MITAC HOLDINGS CORP.



2023 MiTAC Sustainability Report

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About the Sustainability Report

It has been 15 years since MiTAC started compiling its Sustainability Report, documenting the efforts and achievements of the Group in sustainable development and corporate social responsibility. The Report, among others, manifests our performance in global CSR in 2023 and our efforts in environmental protection and CSR. The management in different dimensions from the employees to the customers and suppliers has fully reflected our endeavors to facilitate the sustainable development of the living environment for human beings. The Report covers issues that different stakeholders were concerned about. The data were reviewed at the preparation stage based on our linear observations over the past years. A GRI standards comparison list is also provided this time. The details are explained in individual corresponding chapters and sections.

In relation to MiTAC Holdings Corp.'s online stakeholder survey report, the topic concern level questionnaire is expected to be introduced by the first quarter of 2023, where stakeholders will be asked to provide their feedback and suggestions, which will be analyzed internally to achieve effective communication. This in turn helps us to understand your concerns and will also be used as the main reference for information disclosure in the report.

Report Framework

The Report was prepared in accordance with the GRI Sustainability Reporting Standards (GRI Standards), and is also a response to the "UN Sustainable Development Goals (SDGs)." The issues, strategies, goals and actions to achieve sustainability in corporate social responsibility of this Company are disclosed with respect to the GRI approaches and frameworks.

Quality of the Report

MiTAC has incorporated the report preparation into the internal process control with the aim of improving the quality and accuracy of its reports. Corrections to the reports are made upon discovery of shortcomings. MiTAC commissioned SGS Taiwan to provide assurance on this report in accordance with the requirements of AA1000 Type2 moderate assurance level. The report was confirmed to comply with GRI Standards and was issued after being approved by the Board of Directors.

Information Boundary

The data contained in the Report is within the boundary of the R&D and manufacturing locations of MiTAC Holdings Corp., as well as the subsidiaries of the brands. The Report covers the data and description of issues including financial performance and business operations in the economic category; product responsibility and environmental protection in the environmental category; employee, supplier and contractor and social welfare in the social category.

The scope of this report covers the global operating entities that account for over 95% of the MiTAC Holdings Group's revenue in its financial report, including its Taiwan operations and Taiwan R&D center, the major production sites in China including the Guangdong MSL plant, the Jiangsu MKL plant, and the Jiangsu MISK plant, as well as the assembly plant in California, USA: MiTAC Information Systems Corp. The operating locations and after-sales service centers that are not part of the aforementioned subsidiaries or offices included in the financial report are not included. Information will be disclosed with respect to the GRI Standards. The scope of calculation will be explained, including the demonstration sites.



Publication Date:
June 2024 (published annually)
Please feel free to contact us if you have any suggestions or questions.
Email：stock@mic.com.tw
ESG Section on the Company website:
https://www.mitac.com/zh-TW/sustainability_overview/index

Messages from the SDC Chairman

In 2023, amid ongoing conflicts such as the Ukraine-Russia and Israel-Palestine disputes, global geopolitical tensions have surged. These were exacerbated by persistent inflation, which cast uncertainties over the overall economic landscape and presented formidable challenges to the world. Additionally, the rapid advancement of AI technology led to a proliferation of AI servers and applications, driving up electricity demand despite the convenience it brought. Moreover, 2023 witnessed the highest average global temperature on record, with COP28 reporting a 1.2° C increase, making the imperative to limit warming to 1.5 ° C by the century's end a daunting task, necessitating more proactive measures to reduce emissions.

As a sustainable enterprise, MiTAC embraces a steady growth philosophy and demonstrates flexibility in adapting to evolving market dynamics. In this sustainability report, MiTAC articulates its commitment to sustainability and highlights its initiatives and accomplishments about climate change, human rights, social welfare, and corporate governance.

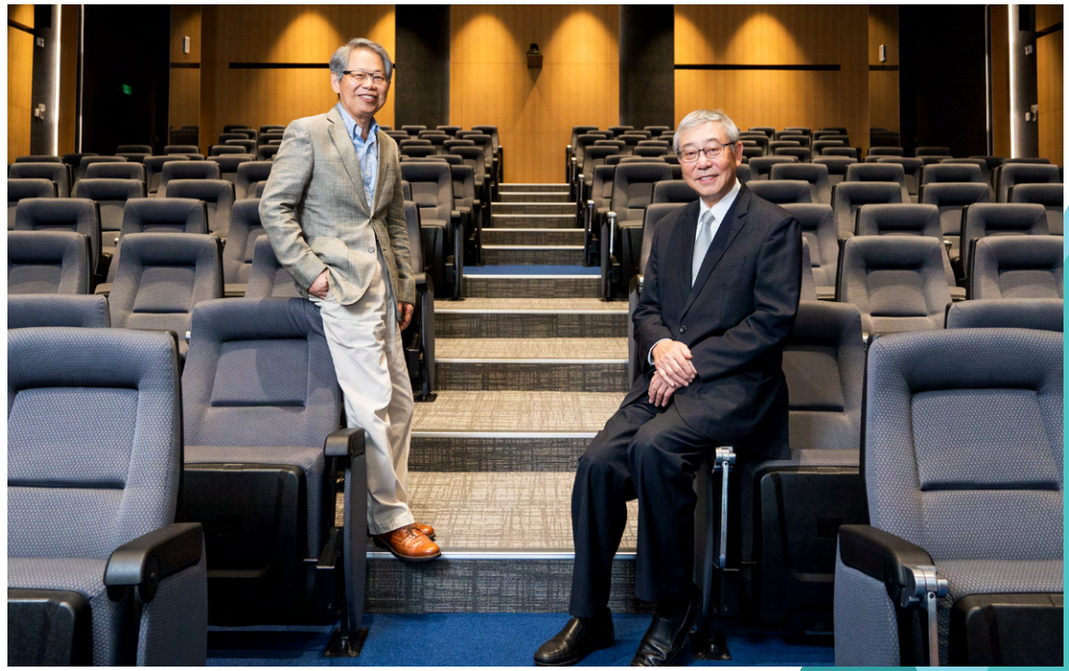
In the same year, we celebrated the 30th anniversary of our subsidiary, MiTAC Computer (ShunDe) Ltd. (MSL), in mainland China, which also marked a milestone in transitioning to environmentally friendly and smart manufacturing. In response to global business needs, we established a new factory in Vietnam, integrating green building practices and solar energy from the design phase. The investment in the new factory has also enhanced the resilience of MiTAC's supply chain and contributed to its diversified operational deployment, ensuring sustainable operations. Amidst the frequent occurrence of global information security attacks, MiTAC obtained the ISO 27001 Information Security Management System certification in 2020 and has successfully passed annual certification updates every year since. MiTAC continues enhancing its abilities and responding to various information security threats, improving all employees' overall information security awareness to ensure its security defense capabilities.

MiTAC has also established a clear pathway for emissions reduction, systematically advancing various emission reduction initiatives. This plan focuses on enhancing energy efficiency and investing in renewable energy. In 2023, MiTAC installed rooftop photovoltaic power generation systems in three factories, increasing the proportion of self-owen renewable energy utilization rate up to 6.82% of total electricity consumption. Furthermore, MiTAC annually supports the Tse-Xin Organic Agriculture Foundation and the National Taiwan University Highland Experimental Farm through funding for tree planting and land restoration projects, with a cumulative total of 15,250 trees planted to date. MiTAC has also organized a range of environmental protection seminars and green lifestyle events, fostering a solid dedication to ecological sustainability and practices among all employees.

MiTAC has achieved a quarter representation of female executives among its leadership ranks in pursuit of a more inclusive and equal workplace. Alongside offering generous benefits, various production bases organize health promotion activities to encourage healthier lifestyles among staff. With significant enhancements to maternal protection measures, MiTAC has earned recognition as a "2023 Taoyuan Maternal Health Protection Model Enterprise."

We profoundly understand that ESG is the guiding principle for sustainable operations and the cornerstone of corporate culture. We aspire to take more positive action and work hand in hand with all stakeholders towards a sustainable and win-win future, creating a better and more harmonious tomorrow together.

Chairman: Matthew Miau
Corp. President: Billy Ho

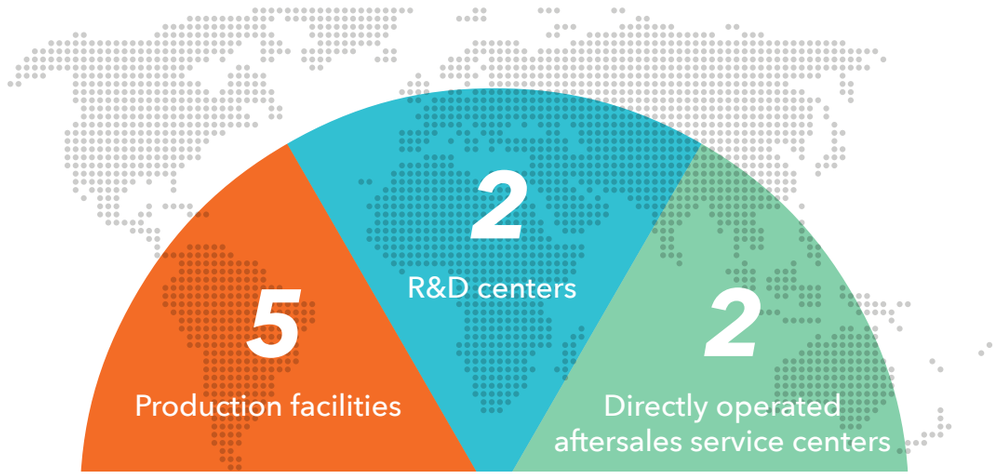


About MiTAC

A Leading ICT Service Provider

As a leading technology and service provider, MiTAC Holdings Group offers cloud and edge computing solutions, total solutions for 5G ORAN business, as well as automotive electronics, telematics services and AIoT software and hardware integration services through the important subsidiaries, MiTAC Computing Technology Corp. (MCT), MiTAC Digital Technology Corp. (MDT) and MiTAC International Corp. (MIC). As the head of the Group, MiTAC Holdings Corp. (MHC) maps out the group's development, investment, and strategic partnership plans; provides integrated resources; enhances the integration effectiveness of marketing, manufacturing, and logistics service platform; and supports the development, talent fostering and licensing of specialized operations for the foregoing businesses. All these are meant to achieve fast organizational alignment with group decisions for specialization and better governance, which would in turn advance its industry leadership for continuous growth and sustainable management.

MiTAC International Corp. was founded in 1982, and MiTAC Holdings Corporation was established in 2013. Over the past 42 years, the Group has developed into a multinational corporation encompassing JDM/ODM/OEM/OPM (Original Product Manufacture), design and development, manufacturing, testing, assembly, marketing, and service. The global workforce exceeds 6,000 employees, including nearly 2,000 R&D and testing personnel. Headquartered in Taiwan, with manufacturing and logistics centers in Guangdong and Jiangsu provinces of China, Hsinchu in Taiwan, and California in the US, our operations comprise 20 business locations, 5 production facilities (spanning a total of 3,864.8K ft2), 2 R&D centers, and 2 directly operated aftersales service centers. Through our automotive product brands Mio, Magellan, and Navman, as well as our server solutions brand TYAN, we deliver the most competitive and compelling products to our regional clients. For information on MiTAC's global business locations, please visit our official website (www.mitac.com).



1982 MiTAC International Corp. was founded

42 Group anniversary

6,000+ The global workforce exceeds

2,000+ R&D and testing personnel

20+ Business locations

NT$35.536 billion 2023 volume of business

Total Solutions for Cloud Computing, Edge Computing, 5G ORAN and IPC

We have developed a flexible and customizable supply model that meets the demand of different systems and applications based on the capacity in design and manufacturing and performance in large datacenter construction accumulated over 30 years, alongside the customization capacity of our own brand TYAN and the well-established partnership with distribution channels and system integrators. Through constant R&D and product and platform diversity, we provide servers, storage systems, networking solutions, and embedded products in the smart age featuring smart services, AI, and 5G that links edge computing and cloud computing based on our unlimited innovation energy, in order to provide valuable solutions for industries and to realize the smart lifestyle of IoT applications for users.





Automotive Electronics, Telematics Services and AIoT Software and Hardware Integration Services

We have a full range of navigation systems, automotive-grade ODM experience, and outstanding R&D, integration and testing capacity. Distributing products in the consumer and specialty markets with our own brands including Mio, Magellan and Navman, we have won numerous international design awards and earned acclaim from worldwide media. Software-hardware-integrated total solutions covering dashcams, smart cameras, navigation systems, and advanced driver-assistance systems (ADAS) have been created. In addition, a series of professional tablets and device management platform systems have been developed for use in the logistics, tourism, healthcare and industrial fields to cut costs and enhance work efficiency. With strong R&D and design capacity and rich manufacturing experience, we have become the trusted partner of world-class customers. In terms of automotive electronics and AIoT products, our brand currently leads the industry in market share for automotive electronics.

Operating Results

In 2023, MiTAC Holdings Corp.'s consolidated revenue amounted to NT$35.536 billion, with earnings before taxation reaching NT$2.001 billion and EPS of NT$1.48. The Company's financial information was compiled in accordance with the International Financial Reporting Standards (IFRS) and has been certified by the CPAs. The relevant data sources are the annual financial statements; the financial details can be accessed through the following channels:

Market Observation Post System (Stock Code: 3706)

MiTAC IR Information Section

MiTAC Corporate Governance Section

Unit: NT$1 million

Item		2023
Direct economic value generated		
Operating revenue	35,536	37,019
Cash dividend income	1,483	
Direct economic value distributed		
Operating costs	28,734	36,131
Employee wages and benefits	5,470	
Payments to providers of capital - dividend	1,569	
Payments to government (Note 1)	352	
Community investments (Note 2)	6	
Retained economic value		888

Note 1: Income tax expenses and various tax contributions are broken down by region, including Taiwan, Asia, the Americas, and Europe.
Note 2: Including donations and expenses arising from public welfare activities such as tree planting and restoration.

Mio Milestones and Credentials

2018

The MiDM won the bronze medal in product innovation at the AutoTronics Taipei.

The Spirit 7700 was recommended by Pricemania.sk of Poland.

2019

MiVude 798 has been recognized by the renowned UK-based review magazine Which? with a high score of 72 points.

MiVue J85 was elected in the Editor's Tip list by Slovakian media PC Revue SK.

2020

Mio Cyclo Discover Series won the 29th Taiwan Excellence Award.

MiVue 798 Dual was rated Product of the Year by the Czech website ComputerWorld.

2021

The MiVue 892D Series won the Computex Best Choice Award.

MioEYE K Series won the 30th Taiwan Excellence Award.

2022

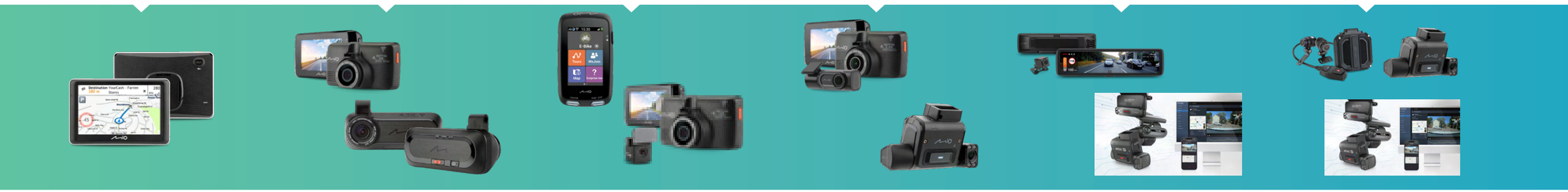
MiVue R850D won the 31st Taiwan Excellence Award.

MDT VT Solution won the 31st Taiwan Excellence Award.

2023

Both MiVue M820WD and MiSentry 12T have been jointly honored at the 32nd Taiwan Excellence Award.

MDT VT Solution has been honored with the Taiwan Excellence Award for three consecutive years.



TYAN Milestones and Credentials

2015

The world's first commercialized server solution supporting OpenPOWER POWER8 has officially launched and commenced shipping.

2016

We were the first manufacturer to provide comprehensive server platform solution based on Intel, AMD, OpenPOWER and Nvidia.

2017

The new generation of Intel® Xeon® Scalable Processors and AMD EPYC™ CPU based server platform were unveiled.

2018

TYAN server platforms were verified by the field use of large datacenters.

2019

The second-generation Intel® Xeon® Scalable Processors and AMD EPYC™ 7002 processor server platforms were launched.

2020

Launched the third-generation ® Xeon® scalable processor and AMD EPYC™ 7003 processor server platforms.

2021

The brand won the recognition from Intel for expertise and sales growth and became a Titanium partner of Intel.



2022

Launched server platforms supporting the 4th gen AMD EPYC™ 9004 processor.

2023

- Launched a server platform supporting the fifth generation Intel® Xeon® Scalable processors
- MiTAC Capri 2 server has been awarded the OCP Inspired™ certification

Sustainability-related Glories and Performance

Sustainability Recognitions and Honors

TCSA

TAIWAN STOCK EXCHANGE

1.5°C 神達投資控股股份有限公司 1.468°C

OSH SDGs 健康勞動力

CDP DRIVING SUSTAINABLE ECONOMIES

TCSA's Sustainability Reporting Category - Electronics and Information Manufacturing Industry

Class 1 has achieved the Silver level.

Corporate Governance Evaluation Ranked in the

top 6%-20%.

The Group's carbon reduction commitment, calculated by the "Temperature Rising Index for Pathways" (TRIPs) of CommonWealth Magazine, complies with the Paris Agreement's goal of limiting global warming to no more than 1.5° C by the end of the century.

MiTAC Holdings Corp. has been awarded the top 10% excellence in the "Occupational Health and Safety Index Initiative Evaluation for Corporate Sustainability Reporting" by the Occupational Safety and Health Administration of the Ministry of Labor.

CDP Climate Change Questionnaire: B List

MiTAC International Corp. received the "Model Enterprise" award from the Taoyuan City Government Maternal Health Guardianship Alliance.

MSL was selected as a "Harmonious Labor Relations Enterprise" by the Foshan Municipal Government.

MKL was selected as an "Enterprise with Outstanding Contributions to Import and Export" by the Kunshan Municipal Government.

Three new products from MiTAC Digital received the Taiwan Excellence Award 2024.







台灣精品 2024

ESG Performance

Environmental Protection

Carbon Management

ISO 14064-1

Annual verification since the baseline year

Reduction of Carbon Emissions

2,000 tCO_2e

23 Energy Saving Programs

CDP
(Carbon Disclosure Project)

B List

Climate change

Proportion of Renewable energy Usage

6.8%

in 2023

Overall Waste Reduction

18.3%

compared to 2022

Social Responsibility

Environmental Causes

15,250 trees

planted under the tree planting project

Employee Training

62.3 hrs/employee

in 2023

Mid and Senior Level Executives

Females represent ¼ of overall executives

demonstrating gender equality and respecting diversity

Retention rate of outstanding employees

87.3%

in 2023

Maternal Health Protection Alliance

Model Enterprise

Awarded the Taoyuan City Government

Corporate Governance

Information Security

ISO 27001

Continuously passed third-party verification

Mineral Compliance

100%

Procurement of conflict-free minerals by suppliers

Corporate Governance Evaluation
Consecutively ranked

Top 6-20%

for five years

Constituent of the

TWSE CG 100 Index.

Selected by the TWSE for 4 consecutive years

Integrity Commitment

Agreement **100%**

signed unanimously supported by procurement personnel



China - MiTAC Computer (ShunDe) Ltd. (MSL) 30th Anniversary ESG Feature

MiTAC Computer (ShunDe) Ltd. (MSL), established in 1993, adheres to a people-oriented development philosophy. In celebration of its thirtieth anniversary, the MSL Labor Union launched a series of annual celebration events themed around warmth, gratitude, vitality, and health. On the anniversary day in 2023, approximately 2,100 employees and their families participated offline, while nearly 40,000 people followed the event online. The organization of this series of anniversary celebration activities not only enhances employees' enthusiasm and creativity at work but also stimulates team solidarity and morale, injecting new impetus into MSL's future development. It also showcases the MSL's ability and strength for long-term steady growth to all sectors of society.







MSL's corporate song, "Warmth in the Heart," was officially released.

The corporate song, "Warmth in the Heart," produced by a professional team, features a catchy melody and emotionally rich lyrics, fully showcasing MSL's history, culture, philosophy, and goals. It instills a sense of mission and belonging among employees, enhancing the company's sense of solidarity and morale.



Employee Flash Mob Dance for Health

Since 2021, MSL has been implementing a company-wide fitness project in response to the various sub-health conditions caused by the lack of exercise common in modern lifestyles. Since its inception, the number of employees participating annually has exceeded 300 and has been increasing year by year. Regular exercise effectively alleviates employees' work-related stress. On the anniversary day, nearly 500 employees gathered on the sports field to participate in a flash mob dance performance, showcasing their vibrant energy.





3031 Fun Sports Day

To celebrate MSL's thirtieth anniversary, a "3031" race was held during the anniversary day, where 30 participants formed 31-legged teams, racing together towards the finish line. This event, themed around MSL's thirty-year journey, symbolizes the transition from "30" to "31," marking a new chapter of development and anticipating new horizons.





"Fun at MSL" Creative Carnival

The "Fun at MSL" carnival, themed around a creative market, combines various activities such as food, music, games, and lucky draws. All booths are operated independently by department employees, each with its own unique highlights! Every employee are also given vouchers for consumption at the carnival, allowing them to experience the festive atmosphere of the anniversary celebration and celebrate MSL's birthday together.







Sustainable Management

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1.1 Sustainability Policies

2009 We started to communicate with stakeholders through CSR reports.

2010 We took part in the Carbon Disclosure Project (CDP) and made relevant responses for the first time.

2014 The MSL Plant in Guangdong passed the RBA VAP audit.

2015 The "Corporate Social Responsibility Best-Practice Principles" were developed.

2020 We have obtained the ISO 27001 Information Security Management System certification and consistently pass annual audits.

2020
- The Group's net zero and emissions reduction pathways were announced
- The goal of 10% renewable energy by 2025 was set
- The ISO 14064-1 GHG emission verification was obtained.

2021
- The Sustainable Development Committee was established
- The ESG report was verified based on AA1000
- Our Hsinchu Plant in Taiwan passed the RBA VAP audit.

2022
- The Corporate Social Responsibility Best-Practice Principles were renamed "ESG Best-Practice Principles"
- We engaged in the restoration of the NTU Highland Experimental Farm
- Furthermore, the installed capacity of solar power plant reached 3,618kW.

2023 We participate in the Carbon Disclosure Project (CDP), an international initiative focused on climate change. Through this project, MiTAC has achieved a B management level rating.

Committed to sustainable operations, MiTAC works towards the goal of sustainable development based on the core values of integrity, responsibility and innovation. In 2022, the Company formed the "Sustainable Development Committee" consisting of the Office of the President and the corresponding units to put forward sustainable development policies, systems or relevant management approaches and concrete implementation plans, and put them into practice.

Implementation Items of the Sustainable Development Committee

To foster corporate ESG, the committee has outlined the sustainable development principles and goals of MiTAC's sustainable development, and promotes Design for Environment (DfE) of products, energy saving and carbon reduction in plants, healthy enterprise, social inclusion, corporate governance and risk control in line with the UN's Sustainable Development Goals.

(I) The Committee is responsible for establishing sustainable development goals and supervising functional departments in the implementation of sustainability-related initiatives and their effectiveness to ensure accomplishment of the sustainable operations of the Company.

(II) The Sustainable Development Committee convenes regularly to identify material issues concerning stakeholders. Each unit makes plans for the respective issues, modifies the objectives and policies related to the issues, ensures the execution of the plans and assesses the implementation thereof. The implementation is reported to the Board of Directors at regular intervals (once a year).

The ESG Best-Practice Principles of the Company apply to all the subsidiaries, contractors and partners in the supply chain, in the hope that the partners in the supply chain can implement sustainability together.

ESG Best-Practice Principles

Sustainability Policy

Key ESG-related Matters Reported to the BOD in 2023

2023 Issue

1/17	• Report on the planning and implementation of intellectual property management • Report on the liability insurance for the directors and supervisors • Report on the outcome of the BOD performance evaluation
2/24	• Report on the operation and implementation of business integrity • Report on greenhouse gas inventory and verification schedule execu-tion progress
5/9	• Report on greenhouse gas inventory and verification schedule execu-tion progress
8/11	• Report on greenhouse gas inventory and verification schedule execu-tion progress
11/10	• Report on greenhouse gas inventory and verification schedule execu-tion progress • Status of risk management operations and stakeholder communication

2024 Issue

1/23	• Report on the planning and implementation of intellectual property management • Report on the liability insurance for the directors and supervisors • Report on the outcome of the BOD performance evaluation
2/23	• Report on the operation and implementation of business integrity • Report on greenhouse gas inventory and verification schedule execu-tion progress

Major Issues Discussed in the Sustainable Development Committee Meetings in 2023

2023 Issue

5/26	• Focus report on talent sustainability • Report on Group energy conservation and progress of emissions reduction • Updates on domestic and international corporate governance and environmental regulations • 2022 ESG performance results • 2023 stakeholder survey results & material issues
11/6	• Report on risk management identification in 2023 • Report on Group energy conservation and progress of emissions reduction • Internal carbon pricing draft proposal • Report on SBTi and carbon footprint verification

1.2 Links between MiTAC and SDGs

MiTAC has identified seven sustainable development goals of the greatest relevance in accordance with the "Business Reporting on the SDGs" published by the UN and GRI. In relation to the public welfare strategy, we prioritizes the sustainable development goals of "SDGs 3. Good Health and Well-being," "SDG 4. Quality Education," "SDG 8. Decent Work and Economic Growth," "SDG 11. Sustainable Cities and Communities," "SDG 12. Responsible Consumption and Production,""SDG 13. Climate Action" and "SDG 16. Peace, Justice and Strong Institutions."



SDG 3

SDG 3 Good Health and Well-being: Ensure healthy lives and promote well-being for all at all ages

MiTAC Strategy

- We prioritize sports and physical and mental balance, continuously organizing health-promoting and fat-reducing activities.
- Obtained certification marks related to care for employee health.

Corresponding Management Indicator

- Obtained certification marks related to care for employee health
  → Received the "Model Enterprise" award for maternal health protection from Taoyuan City Government in 2023.

Corresponding Chapter

5.3 Employee Care

SDG 4

SDG 4 Quality Education: Ensure inclusive and equitable quality education and promote lifelong learning.

MiTAC's Strategy

- Sponsoring the Y.S. Award to develop talents in design within the country and elevate the industrial competitiveness in an active manner.
- Valuing the competency of the employees and their educational training, and further encouraging those with managerial roles to enroll in on-the-job postgraduate programs and EMBA programs to refine their professional and management skills.

Corresponding Management Indicator

- 45 training hours/person on average every year
  → Training hours/person on average in 2023: 62.3 hours

Corresponding Chapter

5.2 Talent Attraction and Development

SDG 8

SDG 8 Decent Work and Economic Growth: Promote sustained, inclusive, and sustainable economic growth, full and productive employment, and decent work for all.

MiTAC's Strategy

- Conducting performance evaluation every six months with dual-track promotion opportunities provided based on the individual's performance, and adjusting salary and distributing performance bonuses to share the business results with the employees.
- Practicing the global job rotation system to help the employees develop more than one professional skill as a means for long-term human resources development and stronger corporate competitiveness.

Corresponding Management Indicator

- A retention rate of outstanding employees of 85%
  → Retention rate of outstanding employees in 2023: 89.1%

Corresponding Chapter

5.2Talent Attraction and Development

S



SDG 16

SDG 16 Peace, Justice, and Strong Institutions: Promote peaceful and inclusive societies for sustainable development, provide access to justice for all, and build effective, accountable, and inclusive institutions at all levels.

MiTAC's Strategy

Providing management guidelines for anti-corruption on the intranet and extranet for reference, offering anti-corruption whistleblowing channels, and promoting the concept and giving tests to the employees through online courses in order to put the concept of business integrity into practice.

Corresponding Management Indicator

- A variety of internal and external education and training courses related to business integrity every year
  → 6,716 people received training in 2023, with their cumulative training hours totaling 4,823 hours

Corresponding Chapter

2.2 Business integrity



SDG 12

SDG 12 Responsible Consumption and Production: Ensure sustainable consumption and production patterns.

MiTAC's Strategy

With regard to the conflict mineral issues, promptly requesting the suppliers to ensure the compliance of the supporting materials offered thereby for proper source management in the supply chain in response to the RBA's Responsible Minerals Initiative (RMI) while meeting the requirements of the customers.

Corresponding Management Indicator

- A CMRT survey response rate of 85%
  → CMRT survey response rate in 2023: 100%

Corresponding Chapter

3.4 Supply Chain Sustainability Management

G



SDG 11

SDG 11: Sustainable Cities and Communities: Make cities and human settlements inclusive, safe, resilient, and sustainable.

MiTAC's Strategy

- Conducting internal water audits and implementing various water-saving measures, with water intensity used as the observation indicator in order to respond to water resource risks caused by climate change in advance.
- With legal compliance as the basic requirement, having all operational bases operate according to the environmental management system (EMS) and establish responsible management units, and conducting irregular audits to ensure the proper disposal of waste.

Corresponding Management Indicator

- Water resources: With 2021 as the baseline year, annual reduction in water use intensity (water consumption per unit revenue) by 1% compared to the previous reporting year, and total reduction by 5% by 2026
- Waste: With 2021 as the baseline year, annual reduction in waste intensity (generated waste per unit revenue) by 1% compared to the previous reporting year, and total reduction by 5% by 2026
- The launch of the tree planting plan, in the expectation of planting 26,250 trees native to Taiwan within 6 years so as to facilitate the enhancement of climate resilience, the development of biodiverse environment, and the protection of water resources

Corresponding Chapter

4.5 Water Resources Management

4.6 Wastes Management

5.5 Social Care



SDG 13

SDG 13 Climate Action: Take urgent action to combat climate change and its impacts.

MiTAC's Strategy

Conduct annual greenhouse gas emissions inventory assessments for the preceding year, and for the first time in 2022, completed third-party verification in accordance with ISO 14064-1:2018. The verification results are helpful for us to be better aware of the gap and progress of the Group's carbon reduction pathways.

Corresponding Management Indicator

- Emissions reduction pathways: Emissions reduction by 15% by 2025 and 50% by 2030; net zero emissions by 2050
- 10% renewable energy use by 2025
  → Up to 6.8% renewable energy use in 2023

Corresponding Chapter

4.2 Energy Management

4.3 GHG Emissions

4.4 Actions and Effectiveness of Emissions Reduction

E

1.3 Communication with Stakeholders

Stakeholder Identification

Communication with stakeholders represents the foundation of CSR practices. We adhere to the five principles of "responsibility, influence, tension, diverse perspectives, and dependency" outlined in the GRI guidelines and the AA1000 Stakeholder Engagement Standards. The Sustainable Development Committee assesses the definition of key stakeholders relevant to MiTAC's operations, including employees, suppliers, investors (shareholders), customers, communities, and the media. MiTAC continues to actively engage with stakeholders through diverse platforms to understand their needs and respond accordingly.

Employees

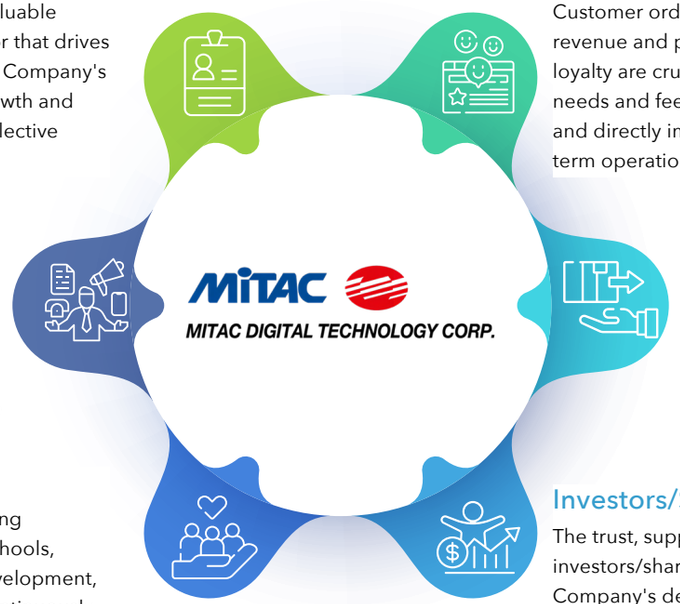
Employees are the Company's most valuable asset, contributing innovation and labor that drives business operations. They embody the Company's culture and values. The Company's growth and long-term development rely on the collective efforts of employees to achieve goals.

Media

The media plays a significant role in shaping corporate image and reputation. Positive media coverage contributes to brand promotion and increases brand visibility. However, negative reports can compromise corporate reputation. Therefore, effective communication and public relations with the media are crucial for maintaining corporate image.

Communities

Participating in caring for surrounding communities, vulnerable groups, schools, etc., supporting local economic development, maintaining social harmony, and continuously making positive contributions to society.



Customers

Customer orders are the source of the Company's revenue and profits. Customer satisfaction and loyalty are crucial to the Company's success. Their needs and feedback shape the Company's image and directly impact its market position and long-term operation.

Suppliers

Suppliers are vital links in the Company's supply chain, providing necessary raw materials and services. The stability, quality, and cost of suppliers directly affect the Company's operations and product competitiveness.

Investors/Shareholders

The trust, support, and capital injection from investors/shareholders are crucial for the Company's development and expansion, while jointly bearing operational risks.

Channels for communications with stakeholders and the effectiveness of stakeholder engagement

Stakeholder	Issue of concern	Method of communication	Communication results in 2023
Employees	• Labor Rights • Legal compliance • Corporate Governance • Talent Attraction and Retention	• Periodic labor-management meetings • Twice annually, the Company holds kick-off meetings to communicate important development strategies and visions, ensuring all employees understand the Company's future prospects • Setup of the physical employee suggestion box and internal “SpeakOut” mailbox for all employees to express their opinions and suggestions • Setup of the audit and whistleblowing mailbox for the timely prevention of any breach of business integrity, fraud or corruption • The MiTAC Portal, which shows the information on the status of operations and announcements on various company systems • Periodic publication of Global Link to cover major news of the Company/ Group, product information and events	Material Production Bases Worldwide • 23 labor-management meetings/employee representative meetings/senior executive meetings were convened • 12 employee suggestion letters received • 0 cases reported through the audit and whistleblowing mailbox by internal and external personnel • 172 announcements on the MiTAC Portal • 6 issues of Global Link published • The Company disseminates its cultural spirit, information announcements, event information, and environmental education through internal digital billboards and physical notice boards. • China - MSL/MKL released a total of 38 push notifications about company activities via WeChat public accounts.

