2023
Sustainability Report

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About the Report

The 2023 ESG Report of Elite Material Co., Ltd. (EMC) has been compiled in accordance with the GRI Sustainability Reporting Standards (hereinafter referred to as the GRI Standards) issued by the Global Sustainability Standard Board (GSSB). The Report discloses the Company's 2023 operating performance and future plans to all stakeholders, and it presents EMC's philosophy and goals for sustainable operation. In the future, EMC will continue to disclose information concerning all aspects of its performance pertaining to the economy, the environment, and people (including human rights) so that the public can understand the Company's overall operations and prospects for continuous development.

Reporting Guidelines and Principles

The Report was compiled based on the newest version of the GRI Standards (2021) and the Sustainability Accounting Standards Board (SASB) Index. For details, please refer to Appendix I: GRI Content Index and Appendix II: SASB Index of the Report. The statistical data disclosed in the Report were collected and surveyed internally by EMC. The financial data are publicly released information that has been audited and attested by certified public accountants, and such data are presented in commonly used numerical forms within the Report.

Reporting Period

The Report discloses EMC's practices and performance pertaining to the economy, the environment, and people (including human rights) for FY2023 (January 1 to December 31, 2023; consistent with the financial statement), to fulfill corporate responsibility and respond to stakeholders' issues of concern. The financial information presented is EMC's consolidated revenue, which is consistent with the financial statement.

Scope and Boundary of the Report GRI 2-2, GRI 2-4

The financial data presented in the Report are derived from EMC's consolidated financial statements. The non-financial data cover EMC's performance pertaining to the economy, the environment, and people (including human rights). The business achievements focus on the production and operation sites listed in the table below. The boundary of the Report is consistent with that of the 2022 report; for any data revised due to errors generated during the previous reporting period, explanatory notes are provided in the corresponding chapters or sections. The "Taiwan plants" mentioned in some sections of the Report include the Guanyin Plants and the Hsinchu Plant. As for the Arlon EMD production site in California, USA, only the area of the plant is disclosed; its performance pertaining to the economy, the environment, and people (including human rights) is not disclosed in the Report.

Plants	Performance Disclosure	
	Financial Reporting	Sustainability Reporting
1. Guanyin Plants of Elite Material Co., Ltd. (including Plant 1, Plant 2, and Plant 3)	V	V
2. Hsinchu Plant of Elite Material Co., Ltd.		
3. Elite Electronic Material (Kunshan) Co., Ltd.		
4. Elite Electronic Material (Zhongshan) Co., Ltd.		
5. Elite Electronic Material (Huangshi) Co., Ltd.		
6. Arlon EMD (California, USA)		

Report Verification GRI 2-5, GRI 2-14

The Report was compiled based on the newest version of the GRI Standards (2021) and discloses information in accordance with relevant laws and regulations, such as the Sustainable Development Best Practice Principles for TWSE/TPEx Listed Companies. The Taiwan Branch of the British Standards Institution (BSI - Singapore) was entrusted to verify the Report and issue the Assurance Statement. The verification results show that the Report complies with the GRI Standards and the AA1000AS v3/Type 1/Moderate assurance level. Relevant information in the Report was collected by each department and reviewed by the department head, then submitted to the CSR Committee for data collection, compilation, and internal auditing. The full report was then submitted to the Chairman of the Board of Directors for review and approval before publication.

Contact Information GRI 2-3

EMC's 2023 ESG Report is available for everyone to access. The Report has also been submitted to the GRI Content Index Service as well as the Materiality Disclosure Service.

Publication date: June 2024 (an ESG Report will be published annually).

For any questions or comments about the Report, please contact us at：

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EMC corporate website：https://www.emctw.com/

Message from the Chairman GRI 2-22, GRI 2-23

Rising geopolitical risks in the post-pandemic era have created unprecedented challenges for Taiwan's technology industry. However, in an economic environment full of uncertainties, technological innovation remains the key to business growth. As speed and quality requirements for information transmission continue to grow, the trend of upgrading product specifications remains consistent. Through the launch of new generations of products, EMC has increased its share in the server and switches markets, and 5G smartphone shipments will continue to grow due to the rapid increase in penetration rate. EMC has continuously enhanced our corporate competitiveness, and we are optimistic about our business outlook. In recent years, EMC has responded to the trends of corporate sustainability and circular economy by balancing the goals of profit generation and accountability to shareholders with upholding our responsibility to all stakeholders, thereby realizing the concepts of both economic prosperity and environmental sustainability. We believe that to bring about sustainable corporate value, the Company must continuously advance; fulfill our environmental, social, and corporate governance goals while maintaining a rapid pace of development; and actively exert a positive influence.

Corporate Governance

As the world's largest supplier of halogen-free laminate material and prepreg, EMC has been the top market holder for HDI and SLP laminate materials used in handheld devices for several consecutive years. Additionally, EMC has risen from an unranked position to become one of the top three market holders for mass laminate materials used in high-speed applications and products such as servers and switches. EMC is poised to grow in the long term. One of the driving forces for growth is the continuous introduction of new products to meet the needs for electronic product application development. In addition to our continuous and focused development of halogen-free laminate materials for handheld and high-speed applications, EMC has also started to develop laminate materials for other applications. In 2022, EMC successfully developed non-PTFE high-frequency laminate materials that meet the requirements for PCB processing and satisfy the needs of antennas for Internet of Everything (IoE) platforms and autonomous vehicles (AVs). The development of laminate materials was also a major focal area; these products have begun mass production and are currently shipping. Our product quality has been largely recognized by customers, enabling EMC to achieve the goal of supply chain localization, break through Japanese manufacturers' monopoly on the laminate material market, and rapidly increase EMC's market share.

In 2023, our annual revenue hit a record high of NT$41,296,217,000, with a year-over-year increase of 6.78% and EPS at NT$16.35. In addition to setting up a laminate material plant in Taoyuan, Taiwan, EMC also plans to establish a plant in Southeast Asia to meet customer demand.

Sustainable Supply Chain

"Maintaining upstream–downstream partnerships and stabilizing market mechanisms" is our supply chain policy. EMC is the world's largest manufacturer of halogen-free laminate materials; our unique, environmentally friendly products and are applied to high-end high-density interconnect (HDI) PCBs. On our journey to become a leading halogen-free laminate manufacturer, we have been supported by our strong raw material supply chain. Our major raw materials include copper foil, glass cloth, and chemicals, among which the copper foil and glass cloth are 100% domestically made. Applications for high-end HDI manufacturing processes and halogen-free environmentally friendly laminate materials have expanded beyond the scope of mobile phones into areas such as automotive materials, infrastructure, and Netcom, thus expanding the applications of EMC's products. We will continue to work together with our suppliers to reach even greater heights.

Moreover, in response to the accelerated consumption of the earth's limited resources due to rapid global economic development, the international community has reached a consensus on sustainable utilization and resource development, and circular economy has also become an important issue for social and economic development. EMC is also striving to maximize resource efficiency and jointly build a circular economy society; for example, in the case of our critical raw material, copper foil, we already have suppliers who can provide products containing 87–100% recycled copper. Furthermore, we have initiated the development of high-performance and low-pollution green products and low-carbon raw materials.

Environmental Protection

EMC controls and manages the air pollution problems arising from each of its manufacturing processes, services, and activities. In addition to complying with relevant environmental protection laws and regulations such as the Waste Disposal Act, the Water Pollution Control Act, and the Air Pollution Control Act, we also invest a considerable amount of money each year in protecting the environment surrounding our plants, and we implement pollution prevention measures to ensure the quality of our environment. In response to the global carbon reduction trend, we are using natural gas as a transitional fuel to shift from high-carbon energy to low-carbon energy sources. By replacing highly polluting heavy oil with natural gas that has less impact on the environment, we can achieve our greenhouse gas reduction goals. Moreover using natural gas as fuel has increased the boilers' combustion efficiency by 0.5–1% as compared with heavy oil. With the complete replacement of heavy oil with natural gas in 2023, fuel consumption was reduced while maintaining the same level of thermal energy demand, thus helping achieve environmental sustainability.

In 2023, EMC initiated the goal of energy conservation, energy reduction, and energy creation in response to the carbon reduction strategy. We hope that through cooperation between customers, supply chain partners, and EMC, and by learning from each other, we will create product value and profits while also contributing to the earth's environmental protection.

Safe Workplace

At the beginning of 2023, a container filled with organic solvents was ignited by static between glass fabric cloth and equipment, resulting in a fire accident. Fortunately, no casualties were reported. The incident led to a comprehensive review of workplace safety and health management.

EMC strives to create a safe and healthy workplace, where every employee can work comfortably and return home safely. Adhering to the philosophy of "improving the safety and hygiene of the working environment and reducing workers' occupational injuries," EMC has comprehensively enhanced our infrastructure and improved the working environment year by year, ensuring that our employees feel safe at work. EMC conducts employee health checkups every year and implements the Friendly Workplace inspection to actively eliminate potential workplace hazards through mechanisms such as Improvement Proposals, Safety Observation, and False Alarm Incident Notification. Furthermore, EMC continues to review and improve our emergency response procedures, automatic inspections, safety and health education and training, and working environment surveys every year, striving to create a healthy and safe working environment for our employees.

Looking ahead, EMC will enhance the sales percentages of high-end products and materials, increase added value, diversify raw material sources to reduce risks, and work with suppliers to develop a long-term centralized procurement system based on the demands of our corporate group in Taiwan and China, ultimately achieving the goal of stabilized costs and supply. EMC has become the world's largest environmentally friendly laminate manufacturer, with considerable R&D and market development capabilities. We have accumulated substantial technological and product advantages, building the framework to satisfy the market's future laminate needs, and creating a promising outlook for EMC.

Chairman

About Elite Material Co., Ltd. GRI 2-1

Elite Materials Co., Ltd. (EMC) was established in 1992 as an FR-4 copper clad laminate (CCL) and prepreg manufacturer. In 2013, EMC became the world's largest halogen-free substrate manufacturer and supplier, and to this day, the Company maintains a leading market position. With a highly skilled R&D team, EMC has developed a variety of high-quality halogen-free new products, ranging from Mid Loss, Low Loss, Very Low Loss, and Ultra Low Loss to Extreme Low Loss categories. These products conform to a variety of high-precision and advanced PCB technologies, such as Anylayer, mSAP, IC substrate, high layer count (HLC), high speed digital (HSD), and ratio frequency (RF) products, and they have been widely recognized by customers.

With the belief in value creation and a commitment to continuous technological innovation and improvement, EMC has filed more than 250 patents globally, and has secured its position as a technology leader in applications such as mobile communications, AI/HPC/cloud data centers, 5G networks, electric vehicles (EVs), and autonomous driving.

In 2023, EMC reported a sharp rise in Q3 sales and achieved its fifth consecutive year of record-breaking growth. EMC's product development meets the industry's front-end needs, and the application of high-performance computing products has become a significant market trend. With major U.S. manufacturers, international chip makers, and cloud vendors designing and leading the way, shipments of various server and switch related materials continue to rise. EMC expects to achieve a high market share with new customers and new applications while maintaining its high market share with existing customers. The demand for various server and switch products is clear and will constitute one of EMC's main growth drivers.

Company Name	Elite Material Co., Ltd.
Year of Establishment	1992
Stock Code	2383
Headquarters	No.18, Datong 1st Rd., Guanyin Dist., Taoyuan City, Taiwan (R.O.C.)
Major Production Sites	1.Guanyin Plants of Elite Material Co., Ltd., including Plant 1: No.18, Datong 1st Rd., Guanyin Dist., Taoyuan City (Plant area: 15,277.44 m^2) Plant 2: No. 3, Jingjian 2nd Rd., Shulin Village, Guanyin Dist., Taoyuan City (Plant area: 3,376.77 m^2) Plant 3: No. 10, Yuanyuan St. (Plant area: 4,953.20 m^2) 2.Hsinchu Plant of Elite Material Co., Ltd. (Plant area: 13,848.96 m^2) 3.Elite Electronic Material (Kunshan) Co., Ltd. (Plant area: 109,921.31 m^2) 4.Elite Electronic Material (Zhongshan) Co., Ltd. (Plant area: 40,241.96 m^2) 5.Elite Electronic Material (Huangshi) Co., Ltd. (Plant area: 50,646.37 m^2) 6.Arlon EMD (California, USA) (Plant area: 7,097.42 m^2)
Number of Employees	As of December 31, 2023, the Company had a total of 4,297 employees, including 3,477 male employees (80.92%) and 820 female employees (19.08%).
Industry	Printed Circuit Board (PCB)
Public Listing Year	1998
Paid-in Capital	NT$3,431,793,000
Operating Revenue	NT$41,296,217,000 (2023)
Main Products	Copper clad laminate, prepreg, and mass lamination.
Corporate Website	http://www.emctw.com

EMC Vision and Core Values

Vision	Strive For Excellence Become The World Leading Brand Of “Green” Laminate Materials
Core Value	RESPONSIBILITY TEAMWORK VALUE CREATION

Global Production and Operating Sites

Region	Country	Operating Sites
Asia	Taiwan	HQ-Guanyin Plant and Hsinchu Plant
	Mainland China	Kunshan Plant, Zhongshan Plant, Huangshi Plant
	Japan	Agent: Imanaka Ltd, Molymer SSP Co., Ltd
	South Korea	Agent: Landmark International Corp
	Malaysia	Penang Plant
America	United States	Agent: Arlon Liaison Offices: CA, MN The acquisition of Arlon EMD in California, USA was completed in 2020, making it EMC’s first U.S. production site and fourth overseas production site.
Europe	France	Agents: CCI Eurolam S.A., Roland Jacquet
	Germany	Detlev Kübler
	United Kingdom	Mark Gordon

Note：Please refer to EMC’s corporate website for the contact details of each operating site.
(https://www.emctw.com/zh-TW/contact_us/index#tw)

Key Performance Summary

Corporate Governance Performance

1. The 2023 annual revenue reached a record high of NT$41,296,217,000, representing a year-over-year increase of 6.78%.
2. The Company attaches great importance to gender equality in Board member composition and aims to increase the number of female directors. Currently, the Board composition is 86% male (6 directors) and 14% female (1 director).
3. No illegal act or incident of corruption violating integrity principles occurred in 2023. All employees complied with ethics regulations and practiced the Company's philosophy of ethical management. Furthermore, each employee attended an average 15.9 hours of relevant training to raise their awareness of ethical management.
4. Ranked among the top 21~35% of companies in the 2023 corporate governance evaluation.
5. A total of 4 recovery drills were conducted at EMC, Elite Electronic Material (Kunshan) Co., Ltd., Elite Electronic Material (Zhongshan) Co., Ltd., and Elite Electronic Material (Huangshi) Co., Ltd., focusing on the inter-plant switching of major equipment and services and testing of backup data recovery.

Sustainable Supply Chain Performance

1. The 2023 Prismark results revealed that the Company held a 28% market share in halogen-free/green materials, retaining the leading position.
2. A low-carbon formula was adopted, replacing petroleum epoxy resins with resins composed of 25% bio-based content, which will reduce carbon dioxide emissions by 20 tons per year.
3. Local procurement ratios for copper foil (the Company's main raw material) are as follows: Taiwan plants ≧99%, Elite Electronic Material (Kunshan) Co., Ltd. ≧35%, Elite Electronic Material (Zhongshan) Co., Ltd. ≧34%, and Elite Electronic Material (Huangshi) Co., Ltd. ≧55%.
4. The ratios of copper foil containing recycled copper are as follows: Taiwan plants ≧100%, Elite Electronic Material (Kunshan) Co., Ltd. ≧87%, Elite Electronic Material (Zhongshan) Co., Ltd. ≧97%, and Elite Electronic Material (Huangshi) Co., Ltd. ≧90%.
5. 100% of suppliers have signed the Social Responsibility Commitment and the Declaration of Conflict-Free Metals. Among the suppliers that completed the audit, no factories were deemed unqualified due to corporate social responsibility or environmental safety and health management systems performance.

Environmental Protection Performance

- Energy Management
  1. Total energy consumption per unit of sales was reduced by 8% in 2023 compared to 2022.
  2. The use of heavy oil was reduced to zero in 2023.
  3. The renewable energy utilization rate reached 1.2%.
  4. Carbon intensity (Categories 1 + 2) increased by 4.27% in 2023 compared to 2022.
- Pollutant Management
  1. The amount of air pollution generated by the Taiwan plants was reduced by 18% in 2023 compared to 2022.
  2. The recyclable ratio of municipal waste increased by 6.7% in 2023 compared to 2022.
  3. The intensity of total waste generation was reduced by 31.58% in 2023 compared to 2022.

Sustainable Supply Chain Performance

1. EMC has more than 4,200 employees. Most employees are under the age of 50, accounting for more than 95% on average.
2. The scope of education and training for junior management, middle management, and senior management was expanded to narrow the gap between the Company's managerial positions. The training hours exceeded 25 hours per person.
3. Except for Huangshi Plant, the turnover rate at other plants was lower than 30%.
4. An employee care system was established to promote employees' trust in the Company.

Safe Workplace Performance

1. The implementation rate of occupational safety and health education and training programs reached 100% (achieving 15.5 hours).
2. The Company continued to add relevant safety protection measures to the plants' older model in-service machines. These measures aim to eliminate accident risks during operation and actively promote personnel's hazard awareness. (For example, adding spray ball devices to glue-mixing tanks, adding a hydraulic lifting function to the packaging work platform, adding safety light curtains to the substrate cutting and packaging machine's stacking crane at Elite Electronic Material (Zhongshan) Plant.)

Sustainability Performance

EMC's Responses to the United Nations Sustainable Development Goals (SDGs)

SDGs	
	**Ensure healthy lives and promote well-being for all at all ages** 3.3 By 2030, end the epidemics of AIDS, tuberculosis, malaria, and neglected tropical diseases and combat hepatitis, water-borne diseases, and other communicable diseases. 3.6 By 2030, halve the number of global deaths and injuries from road traffic accidents. 3.8 Achieve universal health coverage (hereinafter referred to as UHC), including financial risk protection, access to quality essential health-care services, and access to safe, effective, quality, and affordable essential medicines and vaccines for all.

EMC's approaches in response to SDGs	Corresponding Chapters
1. Regular health checks 2. Organize health lectures 3. On-site doctor services	5.2 Comprehensive Employee Health Management

SDGs	
	**Ensure inclusive and equitable quality education and promote lifelong learning opportunities for all** 3.3 By 2030, substantially (by xx%) increase the number of youth and adults who have relevant skills, including technical and vocational skills, for employment, decent jobs, and entrepreneurship. 4.5 By 2030, eliminate gender disparities in education and ensure equal access to all levels of education and vocational training for the vulnerable, including persons with disabilities, indigenous peoples, and children in vulnerable situations. 4.6 By 2030, ensure that all youth and a substantial proportion (at least xx%) of adults, both men and women, achieve literacy and numeracy. 4.7 By 2030, ensure that all learners acquire knowledge and skills needed to promote sustainable development, including among others, through education for sustainable development and sustainable lifestyles, human rights, gender equality, promotion of a culture of peace and non-violence, global citizenship, and appreciation of cultural diversity and of culture's contribution to sustainable development. 4.a. Build and upgrade education facilities that are child, disability, and gender sensitive, and provide safe, non-violent, inclusive, and effective learning environments for all.

