity covenant, was 100%.	34	The ratio of the total number of new employees who have completed integrity management-related training to the number of new employees in 2023. The percentage of new employees who have completed integrity management-related training = the total number of new employees who have completed integrity management-related training in 2023/ the number of new employees in 2023
2	2023 Customer Satisfaction Survey Recovery Rate and Satisfaction Score.	The recovery rate of the questionnaires issued in 2023 was 99.93%, and the customer satisfaction rate in 2023 was 99.39 points.	78	The ratio of the total number of recovery to the number of survey responses and the average satisfaction score for the 2023 customer satisfaction survey. Customer satisfaction survey recovery rate = number of customer satisfaction survey responses/number of surveys Satisfaction score = total customer satisfaction score/ number of recovered copies
3	Total water intake in 2022 and 2023 (including: Linkou headquarters, Taipei factory and Taichung factory)	2The total water intake of C Sun in 2022 was 12.7315 million liters, and the total water intake of C Sun in 2023 was 11.9291 million liters.	59	C Sun's water intake data for 2022 and 2023 was based on water bills and internal allocation tables.
4	Number and rate of occupational accidents in 2023	C Sun’ s number of occupational accidents in 2023 was 4; the occupational accident rate was 1.04%.	107	In 2023, the ratio of the total number of occupational accidents to the number of employees was calculated according to the "Statistical Summary Table of Occupational Accidents". Occupational accidents ratio = total number of occupational accidents/ total number of employees on December 31, 2023
5	Education and training hours and average training hours in 2023	The total hours of education and training of C Sun in 2023 is 7,761.67 hours; the average number of employee education and training hours in 2023 is 20.27 hours.	94	In 2023, the ratio of the total number of internal and external employee training hours to the number of employees and the number of employees was recorded in accordance with the company's education and training management regulations. Average hours of employee education and training = Total hours of employee training in 2023/ Total number of employees on December 31, 2023



***c sun*志聖**

C Sun Manufacturing Ltd.