Stakeholder	Issue of concern	Method of communication	Communication results in 2023
Investors (Shareholders)	• Business strategy and operational performance • Talent Attraction and Development • Labor Rights	• Periodic report of financial and business status • Convention of shareholders' meetings to announce the operating results and resolve on important matters of the Company • Arrangement of investor conferences to provide financial information and report future development directions • An investor section on the Company website and a designated team to maintain positive interaction with investors in the long run • "The Ethical Corporate Management Best-Practice Principles" was ratified by the Board to establish a corporate culture based on integrity	• Publication of monthly turnover data and quarterly financial reports • 1 shareholders' meeting and 2 investor conferences • 277 investor inquiries
Customers	• Business Ethics and Ethical Codes of Conduct • Product Responsibilities • Customer Service	• Responses to the customers' requests for CSR of suppliers with respect to the Code of Conduct of the Responsible Business Alliance (RBA) • Communication with customers on the products' conformity with the Green Mark and legal compliance • Participating in CDP (Carbon Disclosure Project) and publishing the status of corporate operation, carbon emission and management.	• The Taiwan Hsinchu plant, China MSL plant, and US California plant have obtained RBA VAP certification. • Responded to ESG-related issues from 17 customers. • Responded to carbon management initiatives from 4 customer companies through participation in the Carbon Disclosure Project (CDP).
Suppliers	• Business Ethics and Ethical Codes of Conduct • Supplier Sustainable Management • Corporate Governance • Customer Service	• Through e-SCM, relevant information is surveyed and collected.	• 64 suppliers completed the stakeholder survey questionnaire. • 89 suppliers completed the carbon emissions disclosure questionnaire. • 193 suppliers were surveyed regarding the non-use of conflict minerals commitment, with 51 replies received. • 193 suppliers were surveyed regarding CSR statements, with 40 replies received.
Communities	• Talent Development • Community participation	Active social participation through Y.S. Educational Foundation, the PR Division and employee clubs, such as the organization of Y.S. Award, donations to vulnerable groups, arrangement of blood donation drives, and sponsorship of charity marathons every year.	750 participants for 715 hours of activities
Media	• Business strategy and operational performance • Talent Attraction and Development	Press releases from time to time and utilization of brand social media platforms are employed to present the Company's operational status and the latest brand information.	• 1 shareholders' meeting and 2 investor conferences • A total of 35 press releases were issued. • Brand social media platforms: Facebook/LinkedIn/Twitter, a total of 430 articles were published.

1.4 Material Issues

Identification Process of Material Issues

With reference to the GRI Standards and the AA1000 Stakeholder Engagement Standards (AA1000 SES), MiTAC identifies the material issues on a two-year basis for the determination of sustainability strategies, long-, mid- and short-term goals, and the information disclosures in the sustainability report. Meanwhile, we transparently disclose the positive and negative information as a reference for the related parties in all sectors to optimize their quality of decision-making. In 2023, 17 sustainability issues were identified upon the resolution by the CSR Team, and 6 material issues were prioritized based on the level of impact on the operations and the level of concerns of the stakeholders.

Identification

Step 1

Confirm the communication targets

By referring to the AA1000 SES (Stakeholder Engagement Standard), the Company identified relevant stakeholders based on their responsibility, influence, tension, dependency, representativeness and diverse perspectives.

6 major types of stakeholders

Step 2

Gather sustainability issues

In light of GRI requirements, we have devised a stakeholder questionnaire encompassing 5 issues on governance, 6 issues on the environment and 6 issues on society.

17 sustainability issues

Ranking

Step 3

Investigate the level of concern

In order to ascertain the level of stakeholders' concern on various sustainability related issues, the questionnaires have been delivered to stakeholders.

1,300 questionnaires

142 responses

Step 4

Analyze effects on the Company's operations

The opinions of the management were collected to analyze the level of impact of each issue on the Company's sustainable operations.

6 interviews with senior executives

Step 5

Confirmation of material issues

A materiality analysis was conducted, assessing the materiality of issues based on stakeholders' concerns and their positive and negative impacts on Company operations, using the three dimensions of ESG, to confirm material issues.

6 material Issues

Confirmation

Step 6

Decide the boundaries of disclosure

Based on the value chain defined by MiTAC (supplier, R&D, manufacturing, customer), six material issues are utilized to determine the information disclosure boundary in order to understand the impact of sustainability issues on our upstream and downstream partners.

4 boundaries

Step 7

Review the disclosure content

For the six key material issues, we identified six corresponding themes from the GRI Standards and proceeded with the collection of sustainability information. Other worthy CSR related issues determined by MiTAC will also be disclosed.

6 GRI Topics

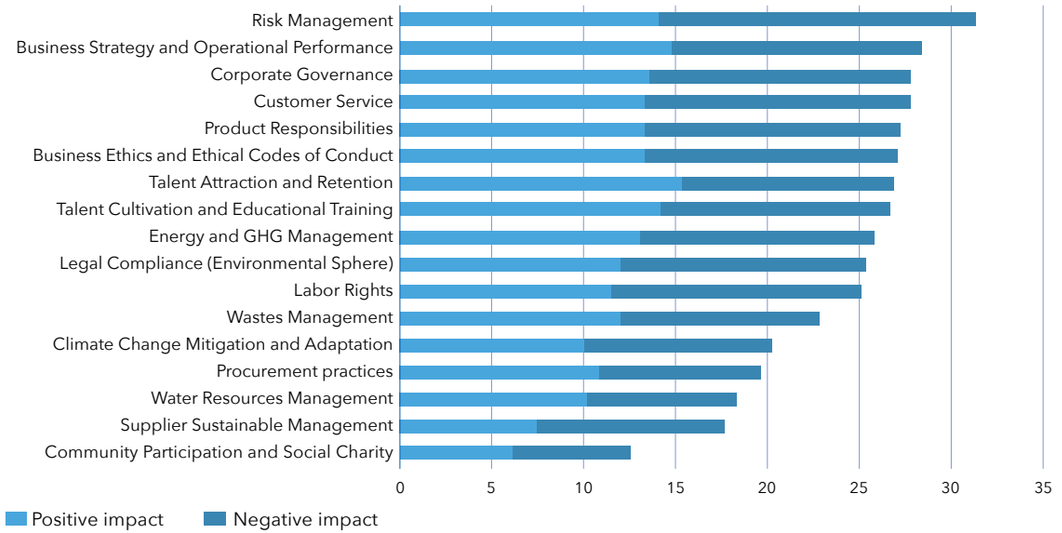
Ranking of positive and negative impacts of issues

We calculated the results of “impact severity level” and “likelihood of occurrence” to identify the significance of each issue's impact and rank them accordingly. For remedial measures regarding negative impacts, please refer to section 2.3 on Corporate Risk Management.

Ranking by Positive Impact (Impact Level*Likelihood)	
Ranking	ESG Topic
1	Talent Attraction and Retention
2	Business Strategy and Operational Performance
3	Talent Cultivation and Educational Training
4	Risk Management
5	Business Ethics and Ethical Codes of Conduct
6	Corporate Governance
7	Product Responsibilities
8	Customer Service
9	Energy and GHG Management
10	Wastes Management

Ranking by Negative Impact (Impact Level*Likelihood)	
Ranking	ESG Topic
1	Risk Management
2	Customer Service
3	Corporate Governance
4	Product Responsibilities
5	Business Strategy and Operational Performance
6	Labor Rights
7	Legal Compliance (Environmental Sphere)
8	Business Ethics and Ethical Codes of Conduct
9	Energy and GHG Management
10	Talent Cultivation and Educational Training

Impact Assessment of Material Issues



ESG Assessment Results

Communication with stakeholders represents the foundation of CSR practices. In conjunction with materiality analysis, we identify the most important issues for the stakeholders and MiTAC and take the necessary measures in order to reinforce the content of information disclosure.

ESG	Issue	Level of Concern	Level of Impact	Issue Score	Material Topic
E	Legal Compliance (Environmental Sphere)	0.87500	0.50800	1.38300	✓
	Energy and GHG Management	0.78500	0.51667	1.30167	✓
	Wastes Management	0.82250	0.45667	1.27917	
	Supplier Sustainable Management	0.86250	0.35200	1.21450	
	Climate Change Mitigation and Adaptation	0.78500	0.40333	1.18833	
	Water Resources Management	0.77250	0.36400	1.13650	
S	Customer Service	0.90000	0.55533	1.45533	✓
	Talent Attraction and Retention	0.88500	0.54000	1.42500	✓
	Product Responsibilities	0.86750	0.54667	1.41417	
	Talent Cultivation and Educational Training	0.85250	0.53533	1.38783	
	Labor Rights	0.88500	0.50200	1.38700	
	Community Participation and Social Charity	0.76250	0.25067	1.01317	
G	Business Strategy and Operational Performance	0.90000	0.57000	1.47000	✓
	Risk Management	0.83250	0.62800	1.46050	✓
	Corporate Governance	0.86750	0.55667	1.42417	
	Business Ethics and Ethical Codes of Conduct	0.87750	0.54333	1.42083	
	Procurement Practices	0.76750	0.39267	1.16017	

Identification Results of Material Issues

Category	Material Issues	GRI Topic	Importance to MiTAC	Management Approach/Policy	Management Targets for the Reporting Year	Achievement Result of the Reporting Year	Corresponding Chapter
Governance	Business strategy and operational performance	GRI 201: Economic Performance	In our steadfast pursuit of long-term, sustainable growth and value generation amidst the competitive dynamics of our industry, ensuring shareholder and customer expectations are met, the Company remains committed to creating value and sharing it with society, the environment, and stakeholders. This commitment creates a positive cycle, fostering the harmonious coexistence of our company with society and the environment, while jointly striving toward sustainable objectives.	Hold regular strategy and operational meetings to ensure that product positioning and technological innovation align with industry trends. Focus on enhancing research and development capabilities, strengthening quality management, implementing advanced production technologies, and integrating digital and smart management systems into corporate culture to enhance operational efficiency.	Achieved annual consolidated revenue target	The consolidated revenue for FY2023 was NT$35.536 billion	About MiTAC 2.1 Corporate Governance Structure
	Risk Management	Self-Identified Topic	An effective risk management mechanism not only contributes to formulating better business strategies to maintain corporate resilience but also facilitates the early identification, assessment, and response to potential threats, thereby mitigating losses. It ensures that the Company can swiftly recover when facing adverse events.	As outlined in the Company's "Risk Management Policy and Procedures," conduct thorough risk identification assessments. For risks with relatively limited control mechanisms, develop appropriate countermeasures, and consistently track and monitor these risks to strengthen the resilience of the organization.	• Developing countermeasures for high-risk items • Rigorously carrying out disaster drills and evaluating effectiveness	No material information security incidents causing operational disruption, data loss, or data breaches occurred in 2023	2.3 Corporate Risk Management
Social	Talent Attraction and Retention	GRI 401: Employment, GRI 403: Occupational Health and Safety, GRI 404: Training and Education	It is imperative to create a quality work environment and competitive remuneration/benefits package to attract and retain key talents and build a healthy, happy work culture for employees.	By leveraging diverse talent recruitment channels, build up the talent pool necessary for business development. Through systematic training and talent development mechanisms, talent retention and growth are encouraged.	• Retention rate of outstanding employees • Average training hours	• Retention rate of outstanding employees in 2023: 89.1% • Average training hours/person in 2023: 62.3%	5.2 Talent Attraction and Development 5.3 Employee Care
	Customer Service	Self-Identified Topic	In light of cybersecurity challenges arising from the increased prevalence of Internet-connected devices, the Company should uphold superior product and service standards for its customers, thereby enhancing their confidence in the Company's product offerings by prioritizing privacy and security.	The Company has established a Personal Data Protection Committee and formulated a "Personal Data Protection Policy," with special emphasis on privacy protection for ODM customers and consumer product customers, ensuring compliance with GDPR regulations. Additionally, the Company has strengthened information security by obtaining ISO 27001 certification to prevent data breaches.	No events in violation of customer privacy have occurred	No events in violation of customer privacy have occurred	3.3 Customer Service

Category	Material Issues	GRI Topic	Importance to MiTAC	Management Approach/Policy	Management Targets for the Reporting Year	Achievement Result of the Reporting Year	Corresponding Chapter
Environmental	Legal Compliance (Environmental Sphere)	2 General Disclosures	Ensuring that all the business operations and product sales are in line with the laws of different countries and local regulations. Reducing the risk and loss of non-compliance while following the international trends of Design for Environment (DfE) of products.	Through internal systems within the Environmental Engineering Division and environmental policy requirements for suppliers, develop a system for product environmental compliance regulations. Utilize contract management systems to ensure the implementation of compliance review mechanisms.	No violations	No violations	3.1 Green Commitment 3.2 Green Products
	Energy and GHG Management	305 Emissions	It is important to mitigate the impact of global warming on the corporate operations, develop relevant adaptation measures such as reduction of GHG emissions and minimization of climate change risk, and increase the awareness and transparency of climate change.	Utilize the ISO 14064-1 management system to monitor the Group's carbon emissions status and plan to implement ISO 50001 to enhance energy efficiency. Initiate rooftop photovoltaic installation and green energy procurement plans to continuously increase the proportion of renewable energy and promote “internal carbon pricing.” This will encourage each plant to actively implement energy-saving and carbon-reduction measures, effectively implementing the Group's emission reduction pathway.	Achieve a 15% absolute reduction in greenhouse gas emissions (Category 1+2) by 2025, using 2020 as the baseline year. 10% renewable energy in energy use by 2025 with 2020 as the base year	Using 2020 as the baseline year, there was a 3.1% reduction in total greenhouse gas emissions (Category 1+2) by 2023. The proportion of renewable energy use reached 6.82%.	4.3 GHG Emissions





Corporate Governance

2

2.1 Corporate Governance Structure 25

2.2 Business integrity 29

2.3 Corporate Risk Management 30

2.4 Information Security Management 32

MiTAC believes that corporate sustainable operations should be grounded in robust corporate governance, and complies with the government's relevant laws and regulations in relation to the operations based on the core value – "business integrity." Being included in the "TWSE CG 100 Index" by the Taiwan Stock Exchange for four consecutive years and ranking in the top 20% of corporate governance evaluations for five consecutive years is a testament of our efforts and achievements! In our risk management system, we implement corresponding measures through information security management and Business Continuity Planning (BCP) to ensure the Company's sustainable operation and achieve long-term competitiveness. Moving forward, we will continue to strengthen corporate governance and risk management, optimize and improve information transparency, and uphold and respond to the rights and expectations of all stakeholders.

Selected as a constituent of the TWSE CG 100 Index for the four consecutive year.

Ranked in the 6%-20% range in corporate governance evaluations for five consecutive years.

There were no significant corruption risks identified in our internal controls and internal audits in 2023.

All procurement staff have signed an ***"Integrity Commitment Agreement."***

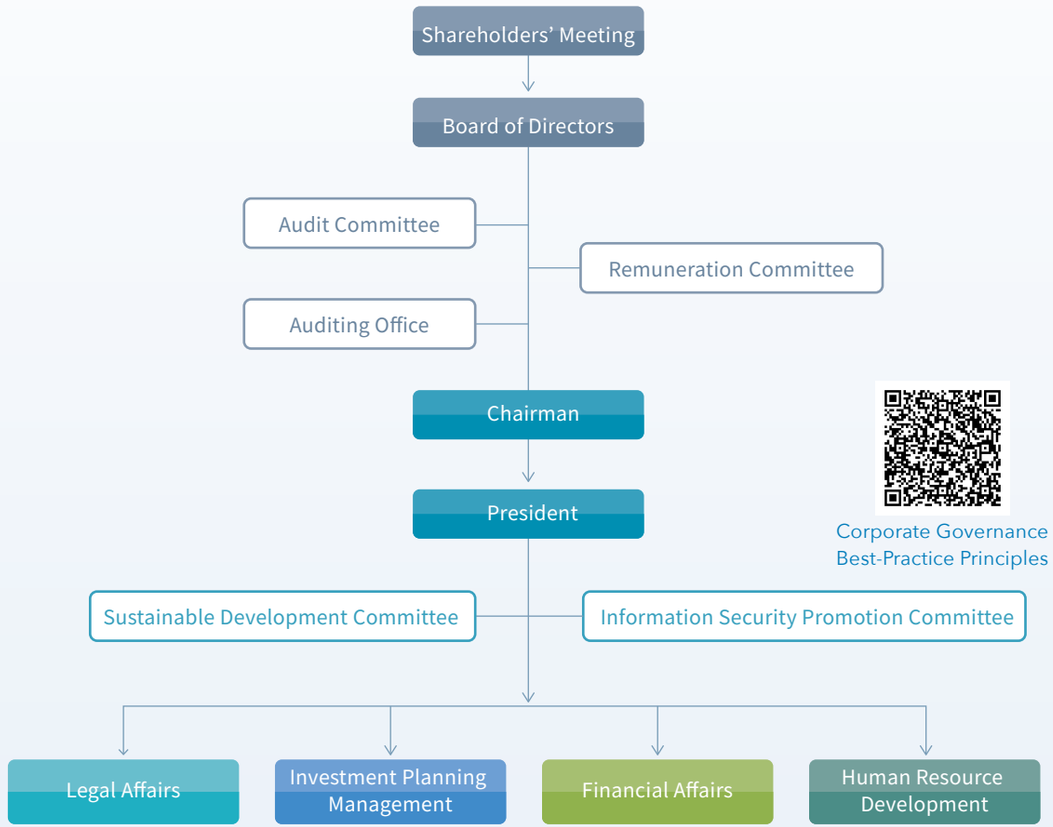
Consistently passed ***ISO 27001 third-party audit certification.***

External corporate information security risk rating has consistently been rated ***Grade A*** every month.

2.1 Corporate Governance Structure

Ranked in the **6%-20%** range in corporate governance evaluations for five consecutive years.

Selected as a constituent of the TWSE CG **100** Index for the four consecutive years.



Corporate Governance Best-Practice Principles

Information regarding corporate governance, including organizational structure, educational and professional backgrounds of governance members, concurrent positions in other companies, serving on the board of other companies, participation in training and education on corporate governance topics, operations of functional committees, and contact information, has been disclosed in this year's annual report. Alternatively, relevant corporate governance information can be obtained through the following channels:

Market Observation Post System (Stock Code: 3706)

MiTAC IR Information Section

MiTAC Corporate Governance Section

MiTAC CSR

The members of the Company's Board of Directors are all subject to the candidate nomination system in accordance with the "Procedures for the Election of Directors" under the Articles of Incorporation. Furthermore, according to the relevant laws and regulations, the list of director candidates may be submitted to the Company in writing by a shareholder holding more than 1% of the total shares issued, or the Board of Directors of the Company may nominate the number of director candidates. In addition, the candidates for the independent directors must meet the requirements under the "Regulations Governing Appointment of Independent Directors and Compliance Matters for Public Companies." The 4th Board of Directors consists of ten directors, including three independent directors; all of them are all male. We hope to make use of their diversified management perspectives and professional knowledge to foster a more comprehensive vision and better decision making, so that the corporate governance and the business quality can be boosted. For information on the independence and diversity of the Company's directors, please refer to sections 3.2.1 and 3.2.2 of the Company's 2023 Annual Report. The Chairman, Matthew Miau, does not concurrently hold the position of the President. In 2023, the Board of Directors of MiTAC convened a total of five times, with an average attendance rate of 96% for directors (excluding proxy attendance). Regarding the continuing education received by the directors in 2023, the hours of education have met the requirements, and the details have been disclosed in the"Corporate Governance" section on the Market Observation Post System. For details on director education and training, please refer to the director training plan on page 29 of the 2023 Annual Report. The training directions for directors in 2023 include challenges faced by the Company, with topics focusing on geopolitical challenges, net-zero transition strategies, and AI technology development strategies.

To prevent the conflicts of interest, the Company has shaped the policies in relation to the "Ethical Corporate Management Best-Practice Principles," "Codes of Ethical Conduct" and "ESG Best-Practice Principles." Directors and executives are required to perform their duties objectively and efficiently, and they must not utilize their positions within the company to obtain undue benefits for themselves, their spouses, or relatives within the second degree of kinship. Regarding the monetary loan or provision of guarantee, material transactions of assets and procurement/sales in relation to the affiliates they belong to, they shall explain whether there are any potential conflicts of interest between them and the Company with the appropriate channels provided therefor. When a proposal at a given Board of Directors meeting concerns the personal interests of, or the interests of the juristic person represented by, any of the Company's directors, managers, and other stakeholders attending or present at the Board meeting, the concerned person shall state the important details of the interests at the given Board meeting. If his or her participation is likely to prejudice the interest of the Company, the concerned person may not participate in discussion of or voting on the proposal and shall recuse himself or herself from the discussion or the voting, and may not exercise voting rights as a proxy for another director.

Internal Control and Audit

In order to reasonably ensure the effectiveness, efficiency, reliability, timeliness, and transparency of operations, as well as compliance with relevant laws and regulations, the Company's management considers the overall operational activities of the Company, designs internal control systems, formulates relevant regulations, and manages operational procedures to reasonably ensure the achievement of objectives.

To validate the efficacy of internal control system design and implementation, the Company conducts an annual self-assessment. This entails evaluating risks associated with various operational activities throughout the year. Subsequent to requisite management procedures and operational execution, remaining operational risks are assessed, prompting timely adjustments to management controls as needed. The outcomes of the internal control self-assessment, reviewed by the Audit Office, alongside any deficiencies and anomalies identified by said office for the year, are presented to the Audit Committee and the Board of Directors. This facilitates an assessment of the overall effectiveness of the internal control system's design and implementation. Consequently, the Board of Directors ratified the efficacy of the internal control system's design and implementation for the year 2023. A "Statement on Internal Control Systems" was issued in compliance with the "Regulations Governing Establishment of Internal Control Systems by Public Companies" and featured in the Company's annual report.

The Company's Audit Office operates as an autonomous unit under the Board of Directors, led by one internal audit manager and supported by several audit personnel. Following the Board of Directors' approval of the annual audit plan, the Audit Office executes audit operations in accordance with the designated schedule. Any deficiencies and anomalies detected within internal control systems during audit operations are disclosed in audit reports. Subsequently, relevant units are diligently monitored to ensure prompt adoption of appropriate corrective measures. The internal audit manager convenes with the Audit Committee and the Board of Directors at least quarterly to provide updates on audit affairs

and may directly engage with independent directors when necessary. For comprehensive insights into the internal audit manager's reports of 2023 to the Board of Directors and the Audit Committee, as well as individual communication sessions with independent directors, please refer to the Company's website and annual report.

Through the oversight of internal control operations and internal audits, as of the conclusion of 2023, the Company has not uncovered any significant corruption risks. These include violations of trade secrets, misappropriation of public funds, sale of company assets, receipt of kickbacks or improper benefits, nor has it received reports of violations of professional ethics.

Board Performance Evaluation

The Company has developed the Regulations for Board Performance Evaluation according to which the Board of Directors internally evaluates the Board performance at least once a year. The evaluation indicators include the understanding of the goals and missions of the Company, awareness of the director duties, involvement in the operations, internal relationship management and communication, professionalism and continuing education of directors, internal control and provision of specific opinions, etc. The evaluation is for ensuring the effective operation of the Board and rating the performance of each director so that there is a reference for the selection of directors. The evaluation indicators for 2023 were approved by the Remuneration Committee on January 23, 2024, with the scope covering “the overall Board,” “each director” and “the functional committees (Remuneration Committee and Audit Committee).” “The overall Board” particularly included the evaluation indicator of the issues regarding sustainability environmental issues. As the Company properly reported to the Board on the countermeasures in response to climate change, and the Board fully understood the Company’s implementation of CSR and therefore assessed the risks of ESG issues concerning the Company’s operation and maintained sustainable management, the average score was 4.9 (out of 5). Additionally, new indicators were added, including reporting to the Board of Directors on stakeholder engagement, information security management, and intellectual property management plans. The average scores for these indicators ranged from 4.8 to 5. The results of the 2023 Board of Directors performance evaluation were rated as "Excellent," indicating that the overall operation of the Board was excellent and complied with corporate governance standards. The results were reported to the Board of Directors on February 23, 2024, and disclosed in the "Corporate Governance" section of the Company's official website. The Remuneration Committee has also undertaken reviews and provided relevant standards and specific figures with regard to the distribution of remuneration based on such evaluation results.

Remuneration policies of the directors and managers

In accordance with Article 25 of the Articles of Incorporation, up to 1% of the profit in a fiscal year may be distributed as the remuneration to directors for the year, and reasonable compensation shall be given in consideration of the Company’s operating results and their individual contribution to the Company’s performance. The Regulations for Board Performance Evaluation serve as the evaluation basis for the procedures of remuneration determination. The reasonable compensation is decided with reference to not only the Company’s overall operational performance and future business risks as well as development trends in the industry, but also the directors’ personal performance target achievement rates (encompassing financial metrics such as revenue and profit targets, as well as key performance indicators related to assigned responsibilities and ongoing efforts in sustainable development) and contribution to the Company’s performance. Meanwhile, the remuneration system is promptly reviewed based on the actual business conditions and relevant laws to find a balance between the sustainable management and the risk control of the Company.



Remuneration Committee

MiTAC has established the Remuneration Committee consisting of three external professionals with independent status. The committee meets at least twice a year and performs the following duties from a professional and objective perspective, and presents their recommendations to the Board of Directors for discussion.

- Regular review on the "Remuneration Committee Organization Regulations" and provision of suggestions for amendment.
- Establishment and periodical review of the performance evaluation standards, annual and long-term performance goals, and the policy, system, standard and structure of the salary and remuneration of directors and managers.
- Periodical assessment of the target achievement of directors and managers, and determination of the contents and amounts of their respective salary and remuneration based on the performance evaluation results.

The Remuneration Committee convened three times in 2023, with the average attendance rate of the members reaching 88.89%.

Major resolutions of the Remuneration Committee in 2023

1. Review and approval of the indicators for the evaluation of Board performance
2. Suggestions on the remuneration to directors
3. Suggestions on the year-end bonuses and salary adjustment for managers
4. Review and approval of the salary and remuneration structure adjustments for senior executives of subsidiaries.
5. Recommendations for special bonus incentives for executives.



Audit Committee

The Company has replaced supervisors with the Audit Committee composed of all the independent directors since May 2019. The committee works in accordance with the "Audit Committee Organizational Regulations" of the Company for supervision of the following matters:

- The fair presentation of the Company's financial statements
- The selection (and dismissal), independence and performance of the Company's certificated public accountants
- The effective implementation of the Company's internal control system
- The Company's compliance with the relevant laws and regulations
- The management of the Company's inherent or potential risks

The Audit Committee met five times in 2023, with the average attendance rate of the members reaching 93.33%.

Participation in external associations

The Company seizes opportunities to engage in collaborative exchanges with peers within the industry or across different sectors. Through practical experience and professional knowledge sharing, it aims to establish strong collaborative relationships, either by becoming a member or actively participating in various forums. This strategy expands the scope of engagement and facilitates discussions with government bodies to address relevant industry policies, while also staying informed about international trends and developments.

List of associations and organizations we joined 2023
The Allied Association for Science Park Industries
Taipei Computer Association
Taiwan Electrical and Electronic Manufacturers' Association
Taiwan Electrical and Electronic Manufacturers' Association 5G Industry Innovation Development Alliance
Taiwan Telematics Industry Association
Could Computing & IoT Association in Taiwan
OCP (Open Compute Project) Platinum Membership
O-RAN Alliance
PCI-SIG

2.2 Business integrity

Business Ethics

“Integrity and honesty” have been the foundation of MiTAC’s sustainable business. We firmly maintain the transparency of operations, implement internal management, and strengthen the professional ethics of the employees through comprehensive educational training and advocacy; such requirements are not merely for ourselves but also for our suppliers. Systematically tracking, identifying and observing the relevant regulations, we have become the trustworthy partner of the stakeholders. To put the concept of business integrity into practice, the Company has provided management guidelines for anti-corruption on the internal and external official websites for reference, offered anti-corruption whistleblowing channels, and promoted the concept and tested the employees for understanding the Company’s requirements for ethics through online courses in order for them to value the spirit of integrity in daily work. We have also thereby enhanced the employees’ awareness of legal compliance and ethical competence, in order to avoid any damage to the Company due to short-term profitability. When any significant legal changes take place, we announce the letters of important laws sent by the competent authorities on our internal website, and increase the employees’ understanding of relevant regulations through internal email dissemination or departmental education and training. When there are any illegal practices, an investigation committee is required to be formed as per the Regulations Governing the Internal Procedures. A major case is defined as a case that causes a loss of more than NT$3 million to the Company; there were no occurrences of related major violation events in 2023.

To ensure that the directors, managers and employees know well of and adhere to the regulations regarding business integrity, the Company arranges a variety of internal and external education and training courses related to business integrity (including the topics of compliance with business integrity regulations, educational promotion of the Company’s policies, RBA, audit and accounting systems, internal control and internal audit systems, and prohibition of insider trading) on a regular basis every year to enhance the awareness of compliance. In 2023, 6,716 employees were trained in Taiwan, with the training hours totaling 4,823 hours. The training and qualification rates for the “Integrity in Business and Ethical Management Policy” were as follows: Taiwan 95.18%, China 98.78%, USA 89.26%. The overall training rate for this course in 2023 was 97.21%.

Directors, managers, and corporate governance executives collectively attended the “2023 Insider Person Stock Trading Law Compliance Seminar” and the “2023 Insider Trading Prevention Awareness Seminar” organized by the TWSE in 2023. The participation involved three individuals, with a cumulative engagement spanning 12 hours. The course content includes information on "Insider Trading Regulations and Preventive Practices," "Regulations and Analysis of Short-Term Trading by Insiders," "Supervision and Common Doubts in Insider Trading Practices," and "Discussion on Insider Trading Prevention and Common Deficiencies in Internal Controls."

Anti-corruption

The company upholds the “Ethical Corporate Management Best-Practice Principles” as the highest guiding principle against corruption. In the “Employee Code of Conduct,” all employees are prohibited from accepting any improper gifts to prevent them from sacrificing the Company's interests for personal gain. Additionally, in the "Employee Employment Contract," all employees are obligated to maintain the confidentiality of the Company's or others' trade secrets. Management measures for the prohibition of offering and accepting bribes, illegal political donations, illicit charity donations or sponsorships, and insider trading have been devised in the prevention programs for the business operations that are vulnerable to unethical business practices. In addition, all the procurement staff have signed the“Integrity Commitment Agreement,” and this self-imposed requirement has been further extended to our partner companies. When dealing with key suppliers, we include the “Integrity Assurance Agreement” in procurement contracts systematically, ensuring compliance with regulations and fostering trust as a reliable partner among stakeholders.

To ensure the timely prevention of any breach of business integrity, fraud or corruption, MiTAC has developed the “Regulations for Whistleblowing of Corruption and Malfeasance” under which the audit unit forms a project investigation committee within three days upon receiving the whistleblowing report for investigation; if the fact of the report is confirmed, the relevant unit will be required to make improvements within the specified period, and the employee neglecting his/her duty will be punished as per regulations. To report a case, one must provide the whistleblowing complaint (in writing or verbally) that covers the information of the subject against whom the report is made, the matter and the evidence; a case reported verbally will be recorded in writing by the audit unit. Written documents or files of the accepted report and the investigation process as well as results thereof shall be retained by the audit unit for at least 5 years. If there are any lawsuit concerning the reported matter before the end of the retention period, the data shall be kept until the end of the lawsuit.

Reporting email Audit Office Manager: audit_mic@mic.com.tw

Whistleblower Protection System

To protect the safety of whistleblowers, reports and related information are kept strictly confidential to prevent retaliation against them. We have established a comprehensive whistleblower protection system that prohibits any form of retaliation against whistleblowers. Additionally, we provide a reward of NT$200,000 or 5% of the amount recovered as a case-solving reward.

Ethical Corporate Management Best-Practice Principles

Ethical Policy

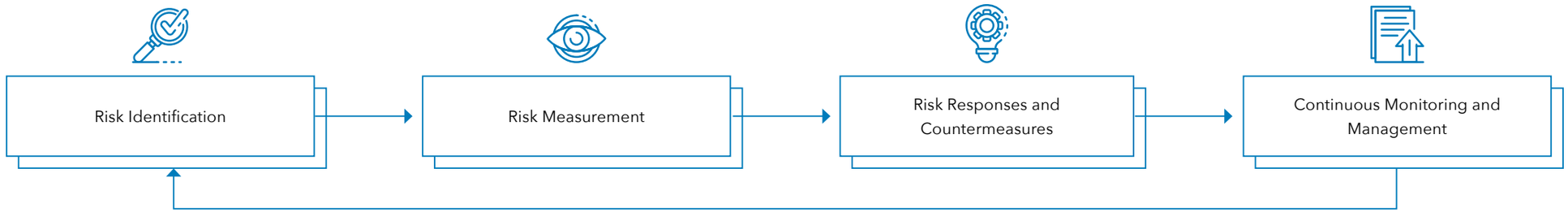
Codes of Ethical Conduct

2.3 Corporate Risk Management

The world has been facing challenges economically and environmentally – the outbreak of COVID-19 has made enormous impact upon global health and economy, and climate change as well as sustainable development have become issues that the world pays attention to, which stimulates the development of energy transformation, environmental protection and sustainable investment. Also, there are risks of considerable uncertainty that could keep companies away from steady development, such as geopolitical conflicts, risks in supply chain, and natural disasters. To ensure greater corporate business resilience, flexible management strategies and decision-making mechanism, and rapid adaptation to changes so that responses to various potential risks and disasters can be made, the Company integrates and manages the risks identified by the Risk Management Team, implements risk management plans and promotes the recovery and handling mechanism for negative impacts according to the "Risk Management Policy and Procedure."

MiTAC Risk Management Policy and Procedures

MiTAC Risk Management Policy and Procedures



In 2023, through internal surveys and the Sustainable Development Committee, risk items were identified and internal surveys were conducted to determine eight high-risk items based on the frequency of occurrence and the severity of risk impact.