EMC's approaches in response to SDGs	Corresponding Chapters
1. Ensure that staff members at all levels receive relevant training 2. Provide placement opportunities to facilitate industry–academia collaboration	6.3 Talent Development, Education, and Training

SDGs	
	**Promote sustained, inclusive, and sustainable economic growth, full and productive employment and decent work for all.** 8.2 Achieve higher levels of economic productivity through diversification, technological upgrading, and innovation, including through a focus on high value added and labor-intensive sectors. 8.3 Promote development-oriented policies that support productive activities, decent job creation, entrepreneurship, creativity and innovation, and encourage the formalization and growth of micro-, small-, and medium-sized enterprises, including through access to financial services. 8.8 Protect labor rights and promote safe and secure working environments for all workers, including migrant workers, in particular women migrants, and those in precarious employment. 8.9 By 2030, devise and implement policies to promote sustainable tourism that creates jobs and promotes local culture and products.

EMC's approaches in response to SDGs	Corresponding Chapters
1. Set up an Occupational Safety and Health Committee to create a safe and healthy work environment 2. Ensure compliance with the Child Labor Prohibition Policy and regulations related to labor, health and safety, the environment, corporate ethics, etc.	5 Building a Safe and Healthy Workplace 6.4 Employee Communication and Care

SDGs	
	Ensure sustainable consumption and production patterns 12.5 By 2030, substantially reduce waste generation through prevention, reduction, recycling, and reuse. 12.6 Encourage companies, especially large and transnational companies, to adopt sustainable practices and to integrate sustainability information into their reporting cycle. 12.7 Promote public procurement practices that are sustainable, in accordance with national policies and priorities.

EMC’s approaches in response to SDGs	Corresponding Chapters
Endeavor to develop green energy products, reduce the use of hazardous substances, and emphasize hazardous substance free (HSF) production lines	3.1 Green Product Design

SDGs	
	Take urgent action to combat climate change and its impacts 13.1 Strengthen resilience and adaptive capacity to climate-related hazards and natural disasters in all countries. 13.2 Integrate climate change measures into national policies, strategies, and planning. 13.3 Improve education, awareness-raising, and human and institutional capacity on climate change mitigation, adaptation, impact reduction, and early warning.

EMC’s approaches in response to SDGs	Corresponding Chapters
1. Calculate the base year’s greenhouse gas emissions in accordance with ISO 14064-1:2018 standards and develop further energy saving measures based on the results 2. Set carbon neutrality objectives	4.1 Climate Change and Greenhouse Gas Management

SDGs	
	Promote peaceful and inclusive societies for sustainable development; provide access to justice for all; and build effective, accountable, and inclusive institutions at all levels 16.5 Substantially reduce corruption and bribery in all their forms.

EMC’s approaches in response to SDGs	Corresponding Chapters
EMC upholds integrity as the standard and core value of the Employee Code of Conduct. The Company has formulated and promulgated relevant internal regulations such as the Operating Procedures and Conduct Guidelines for Ethical Management and the Code of Ethical Conduct.	2.4 Implementation of Ethical Management, Anti-corruption and Legal Compliance

01

Material Issues and
Stakeholder Engagement

1.1 Material Issue Analysis GRI 3-1, GRI 3-2 and GRI 3-3

EMC has followed GRI standards and the four principles of Inclusivity, Materiality, Responsiveness, and Impact entailed in AA1000 AP (AA1000 Accountability Principles) to identify the material issues related to the Company's operations. Moreover, by following GRI Standards 2021, EMC has further assessed the significance of the material issues' impacts on the economy, the environment, and people (including human rights). The assessment results serve as the basis for the Company's planning of sustainable development strategies as well as the foundation for the Report's information disclosure.

Implementation Steps	Content	Result
Step 1. Identify targets for communication	The Stakeholder Identification Questionnaire was designed based on the five principles highlighted in AA1000 Stakeholder Engagement Standard (Dependency, Influence, Responsibility, Diverse Perspectives and Tension) and distributed to ESG Committee taskforce members. After the statistical results of the questionnaire were approved by the sustainability (ESG) Committee, five groups of stakeholders were confirmed based on their significance, namely, investors (shareholders and the Board of Directors), governing agencies, customers, suppliers, and employees.	5 major stakeholder groups
Step 2. Compile sustainability issues	References: 1. GRI sustainability reporting standards 2. Task Force on Climate-related Financial Disclosures (TCFD) framework 3. The United Nations SDGs: the 17 goals and 169 associated targets were assessed to screen for causes applicable to EMC 4. Sustainability Accounting Standards Board (SASB) Standards, and 5. Through the process of communication with stakeholders, 23 sustainability issues were summarized and listed by the taskforce.	23 sustainability issues
Step 3. Survey stakeholders' tension	The taskforce identified the closely related and influential stakeholders, then surveyed the five stakeholder groups' tension about the 23 sustainability issues through the 2023 EMC Stakeholder ESG Questionnaire. A total of 1,184 valid questionnaires were collected from stakeholders.	1,184 valid questionnaires collected
Step 4. Determine material issues	After examining the results obtained in Step 3 and making adjustments based on the ESG Committee's recommendations, the taskforce selected 12 high-tension sustainability issues as this year's material issues. A Materiality Matrix was created, and the results reported to the CSR Committee and the Board of Directors.	12 material issues
Step 5. Assess the significance of impact	After Steps 1–4 were implemented and completed (during the period from November 2023 to January 2024), the taskforce further assessed the impacts of 11 material issues related to the economy, the environment, and people (including human rights) through an Impact Assessment Questionnaire, then gave scores to the positive/negative impacts and analyzed the material issues' impact boundaries and levels of involvement in the value chain. Through this step, EMC confirmed that the 12 material issues all significantly impact the Company.	12 material issues
Step 6. Determine the sequence of issues and the content to be disclosed	The taskforce determined the sequence of the material issues based on their impact intensity and described the material issues' response strategies; short, medium, and long-term goals; performance achievements; and management guidelines in the Report in accordance with each issue's reporting requirements. The 12 material issues correspond to 12 GRI topics in total.	12 GRI topics

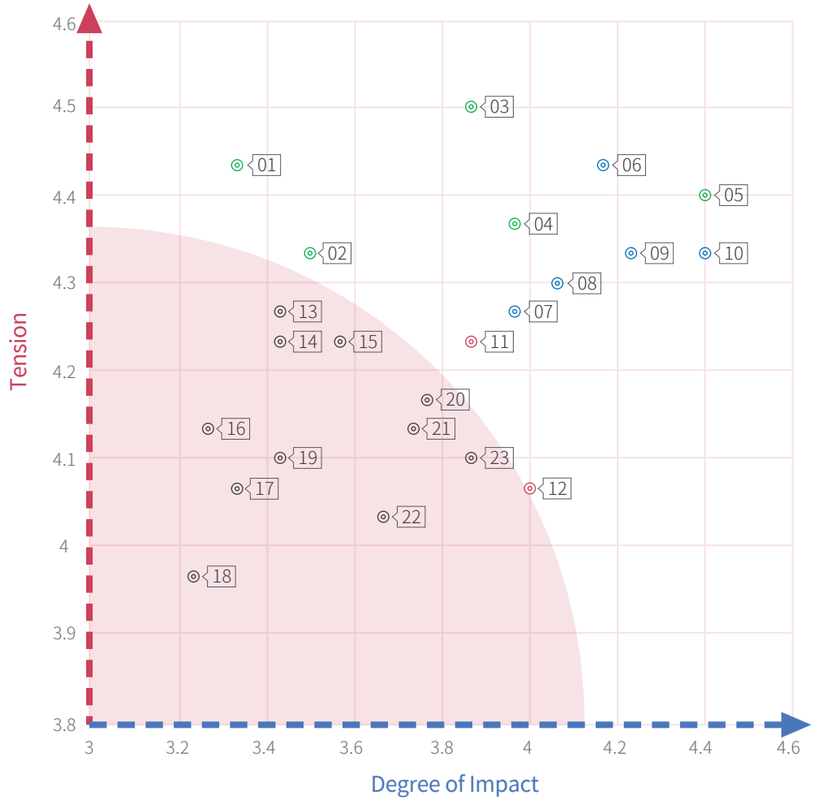
01 Material Issues and Stakeholder Engagement

22 sustainability issues

Environment (E)	1. Air Pollution Management/Air Quality 2. Water Resource Management (including wastewater treatment) 3. Waste and Hazardous Substance Management (investment in the utilization of non-renewable natural resources for production; releasing hazardous substances into the environment that may cause environmental impacts) 4. Circular Production (including logistics and packaging materials) 5. Climate Change (including carbon emissions management) 6. Sustainable Products (including product development and the introduction of environmentally friendly materials into production) 7. Biodiversity 8. Energy Management (including the use of renewable energy)
Society (S)	9. Occupational Safety and Health Management 10. Attracting and Retaining Talented Personnel 11. Diversification and Equal Opportunities 12. Labor–Management Relations 13. Community Participation and Development 14. Human Rights 15. Customer Privacy and Information Security
Corporate Governance (G)	16. Business Ethics and Ethical Management 17. Legal Compliance 18. Operational Risks/Risk Management 19. Sustainable Development Strategies 20. Supply Chain Management (material purchasing and efficiency) 21. Economic Performance 22. Product Design and Life Cycle Management 23. Technological Innovation and Market Layout (business model flexibility)

Impact Significance Assessment

The ESG Committee taskforce has assessed the influence of the 12 material issues on the economy, the environment, and people (including human rights) and conducted a comprehensive assessment of the level of concern and level of impact of such issues. The assessment results were preliminarily summarized. After being adjusted based on the management team's recommendations, the impacts were sequenced based on their materiality to EMC in 2023.



- 01. Waste and Hazardous Substance Management
- 02. Energy Management
- 03. Air Pollution Management/Air Quality
- 04. Sustainable Products
- 05. Climate Change
- 06. Business Ethics and Ethical Management
- 07. Labor–Management Relations
- 08. Attracting and Retaining Talented Personnel
- 09. Customer Privacy and Information Security
- 10. Occupational Safety and Health Management
- 11. Economic Performance
- 12. Occupational Safety and Health Management
- 13. Diversification and Equal Opportunities
- 14. Water Resource Management
- 15. Human Rights
- 16. Circular Production
- 17. Sustainable Development Strategies
- 18. Product Design and Life Cycle Management
- 19. Operational Risks/Risk Management
- 20. Community Participation and Development
- 21. Biodiversity
- 22. Technological Innovation and Market Layout
- 23. Legal Compliance

1. Assessment Procedures：

(1)Quantify the impact：

Various units connected to the material issues gave each issue a score of 1–5 points to indicate the level of impact and the positive/negative impacts on the economy, the environment, and people (including human rights). These scores were then compiled by the ESG Committee taskforce. Examples are shown in the tables below：

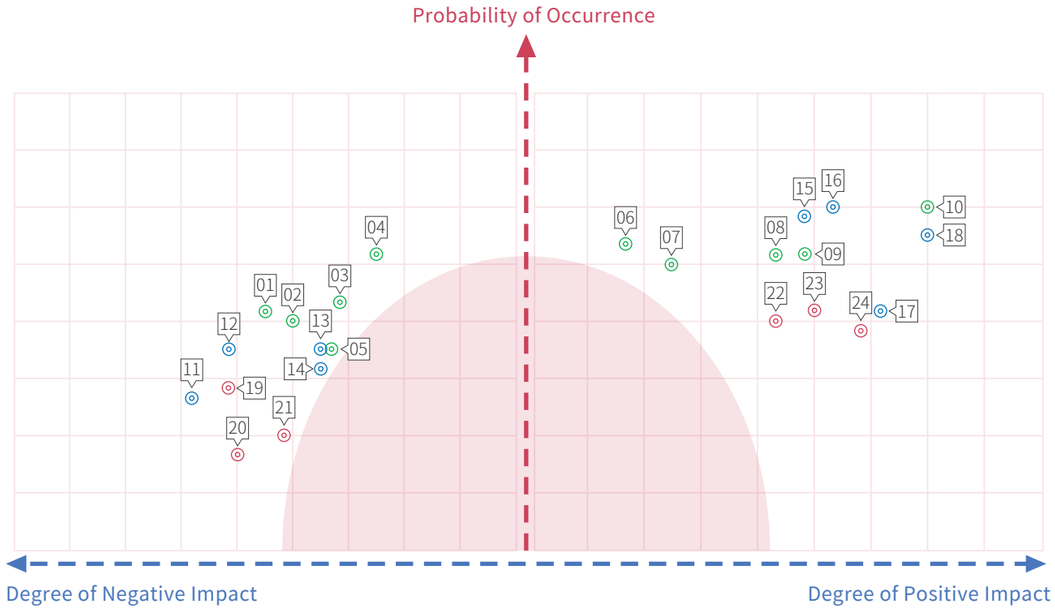
Material Issues	Environment			
	Likelihood of Occurrence		Level of Impact	
	Positive	Negative	Positive	Negative
Climate Change (including carbon emissions management)	4	2	4	5

Material Issues	Society (or Human Rights)			
	Likelihood of Occurrence		Level of Impact	
	Positive	Negative	Positive	Negative
Occupational Safety and Health Management	5	3	4	2

Material Issues	Corporate Governance			
	Likelihood of Occurrence		Level of Impact	
	Positive	Negative	Positive	Negative
Economic Performance	5	3	4	3

(1)Determine impact sequence：

The ESG Committee taskforce, after calculating the 12 material issues' quantitative impacts and comprehensively considering the management team's recommendations, obtained the assessment results illustrated in the figure below：



- 01. Waste and Hazardous Substance Management
- 02. Climate Change
- 03. Sustainable Products
- 04. Air Pollution Management/Air Quality
- 05. Energy Management
- 06. Waste and Hazardous Substance Management
- 07. Energy Management
- 08. Air Pollution Management/Air Quality
- 09. Sustainable Products
- 10. Climate Change
- 11. Customer Privacy and Information Security
- 12. Occupational Safety and Health Management
- 13. Attracting and Retaining Talented Personnel
- 14. Labor–Management Relations
- 15. Labor–Management Relations
- 16. Attracting and Retaining Talented Personnel
- 17. Customer Privacy and Information Security
- 18. Occupational Safety and Health Management
- 19. Business Ethics and Ethical Management
- 20. Supply Chain Management
- 21. Economic Performance
- 22. Supply Chain Management
- 23. Economic Performance
- 24. Business Ethics and Ethical Management

Conduct regular reviews of material issues

EMC's sustainability topics have been identified through internal impact assessments, comprehensive consideration of stakeholders' perspectives, and other relevant procedures, and confirmed and finalized by the head of the CSR Committee. The Company will continue to interact with stakeholders on a regular and irregular basis to monitor its positive and negative impacts and understand internal and external stakeholders' expectations of EMC. Moreover, the Company will conduct materiality identification on a yearly basis to comprehensively consider internal and external perspectives and identify material topics.

EMC has formulated management guidelines and developed action plans for its material topics, and it has established goals and metrics through data-based measurement strategies to regularly track implementation outcomes. As for other non-material topics, EMC has followed the existing management procedures and measures to disclose related indicators for stakeholders to understand EMC's overall sustainability achievements.

Out of the 23 sustainability issues for 2023, EMC identified 12 material topics, including 5 in the environmental dimension, 4 in the social dimension, and 3 in the governance dimension. The management guidelines for these material topics are described in each chapter, and explained in each indicator of Appendix 1: GRI Index.

- **Environmental dimension**：Among the five material topics, Energy Management & Climate Change was divided into two issues, with their titles revised to respond to the expectations of society. Moreover, Sustainable Products has been included as a new issue this year. In addition to using halogen-free and environmentally friendly materials, EMC expects to consider environmental sustainability during the research and development of higher-end products.

- **Social dimension**：The four material topics are the same as those from 2022, but some issues were renamed, such as revising Talent Development and Educational Training to Attracting and Retaining Talented Personnel.

- **Governance dimension**：The three material topics are the same as those from 2022.

Dimension	Material Issues	Actual Positive and Potential Impacts on EMC	Actual Negative and Potential Impacts on EMC
Environment	Air Pollution Management/Air Quality	EMC is committed to replacing the heavy oil used in its operational processes with natural gas in an effort to control pollution, reduce energy and resource consumption, and facilitate the development of a circular economy.	Compliance with pollutant control regulations is a basic requirement for sustainable business operations. Failure to properly manage pollutants during operations, thereby causing pollution, will not only result in fines from the competent authority, but will also affect the Company's image.
	Waste and Hazardous Substance Management	Ensure that the waste generated by EMC is properly handled by relevant service providers, and the waste does not cause any significant impact to the surrounding environment.	
	Climate Change (including carbon emissions management)	By inventorying the greenhouse gas emissions produced by operational processes, the Company can assess opportunities for cost reduction and effective emission mitigation and set corresponding objectives. External communication is also conducted to grasp the achievement status of adopted actions and objectives.	Determine the relationship between climate change and EMC, modify EMC's business model, develop relevant climate-centric thinking, and establish a set of company operating procedures conducive to emissions reduction, climate risk adaptation, and new business model launching. Transitional risks include changes in customer and market demand, higher carbon fee compliance costs, and physical risks such as increased severity of extreme weather events (typhoons, floods, etc.).
	Energy Management (including the use of renewable energy)t)	Energy remains a necessary condition and cost for an enterprise to manufacture products and operate. Enterprises have no control over the price of purchased energy, government energy policies, or the international energy supply, but they can improve the effectiveness of their internal energy use and relevant management.	
	Sustainable Products (including product development and the introduction of environmentally friendly materials into production)	EMC not only continues to develop materials for high-end applications, but also upholds its social responsibility by focusing development on the adoption of halogen-free environmentally friendly materials, thereby reducing the impact of materials on the environment.	-

Dimension	Material Issues	Actual Positive and Potential Impacts on EMC	Actual Negative and Potential Impacts on EMC
Society	Occupational Safety and Health Management	Maintaining workplace safety and hygiene and establishing employee health management plans are EMC's top priorities for our employees.	An occupational disaster during work will result in losses for the Company, which can be further categorized into direct and indirect losses. Direct losses include labor loss, compensation for occupational accidents, and medical loss, whereas indirect losses include costs arising from interrupted production, injury loss, wage loss, related losses, or other losses such as brand image damage and impact on product quality, labor skills, labor relations, work efficiency, and employee morale.
	Attracting and Retaining Talented Personnel	Long-term talent development is the Company's ultimate goal. Talent will be cultivated from scratch, with sound support mechanisms and cultivation plans to accelerate the vision and development.	Talent is the foundation of a company's competitiveness. Loss of talent not only affects employees' morale and work performance, but also leads to tangible costs required for recruitment, selection, training, and cultivation of talent. Additionally, the Company may have to bear intangible costs due to difficulty in finding appropriate replacement personnel.
	Labor–Management Relations	Employees are EMC's most important partners. In addition to protecting employees' work rights and providing competitive compensation, the Company also shows great respect and care for employees, hoping to attract more outstanding talents.	The reasons for the high turnover rate at some plants should be further verified. With the sudden outbreak of the COVID-19 pandemic, coupled with the entry of the younger generation into the workplace, the turnover rate has been quietly rising both domestically and internationally. As the world enters the post-pandemic era, the question of how to secure talent and reduce turnover has become an important issue for enterprises.
	Customer Privacy and Information Security	In recent years, companies have faced hackers' attacks, widespread cyber security threats, and product security issues, reinforcing the importance of enterprise information security. Therefore, business management has become increasingly focused on risk control and reduction, disaster recovery, and loss minimization.	Inadequate and insufficient protection of information security and personal data can negatively impact business operations in many ways, including leakage of confidential information, damage to reputation, loss of customers, and legal risks.
Corporate Governance	Business Ethics and Ethical Management	EMC incorporates stability, honesty, and integrity into business operations; establishes a sound corporate governance structure; and promotes relevant measures to protect the rights and interests of all stakeholders. Moreover, the Company assists the Board of Directors in carrying out its ethical management commitment by supervising the Company's internal management and business activities to ensure that they comply with ethical management standards and that all business activities have a positive economic influence.	A material breach of law will affect the Company's reputation and brand image, which may in turn lower the Company's market value and result in expenses due to fines.
	Supplier Management	EMC has standardized its supply chain management procedures; established supplier management procedures; and incorporated labor rights, environmental protection, and safety and health management into the assessment and audit criteria for suppliers. Based on the assessment results, improvement measures are formulated to assist suppliers in continuous improvement, with an aim to improve sustainable management of the supply chain, reduce the supply chain's operational risks, and establish partnerships with suppliers for sustainable development.	Poor supply chain management may result in poor quality or delayed product delivery from suppliers, which in turn may affect the Company's shipments and services. Supply chain risks can lead to production disruptions, cost increases, quality degradation, loss of reputation, and other problems.
	Corporate Governance and Economic Performance	Maintaining stable financial performance is EMC's commitment to stakeholders.	Poor corporate governance may lead to internal corruption and misconduct, erode investor confidence, impact shareholders' interests, and damage the Company's image and reputation.

Description of and Management Guidelines for Material Issue Impact

●Direct Impact ◎Indirect Impact ○Business Relationships

Dimension	Material Issue	Material Topics	Report Boundary					Corresponding GRI Standards	Corresponding Chapter
			Competent Authority	Shareholders	Suppliers	Employees	Customers		
Environment	Air Pollution Management/Air Quality	GRI 305 Emissions	●		◎	●	●	305-7	4.3.1 Air Pollution Control
	Climate Change (including carbon emissions management)	GRI 302 Energy GRI 305 Emissions	●	◎	◎	●	●	302-1、302-3 305-1、305-2 、305-4	4.1 Energy Management 4.2 Climate Change and Greenhouse Gas Management
	Waste and Hazardous Substance Management	GRI 306 Waste	●		◎	●	●	306-1、306-2、306-3、306-4、306-5	4.3.2 Waste Management
	Sustainable Products (including product development and the introduction of environmentally friendly materials into production)	-	●		◎	●	●	-	3.1 The Use of Green Materials
Society	Occupational Safety and Health Management	GRI 403 Occupational Health and Safety	●	◎		●		403-1、403-2、403-3、403-4、403-5、403-6、403-7、403-8、403-9、403-10	5.1 Occupational Safety and Health Management 5.2 Comprehensive Employee Health Management
	Attracting and Retaining Talented Personnel	GRI 404 Training and Education	●	◎		●	◎	404-1、404-3	6.3 Talent Development and Educational
Society	Employment	GRI 405 Diversity and Equal Opportunity GRI 401 Employment	●			●		401-1、401-2、401-3	6.1 Employment Status 6.2 Employee Remuneration and Benefits
	Customer Privacy and Information Security	GRI 418 Customer Privacy	●			●	●	418-1	2.6 Information Security Management
Corporate Governance	Business Ethics and Ethical Management	GRI 2-15 GRI 205 Anti-corruption	●			●		GRI 2-15、205-1、205-2、205-3	2.4 Implementation of Ethical Management, Anti-corruption and Legal Compliance
	Supplier Management	GRI 204 Procurement Practices GRI 414 Supplier Social Assessment GRI 308 Supplier Environmental Assessment		●	●	●		204-1、308-1、414-1	3.2 Supply Chain Management
	Corporate Governance and Economic Performance	GRI 201 Economic performance	●	●	◎	●	●	201-1	2.3 Corporate Operating Performance

1.2 Stakeholder Communication GRI 2-29, GRI 2-12

Stakeholders' demands are the key to an enterprise's sustainability and success. EMC believes that communicating with stakeholders, understanding stakeholders' needs and expectations, and responding accordingly can assist the Company in reviewing and planning short-, medium-, and long-term strategies and creating value for stakeholders, thereby bringing about new business opportunities for sustainable operations.

By following the AA1000 Stakeholder Engagement Standard (AA1000 SES), EMC's various departments have identified the following key stakeholders: investors (shareholders, the Board of Directors), competent authorities, customers, and suppliers and employees. In 2023, there were no significant changes in the Company's key stakeholders in comparison with those specified in the 2022 Report.

Stakeholders	Communication Channel	Frequency	2023 Communication Performance
Investors (shareholders)	1. Annual General Meeting◎	1. Once per year	1. Released 60 major news bulletins in both English and Chinese. 2. Invited to participate in nearly 30 investors' conferences in Taiwan."
	2. Release of quarterly financial reports and the annual report in accordance with regulations◎	2. Four times per year	
	3. Reply to phone or e-mail inquiries and requests	3. As needed	
	4. Important news is disclosed on the Company's external website◎	4. As needed	
Investors (Board of Directors)	1. Board of Directors Meetings◎	Six times in 2023	
	2. Audit Report◎	Regularly	
	3. Annual Statement of Internal Control◎	Regularly	
	4. Remuneration Committee◎	Three times in 2023	
Purpose of communication with investors: Maintaining stable financial performance is EMC's commitment to our investors.			
Competent authority (Financial Supervisory Commission or Taiwan Stock Exchange)	1. Market Observation Post System◎ 2. Phone 3.E-mail 4. Official documents◎ 5. Public meetings◎	Regularly/ irregularly	Participated in two laws and regulations and business dissemination seminars organized by the Taiwan Stock Exchange in 2023.
Competent authority (Department of Environmental Protection) Competent authority (Office of Labor Inspection) Competent authority (Industrial Park Service Center)	1. Written letters◎ 2. Policy advocacy meetings 3. On-site inspections	Irregularly	Unscheduled plant inspection by the competent authority in 2023： Fire fighting unit：6 times Labor inspection unit：10 times Environmental protection unit：8 times
Purpose of communication with the competent authority: Legal compliance is the guiding principle for EMC.			
Customers	1. Customer Audit 2. Various business meetings◎ 3. Customer satisfaction surveys 4. Technical seminars◎ 5. Audit	Regularly/ irregularly	Customer satisfaction surveys are conducted every 6 months for major customers or customers with high transaction volumes, and the survey responses are used as the basis for further improving services and product quality. A total of 12 customers were surveyed in 2023.
Purpose of communication with customers: Improve service and product quality requirements to increase customer satisfaction.			
Suppliers	1. Regular supplier meetings◎ 2. Regular audits, evaluations, and coaching 3. Supplier complaint channels 4. Technical seminars◎ 5. Project horizontal expansion	Regularly/ irregularly	A total of 52 suppliers signed the Supplier Social Responsibility Commitment, including 100% of key suppliers.

Stakeholders	Communication Channel	Frequency	2023 Communication Performance
Purpose of Communication with Suppliers: Strive toward sustainability with suppliers.			
Employees	1. Direct supervisor 2. Dedicated staff of the Human Resources Department 3. Company website 4. Company bulletin board 5. Employee suggestion mailbox 6. Employee meetings/regular labor–management meetings 7. Monthly/weekly meetings of each department◎ 8. Employee grievance channels◎ 9. Employee Welfare Committee 10. Training courses and policy advocacy meetings	Irregularly	1. Factory nurses are stationed at each plant. They arrange for monthly on-site visits by occupational medicine specialists to provide relevant health consultations and advice for employees. 2. The Company promotes the Maternal Health Protection Program for female staff, providing breastfeeding rooms for pregnant and postpartum female staff, along with related health guidance, education, and counseling services. 3. Employee suggestion boxes are set up in the employee cafeteria of each plant and letters are collected once a week. Letters can also be sent via e-mail to hr-emc@mail.emctw.com. The identity of the letter-writer is kept confidential, and the Company promises that they will not be subject to any retaliation or unequal treatment for filing a complaint. The Company will reply to suggestions in writing or by other means within 2 weeks of receipt, and a copy will be submitted to the President’s Office. 4. No complaints were filed in 2023.

Purpose of communication with employees: Listening to the voices of employees through different communication platforms to achieve a happy workplace.

◎ Items involving the Board of Directors

02

Corporate Governance

Since its establishment, the Company's vision has been "Strive for Excellence; Become the World's Leading Brand of 'Green' Laminate Materials," and it has taken "RESPONSIBILITY, TEAMWORK, VALUE CREATION" as its core values. EMC is committed to continuous technological innovation and improvement to create more value for the world.

Material Issue	Corporate Governance and Business Performance	
GRI Topic Standard	GRI 201-1 Direct economic value generated and distributed	
Policy commitment	Continue to innovate and expand the business; introduce new products to meet the needs for the development of electronic product applications so as to stabilize profit growth and maintain sustainable operations.	
Sustainability Indicator	2023 Evaluation Mechanism and Performance	Medium and Long-term Goals
Diversified Board structure	Currently, the Board composition is 86% male (6 directors) and 14% female (1 director).	Increase the proportion of female directors to 25%.
Corporate governance evaluation	Ranked among the top 21-35% of companies in the corporate governance evaluation.	Rank among the top 5% of companies in the corporate governance evaluation.
Continuous record of operating performance	The 2023 annual revenue reached a record high of NT$41,296,217,000, representing a year on year increase of 6.78%.	Enhance competitiveness by expanding overseas markets Develop diversified products and sales channels

Material Issue	Business Ethics and Ethical Management	
GRI Topic Standard	GRI 205-3 Confirmed incidents of corruption and actions taken	
Policy commitment	EMC fully understands the importance of integrity in business operations and adheres to the relevant concepts, including formulating and compliance with the Code of Ethics, internal control, insider trading, intellectual property management, and personal data protection, as well as strict prohibitions on corruption and competitive behavior.	
Sustainability Indicator	2023 Evaluation Mechanism and Performance	Medium and Long-term Goals
Compliance with ethical management	In 2023, there were no incidents of illegal behavior or corruption violating the principle of integrity. All EMC employees complied with ethics-related laws and regulations to implement ethical management.	Zero incidents of illegal behavior or corruption violating the principle of integrity.
Awareness raising on ethical management	The Company conducted a total of 14,625.7 hours of internal and external education and training sessions in 2023, covering compliance with ethical management legislation, corporate social responsibility, the Employee Code of Ethical Conduct, maternal protection, and hazard education and training. Each employee attended an average of 15.9 hours of training sessions.	New recruit training completion rate and employee education and training coverage rate reached 100%.

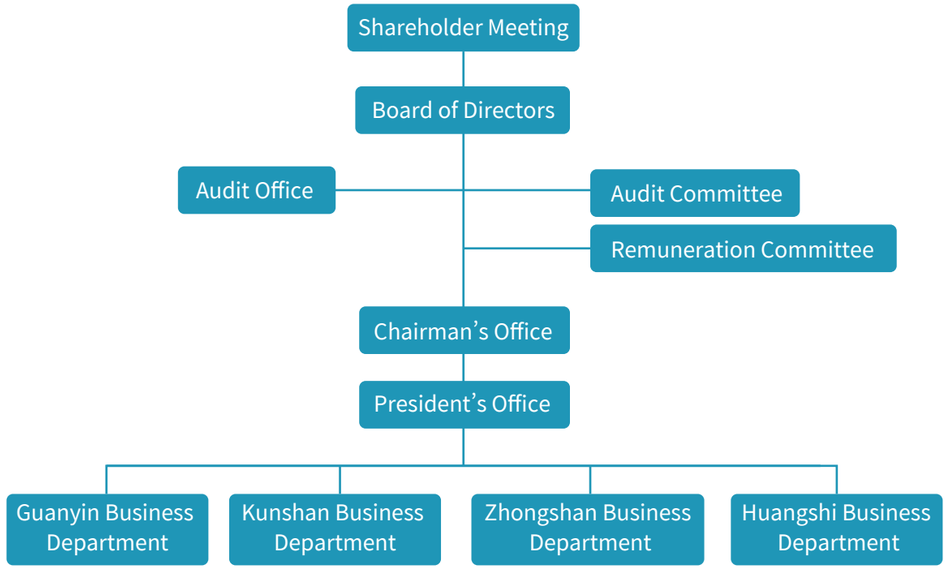
Material Issue	Customer Privacy and Information Security	
GRI Topic Standard	GRI 418-1 Substantiated complaints concerning breaches of customer privacy and losses of customer data.	
Policy commitment	Maintain a safe and secure environment for the Company's information systems, protect the Company's trade secrets, and prevent misuse, leakage, tampering, and destruction of the Company's information system and data. Continue to maintain the Company's competitive advantages and gain customers' trust to achieve the main goal of sustainable operation.	
Sustainability Indicator	2023 Evaluation Mechanism and Performance	Medium and Long-term Goals
Information security	A total of four recovery drills were conducted in 2023 at EMC, Elite Electronic Material (Kunshan) Co., Ltd., Elite Electronic Material (Zhongshan) Co., Ltd., and Elite Electronic Material (Huangshi) Co., Ltd., focusing on the inter-plant switching of major equipment and services and testing of backup data recovery.	1. No violation of information security related laws and regulations; no information security incidents. 2. Introduction of the ISO 27001 information security management system.

2.1Corporate Governance

Since its establishment, the Company's vision has been "Strive for Excellence; Become the World's Leading Brand of 'Green' Laminate Materials," and it has taken "RESPONSIBILITY, TEAMWORK, VALUE CREATION" as its core values. EMC is committed to continuous technological innovation and improvement to create more value for the world.

2.1.1 Corporate Organizational Structure GRI 2-9

The Board of Directors is EMC's highest governance body and the decision-making center for material business affairs. To continuously strengthen corporate governance, independent directors have been installed within the Board of Directors. Additionally, functional committees such as the Remuneration Committee and the Audit Committee have been established to develop comprehensive performance objectives and a remuneration structure for the Company's directors and managers and to effectively implement operations such as internal control, risk management, etc. to respond to various potential corporate risks.



Functions of Departments

Chairman's	Coordinates the operations and strategic planning of the Group.
President's Office	Responsible for annual business policies and management strategies, evaluation and analysis of business performance, and planning of major investment projects.
Audit Office	Implements all internal audit plans for the Group and provides suggestions for systemwide improvement.
Business Departments (Guanyin, Kunshan, Zhongshan, Huangshi)	Implement annual business guidelines, goals, management strategies, EHS tasks, etc.

2.1.2 Operation of Board of Directors GRI 2-10, GRI 2-11, GRI 2-12, GRI 2-13, GRI 2-15

EMC has set up the Board of Directors, the Remuneration Committee, and the Audit Committee in accordance with the Company Act and the Securities and Exchange Act. As set forth in the Regulations Governing the Election of Directors, all directors and committee members are nominated in accordance with Article 192-1 of the Company Act (i.e., by shareholders holding 1% or more of the total number of outstanding shares issued by the company; and the sustainable impact management capability will be planned in the future). All directors have held key management positions such as chairman or president of a TWSE/TPEx listed company in the technology, biochemical, food, and manufacturing industries, and they possess professional skills in marketing, technology, business management, industry knowledge, and business judgment, etc. Their responsibilities include establishing a sound Board governance system; supervising, appointing, and guiding the Company's management; strengthening management functions; taking responsibility for the Company's overall operations in terms of economic, social, and environmental aspects; maximizing the interests of stakeholders; and making the best decisions that will contribute to the sustainable development of EMC.

The Board of Directors serves as the EMC's highest governance body, and serves a 3-year term. The Chairman of the Board serves as the meeting chair and leads the Board of Directors in implementing and supervising the Company's various operations. The following measures have

1. More than 50% of the Board members do not concurrently serve as managers or employees of the Company.
2. The Company's Board includes three independent directors, accounting for 3/7 of all directors. The independent directors possess extensive experience in areas of finance and accounting, business management, and legal affairs, respectively, and they effectively utilize their professional competencies to supervise the Company's operations.
3. All members of the Company's Audit Committee and Remuneration Committee are independent directors. All committees carry out comprehensive discussions and propose suggestions to help the Board make policy decisions and perform corporate governance.

Six meetings were convened by the Board in 2023 to review and supervise the Company's material decisions regarding economic, social, and environmental issues to maximize benefit and interests for shareholders. The sustainability performance is reported to the Board of Directors once per year. In cases where meeting items involve the interests of specific directors or the corporations they represent, the critical details of the involved interests must be explained at that Board meeting. If there is any concern that the Company's interests might be affected, the directors in question shall not be allowed to join the discussions and voting, and shall recuse themselves to avoid conflicts of interest. Moreover, they cannot act on behalf of other directors to exercise their voting rights. For details on the Board members' shareholdings and their positions on other boards of directors, please refer to pp. 8–10 of the 2023 Annual Report. Board members have no cross-shareholdings, transactions, or outstanding balances with stakeholders.

Name	Title	Gender	Curriculum Vitae
Ding-Yu Dong	Chairman	Male	Ph.D. in Engineering, Stanford University Assistant Professor at San José State University
Yu-Chang Investment Co., Ltd. Representative: Fei-Liang Tsai	Vice Chairman	Male	Master in Chemical Engineering, National Tsing Hua University President of Taiwan Union Technology Corporation
Yu-Chang Investment Co., Ltd. Wen-Hsiung Lee	Director	Male	Bachelor in Chemical Engineering, Tamkang University Director of Unimicron Corporation President of Isola Asia Pacific (Taiwan) Inc.
Meng-Chang Hsieh	Director	Male	Master in International Affairs, Columbia University, USA Chairman of Food Industry Research and Development Institute Director of The Eisenhower Fellows Association in the Republic of China Director of the Chinese National Federation of Industries
Bing Chen	Independent Director	Male	MBA, Harvard University Financial Analyst of World Bank Chief Investment Officer of International Bank Corp. Executive Director of Morgan Stanley & Co. Vice President of China Development Industrial Bank President of CDIB Partners Investment Holding Corporation
Dui-Chien Cheng	Independent Director	Male	Master of Business Administration, Columbia University Director of Appier Holdings Inc. Independent director of Ta Ya Electric Wire & Cable Co., Ltd. Chairman of LuxNet Corp. Chairman of Clientron Corp. President of UMC Capital Corporation
Hsi-Chia Chen	Independent Director	Female	Ph.D. in Law, National Taiwan University Ph.D. in Law, Peking University Partner of Pinsent Masons LLP; Chief Representative of its Beijing Office; Joint Head of Office-China; and Member of Asia Pacific Operating Committed (APOC) Trainee of King & Wood Mallesons (previously known as King & Wood) Associate & Partner of Formosan Brothers, Attorneys-at-Law

Note：The composition of the Board of Directors as shown above is related to the material topics of this ESG report, namely Sustainable Products, Business Ethics, Ethical Management, Supply Chain Management, Corporate Governance, and Economic Performance. For more detailed information, please refer to the Company's 2023 Annual Report.