2023 Risk Assessment Items

Financial considerations
- Interest rate, exchange rate, and inflation
- Involvement in high-risk loans and guarantees
- Impairment loss

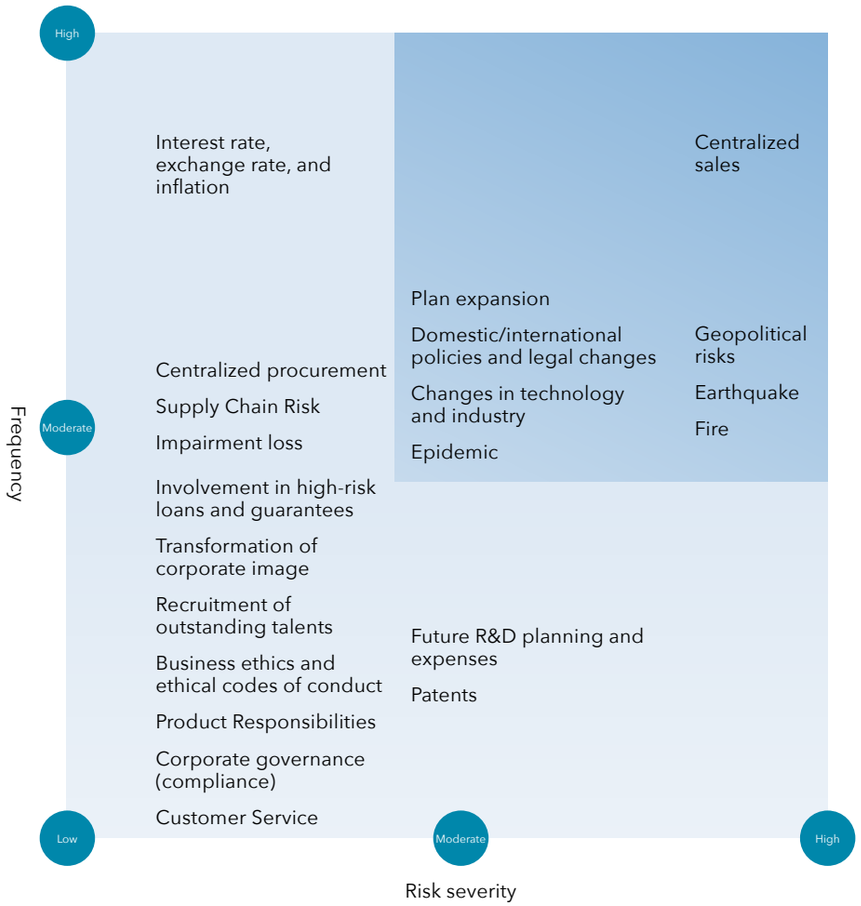
Operational considerations
- Future R&D planning and expenses
- Transformation of corporate image
- Mergers and acquisitions
- Plan expansion
- Centralized procurement
- Centralized sales
- Large transfer of shares held by major shareholders or directors
- Changes in management rights
- Lawsuit
- Supply chain risk assessment
- Recruitment of quality talent/ human capital
- Patents

Strategy considerations
- Domestic/international policies and legal changes
- Changes in technology and industry
- Geopolitical risks

Hazardous event considerations
- Earthquake
- Epidemic
- Fire

Material ESG issues
- Business ethics and ethical codes of conduct
- Customer Service
- Product Responsibilities
- Corporate governance (compliance)

Risk Mapping



In 2023, appropriate measures were developed for the eight high-risk areas, incorporated into the Company's ongoing development plan, including strategies for response and mechanisms for recovering from adverse impacts, and established risk monitoring and management procedures By devising preventive measures and assessing and managing risks based on the cyclical process under the "Risk Management Policy and Procedure," we were able to rise to the challenges in high-risk scenarios, restore the operational capacity faster, and mitigate the negative impacts at the same time.

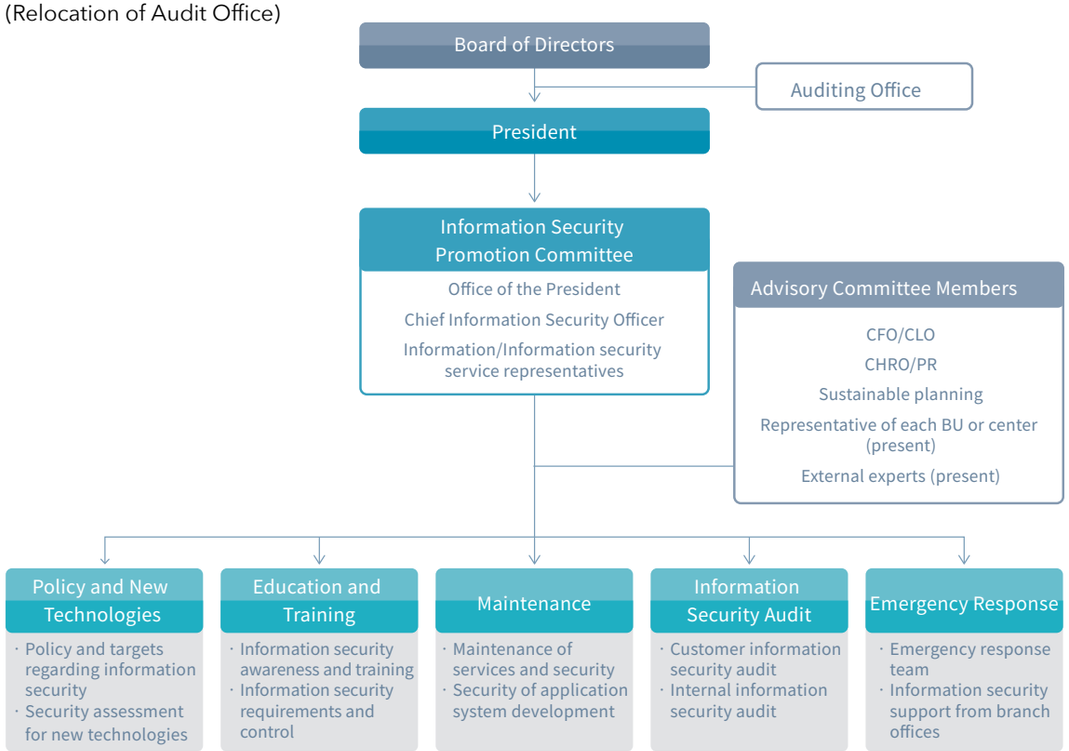
Risk response measures for 8 identified high-risk items in 2023

Category	Risks	Risk factors	Risk responses and countermeasures
Strategy considerations	Changes in technology and industry	• Industry shifts: Competitive risk, uncertainty in market demand. • Network, information, technology security: Major information security incidents leading to operational disruption, data loss, leaks, etc.	• Technology risks to network, information, and technology security: Develop a risk management system corresponding to international systems.
Operational considerations	Centralized sales	• Over-concentration of revenue from key customers • Over-reliance on a single customer	• Expansion of product lines, customer diversity and mid-sized customers
Operational considerations	Plan expansion	• Insufficient production capacity • Insufficient technical talent	• Appropriate plant capacity planning. • Cultivate local talents.
Hazardous event considerations	Earthquake	• Structural damage • Production disruption • Fatalities	• Establish BCP to reduce recovery time objectives (RTO). • Damage Mitigation Plan: including regular inspections, structural safety inspections, and seismic facilities.
Hazardous event considerations	Fire	• Loss of equipment and property • Production disruption • Fatalities	• Establish BCP to reduce recovery time objectives (RTO). • Loss Mitigation Plan: including fire protection system maintenance, regular inspections, and insurance coverage.
Hazardous event considerations	Epidemic	• Operation (production) disruption • Employee infections	• Establish BCP and set up epidemic prevention and response team. Conduct annual drill to strengthen response capability. • Implementation of work-from-home policies. • Provision of employee vaccinations.
Strategy considerations	Domestic/ international policies and legal changes	• Changes in policies and laws may impact business operations • Non-compliance affects corporate image	• Domestically: monitoring and tracking of irregularities in the Labor Standards Act, Fair Trade Act, Securities and Exchange Act, Company Act, and Personal Data Protection Act. • Overseas: monitoring and tracking of changes in entity lists and EU sanctions.
Strategy considerations	Geopolitical risks	Wars	• Main risks are from: • Entity list: Major impacts arise from OFAC economic sanctions, Export Administration Regulations (EAR). • EU Sanctions Regulations: The EU has expanded the scope of sanctions in the 11th round of sanctions (such as prohibiting the export of steel materials and electronic products to Russia).

2.4 Information Security Management

Information Security Promotion Organization

MiTAC has established an Information Security Promotion Committee chaired by the President of the MiTAC Group, with the Vice President of the Digital Development Center serving as Vice Chairman, and the Chief Information Security Officer (CISO) acting as the Executive Secretary. The Company has a department dedicated to information security. An information security manager and several information security personnel were appointed to be responsible for promoting, coordinating, overseeing and reviewing matters in relation to information security management. The Information Security Department regularly reports to the management and the Board of Directors on the implementation of information security to ensure appropriateness and effectiveness of operations. Organizational Chart Change (Relocation of Audit Office)

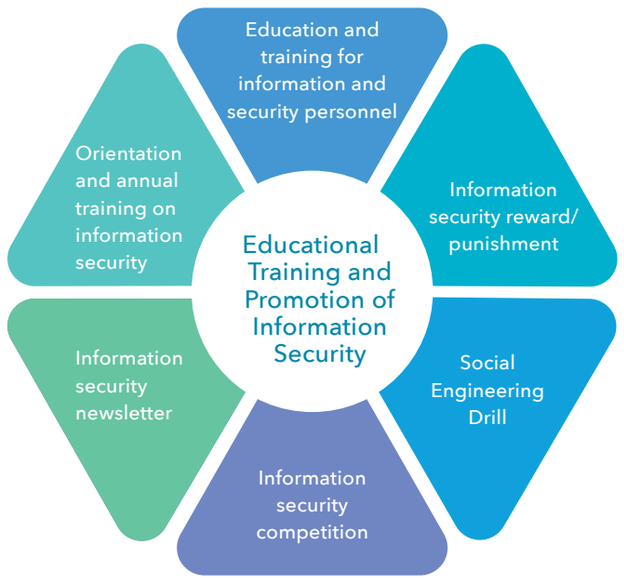


To continue enhancing the information security protection and management, MiTAC obtained the ISO 27001 Information Security Management System certification in 2020, and has passed the audit every year. In 2023, MiTAC passed the audit conducted by a third-party verification institution to confirm the validity of the information security management system and relevant certificates. The latest certification is valid from January 14, 2023, to October 31, 2025.

Information Security Policy

Educational Training and Promotion of Information Security

MiTAC continuously communicates the importance and necessity of compliance with Company information security policies to employees. Senior executives attend security seminars annually, and all personnel using information systems undergo annual information security awareness training. The managers and personnel responsible for information security shall take part in professional information security training annually. Several email social engineering exercises are conducted each year, and employees who fail the tests must undergo additional email security education and training. Starting from 2023, the Secure Software Development Life Cycle (SSDLC) course is made compulsory for all software function employees, including those in information, marketing, and research and development roles.



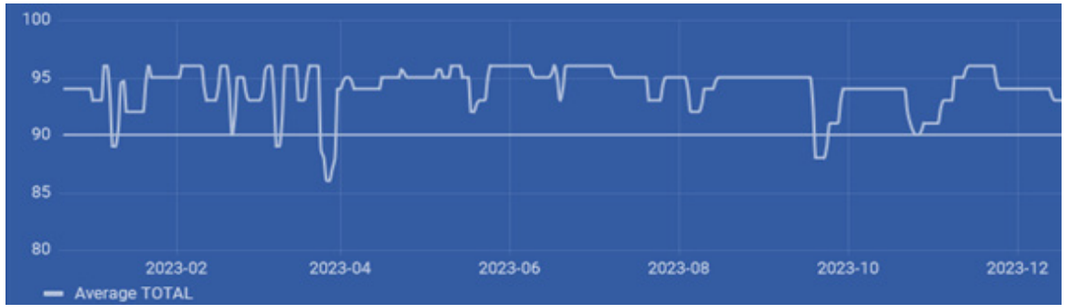


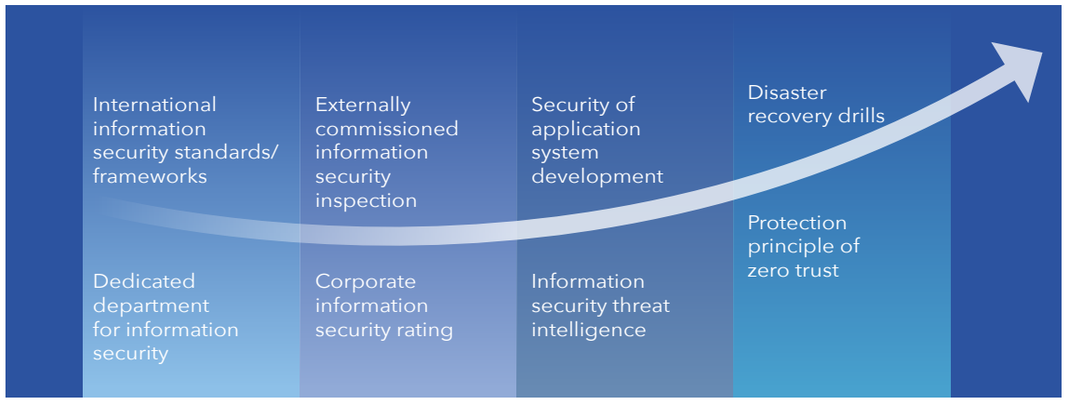
To continually promote a culture of information security, a real-life four-panel comic contest on information security was held in 2023. Employees were encouraged to showcase their creativity by creating real-life four-panel comics, illustrating the importance of information security and fostering information security literacy in a fun and engaging manner.

Cyber security protection and control measures

We constantly gather various information security risk analysis indicators externally through external information security risk rating service to continuously monitor and lower information security risks. The CDM (Cyber Defense Matrix) is used to analyze and review the requirements for information security protection, in order to optimize the process of budget planning and control as well as protection measures for cyber security.

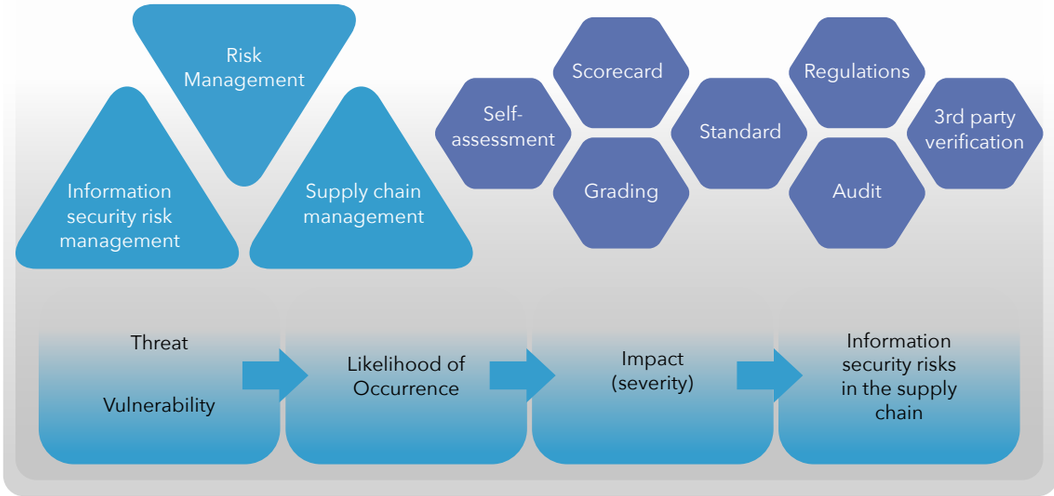
External corporate information security risk assessment rating has consistently been rated as Grade A (with an average score of 90 or above) on a monthly basis.





Supply chain security investigation

A security investigation was conducted on 195 suppliers, with a supplier security self-assessment questionnaire response rate of 49.7%, accounting for 68.5% of the total transaction volume with suppliers. Incorporating security assessments into supplier evaluations can enhance supply chain risk management, increase visibility into supplier risks, contribute to overall operational security improvement, and meet customer expectations and requirements.



Information Service Continuity Management

For key application systems directly related to business operations, such as production, R&D, and sales systems, the drills of backup and recovery, remote backup and remote recovery are arranged every year to maintain the response capability and operations. Thirteen disaster recovery drills and reviews were conducted in 2023, with the scope covering the key application systems, Internet services, power supply and air conditioning; the results all met the recovery time objective (RTO) and the recovery point objective (RPO) set.

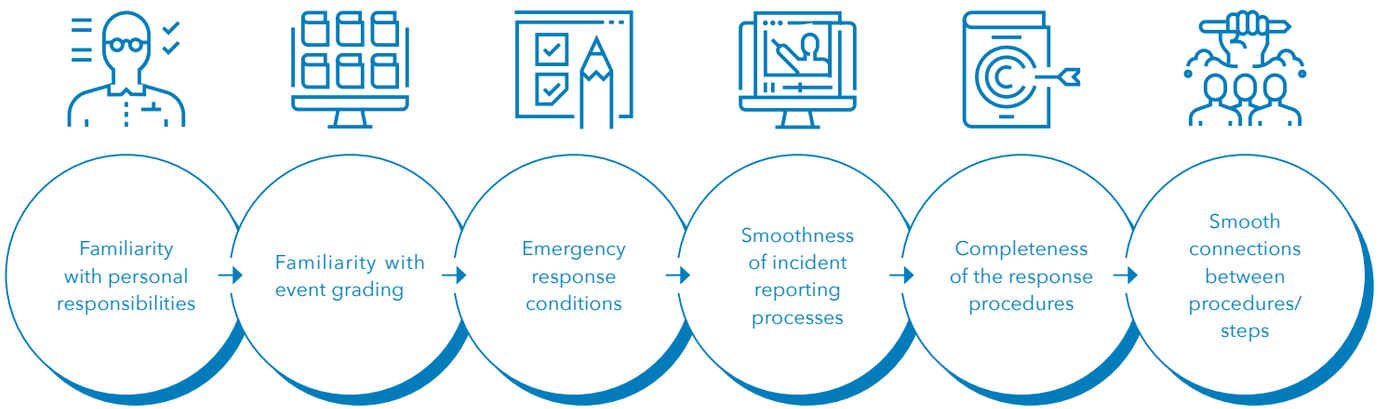
MiTAC ERP Drill Results	Expected Goals	Drill outcome
RPO	0	0
RTO	< = 4 hrs	2.28 hrs

Response to Intelligence Assessment

MiTAC has joined the Science Park Information Sharing and Analysis Center, Taiwan Computer Emergency Response Team/ Coordination Center (TWCERT/CC), Taiwan CISO Alliance, and the Chief Information Security Officers' Association of the Information Service Industry Association of the R.O.C., regularly obtaining information security warning intelligence, threat information, and vulnerability information to undertake preventive measures, enhance security defense capabilities, and reduce intrusion risks.

Information Security Incident Reporting, Response, and Ransomware Attack Drills

The Company has established procedures for information incident response and reporting, including determining the impact and assessing damages, internal and external reporting processes, methods of notifying other affected units, reporting channels, and contact methods. Given the increasing frequency of ransomware attacks both domestically and internationally, which often severely affect our operations and production, MiTAC Group's Information Technology Department collaborated in conducting emergency response joint drills to address ransomware attacks at our headquarters and critical production sites in 2023. These drills aimed to verify the effectiveness of various communication channels when encountering general and material information incidents, while also promoting the timeliness of information warnings and message dissemination. During the drills, we examined the accuracy of emergency contact groups and lists, the response and handling capabilities of emergency response teams, the completeness of review mechanisms, the ability to execute reporting procedures correctly and rapidly upon discovering information incidents, and the smoothness of testing contact and reporting channels. Only through continuous annual drills can we continuously strengthen the emergency response capabilities and incident handling fluency of our response teams. This ensures that our group's response framework and capabilities can effectively address disasters to minimize losses and enhance crisis management and response capabilities.



Information Security Goals

No business interruption, data corruption, data leakage or other material information security events occurred in 2023.

Target → Events causing business interruption, data corruption, data leakage or other material information security events < 1 case

2021 0 incidents of significant information security events such as operational disruptions, data loss, or data breaches occurred.

2022 0 incidents of significant information security events such as operational disruptions, data loss, or data breaches occurred.

2023 0 incidents of significant information security events such as operational disruptions, data loss, or data breaches occurred.



3

Products and Services

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3.4 Supply Chain Sustainability Management 44

Based on our responsibility as global citizens for the sustainable development of the planet, MiTAC Group is committed to providing green products. We consider carbon optimization and the control of harmful substances throughout the end-to-end product life cycle, from design to packaging to final shipment logistics, to minimize our environmental impact.

In 2023, MiTAC Group continued its efforts in promoting a circular economy by increasing the rate of reusable packaging and achieving EPEAT Silver certification for four server products. Meanwhile, we progressively enhance the energy efficiency level of PSUs every year, upgrading from the commonly used 80 PLUS Gold to 80 PLUS Platinum in 2019 and further moved towards 80 PLUS Titanium in 2023 to reflect even higher energy efficiency. In response to the network security issues arising from the connectivity of our products, we have strengthened our internal regulations, procedures, and systems to enhance cybersecurity and personal data management capabilities. This ensures the privacy and security of our customers. Regarding supply chain management, all suppliers are required to sign a "Conflict-Free Minerals Commitment" to uphold human rights and ethical standards. Through the operation of a supplier management platform, due diligence and oversight responsibilities are fulfilled.

Reusable packaging rate reached ***70%*** in 2023.

All server products achieved ***80 PLUS*** Titanium level energy efficiency rating in 2023.

Four server products received ***EPEAT Silver certification*** in 2023.

No complaints regarding customer privacy rights violations were reported in 2023.

Suppliers are required to purchase conflict-free minerals, with a compliant mineral usage rate of ***100%***.

Conflict minerals investigation response rate was ***100%***.

3.1 Green Commitment

MiTAC Group is committed to providing green products based on its responsibility to sustainable development and the Earth. This commitment extends from product and packaging design to final shipment logistics, with considerations for optimizing carbon emissions and controlling harmful substances to minimize environmental impact.

As global environmental consciousness grows and various environmental regulations and directives emerge, MiTAC is aligning with international trends and customer needs. In response, we have developed the "MiTAC Product Environmental Management Specifications" and "Environment-related Substances Management Procedures." These guidelines mandate the optimization of chemical substance management across the entire lifecycle, from raw material acquisition to waste recycling. This commitment is ingrained within the broader business policies of the entire Group. Efforts are made to comply with the EU ErP energy efficiency standards and international energy-saving label systems. Power converters in systems are selected according to customer and product certification requirements to meet the appropriate 80 Plus power converter level. This enhances system efficiency, reduces greenhouse gas emissions, and achieves the goal of energy-saving and carbon reduction, ultimately allowing us to produce environmentally friendly green products.

MiTAC Green Product Framework



3.2 Green Products

Product Design

In response to the increasingly severe challenges of global warming and dwindling energy resources, MiTAC places great emphasis on reducing the environmental impact of our products. We prioritize environmental friendliness in product design by considering the entire product life cycle's impact on the environment during the design and development phases. This includes assessing the management of harmful chemicals in the products, the recyclability and reuse of materials, the use of renewable resources, and the design for easy disassembly and the use of recycled materials. Furthermore, we design products to be energy-efficient in accordance with customer certification requirements. The enhancement of our product's environmental protection technology not only meets market expectations but also expands future market opportunities.

Life cycle assessment

While Life Cycle Assessment (LCA) typically evaluates products from cradle to grave, MiTAC takes a cradle-to-cradle approach to green product design. This means considering the entire life cycle of the product, from production to disposal, with a focus on circular design principles. We aim to design products that not only have environmental benefits but also drive business innovation. Materials used in our products are selected with the goal of maintaining their quality throughout the life cycle through recycling and reuse processes at the end of their life. This approach minimizes the negative environmental impact of waste disposal and maximizes resource efficiency.

Among the finished product assemblies shipped by the Company, in compliance with the EU Directive on the Waste Electrical and Electronic Equipment (WEEE), we take into account of the feasibility and convenience of future collection, disassembly and recycling for reuse of products starting from the product design stage. The recyclable material weight reached over 93%. According to the table below, a total of five products have completed the 3R reports. The total weight of products shipped in 2023 is 9.6 metric tons, with an estimated recyclable weight of 9.0 tons after product end-of-life.

Product Name	Weight (g)			Proportion of Recyclable Materials
	Product	Renewable Materials	Non-renewable Materials	
Connected Dashcam N703	204.1	190.05	14.02	93%
Connected Dashcam N702	302.23	286.12	16.11	95%
Dashcam - N705	95.36	92.18	3.18	97%
Connected Dashcam N693	201.48	186.81	14.68	93%
Servers	24,305.7	23,505.4	800.3	97%



Raw Material Assessment

- Selection of raw materials compliant with international environmental regulations and directives.
- Use of materials with recyclable and recycled content.
- Selection of components meeting certification levels for energy consumption.



Product Design and Manufacturing Process

- Ensuring that jigs and auxiliary materials used in the production process comply with environmental directives and regulations.
- Assessment of the WEEE 3R (Reuse, Recycle, Recovery) recycling ratio after assembly.
- Application for energy-saving product certification, with internal pre-evaluation of post-assembly compliance.



Product Shipping Phase

- Selection of packaging materials compliant with packaging directives and regulations, utilizing green materials with recyclable content.
- Use of PVC-free packaging materials, meeting customer requirements while reducing environmental impact.
- Selection of appropriately sized transport packaging to optimize product packaging dimensions and increase unit pallet carrying capacity, achieving packaging reduction.



Usage Phase

- Energy-saving certified products to reduce energy consumption and improve energy efficiency
- Comply with international energy standards such as ErP & Energy Star requirements.
- Compliance with international environmental directives and regulations to ensure no harm to human health and the environment.



Waste Recycling

- Design of products for easy disassembly and recyclable materials.
- Provision of WEEE 3R assessment reports according to the product shipping mode.
- Meet customer and environmental regulatory requirements.

Harmful Chemical Substance Control

MiTAC's scope of hazardous substance management primarily includes products, batteries, packaging materials, and production line auxiliary materials. The Supplier Management Platform (e-SCM) is responsible for managing supplier material chemical analysis reports and ingredient data. In cases where customers have specific requirements such as Halogen-free or Low-Halogen, we ensure that the particular product meets these requirements. Additionally, the presence of conflict minerals is investigated through additional functionalities on the supplier management platform.

Hazardous Substance Free (HSF) Policy

Hazardous Substance Management Plan

RoHS Prohibited and Restricted Substances	• 2006: Control of six chemical substances, namely lead, cadmium, mercury, hexavalent chromium, polybrominated biphenyls, and polybrominated diphenyl ethers. • 2023: Materials with RoHS exemption clauses underwent replacement evaluation. The investigated exemption clauses include 7(c)-I, 6(c), 7(a), 6(a), 6(b), 15, and 11(b). • 2015: Addition of four phthalates: DEHP, BBP, DBP, DIBP, totaling 10 restricted chemical substances. • 2023: Planned inclusion of two substances TBBP-A and MCCPs, not yet formally announced, into MiTAC's eSCM management system.
REACH Regulations	• 2007: Control of REACH SVHC substances, reaching 240 by 2024. • Compliance with REACH Annex 14 and Annex 17 requirements.
Packaging Materials	• Compliance with EU directives on packaging materials and packaging waste, restricting lead, cadmium, mercury, and hexavalent chromium, totaling four chemical substances. • 2022: Control and investigation of mineral oil aromatic hydrocarbons (MOAH) and mineral oil saturated hydrocarbons (MOSH) contained in packaging ink and printing components, in compliance with French regulations. • Compliance with recycling-related regulations for packaging materials.
Halogen-free Low-Halogen	• Introduction of materials into products based on customer requirements. • Definition of Halogen limits according to IEC 61249-2-21 or EPEAT standards.
CP65 Chemical List	• Application of CP65 warning labels on products imported into California containing chemicals listed in the CP65 chemical list. • Testing and recommendations from 3rd party labs to determine if chemical release levels exceed regulatory limits, thereby eliminating the need for CP65 warning labels.
PFAS-related Chemicals	• Initiation of PFAS control and investigation for product materials starting in 2022. • Long-term goal to fully comply with international PFAS-related regulations and customer requirements.
Other Important Regulatory Compliance	• Compliance of batteries in products with battery directives and regulations. • Compliance with the US TSCA for five PBTs substances. • Compliance with China VOC regulations. • Control and investigation of Dechlorane Plus (DP) and Decabromodiphenyl Ethane (DBDPE) in Canada. • Control and investigation of UV-328, DP, and Methoxychlor regulated under the Stockholm Convention. • Compliance with international Persistent Organic Pollutants (POPs) regulations.

Annual Hazardous Substance Management Process

2003

RoHS Hazardous Substance Restriction Directive Announcement

2004

Establishment of the GP Management System

- Initial release of MiTAC Environmental Substance Management Procedures
- Implementation of new version of CP65 warning labels

2006

Formal control of six RoHS substances (Pb, Cd, Hg, Cr6+, PBB, PBDE)

Addition of four substances to RoHS: DEHP, BBP, DBP, DIBP, totaling ten substances

2007

- Compliance with REACH regulations
- Initial release of the IQC-GP control process

Evaluation of Materials with RoHS Exemption Clauses

2008

- Initial release of MiTAC Product Environmental Management Specifications
- Battery compliance with battery directives
- Inclusion of Halogen-free materials in management

2013

2015

- Control the use of MOAH/MOSH for packaging materials in line with French mineral oil regulations
- Control and investigation of PFAS
- Inclusion of Dechlorane Plus (DP) and Decabromodiphenyl Ethane (DBDPE) as controlled substances in Canada

2016

2020

- Implementation of REACH SCIP
- China VOC Announcement

2021

Inclusion of TSCA five PBTs substances as controlled substances

2022

- Application of EPEAT products with >25g plastic parts, controlling halogens Br&Cl
- Planned control of MCCPs & TBBP-A, two new substances added to RoHS
- Inclusion of UV-328, DP, and Methoxychlor in controlled substances under the Stockholm Convention

2023

- Investigation of halogen F content in 25g plastic parts in response to the new EPEAT standards
- REACH SVHC Management encompasses a total of 240 substances

2024

Packaging Design

Product packaging materials prioritize sustainability, utilizing recyclable materials and incorporating recycled content to enhance recyclability after disposal. They comply with the limits of four heavy metals specified in the EU Directive on Packaging and Packaging Waste, 94/62/EC and its amended directive 2013/2/EU. Packaging materials are labeled according to relevant regulations, and printing employs 100% environmentally friendly water-based inks. PVC-free packaging materials are utilized. During product transportation, EPE (extended polyethylene) materials are chosen over EPS (extended polystyrene) for cushioning to minimize environmental impact, with chlorine elements in materials used as bleach restricted.

Packaging materials are categorized into sales packaging, unit packaging, and transportation packaging. The main trend in selecting environmentally friendly green packaging materials includes reducing the overall amount of packaging, adopting reusable packaging designs, and choosing recycled materials to minimize the environmental impact of packaging materials.

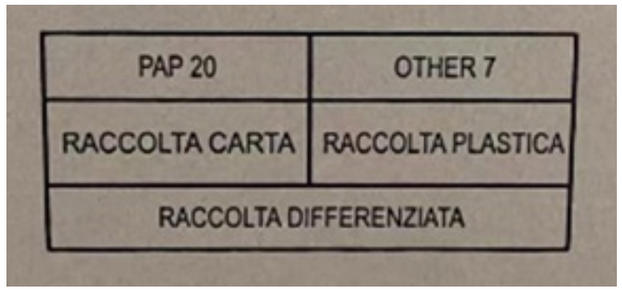
- Optimization of packaging design to reduce overall packaging usage while ensuring safe transportation during shipping, using appropriately sized packaging to avoid unnecessary or excessive waste.
- Adoption of reusable packaging designs, employing packaging materials that can directly enter recycling systems or are reusable multiple times to achieve packaging material recyclability.
- Selection of recycled materials, opting for biodegradable materials and packaging made from recycled resources to reduce reliance on existing resources and using PVC-free packaging materials.

The reusable packaging ratio was 65% in 2022, increased to 70% in 2023, and is projected to reach 80% in 2024.

Packaging materials for products sold in Italy must comply with local labeling regulations.

• Box





• PE Bag & PE Bubble Bag





• Use of Recycled Materials

Sticking to the EU Directive on the Waste Electronics and Electrical Equipment (WEEE), the Company takes account of the feasibility and convenience of future collection, disassembly and recycling for reuse of products right at the stage of design.

The percentage of post-consumer recycled (PCR) plastic used in >25g plastic components in the server product series is as follows:

Name of Product Series	Weight (g)		Percentage of PCR plastic used
	System ≥ 25g plastic components total weight	PCR plastic	
Rackmount Server 1U Series - Intel	607.84	64.90	10.68%
Rackmount Server 2U Series - Intel	1,371	166.87	12.17%
Rackmount Server 1U Series - AMD	692.71	72	10.39%
Rackmount Server 2U Series - AMD	1,403.10	157.73	11.24%
Rackmount Server 3U Series - Intel	1,753.79	347.63	19.82%
Tower/Vertical Server - Intel	1,799.55	251.58	13.98%

The above assessment of PCR plastic content in >25g plastic components is based on a holistic assessment, considering the configuration with the lowest percentage of PCR plastic in the overall calculation. Currently, shipments to brand customers do not include the percentage of PCR plastic derived from brand customer components. However, this will be gradually increased based on certification requirements in the future.

Product Energy-saving Design

Starting from the stage of product design, we demand that the suppliers' raw materials, semi-finished products and our production processes comply with specific environmental and safety regulations as well as industry standards in order to achieve environmental protection and energy conservation. All products comply with the EU RoHS Recast Directive and the EU ErP Directive. Our systems products (servers), they are in line with the Energy Star system with the use of high-efficiency and high-power-factor PSUs meeting the global 80 PLUS specifications to reduce energy consumption. Meanwhile, we progressively enhance the energy efficiency level of PSUs every year, upgrading from the commonly used 80 PLUS Gold to 80 PLUS Platinum in 2019 and further moved towards 80 PLUS Titanium in 2023 to reflect even higher energy efficiency.



Server Products Energy Efficiency Certification Goals and Achievement Rates

Certification Directive or Standard	Certified Product	Achievement Rate
EU ErP Lot9	Servers sold to the EU falling under ErP Lot9 categories	100%
US Energy Star 4.0	Servers sold to the US with customer requirement for EPEAT certification	100%

Cases of Product DfE

In terms of the circular economy aspect, besides ensuring compliance with recycling standards for product materials and packaging, in 2023, we assisted brand customers by incorporating post-consumer recycled (PCR) plastics into the design of structural components. As a result, four server products received EPEAT Silver certification in 2023.