In accordance with the requirements of the Taiwan Stock Exchange Corporation Procedures for Verification and Disclosure of Material Information of Companies with Listed Securities, EMC shall communicate with and report to the Board of Directors when the following situations, which are regarded as material critical events, occur: Occurrence of a disaster, mass protest, strike, environmental pollution, cyber security event, or any other material event, resulting in any of the following situations：

1. Where the company incurs a material loss or impact;
2. Where a relevant authority orders the suspension of work, suspension of business, termination of business, or revokes or voids a permit pertaining to pollution;
3. Where the administrative fines for a single event have accumulated to NT$1 million or more.

No material critical events happened to EMC in 2023.

Board Diversity and Independence GRI 2-11

✓ Board Diversity：

The current directors all have acquired extensive experience in managing TWSE/TPEx-listed companies, and they possess leadership and decision-making capabilities, crisis management abilities, and global market perspectives. Among the three independent directors, Mr. Bing Chen and Mr. Dui-Chien Cheng have considerable expertise in finance/accounting, industry knowledge, and business judgment; whereas Ms. Hsi-Chia Chen is a partner of Chen & Chang, Attorneys-at-Law, possessing profound legal knowledge and rich practical experience. As for the other four non-independent directors, Chairman Ding-Yu Dong, Director Fei-Liang Tsai, Director Wen-Hsiung Lee, and Director Meng-Chang Hsieh all have many years of experience serving in important managerial positions such as chairman and president of TWSE/TPEx-listed companies. The directors have engaged in diverse industries including technology, biochemistry, food, and manufacturing. They have professional capabilities in marketing, technology, and business management, and they possess rich industrial knowledge and keen business acumen.

Among the seven Board members, one member concurrently serves as an employee of the Company, accounting for 14% of the Board members. One independent director's tenure is less than 3 years, whereas the other two independent directors have served for 3–9 years. As for directors' age structure, two directors are over 71 years old, three are between 61 and 70 years old, and two are 60 years or younger. The Company pays attention to gender equality in the Board composition, and aims to increase the number of female directors. Currently the Board composition is 86% male (6 directors), and 14% female (one director). The Company will make efforts to increase the number of female directors in the future to achieve the goal.

Diversity Items / Name of Director	Basic Composition								Professional Background			Professional knowledge and competency			
	Nationality	Gender	Concurrently serving as the Company's employee	Age			Independent directors' tenure		Industrial experience	Finance	Legal	Business judgement	Business management	Leadership and decision-making	Global market perspectives
				51 – 60	61 – 70	71 – 80	Under 3 years	3-9 years							
Ding-Yu Dong	ROC	Male	✓		✓				✓			✓	✓	✓	✓
Fei-Liang Tsai	ROC	Male			✓				✓			✓	✓	✓	✓
Wen-Hsiung Lee	ROC	Male				✓			✓			✓	✓	✓	✓
Meng-Chang	ROC	Male		✓					✓			✓	✓	✓	✓
Hsieh	ROC	Male				✓		✓	✓	✓		✓	✓	✓	✓
Bing Chen	ROC	Male			✓			✓	✓	✓		✓	✓	✓	✓
Dui-Chien Cheng	ROC	Female		✓			✓		✓		✓	✓	✓	✓	✓

✓ Board Independence: GRI 2-15

The Company has a total of 7 directors, and the positions of Board chairman and Company president are not served by the same person. None of the Board members are involved in any of the affairs listed in the paragraphs and subparagraphs of Article 30 of the Company Act, nor are they involved in any situations stipulated in Paragraph 3-3 of Article 26 of the Securities and Exchange Act (a spousal relationship or a familial relationship within the second degree of kinship may not exist among more than half of a company's directors), and Paragraph 4 (no spousal relationship or familial relationship within the second degree of kinship may exist between supervisors and directors).

All independent directors are in compliance with the FSC's regulations on independent directors. Details of the independence are listed in the table below：

Name	Whether the person, their spouse, or any of their blood relatives within the second degree of kinship serves as a director, supervisor or employee of the Company or its affiliates	The number and percentage of the Company's shares held by the person, their spouse, or any of their blood relatives within the second degree of kinship (or in someone else's name)	Whether the person is a director, supervisor or employee of a company that has a specific relation-ship with the Company	The amount of compensation earned in the last 2 years by providing business, legal, financial, accounting, and other services to the Company or its affiliates
Bing Chen	No	N/A	No	N/A
Dui-Chien Cheng	No	N/A	No	N/A
Hsi-Chia Chen	No	N/A	No	N/A

Board Performance Evaluation

The Company formulated the Elite Material Co., Ltd. - Measures for the Board of Directors Performance Evaluation in accordance with Corporate Governance Best Practice Principles for TWSE/TPEx Listed Companies, which was approved by the Board of Directors in 2020. Board members and the Board's meeting unit conduct internal self-evaluations on a yearly basis to evaluate the Board's performance for the current year. It is also clearly stipulated that at least one external evaluation should be conducted every 3 years by an external professional independent agency or a team of external experts and scholars. Sustainability management will be included as a performance assessment item in the future. The summary of the internal and external performance evaluation results of the Board of Directors in 2023 is as follows：

Evaluation method

Board members' Self-evaluation

Evaluation period

From: January 1, 2023
Until: December 31, 2023

Evaluation content

Nine major dimensions, including 36 indicators：

1. The Company's tasks and goals
2. The Company's internal control and risks
3. Management of internal relations
4. Management of external relations
5. Composition and capabilities of the Board of Directors
6. The Board's culture
7. The Board's operations
8. Chairman/meeting chair
9. Director's self-evaluation

Evaluation result

The Group's Finance and Accounting Department distributed 7 copies of the Board Self-Evaluation Questionnaire in November 2023 and received 7 completed questionnaires, which were then compiled into a Statistical Table for the Board Self-Evaluation Questionnaire. As for the evaluation criteria, 5 points represented "Strongly Agree" and 4 points represented "Agree". The survey results ranged from 4.79–5.00, showing a medium-high range rating for the self-evaluated Board performance. The report was prepared and submitted to the Board of Directors meeting on December 20, 2023.

Continuing Training and Education for the Board of Directors GRI 2-17

As required by the Directions for the Implementation of Continuing Education for Directors and Supervisors of TWSE and TPEx Listed Companies, newly-appointed directors and supervisors shall complete a minimum of 12 hours of training during their inaugural year, and a minimum of 6 hours of training during every year thereafter. The training courses attended by directors are related to the material topics of Climate Change, Sustainable Products, Corporate Governance, and Economic Performance in this ESG Report.

In 2023, directors completed a total of 51 hours, with an average of 7.3 hours per director, which aligned with the recommended criterion of 6 hours stipulated in the Directions.

Position	Name	Training Date	Organizer	Course Title	Training Hours
Chairman	Ding-Yu Dong	2023.04.26	Taiwan Corporate Governance Association	Seize the global economic and technology innovation trends – Key issues for enterprises	3
		2023.05.09	Taiwan Corporate Governance Association	How to create maximum profit and sustainable operations in the global competitive market	3
		2023.07.11	Taiwan Academy of Banking and Finance	Today and tomorrow with the introduction of AI into the industry: The impact of Chat GPT and enterprise responses	3
		2023.11.06	Taiwan Corporate Governance Association	Examining corporate governance and the risks of global unsustainability from the perspective of COVID-19	3
Subtotal					12
Director	Fei-Liang Tsai	2023.04.26	Taiwan Corporate Governance Association	Seize the global economic and technology innovation trends – Key issues for enterprises	3
		2023.07.26	Taiwan Corporate Governance Association	Corporate sustainable governance essentials: External influence of diversified management	3
Subtotal					6
Director	Meng-Chang Hsieh	2023.07.04	Taiwan Stock Exchange	Cathay Sustainable Finance and Climate Change Summit 2023	6
Subtotal					6
Director	Wen-Hsiung Lee	2023.04.12	Taiwan Institute of Directors	The circuit board industry's strategies for energy saving, carbon reduction, and green power procurement	3
		2023.04.26	Taiwan Corporate Governance Association	Seize the global economic and technology innovation trends – Key issues for enterprises	3
		2023.07.26	Taiwan Corporate Governance Association	Corporate sustainable governance essentials：External influence of diversified management	3
Subtotal					9
Independent director	Bing Chen	2023.07.26	Taiwan Corporate Governance Association	Corporate sustainable governance essentials：External influence of diversified management	3
		2023.08.02	Taiwan Corporate Governance Association	Opportunities and risks in the digital era	3
Subtotal					6
Independent director	Dui-Chien Cheng	2023.04.26	Taiwan Corporate Governance Association	Seize the global economic and technology innovation trends – Key issues for enterprises	3
		2023.07.26	Taiwan Corporate Governance Association	Corporate sustainable governance essentials：External influence of diversified management	3
Subtotal					6
Independent director	Hsi-Chia Chen	2023.04.26	Taiwan Corporate Governance Association	Seize the global economic and technology innovation trends – Key issues for enterprises	3
		2023.07.26	Taiwan Corporate Governance Association	Corporate sustainable governance essentials：External influence of diversified management	3
Subtotal					6
Total					51

✓ Operation of the Audit Committee

EMC's Audit Committee is composed of three independent directors, and it aims to assist the directors in supervising the quality as well as the integrity of the accounting, auditing, financial reporting operations, and financial controls implemented by the Company. The Audit Committee held a total of 6 meetings in 2023, and the main items discussed in the meetings included the following：

1. Material asset transactions and external investments.
2. Endorsements and guarantees, fund lending, and affiliates' capital increase.
3. Review of the CPA's fee.
4. Review of financial statements：

(1) The Board of Directors prepared EMC's 2022 Business Report, Financial Statement, Surplus Earnings Distribution Proposal, etc., among which the Financial Statements have been verified by KPMG Taiwan, and a verification report has been issued. The aforementioned Business Report, Financial Statements, and Surplus Earnings Distribution Proposal have been checked by the Audit Committee and no discrepancies have been
(2) found.

Remuneration Committee GRI 2-19, GRI 2-20, GRI 2-28

EMC has set up its Remuneration Committee in accordance with Regulations Governing the Appointment and Power-exercise of Remuneration Committee of a Company Whose Stock is Listed on the Taiwan Stock Exchange or the Taipei Exchange. The Committee is composed of three independent directors with a service term of 3 years. The Committee meets at least twice a year to assess and examine whether the Company's internal remuneration system complies with relevant regulations and can attract and retain excellent personnel.

(1) The Company's Remuneration Committee has three members.

(2) The term of office for the current committee members is from May 26, 2022, to May 25, 2025. The Remuneration Committee held two meetings in 2023. The members' eligibility and attendance are listed in the table below：

Position	Name	Actual attendance	Attendance by proxy	Attendance rate
Independent director	Bing Chen	1	1	50%
Independent director	Dui-Chien Cheng	2	0	100%
Independent director	Hsi-Chia Chen	2	0	100%

Directors and Managers Remuneration Policy

The Company's remuneration policies, criteria and portfolios, procedures for determining remuneration, and correlation with business performance and future risks are explained as follows：

(1) Directors：

As stipulated in the Company's Articles of Incorporation, an amount no greater than 1.2% of a given year's surplus earnings should be allocated as the remuneration for the Company's directors. Directors' remuneration is determined in accordance with the Company's Measures for the Board of Directors Performance Evaluation. In addition to considering the Company's overall operating performance and the industry's future business risks and development trends, each individual's performance and contribution to the Company's achievements is also considered. Dimensions for consideration include the director's grasp of corporate goals and tasks, awareness of their role and responsibilities, degree of participation in the Company's operations, internal relationship management and communication, professionalism and continuing training, internal control, etc. These factors are incorporated into the performance evaluation and remuneration payment consideration, based on which reasonable compensation is granted. The reasonableness of the performance evaluation and remuneration is reviewed by the Remuneration Committee and the Board of Directors, and the remuneration system is continuously reviewed based on actual operating conditions and relevant laws and regulations to seek a balance between the Company's sustainable operation and risk control.

(2) The President and Senior Executive Vice Presidents：

The Company's policy related to the remuneration payment for the President, senior executive vice presidents, and other managers is determined by reference to the salary levels for corresponding positions in the market, responsibilities of the positions, and contribution to the Company's operating goals. The remuneration structure is planned based on the industry's characteristics. Relevant remuneration plans are deliberated and approved by the Remuneration Committee by comprehensively considering factors such as the Company's business achievements, each individual's performance, remuneration levels adopted by peer companies, and future risks. Bonuses are offered in accordance with the Company's Directions for Management Bonus Payment and Employee Remuneration Regulations. Corresponding reasonable compensation is given based on the evaluation criteria listed in the said Directions and Regulations, including each plant's revenue and profit achievements, the reduction lost work hours through year over year improvements in occupational health and safety at each plant, an achievement of Class A in the plant's internal control audits, and each individual's performance appraisal result.

(3) The Company's remuneration policy is formulated based on the current year's operating achievements and financial status as well as plans for future allocation of funds. The assessment of future risks is also taken into consideration to minimize the possibility of risk occurrence.

With the growing environmental impacts caused by global climate change, an increasing number of international standards have been set to regulate industrial impacts on the environment, and stakeholders' concerns continuously change with the new provisions and guidelines. Upholding the concept of sustainable management, EMC has been actively participating in the activities of relevant associations, through which the Company can share its operating experiences with peer companies and establish collaborative partnerships with other association members. It is hoped that such engagement will contribute to the industry as a whole and enhance its sustainable development within the industry.

Initiatives in 2023

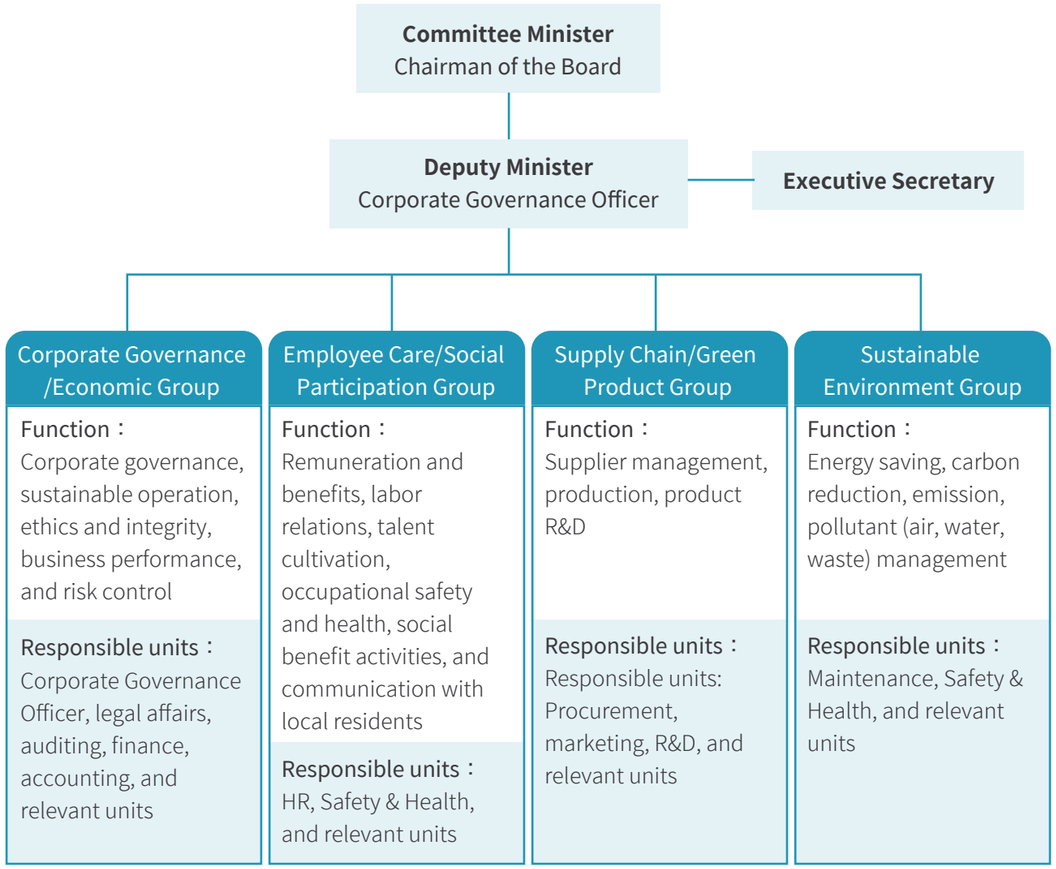
The Responsible Business Alliance (RBA) Code of Conduct was designed to help the electronics industry and its supply chain ensure a safe work environment for employees; one where employees can work with dignity and be treated with respect, and that complies with environmental regulations as well as ethical management and ethical business practices. The RBA applies to all organizations that design, sell, manufacture, or provide goods and services for the production of electronic products. By joining this initiative, EMC intends to encourage industries, companies, and organizations that share the same beliefs to join in the effort to improve the global supply chain, provide better working conditions, and protect the rights and interests of employees.

Association Memberships in 2023 GRI 2-28

Association	Taiwan Printed Circuit Association (TPCA)
Degree of engagement	Member, with the Chairman of the Board serving as the Executive Director

2.1.3 Corporate Sustainable Development Governance and ESG Committee GRI 2-14

With the aim of fulfilling corporate social responsibility and carrying out the concept of sustainable management, EMC's Board of Directors approved the CSR Code of Conduct and set up the Corporate sustainable development Committee (ESG Committee) in 2020 to take responsibility for implementing corporate social responsibility tasks and developing specific plans for sustainable business operations. The CSR Committee is led by the Chairman of the Board (serving as the Committee Minister). Four working groups have been set up underneath the CSR committee, which are the Corporate Governance/Economic Group, the Supply Chain/Green Product Group, the Employee Care/Social Participation Group, and the Sustainable Environment Group. These groups are formed by heads of relevant units/departments or their representatives and take responsibility for the data collection, planning, assessment, and implementation related to various issues. The relevant information in this report is collected by each department, reviewed by the department head, and submitted to the CSR Committee for data collection, compilation, and internal auditing. The full report is then submitted to the Chairman of the Board of Directors for review and approval before publication.



2.2Operational Performance GRI 201-1

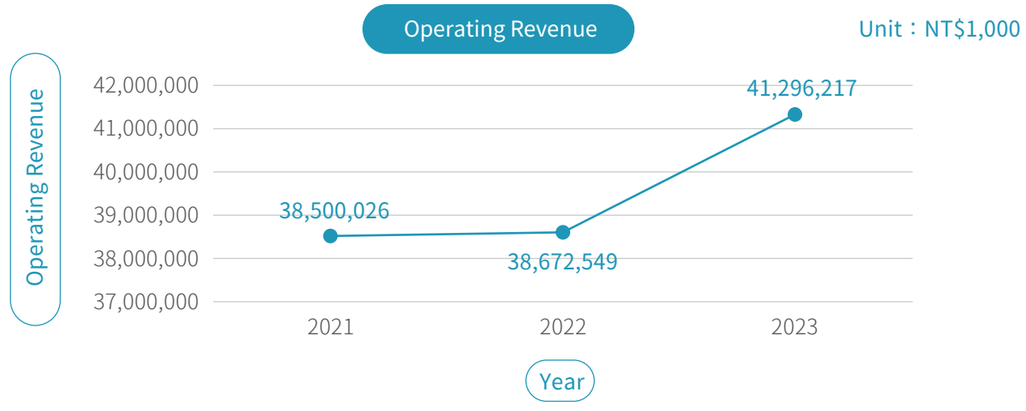
By extending the leading high-end HDI technology to meet the strict requirements for material conductivity and multi-layer lamination set by LEO satellite customers, after years of effort, EMC has gained a foothold in the market, and its market share growing exponentially year by year. Additionally, since LEO satellites do not require base station construction, they can work in tandem with 5G mobile communications. With the increased number of satellite launches, the demand for satellite equipment, ground receiving stations, and user terminal equipment has increased significantly, all of which benefits EMC. In terms of EMC's materials for high-end HDI substrate-like PCB (SLP), in addition to mobile phone customers' increasing demands for SLP, EMC's operations will also benefit from trends such as the upgraded functions in new chip designs as well as the high layer count and multi-layer lamination design adopted for newly launched laptops and tablets.

In 2023, EMC's annual revenue reached a record high of NT$41,296,217,000 representing a year over year increase of 6.78%. In addition to setting up a substrate material plant in Taoyuan, Taiwan, EMC also plans to set up a plant in Southeast Asia to meet customer demand.

Financial data for the last 3 years (consolidated financial reports) Unit：NT$1,000

Item \ Year	2021	2022	2023
Operating Revenue	38,500,026	38,672,549	41,296,217
Operating Cost	28,431,472	28,962,487	29,963,502
Gross Profit	10,068,554	9,710,062	11,332,715
Operating Expenses	3,145,934	3,484,815	3,986,724
Operating Profit	6,922,620	6,225,247	7,345,991
Non-operating Revenue and Expenditures	(10,724)	70,808	73,557
Income from Continued Operations before Tax	6,911,896	6,296,055	7,419,548
Income Tax Expense	1,411,739	1,219,815	1,931,239
Net Income	5,500,157	5,076,240	5,488,309
Earnings per share (NT$)	16.50	15.24	16.35

Note：For the payment of employee salaries and benefits as well as the payment of government fees in 2023, please refer to pages 36 and 54 of the Company's 2023 Consolidated Financial Report. For the payment of shareholder dividends, please refer to the Company's 2023 Shareholders Meeting Report. The 2023 Community Engagement expenditure was NT$50,000 (donation to TPCA).



Direct Economic Value Generated and Distributed by EMC in 2023

Type	Item	Amount(NT$1,000)
Economic value generated (A)	Operating Revenue	41,296,217
	Non-operating Revenue and Expenditures	73,557
Economic value distributed (B)	Operating Cost	29,963,502
	Employee Salaries and Benefits	3,967,063
	Payments to Shareholders Note 1	3,439,332
	Payments to Governments	1,931,239
	Community Expenditure	0
Retained economic value (A-B)	Economic value generated - Economic value distributed	2,068,638

Note 1：Cash dividends distributed from 2023 earnings.

Important financial ratios for the last 3 years (Financial Analysis - International Financial Reporting Standards)

Item \ Year		2021	2022	2023
Financial structure	Ratio of liabilities to assets (L/A) (%)	45.92	49.12	49.82
	Ratio of long-term funds to real estate, plants, and equipment (%)	247.13	188.17	182.25
Solvency	Percentage of current assets (%)	178.41	168.65	145.95
	Percentage of liquid assets (%)	140.68	141.78	119.36
Profitability	Returns on assets (%)	17.26	12.70	11.34
	Return on equity (%)	30.11	24.26	22.45
	Ratio of pre-tax income to paid-in capital (%)	207.62	189.12	216.20
	Net profit margin (%)	14.29	13.13	13.29

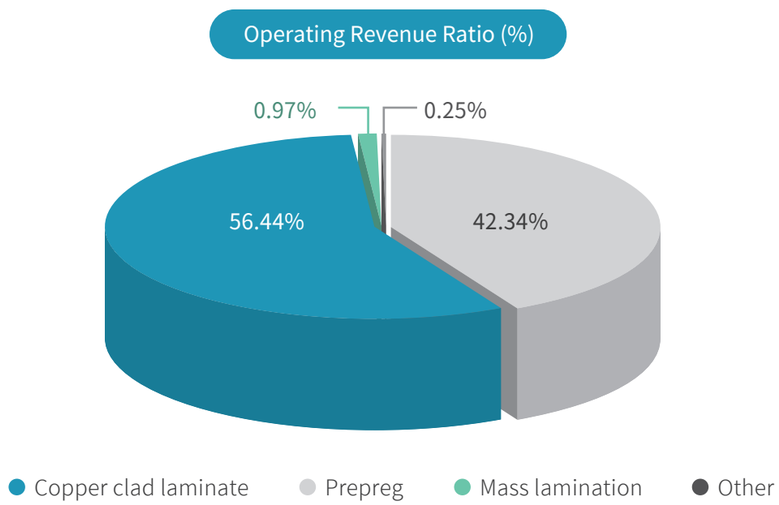
Subsidiaries included in the consolidated financial statements are listed in the table below：

Name of Subsidiary	Main Business
EMC OVERSEAS HOLDING INCORPORATED	General investment business
Grand Wuhan Incorporated	General investment business
EMC INTERNATIONAL HOLDING INCORPORATED	General investment business
Grand Zhuhai Incorporated	General investment business
Grand Shanghai Incorporated	General investment business
Grand Zhongshan Incorporated	General investment business
Elite Electronic Material (Kunshan) Co., Ltd.	Production of prepreg and CCL for printed circuit boards
Elite Electronic Material (Zhongshan) Co., Ltd.	Production of prepreg and CCL for printed circuit boards
Elite Electronic Material (Huangshi) Co., Ltd.	Production of prepreg and CCL for printed circuit boards
EMC SPECIAL APPLICATION INCORPORATED	General investment business
EMC USA HOLDING INCORPORATED	General investment business
EMD SPECIALTY MATERIALS, LLC	Production of prepreg and CCL for printed circuit boards
ELITE MATERIAL (PENANG) SDN. BHD.	Production of prepreg and CCL for printed circuit boards

The current three main products of EMC are copper clad laminate, prepreg, and mass lamination, and the operating revenue ratios and amounts of these products in 2023 are shown in the table below (based on production volume)：

Main Products	Unit	Volume	Operating Revenue (NT$1,000)	Operating Revenue Ratio (%)
Copper clad laminate	1,000 sheets (SHT)	32,732	23,308,042	56.44
Prepreg	1,000 meters (MTR)	101,323	17,485,532	42.34
Mass lamination	1,000 SF (S.F.)	2,247	398,399	0.97
Other	-	-	104,244	0.25
Total	-	-	41,296,217	100.00

Taiwan and the People's Republic of China were the two main sales markets for EMC in 2023, and South Korea was the main export country for EMC products. The goal was to increase the ratio of high-end products (i.e., Hi-Tg.Br-Free and Low CTE) to above 60%. Among the many copper clad laminate (CCL) manufacturers in Taiwan, EMC has gained a foothold in the halogen-free CCL market in the world, with a market share of 26%. The 2022 Prismark Report revealed that EMC had secured a global market share of approximately 7%.



2.3 Implementation of Ethical Management, Anti-corruption, and Legal Compliance GRI 205-3, GRI 2-26, GRI 2-27

2.3.1 Adhering to the Ethical Corporate Management Best Practice Principles for a Sound Operating Foundation

To maintain a corporate culture of ethical management and sound corporate development, EMC has formulated the Operating Procedures and Conduct Guidelines for Ethical Management and the Code of Ethical Conduct in accordance with the Ethical Corporate Management Best Practice Principles for TWSE/TPEx Listed Companies. These regulations are applicable to all divisions of EMC and its subsidiaries included in the consolidated financial reports. Based on the Guidelines for the Reporting and Handling of Illegal/Unethical/Dishonest Conduct Cases announced by EMC, a plan for preventing unethical behaviors has been formulated to analyze operating activities within the scope of business that have a higher risk of unethical behaviors and strengthen related preventive measures, thus perfecting the entire management mechanism of prevention, detection, tracking, and improvement.

1. Principle of good faith
2. Prevention of conflicts of interest
3. Prohibition on self-interest seeking
4. Duty of responsibility
5. Fair trading
6. Protection and proper use of company assets

In addition to promoting the importance of integrity among internal personnel, the Company also requires external personnel such as suppliers to sign the Letter of Undertaking of Integrity for Suppliers, in which the prohibition on improper or dishonest trading in business activities is clearly stated. Those who violate the regulations will be rejected as trading partners.

In case of any violation of ethics and integrity or any wrongdoing in the course of the Company's operations, or conducted by the Company's employees or suppliers, kindly report the case or file a complaint through the following channels：

- Complaint mailbox: ia2@mail.emctw.com; for both internal and external personnel.
- Contact number: 03-483-7937
- Complaint letter submission or in-person complaint: The whistleblower may mail or deliver the necessary information to the EMC HQ at the business address below:
  (No. 18, Datong 1st Rd., Guanyin Dist., Taoyuan City, Taiwan)

(Based on the principle of good faith, EMC respectfully requests the whistleblower to provide their real name and contact information to allow for appropriate actions. EMC guarantees that the personal data or information provided by the whistleblower will be kept confidential in accordance with the provisions of the Personal Data Protection Act.)

No illegal act or corruption incident violating the principle of integrity occurred in 2023. All employees complied with ethics regulations and practiced the Company's philosophy of ethical management. No significant corruption risk was identified in the Company's production bases through mechanisms such as internal audits and personnel interviews.

Organizing Educational Training to Nurture the Culture of Integrity Management

EMC HQ, Taiwan plants, and Mainland China plants continue to disseminate and implement the concept of ethical management through various meetings and training sessions for employees. A total 14,625.7 hours of internal and external educational training sessions (including legal compliance on ethical management, corporate social responsibility and code of ethical conduct for employees, maternal protection, and hazard education and training) were conducted in 2023, with each employee attending 15.9 hours of training sessions on average.

2.3.2 Legal Compliance GRI 2-27

Strict compliance with laws and regulations in business operations is a practice of corporate social responsibility, and one of the keys to sustainable operations. Since EMC provides products and services to various markets around the globe, with a view to ensuring compliance with regulations applicable in the global market, EMC has set up legal affairs units to pay close attention to the formulation and development of any regulations that may affect the Company. Additionally, a system to assess the Company's compliance with laws, policies, and regulations has also been established to assist all units in implementing various laws and regulations. Moreover, the Company has conducted legal identification and management in accordance with ISO 9001, ISO 14001, and ISO 45001 standards to monitor the laws and regulations in relation to business operations, environmental protection, and occupational safety and health. If any material event results in a penalty to the Company due to administrative/legal violations or seriously affects the Company's operations, the event will be disclosed in the ESG Report to fulfill the goals of balanced reporting and information transparency.

(The following legal violations occurred at Taiwan plants)

The year 2023 did not start auspiciously for EMC as a fire broke out on January 15 at 9:45 p.m. The fire started in the upper fabric area TR4 (glue applying machine) of the plant, and EMC employees failed to extinguish the fire using fire extinguishers, causing the fire alarm to go off. Due to air pollution in the area, leading to a fine of NT$195,000 was imposed on EMC. Because the Company quickly evacuated the staff and notified the fire department for subsequent rescue operations when the incident occurred, no casualties resulted.

At the same time, EMC also received a fine of NT$63,000 for failing to contain firewater , causing it to flow into the ditch outside the plant through the rainwater connection ditch and resulting in significant pollution in the water pollution control zone (Fulin Creek).

In July 2023, Guanyin Plant 3 was fined NT$200,000 by the labor inspection authority for violating Article 6, Paragraph 1, Subparagraph 1 of the Occupational Safety and Health Act, which stipulates that, “The employers shall have the necessary safety and health equipment and measures that comply with regulations for the following items: 1. To prevent the risks of injuries posed by items such as machinery, equipment, and tools.” An EMC employee was accidentally caught and rolled by a traverse cutting machine as he was returning to operations after a brief stoppage. In the subsequent inspection of equipment, a safety cover was added to each control panel as well as a locking function. Additionally, the interlock function was set to instantly halt the machine once the guardrails are up, and a floor pressure sensor as added, with an aim to prevent the recurrence of similar incidents.

In September 2023, Guanyin Plant 1 was fined NT$100,000 by the labor inspection authority for violating Article 177, Paragraph 1, Subparagraph 3 of the Occupational Safety and Health Facilities Guidelines, which stipulates that “For the retention of combustible dusts (other than flammable liquid vapors, combustible gases or explosive dusts) at the operating site, which may constitute the risk of explosions or fires, the employer shall take appropriate measures such as ventilation, air exchange, and dust removal based on the hazardous characteristics, in addition to the following regulations: 3. The electric machinery, appliances, or equipment in use must have the explosion-proof protection feature suitable for use in the hazardous area of the premises where they are set up.” Subsequently, all equipment pipes were inspected to prevent the recurrence of similar incidents.

2.4 Risk Management

In response to changes in the global economic environment and sustainability related risks, EMC has developed a complete risk management organizational structure and practical implementation framework based on three major aspects: the economy (including corporate governance), the environment, and society. This framework is used to identify and monitor the risks that may impact the Company’s sustainable development. Through the application of related management strategies and corresponding measures such as risk transfer, reduction, and avoidance, potential risks may be minimized, or even turned into operational opportunities.

The risk management policy of EMC is to define various risks in accordance with the company’s overall operating strategy; establish risk management mechanisms for early identification, accurate measurement, effective supervision, and strict control; and prevent possible losses for the tolerable risks. As the internal and external environment change, EMC will continue to adjust and improve the best risk management practices to protect the interests of employees, shareholders, partners, and customers, thereby increasing the Company’s value and achieving the goal of optimizing the allocation of the Company’s resources.

Risk Scope Identification

EMC has identified various risk items of different levels based on various units’ responsibilities and functions. Based on the materiality principle, the ESG Committee has further divided the risks into different types, which are economic (including corporate governance), environmental, and social. The details are listed in the table below.

Dimension	Risk Type	Description of Risk	Risk Control Measures
1. Economic (including corporate governance)	1.1 Market Risks	1.1.1 Political and economic dimension: Includes risks of financial or business impact on the company due to domestic or international political, economic, and regulatory requirements. 1.1.2 Industrial dimension: Includes risks of financial or business impact on the company due to domestic or international technological and industrial changes. 1.1.3 Financial dimension: Includes risks of losses resulting from changes in the company’s financial assets or liabilities (including on- and off-balance sheet assets and liabilities) due to fluctuations in market risk factors (interest rates, exchange rates, stock prices, commodity prices, electricity prices, etc.).	1. In the era of IoT, besides the needs of high-speed computing, high-frequency substrate materials for signal sending and receiving also play an important role. Only by sending and receiving through high-frequency base materials can the true performance of wireless transmission be achieved. PTFE used to be the material for high-frequency substrates used for sending and receiving high-order signals. However, widespread use of the PTFE material was not easy due to the high difficulty in processing. Particularly with the popularity of self-driving cars, the demand for driving detection radars and automotive chips has increased dramatically. With the aim of meeting the needs of self-driving cars and post-5G electronic products, EMC will continue to invest in the development of high-frequency substrates for automotive radars and advanced packaging to meet global customers’ growing needs.

Dimension	Risk Type	Description of Risk	Risk Control Measures
1. Economic (including corporate governance)	1.2 Operational Risks	1.2.1 Operational dimension: Includes risks that impact the company due to changes in the business model, adjustment of organizational structure, over-concentrated sales/purchasing, product replacement, product/service design, quality management, and major risk management of business contracts, etc. 1.2.2 Financial dimension: Includes risks that impact the company due to asset evaluation, credit and solvency, liquidity risks, and accounting policies, etc. 1.2.3 Internal control dimension: Includes risks related to the company's internal control. 1.2.4 Supply chain dimension: Includes risks that impact the company due to issues such as supplier quality, price, delivery, and corporate social responsibility.	2. The applications of high-density interconnection technology (HDI PCB), high layer count PCB, IC substrate, and rigid-flex board to mobile phones, consumer electronics and other portable products generate higher environmental protection demands. Highly functional and environmentally friendly substrates have strong growth potential and will be the focus of PCB development in the future 3. Enhance the sales percentages of high-end products/materials and increase the added value. 4. Diversify the sources of raw materials to reduce risks, and negotiate with suppliers to reach long-term procurement agreements based on the demand of the entire Group, thereby achieving the goal of stable cost and supply.
	1.3 Investment Risks	1.3.1 Investment dimension: Includes risks of short-term investment market price fluctuation impact on the company due to over-concentrated reinvestment targets, high-risk and high-leverage operations, financial derivatives trading, financial planning, etc., or the operational management risks involved in the long-term investment of the company to be invested.	
1. Economic (including corporate governance)	1.4 Regulatory Compliance Risk	1.4.1 Regulatory compliance dimension: Includes risks of failure to comply with relevant laws and regulations, including but not limited to the Labor Act, the Company Act, the Securities and Exchange Act, import/export regulations, industry code of conduct, anti-corruption regulations, etc. 1.4.2 Legal dimension: Includes risks that may result from failure to comply with various legal norms, or various legal risks that may infringe on the company's rights and interests.	5. In order to encourage reporting of conduct that violates laws or the Code of Ethical Conduct/Best Practice Principles in accordance with Article 10 of the Code of Ethical Conduct and Article 24 of the Ethical Corporate Management Best Practice Principles for TWSE/TPEx Listed Companies, EMC has formulated the Guidelines for the Reporting and Handling of Illegal/Unethical/Dishonest Conduct Cases.
2. Environmental	2.1 Environ-mental Risk	2.1.1 Includes risks related to greenhouse gas emission management, carbon credits management, and energy management conducted in response to climate change and natural disaster issues, as well as risks for complying with international and local environmental protection laws such as emission/discharge management for gas, water, waste, poison, and noise or Environmental Impact Assessment requirements.	1. EMC not only continues to develop high-end application materials, but fulfils its social responsibility by adopting halogen-free environmentally friendly materials as its main development direction, committing to reduce the impact of materials on the environment. 2. Respond to environmental protection issues and continue to improve the manufacturing process to reduce carbon emissions. 3. Adopt life cycle perspective to identify the environmental risks that may have significant impact on the environment, and carry out corresponding measures for improvement, control and supervision.