Design Context
Compliance with corresponding international environmental regulations and directives
Achieving a certain disclosure ratio for material composition using FMD (Full Material Disclosure)
Use of 80 PLUS TITANIUM grade PSUs
Compliance with Energy Star 4.0
Using halogen-free materials (for Cl&Br) for plastic parts >25g
Incorporating PCR plastics for plastic parts >25g
Designing plastic parts >100g for further plastic recycling



3.3 Customer Service

Customer Satisfaction Survey

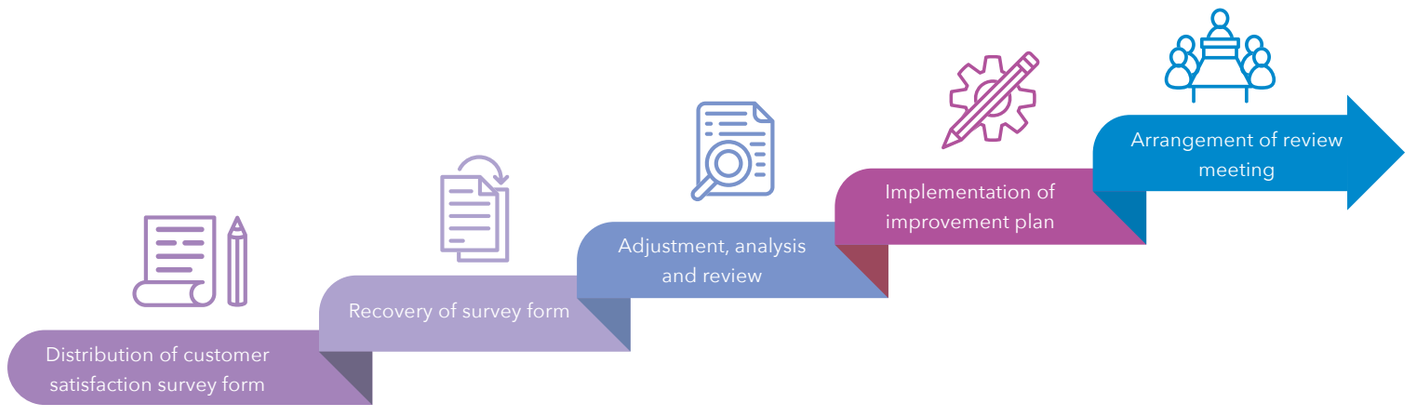
Customer satisfaction is the core value of MiTAC in sustainable corporate development. The routine VOC (Voice of Customer) evaluation (quarterly/semi-annually/annually) is essential for improvement. MiTAC makes ceaseless efforts in continued improvement on the basis of the feedback of consumers in the market. The feedback is taken as the indicator of product design in the aspects of quality, technology, price and delivery, so that the products can meet the customers' demands and expectations and thereby enable the growth of customer satisfaction.

When a customer inquiry about a product or service is received through any of the customer inquiry channels, our customer service unit is required to actively follow up and know the specific reason, and set up the KPI of replying to the incoming customer opinion within two business days. The unit also verifies the attribution of liability with the internal units according to the customers' words, and sends notification for support. All the feedback and complaints are certainly recorded and followed up until the concerned problem is solved. Reports are made based on the monthly summary of three main directions – product analysis, overall performance of the customer service center, and customer suggestions – to serve as the reference for the departments of technology R&D, financial affairs, and product design and business.

Repair Service Satisfaction Survey

In addition to prioritizing customer feedback to optimize our products, Mio TW conducts annual customer satisfaction surveys for end-users regarding customer service and maintenance services. We randomly sample satisfaction questionnaires from customers who consent to participate in the survey. This helps us understand customers' evaluations of service quality and repair efficiency. Based on the analysis results, we take corresponding actions, aiding us in better understanding customer needs and addressing areas for improvement, ultimately providing a better service experience.

Flowchart of Customer Satisfaction Survey



Customer Feedback Channels

Taking on the responsibilities towards the consumers, the Company's customer service team has been making efforts to develop innovative patterns and the logistics support system, and sharing the concept and the system with the service teams of the other branches across the world.

Our brands, Mio/NAVMAN/MAGELLAN, have introduced the following for the consumers:
a."Online repair," which allows the customers to ask for repair at any place and time;
b."Online service," which is available 24/7 to reply to any questions as to the products of Mio anytime;
c. "Online update," which enables product updates with simple process using the Internet.

Product website: https://www.mio.com/
Customer service: https://support.mio.com/OnLineFaq/OnlineFAQ
Official Website Service Inbox: Filled out by the official website technical support and sent to the system.
Customer service tel.: 03-286-6668
Line: @mio.tw

Customer Privacy and Personal Data Protection

The privacy of the customers of ODM or consumer products is a critical part in customer service. MiTAC has formed the Personal Data Protection Committee to develop the protection policy and regulations as well as the management mechanisms regarding personal data, so that there are clear definitions of the protection principles, processing purposes, scope of use, sharing mechanism, information security measures, etc., in terms of the customers' personal data. In accordance with the principle of legitimacy, the engagement in activities related to personal data must be aligned with the national laws regarding personal data and the requirements specified by the Company, and even with the regulatory requirements of the EU General Data Protection Regulation (GDPR) if concerning the personal data of EU residents, with a view to processing the customers' personal data with great carefulness so that such data are well protected.

To effectively manage the customers' information with a single system, there is a strict access control process for customer visits, Measures related to implementing ISO 27001 requirements include risk assessment, security policies, security controls, and monitoring. In 2023, the Company did not experience any complaints related to compromising customer privacy rights.



Management Strategy

Management of Organization

- Establishment of the Personal Data Protection Committee
- We obtained ISO 27001 Information Security Management System certification in 2020

Management of Policy

- Announcement about the personal data protection policy and the regulations of the implementation of such protection on our internal website
- Setup of the management procedures for confidential documents
- Provision of the protective functions such as consumer inquiry into and view of personal data, suspension of marketing messages, deletion of personal data, etc., in accordance with the Personal Data Protection Act in Taiwan

Management of Personnel

- 100% of new employees signed NDA agreements.
- Designated access management for customer database
- Arrangement of promotion and training sessions with regard to the laws related to personal data

3.4 Supply Chain Sustainability Management

To ensure social responsibility and compliance within our supply chain, we require all suppliers to sign a "Supplier Corporate Social Responsibility Statement," outlining their commitments to human rights, the environment, occupational safety, and ethical risks. This measure aims to strengthen the resilience of our supply chain and encourages suppliers to actively participate in and improve relevant areas. In addition to quality operations audits, we conduct Responsible Business Alliance (RBA) audits to ensure that suppliers' operations comply with relevant standards. These audits cover various aspects such as labor ethics and environmental health and safety to comprehensively assess suppliers' social responsibility status. If deficiencies are found during the audit process, we assist suppliers in developing improvement measures and require them to complete the improvements within the specified timeframe.

Supplier Evaluation and Investigation

New suppliers must pass the supplier evaluation and comply with the supplier code of conduct.
Additionally, necessary certifications must be obtained for major or critical suppliers:

- Material suppliers related to the manufacturing process: Must pass the ISO9001 quality management system certification
- Contractors of plant affairs and related operations: Must obtain the ISO45001 occupational health and safety management system certification
- Local suppliers: Must obtain the valid factory registration certificate issued by the local government in accordance with the business category as well as ISO 14001 environmental certification

The Company also makes use of the supplier management platform e-SCM to ask the suppliers to provide test reports on the environmental specifications of products such as HSF (Hazardous Substance Free), so as to ensure that the products meet the RoHS requirements. With regard to the conflict mineral issues, promptly requesting the suppliers to ensure the compliance of the supporting materials offered thereby for proper source management in the supply chain in response to the RBA's Responsible Minerals Initiative (RMI) while meeting the requirements of the customers.

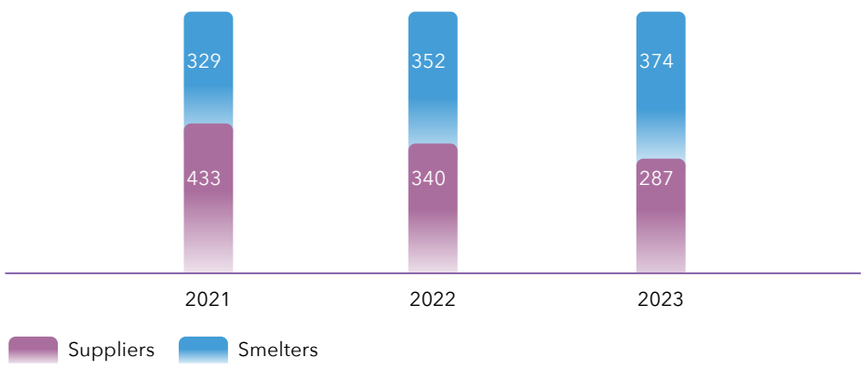
MiTAC Conflict Mineral Policy

The "Conflict Mineral Procurement Policy" is part of the supplier green product management of the Company. We achieve "management at source" by implementing investigations of smelters, and investigate all raw materials annually purchased for use in the processes based on the Conflict Minerals Reporting Template (CMRT)/Extended Minerals Reporting Template (EMRT) survey questionnaire for the non-use of conflict minerals, so as to determine whether the raw materials procured and used in our processes contain conflict minerals and their sources. In 2023, the response rate for CMRT/EMRT surveys was 100%, ensuring that both MiTAC and its suppliers are committed to complying with relevant regulations. For issues related to conflict minerals, please contact the Company via CMRT@mic.com.tw. The Company will conduct due diligence based on this information.

Conflict Mineral Procurement Policy
MiTAC's suppliers shall shoulder relevant social and environmental protection responsibilities.
MiTAC's suppliers shall establish and implement an adequate and effective Conflict Minerals Policy and Management Program under which the due diligence for Responsible Supply Chains of Minerals from Conflict-Affected and High-Risk Areas is carried out.
MiTAC's suppliers shall adopt a policy and exercise due diligence on the source and chain of custody of tantalum, tin, tungsten, gold, cobalt and mica in the products they produced, to ensure the compliance with the OECD Due Diligence Guidance for Responsible Supply Chains of Minerals or an equivalent and generally recognized due diligence framework.
MiTAC's suppliers shall relay these requirements to their upstream suppliers.

In 2023, a total of 287 supplier investigations were conducted, resulting in the identification of 374 mineral smelters. This effort aims to ensure that both MiTAC and its group of suppliers are committed to complying with relevant regulations. In addition, in response to the dynamically updated announcement of compliant smelters on the RMI website and the requirements of the customers, 33 questionnaire surveys were undertaken, and responses were made to the customers for 98 times and to the suppliers for 139 times. 34 smelters were eliminated.

Supplier Conflict Mineral Investigation



Supplier Risk Management

The Company knows very well that risk management for key suppliers and key materials is integral to the steady supply chain. Hence, we pay close attention to the market trends and industrial changes so as to identify the factors that might impact the supply chain, such as supply disruption, price fluctuation, shipment problems, climate change factors and natural disasters, and make corresponding strategies and plans for the identified risks.



1.	2.	3.	4.	5.
Avoid undue reliance on a single supplier.	Set up the mechanism of second source.	Prepare sufficient key materials.	Review the risk management strategies of suppliers on a regular basis.	Establish harmonious relationship and regular communication with suppliers.

In 2022, we conducted a risk assessment on Business Continuity Planning (BCP) for our custom parts suppliers. A total of 195 suppliers were surveyed. This investigation aimed to determine whether suppliers have sufficient recovery capabilities and contingency plans in place to ensure the continuity of production and supply chain in the event of emergencies such as natural disasters, market fluctuations, or supply chain disruptions. Based on the preliminary analysis of the survey results in 2023, we selected two representative suppliers for in-depth on-site audits.

On-site Audit Process

- Preparation Phase: Shared audit standards and checklists with suppliers to ensure mutual understanding of the audit process.
- Site Inspection: Assessment team conducted on-site inspections of supplier's production facilities, warehouses, and logistics centers.
- Document Review: Thorough examination of BCP-related documents, including risk assessment reports, contingency plans, recovery strategies, and training drill records.
- Interviews: Interviews with key management and operational staff to assess their awareness of and involvement in BCP plans.

Findings and Recommendations

Summarized findings from the on-site audits and provided improvement recommendations.

Audit Results

- Supplier A: Demonstrated higher BCP maturity, with comprehensive risk assessments and response strategies, and regular emergency drills.
- Supplier B: While having basic BCP plans in place, still requires further improvement in implementation and employee involvement. The audit team proposed a series of improvement measures for Supplier B, including strengthening emergency drills and enhancing employee awareness of BCP plans.

Conclusion and Follow-Up Actions

The investigation and audit activities provided the Company with insights into its suppliers' BCP capabilities and highlighted the importance of further enhancing supply chain resilience. Additionally, the Company plans to extend this assessment model to other key suppliers to ensure continuity across the entire supply chain.

Supplier Responsibility Counseling and Auditing

Among the Company's global production sites, the Hsinchu plant in Taiwan, the Guangdong MSL plant, and the MiTAC Information Systems Corp. assembly plant in California, USA have all passed the RBA VAP, accounting for 60% of the production sites. Furthermore, the Company complies with the RBA Code of Conduct and establish mechanisms for the guidance and audit of supplier responsibility and the concrete commitment of various topics. In addressing various issues, the assessment criteria include “Business Ethics,” “Labor,” “Environmental Protection,” “Occupational Health and Safety,” and “Management Systems.” Among MiTAC’s major suppliers, 41% have already passed the RBA VAP. Additionally, the Company plans to continue promoting social responsibility risk assessments for its major suppliers in 2024. In order to make sure that the suppliers abide by relevant policies and codes of conducts, audits and evaluations are conducted from time to time to ascertain performance. The status of RBA management of suppliers since the implementation in recent years is described below. The Company continuously tracks the improvement status of the suppliers to make sure that they comply with the RBA regulations and relevant management requirements. The failure to reach a general improvement rate of 100% was mainly due to the overall labor environment in China, which seems impossible to be thoroughly enhanced for now.

For example, in the MSL Shunde plant in China, there are a total of 320 suppliers categorized as follows:

Class A

Manufacturers and direct suppliers of materials listed in the table (their materials may have a significant impact on Environment, Health, and Safety (EHS) during processing, transportation, storage, and use).

Class B

Authorized agents/ distributors of manufacturers of materials listed in the table.

Class C

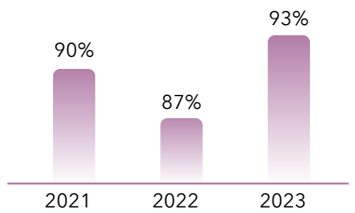
Other suppliers not falling under categories A or B, with little to no impact on EHS.

In 2023, a total of 289 suppliers were surveyed and audited, with a response rate of 58%. According to the results of the 2023 risk assessment, there were no high-risk suppliers identified.

Supplier RBA Audit Deficiency Category Analysis

	2021	2022	2023	Total	%
Labor	8	5	6	19	37%
Health and Safety	4	4	4	12	23%
Environmental Protection	5	4	4	13	25%
Management System	1	0	0	1	2%
Ethics	3	2	2	7	13%

RBA supplier audit shortcoming improvement rate

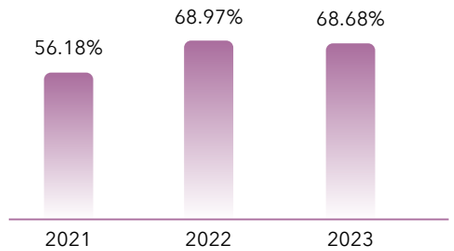


Note: 1. In 2023, there were 16 findings from the supplier RBA audits, none of which were classified as priority issues.
2. The supplier audit non-compliance rate was 5.5% (number of findings/number of plants).

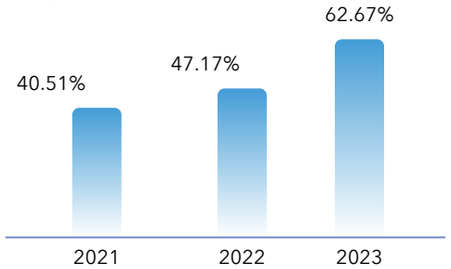
Localization Management

With the R&D and design processes in Taiwan and the USA, the module and semi-finished product manufacture in the production sites in China, and the FCL and assembly processes in the USA, we have formed a global division of labor manufacturing model. To build close relationship with local partners, the parts, components and systems that are of a low level or need a long period of shipment are produced in Taiwan and China, while the major components with high unit price are procured and used for assembly at the production bases in close proximity to the customers.

Percentage of Suppliers for Local Procurement



Percentage of Local Procurement Amount



Note: The location of suppliers is based on their registered business location.





4 Environmental Protection

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4.6 Wastes Management 58

To respond to the global issue of climate change, MiTAC, as a citizen of the Earth, is committed to setting clear emission reduction pathways and targets in 2021, pledging to achieve net-zero emissions by 2050 In recent years, we have been actively implementing carbon reduction initiatives, enhancing energy efficiency, and promoting the development of renewable energy sources. To align with the goal of limiting global warming to below 1.5° C by the end of this century, in 2023, we adjusted the emission reduction pathway of the MiTAC Group as follows: using the emissions level of 2020 as the baseline, aiming for a 15% reduction by 2025, increasing the reduction target from 30% to 50% by 2030, and achieving net-zero emissions by 2050. In addition, our goal is to achieve a renewable energy ratio of 10% by 2025. Apart from investing in the expansion of solar photovoltaic installations, in 2023, we continued to implement 23 energy-saving and emission reduction initiatives, actively practicing environmental management strategies, and advancing towards the sustainable development goals of the Group.

We participate in the Carbon Disclosure Project (CDP), an international initiative focused on climate change. Through this project, MiTAC has achieved a ***B management level rating***.

Completion of ***TCFD Climate-related Financial Disclosures***

Continued to obtain ISO 14064-1:2018 third-party verification, using 2020 as the baseline year. In 2023, GHG (Category 1+2) emissions decreased by ***3.1%***.

The installed capacity of newly constructed solar power plants reached ***585 KW*** in 2023.

The proportion of renewable energy usage has reached ***6.82%***.

23 energy-saving projects have reduced carbon emissions by ***2000 tCO_2e***.

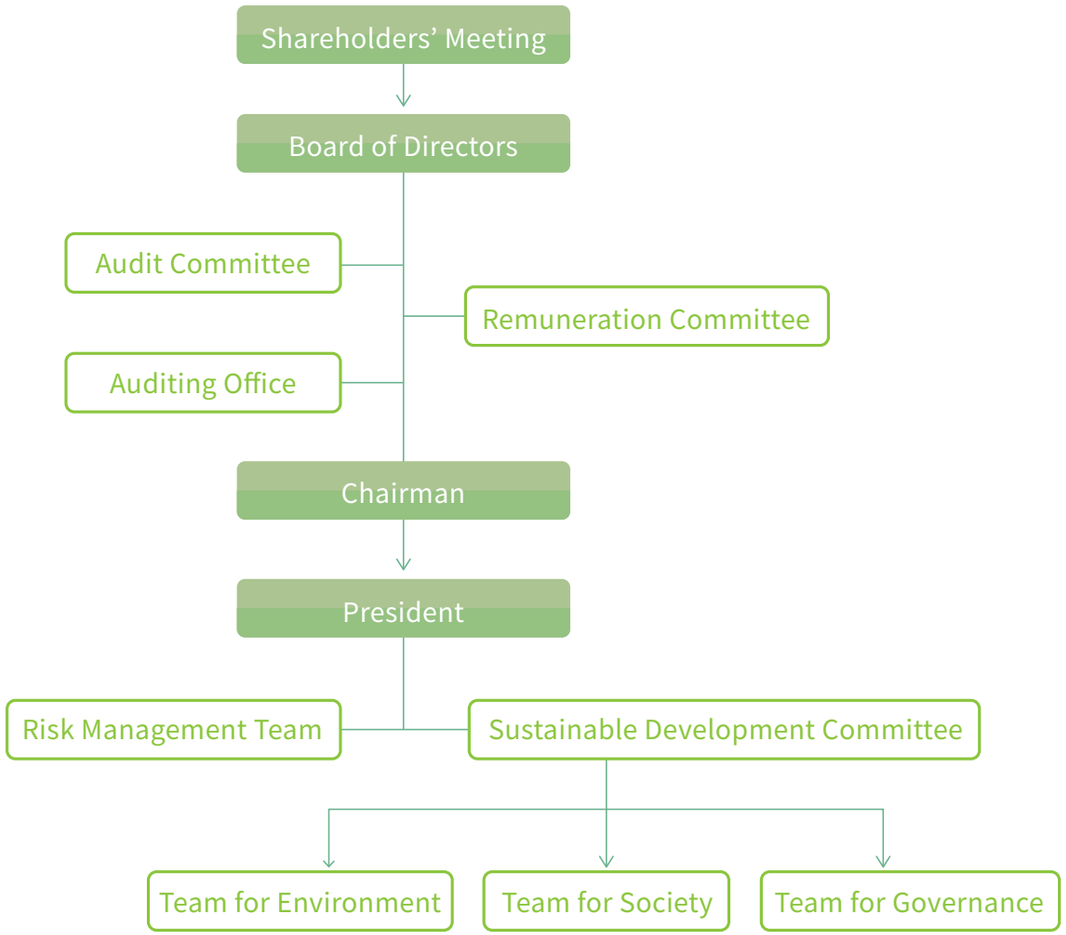
Total waste volume decreased by ***18.3%*** compared to the previous year.

4.1 Climate-related Financial Disclosures

Climate Governance Organization

Since 2022, MiTAC has adopted the Task Force on Climate-related Financial Disclosures (TCFD) framework to identify climate-related risks and opportunities, and to facilitate discussions and establish corresponding indicators and goal management. An ESG Committee has been organized under the Company's subsidiary MiTAC International Corp. (MIC) to supervise and manage climate change adaptation strategies. In the ESG Committee, there is an Environmental Management Team responsible for the identification of climate change risk factors, and the analysis of risks and opportunities under different scenarios. Additionally, the team is responsible for collecting and verifying annual greenhouse gas emission data, reporting the data to the Board of Directors. This allows the board to regularly track the status of decarbonization pathways and consider the physical risks of climate change in global strategic planning. It also ensures that climate change transition risks and opportunities are fully considered in the development of low-carbon products and major asset investments, and that climate change factors are taken into account.





Climate Change Strategies

When implementing our climate change strategy, we approach it from three aspects. Firstly, we consider the external environment. This involves collecting relevant climate change regulations and commitments from various countries to formulate corresponding measures. This ensures alignment with international supply chain trends and guarantees the long-term effectiveness of our carbon reduction pathway. Secondly, we focus on finetuning our business model, particularly by integrating the demand for low-carbon products and services into our new product designs. We also seek opportunities to align with our business model, aiming to find avenues for a low-carbon economy. Lastly, we focus on internal execution, continuously driving carbon reduction projects to ensure the effectiveness of short-term carbon reduction pathways. This includes implementing strategies for low-carbon or renewable energy usage, conducting energy-saving initiatives, and carbon reduction efforts. We also conduct carbon impact analyses for facility and equipment implementation projects. Also, we look for opportunities of financial planning with lower costs of carbon reduction in the scope ranging from equipment enhancement to process optimization (e.g. early disposal of assets).

We have conducted a transformation risk analysis based on three different scenarios referenced from the IEA World Energy Outlook 2022 report. Additionally, we utilized the Aqueduct tool provided by WRI to assess flood risks similar to the STEPS scenario in 2050. The simulation results indicate that major production locations in southern China, eastern China, and Hsinchu in Taiwan, will be subject to varying degrees of flood risk. Furthermore, according to the IEA's three scenario analyses:

1.

APS Scenario

It is projected that the Earth will warm by 2.1° C by 2100, with greenhouse gas emissions in 2050 expected to be reduced to one-third of those in 2020.

2.

STEPS Scenario

The Earth is expected to warm by 2.6° C by 2100, with greenhouse gas emissions in 2030 reduced by less than 15% compared to 2020.

3.

NZE2050 Scenario

This scenario mandates achieving net-zero emissions globally by 2050, with the goal of keeping the temperature increase by 2100 below 1.5° C.

Based on these analyses, MiTAC considers them crucial references for managing transformation risks and developing low-carbon products. We have outlined strategies below according to these three transformation risk scenarios and their impacts on the value chain:

Type of Climate Scenario	Scenario	Impact	Period	Premise Parameter	Value Chain Impact and MiTAC Strategy		
					Upstream	MiTAC	Downstream
Transition	IEA NZE2050	The proportion of renewable energy increases, and related raw materials are restricted for production. The replacement of production materials will be accelerated. Companies that cannot replace will receive high carbon fees and carbon taxes.	2025-2050	Temperature rise below 1.5° C	The suppliers with high energy consumption might experience the stress of high carbon tax and be eliminated, and they will pass the production costs on to the Company.	Business operations almost entirely use green electricity, and the quota for green electricity procurement will increase year by year. Selecting suppliers carefully is the primary coping strategy since the market can provide suitable low-carbon components.	The low-carbon products will bring the customers with capability of circular economy management to a higher level, and the ability to manage carbon emissions throughout the product life cycle will be a decisive factor of the product design.
	IEA APS (commitments)	Governments will follow the policies they promised to adopt, with carbon fees and taxes as the means thereof, which will increase the corporate operating costs.	2025-2100	Temperature rise more than 2.1° C	The suppliers, which are in the industry with great electricity consumption, will be restricted by energy saving and carbon reduction regulations. Managing multiple suppliers requires attention to the carbon emission performance of suppliers in different regions.	Due to the commitment of various governments to carbon management regulations, low-carbon products and services will see a rise in demand from regulatory requirements. Developing low-carbon products is the main coping strategy.	Some customers will place importance on the emissions reduction management of key suppliers when adopting low-carbon products.
	IEA STEPS	Global warming will increase the impact of climate change and make business continuity more challenging.	2025-2100	Temperature rise of 2.6° C	The supply chain will be cost-oriented, so it will be hard for the suppliers aware of transition to receive orders.	Due to the lack of significant results in carbon reduction, the impact of climate change intensifies. Reducing the risk of production locations and providing backup mechanisms become the main coping strategies.	Due to differences in regulations in different countries and regions, customers have varying requirements for the carbon emissions of products. The management of customer differentiation is thus a focus of management.
Physical	IPCC RCP8.5	The increase in rainfall and the rise of sea level will impact the operating locations at a low altitude, e.g. the production location on the coast of China.	2030-2050	Inundation depth	For the suppliers with production sites in the scope of hotspots of flood risk, the effectiveness of their alternative plans will need to be ensured based on the supplier BCM survey.	Eastern China, Southern China, and Hsinchu may face the risk of water-related disasters, production interruptions, or disruptions in transportation operations. Providing backup mechanisms becomes the primary coping strategy.	If the customers have VMI in the high-risk areas, special agreements or insurance for risk avoidance will be required for the assets deposited in the warehouse.

Climate Change Risk Management

Risk related to climate change is especially concerned with the commitment and progress of countries where manufacturing sites are located toward setting net-zero targets and the enactment and implementation of related regulations. This forms part of policy and regulatory risk. For instance, mainland China aims to achieve carbon neutrality by 2060, while Taiwan targets net-zero emissions by 2050. Governments mandate carbon emission reductions or green energy purchases through legislative measures. Additionally, advanced economies increase the operating costs of domestic companies to achieve emission reduction goals. They often levy carbon taxes on imports, which is a key focus for MiTAC to continually observe and develop countermeasures.

When low-carbon products become mainstream, it may lead to the emergence of alternative products or services, or changes in consumer habits. These technological or market risks pose significant challenges to MiTAC. In addition to investing in new technologies, MiTAC must also assist customers in considering the development opportunities of future low-carbon products to avoid the risk of being phased out of the market.

As a hardware manufacturer, MiTAC has extensive production bases and a large number of suppliers. Extreme weather events caused by climate change, such as torrential rain and flooding due to rising sea levels, may result in production stoppages at production sites located on riverbanks or in coastal areas. This could be due to direct flooding, or indirect impacts such as material disruptions or employees being unable to commute. Therefore, we need to consider how to protect equipment assets and talent.

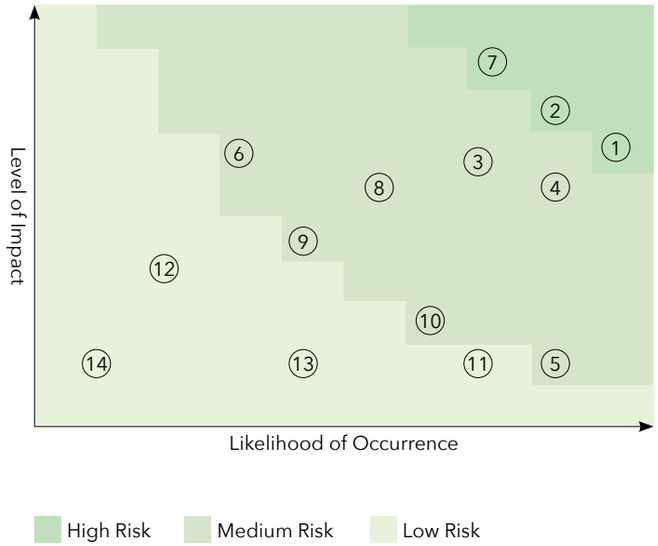
The opportunities brought by climate change to the manufacturing industry are relatively smaller compared to the risks. However, by installing rooftop solar panels at production bases, we can provide a certain proportion of renewable energy, which is cost-effective compared to purchasing externally. Furthermore, due to customer demand for energy conservation and emissions reduction, developing new low-carbon products or solutions to meet customer expectations can lead to higher profits or increased revenue if the Company enters the market at an early stage.

Risk Identification

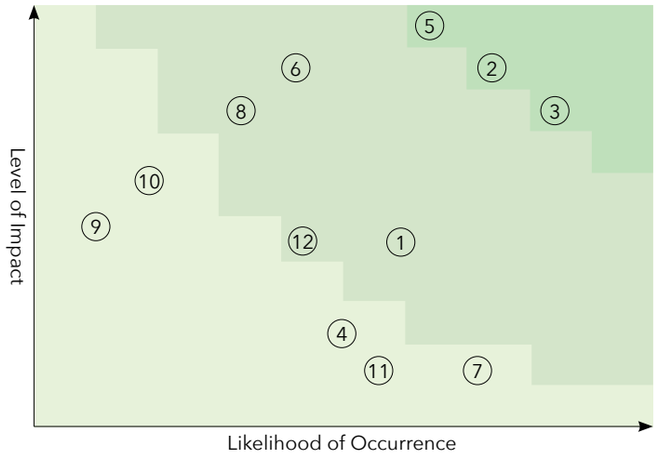
The Environmental Management Team under the Sustainable Development Committee is responsible for collecting climate change issues relevant to the industry. It identifies 14 risk items based on risk categories such as regulatory risks, market risks, technological risks, transition risks, and physical risks, then categorizes them into short-term risks and short-to-medium-term risks. For risks related to climate change, 12 opportunity items were identified.

Opportunity Assessment

Through discussions and analysis, the Environmental Management Team categorizes the 14 risks and 12 opportunities into high, medium, and low levels based on their likelihood of occurrence and impact severity. Then, it formulates response strategies and conducts financial impact assessments for high-risk or high-opportunity items.



Item	Risk Category	Risk Items	Time
1	Market	Increased GHG emissions costs	Mid-term
2	Market	Cost increase due to carbon reduction and asset energy efficiency enhancement	Short-term
3	Market	Uncertainty of new regulations	Long-term
4	Market	Electricity price hike	Short-term
5	Technology	Domestic regulations (renewable energy regulations)	Mid-term
6	Technology	Mass-producible low-carbon products	Mid-term
7	Regulations	Carbon fees leading to increased raw material costs	Long-term
8	Regulations	Product energy consumption standards	Short-term
9	Regulations	Typhoon and flooding causing equipment damage	Mid-term
10	Regulations	Inaction leading to loss of investor confidence	Long-term
11	Physical	Increase in operational costs due to high temperatures	Mid-term
12	Physical	Supplier service disruption due to water shortage	Mid-term
13	Physical	Extreme low temperatures	Mid-term
14	Physical	Sea level rise	Long-term



High Opportunity Medium Opportunity Low Opportunity

Code	Opportunity Item	Time
1	Recycling and reuse (plastics, paper)	Mid-term
2	Effectively execute climate change BCP	Mid-term
3	Use of low-carbon energy sources	Short-term
4	Using high-efficiency production and distribution processes	Short-term
5	Assisting suppliers in low-carbon transition to reduce procurement costs	Long-term
6	Customer behavioral shift	Mid-term
7	Policy incentives	Long-term
8	Participation in carbon trading market	Mid-term
9	Entry into new markets	Mid-term
10	Increasing low-carbon products and services	Mid-term
11	Taking the initiative, and gaining investor confidence	Long-term
12	Transitioning to more efficient buildings	Long-term

Response Strategies and Financial Impact Assessment

Based on the results of the risk assessment, three key risk items were identified, and their corresponding response strategies are outlined in the table below. As for the financial impact assessment, the risks of increased carbon fees leading to higher raw material costs were evaluated by estimating procurement costs for plastic and steel components. For the risks of increased GHG emission costs, the cost of establishing photovoltaic energy facilities was estimated. Additionally, the annual asset amortization costs were estimated for the risk of increased asset amortization costs due to enhancing asset energy efficiency for carbon reduction purposes.

Unit: NT$

Category	Key Risk Items	Time	Response Strategies	Financial Impact Assessment
Regulations	Carbon fees leading to increased raw material costs	Long-term	1. Develop guidelines for volume and waste reduction design to mitigate the use of affected raw materials. 2. Implement circular economy operations and research opportunities to increase the recycled material ratio of petrochemical materials. 3. Introduce procurement of low-carbon emitting petrochemical and steel materials.	2,026,000
Market	Increased GHG emissions costs	Mid-term	1. Enhance incentives for developing energy-saving schemes through ICP (internal carbon pricing). 2. Invest in establishing photovoltaic power generation equipment, utilizing the rooftops of existing facilities for solar panel installation, and consider the benefits of investing in off-site photovoltaic power plants in the future. 3. Increase awareness of climate change and carbon emission reduction among employees through training and corporate culture reform, encouraging all-hands participation in emission reduction actions.	1,487,333
Market	Increased asset amortization costs due to enhancing asset energy efficiency for carbon reduction	Short-term	1. Collaborate with ESCO companies to identify suitable equipment for replacement, develop annual scrapping and replacement lists, and reduce capital investment. 2. Extend equipment lifespan by investing in high-efficiency equipment with lower operating costs to reduce long-term maintenance costs. 3. Monitor government subsidies for climate change adaptation, such as energy-saving subsidies and tax exemptions, to reduce overall emission reduction costs.	3,607,363

Based on the results of the opportunity assessment, three key opportunity items have been summarized, with their corresponding response strategies explained in the table below. As for the financial impact assessment, for the opportunity to assist suppliers in low-carbon transition to reduce procurement costs, the carbon emissions of plastic and steel components are estimated. Assuming a certain rate of reduction in carbon tax for the calculation, for the opportunity related to effectively implementing climate change BCP (Business Continuity Planning), it is anticipated to reduce the lead time for post-disaster recovery of factory areas due to climate change, thus shortening downtime. For the opportunity to use low-carbon energy sources, leveraging the green electricity generated by solar power plants in various factory plants globally can reduce the amount spent on electricity bills.