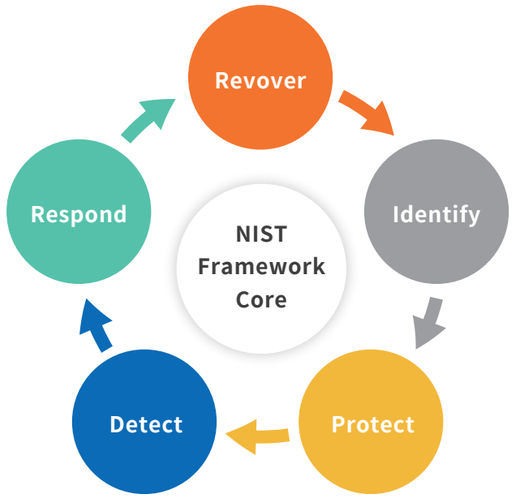
Dimension	Risk Type	Description of Risk	Risk Control Measures
3. Social	3.1 Workplace Hazard Risk	3.1.1 Operational dimension: Includes risks to the company caused by occupational safety, hygiene and health, chemical management, safety protection, emergency response, and other improper management operations or errors. 3.1.2 Workplace dimension: Includes risks caused by issues related to the safety of the workplace for employees or contractors.	1. Comply with relevant laws and regulations, and formulate various operation management guidelines. 2. The Workplace Safety and Health Committee regularly reviews the compliance with environmental/occupational safety laws and regulations.
	3.2 Human Resources Risk	3.2.1 Includes issues related to the human rights issues of employees or suppliers, including but not limited to risks derived from labor relations, child labor, and forced labor, as well as risks resulting from the cultivation of talents, such as the mechanisms for recruitment, retention, and development of talent.	1. Regularly conduct manpower check and review. 2. Plan and implement employee education, training, and development plans. 3. Design competitive compensation and employee benefit measures. 4. Develop complete training and local talent development plans.

2.5 Information Security Management GRI 418-1

EMC has formulated its Directions for Information Security Management based on the three principles for information security management, which are confidentiality, integrity, and availability. The goals are to provide an information environment for EMC Group's overall business to operate without interruption, establish management systems and standard procedures to meet relevant regulatory requirements, and protect the Company from various information security threats and accidents such as data misuse, leakage, tampering, theft, and destruction to reduce possible hazards.

EMC, Elite Electronic Material (Kunshan), Elite Electronic Material (Zhongshan), and Elite Electronic Material (Huangshi) are all equipped with a cyber security response group. The president acts as the leader of the group, and heads of departments and cyber security reporting network contact personnel serve as group members.

EMC has followed the standards established by U.S. National Institute of Standards and Technology (NIST) to evaluate its information security status and set up relevant security goals. The Cybersecurity Framework (CSF) has been adopted for the planning of information security policies to reduce the security risks facing key operating facilities.



2.5.1 Information Security Management Framework

In order to protect the Company's security and customers' business secrets, EMC carefully examines and strengthens the management measures for information transmitted between the Company and customers, and further implements an information security management system based on the five major components of information security management technology: Identify, Protect, Detect, Respond, and Recover.

Identify	1.Information security governance 2.Information assets inventory
Protect	1.Identity verification and access control 2.Endpoint protection on devices 3.Network security protection 4.Data security protection 5.Application service protection
Detect	1.Endpoint network behavior detection 2.Security technology detection and vulnerability management 3.Network threat intelligence utilization
Respond	1.Information security incident reporting and response mechanisms 2.Information security incident analysis and corrective planning
Recover	1.Backup mechanism 2.Backup plan 3.Business continuity planning and exercise

2.5.2 Information Security Management Mechanism

In order to protect the Company's security and customers' business secrets, EMC first classifies data according to its security level and category for further management. Next, EMC carefully examines and strengthens the management measures for information transmitted between the Company and customers, and implements permission control over network access and the computers and personnel being engaged. EMC has developed three major information security management objectives：

1. Information equipment security management

EMC conducts regular inventories of information assets, builds a "no storing of data in endpoints" structure, executes file-related permission management, monitors records of the Security Information and Event Management (SIEM) system, uses Two-Factor Authentication (2FA) and Multi-factor Authentication (MFA) to reinforce authentication mechanisms, and protects the security of information. The Company conducts a Backup/Restore drill every six months year, ensuring that relevant operations can be quickly restored when an incident or disaster occurs, to reduce potential risks and losses from such incidents and disasters. In 2023, a total of four recovery drills were carried out at EMC, Elite Electronic Material (Kunshan), Elite Electronic Material (Zhongshan), and Elite Electronic Material (Huangshi), focusing on the inter-plant switching of major equipment and services and testing of backup data recovery.

2. Network and antivirus management

To prevent cyber attacks and respond to malicious intrusions, EMC has set up next-generation firewalls, intrusion prevention systems, advanced threat protection systems, advanced endpoint detection and protection systems, and introduced network security monitoring and host-based intrusion prevention systems for industrial control zones and production line systems, aiming to block zero-day system vulnerability attacks. Moreover, the Company continuously obtains external threat information and combines the information with existing information security systems to identify external malicious attacks. Automated detection and blocking systems are also employed. Vulnerability scanning is performed on a monthly basis through vulnerability scan tools, and system patching is conducted for identified vulnerabilities. Network information security risk management systems are also adopted to continuously assess EMC's cyber security risks. We also regularly entrust external information security professionals to reinforce our information security systems through measures such as penetration tests, which thoroughly search for blind spots in information security protection, thereby establishing a safe operating environment for the system and ensuring the Company's sustainable operations.

3. Employee information security education and training

In addition to the information security promotion programs conducted for new employees, the Company also provides information security advocacy and training sessions on an irregular basis to strengthen employees' awareness of customer privacy and information confidentiality, thus reinforcing the importance of information security among employees.

2.5.3 Reporting Procedures for Information Security Incidents and Related Events

When an information security incident occurs, the Company's employees should follow the EMC Operating Procedures for Cyber Security Incident Reporting and Response to report the incident to the top information supervisor. The responsible unit will determine the security level and category of the incident, and take immediate control measures to deal with the incident in the most expedient manner. No violations of information-security-related laws and regulations and no information security incidents occurred at EMC during the period from 2021 to 2023.

Information security incident management status in the last 3 years	2021	2022	2023
Total number of information security breaches	0	0	0
Total number of security hacking incidents	0	0	0
Total number of customers affected by information security incidents	0	0	0
Total amount of fines associated with information security/cyber security violations	0	0	0

2.5.4 Specific Management Plans

The Company has implemented relevant measures in accordance with corresponding operating regulations for its physical and environmental security, network and computer security, system access control, system's sustainable operation, information security promotion, education and training, etc. The Company's Audit Office serves as the supervisory unit for information security supervision. The Audit Office is responsible for supervising the implementation of internal information security measures and performing regular inspections. If deficiencies are identified during inspections, responsible units propose corresponding improvement plans and specific improvement actions, and regular tracking is performed to ensure the effectiveness of the improvements, thereby reducing internal information security risks. Furthermore, with the aim of reinforcing the Company's information security risk management, the annual information security improvement items were submitted to the Board of Directors on December 20, 2023, to ensure the Company's continuous operation.

03

Sustainable Supply Chain

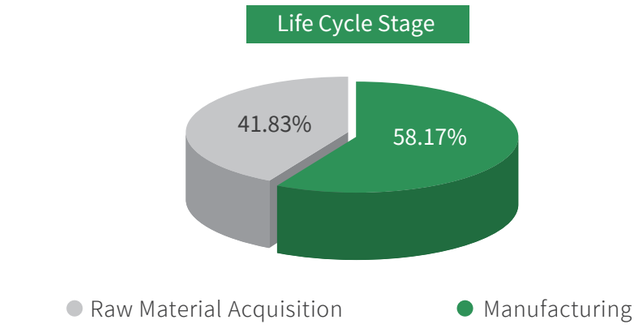
3.1 The Use of Green Materials

Material Issue	Sustainable Products (including product development and the introduction of environmentally friendly materials into production)	
GRI Topic Standard	Customized standards	
Policy commitment	By adhering to the concept of environmentally friendly management, EMC strives to develop environmentally friendly materials to meet the future needs of the global market.	
Sustainability Indicator	2023 Evaluation Mechanism and Performance	Medium- and Long-term Goals
Ratio of halogen-free/ green materials	The 2023 Prismark Report revealed that EMC's share of the halogen-free/green materials market has reached 28%, securing its leading position.	Continue to increase the market share so that by 2035, the Prismark Report will reveal that EMC's share of the halogen free/green materials market has reached 40%, securing its leading position.
Development of low-carbon raw materials	A low-carbon formula was adopted, replacing petroleum epoxy resins with resins composed of 25% of bio-based content, which will reduce carbon dioxide emissions by 20 tons per year.	Gradually increase the ratio of bio-based/environmentally friendly raw materials used in EMC's product manufacturing to 50% by 2035.

When an information security incident occurs, the Company's employees should follow the EMC Operating Procedures for Cyber Security Incident Reporting and Response to report the incident to the top information supervisor. The responsible unit will determine the security level and category of the incident, and take immediate control measures to deal with the incident in the most expedient manner. No violations of information-security-related laws and regulations and no information security incidents occurred at EMC during the period from 2021 to 2023.

Total carbon emissions per kilogram of EM390 series CCL is 19.261 KG CO_2e.

Life Cycle Stage	Carbon Emissions per Kilogram (kg CO_2e)	Percentage
Raw Material Stage	11.20331	58.17%
Manufacturing Stage	8.05789	41.83%
Total	19.2612	100.00%



EMC's Hazardous Substance Management Procedure covers the European Union's Restriction of Hazardous Substances Directive (EU RoHS), the EU's chemicals policy (Registration, Evaluation, Authorization, and Restriction of Chemicals – REACH), IEC 61249-2-21 halogen-free regulations, and other international environmental protection regulations and industry standards. To ensure that product quality aligns with green-product related environmental protection regulations, EMC has formulated incoming inspection procedures for materials and set up fluorescent X-ray hazardous substance analyzers for non-destructive measurement of hazardous substance content in raw materials, packaging materials, semi-finished products, and finished products. Suppliers are also required to ban the use of hazardous substances in their production and products, and they are required to sign an Environmental Assurance Agreement (Declaration of Non-use) to ensure that the products meet the requirements of RoHS, REACH, and other relevant environmental regulations. The trend of green environmental protection continues to gain momentum, leading to greater demand for HDI boards, layer boards, IC substrates, and rigid-flex boards that can be applied to portable products such as mobile phones and consumer electronics to make them environmentally friendly. As a result, high-performance environmentally friendly CCL has enormous growth potential, and this will be the focus of future development for PCB products.

Furthermore, every year, a third-party notarization unit is commissioned to carry out regular material testing on raw materials, packaging materials, semi-finished products, and finished products of EMC plants. This ensures that EMC's products are 100% in compliance with the requirements of RoHS, REACH, and other laws and regulations.

The major raw materials used in EMC's products are copper foil, glass-fiber cloth, and chemicals, which are referred to as the "three major raw materials".

Halogen-free Regulations

In response to the rising awareness of environmental protection worldwide and the increasingly competitive industrial environment after the implementation of RoHS regulations by the European Union, EMC has worked hard over the years to meet the requirements and has become the world's largest supplier of halogen-free eco-friendly materials for HDI PCBs. The Company has taken the initiative to expand the development of halogen-free eco-friendly materials for 5G, Netcom infrastructure, and automotive-related applications. EMC continues to explore new market frontiers by seeking niche products for each plant, increasing the added-value of existing products, and innovating new high-added-value products. Additionally, to provide customers with the latest product information, product development results are displayed on the company's website.

New Types of Green Products with High Performance and Low Pollution

MC will continue to develop glass-fiber-cloth-free build-up film products. In addition to adhesive-coated CCL, build-up thin film is also a key product for the Company to gradually reduce its use of glass-fiber cloth. Additionally, the Company will adhere to its guidelines to maintain the production of halogen-free eco-friendly materials, and it will adopt new manufacturing processes and methods to reduce the solvents used in formulas and the waste glue generated during production to significantly reduce the waste generated by production processes. The Company plans to gradually reduce the use of glass-fiber cloth year by year. According to market information, the estimated demand for glass-fiber cloth in 2024 will be 400,000–800,000 m2 per month, or 5–10 million m2 per year. Relatively speaking, the use of glass-fiber cloth can be reduced by about 5–10 million m2 per year. For example, the thickness of the insulating layer of a server board ranges from 50–510 um, and glass-fiber cloth comprises 23–47% of the thickness. If the glass-fiber cloth is replaced with resin coated copper foil and build-up thin film of the same thickness, this is expected to effectively reduce carbon emissions and energy loss.

Development of Low-carbon Raw Materials

In addition to energy conservation and the use of renewable energy, the future trend for carbon footprint reduction in the CCL industry is product formula alteration. Polymeric resin is an important material in the CCL product formula; therefore, the use of low-carbon emission resin is the key to effectively reducing products' carbon footprints. Two types of bio-based epoxy resins are used in EMC's product formulas, replacing petroleum epoxy resins to achieve the goal of product carbon reduction. The low-carbon formula was adopted by replacing petroleum epoxy resins with resins composed of 25% of bio-based content, which will reduce carbon dioxide emissions by 20 tons per year.

3.2 Supply Chain Management

Material Issue	Supply Chain Management
GRI Topic Standard	GRI 308-1 New suppliers that were screened using environmental criteria GRI 414-1 New suppliers that were screened using social criteria
Policy Commitment	1. EMC requires its major raw material suppliers (except traders/agents) to sign a Social Responsibility Commitment, which requires suppliers to comply with the Labor Act and social ethics and reinforces the suppliers' implementation of social responsibilities. EMC also requires suppliers to sign the Declaration of Conflict-free Metals, ensuring that the supplied products contain no conflict metals. 2. Implement the supply chain assessment/evaluation and auditing system for supply chain management to minimize the risk of supply chain failure.

Sustainability Indicator	2023 Evaluation Mechanism and Performance	Medium- and Long-term Goals
Where copper foil is the main material used, the percentage locally procured	Taiwan plants ≧99% Elite Electronic Material (Kunshan)≧35% Elite Electronic Material (Zhongshan) ≧34% Elite Electronic Material (Huangshi) ≧55%	Taiwan plants ≧100% Elite Electronic Material (Kunshan) ≧50% Elite Electronic Material (Zhongshan) ≧50% Elite Electronic Material (Huangshi) ≧60%
Percentage of recycled copper contained in copper foil	Taiwan plants ≧100% Elite Electronic Material (Kunshan) ≧87% Elite Electronic Material (Zhongshan) ≧97% Elite Electronic Material (Huangshi) ≧90%	Taiwan plants ≧100% Elite Electronic Material (Kunshan) ≧100% Elite Electronic Material (Zhongshan) ≧100% Elite Electronic Material (Huangshi) ≧100%
All new suppliers are assessed in accordance with the New Supplier Assessment Procedures, which cover environmental management and corporate social responsibility requirements	100% of new suppliers were assessed in accordance with the New Supplier Assessment Procedures, which cover environmental management and corporate social responsibility requirements.	100% of new suppliers are assessed in accordance with the New Supplier Assessment Procedures, which cover environmental management and corporate social responsibility requirements.

3.2.1 Supply Chain Management Policy

EMC believes that the implementation of corporate sustainability management should not be limited to the Company itself—the potential indirect environmental and social impacts caused by the supply chain must also be properly managed. In order to communicate EMC's supply chain management requirements and ensure that the Company's core values extend throughout the supply chain, EMC has long established a complete supplier management system. In addition to upholding strict quality requirements, the Company expects all suppliers to practice corporate social responsibility through abiding by general social ethics, the principle of good faith, and environmental protection regulations for products and operations. During daily procurement operations, in addition to considering the criteria of cost and quality, the Company also evaluates and audits suppliers' performance of labor rights protection, environmental protection, and safety and health management. Moreover, improvement measures are developed based on assessment results to assist suppliers in making continuous progress, thereby enhancing supply chain sustainability management quality, reducing supply chain operational risks, and establishing sustainable and supportive partnerships. In 2023, although the demand for high-end materials increased, EMC was largely successful in meeting the market demand due to proper supply planning and the full cooperation of manufacturers.

3.2.2 Implement Local Procurement Principles GRI 2-6, GRI 204-1

EMC's main product, CCL, is a midstream product of the PCB industry chain. The downstream consists of suppliers of various electronic products. The entire PCB industry chain is illustrated as follows：

Upstream	Midstream	Downstream
Glass fiber/glass cloth Epoxy resin Phenolic resin Copper foil Polyimide resin Production process and testing equipment	CCL Manufacturing of RPCB, FPCB, and IC Substrate Substrate assembly/processing and related manufacturing	Varius electronic products

CCL is a key basic material for PCB production. It is made by mixing solvent, hardener, promoter, and resin together to create a glue, then immersing a reinforcing material such as glass-fiber cloth to make a sheet (prepreg), which is checked and cut in the subsequent procedure. Several sheets are stacked and covered with copper foil, which then undergoes thermocompression, trimming, inspection, and cutting to produce the final product, CCL. Among the numerous CCL manufacturers in Taiwan, EMC has gained a foothold in the global market as a leading manufacturer of halogen-free CCL, with a market share as high as 28%. As indicated in the data released by Prismark in 2023, EMC secured about 9% of the global share in the halogen and halogen-free CCL market.

The main raw materials used to fabricate EMC's products are copper foil, glass-fiber cloth, and chemicals, which are referred to as the "three major raw materials". Additionally, EMC adopts local procurement of raw materials whenever possible in order to minimize its carbon footprint. At the Taiwan plants, the local (domestic) procurement ratios for copper foil and glass-fiber cloth are relatively high, whereas the ratio for chemicals is low. This is because the chemicals currently used are partially imported from Mainland China; these are all high-end products, and the related technologies are still owned by the suppliers. Because it is difficult to find suitable local suppliers in the short-term, EMC has begun to develop relationships with alternative suppliers in Mainland China. The details of other plants in Mainland China are summarized in the following table：

Three major raw materials	Percentage of local suppliers (calculated based on payment amount)			
	Guanyin Plants and Hsinchu Plant	Elite Electronic Material (Kunshan)	Elite Electronic Material (Zhongshan)	Elite Electronic Material (Huangshi)
Copper foil	99%	35%	32%	55%
Glass cloth	90%	52%	34%	97%
Chemicals	12%	54%	51%	46%

3.2.3 Percentage of Recycled Copper Contained in Copper Foil

In response to the accelerated consumption of the earth's limited resources due to rapid global economic development, the international community has reached a consensus on sustainable utilization and resource development, and circular economy has also become an important issue for social and economic development. EMC is also striving to maximize resource efficiency and jointly build a circular economy society. For example, in the case of copper foil (one of EMC's major raw materials), EMC already has suppliers who can provide products containing 87–100% recycled copper.

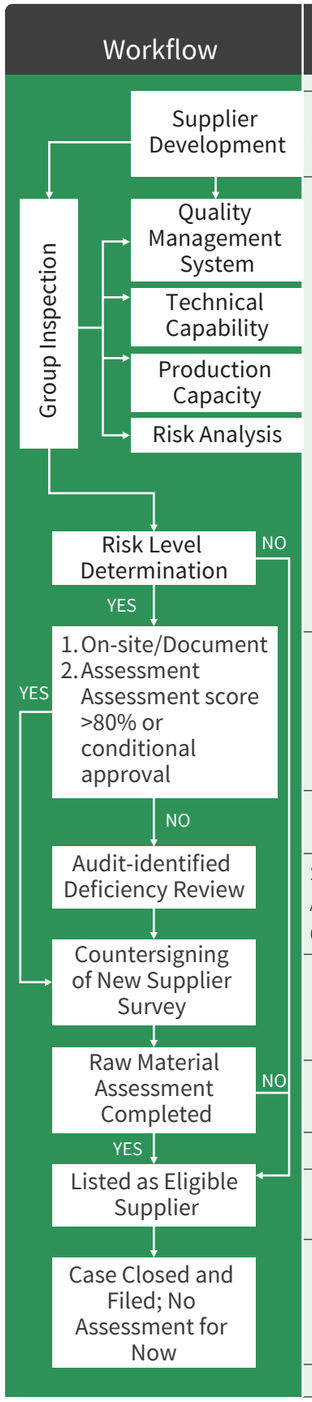
Plant	Guanyin Plants and Hsinchu Plant	Elite Electronic Material (Kunshan)	Elite Electronic Material (Zhongshan)	Elite Electronic Material (Huangshi)
Percentage of recycled copper contained in copper foil (Weighted total percentage)	100%	87%	97%	90%

(Weighted based on each supplier's percentage of the shipment amount for each plant.)

3.2.4 Supplier Management Procedures GRI 308-1, GRI 414-1

To ensure that the raw materials provided by EMC's suppliers meet the Company's quality requirements and customer requirements while adhering to RoHS, Hazardous Substances Free (HSF), and relevant laws and regulations, thereby enhancing the Company's productivity and competitiveness, EMC has formulated the Supplier Management Procedures.

The Supplier Management Procedures were formulated by referencing the Responsible Business Alliance (RBA) and relevant international regulations, and by incorporating the content of the Company's existing supplier evaluation and audit operations. All major raw material suppliers are reviewed, evaluated, and audited in order to control their risks and ensure sustainable management. Through reviewing, evaluating, and auditing suppliers' environmental, labor, human rights, and social aspects, the Company can select suitable suppliers and fulfill its management responsibility.



Workflow	Responsible Unit	Relevant Explanation	Output (Form/Record/Document)
Supplier Development	Supplier Assessment Group	CCL Supplier Management Procedures	New Supplier Development and Risk Assessment Form
Quality Management System Technical Capability Production Capacity Risk Analysis			
Risk Level Determination 1. On-site/Document 2. Assessment Assessment score >80% or conditional approval		CCL Supplier Management Procedures Operating Regulations for Supplier Quality Assessment	Supplier Audit and Assessment Report
Audit-identified Deficiency Review	Supplier Assessment Group		Audit-identified Deficiency Review Form Supplier Quality System Status Survey Form Manufacturer Profile Survey Form Agent/Trader Profile Survey Form Social Responsibility Commitment New Supplier Survey Countersigning Sheet Environmental Guarantee ("Non-use" Supporting Documents) List of Eligible Suppliers
Countersigning of New Supplier Survey		CCL Supplier Management Procedures	
Raw Material Assessment Completed			
Listed as Eligible Supplier		Operating Procedures for CCL Material Approval	
Case Closed and Filed; No Assessment for Now			

1. New Supplier Assessment

(1)Supplier Assessment and Audit Team: The Team is composed of members from various units, and the auditors' qualifications must be certified. The supplier assessment must be completed before the formal order is placed.

(2) Content of supplier assessment：

①When assessing a new supplier, the Procurement Department should include six major items for review (see chart below). The new supplier approval procedure will be completed after the assessment results have been countersigned by related units. After approval, the new supplier can be added to the list of eligible suppliers. The assessment is used to better understand the supplier's operating conditions, financial stability, operational continuity planning, etc., thereby reducing procurement risks.

No.	Assessment Item
1	New Supplier Development and Risk Assessment Form
2	Supplier Quality System Status Survey Form
3	Manufacturer Profile Survey Form
4	Agent/Trader Profile Survey Form
5	Social Responsibility Commitment, Declaration of Conflict-free Metals
6	Supplier Audit and Assessment Report

②Among the assessment items, Item 6, Supplier Audit and Assessment Report, covers 11 major audit items, including quality system, resource management, design and development, procurement, production control, monitoring and measurement, continuous improvement of performance, operation and management, corporate social responsibility, hazardous substance management, and environmental safety and health management system.

③Assessment rating.

In 2023, a total of 14 new suppliers were added to the supplier lists of EMC's four major production plants. 100% of the new suppliers were assessed based on the requirements specified in the New Supplier Assessment Procedures, which cover environmental management and corporate social responsibility.

Rating	Description	2023 New Supplier Assessment Results							
		Guanyin Plants and Hsinchu Plant		Elite Electronic Material (Kunshan)		Elite Electronic Material (Zhongshan)		Elite Electronic Material (Huangshi)	
		No. of suppliers	Per-centage	No. of suppliers	Per-centage	No. of suppliers	Per-centage	No. of suppliers	Per-centage
Qualified Score: 80–100%	Collaboration with the supplier is allowed.	3	100%	2	100%	7	100%	2	100%
Conditionally approved Score: 70–79%	Collaboration with the supplier is allowed; however, the supplier is required to make improvements. Re-audit will be carried out within 6 months; if the score is still below 80%, further collaboration with the supplier is not allowed.	0	0	0	0	0	0	0	0
Failed The score is below 70% or the score of an individual item is below 70%	Collaboration with the supplier is not allowed.	0	0	0	0	0	0	0	0

④ Additionally, EMC requires its major raw material suppliers (except traders/agents) to sign the Social Responsibility Commitment, which requires them to comply with the Labor Act and social ethics, and reinforces their implementation of social responsibilities. EMC also requires its suppliers to sign the Declaration of Conflict-free Metals to ensure that supplied products contain no conflict metals.

Number of suppliers signing the Social Responsibility Commitment, and the achievement rate in 2023							
Guanyin Plants and Hsinchu Plant		Elite Electronic Material (Kunshan)		Elite Electronic Material (Zhongshan)		Elite Electronic Material (Huangshi)	
No. of suppliers	Percentage	No. of suppliers	Percentage	No. of suppliers	Percentage	No. of suppliers	Percentage
58	100%	42	100%	48	100%	43	100%

⑤ EMC requires all of its major raw material suppliers to sign and return the Declaration of Conflict-free Metals, stating and guaranteeing that they have not obtained gold, tantalum, tungsten, cobalt, tin, or palladium through non-government militant groups, illegal groups, mining areas in the conflict zone of the Democratic Republic of the Congo, or illegal smuggling. Metals exported from the following countries (“conflict areas”) do not comply with the Conflict-free Specifications: Democratic Republic of the Congo, Rwanda, Uganda, Burundi, Tanzania, and Kenya.

Number of suppliers signing the Declaration of Conflict-free Metals, and the achievement rate in 2023							
Guanyin Plants and Hsinchu Plant		Elite Electronic Material (Kunshan)		Elite Electronic Material (Zhongshan)		Elite Electronic Material (Huangshi)	
No. of suppliers	Percentage	No. of suppliers	Percentage	No. of suppliers	Percentage	No. of suppliers	Percentage
58	100%	99	100%	99	100%	84	100%

Supplier assessments and audits will be conducted to track suppliers’ performance until the required key issue improvement is completed. In the meantime, education and training for suppliers will also be continued.

2. Qualified Supplier Evaluation

EMC regularly evaluates qualified suppliers. The evaluation items include：

①Monthly evaluation items：

Responsible unit	Evaluation items
Quality Assurance Department	Evaluates incoming material quality, process quality, customer quality, VCAR response, abnormal recurrence, and data provision, and summarizes the scores with ratings.
Procurement Department	Evaluates price satisfaction, delivery control, service, degree of cooperation, and future trajectory, and summarizes the scores with ratings.

②Annual evaluation items

The Supplier Audit and Assessment Report covers 11 major items. In 2023, none of the suppliers who completed the audit procedures was deemed ineligible due to unsatisfactory performance of corporate social responsibility or EHS management system practices.

3. Evaluation rating

Rating		Description	2023 Evaluation Results			
			Guanyin Plants and Hsinchu Plant	Elite Electronic Material (Kunshan)	Elite Electronic Material (Zhongshan)	Elite Electronic Material (Huangshi)
Grade A	Excellent：90.01 or higher	Expand the area and scope for collaboration	432times	847times	731times	513times
Grade B	Good：75.01–90.00	Maintain normal procurement volume	55times	75times	125times	73times
Grade C	Remediation：60.01–75.00	Reduce procurement volume without affecting customers’ demand and the plant’s normal supply	1times	2times	3times	2times
Grade D	Limited：00.00–60.00	Remove the supplier’s eligibility if improvements are not made within a specified time limit	0times	0times	0times	0times

Note: If a supplier has been rated as Grade C for 2 consecutive months, the procurement volume will be reduced, and the supplier will be asked to come to the plant for performance review and improvement.

EMC's Quality Assurance Department and Procurement Department should conduct supplier evaluations on a monthly basis. For a Grade A supplier with a score of 90.01 or higher, the area and scope of collaboration will be expanded and the procurement volume increased. For a Grade B supplier with a score falling in the range of 75.01–90.00, the normal procurement volume will be maintained. For a Grade C supplier with a score falling in the range of 60.01–75.00, remedial assistance will be provided (the procurement volume will be reduced, without affecting customers' demand and the plant's normal supply, and if a supplier is rated as Grade C for 2 consecutive months, they will be asked to join a review meeting and receive the Company's guidance for improvement; if a supplier if rated as Grade C for 3 consecutive months, they will be downgraded to Grade D.) For a Grade D supplier with a score falling in the range of 00.00–60.00, the supplier will be asked to make improvements within specified time limit; if the supplier's next score is still under 60, they will lose their qualified status.

Additionally, the Evaluation Group should evaluate major qualified suppliers on a yearly basis. The Evaluation Group is composed of members from units such as quality assurance, production, technology, material development, procurement, etc. Personnel from other units may also be included as needed. If a supplier's total score or their score for any individual item is below 70%, then collaboration with that supplier will be suspended.

Annual Assessment/ Evaluation Result	Guanyin Plants and Hsinchu Plant	Elite Electronic Material (Kunshan)	Elite Electronic Material (Zhongshan)	Elite Electronic Material (Huangshi)	Total
Qualified	13	14	16	4	47
Unqualified	0	0	0	0	0

3.3 Customer Relationship Management

Customer Satisfaction：

By adhering to a people-focused philosophy, EMC strives to provide customers with the best quality through reliable products and comprehensive services. The Company is also committed to maintaining the overall social benefits and ecological value of its products and services through applications that facilitate the development of society and civilization as well as mankind's environment and survival, and it will take further steps to achieve the ultimate goal of customer satisfaction.

The Company conducts a biannual questionnaire survey to analyze market needs from customers' points of view, and it strives to comprehensively respect and safeguard customers' interests by precisely grasping market trends and situations, thereby exceeding customers' expectations. It goes without saying that sales personnel act as a communication channel between customers and the Company. However, providing good customer service and improving customer satisfaction is not the responsibility of the Business Department alone; all employees contribute to this goal through their continuous efforts. EMC attaches great importance to customers' rights, interests, and opinions, and has maintained continuous positive interaction and communication with customers, forming a virtuous circle for mutual growth and creating a win–win partnership.

Satisfaction Survey Results：

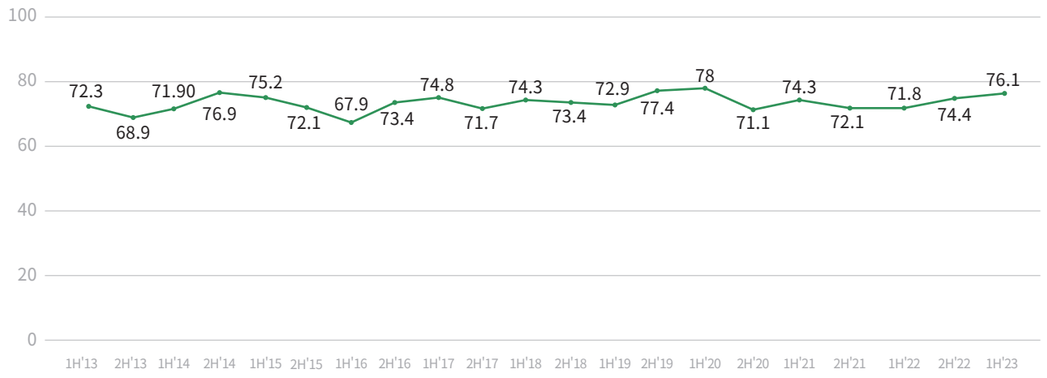
During the first half of 2023, EMC received an average customer satisfaction score of 76.1% based on a 100% survey return rate, demonstrating customers' recognition of the Company's quality, price, reliability, and after-sales service. During the second half of the year, steady progress was seen. The 2023 H2 Customer Satisfaction Questionnaire return rate was 100% (a total of 16 questionnaires were sent to major customers for satisfaction survey). The customer satisfaction rate (for general items) was 77.8%, which was 1.7% higher than that of H1. The survey results showed that customers were satisfied with EMC's delivery, quality, price, reliability, and after-sales service.

Among the respondents, the highest score (88) was given by Company L1, and the scores given by most of the companies showed a slight improvement. As AI programs gained momentum during the second half of the year, EMC continued to make progress in various aspects despite the significant increase in orders, which increased customer satisfaction. Moreover, due to the overall market's keen response to EMC's products, EMC has not only played a leading role in the area of green and eco-friendly materials for consumer electronics but has also made remarkable progress in the server and switches field, becoming the second largest server and switch product manufacturer in the world, and still growing. By adhering to a customer-centric philosophy and continuously absorbing customers' feedback and opinions, EMC continues its improvement and progress to exceed customer expectations and seek excellence and innovation.

2023 First-Half Year , Customer Satisfaction Survey Report

1H'2023		Price	Design	Quality	HSF (Data FEEDBACK)	Deilvery	Reliability	Response	Service	Cooperation	HSF (Management)	Sub TTL
1	W	2	8	8	8	5	8	8	8	8	10	73.0
2	U1	2	8	8	8	8	10	8	10	10	10	82.0
3	U2	5	8	8	8	5	8	8	8	5	10	73.0
4	T	0	8	8	8	5	8	5	8	8	10	68.0
5	G	5	8	7	7	6	7	5	6	6	10	67.0
6	C1	2	8	8	8	7	8	7	7	8	10	73.0
7	C2	2	8	8	8	8	8	8	8	8	10	76.0
8	L1	5	8	5	10	5	8	8	8	10	10	77.0
9	S	8	10	8	10	10	10	10	10	10	10	96.0
10	I	8	8	2	8	5	5	8	8	8	10	70.0
11	M	5	8	5	8	8	8	8	8	8	10	76.0
12	L2	5	8	8	8	9	8	9	9	8	10	82.0
SUB TTL		49.0	98.0	83.0	99.0	81.0	96.0	92.0	98.0	97.0	120.0	913.0
Avg.		4.1	8.2	6.9	8.3	6.8	8.0	7.7	8.2	8.1	10.0	76.1

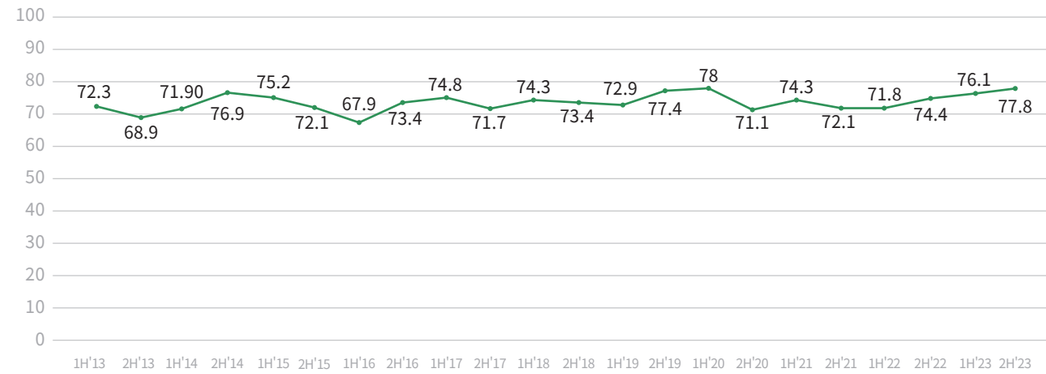
Customer Satisfaction of EMC - Trend of Grand Average



2023 Second-Half Year , Customer Satisfaction Survey Report

2nd'2023		Price	Design	Quality	HSF	Deilvery	Reliability	Response	Service	Cooperation	HSF (Management)	Sub TTL
1	W	0	8	8	8	8	8	6	6	8	10	70.0
2	U1	2	10	10	10	5	10	8	10	10	10	85.0
3	U2	5	8	8	8	5	8	8	8	8	10	76.0
4	T	5	8	8	5	8	5	8	8	8	10	73.0
5	G	8	8	5	10	5	5	8	5	8	10	72.0
6	C1	2	8	8	8	7	8	7	7	7	10	72.0
7	C2	5	8	5	8	8	8	8	8	8	10	76.0
8	F	8	8	8	8	8	8	8	8	8	10	82.0
9	T	5	8	8	8	5	8	8	8	8	10	76.0
10	A	5	8	8	8	5	8	8	8	8	10	76.0
11	L1	6	10	8	10	8	9	9	9	9	10	88.0
12	S	8	10	10	5	2	10	10	10	10	10	85.0
13	I	8	8	8	8	5	5	8	8	8	10	76.0
14	M	5	8	8	8	8	8	8	10	8	10	81.0
15	L	5	8	10	10	5	8	8	8	8	10	80.0
16	K	8	8	5	8	5	8	8	8	8	10	76.0
SUB TTL		85.0	134.0	125.0	130.0	97.0	124.0	128.0	129.0	132.0	160.0	1244.0
Avg.		5.3	8.4	7.8	8.1	6.1	7.8	8.0	8.1	8.3	10.0	77.8

Customer Satisfaction of EMC - Trend of Grand Average



04

Environmental Protection
and Sustainability

4.1 Energy Management

Material Issue	Energy Management	
GRI Topic Standard	GRI 302-1 Energy consumption within the organization GRI 302-2 Energy consumption outside of the organization GRI 302-3 Energy intensity GRI 302-4 Reduction of energy consumption	
Policy commitment	Implement the environmental health and safety (EHS) policy	
Sustainability Indicator	2023 Evaluation Mechanisms and Performance	Medium- and Long-term Goals
Total energy consumption per unit sales	The total energy consumption per unit sales decreased by 8% in 2023 compared with 2022.	A 20% reduction in the total energy consumption per unit sales by 2025 compared with 2022. A 20% reduction in the total energy consumption per unit sales by 2030 compared with 2022.
Full replacement of heavy oil by natural gas	The use of heavy oil decreased to 0.	Look for new sources of energy
Adoption of renewable energy	Renewable energy use reached 1.2%.	Renewable energy use reaches 10% by 2025. Renewable energy use reaches 30% by 2030.
Greenhouse Gas Emission Intensity (Scope 1 and Scope 2)	Increased by 4.27% in 2023 compared with 2022.	A 5% reduction in greenhouse gas emission intensity by 2025 compared with 2022. A 25% reduction in greenhouse gas emission intensity by 2030 compared with 2022.