Unit: NT$

Key Opportunity Items	Time	Response Strategies	Financial Impact Assessment
Assisting suppliers in low-carbon transition to reduce procurement costs	Long-term	1. As CBAM initially targets plastic and steel products for the imposition of carbon taxation, collaboration in research and development enables suppliers to effectively reduce carbon emissions in the production process, thereby minimizing the increase in carbon fees. 2. Long-term contracts provide suppliers with stable order guarantees, encouraging them to invest in low-carbon technologies and process improvements. 3. Incorporating low-carbon production into green procurement policies prioritizes suppliers with low-carbon production methods.	1,196,528
Effectively execute climate change BCP	Mid-term	1. Combining scenario analysis with precise risk identification and assessment is crucial to evaluate the impact of extreme weather events such as floods, droughts, and hurricanes, as well as long-term climate change factors like rising sea levels and temperature fluctuations on operations, as well as gain a grasp on corresponding disaster events. 2. Regular testing and drills of the BCP are necessary to ensure its effectiveness, with improvements made based on the results of these drills. 3. Implementing monitoring mechanisms allows for continuous surveillance of climate change-related risks and trends. Regular assessments and updates to the BCP are essential to reflect new risks and changes in business conditions.	> NT$10 million
Use of low-carbon energy sources	Short-term	1. Transitioning to renewable energy sources can result in immediate reductions in electricity expenses in the short term while offering stable long-term benefits in carbon emissions reduction. 2. Monitoring Corporate Power Purchase Agreements (CPPAs), whether through collective procurement or supply chain mechanisms, offers the potential to boost demand and lower the cost of low-carbon energy. 3. Additionally, keeping an eye on carbon credit markets and complying with local regulations regarding carbon credit usage in manufacturing regions can help mitigate the need for low-carbon energy or address emission reduction challenges through alternative methods.	8,098,010

Climate Change Goals

We remain committed to actively addressing climate change and have established clear targets. Using 2020 as our baseline year, our short-term goal is to reduce greenhouse gas emissions by 15% by 2025, our mid-term goal is to achieve a 50% reduction in greenhouse gas emissions by 2023, and our long-term goal by 2050 is to achieve net-zero emissions. The target for renewable energy usage is set at 10% of the Company's overall energy consumption by 2025. The actual percentage of the Company’s overall renewable energy use in 2023 was 6.82%.

4.2 Energy Management

As MiTAC is mainly involved in assembly, our impact on the environment is relatively minimal. Energy efficiency is always our priority when it comes to the planning, installation and operation of the production facilities in the plants. Meanwhile, we continuously measure and manage our environmental performance. The major energy inputs and greenhouse gas emissions for MiTAC Group in 2023 are as follows: The Company started expanding solar photovoltaic installations in 2022, with a renewable energy ratio of 6.82% in 2023 and a target of reaching 10% by 2025. In addition to the Company's self-built solar photovoltaic facilities, the Company plans to commence green energy procurement from 2024 onwards to further increase the Company's renewable energy ratio.

MiTAC's Energy Utilization

Type of Energy			Unit	2021	2022	2023
Input	Energy	Purchased power	MWh	67,669.42	68,653.26	62,377.09
		Natural gas	MWh	628.50	523.56	388.93
		Diesel	MWh	312.08	297.00	31.67
		Gasoline	MWh	287.45	199.79	215.75
	Renewable energy	Solar power	MWh	562.00	2,430.61	5,114
Output	GHG	Direct emissions (Scope 1)	tCO_2e	2,732.56	3,846.67	3,159.42
		Indirect emissions (Scope 2) - Purchased power	tCO_2e	35,775.55	36,947.69	33,979.32
		Scope 1+2 emissions	tCO_2e	38,508.11	4,0794.35	37,138.73
		Indirect emissions (Scope 3) – Employee overseas business travel	tCO_2e	78.98	148.386	244.76
		Indirect emissions (Scope 3) – Product cross-border transportation	tCO_2e	3,010.61	7,872.76	2,894.01
		Indirect emissions (Scope 3) – Company cars	tCO_2e	-	30.66	34.48
		Indirect emissions (Scope 3) – Waste collection and disposal	tCO_2e	-	102.82	45.35
		Indirect emissions (Scope 3) – Upstream raw material procurement	tCO_2e	-	-	183,063.12
	Waste gas	Volatile organic compound	t	0.68	2.69	1.89

Note:
1. In 2023, greenhouse gas emissions from the transportation of recycled waste were added to "waste collection and disposal."
2. In 2023, indirect greenhouse gas emissions were added to "upstream raw material procurement," including the procurement of productive materials from Taiwan and mainland China factory plants.

Type of Energy：Purchased power（MWh）

2021	2022	2023
67,669.42	68,653.26	62,377.09

Type of Energy：Natural gas（MWh）

2021	2022	2023
628.50	523.56	388.93

Type of Energy：Diesel（MWh）

2021	2022	2023
312.08	297.00	31.67

Type of Energy：Gasoline（MWh）

2021	2022	2023
287.45	199.79	215.75

Type of Energy：Total Energy Consumption（MWh）

2021	2022	2023
68,897.44	69,673.61	63,013.44

Type of Energy：Energy intensity（MWh /NT$ million）

2021	2022	2023
1.66	1.46	1.77

4.3 GHG Emissions

The Company cares about global climate change, protecting the Earth's resources and fulfilling our CSR. Besides continuing to promote greenhouse gas emission control in order to decrease costs, we also strive towards sustainable energy development that encompasses resource efficiency, energy conservation and environmental protection, so as to help materialize a low carbon economy and society.

Carbon Reduction Goal

We are committed to fulfilling our social responsibility to the environment through planned energy conservation and carbon reduction efforts. We referred to SBTi and TCFD to establish our emissions reduction pathways in 2021. They were reported to the Board of Directors as a response to the requirements of the customers in the reduction of carbon emissions along the supply chain. To align with the goal of limiting global warming to below 1.5° C by the end of the century, we adjusted MiTAC Group's carbon emissions reduction pathway in 2023.

MiTAC's emissions reduction pathway: Using 2020 as the baseline year, our goal is to reduce emissions by 15% by 2025, 50% by 2030, and achieve net-zero emissions by 2050.

Each year, the Company conducts the inventory of the GHG emissions in the previous year. The inventory scope includes direct emissions, indirect emissions from energy consumption, indirect emissions from transportation (business travel, product transportation), indirect emissions from upstream raw material procurement, and indirect emissions from waste disposal and treatment. Since 2020, external verification of the inventory has been conducted by a third-party unit to enhance the reliability of our greenhouse gas data. Through the verification results, we can better understand the progress of MiTAC's carbon reduction pathway. In order to achieve emissions reduction goals, the Environmental Management Team of the Sustainability Development Committee convenes monthly meetings to assess the attainment of management objectives and the advancement of energy conservation and carbon reduction initiatives in each company. Regular reports on these matters are presented to the Board of Directors. Compared to the baseline year of 2020, total greenhouse gas emissions (Category 1+2) decreased by 3.1% in 2023.

	2020 (baseline year)	2021	2022	2023
Category 1 Total GHG emissions (tCO_2e)	2,705	2,733	3,847	3,159
Category 2 Total GHG emissions (tCO_2e)	35,612	35,776	36,948	33,979
Categories 1+2 Total GHG emissions (tCO_2e)	38,318	38,509	40,794	37,139
Revenue (NDT$M)	41,146	42,186	47,833	35,536
Categories 1+2 Intensity of GHG emissions (tCO_2e/ per NT$ million revenue)	0.93	0.91	0.85	1.05
Categories 3-6 Other indirect emissions GHG emissions (tCO_2e)	3,591	3,090	8,155	186,282
Categories 1-6 Total GHG emissions (tCO_2e)	41,908	41,598	48,949	223,420

Note:
1. Sources of the carbon emission factor of the plants: Taiwan – 2022 emission factor announced by the Bureau of Energy; China – Notice on the Management of Greenhouse Gas Emissions Reporting by Enterprises in the Power Generation Industry from 2023 to 2025; California – PG&E Climate Strategy Report, June 2022.
2. GHG emissions were quantified using the GWP of IPCC AR6 (2021).
3. In 2023, indirect greenhouse gas emissions were added to Category 3 "upstream raw material procurement," including the procurement of productive materials from Taiwan and mainland China factory plants.

Environmental ISO Certification

4.4 Actions and Effectiveness of Emissions Reduction

In the face of global climate change, as a responsible citizen of the Earth, MiTAC shall strive to continuously reduce greenhouse gas emissions in its operational processes and minimize its negative impact on the climate, thus mitigating the effects of global warming. MiTAC follows the ISO 14064-1 standard to identify the main sources of Category 1 and Category 2 GHG emissions. Over 92% of these emissions stem from electricity usage. Therefore, MiTAC focuses primarily on energy conservation as a key method for carbon reduction, aligning with government greenhouse gas management policies and Company reduction targets, and implementing greenhouse gas reduction plans.

Carbon Reduction Actions

In 2023, there were a total of 23 energy-saving initiatives, resulting in an annual reduction of approximately 2,730 MWh of electricity and a reduction of about 2,000 tCO_2e.

	Plant	Energy-saving item	Annual energy savings (MWh)	Annual emissions reduction (tCO_2e)
11 projects	Taiwan - Hsinchu Plant	Replacement of warehouse microwave induction lamps	20.80	10.30
	Taiwan - Hsinchu Plant	Installation of 585 kWp solar photovoltaic system	671.58	332.43
	Taiwan - Hsinchu Plant	Replacement of PCM refrigerated dryers	11.80	5.84
	Taiwan - Hsinchu Plant	Replacement of air compressors with steam traps	23.90	11.83
	Taiwan - Hsinchu Plant	Replacement of cooling tower heat dissipation fins	58.90	29.16
	Taiwan - Hsinchu Plant	Optimization of water chiller outlet temperature	22.40	11.09
	Taiwan - Hsinchu Plant	Replacement of production line VFD air conditioning units	36.00	17.82
	Taiwan - Hsinchu Plant	Replacement of warehouse and testing area LED lamps	5.70	2.82
	Taiwan - Huaya Plant	Installation of AHU VFD equipment	93.76	46.41
	Taiwan - Huaya Plant	Installation of cooling tower VFD equipment	202.60	100.29
	Taiwan - Huaya Plant	Replacement of 250RT spiral VFD ice machine system	532.60	263.64
4 projects	China - MSL Plant	Replacement of air conditioning chiller units	260.00	148.28
	China - MSL Plant	Implementation of office energy conservation plan	84.68	48.29
	China - MSL Plant	Replacement of BTU reflow oven	344.11	196.25
	China - MSL Plant	Replacement of NXT modules	115.78	66.03
4 projects	China - MKL Plant	Replacement of water chillers (including 2 water pumps)	614.80	350.62
	China - MKL Plant	Replacement of cooling tower	15.80	9.01
	China - MKL Plant	Installation of energy-saving water pumps	5.30	3.02
	China - MKL Plant	Transformation of VFD exhaust fans	57.50	32.79
4 projects	China - MISK Plant	Control of fresh air volume for water chillers	242.20	138.13
	China - MISK Plant	Optimization of heat pump water pump usage	71.78	40.93
	China - MISK Plant	Reduction of compressed air demand pressure	224.21	127.87
	China - MISK Plant	Insulation of drying machines	11.07	6.31
		Total	3,727.26	1,999.15

Renewable energy Installation

We continue to promote the installation of solar power equipment at major operating locations. In 2023, the installed capacity of newly built solar power plants reached 585KW. In addition to the previously installed solar heat pump of 546MWh, the newly built solar photovoltaic power generation capacity from 2022 to 2023 is approximately 4,568MWh, totaling 5,114MWh. In July 2023, we signed a contract with N&G Group in Vietnam to invest in the construction of a new plant in the HANSSIP Industrial Park in Phu Xuyen, Hanoi, Vietnam. From the initial stage of development and construction, we proactively incorporate green building concepts and solar photovoltaic technology into our construction plans.

Taiwan - Hsinchu Plant



China - MSL Plant



China - MKL Plant



US - California Plant



4.5 Water Resources Management

MiTAC's factory plants and offices source their water from municipal potable water, which is used solely for domestic purposes (approximately 95%). Due to the nature of the industry, there is no process water requirement, resulting in no industrial wastewater discharge. All water usage complies with local government regulations and laws, with no violations reported in 2023. Take the plant in Taiwan as example. The domestic wastewater is discharged to the sewage treatment plant established in the science park, and the management center regularly conduct wastewater sample testing. According to the testing results, the wastewater of the plant has met the water quality conditions specified by the wastewater (sewage) discharge standards.

Water resource policy

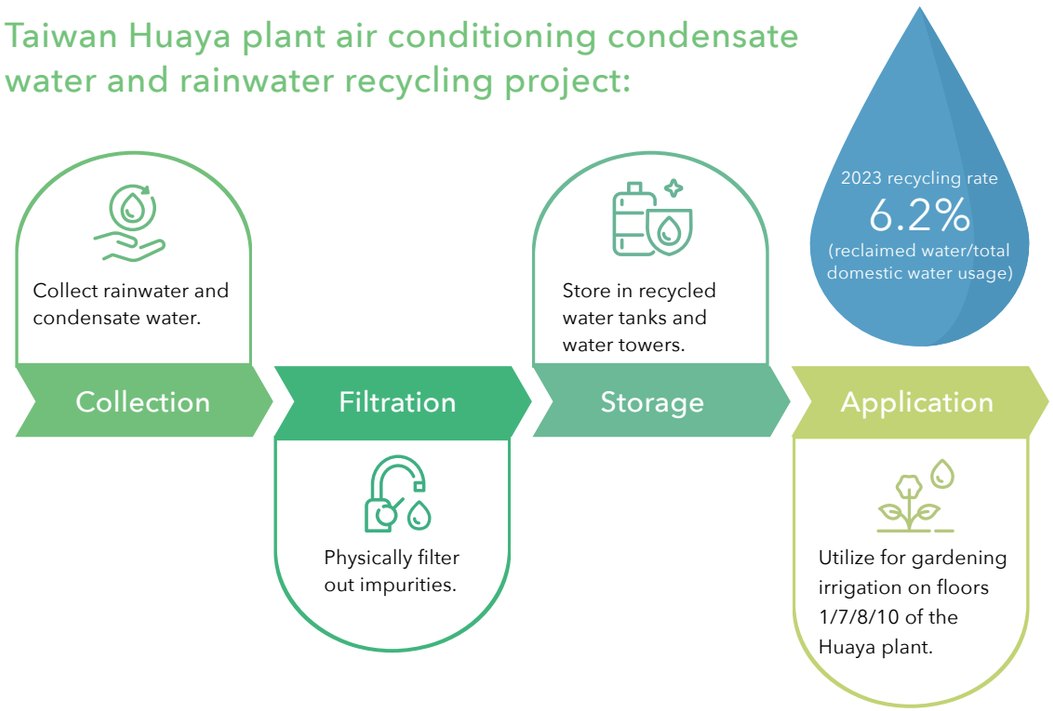
- Collaborate with regional authorities and utilities companies to coordinate water resource deployment.
- Identify short-term and long-term water resource risks.
- Stipulate water conservation targets for various plants to conserve water.

In water resource protection, various water conservation programs are established for corporate sustainable development and management of water consumption for operations is achieved with various water conservation and water reclamation/reuse measures. Conducting internal water audits and implementing various water-saving measures, with water intensity used as the observation indicator in order to respond to water resource risks caused by climate change in advance.

Target set in 2022: With 2021 as the base year, annual reduction in water use intensity (water consumption per unit revenue) by 1% compared to the previous reporting year, and total reduction by 5% by 2026.

2023 recycling rate: 6.2% (reclaimed water/total domestic water usage). Additionally, according to the AQUEDUCT WATER RISK ATLAS, among the Group's major plants and office locations, the Kunshan plant in China is categorized as being in an area of extremely high water stress. The other plant locations are in areas of low to medium-low water stress. The water withdrawal amount for the Kunshan plant is 133.29 million liters, with water withdrawal in areas of water scarcity or extreme water scarcity accounting for 31.9%, and the water consumption rate is 16.8%.

Taiwan Huaya plant air conditioning condensate water and rainwater recycling project:



Water consumption for the most recent year

Item		Unit	2020	2021	2022	2023
Water withdrawal	Tap water	million liters	436.61	482.14	469.84	417.55
Water discharge	Domestic wastewater	million liters	209.02	239.83	237.43	192.80
Water consumption		million liters	227.60	242.31	232.42	224.75
Water use intensity		million liters/ NT$1 million	0.0106	0.0114	0.0098	0.0118

4.6 Wastes Management

By setting legal compliance as the basic requirement, all operational bases are operated according to the environmental management system (EMS) and responsible management units are established. As waste sorting and management are enhanced and waste disposal is outsourced, qualified contractors are selected based on the ability to provide optimal disposal of corresponding waste type. In addition, irregular audits are conducted to ensure the proper disposal of waste. We implement recovery and reuse, thermal treatment and incineration or landfill disposal according to waste categories to make sure that secondary pollution will not happen to the environment.

Targets established in 2022: With 2021 as the baseline year, annual reduction in waste intensity (generated waste of unit revenue) by 1%, and total reduction by 5% by 2026.

Waste generation information for the most recent year

Item		Unit	2020	2021	2022	2023
Non-recyclable Waste	Hazardous industrial waste	metric tons	96.96	137.11	140.65	168.16
	General Industrial Waste (including non-recyclable domestic waste)	metric tons	531.24	484.77	474.96	413.71
Recyclable Waste		metric tons	2,076.26	2,216.02	2,027.50	1,577.42
Total Weight of Waste		metric tons	2,704.45	2,837.91	2,643.11	2,159.29
Percentage of Hazardous Waste			3.59%	4.83%	5.32%	7.79%
Percentage of Recycled Waste			76.77%	78.09%	76.71%	73.05%
Waste Intensity		Ton/NT$ million	0.0657	0.0673	0.0553	0.0608

2023 Waste Processing Volume (Metric Tons) by Waste Disposal Method

Waste Type	Reuse	Recycled	Compost	Other Recycling Processes	Incineration	Landfill	Storage	Total	Total Waste
General	0.00	0.00	0.00	0.00	343.01	38.31	32.39	413.71	2,159.29
Hazardous	0.00	70.91	0.00	0.05	87.89	0.00	9.31	168.16	
Resource	104.00	1,457.27	0.00	0.00	0.00	0.00	16.16	1,577.42	

Note: All hazardous waste is entrusted to legal waste disposal companies for handling and disposal. The recycling rate for 2023 was 42.2%.



Waste
Managed via centralized classification, commissioned qualified subcontractors for treatment, and divided into recyclable and non-recyclable waste.

Recyclables
Items of value or those mandated for recycling by local regulations among general industrial waste, including wastepaper, scrap metal (metal), waste plastics, scrap aluminum, waste batteries, and IC trays, of which paper accounts for about 90%. In addition, the suppliers recycle and reuse them as recycled resources for waste tin slag to reduce production of waste materials.

Non-recyclables
All waste excluding recyclable items, such as mixed metal scraps, PCBs, and general household waste.

Hazardous industrial waste
Waste generated by businesses that possess toxic and hazardous properties is regulated and controlled according to applicable waste regulations in various countries.

General industrial waste
Waste generated by the business and its employees, including general domestic waste.

Waste Reduction Strategy and Actions

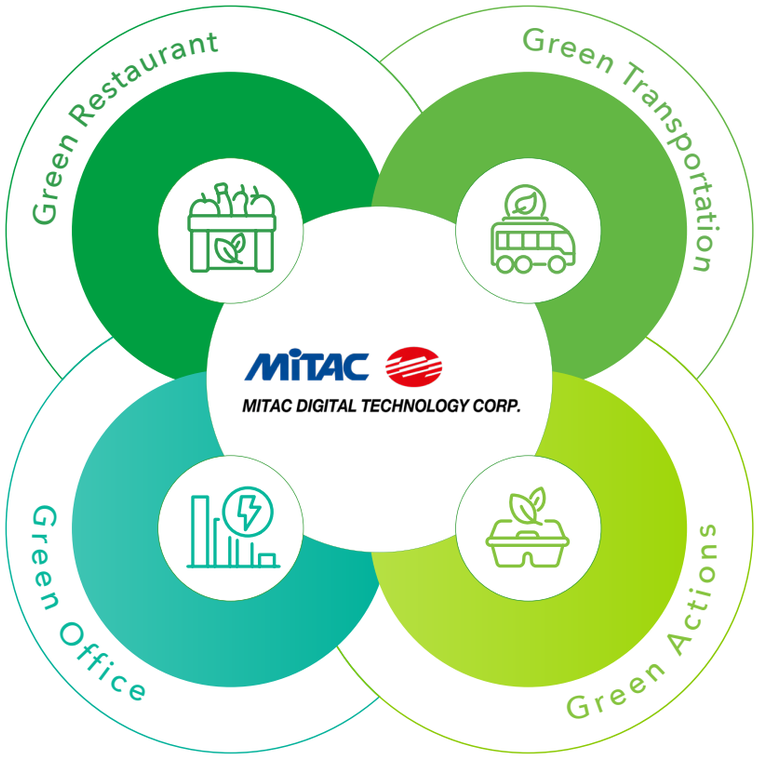
Key strategies for waste reduction implementation include conducting waste assessments to understand the types and sources of waste generated and implementing the 3R principle (reduce, reuse, recycle) to minimize waste generation and promote resource recycling. MiTAC puts diversity into practice and continuously implements sustainability actions. We also ingrain the awareness of sustainability in employees through internal systems, environmental awareness lectures and sustainability related activities. We encourage employee participation to enhance their understanding and practice of environmental protection.

In Taiwan, employee cafeterias have stopped providing single-use disposable utensils and have implemented low-environmental-cost meal models, creating a friendly dining environment, and other action plans to reduce environmental impact. In May 2023, MiTAC achieved compliance with 35 out of 25 eligible response measures from the Ministry of Environment's Green Office program, obtaining Green Restaurant certification for 34 measures. Furthermore, we promote printer usage control through card-swiping systems to reduce paper consumption, resulting in a 5% reduction in paper usage compared to the same period for the previous year.

MiTAC responds to the "National Green Living" initiative, promoting green practices in diet, work environment, transportation, and daily life. We put it into practice in every facet of daily life such as food, clothing, housing, transportation, education, leisure, and consumption.

1. All employees shall prepare their own eco-friendly tableware for meals.
2. Priority is given to purchasing locally produced ingredients.
3. Food portions are adjusted based on individual appetite to reduce food waste.
4. Choose green restaurants for environmentally friendly and safe dining.
5. Leftover food is packed to take home to avoid food waste.

1. Turn off power, air conditioning, and projector when not in use.
2. Open the tap to an appropriate flow when washing hands or dishes to save water.
3. Bring your own handkerchief to reduce the use of paper towels.
4. Print multiple pages on both sides to avoid paper waste.
5. Utilize the back of blank paper for printing to save paper usage.
6. Reduce unnecessary printing of business cards.
7. Minimize takeout food delivery orders to reduce waste.
8. Reduce the use of disposable plastic bags or use eco-friendly bags to carry items.
9. Use reusable cups for meetings, avoiding single-use disposable utensils.
10. Implement proper waste sorting and resource recycling in the office area to reduce waste generation.
11. Departing employees should return personal stationery to reuse.



1. Whenever possible, use shared transportation for official travel.
2. Reduce engine idling to minimize fuel consumption.
3. Start driving at low speeds, maintain appropriate speed, and avoid heavy acceleration.
4. Maintain the air conditioning temperature in the car appropriately to save fuel.
5. Use video conferencing for external meetings to reduce vehicle usage and conserve fuel.
6. Reduce driving to and from work, adopt carpooling systems, and take company shuttle buses to reduce carbon emissions.
7. Use U-bike or walk to work for environmental protection and health.
8. When traveling, opt for eco-friendly accommodations or travel agencies with eco-labels.

1. Set computers to power-saving mode.
2. Take stairs instead of elevators when possible.
3. Set air conditioning to 26 degrees Celsius for energy savings and environmental protection.
4. Purchase more green products and practice environmental protection in practical actions.
5. Recycle external envelope bags to make internal correspondence bags, reducing the usage of company envelopes.
6. Green the office environment by setting up green plants and maintaining them regularly.
7. Regularly clean personal office areas weekly and conduct annual thorough cleanings.
8. Choose eco-friendly certified venues, eco-hotels, green restaurants, and environmental education facilities for meetings, events, and group dining as much as possible.

關鍵字查詢

神達電腦股份有限公司

*可查詢單位名稱

查詢結果：此頁1筆　共有1筆　第1/1頁　　最後更新日期: 2024/08/27　　選擇排序 依響應日期(最新)

響應日期	縣市	單位性質	單位名稱	響應措施數量
2023/09/11	新竹縣	企業	神達電腦股份有限公司	34



5

Happy Workplace and Social Participation

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Mitac Group is committed to increasing employee job satisfaction and fostering a happy workplace through an active, open, equal, and diverse corporate culture. We provide diversified employee benefits, such as flexible work systems, training and development opportunities, health insurance, family care leave, etc. We are dedicated to supporting our employees in various aspects and have implemented regulations to safeguard the well-being of women. Over the years, we have made continuous efforts to strengthen and improve various initiatives. In 2023, our commitment was recognized by the Taoyuan City Government, and we were honored with the "Model Enterprise for Maternal Health Protection" award, receiving public recognition. Since 2022, MiTAC has initiated a tree-planting project in collaboration with the Tse-Xin Organic Agriculture Foundation's Tse-Xin Tree Planting Team, planning to plant 26,250 native Taiwanese forest trees within six years, contributing efforts to increase climate resilience, biodiversity, and water resource protection. We also organized two ESG activities, "Tribute to a Clean Ocean, Everlasting Sustainability - Beach Cleanup Activity" and "Restoration of Century Old Stone Weirs in Xinwu," leading employees and their families to engage in outdoor activities to actively put ESG commitments into practice. As always, MiTAC upholds the idea of “give back to society what is taken from society” as only a harmonious society can produce a blueprint for the sustainable development of an enterprise. Only a society of perpetual progress can make room for the sustainable growth of an enterprise.

The ratio of female mid-to-senior-level executives has reached ***one-fourth***.

The total training hours for employees in 2023 reached ***358,303 hours***, with an average training hours per person of 62.3 hours.

Retention rate of outstanding employees in 2023: ***89.1%***.

Mitac in Taiwan was awarded the ***"Model Enterprise for Maternal Health Protection"*** by the Taoyuan City Government.

The tree-planting project from 2022 to 2023 has seen the planting of a cumulative total of ***15,250 trees***.

101,250 cc of blood collected through blood donation drives.

Sponsoring the Chinese Taipei Baseball and Softball Association of the Disabled/Standard Chartered Taipei Charity Marathon

Donating through charity sales to the Ruth Society For Disability Services/ Huashan Foundation Angel Station

5.1 Human Rights Protection

Human Rights Commitment

The Company duly observes the “Universal Declaration of Human Rights,” “United Nations Guiding Principles on Business and Human Rights,” the “ILO Convention,” and the “UK Modern Slavery Act,” and follows the requirements defined by the Responsible Business Alliance (RBA). It also upholds internationally recognized human rights norms, including the prohibition of human trafficking, the use of child labor, the elimination of all forms of forced labor, the prevention of workplace violence, and discrimination in employment practices. In accordance with labor laws in the respective locations where the Company operates, policies and operational standards such as the "Labor Policy and Operational Standards,"“Operational Standards for Prohibition of Child Labor and Protection of Minor and Female Employees” and “Regulations for Freedom of Occupational Choice, Humane Treatment and Non-Discrimination” have been established, and updates the same in a timely manner in response to policy amendments, if any.

In order to promote the employees’ understanding of legal labor rights, the Company has incorporated human rights education into the compulsory training for all the employees and compiled textbooks that cover the Responsible Business Alliance (RBA) Code of Conduct. In addition to being mandatory for new employees, refresher training is conducted annually for all staff to enhance their awareness of human rights management.

Communication and Complaints Mechanism

The Company regularly holds cross-level meetings, management meetings and labor-management meetings to build a sound two-way communication mechanism. Currently, the coverage rate of collective agreements and labor unions is 63.98%. For employees not covered by the collective agreement, work conditions and employment terms are determined according to local labor laws, labor-management meetings, labor contracts, or work rules.

Moreover, MiTAC has established a procedure for handling complaints and reports. Employees can report any illegal, unethical, or non-compliant behavior within the Company, as well as any instances of unfair treatment or violations of their rights, through various channels such as the employee suggestion box, complaint hotline, and SpeakOut email. All complaints are forwarded to the responsible unit for handling, and employees are communicated with throughout the process while maintaining confidentiality.

Human Rights Due Diligence and Process

MiTAC references relevant human rights issues from the United Nations and international communities, identifying human rights risks related to stakeholders. A comprehensive assessment is conducted based on the likelihood and impact of human rights risks to identify, mitigate, and compensate for these risks.



Human Rights Issues	Management Measures	Mitigation and Compensation
Working Hours	• Establish and announce to employees a working hour system and management plan that complies with local regulations at the location of business operations. • In accordance with operational needs, arrange overtime work in compliance with legal regulations with the consent of employees. Employees can choose between overtime pay or compensatory time off as compensation based on their preference. • Establish and maintain policies for reasonable working hours and rest breaks, scheduling work and rest time according to labor laws and requirements to ensure compliance with local regulations.	• Provide employees with reasonable and appropriate rest breaks during normal working hours. • Implement an attendance management system to record employee work hours and leave status, which is accessible to employees for inquiry. Managers can utilize the system to manage and remind employees of their work hours and overtime hours. • Set up reminders for overtime hours in the attendance management system to alert employees to avoid excessive overtime.
Diversity and Non-Discrimination	• MiTAC treats every employee equally and provides them the same opportunities including wages, promotion, rewards and training irrespective of race, age, skin color, gender, sexual orientation, language, education, religion, occupation, political affiliation, nationality, region, birth, social background, caste, property or any other identity differences. In the process of recruitment and work, the managerial personnel of any department must treat the employees equally without any discriminatory action. • In Taiwan Region, MiTAC hires personnel with mental and physical disabilities, who account for more than 1% of our employees, in accordance with the “People with Disabilities Rights Protection Act” of the Ministry of Health and Welfare.	• Ensure that employee rights are protected by making employees aware through public documents, announcements, or training. • Employees can seek assistance through the available channels for reporting grievances. • For the Indigenous Harvest Festival, compliance with the Labor Standards Act is ensured by providing Indigenous employees with the opportunity to apply for public holidays. • Religious spaces are provided in the Company and dormitories to encourage employees to organize religious activities.
Prohibition of Child Labor	• MiTAC absolutely prohibits the employment of children aged under 16. We are set against any action regarding child labor and do not work with suppliers that employ children on purpose. During recruitment, we inspect the actual age of the employee to confirm that no child is employed.	• During recruitment, ensure that candidates meet the legal age requirement upon hiring. • HR thoroughly reviews the application materials upon employee onboarding to ensure compliance with legal regulations.

Human Rights Issues	Management Measures	Mitigation and Compensation
Prohibition of Forced Labor	• MiTAC respects the employees' right to freedom and prohibits the adoption of forced labor in any form as well as restrictive actions on freedom of workers.	• Employees have all the freedoms, including employment, separation, work overtime, and freedom of movement. • Overtime is optional for employees, and they can choose between overtime pay or compensatory time off according to their preference.
Freedom of Association	• All employees of MiTAC have the rights to peaceful assembly, freely form clubs and join labor unions, participate in collective bargaining and all other relevant actions in line with the laws.	• Employees can organize and manage clubs independently. • Regular labor-management meetings are held.
Prevention of Sexual Harassment and Workplace Misconduct	• To uphold gender equality and personal dignity, regulations such as the "Regulations Governing Workplace Sexual Harassment Prevention and Complaint Handling" and "Regulations Governing the Prevention and Management of Unlawful Infringement in the Performance of Duties" are established to ensure that employees are protected from verbal, physical, psychological, and sexual harassment, as well as gender discrimination, in the workplace.	• Physical employee suggestion boxes, complaint hotlines, and the SpeakOut email system are set up to provide avenues for employee complaints. • Training sessions on preventing workplace ulawful infringement and sexual harassment are conducted
Fair Wages	• In addition to complying with local legal regulations, employee salaries and remuneration are determined based on their education, professional knowledge and skills, professional experience, and individual performance, with no differentiation in starting salaries based on employee gender, race, religion, political stance, gender, or marital status.	• Annual salary surveys are conducted to assess market salary levels and overall economic indicators, and appropriate adjustments to employee salaries are made accordingly. • Performance bonuses are distributed based on the Company's annual performance and individual achievements.
Employee Health	• Employee health management regulations have been established, including planning and implementation of health checks and health promotion activities.	• Health promotion activities are designed and organized based on the results of employee health checks. • Professional physicians are stationed at the factory plants to provide consultations. • Continuous monitoring and care are provided for employees with high-risk health conditions based on the results of health checks.

Note: The scope of the human rights due diligence investigation is limited to the Taiwan region.

5.2 Talent Attraction and Development

MiTAC recognizes contributions from diverse talents, hence we strive to employ local people and those who are physically and mentally impaired as the first priority. With the capacity of the people in performing the required duties as the criteria for employment, we provide diverse job opportunities without discrimination against gender, religion, race, nationality or political affiliation. In 2023, we hired an indigenous worker and 28 employees with physical and intellectual disabilities in Taiwan Region while hiring 34 employees with physical and intellectual disabilities in mainland China. In addition, the employment policy of MiTAC explicitly states that all applicants and employees be fairly treated in recruitment, employment, development, evaluation, reward and remuneration.

MiTAC Global Employee Distribution Chart

Region	Taiwan Headquarters & Production Bases	China			USA			Other	Total
		Material Production Bases	Other Operating Locations	Total	Material Production Bases	Other Operating Locations	Total		
Number of employees	1,847	3,760	186	3,946	270	52	322	67	6,182
Percentage	29.88%	60.82%	3.01%	63.83%	4.37%	0.84%	5.21%	1.08%	100%

Note: 1. The number of employees still employed as of 2023/12/31 in the Company's personnel system, including those on unpaid leave on that day.
2. "Others" include Japan, Australia, and Europe.

Category	Item / Gender	Material Production Bases in Taiwan				Material Production Bases in China				Material Production Bases in the USA				Total			
		Number of employees	Ratio	Number of employees	Ratio	Number of employees	Ratio	Number of employees	Ratio	Number of employees	Ratio	Number of employees	Ratio	Number of employees	Ratio	Number of employees	Ratio
All Employees		1,121	60.69%	726	39.31%	2,221	59.07%	1,539	40.93%	154	57.04%	116	42.96%	3,496	59.49%	2,381	40.51%
Direct and Indirect	Indirect	1,030	67.54%	495	31.94%	941	59.48%	641	40.52%	50	63.29%	29	36.71%	2,021	63.43%	1,165	36.57%
	Direct	91	28.26%	231	73.68%	1,280	58.77%	898	41.23%	104	54.45%	87	45.55%	1,475	54.81%	1,216	45.19%
Job Category	Managers	259	77.31%	76	22.69%	143	69.76%	62	30.24%	25	67.57%	12	32.43%	427	74.00%	150	26.00%
	Employees	862	57.01%	650	42.99%	2,078	58.45%	1,477	41.55%	129	55.36%	104	44.64%	3,069	57.91%	2,231	42.09%

Notes: 1. "Direct Employees" are production line workers; "Indirect Employees" are non-production line personnel.
2. "Supervisors" are those at the assistant manager level and above.
3. The denominator is the total number of employees in each category.

Category	Item / Gender	Material Production Bases in Taiwan				Material Production Bases in China				Material Production Bases in the USA				Total			
		Number of employees	Ratio	Number of employees	Ratio	Number of employees	Ratio	Number of employees	Ratio	Number of employees	Ratio	Number of employees	Ratio	Number of employees	Ratio	Number of employees	Ratio
Employment Contract	Lifelong employees	1,036	65.28%	551	34.72%	564	57.20%	422	42.80%	85	60.28%	56	39.72%	1,685	62.09%	1,029	37.91%
	Regular contract	85	32.69%	175	67.31%	1,657	59.73%	1,117	40.27%	69	53.49%	60	46.51%	1,811	57.26%	1,352	42.74%
Type of Employment	Full-time	1,107	60.59%	720	39.41%	2,205	59.02%	1,531	40.98%	154	57.04%	116	42.96%	3,466	59.42%	2,367	40.58%
	Part-time	14	70.00%	6	30.00%	16	66.67%	8	33.33%	0	0.00%	0	0.00%	30	68.18%	14	31.82%

Notes: 1. “Permanent Employees” are full-time employees; “Fixed-term Contract” refers to employees with a fixed-term contract with the Company, including foreign migrant workers (Filipino).
2. “Full-time Employees” are those whose weekly, monthly, or annual working hours meet the definitions set by national laws and practices related to working hours; “Part-time Employees” are those whose weekly, monthly, or annual working hours are less than those of “Full-time” employees as defined above.
3. The denominator is the total number of employees in each category.

Category	Item / Gender	Material Production Bases in Taiwan				Material Production Bases in China				Material Production Bases in the USA				Total			
		Number of employees	Ratio	Number of employees	Ratio	Number of employees	Ratio	Number of employees	Ratio	Number of employees	Ratio	Number of employees	Ratio	Number of employees	Ratio	Number of employees	Ratio
Age	≦ 30 years old	179	9.69%	157	8.50%	1205	65.24%	586	31.73%	13	4.81%	18	6.67%	1397	23.77%	761	12.95%
	aged 31–50	755	40.88%	464	25.12%	924	50.03%	940	50.89%	57	21.11%	51	18.89%	1736	29.54%	1455	24.76%
	≧ 51 years old	187	10.12%	105	5.68%	92	4.98%	13	0.70%	84	31.11%	47	17.41%	363	6.18%	165	2.81%

Note: The denominator is the total number of employees.

Percentage of talents by nationality

Percentage / Region	Key production bases	
	Percentage of total employees	Percentage in managerial positions
Taiwan	23.81%	62.56%
China	67.06%	30.50%
USA	4.40%	6.76%
Philippines	4.58%	0.00%
Other	0.11%	0.17%

Note: "Other" includes employees from Malaysia, Japan, and the UK. Most Filipino employees are migrant workers.

Percentage of Local Talents in Managerial Positions

Item / Region	Material Production Bases in Taiwan	Material Production Bases in China	Material Production Bases in the USA
Number of Senior Officers	30	10	3
Number of Local Residents as Senior Officers	29	0	3
Percentage of Local Residents in Senior Officers	97%	0%	100%

Note: 1. The definition of a local resident is an employee holding the nationality of the country.
2. Definition of senior officers (executives): Managerial officers at the level of Senior Directors or above

Female employees/Female managerial officers

Item / Region	Material Production Bases in Taiwan	Material Production Bases in China	Material Production Bases in the USA	Total
Percentage of Female Employees	39.31%	40.93%	42.96%	40.51%
Percentage of Female Grassroots Managers	83.87%	42.11%	37.50%	45.11%
Percentage of Female Middle Managers	22.30%	30.73%	28.00%	25.54%
Percentage of Female Senior Officers	26.67%	10.00%	50.00%	25.00%
Percentage of Female Employees in Business Related Units	64.71%	90.91%	NA	71.63%
Percentage of Female Managers in Business Related Units	57.14%	80.00%	NA	60.00%
Percentage of Female Employees in STEM Positions	18.12%	24.50%	25.00%	20.97%

Note: 1. Grassroots managers: section chiefs, team leaders, shift leaders, and foremen
2. Middle managers: Assistant managers, managers, directors
3. Senior officer: Senior director and above
4. Business development-related: Positions that directly generate revenue, such as sales roles. There are no business development-related personnel in the United States.
5. STEM: Positions related to science, technology, engineering and math.
6. The denominator is the total number of employees in each category.

Status of new employees and their retention

The Company values each employee's development and provides comprehensive training program and career counseling in order to assist them to maintain growth momentum and constantly upgrade their skills. MiTAC encourages the retention and development of talents within the group; if suitable job positions become available, employees may apply for transfer via the internal transfer mechanism. At the same time, through personnel recruitment operations, we cultivate new employees to maintain the growth momentum of the Group. During recruitment, we strictly comply with the Responsible Business Alliance's Code of Conduct as well as the requirements of national labor laws and regulations to protect the employees' human rights, irrespective of race, skin color, gender, language, religion, political affiliation or opinion, nationality, social background, wealth, birth, or any other identity differences, from any discriminative treatment in employment or work.

To attract outstanding professionals to join the Company, we continue to develop diverse recruitment channels, including employee referrals, recruitment platforms, campus job fairs, school-industry cooperation and internships, and talent acquisition consultants, to recruit the talent our company needs. In 2023, the total number of new employees globally was 1,743, with an average recruitment cost of NT$5,081 per person.

For new employees, we provide a complete counselor system to help them quickly become familiar with the work environment and integrate themselves into the Company's culture. We also designate job instructors to guide new employees in swiftly adapting to their jobs. To recognize the outstanding performance of our employees, the Company selects outstanding employees every year and publicly recognizes them at the year-end banquet. As of the end of 2023, the retention rate of outstanding employees from 2022 who remained until the end of 2023 was 89.1%.

In relation to severance management, as soon as an employee decides to leave the Company, our human resources unit will arrange for an interview with the employee depending on the circumstances in order to understand the cause for his resignation. Furthermore, if suitable job openings in other departments become available, we will strive to retain the employee and offer our care. In 2023, the global total turnover rate for indirect employees was 11.14%, with a voluntary turnover rate of 9.07%.

Number and Ratio of New Employees in 2023

Region	Type	New employees												New Employment Rate
		Gender					Age							
			Ratio		Ratio	Total	Employees aged ≦ 30	Ratio	Employees aged 31–50	Ratio	Employees aged ≧ 51	Ratio	Total	
Taiwan	Indirect	83	60.14%	55	39.86%	138	58	42.03%	73	52.90%	7	5.07%	138	9.05%
	Direct	18	48.65%	19	51.35%	37	18	48.65%	19	51.35%	0	0.00%	37	11.49%
	Total	101	57.71%	74	42.29%	175	76	43.43%	92	52.57%	7	4.00%	175	9.47%
Mainland China	Indirect	109	72.19%	42	27.81%	151	99	65.56%	44	29.14%	8	5.30%	151	9.54%
	Direct	808	57.18%	605	42.82%	1413	998	70.63%	412	29.16%	3	0.21%	1413	64.88%
	Total	917	58.63%	647	41.37%	1564	1097	70.14%	456	29.16%	11	0.70%	1564	41.60%
USA	Indirect	2	50.00%	2	50.00%	4	1	25.00%	1	25.00%	2	50.00%	4	5.06%
	Direct	0	N/A	0	N/A	0	0	N/A	0	N/A	0	N/A	0	0.00%
	Total	2	50.00%	2	50.00%	4	1	25.00%	1	25.00%	2	50.00%	4	1.48%
Total	Indirect	194	66.21%	99	33.79%	293	158	53.92%	118	40.27%	17	5.80%	293	4.99%
	Direct	826	56.97%	624	43.03%	1450	1016	70.07%	431	29.72%	3	0.21%	1450	24.67%
	Total	1020	58.52%	723	41.48%	1743	1174	67.36%	549	31.50%	20	1.15%	1743	29.66%

Note: 1.New employment rate: Number of new employees in the year (1/1-12/31)/total employees in the year.
2.Number of new employees: Does not include applicants for unpaid leave.

Number and Ratio of Resigned Employees in 2023

Region	Type	Separated employees												Total Turnover Rate
		Gender					Age							
			Ratio		Ratio	Total	Employees aged ≦ 30	Ratio	Employees aged 31-50	Ratio	Employees aged ≧ 51	Ratio	Total	
Taiwan	Indirect	103	64.78%	56	35.22%	159	38	23.90%	103	64.78%	18	11.32%	159	10.43%
	Direct	14	35.00%	26	65.00%	40	12	30.00%	28	70.00%	0	0.00%	40	12.42%
	Total	117	58.79%	82	41.21%	199	50	25.13%	131	65.83%	18	9.05%	199	10.77%
Mainland China	Indirect	125	67.57%	60	32.43%	185	102	55.14%	69	37.30%	14	7.57%	185	11.69%
	Direct	915	59.84%	614	40.16%	1529	977	63.90%	548	35.84%	4	0.26%	1529	70.20%
	Total	1040	60.68%	674	39.32%	1714	1079	62.95%	617	36.00%	18	1.05%	1714	45.59%
USA	Indirect	11	100.00%	0	0.00%	11	4	36.36%	2	18.18%	5	45.45%	11	13.92%
	Direct	8	72.73%	3	27.27%	11	3	27.27%	3	27.27%	5	45.45%	11	5.76%
	Total	19	86.36%	3	13.64%	22	7	31.82%	5	22.73%	10	45.45%	22	8.15%
Total	Indirect	239	67.32%	116	32.68%	355	144	40.56%	174	49.01%	37	10.42%	355	11.14%
	Direct	937	59.30%	643	40.70%	1580	992	62.78%	579	36.65%	9	0.57%	1580	58.71%
	Total	1176	60.78%	759	39.22%	1935	1136	58.71%	753	38.91%	46	2.38%	1935	32.92%

Region	Type	Voluntary separation												Voluntary Turnover Rate
		Gender					Age							
			Ratio		Ratio	Total	Employees aged ≦ 30	Ratio	Employees aged 31-50	Ratio	Employees aged ≧ 51	Ratio	Total	
Taiwan	Indirect	80	62.50%	48	37.50%	128	33	25.78%	90	70.31%	5	3.91%	128	8.39%
	Direct	6	30.00%	14	70.00%	20	6	30.00%	14	70.00%	0	0.00%	20	6.21%
	Total	86	58.11%	62	41.89%	148	39	26.35%	104	70.27%	5	3.38%	148	8.01%
Mainland China	Indirect	105	67.31%	51	32.69%	156	87	55.77%	61	39.10%	8	5.13%	156	9.86%
	Direct	1001	62.17%	609	37.83%	1610	1231	76.46%	372	23.11%	7	0.43%	1610	73.92%
	Total	1106	62.63%	660	37.37%	1766	1318	74.63%	433	24.52%	15	0.85%	1766	46.97%
USA	Indirect	5	100.00%	0	0.00%	5	4	80.00%	1	20.00%	0	0.00%	5	6.33%
	Direct	3	50.00%	3	50.00%	6	2	80.00%	2	33.33%	2	33.33%	6	3.14%
	Total	8	72.73%	3	27.27%	11	6	54.55%	3	27.27%	2	18.18%	11	4.07%
Total	Indirect	190	65.74%	99	34.26%	289	124	42.91%	152	52.60%	13	4.50%	289	9.07%
	Direct	1010	61.74%	626	38.26%	1636	1239	75.73%	388	23.72%	9	0.55%	1636	60.80%
	Total	1200	62.34%	725	37.66%	1925	1363	70.81%	540	28.05%	22	1.14%	1925	32.75%

Note: 1. Turnover rate: The number of employees who separated from the Company in each region, gender, or age group for the year (1/1-12/31) / the total number of employees in each region, gender, or age group for the year.
2. Number of separated employees: Does not include applicants for unpaid leave but includes non-voluntary separations such as retirements, deaths, layoffs, dismissals.

Enterprise Talent Development

Diverse Learning Resources for the Creation of Environments Suitable for Talents

Starting from when employees join MiTAC, we are committed to providing training programs to new hires, professionals, and managers that integrate employee career growth with Company development plans. We offer diverse learning resources, including online learning, on-the-job training (OJT), study groups, professional external training, and subsidies for continuing education. Through self-directed learning and team learning activities, we foster continuous development among employees. We are dedicated to creating a conducive environment for talent cultivation, fostering employee capabilities, and building communication bridges to allow each employee to leverage their strengths, work with peace of mind, engage long-term, and jointly cultivate and develop at MiTAC. In 2023, the total training hours for employees reached 358,303, with an average training hours per person of 62.3 hours. The total training cost for the year amounted to NT$12,620,931, with an average training cost per person of NT$2,196.

Comprehensive New Employee Orientation Training for Organizational Integration

MiTAC is committed to welcoming each new member by providing orientation training and comprehensive new employee orientation courses. The content includes the Company's philosophy, organizational background, labor safety and information security promotion, as well as HR regulations and employee benefits information. Department heads are responsible for job guidance, while life counselors are arranged to assist new employees in adapting to the team and environment. Through various arrangements, we assist new employees in quickly familiarizing themselves, adapting, and integrating into Company operations.

Strengthening Management Competency for Improvement of Training and Leadership

Management Competency Development Plan (Taiwan Region)

To equip managers with leadership abilities responsive to the current era and promote organizational sustainable development through the development of managerial talent pipelines, we promote a managerial competency training plan aimed at strengthening decision-making and workplace communication skills among managers. This training program integrates the 70-20-10 rule, with individual development plans (IDPs) as the core. By applying experiential learning in actual work scenarios, leadership and management capabilities are enhanced. Through interactive feedback in one-on-one coaching and team coaching processes, managers reflect on their learning. Additionally, formal professional training courses provide managers with relevant management knowledge and skills to better lead teams in facing various challenges and achieving organizational goals.

In 2023, a total of 19 high- potential managers (HiPo) and their direct superiors participated in this program. The average overall satisfaction rating for direct superiors: 8.71; the average satisfaction rating for HiPo managers: 9.33

70%	20%	10%
Individual Development Plan (IDP)	One-on-One Guidance and Team Coaching	Professional Courses
2023 IDP Completion Rate Average score of 8.6	Change in Mindset/Behavior Average score of 8.1	Post-course Satisfaction Rating Average score of 9

Note: The score calculation includes self-assessment by HiPo managers and assessment by direct superiors, with a maximum score of 10.

Proxy Counseling Program (China - MSL)

Continuously Enhance Employee Talent Development and Passing on of Job Skills. Standardized management for proxies of job positions ensures certification of competencies for these roles. Managers and trainees are counseled according to the counseling program, which includes management skills training, foreign language proficiency training, professional skills training, and practical job skills. The program has received high praise from trainees. The "MSL Proxy Counseling Program" was awarded the "OneFLAG Awards" for Best Human Resource Management Project in 2021, earning acclaim from the industry.



Lecturer Certification (China - MSL):

In 2023, MSL initiated an internal lecturer certification project to empower outstanding potential talents with technical expertise, talent, and enthusiasm within each department, fostering a team of lecturers capable of course development and teaching. Professional training teachers were hired to go through course development, trial teaching certification, and course certification processes to build a team of lecturers with curriculum development and teaching capabilities. In the current year, a total of 52 certified lecturers were produced through the internal lecturer certification program.



Encouraging Diverse Learning to Promote Career Development

To empower employees in planning their future careers, MSL conducts semiannual two-way discussions between managers and employees to develop employee career development plans. Unit managers are responsible for providing technical skills training while implementing a rotation system to encourage multi-functional development, cultivate expertise, and enhance corporate competitiveness. MSL also encourages employees to participate in master's in-service programs and EMBA programs to continuously enhance their professional and management abilities.

In-Service Competency Enhancement Program (China - MKL)

In 2023, MKL collaborated with Wuxi Nanyang Vocational and Technical College and Jiangsu University of Science and Technology to improve the competency of grassroots team leaders and managerial officers. A total of 49 employees participated in the In-Service Competency Enhancement Program, with positive feedback on effectiveness. MKL is also committed to improving employees' vocational skills. It was awarded the "Kunshan City Vocational Skills Level Certification Unit." Currently, MKL can independently cultivate five types of work: computer maintenance workers, electronic equipment installation and adjustment workers, computer programmers (PLC), semiconductor discrete devices, and integrated circuit installation and adjustment workers, broadcasting and communication equipment electronic installation workers. It has trained 166 senior workers and 139 intermediate workers, allowing employees to not only improve their vocational skills and obtain recognized skill certificates but also receive corresponding government subsidies for the factory, achieving a "win-win" for employees and the company.





MiReading Book Club (China - MSL)

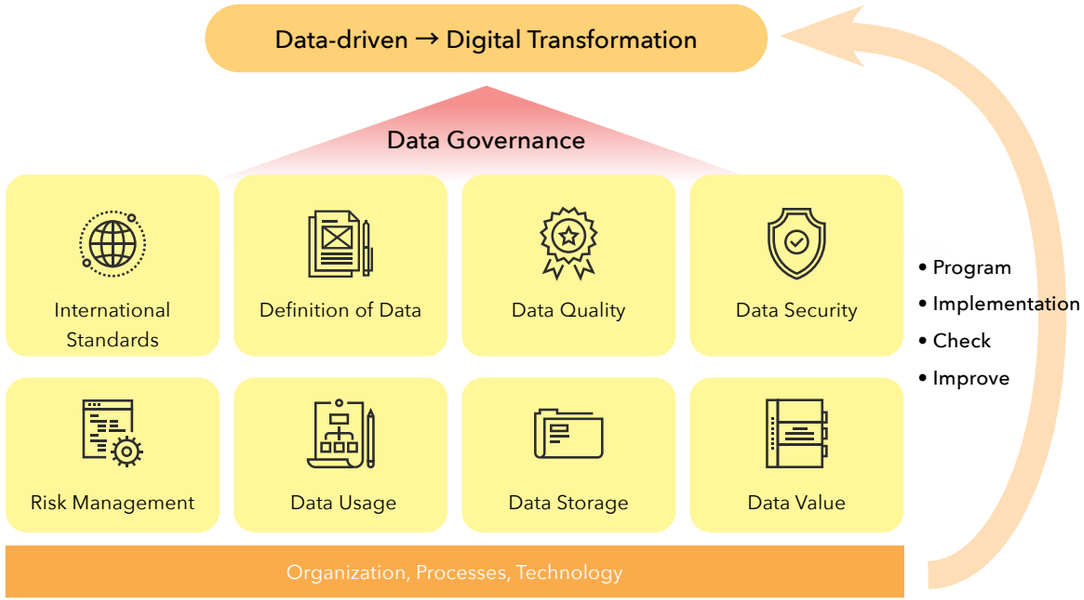
In March 2023, MSL held the second edition of the MiReading Book Club project, with a total of seven groups participating. Each group conducted monthly reading activities through a combination of online reading and offline sharing. Members used the FanShu App for online reading and shared their reading experiences on the platform. Members could like and comment on each other's posts. Based on the participation and praise rates in online activities, active reading groups were selected each month to encourage members to actively share their insights, cultivate reading habits, and foster a sense of belonging. As of February 2024, the book club members have collectively read more than 200 books. Additionally, every quarter, the reading groups organize offline quarterly sharing sessions, bringing together all members of the book club to interact, exchange reading experiences, and establish closer connections among employees, thereby enhancing trust and a sense of belonging.





Building a Foundation for Digital Transformation and Optimizing Data Governance

Through the 2022 Transformation Study Group, we realized that digital transformation is not just a conceptual change but requires practical actions to be implemented. In 2023, we invited internal experts and external consultants to collaborate on a project focused on data governance. The goal was to establish an internal data governance framework within the organization to ensure efficient management and utilization of data resources required for digital transformation, allowing data to maximize its value within the organization and achieve maximum benefits. Through appropriate project organization, we invited relevant personnel to participate in activities such as process streamlining, data dictionary development, and procedure formulation to optimize and standardize data management and usage processes. We emphasized the importance of data governance to employees through educational training courses and workshops, introducing relevant operational techniques and tools to enable more employees to develop the correct mindset and conceptual knowledge required to drive data governance. It is not only a adjustment of technical thinking and work but also a deepening and upgrading of company operations and subsequent management. Through these measures, we expect to lay a solid foundation for digital transformation, enhance the company's competitiveness in the digital age, and achieve more sustainable development goals.



For employees who retire or terminate their employment relationship with the Company, the Company proactively provides various transition assistance programs to promote continued employability and career planning. These programs include vocational training, social insurance enrollment, information on various insurance and pension payments, and more.

Average Training Hours for Internal and External Training Courses in 2023

Employee Type	Taiwan			Mainland China			USA		
	Total training hours (hour)	Total participants (persons)	Average hours (hours/person)	Total training hours (hour)	Total participants (persons)	Average hours (hours/person)	Total training hours (hour)	Total participants (persons)	Average hours (hours/person)
Management capacity	7,642	335	22.8	37,741	205	184.1	605	37	16.4
Non-management capacity (general employees)	26,818	1,512	17.7	279,173	3,555	78.5	6,325	104	60.8
Total	34,460	1,847	18.7	316,914	3,760	84.3	6,930	141	49.1

Gender	Taiwan			Mainland China			USA		
	Total training hours (hour)	Total participants (persons)	Average hours (hours/person)	Total training hours (hour)	Total participants (persons)	Average hours (hours/person)	Total training hours (hour)	Total participants (persons)	Average hours (hours/person)
Male	17,696	1,121	15.8	193,871	2,221	87.3	4,058	85	47.7
Female	16,763	726	23.1	123,043	1,539	79.9	2,872	56	51.3
Total	34,460	1,847	18.7	316,914	3,760	84.3	6,930	141	49.1

Statistics of Actual Performance in Educational Training Implementation in 2023

Sessions of self-implemented training
13,918

Self-implemented training hours
356,256

External training hours
2,048

Total educational training (internal & external) expenses
12,620,931

Remuneration Policy

The Company perceives tremendous importance in our colleagues' remuneration and benefits. MiTAC conducts annual survey on salary level in the market and consults with the macroeconomic indicators based on which the salary scales for all employees will be adjusted to attract talents to join the Company with competitive salaries. The employees' remuneration is adjusted in accordance with their education, expertise, experience, seniority and personal performance, not by gender. New employees' starting salary is not differentiated based on race, religion, political stance, gender and marital status.

MiTAC's remuneration policy meets local laws and regulations. Appropriate remuneration is paid based on market value and employee productivity combining with performance management system. The starting salary of new employees not only conforms to the local law but should also be competitive on the market. To encourage employees who are able to create performance and make contributions continuously, performance bonuses are given based on the Company's annual operation and personal performance to stimulate the morale of the employees.

The ratio of standard salary for grassroots-level employees to the local minimum wage	Taiwan Headquarters & Production Bases		Material Production Bases in China		Material Production Bases in the USA	
	1.03	1.01	1.51	1.52	1.42	1.31

Note: Calculation Criteria: Average monthly salary of direct employees by gender in December 2023 / local legal minimum wage
Local minimum wages: Taiwan NT$26,400/month; China RMB 1,178/month (calculated based on the proportion of employees in the three companies in China); USA US$15/hour
"Wage": The cardinal number of the wage is the full-time salary of a grassroots-level employee without bonuses, overtime fees and allowances.
"Grassroots-level employee": Referring to direct employees.

Male/female remuneration ratio	Taiwan Headquarters & Production Bases		Material Production Bases in China		Material Production Bases in the USA	
Management capacity	1.00	0.85	1.00	0.62	0.97	1.00
Non-management capacity	1.00	0.71	1.00	0.93	1.00	0.85

Note: Calculation Criteria: The average of total compensation for each category of employees from January to December 2023 is used to calculate the gender ratio.
This is calculated in the ratio of a gender to the gender with higher remunerations.

As required by the Taiwan Stock Exchange Corporation (TWSE), listed companies in Taiwan must disclose the number of full-time non-managerial employees, the average and median of their wages, and the difference between the aforementioned three statistics from the previous year. (See the following table.)

Unit: NT$ thousand

Year	Number of Full-time Employee	Average of Wage	Median of Wage
2023	1,309	1,111	990
2022	1,171	1,234	1,038
2021	1,135	1,147	1,001

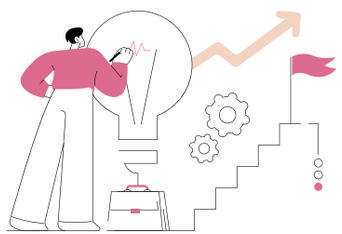
Note: Investment holding companies include domestic "major subsidiaries" (including head office and branches) among the consolidated company's individual entities that meet the requirements of the "Regulations Governing Financial Statement Audit and Attestation Engagements of Certified Public Accountants."

In the Company, the highest annual total remuneration of an employee is 35.56 times more than the median of the other employees' remunerations. The annual adjustment in total remuneration for the highest-paid individual compared to the median adjustment in total remuneration for other employees is 2.09 times higher.

Description of the calculation basis:

In the Company, the highest annual total remuneration of an employee is calculated based on the ratio to the median of the other employees' remunerations, which includes the information of employees hired by the seven merged physical companies (in Taiwan, the USA and China) in 2023. Out of all companies, the medians of remuneration of seven companies were selected (excluding the highest personal remuneration). Then, the numbers of employees from each company were included in the assessment to confirm the final median wage.

The ratio of the annual adjustment in total remuneration for the highest-paid individual to the median adjustment in total remuneration for other employees is determined by sorting the median adjustment in total remuneration for 7 companies (excluding the highest-paid individual) over 2 years and confirming the final median adjustment in total remuneration.



MiTAC Living Wage Commitment

Living Wage Commitment

We believe that "family wage" is an important item that should be taken into consideration for improving the condition of workers' lives. When discussing remuneration policies, we not only comply with local laws and provisions, but also pay continuous attention to local family and minimum wages. Furthermore, we participate in wage surveys conducted by our peers on a regular basis to ensure that the employees have a certain degree of competitiveness in the market.

MiTAC's living wage is defined as the minimum wage received by employees for their basic working hours (fixed salary, excluding bonuses and overtime pay). We ensure that the wages provided are sufficient to meet the basic needs of employees and their families, including food, clothing, and housing expenses, enough to cover the minimum expenses required for living. In the case of Taiwan, MiTAC's living wage guidelines adopt the relevant data from the "2022 Report on The Survey of Family Income and Expenditure" published by the Directorate General of Budget, Accounting and Statistics (DGBAS), and compare it with the current wages to confirm whether employees' wages are sufficient to support the local standard of living.

Methodology for calculating living wage:

Using the latest living wage level derived from the 2022 data published by the DGBAS, living wage is calculated as follows: Average monthly consumption expenditure per person × Percentage of monthly consumption expenditure on food, clothing, and housing per person × (1 + Average household dependent care burden).

Application of living wage:

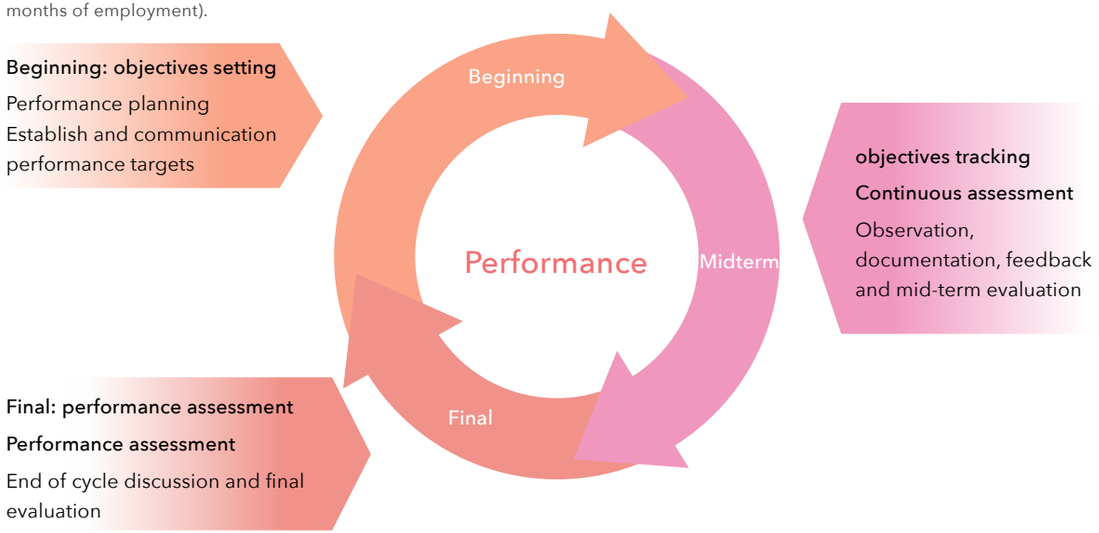
1. Apply the evaluation methodology during the annual salary adjustment month to establish the latest living wage level.
2. Compare with the current employee salaries to ensure that all employees receive wages that meet the standard of living in their respective countries/regions.

MiTAC's living wage in 2023 covers all employees at the Taiwan headquarters, and we have fulfilled the commitment to pay a living wage to all employees. We plan to extend the commitment to other work areas so that every MiTAC employee can be assured of receiving wages that support the standard of living.

Performance Management System

MiTAC has established a comprehensive performance management system, conducting performance evaluations on a semi-annual basis. According to the organizational development strategy, in January and July of each year, managers and subordinates communicate initial work objectives, set key performance indicators (KPIs); monitor and provide ongoing guidance on goal execution status midway through the year. Managers grasp the progress and status of subordinates' work through regular routine meetings and ad-hoc discussions with subordinates to achieve agile management; finally, assessments are held at the end of the period. The assessment covers not only the results of achieving KPIs but also includes behavioral competency indicators. It also allows all employees to invite or provide peer feedback to others through 360-degree cross-departmental evaluations, conducting multi-faceted assessments through diverse, fair, and reasonable procedures. Additionally, the Company has a performance rating mechanism that allows the top executive of the evaluation center to adjust and determine the performance rating proportions within subordinate departments based on team operational performance within the center's quota, thus promoting the achievement of collective performance. Performance evaluation results serve as the basis for job level promotions, salary adjustments, bonus distributions, individual development, and training needs. As an example for the year 2023, MiTAC conducted semi-annual performance evaluations for all direct and indirect employees, with a participation rate of 100%[(Note)].

Note: Actual number of participants in the performance evaluation/number of participants who should undergo the performance evaluation (excluding part-time employees, employees on unpaid leave, and new employees with less than three months of employment).



5.3 Employee Care

Comprehensive retirement pension program

MiTAC contributes to our employees' retirement pension fund according to the retirement regulations of various regions. In Taiwan, MiTAC has established a complete and legal retirement system in accordance with the Labor Standards Act and the Labor Pension Act, where dedicated retirement pension accounts are opened for employees, and an oversight committee was formed by capital and labor representatives to supervise the operation of the accounts. The employee retirement reserve fund contribution rate is determined by an impartial third-party actuary, and the retirement reserve fund is contributed monthly to the dedicated account.

In China, our employees are insured with endowment/medical/unemployment/employment injury/maternity insurance and housing provident fund in accordance with the local laws; in the U.S., employees are insured according to local regulations with social security and a supplementary retirement plan (401K), ensuring a secure retirement life for employees. At present, all of the retirement pension systems in our subsidiaries worldwide are functioning normally.

Employee benefits

At MiTAC, we aim to ensure the physical and mental well-being of all employees. Therefore, we provide various welfare programs, such as marriage and childbirth subsidies, health check-ups, and comprehensive sports facilities. Additionally, we offer a range of insurance benefits, including retirement pension system and group insurance, to provide employees with comprehensive protection and security.

Item	Taiwan Headquarters & Production Bases	China - MSL Plant	China - MKL/ MISK Plant	US - California Plant
Retirement pension system	•	•	•	•
Employee group insurance	•	•	•	•
Recognition of outstanding/ long-serving employees	•	•	•	•
Marriage subsidy	•	•	•	
Childbirth subsidy	•	•	•	
Hospitalization condolences	•	•	•	
Bereavement condolences	•	•	•	
Employee travel subsidy	•		•	
Continuing education subsidy	•	•	•	
Employee health check-ups	•	•	•	
Comprehensive sports facilities	•	•	•	•
Emergency relief fund	•	•	•	
Friendly parental measures/ lactation rooms	•	•	•	•
Relaxation massages	•	•		
Employee Assistant Program (EAP)	•			•
Salary advance for car purchase	•	•	•	

MiTAC Taiwan Basketball Team Emerges Victorious in 2023 Huaya Cup Amid Fierce Competition





Employee Healthcare

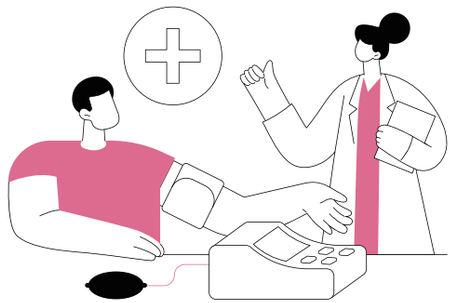
Health check-ups

MiTAC places a high priority on the physical and mental well-being of its employees. In Taiwan, three full-time nurses and one contract nurse are employed. In addition to providing safe and comfortable fitness facilities, we conduct comprehensive health checks for all employees every two years, surpassing legal requirements to ensure the well-being of our workforce. Through consultations with hospital-assigned doctors, we assist employees in understanding their health status at a physiological prevention level. The results of health checks are managed by company nurses, who monitor and provide care for high-risk groups on a regular basis. MiTAC has also employed occupational and family medicine specialists to provide on-site as well as one-on-one professional counseling services on a regular basis, assisting colleagues in receiving more professional medical advice in Taiwan. In 2023, there were 145 instances of one-on-one health consultations.

Health Examinations for Specialized Work Operations

To ensure the safety and health of employees, we conduct annual safety assessments and health checks for special production line operations involving ionizing radiation at our Hsinchu Science Park plant. Health check results are classified into two levels: for Level 1, nurses provide relevant health education, while for Level 2, occupational medicine specialists provide one-on-one physician consultations and health guidance, offering more professional medical advice.

To promote awareness of eye health and prevent eye diseases among employees, MSL Labor Union, in collaboration with local eye hospitals, organized an "Enhancing Vision" eye care clinic, allowing employees to understand their eye health and enabling early detection, treatment, and prevention of diseases. The eye care clinic was attended by nearly 150 employees and received unanimous praise from the staff.



Employee health checkups that include items better than those in laws and regulations.





On-site services provided by professional doctors.





MSL - "Enhancing Vision" Eye Care Clinic



Health promotion activities

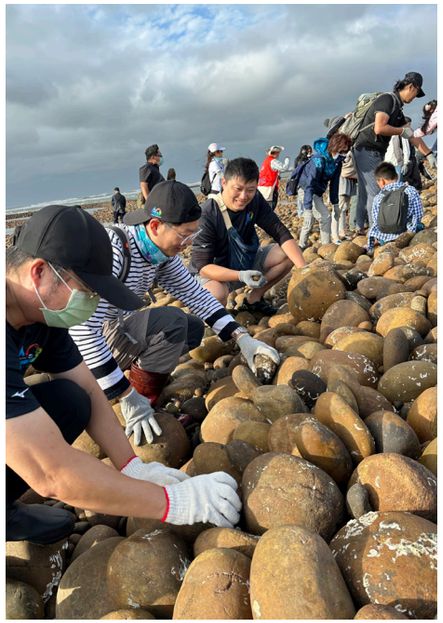
"Smart Health Tip: Walking is the Best Strategy" - Health Promotion Activity (MiTAC Taiwan)

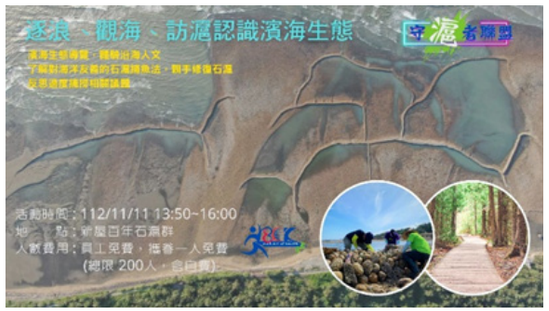
MiTAC Taiwan has organized health promotion activities for three consecutive years, fostering a healthy workplace atmosphere. In 2023, the health promotion activities were integrated with the JoiiSports app, which tracks participants' daily steps. Through step challenges and rewards, employees were encouraged to walk more and live healthier lives. Additionally, two ESG activities, "Tribute to a Clean Ocean, Everlasting Sustainability - Beach Cleanup Activity" and "Restoration of Century Old Stone Weirs in Xinwu," were conducted. These activities encouraged employees and their families to engage in outdoor activities, increase their step count, actively fulfill ESG commitments, and foster environmental awareness while revitalizing their lifestyle attitudes. In 2023, the total number of steps recorded during the health promotion activities reached 585,892,651 steps (equivalent to reducing carbon emissions by 101,945 kgCO2e). The beach cleaning activity resulted in the collection of a total of 749 kg of recyclable and non-recyclable marine debris.













Company-Wide Fitness Activities (China - MSL):

Since 2021, MSL has initiated a company-wide fitness program, organized by department. Each month, employees record their fitness activities to earn points in a competitive format. At the end of the year, outstanding fitness teams are selected and recognized. Participants choose their preferred exercises and incorporate themed workouts, along with timely additions of popular fitness trends, to enhance the fun and excitement of the competition. The 3rd Annual Company-wide Fitness Program (2023) commenced in April and concluded in December. A total of 18 teams with 285 participants engaged in various fitness activities. The program included science-based weight loss, weight gain, and body sculpting exercises, covering a range of activities such as basketball, baseball, running, and fitness aerobics. Collectively, participants achieved a weight loss of 404.99 kilograms (an average of 1.84 kilograms per person), while overly-slim individuals gained a total of 30.3 kilograms (an average of 2.16 kilograms per person), and waist slimming totaled 1304.4 centimeters (an average of 8.42 centimeters per person). The company-wide fitness program effectively alleviates employees' work pressure and promotes a healthy lifestyle.





MSL Cup Slow-Pitch Softball Fun Tournament (China - MSL):

MSL held its inaugural softball league in 2020, which has been widely enjoyed by all employees due to its simplicity, combination of physical activity and teamwork. The fourth edition of the MSL Cup Softball Tournament took place from August to November 2023, featuring 18 participating teams with 242 athletes. The tournament comprised 35 matches, including a pitching contest and a fun event for invited executives. Participation in the tournament enhanced departmental solidarity, camaraderie, and inter-employee interaction.





1st Sports Meet in Kunshan Development Zone (China - MKL):

In 2023, the inaugural Sports Meet was organized in the Kunshan Development Zone to promote a sports-oriented lifestyle. The event spanned five months with a diverse range of sports activities. MKL employees enthusiastically formed teams and participated in eight events. In the final results, they secured 7th place in the dragon boat race and 2nd place in the radio calisthenics event. Apart from fostering physical fitness, employee participation enhanced teamwork and cooperation. including a pitching contest and a fun event for invited executives. Participation in the tournament enhanced departmental solidarity, camaraderie, and inter-employee interaction.





Online Fat Burning Activity (China - MKL):

To improve employees' physical health and work-life balance, MKL organized a month-long online fat burning activity. Using an app system to track accumulated calorie consumption across various exercise routines, participants were ranked based on their statistics. A total of 95 employees registered for the activity, and the response and effectiveness among employees were highly positive.





Occupational Health Education Seminars (Taiwan):

Specialist physicians, physical therapists, and social workers were invited to conduct health education seminars, with a focus on the four major occupational safety and health plans. Prevention seminars were held for "metabolic syndrome," one of the common causes of overload risk. Additionally, seminars on "musculoskeletal hazards prevention" covered topics such as 'utilizing kinesio taping and stretching exercises to self-relieve muscle pain,' while seminars on 'preventing workplace misconduct' addressed issues related to illegal activities in the workplace. A total of 317 participants attended these seminars. Physical therapists instructed on correct sitting posture during the sessions.

Physical Therapist Instructing Correct Sitting Postures



Prevention of Unlawful Infringement in the Workplace Seminar



Friendly Parenting Measures

Maternity Protection Measures - Awarded "Model Enterprise for Maternal Health Protection" by Taoyuan City Government (Taiwan)

Since 2019, Taoyuan City has held the selection for the 'Model Enterprise for Maternal Health Protection' in Maternity Health Protection, with only three companies receiving this honor each year. In compliance with relevant government regulations, MiTAC has established regulations to protect eligible women from engaging in work that may affect embryo development, pregnancy, or postpartum health for both the mother and baby. In recent years, MiTAC has been dedicated to strengthening and enhancing various measures. After passing the initial screening and receiving an onsite evaluation and briefing by the Taoyuan City Department of Labor, MiTAC was awarded the 'Model Enterprise' in Maternity Health Protection for the year 2023, receiving public recognition.

MiTAC's care for mothers and its welfare measures include the following:

1. Implementation of an enhanced maternity protection program, integrating workplace environmental assessments conducted by the Occupational Safety and Health Office and prenatal and postnatal care provided by medical staff, ensuring health management.
2. Establishment of six lactation rooms, improving their environment (cozy decoration, addition of lactation tea, and paperless registration).
3. Provision of prenatal care packages and postnatal care gifts to female employees.
4. Creation of a dedicated section on the company's internal website for prenatal and postnatal parenting information in both Chinese and English.

In addition to existing welfare measures such as Mikids Land, flexible working hours, designated parking for pregnant employees, maternity subsidies, Employee Assistance Program (EAP) counseling, and Welfare Committee benefits (maternity centers/nurseries, etc.), MiTAC provides comprehensive support, accompanying female employees from recruitment to pregnancy, childbirth, and childcare. At each important stage, MiTAC's thoughtful policies, while not necessarily requiring significant financial investment, demonstrate the company's heartfelt commitment to its employees!









Breastfeeding/Lactation Facilities

To assist female employees during pregnancy and postpartum periods in balancing work and family responsibilities, and to reduce physical and mental discomfort during these times, MiTAC has established lactation rooms in its offices worldwide. In order to assist our female employees to achieve a work-life balance, and alleviate any physical and psychological discomfort that may occur during and after their pregnancy, the Company has thoughtfully designed 6 nursing rooms and 10 pregnant women's parking spaces and provided them with care and counseling. The aim is to support our female employees during their pregnancy. A total of 303 employees had used the lactation rooms in 2023.





MiKids Land

To facilitate colleagues in caring for their children nearby and meet their temporary childcare needs, the MiTAC Taiwan Huaya and Hsinchu offices have established "MiKids Land". This initiative allows colleagues to bring their children to work, enabling them to work while taking care of their children simultaneously. This measure has been well-received internally, offering flexibility and peace of mind to colleagues. In 2023, it was utilized 116 times.





For employees with infant care needs, MiTAC provides substantial care and support. In Taiwan, we offer a childbirth subsidy of NT$20,000 per birth and a childbirth gift of NT$3,000 provided by the Welfare Committee. In 2023, a total of 29 employees applied for these benefits. We also provide unpaid parental leaves in accordance with the laws and regulations of Taiwan. In 2023, one male employee and six female employees applied for the unpaid parental leave, 80% of which returned to work. In addition, the retention rate of these employees was 72.73%.

Item	Taiwan Headquarters & Production Bases		
			Total
Number of employees eligible for unpaid parental leave applications in 2023 (a) Note 2	80	28	108
Actual number of applicants for unpaid parental leaves in 2023 (b)	1	6	7
Number of employees expected to return to work after unpaid parental leaves in 2023 (c)	4	6	10
Actual number of employees returning to work after unpaid parental leaves in 2023 (d)	3	5	8
Number of employees returning to work after unpaid parental leaves in 2022 (e)	4	7	11
Number of employees working continuously for a year after returning to work from unpaid parental leaves in 2022 (f) Note 3	3	5	8
Unpaid parental leave application rate in 2023 = b/a	1.25%	21.43%	6.48%
Return rate after unpaid parental leaves in 2023 = d/c	75.00%	83.33%	80.00%
Retention rate in 2023 = f/e	75.00%	71.43%	72.73%

Note:1. Disclosure of parental leave is primarily based on MiTAC's major subsidiaries in Taiwan.
2. The number of employees eligible to apply for unpaid parental leave in 2023 (a): Employees who have taken maternity and paternity leave between January 1, 2021, and December 31, 2023, as determined.
3. The number of employees who continued working for one year after returning from unpaid parental leave in 2022 (f): The number of employees who returned to work after unpaid parental leave during 2022 and worked continuously for one year or more after returning.

5.4 Occupational Health and Safety

Employees are the most valuable asset of the Company, and we attach great importance to our employees' needs and rights. Therefore, we strive to create a fair, just, friendly and flexible work environment; this is consistent with MiTAC's core values. According to this, various employee care related systems and measures.

Occupational Health and Safety Management System

MiTAC focuses on the management of safety and health. With employee safety and health as the most important basis of the Company's operation, we have obtained ISO 45001 certified occupational health and safety management systems for our R&D headquarters and all factory plants (except for MiTACIS in the USA and MiTAC Digital in Taiwan), striving to provide safe, healthy and low-risk operating conditions and work environments to the stakeholders including employees, customers, suppliers, neighborhoods and communities. Moreover, we have established dedicated safety and health units and committees for each factory, with labor representatives accounting for more than a third of each committee. We also implement various management measures. As a result, we have obtained the RBA certification for our production bases. By employing the PDCA (Plan-Do-Check-Act) cycle, we realize a culture of safety with "continuous improvement."



MiTAC International Corp. (MIC)	158 employees and 6 non-employees
MiTAC Computing Technology Corp. (MCT)	1,236 employees and 45 non-employees
MiTAC Computer (ShunDe) Ltd. (MSL)	2,127 employees and 73 non-employees
MiTAC Computer (Kunshan) Co., Ltd. (MKL)	1,069 employees and 9 non-employees
MiTAC Information Systems (KunShan) Co., Ltd. (MISK)	564 employees and 11 non-employees

- Of all employees covered by the system, the number of employees who had been inspected by external agencies was 5,298 (including the Company's employees and the contractors) with an 87.7% coverage rate.

Hazard identification and risk assessment

- Implemented by the unit concerned annually
- Before change management process
- Improvement of accident investigations
- Four major health protection plans for risk identification

Care for health

- Physical examination for new recruits
- Health check-ups/stationed doctors
- Monitoring and testing of work environment
- Implementation of four major plans
- Health promotion activities and lectures
- Occupational injury classification management and follow-ups

Contractor management

- Construction safety notice
- Digitized construction application
- Inspecting before special operation
- Contractor education and training
- Patrol inspections and recommendations on improvement

Personnel training

- General health and safety educational training for employees
- Tasks with special health hazards training
- Emergency rescue personnel training
- New/Revalidation training for professional and technical licenses

Response drills

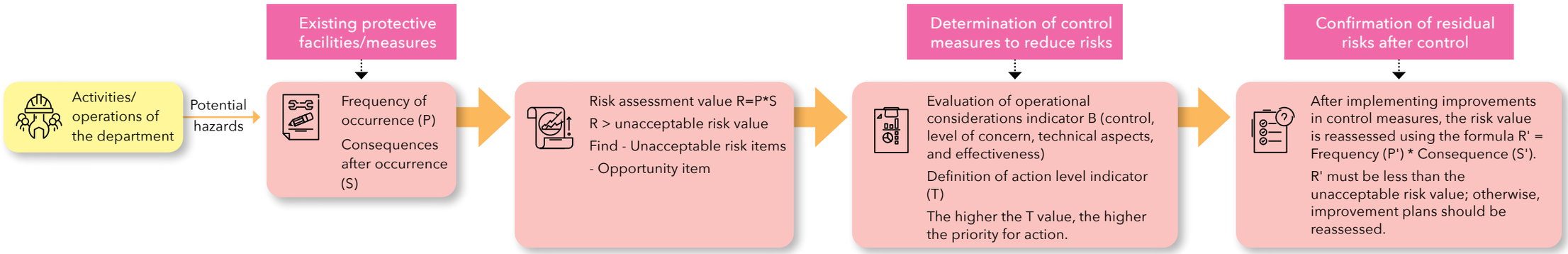
- Firefighting equipment use and disaster evacuation drill
- Chemical spill response drills
- Typhoon and flood prevention drills

Participation and communication

- Labor Safety Committee
- Labor–management meetings
- Internal and external factory communications procedures
- Speak Out mailbox
- Employee comments box

Hazard identification and risk assessment

To reduce hazards from routine and non-routine process activities, MiTAC established related procedures in accordance with the risk assessment technical guidance. Through continuous occupational health and safety identification and risk assessment, each unit will proceed from physical, chemical, biological, and ergonomic aspects to identify hazards that belong to unacceptable risks or possess opportunities for improvements. Suitable preventive management measures are adopted to control risks within acceptable level. Apart from that, we protect the employees who actively make proposals on work improvement, or might incur danger when fulfilling their duties and consequently suspend the operation themselves and then retreat to safe areas. We also allow them to be exempt from punishment.



Hazard identification begins with operational flowcharts from each unit, tracing risks from component replacement to equipment operation, identifying risks in operations through point-to-point connections. In Taiwan, in 2023, a total of four unacceptable risk hazards and six opportunity items for improvement were identified. Regarding the case of noise testing in the R&D laboratory, it can be divided into internal noise protection and external noise control, providing dual safety protection for employees inside and outside the R&D laboratory.

Hazard Risk Case

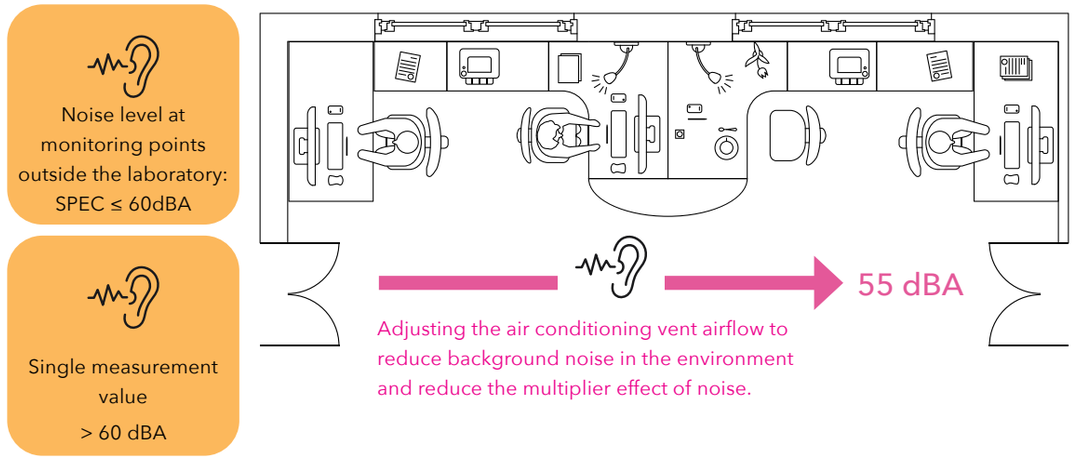
• Description of the hazard:

At the Huaya office, servers in labs were irregularly operated at high speed for testing, making the noise detected in the office area near the lab doors >60dBA, which might affect the employees' emotions when working.

• Recommended methods for improvement:

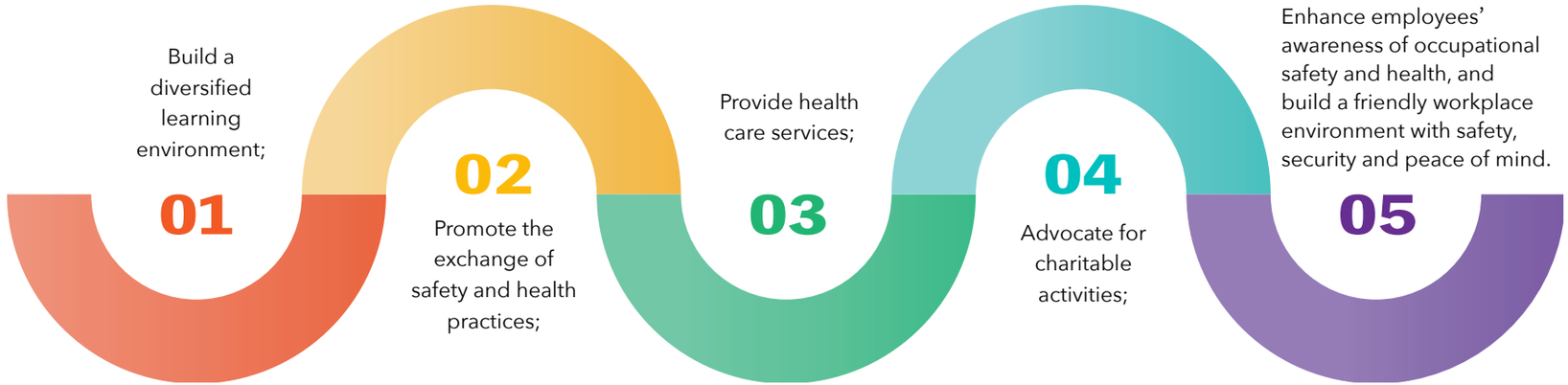
Indoor noise → Regular procurement of earplugs for use by colleagues in the research and development laboratory. Conduct monthly checks on protective equipment to maintain the integrity of the earplugs, including distribution to new employees.

Outdoor noise → Establish noise specifications for the outdoor office areas adjacent to the laboratory, with a maximum allowable level of SPEC≤ 60 dBA. Conduct mobile monitoring of noise levels in 17 zones of the office space. If abnormal background noise from air conditioning airflow is detected in one area, improve the operation of the air conditioning system to address the issue.



Occupational Safety and Health Week (Taiwan)

MiTAC takes the implementation of environmental, safety, and health policies seriously, with a commitment to safeguarding Earth's resources. We plan various occupational safety and health training programs, waste reduction initiatives, and promote philanthropic activities. Our efforts include advocating disaster prevention and mitigation measures, incorporating various ESG metrics. We pursue these goals through four main axes, aiming to:



4/20
Kick-off of Occupational Safety and Health Week

There were a total of 39 activities, including 8 public welfare related items, in the Health Week.

12/20
End of Occupational Safety and Health Week

(vs.2022) ↑ 17%



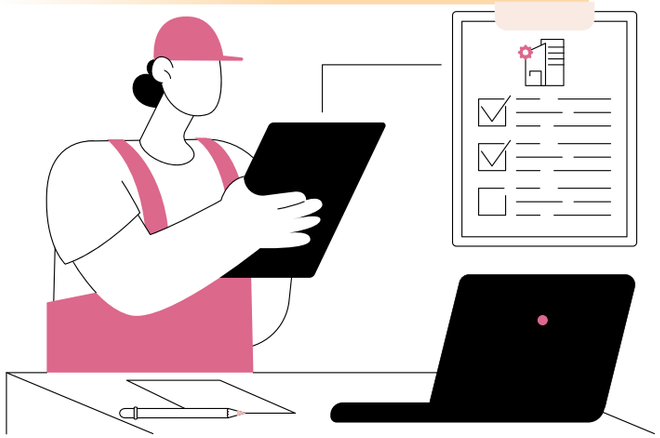

全國職場安全健康週系列活動實施計畫
參與證明
Certificate
神達電腦股份有限公司
參與本署「112年全國職場安全健康週系列活動實施計畫」，積極配合推動並推報執行成果，特頒此證，予以肯定。
勞動部職業安全衛生署
OCCUPATIONAL SAFETY and HEALTH ADMINISTRATION, MINISTRY of LABOR
中華民國 112 年12月

Health and safety educational training

Providing workers with necessary occupational safety and health education and training is the responsibility of a company. Each year, MiTAC establishes health and safety educational training plans to cultivate employees on hazard awareness in work environment through educational training as well as the required concept and knowledge on EHS for disaster prevention. This is to ensure the operation safety and health of the employees. The training will be arranged according to the categories and requirements of training hours. The training includes:

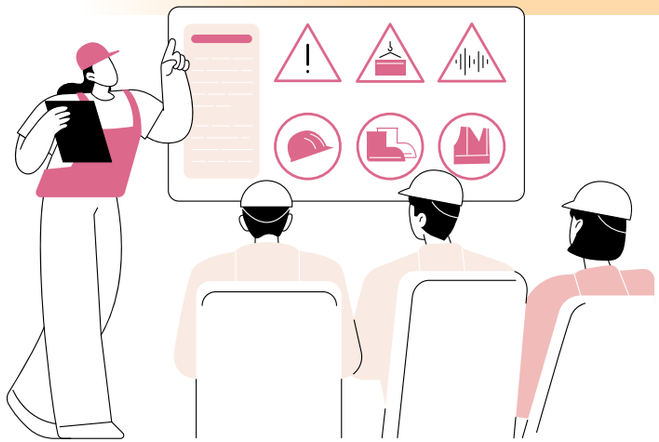
Occupational Safety and Health Education and Training

- Health and safety training for new/in-service employees
- Training before change of work for newly hired employees or in-service workers
- Training for hazardous operation managers, first responders and fire management personnel
- Educational training of chemical use
- Dangerous machine/equipment operating personnel
- Educational training on forklift with load over one metric ton
- Operating equipment involving radioactive substances or capable of emitting ionizing radiation
- Training for health and safety management personnel
- New or revalidation training for other professional and technical licenses



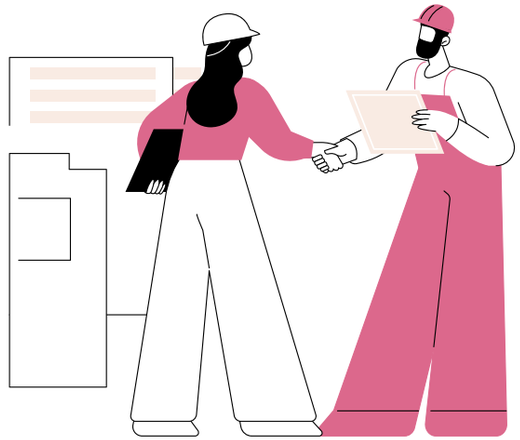
Occupational Safety and Health Education and Training

- Work environment introduction
- Health and safety notice matters
- Plant introduction
- General operation construction application
- Construction application for dangerous operation involving flame, viaduct, hoist, confinement and hazard management
- Fire protection offline application



Emergency response drills

- Firefighting training
- Reporting/refuge and full evacuation drills
- Nighttime evacuation drills
- Typhoon and flood prevention drills
- Earthquake and rainstorm drills
- Chemical spill response drills
- Strike and workplace violence drills



Region	Taiwan Headquarters & Production Bases	Material Production Bases in China	Material Production Bases in the USA
Basic Health and Safety Training (Including Initial & Refresher Training) - Sessions	443	8,316	2
Basic Health and Safety Training (Including Initial & Refresher Training) - Total Participants	3,297	109,364	270
Sessions of Refuge and Disaster Prevention Training and Drills	38	66	2
Total Participants of Refuge and Disaster Prevention Training	2,437	10,824	270

Extinguish fire




Escape





First aid



Chemical leakages





Four Major Plans for Occupational Safety

Aiming to ensure the workers' physical and mental health, MiTAC complies with the government's labor protection policy and implements various measures in its operations in Taiwan to safeguard the workers' physical and mental health in response to multiple issues related to the change of job structure resulted from internationalization. The measures include plans such as prevention of musculoskeletal disorders triggered by repeated operations, prevention of illness resulted from abnormal workload, protection of pregnant employees' health in the workplace, and prevention of unlawful infringement in the performance of duties. The Health and Safety Management Office shall promote hazard identification, care visits and health management to reduce risks in the workplace and ensure employee safety, health and welfare, and further foster a friendly workplace that benefits mental and physical health.



Worker Participation, Consultation and Communications

To maintain a high-quality work environment and ensure the safety of employees in the workplace, MiTAC has established various safety committees and teams across its locations: In Taiwan, there is an Occupational Safety and Health Committee; in China, a Safety Supervision Organization; and in the U.S., the MiTAC Information System Safety Team. In Taiwan, the Occupational Safety and Health Committee is composed of 46 members, including safety and health management personnel, department supervisors/commanders, related engineering and technical personnel, and 16 labor representatives (accounting for 34.8% of the committee). The Committee collectively provides suggestions for the occupational safety and health policies formulated by the Company, reviews, coordinates, and proposes safety and health-related matters, and participates in the investigation of internal occupational accidents. In 2023, there were 59 proposals for occupational health and safety at the meetings held in Taiwan, and improvements had been implemented.

Region	Taiwan Headquarters & Production Bases	Material Production Bases in China	Material Production Bases in the USA
Number of Labor Representatives	16	21	2
Total Members on OHS Committee Register	46	48	4
Percentage of Workers (>1/3; 34%)	34.8%	39.7%	50.0%

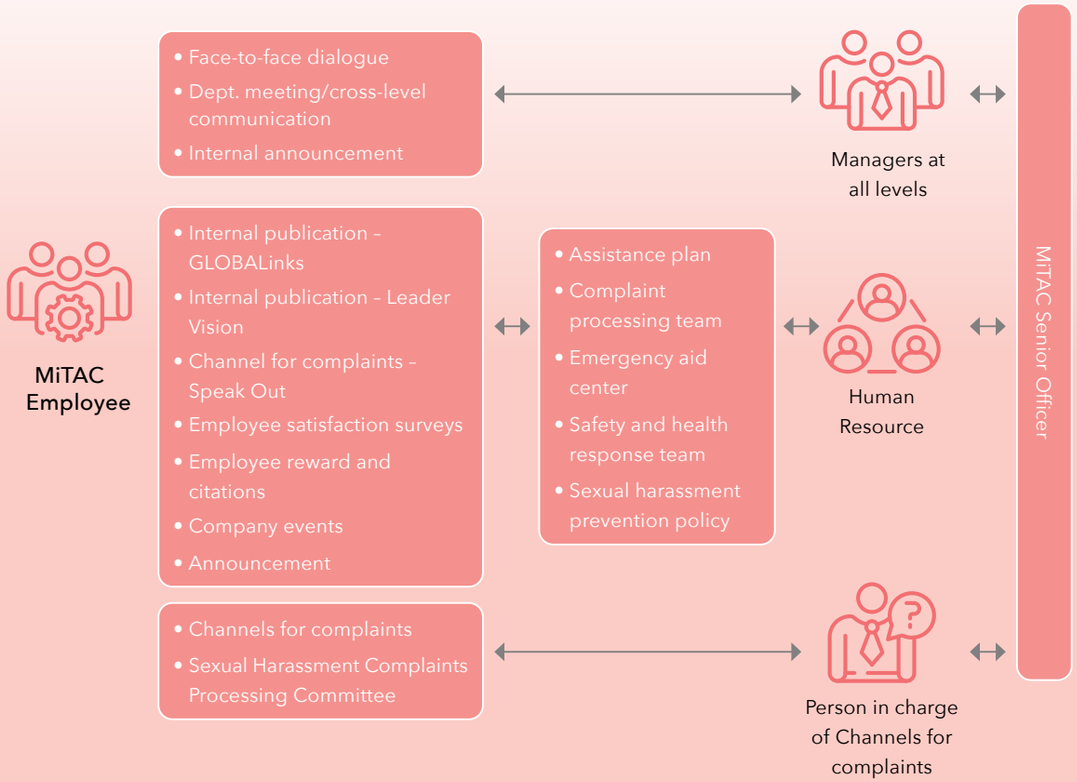
If the employees have concerns or suggestions in regard to occupational health and safety aspects, they can inform the labor representative member of the OHS Committee for raising the matter for consultative discussions and adjudication made by the Chairperson at the regular committee meeting. Or, when there are any suggestions of concerns by external related groups towards EHS management, the information received shall be recorded in the "Internal and external factory communications log" for discussions and handling during the committee meeting. The original proposer shall be informed of the handling results for the case, and the handling situation after the end of the case shall be recorded by the responsible department in the communications log. In 2023, a total of 26 cases were recorded in the internal and external factory plant communications log in Taiwan.



Multiple Channels for Opinion Exchange

MiTAC values the opinions of each employee. The employees' opinions can be reflected promptly through the physical Employee Suggestion Box in the office or the dormitory for foreign workers as well as the dedicated email "SpeakOut." We value the voice of every employee. Our complaint handling unit receives employee complaints, whether anonymous or not, and ensures thorough understanding, attentive listening, and proper handling. We protect the anonymity of the complainants and require relevant departments to address the issues or convene groups to propose improvement plans. We inform the complainants of the outcomes and conduct fair investigations and handling, ensuring that employee opinions are heard and addressed impartially.

Diagram of MiTAC's international communication system



Establishment of Interactive Website

Through the Company's internal website, MiTAC is able to announce corporate governance related rules and regulations, as well as the latest developments within the Company. Furthermore, an interactive area has been created, allowing the employees to voice their thoughts and opinions besides receiving the latest work/life related information, as well as information from the employee welfare committee.

Employee Assistant Program (EAP)

MiTAC has been working closely with professional consultant teams to launch our EAP (Employee Assistance Program) with a team of experts comprising psychological therapists, legal councilors, nutritionists, financial consultants and so forth.

Through professional counseling and channels such as seminars, articles and EAP websites, we provide employees and their families professional advice in their daily life, including pressure from the workplace, interpersonal relationships, family and marriage, the two genders, law, wealth management, and healthcare so that they could maintain proper balance in the workplace, in daily life, and in health.

The EAP provides round-the-clock services for individual and work-related issues, with consultation services protected by a strict privacy policy. In 2023, there were a total of 38 instances of utilization.



Internal Communication Meetings

Employee Representative Conference (China Region)

Employee representative groups were established in each department, convening meetings periodically to discuss issues such as system revisions and improvements. Twice a year, employee representative forums are held to collect suggestions and demands from departmental colleagues by the employee representatives. The Human Resources Department handles the feedback to the relevant departments, tracks responses and processing outcomes, and discusses the results at the employee representative forums, which are then posted on the company bulletin board.

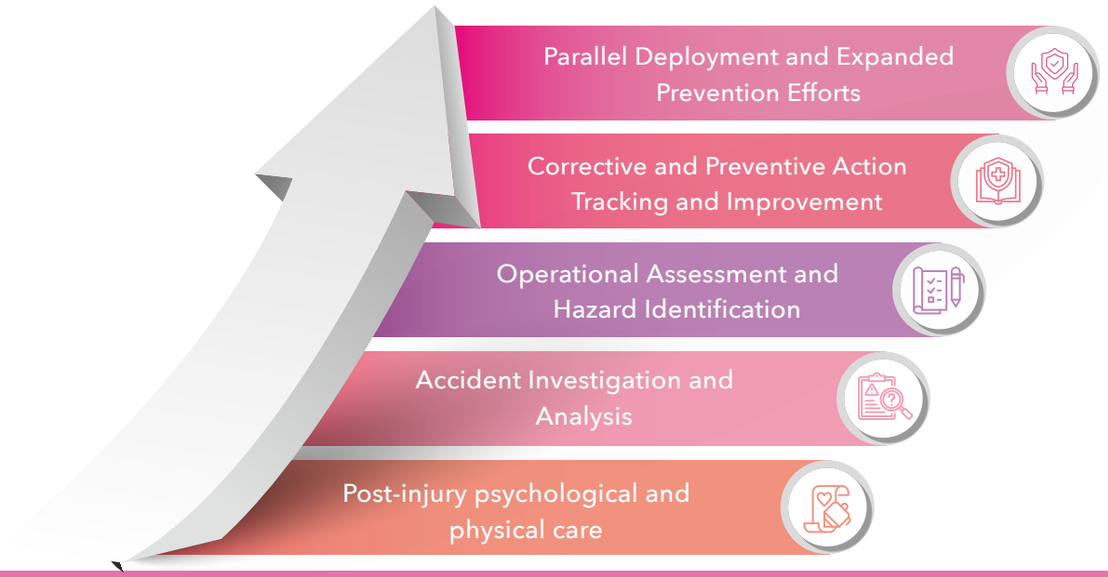




Occupational Disaster Statistics

For accidents that occur at the workplace, the department that is involved in the accident shall inform the Health and Safety Management Office immediately to initiate the handling and investigation procedures. Corrections and preventions are to be made according to the root cause factor of the hazard occurrence to guarantee the safety and health of the employees and prevent the accidents from happening again. Additionally, according to the Incident Investigation and Handling Management Procedures, the Company collects and analyzes near-miss incidents that did not cause casualties or property loss but frightened employees. In 2023, there were 12 near-miss incidents in Taiwan (with a near-miss incident rate of 3.27%). The responsible units have analyzed the types and causes of these incidents and formulated corrective and preventive measures, evaluated their effectiveness, and continue to track and improve the situation accordingly. Starting in 2024, the Company plans to include data from near-miss incident investigations at overseas factory plants.

In 2023, there were 12 commuting accidents involving employees in Taiwan, marking a 20% decrease compared to the previous year. To further enhance employee safety and defensive driving concepts, the company intensified its "Traffic Safety Month" activities. Additionally, specific safety information and emergency evacuation procedures were provided to employees using company shuttle buses or transportation services. For employees affected by accidents, a mechanism for tracking and caring for occupational injury victims was established. This involved classifying injuries by severity to initiate appropriate care measures. Follow-up consultations with physicians were arranged to monitor recovery progress and document discussions. Once assessed as fit to return to work, employees underwent ongoing occupational injury recovery monitoring tailored to the severity of their injuries. To strengthen the occupational accident analysis process, the Company plans to categorize occupational accident statistics in 2024 based on job attributes, dividing them into direct employees, indirect employees, contract workers, and non-employees (outsourced labor).





2023 injuries statistics

	Region		Taiwan Headquarters & Production Bases	Material Production Bases in China	Material Production Bases in the USA
Employee Work Injury Statistics	Number of employees		1,847	3,760	270
	Work hours		3,664,448	8,464,314	531,765
	Work-related injuries	Number of work-related injuries (including severe injuries/deaths)	2	3	0
		Number of lost days due to work-related injuries	5	18	0
		Major types	Collision/cut	Scraping/pinching/ bumping	--
		Number of severe work-related injuries (excluding fatalities)	0	0	0
		Number of work-related deaths	0	0	0
	Recordable work-related injury rate (including severe injuries/deaths)		0.546	0.354	0
	Severe work-related injury rate (excluding deaths)		0	0	0
	Work-related death rate		0	0	0
	Work-related ill health	Number of recordable work-related ill health	0 (*Note1)	0	0
		Major types	--	--	--
		Number of deaths from work-related ill health	0	0	0
	Recordable work-related ill health incidence		0	0	0
	Deaths from work-related ill health incidence		0	0	0
	Traffic accidents during commutes before/after work		15	0	0

Ratio/incidence = cases/total work hours * 1,000,000
*Note 1: As of today, there have been no cases at the Company's Taiwan plants determined to be occupational diseases according to the "Regulations for Implementing Labor Occupational Accident Insurance Occupational Disease Appraisal."

	Region		Taiwan Headquarters & Production Bases	Material Production Bases in China	Material Production Bases in the USA
Non-Employee Work Injury Statistics	Number of non-employees		62	93	7
	Work hours		137,280	187,969	12,285
	Work-related injuries	Number of work-related injuries (including severe injuries/deaths)	0	0	0
		Number of lost days due to work-related injuries	0	0	0
		Major types	--	--	--
		Number of severe work-related injuries (excluding fatalities)	0	0	0
		Number of work-related deaths	0	0	0
	Recordable work-related injury rate (including severe injuries/deaths)		0	0	0
	Severe work-related injury rate (excluding deaths)		0	0	0
	Work-related death rate		0	0	0
	Work-related ill health	Number of recordable work-related ill health	0 (*Note1)	0	0
		Major types	--	--	--
		Number of deaths from work-related ill health	0	0	0
	Recordable work-related ill health incidence		0	0	0
	Deaths from work-related ill health incidence		0	0	0
	Traffic accidents during commutes before/after work		0	0	0

Ratio/incidence = cases/total work hours * 1,000,000
*Note 1: As of today, there have been no cases at the Company's Taiwan plants determined to be occupational diseases according to the "Regulations for Implementing Labor Occupational Accident Insurance Occupational Disease Appraisal."

Absenteeism Rate

2020	
Number of Absentee Days Including Work Injury Leave, Sick Leave (%)	0.97
Coverage (%)	23.92

2021	
Number of Absentee Days Including Work Injury Leave, Sick Leave (%)	0.88
Coverage (%)	23.29

2022	
Number of Absentee Days Including Work Injury Leave, Sick Leave (%)	1.10
Coverage (%)	27.88

2023	
Number of Absentee Days Including Work Injury Leave, Sick Leave (%)	1.22
Coverage (%)	29.88

5.5 Social Care

As always, MiTAC upholds the idea of “give back to society what is taken from society” profoundly recognizing that only in a harmonious and progressive society can businesses have the space for sustainable operation and growth. It promotes philanthropic actions from top to bottom, accumulating numerous impactful initiatives. Focusing on education and talent cultivation, care of communities and vulnerable groups, and environmental and climate change, MiTAC combines our professional capabilities, products and services along with public relations and marketing resources to assist in the promotion of social care relevant issues in order to serve the society better.

3 Main Focuses

Education and talent cultivation	Care of communities and vulnerable groups	Environmental and climate change
2023 Execution Results		
• Industry-university collaboration • The Y.S. Cup Creativity Contest	• Guardians of Slow-Flying Angels Charity Sale • Proceeds from the charity sale donated to the Ruth Society For Disability Services • Donation of second-hand clothing to local clothing recycling stations • Other material donations to the Huashan Social Welfare Foundation Angel Station • Winter donations, including daily necessities and cash donations to Hsinchu Ren'ai Senior Citizen’s Home • Restoration of the century-old stone weir at Xinwu in Taoyuan • Blood Donation Drives • Donations to the Chinese Taipei Baseball and Softball Association of the Disabled • Sponsorship of the Standard Chartered Taipei Charity Marathon	• Tree planting project with a cumulative planting of 15,250 trees by 2023 • Tree planting and environmental seminars • Seeing the Ocean Again - Environmental Education and Yong'an Fishing Port beach cleanup activities • Ecological education and environmental lectures on the restoration of the century-old stone weir in Xinwu

Invested Resources

Participation: 750 individuals / Hours: 715 hours / Donation by the Company: NT$5,910,000 / Donation by Employees: NT$704,330

"Planting Trees to the Horizon"

Since 2022, MiTAC has collaborated with the Tse-Xin Organic Agriculture Foundation in tree planting and afforestation initiatives. The selected site is located 5 kilometers upstream from the Deji Reservoir, which is in a severely over-exploited watershed area due to historical agricultural activities. MiTAC and Tse-Xin chose this location to enhance environmental resilience. In 2023, the foundation was invited to share an environmental education lecture titled "Planting Trees to the Horizon" with MiTAC employees. This was followed by a tree planting activity within the Taiwan Huaya Park as part of MiTAC's Green Living initiative, demonstrating a commitment to environmental protection and climate change mitigation.





Sponsorship of Export Cup Blind Baseball Tournament

Blind baseball, known as "Beep ball," originated in 1976. The name comes from the sound emitted by the ball to help players locate it. The third edition of the "Export Cup Blind Baseball Tournament," organized by the Chinese Taipei Baseball and Softball Association of the Disabled in 2023, showcased the team spirit of players who overcome physical limitations. Their dedication to their sport and fulfilling team missions was truly moving, echoing the spirit of MiTAC's brand, Mio, "Moving Forward."





Tribute to a Clean Ocean, Everlasting Sustainability

Picking up trash is just the beginning; reducing waste is the key! Following the Occupational Safety and Health Week in 2022, which integrated various ESG indicators to promote a friendly workplace environment, MiTAC continued its efforts in 2023. In collaboration with the Green Living and Employee Health Promotion activities, employees were encouraged to join a beach cleanup at Yong'an Fishing Port, gathering between the mountains and the sea. Family members, friends, and colleagues joined forces to collect a total of 749 kilograms of marine debris, both recyclable and non-recyclable. Saving the ocean isn't just a slogan; it requires concrete action. Many families participated, setting an example for their children and educating them about environmental stewardship. Even under the sun, sweating profusely, they worked to restore the marine environment, creating a safer and more welcoming home for marine life.





Guardians of Slow-Flying Angels Charity Sale

Originating from the enthusiastic response to the "Environmental Treasure Hunt and Charity Sale" event in 2021, the "Mid-Autumn Love Sharing, Guardian of Slow-Flying Angels" charity sale in 2023 marked another emotional chapter in MiTAC's Green Life initiative. This year's charity sale focused on two main aspects: the donation of second-hand goods contributed by employees and the sale of lovingly crafted items by the angels of the Ruth Society For Disability Services . These items included pineapple cakes, mooncakes, tea leaves, coffee, dried fruits and nuts, succulent plants, and more, all meticulously prepared by the angels. Though the variety was limited, each item was imbued with the angels' efforts and love. A total of 364 items were received for this event, generating proceeds of NT$80,785, all of which were donated to the Ruth Society For Disability Services. This charity sale exemplified the company's commitment to social responsibility and environmentally sustainable practices through material recycling, showcasing strong performance in ESG indicators.



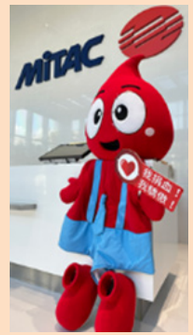




Blood Donation Drives

MiTAC has paid consistent attention to social welfare in the long term. Despite the ongoing challenges posed by the pandemic, MiTAC remains committed to social welfare. Through practical actions, the company continues to fulfill its corporate social responsibility. Responding to numerous blood donation drives each year, MiTAC brings warmth and positive energy to society. Employees, displaying the spirit of selflessness, actively participate in these initiatives. In 2023, a total of four blood donation drives were held, collecting a total of 101,250 cc of blood.









Appendix

GRI Standards Comparison List 93

SASB Indicator Comparison List 98

Report Verification Statement 99

Appendix

Statement of Use	MiTAC Holdings Corporation has published its 2023 Sustainability Report following the GRI standards. The scope of the statistical information covers the period from January 1 to December 31, 2023.
GRI 1 Version Adopted	GRI 1: Foundation 2021
Application of GRI Sector Standards	None

GRI General Disclosures 2021

* indicates a material issue

Indicators	Disclosure Requirements	Chapter	Page No.	Omitted/Remarks
		Organization Reporting		
2-1	The Organization and Its Reporting Practices	About MiTAC	6	
2-2	Entities included in the organization's sustainability reporting	About the Sustainability Report	4	
2-3	Reporting period, frequency and contact point		4	
2-4	Restatements of information	N/A		This is not applicable to the year.
2-5	External assurance	About the Sustainability Report	4	
		Activities and Workers		
2-6	Activities, value chain and other business relationships	About MiTAC	6-7	
2-7	Employees	5.2 Talent Attraction and Development	65	
2-8	Non-Employee Workers	5.4 Occupational Health and Safety	80	Non-employee workers refer to outsourced personnel, such as janitorial, gardening, security, and catering staff. Within the 2023 reporting boundary, there were 162 such individuals (statistical data as of 12/31).
		Governance		
2-9	Governance structure and composition	2.1 Corporate Govern-ance Structure	25	
2-10	Nomination and selection of the highest governance body	2.1 Corporate Govern-ance Structure	26	

Indicators	Disclosure Requirements	Chapter	Page No.	Omitted/Remarks
2-11	Chair of the highest governance body	2.1 Corporate Govern-ance Structure	26	
2-12	Role of the highest governance body in overseeing the management of impacts	1.1 Sustainability Policies	15	
2-13	Delegation of responsibility for managing impacts			
2-14	Role of the highest governance body in sustainability report-ing			
2-15	Conflicts of interest	2.1 Corporate Governance Structure	26	
2-16	Communication of critical concerns	2.1 Corporate Governance Structure	26	
2-17	Collective knowledge of the highest governance body	2.1 Corporate Governance Structure	26	
2-18	Evaluation of the performance of the highest governance body	2.1 Corporate Governance Structure	27	
2-19	Remuneration policies	2.1 Corporate Governance Structure	27	
2-20	Process to determine remuneration	2.1 Corporate Governance Structure	28	
2-21	Annual total compensation ratio	5.2 Talent Attraction and Development	72	
		Strategy, Policies and Practices		
2-22	Statement on sustainable development strategy	1.1 Sustainability Policies Messages from the SDC Chairman	5	
2-23	Policy commitments	All chapters	18-19,44, 62-64	
2-24	Embedding policy commitments	1.1 Sustainability Policies	15	
2-25	Processes to remediate negative impacts	2.3 Corporate Risk Management 3.3 Customer Service / Customer Privacy and Information Protection 5.1 Human Rights Protection / Human Rights Due Diligence and Processes	30-31,42-43,62-64	
2-26	Mechanisms for seeking advice and raising concerns	2.2 Business Integrity	29	
2-27	Compliance with laws and regulations	2.2 Business Integrity	29	
2-28	Membership associations	5.1 Human Rights Protection	62	
		Stakeholder Engagement		
2-29	Approach to stakeholder engagement	Approach to stakeholder engagement	18-19	
2-30	Collective bargaining agreements	1.3 Communication with Stakeholders	62	

GRI 3 Material Topics 2021

Indicators	Disclosure Requirements	Chapter	Page No.	Omitted/Remarks
3-1	Process to determine material topics	1.4 Material Issues	20-23	
3-2	List of material topics			
3-3	Management of material topics			

GRI Topic	Indicators	Disclosure Requirements	Chapter	Page No.	Omitted/Remarks
GRI 201 * Economic Performance 2016	201-1	Direct economic value generated and distributed	About MiTAC	7	
	201-3	Defined benefit plan obligations and other re-tirement plans	5.3 Employee Care	74	
	201-4	Financial assistance received from government	About MiTAC	7	
GRI 202 Market Presence 2016	202-1	Ratios of standard entry level wage by gender compared to local minimum wage	5.2 Talent Attraction and Development	72	
	202-2	Proportion of senior management hired from the local community	5.2 Talent Attraction and Development	67	
GRI 204 Procurement Practices 2016	204-1	Proportion of spending on local suppliers	3.4 Supply Chain Sustainability Management	46	
GRI 205 Anti-corruption 2016	205-2	Communication and training about an-ti-corruption policies and procedures	2.2 Business Integrity	29	
	205-3	Confirmed incidents of corruption and actions taken			
GRI 301 Materials 2016	301-2	Recycled input materials used	3.2 Green Products	37	
GRI 302 Energy 2016	302-1	Energy consumption within the organization	4.2 Energy Management	54	
	302-2	Energy consumption outside of the organization			
	302-3	Energy intensity			

GRI Topic	Indicators	Disclosure Requirements	Chapter	Page No.	Omitted/Remarks
GRI 303 Water and Effluents 2018	303-3	Water withdrawal	4.5 Water Resources Management	57-58	
	303-4	Water withdrawal			
	303-5	Water withdrawal			
GRI 305 * Emissions 2016	305-1	Direct GHG emissions (Scope 1)	4.3 GHG Emissions	55	
	305-2	Indirect GHG emissions from energy (Scope 2)			
	305-3	Other indirect GHG emissions (Scope 3)			
	305-4	Greenhouse gas (GHG) emission and intensity			
	305-5	GHG emission reduction	4.4 Actions and Effectiveness of Emissions Reduction	56	
GRI 306 Waste 2020	306-1	Waste generation and significant waste-related impacts	4.6 Waste Management	58-60	
	306-2	Management of significant waste-related impacts			
	306-3	Waste generated			
	306-4	Waste diverted from disposal			
GRI 308 Supplier Environmental Assessment 2016	308-1	New suppliers that were screened using envi-ronmental criteria	3.4 Supply Chain Sustainability Management	44-46	
	308-2	Negative environmental impacts in the supply chain and actions taken			
GRI 401 * Employment 2016	401-1	New employee hires and employee turnover	5.2 Talent Attraction and Development	68-69	
	401-2	Benefits provided to full-time employees that are not provided to temporary or part-time employ-ees	5.3 Employee Care	74-79	
	401-3	Parental leave	5.3 Employee Care	79	
GRI 402 Labor/Management Relations 2016	402-1	Minimum notice periods regarding operational changes	N/A		The termination process of employment contracts is subject to local laws and regulations.

GRI Topic	Indicators	Disclosure Requirements	Chapter	Page No.	Omitted/Remarks
GRI 403 * Occupational Health and Safety 2018	403-1	Occupational Health and Safety Management System	5.4 Occupational Health and Safety	80	
	403-2	Hazard identification, risk assessment, and incident investigation	5.4 Occupational Health and Safety	81	
	403-3	Occupational health service	5.3 Employee Care	75	
	403-4	Worker participation, consultation, and commu-nication on occupational health and safety	5.4 Occupational Health and Safety	85	
	403-5	Worker training on occupational health and safety	5.4 Occupational Health and Safety	83-84	
	403-6	Promotion of worker health	5.3 Employee Care	82	
	403-7	Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	5.4 Occupational Health and Safety	81	
	403-8	Workers covered by an occupational health and safety management system	5.4 Occupational Health and Safety	80	
	403-9	Work-related injuries	5.4 Occupational Health and Safety	87-89	
	403-10	Work-related ill health			
GRI 404 * Training and Education 2016	404-1	Average hours of training per year per employee	5.2 Talent Attraction and Development	69-71	
	404-2	Programs for upgrading employee skills and transition assistance programs			
	404-3	Percentage of employees receiving regular performance and career development reviews	5.2 Talent Attraction and Development	73	
GRI 405 Diversity and Equal Opportunity 2016	405-1	Diversity of governance bodies and employees	2.1 Corporate Governance Structure 5.2 Talent Attraction and Development	26,65-67	
	405-2	Ratio of the basic wage and compensation of women to men	5.2 Talent Attraction and Development	72	
GRI 406 Non-discrimination 2016	406-1	Incidents of discrimination and corrective actions taken	5.1 Human Rights Protection	63	
GRI 407 Freedom of Association and Collective Bargaining 2016	407-1	Operations and suppliers in which the right to freedom of association and collective bargaining may be at risk	5.1 Human Rights Protection 5.4 Occupational Health and Safety	64,85	

GRI Topic	Indicators	Disclosure Requirements	Chapter	Page No.	Omitted/Remarks
GRI 408 Child Labor 2016	408-1	Operations and suppliers at significant risk for incidents of child labor	5.1 Human Rights Protection	63	
GRI 409 Forced or Compulsory Labor 2016	409-1	Operations and suppliers at significant risk for incidents of forced or compulsory labor	5.1 Human Rights Protection	64	
GRI 414 Supplier Social Assessment 2016	414-1	New suppliers that were screened using social criteria	3.4 Supply Chain Sustainability Management	44-46	
	414-2	Negative social impacts in the supply chain and actions taken			
GRI 416 Customer Health and Safety 2016	416-1	Assessment of the health and safety impacts of product and service categories	3.1 Green Commitment 3.2 Green Products	36-39	
	416-2	Incidents of non-compliance concerning the health and safety impacts of products and ser-vices			
GRI 418 Customer Privacy 2016	418-1	Substantiated complaints concerning breaches of customer privacy and losses of customer data	3.3 Customer Service	42-43	

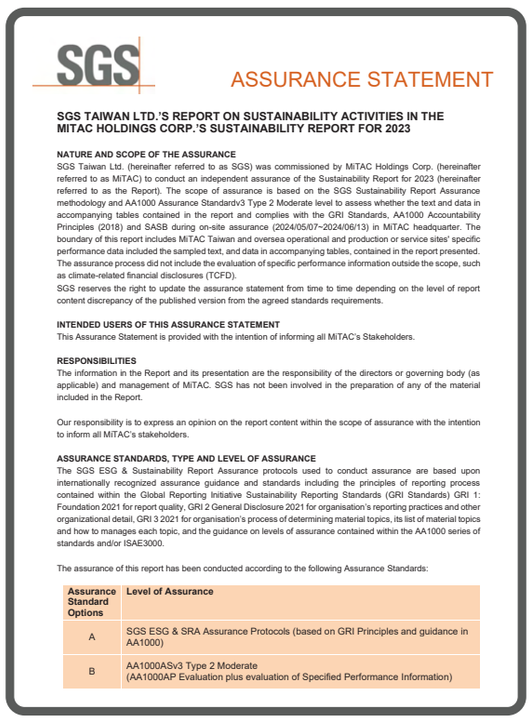
SASB Indicator Comparison List

Category	General Issues	No.	Disclosure Requirements	Chapter	Page No.	Description
Environmental	Water manage-ment	TC-ES-140a.1	Total water withdrawn, percentage of recovered water, percentage in regions with water shortage or extreme water shortage	4.5 Water Resources Management	57-58	
	Wastes Man-agement	TC-ES-150a.1	Amount of waste generated, percentage of hazardous waste, percentage of recycled waste	4.6 Waste Management	58-59	
	Labor practices	TC-ES-310a.1	Total days idle	N/A		No relevant incident occurred in 2023.
Social	Labor conditions	TC-ES-320a.1	Total Recordable Incident Rate (TRIR) and Near-Miss Frequency Rate (NMFR) for Direct Employees and Contract Workers	5.4 Occupational Health and Safety	88-89	
		TC-ES-320a.2	Percentage of facilities audited in the RBA Validated Assessment Program (VAP) or equivalent, by all facilities and Tier 1 suppliers' facilities	3.4 Supply Chain Sustainability Management	46	
		TC-ES-320a.3	The non-conformance rates for all entities and Tier 1 suppliers are as follows:(1) Major non-conformance (2) Minor non-conformance			
Economic	Product lifecycle management	TC-ES-410a.1	Weight of end-of-life products and e-waste recovered, and the recovery percentage	3.2 Green Products	37	
	Materials sourcing	TC-ES-440a.1	Description of the management of risks associated with the use of key materials	3.4 Supply Chain Sustainability Management	44-45	

Activity Metrics

No.	Disclosure Requirements	Chapter	Page No.	Omitted/Remarks
TC-ES-000.A	Number of plants	About MiTAC	6	5 plants
TC-ES-000.B	Area of plants	About MiTAC	6	Total 289,824 M²
TC-ES-000.C	Number of employees	5.2 Talent Attraction and Development	65	6,182

Report Verification Statement



SGS

ASSURANCE STATEMENT

SGS TAIWAN LTD.'S REPORT ON SUSTAINABILITY ACTIVITIES IN THE MITAC HOLDINGS CORP.'S SUSTAINABILITY REPORT FOR 2023

NATURE AND SCOPE OF THE ASSURANCE
SGS Taiwan Ltd. (hereinafter referred to as SGS) was commissioned by MiTAC Holdings Corp. (hereinafter referred to as MiTAC) to conduct an independent assurance of the Sustainability Report for 2023 (hereinafter referred to as the Report). The scope of assurance is based on the SGS Sustainability Report Assurance methodology and AA1000 Assurance Standardv3 Type 2 Moderate level to assess whether the text and data in accompanying tables contained in the report and complies with the GRI Standards, AA1000 Accountability Principles (2018) and SASB during on-site assurance (2024/05/07~2024/06/13) in MiTAC headquarter. The boundary of this report includes MiTAC Taiwan and oversea operational and production or service sites' specific performance data included the sampled text, and data in accompanying tables, contained in the report presented. The assurance process did not include the evaluation of specific performance information outside the scope, such as climate-related financial disclosures (TCFD).
SGS reserves the right to update the assurance statement from time to time depending on the level of report content discrepancy of the published version from the agreed standards requirements.

INTENDED USERS OF THIS ASSURANCE STATEMENT
This Assurance Statement is provided with the intention of informing all MiTAC's Stakeholders.

RESPONSIBILITIES
The information in the Report and its presentation are the responsibility of the directors or governing body (as applicable) and management of MiTAC. SGS has not been involved in the preparation of any of the material included in the Report.

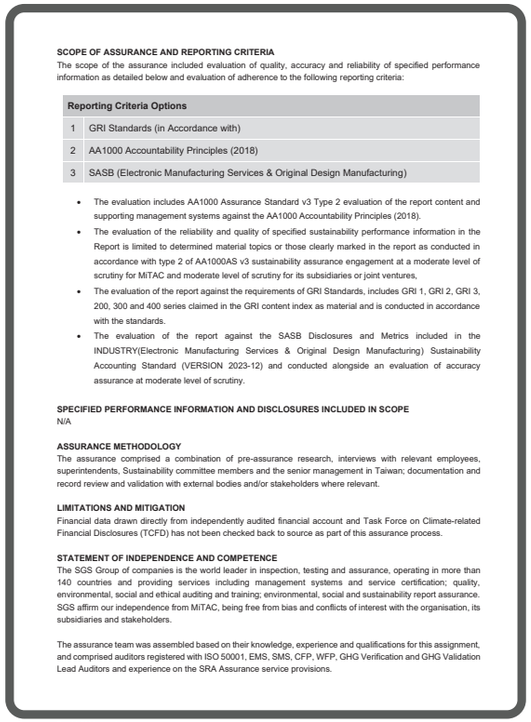
Our responsibility is to express an opinion on the report content within the scope of assurance with the intention to inform all MiTAC's stakeholders.

ASSURANCE STANDARDS, TYPE AND LEVEL OF ASSURANCE
The SGS ESG & Sustainability Report Assurance protocols used to conduct assurance are based upon internationally recognized assurance guidance and standards including the principles of reporting process contained within the Global Reporting Initiative Sustainability Reporting Standards (GRI Standards) GRI 1: Foundation 2021 for report quality, GRI 2 General Disclosure 2021 for organisation's reporting practices and other organizational detail, GRI 3 2021 for organisation's process of determining material topics, its list of material topics and how to manages each topic, and the guidance on levels of assurance contained within the AA1000 series of standards and/or ISAE3000.

The assurance of this report has been conducted according to the following Assurance Standards:

Assurance Standard Options	Level of Assurance
A	SGS ESG & SRA Assurance Protocols (based on GRI Principles and guidance in AA1000)
B	AA1000ASv3 Type 2 Moderate (AA1000AP Evaluation plus evaluation of Specified Performance Information)

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SCOPE OF ASSURANCE AND REPORTING CRITERIA
The scope of the assurance included evaluation of quality, accuracy and reliability of specified performance information as detailed below and evaluation of adherence to the following reporting criteria:

Reporting Criteria Options	
1	GRI Standards (in Accordance with)
2	AA1000 Accountability Principles (2018)
3	SASB (Electronic Manufacturing Services & Original Design Manufacturing)

- The evaluation includes AA1000 Assurance Standard v3 Type 2 evaluation of the report content and supporting management systems against the AA1000 Accountability Principles (2018).
- The evaluation of the reliability and quality of specified sustainability performance information in the Report is limited to determined material topics or those clearly marked in the report as conducted in accordance with type 2 of AA1000AS v3 sustainability assurance engagement at a moderate level of scrutiny for MiTAC and moderate level of scrutiny for its subsidiaries or joint ventures,
- The evaluation of the report against the requirements of GRI Standards, includes GRI 1, GRI 2, GRI 3, 200, 300 and 400 series claimed in the GRI content index as material and is conducted in accordance with the standards.
- The evaluation of the report against the SASB Disclosures and Metrics included in the INDUSTRY(Electronic Manufacturing Services & Original Design Manufacturing) Sustainability Accounting Standard (VERSION 2023-12) and conducted alongside an evaluation of accuracy assurance at moderate level of scrutiny.

SPECIFIED PERFORMANCE INFORMATION AND DISCLOSURES INCLUDED IN SCOPE
N/A

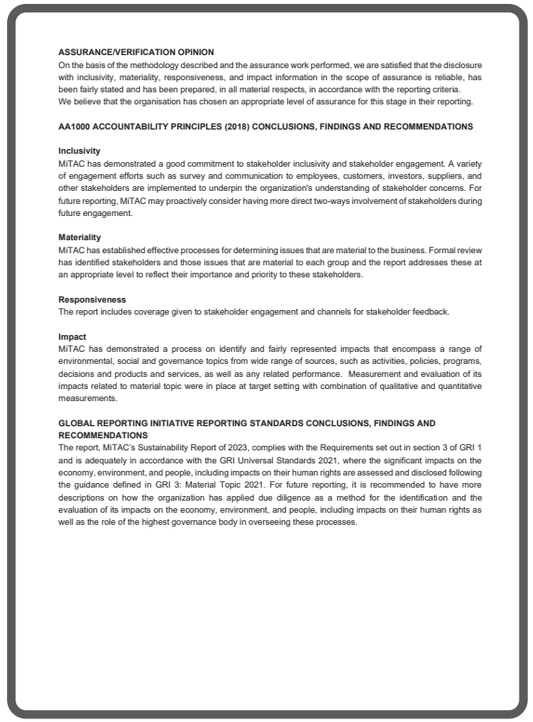
ASSURANCE METHODOLOGY
The assurance comprised a combination of pre-assurance research, interviews with relevant employees, superintendents, Sustainability committee members and the senior management in Taiwan; documentation and record review and validation with external bodies and/or stakeholders where relevant.

LIMITATIONS AND MITIGATION
Financial data drawn directly from independently audited financial account and Task Force on Climate-related Financial Disclosures (TCFD) has not been checked back to source as part of this assurance process.

STATEMENT OF INDEPENDENCE AND COMPETENCE
The SGS Group of companies is the world leader in inspection, testing and assurance, operating in more than 140 countries and providing services including management systems and service certification; quality, environmental, social and ethical auditing and training; environmental, social and sustainability report assurance. SGS affirm our independence from MiTAC, being free from bias and conflicts of interest with the organisation, its subsidiaries and stakeholders.

The assurance team was assembled based on their knowledge, experience and qualifications for this assignment, and comprised auditors registered with ISO 50001, EMS, SMS, CFP, WFP, GHG Verification and GHG Validation Lead Auditors and experience on the SRA Assurance service provisions.

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ASSURANCE/VERIFICATION OPINION
On the basis of the methodology described and the assurance work performed, we are satisfied that the disclosure with inclusivity, materiality, responsiveness, and impact information in the scope of assurance is reliable, has been fairly stated and has been prepared, in all material respects, in accordance with the reporting criteria.
We believe that the organisation has chosen an appropriate level of assurance for this stage in their reporting.

AA1000 ACCOUNTABILITY PRINCIPLES (2018) CONCLUSIONS, FINDINGS AND RECOMMENDATIONS

Inclusivity
MiTAC has demonstrated a good commitment to stakeholder inclusivity and stakeholder engagement. A variety of engagement efforts such as survey and communication to employees, customers, investors, suppliers, and other stakeholders are implemented to underpin the organization's understanding of stakeholder concerns. For future reporting, MiTAC may proactively consider having more direct two-ways involvement of stakeholders during future engagement.

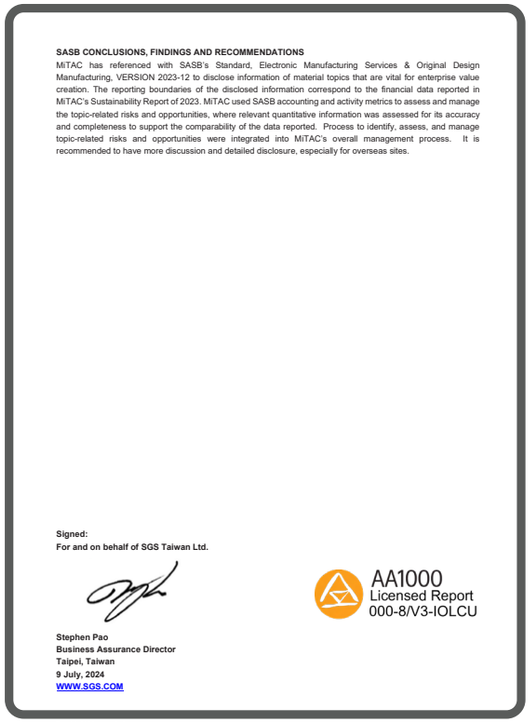
Materiality
MiTAC has established effective processes for determining issues that are material to the business. Formal review has identified stakeholders and those issues that are material to each group and the report addresses these at an appropriate level to reflect their importance and priority to these stakeholders.

Responsiveness
The report includes coverage given to stakeholder engagement and channels for stakeholder feedback.

Impact
MiTAC has demonstrated a process on identify and fairly represented impacts that encompass a range of environmental, social and governance topics from wide range of sources, such as activities, policies, programs, decisions and products and services, as well as any related performance. Measurement and evaluation of its impacts related to material topic were in place at target setting with combination of qualitative and quantitative measurements.

GLOBAL REPORTING INITIATIVE REPORTING STANDARDS CONCLUSIONS, FINDINGS AND RECOMMENDATIONS
The report, MiTAC's Sustainability Report of 2023, complies with the Requirements set out in section 3 of GRI 1 and is adequately in accordance with the GRI Universal Standards 2021, where the significant impacts on the economy, environment, and people, including impacts on their human rights are assessed and disclosed following the guidance defined in GRI 3: Material Topic 2021. For future reporting, it is recommended to have more descriptions on how the organization has applied due diligence as a method for the identification and the evaluation of its impacts on the economy, environment, and people, including impacts on their human rights as well as the role of the highest governance body in overseeing these processes.

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SASB CONCLUSIONS, FINDINGS AND RECOMMENDATIONS
MiTAC has referenced with SASB's Standard, Electronic Manufacturing Services & Original Design Manufacturing, VERSION 2023-12 to disclose information of material topics that are vital for enterprise value creation. The reporting boundaries of the disclosed information correspond to the financial data reported in MiTAC's Sustainability Report of 2023. MiTAC used SASB accounting and activity metrics to assess and manage the topic-related risks and opportunities, where relevant quantitative information was assessed for its accuracy and completeness to support the comparability of the data reported. Process to identify, assess, and manage topic-related risks and opportunities were integrated into MiTAC's overall management process. It is recommended to have more discussion and detailed disclosure, especially for overseas sites.

Signed:
For and on behalf of SGS Taiwan Ltd.

AA1000
Licensed Report
000-8/V3-IOLCU

Stephen Pao
Business Assurance Director
Taipei, Taiwan
9 July, 2024
WWW.SGS.COM

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MITAC
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