EMC (Elite Material Co., Ltd.) exercises control over the use of all electrical and mechanical equipment at the Company to reduce electricity, water, oil, and fuel consumption and avoid waste of resources. In order to enhance employees' awareness of resource-saving and their appreciation of available resources, the Company's Maintenance Department regularly compiles statistics on energy consumption, which EMC utilizes to improve energy conservation. All energy currently used by EMC is purchased from external energy providers; no renewable fuel is used, and there is no sale of energy. However, due to changes in product order patterns and adjustments to production lines in some regions, the 2023 statistics for the Taiwan plants on energy consumption and some environmental data showed a significant difference compared with 2022.

1. 2023 energy consumption statistics for Mainland China plants are listed in the table below：

Plant		Elite Electronic Material (Kunshan)		Elite Electronic Material (Zhongshan)		Elite Electronic Material (Huangshi)	
year		2022	2023	2022	2023	2022	2023
Energy Consumption	Purchased electricity (1,000 kWh/year) (Front-end process, prepreg)	23,258.51	28,742.82	23,896.00	23,680.91	20,985.00	22,656.65
	Purchased electricity (1,000 kWh/year) (Back-end process, CCL)	18,771.75	24,742.82	20,281.00	19,971.1608	16,640.00	19,503.63
	Heavy oil used for the boiler steam process (liter/year)	0.00	NA	0.00	NA	0.00	NA
	Natural gas consumption (1,000 cubic meter/year)	6,168.12	7,829.75	4,621.93	4,434.83	5,005.00	5,277.01
Converted to GJ/year	Purchased electricity (GJ/year) (Front-end process, prepreg)	83,745.71	103,491.39	86,041.08	85,251.28	75,559.60	81,577.52
	Purchased electricity (GJ/year) (Back-end process, CCL)	67,590.46	89,088.99	73,024.74	71,896.18	59,914.78	70,224.76
	Heavy oil used for the boiler steam process (GJ/year)	0.00	NA	0.00	NA	0.00	NA
	Natural gas consumption (GJ/year)	206,597.47	265,602.22	154,808.64	148,542.19	167,639.47	176,750.53
	Total energy consumption (GJ/year)	357,933.64	458,182.60	313,874.46	305,689.65	303,113.85	328,552.81

Plant		Elite Electronic Material (Kunshan)		Elite Electronic Material (Zhongshan)		Elite Electronic Material (Huangshi)	
year		2022	2023	2022	2023	2022	2023
Energy intensity	Prepreg (PP) production (1,000 meters)-A	52,736.48	59,303.97	36,726.74	29,952.80	47,131.77	54,937.54
	CCL production (1,000 sheets)-B	14,546.13	13,640.60	8,412.21	7,773.00	7,293.28	7,655.30
	Electricity consumption per unit produced-A (Electricity consumption [1,000 kWh]/production volume)	0.44	0.48	0.65	0.79	0.45	0.41
	Electricity consumption per unit produced-B (Electricity consumption [1,000 kWh]/production volume)	1.29	1.81	2.41	2.57	2.28	2.55
Sustainability Indicator	Electricity consumption per unit produced-A (Electricity usage (GJ)/production volume)	1.59	1.75	2.34	2.85	1.60	1.49
	Electricity consumption per unit produced-B (Electricity usage (GJ)/production volume)	4.65	6.53	8.68	9.25	8.22	9.17
	Purchased electricity (%)	100%	99.10%	100%	99.70%	100%	100%
	Renewable energy usage rate	0.00	0.90	0.00	0.30	0.00	0.00

Note： Energy intensity was calculated for electricity only.

2. 2023 energy consumption statistics for Taiwan plants are listed in the table below：

Plant		Guanyin Plants		Hsinchu Plant		Total 1 + 2 Mainland China plants + Taiwan plants	
year		2022	2023	2022	2023	2022	2023
Energy Consumption	Purchased electricity (1,000 kWh/year) (Front-end process, prepreg)	12,851.42	7,720.22	6,990.00	7,553.00	87,980.93	90,353.60
	Purchased electricity (1,000 kWh/year) (Back-end process, CCL)	14,768.88	13,754.38	2,132.83	2,352.75	72,594.46	80,324.74
	Heavy oil used for the boiler steam process (liter/year)	1,830,000.00	0.00	0.00	0.00	1,830,000.00	0.00
	Natural gas consumption (1,000 cubic meter/year)	3,085.83	3,137.67	1,431.27	1,489.69	20,312.15	22,168.95
Converted to GJ/year	Purchased electricity (GJ/year) (Front-end process, prepreg)	46,273.44	27,797.42	25,168.53	27,195.33	316,788.36	325,312.94
	Purchased electricity (GJ/year) (Back-end process, CCL)	53,177.54	49,524.02	7,679.57	8,471.31	261,387.09	289,205.26
	Heavy oil used for the boiler steam process (GJ/year)	73,553.70	NA	0.00	NA	73,553.70	0.00
	Natural gas consumption (GJ/year)	110,221.35	105,094.37	47,939.57	49,896.27	687,206.50	745,885.58
	Total energy consumption (GJ/year)	283,226.03	182,415.82	80,787.67	85,562.91	1,338,935.65	1,360,403.79

Plant		Elite Electronic Material (Kunshan)		Elite Electronic Material (Zhongshan)		Elite Electronic Material (Huangshi)	
year		2022	2023	2022	2023	2022	2023
Energy intensity	Prepreg (PP) production (1,000 meters)-A	29,069.89	12,847.49	11,485.57	11,040.40	177,150.45	168,082.20
	CCL production (1,000 sheets)-B	4,336.76	3,231.07	1,246.01	1,492.51	35,834.39	33,792.48
	Electricity consumption per unit produced-A (Electricity consumption [1,000 kWh]/production volume)	0.44	0.60	0.61	0.68	2.59	2.97
	Electricity consumption per unit produced-B (Electricity consumption [1,000 kWh]/production volume)	3.41	4.26	1.71	1.58	11.10	12.76
Sustainability Indicator	Electricity consumption per unit produced-A (Electricity usage (GJ)/production volume)	1.59	2.16	2.19	2.46	9.31	10.71
	Electricity consumption per unit produced-B (Electricity usage (GJ)/production volume)	12.26	15.33	6.16	5.68	39.97	45.96
	Purchased electricity (%)	100%	100%	100%	100%	100%	99.80%
	Renewable energy usage rate	0.00	0.00	0.00	0.00	0.00	1.20%

Note： Energy intensity was calculated for electricity only.

Explanation of energy conversion factors

Energy Product	Heat value (kcal)	Unit	Heat value (GJ)	Unit
Fuel oil (heavy oil)	9,600	kcal/liter	40.1933	GJ/1,000 liters
Liquefied natural gas[Note 1]	8,000	kcal/m^3	33.4944	GJ/1,000 m^3
Electricity (consumption side)	860	kcal/kWh	3.6006	GJ/1,000 kWh

Reference：Bureau of Energy (MOEA) - Table of Energy Products Heating Value (Updated on Oct. 15, 2019)

1 Kcal = 4,186 J　1 GJ = 10^9 J

Note 1：The Guanyin Plants employ the heating value provided by the supplier.

The Company has adopted 2022 as the base year for the establishment of baseline data, and the total energy intensity as an indicator for planning reduction goals.

		2022	2023
Energy consumption	1. Purchased electricity (GJ/year) (Front-end process, prepreg)	316,788.36	325,312.94
	2. Purchased electricity (GJ/year) (Back-end process, CCL)	261,387.09	289,205.26
	3. Heavy oil used for the boiler steam process (GJ/year)	73,553.70	0.00
	4. Natural gas consumption (GJ/year)	687,206.50	745,885.58
	Total energy consumption (GJ/year) (1 + 2 + 3 + 4)	1,338,935.65	1,360,403.79
	Consolidated revenue (Unit：NT$1,000)	38,672,549	41,296,217
	Total energy consumption per unit sales (Total energy consumption [GJ/year]/Consolidated revenue [Unit：NT$1,000])	3.46%	3.29%
			⬇ 4.9%

4.1.1 Electricity Consumption Management

1. Elite Material Co., Ltd.- Guanyin Plants

Plant 1's front-end process is for the production of prepreg, and its back-end process is for the production of CCL; Plant 3 and Plant 2 solely execute the back-end process.

	Plant	Guanyin Plant					
		Plant 1 (front-end process + back-end process) and Plant 3 (back-end process)			Plant 2 (back-end process)		
	Year	2021	2022	2023	2021	2022	2023
Energy Consumption	Purchased electricity (1,000 kWh/year) (Front-end process, prepreg)	13,233.53	12,851.42	7,720.22	0.00	0.00	0.00
	Purchased electricity (1,000 kWh/year) (Back-end process: CCL)	11,847.27	11,505.18	10,470.08	3,489.90	3,263.70	3,284.30
	Heavy oil used for the boiler steam process (liter/year)	2,220,000.00	1,830,000.00	0.00	0.00	0.00	0.00
	Natural gas consumption (1,000 cubic meter/year)	2,576.90	2,768.79	2,818.22	347.16	317.04	319.45
Converted to GJ/year	Purchased electricity (GJ/year) (Front-end process, prepreg)	47,649.28	46,273.44	27,797.42	0.00	0.00	0.00
	Purchased electricity (GJ/year) (Back-end process: CCL)	42,657.85	41,426.10	37,698.57	12,565.90	11,751.43	11,825.45
	Heavy oil used for the boiler steam process (GJ/year)	89,229.08	73,553.70	0.00	0.00	0.00	0.00
	Natural gas consumption (GJ/year)	86,311.85	98,895.64	94,394.59	11,627.78	11,325.71	10,699.79
	Total energy consumption (GJ/year)	265,848.07	260,148.89	159,890.58	24,193.68	23,077.14	22,525.24

	Plant	Guanyin Plant					
		Plant 1 (front-end process + back-end process) and Plant 3 (back-end process)			Plant 2 (back-end process)		
	Year	2021	2022	2023	2021	2022	2023
Energy Intensity	Prepreg (PP) production (1,000 meters)-A	38,426.05	29,069.89	12,847.49	0.00	0.00	0.00
	CCL production (1,000 sheets)-B	3,968.21	3,342.23	2,220.32	1,097.96	994.53	1,010.75
	Electricity consumption per unit produced-A (Electricity usage [1,000 kWh]/production volume)	0.34	0.44	0.60	/	/	/
	Electricity consumption per unit produced-B (Electricity usage (1,000 kWh)/production volume)	2.99	3.44	4.72	3.18	3.28	3.25
	Electricity consumption per unit produced-A (Electricity usage (GJ)/production volume)	1.24	1.59	2.16	/	/	/
	Electricity consumption per unit produced-B (Electricity usage (GJ)/production volume)	10.75	12.39	16.98	11.44	11.82	11.70

2. Elite Material Co., Ltd. - Hsinchu Plant

Operations include front-end process (prepreg) and back-end process (CCL)

Plant		Hsinchu Plant (front-end process + back-end process)		
Year		2021	2022	2023
Energy Consumption	Purchased electricity (1,000 kWh/year) (Front-end process: prepreg)	6,836.00	6,990.00	7,553.00
	Purchased electricity (1,000 kWh/year) (Back-end process: CCL)	2,054.69	2,132.83	2,352.75
	Heavy oil used for the boiler steam process (liter/year)	0.00	0.00	0.00
	Natural gas consumption (1,000 cubic meter/year)	946.94	1,431.27	1,489.69
Converted to GJ/year	Purchased electricity (GJ/year) (Front-end process, prepreg)	24,614.03	25,168.53	27,195.33
	Purchased electricity (GJ/year) (Back-end process, CCL)	7,398.22	7,679.57	8,471.31
	Heavy oil used for the boiler steam process (GJ/year)	0.00	0.00	0.00
	Natural gas consumption (GJ/year)	31,717.22	47,939.57	49,896.27
	Total energy consumption (GJ/year)	63,729.47	80,787.67	85,562.92
Energy Intensity	Prepreg (PP) production (1,000 meters)-A	14,149.69	11,485.57	11,010.40
	CCL production (1,000 sheets)-B	1,408.15	1,246.01	1,492.51
	Electricity consumption per unit produced-A (Electricity consumption [1,000 kWh]/ production volume)	0.48	0.61	0.69
	Electricity consumption per unit produced-B (Electricity consumption [1,000 kWh]/production volume)	1.46	1.71	1.58
	Electricity consumption per unit produced-A (Electricity usage [GJ]/production volume)	1.74	2.19	2.47
	Electricity consumption per unit produced-B (Electricity usage [GJ]/production volume)	5.25	6.16	5.68

3. Statistics of Elite Material Co., Ltd. Taiwan Plants (1 + 2)

Plant		Total		
Year		2021	2022	2023
Energy Consumption	Purchased electricity (1,000 kWh/year) (Front-end process: prepreg)	20,069.53	19,841.42	15,273.22
	Purchased electricity (1,000 kWh/year) (Back-end process: CCL)	17,391.86	16,901.71	16,107.13
	Heavy oil used for the boiler steam process (liter/year)	2,220,000.00	1,830,000.00	0.00
	Natural gas consumption (1,000 cubic meter/year)	3,871.00	4,517.10	4,627.36
Converted to GJ/year	Purchased electricity (GJ/year) (Front-end process, prepreg)	72,263.31	71,441.97	54,992.76
	Purchased electricity (GJ/year) (Back-end process, CCL)	62,621.97	60,857.11	57,995.33
	Heavy oil used for the boiler steam process (GJ/year)	89,229.08	73,553.70	0.00
	Natural gas consumption (GJ/year)	129,656.86	158,160.91	154,990.65
	Total energy consumption (GJ/year)	353,771.22	364,013.69	267,978.73
Energy Intensity	Prepreg (PP) production (1,000 meters)-A	52,575.74	40,555.46	23,887.89
	CCL production (1,000 sheets)-B	6,474.32	5,582.77	4,723.58
	Electricity consumption per unit produced-A (Electricity consumption [1,000 kWh]/ production volume)	0.38	0.49	0.64
	Electricity consumption per unit produced-B (Electricity consumption [1,000 kWh]/production volume)	2.69	3.03	3.41
	Electricity consumption per unit produced-A (Electricity usage [GJ]/production volume)	1.88	2.46	2.30
	Electricity consumption per unit produced-B (Electricity usage [GJ]/production volume)	9.67	10.90	12.28

The adjustment to production lines in 2023 led to reductions in both production capacity and electricity consumption. However, due to the fixed base cost for air conditioning and the increased processing work at the Hsinchu Plant (with no increase in output), electricity consumption per unit produced increased. The Company will actively improve this situation based on various energy-saving indicators.

In 2023, the total electricity consumption by the Company's Taiwan plants was 31,380,350 kWh/year, showing a decrease of 14.6% compared with the 36,743,130 kWh/year consumed in 2022.

Specifically, electricity consumption at the Guanyin Plants decreased by 22.2%, whereas electricity consumption at the Hsinchu plant increased by 8.58% due to the increased processing work.

EMC did not purchase carbon offsets or Renewable Energy Certificates (RECs), nor did it adopt internal carbon pricing as a planning tool in 2023.

4. Elite Material Co., Ltd. Mainland China Plants

Plant		Elite Electronic Material (Kunshan)		Elite Electronic Material (Zhongshan)		Elite Electronic Material (Huangshi)	
Year		2022	2023	2022	2023	2022	2023
Energy Consumption	Purchased electricity (1,000 kWh/year) (Front-end process：prepreg)	23,258.51	28,742.82	23,896.00	23680.91	20,985.00	22,656.65
	Purchased electricity (1,000 kWh/year) (Back-end process: CCL)	18,771.75	24,742.82	20,281.00	19971.16	16,640.00	19,503.63
	Heavy oil used for the boiler steam process (liter/year)	-	-	-	-	-	-
	Natural gas consumption (1,000 cubic meter/year)	6,168.12	7829.75	4,621.93	4434.83	5,005.00	5,277.01
Converted to GJ/year	Purchased electricity (GJ/year) (Front-end process, prepreg)	83,745.71	103,491.39	86,041.08	85251.28	75,559.60	81,577.52
	Purchased electricity (GJ/year) (Back-end process, CCL)	67,590.46	89,088.99	73,024.74	71896.18	59,914.78	70,224.76
	Heavy oil used for the boiler steam process (GJ/year)	-	-	-	-	-	-
	Natural gas consumption (GJ/year)	206,597.47	265,602.22	154,808.64	148542.19	167,639.47	176,750.53
	Total energy consumption (GJ/year)	357,933.64	458,182.60	313,874.46	305689.65	303,113.85	328,552.81
	Prepreg (PP) production (1,000 meters)-A	52,736.48	59,303.971	36,726.74	29952.8	47,131.77	54,937.54
	CCL production (1,000 sheets)-B	14,546.13	13640.60	8,412.21	7773.00	7,293.28	7,655.30
	Electricity consumption per unit produced-A (Electricity consumption [1,000 kWh]/production volume)	0.44	0.48	0.65	0.79	0.45	0.41
	Electricity consumption per unit produced-B (Electricity consumption [1,000 kWh]/production volume)	1.29	1.81	2.41	2.57	2.28	2.55
	Electricity consumption per unit produced-A (Electricity usage [GJ]/production)	1.59	1.75	2.34	2.85	1.60	1.49
	Electricity consumption per unit produced-B (Electricity usage [GJ]/production)	4.65	6.53	8.68	9.25	8.22	9.17

4.1.2 Oil Consumption (Heavy Oil) Management

Heavy oil is mainly used in boilers' heating process for the generation of water vapor. The Company's plants utilize fire tube steam boilers. To ensure that the boilers can smoothly supply the steam needed for production lines, relevant management measures have been stipulated and regular equipment maintenance is implemented. The Company has established the Operation Record Chart and Self-inspection Checklist to help the Maintenance Department easily track equipment status. Moreover, the Boiler Association conducts regular inspections every year, and boiler operations are permissible only after approval is obtained. Out of consideration for increasingly rigorous environmental pollution standards, emission standards, and sustainable business operations, the Company developed a step-by-step plan to replace oil boilers with natural gas boilers, and in 2023, the use of heavy oil decreased to zero. The heavy oil consumption data for the past 3 years is disclosed as follows：

Plant	Guanyin Plants		
	Plant 1 (front-end process + back-end process) and Plant 3 (back-end process)		
Year	2021	2022	2023
Heavy oil used for the boiler steam process (liter/year)	2,220,000.00	1,830,000.00	0
Heavy oil used for the boiler steam process (GJ/year)	89,229.08	73,553.70	0

4.1.3 Natural Gas Management

Out of consideration for increasingly rigorous environmental pollution standards, emission standards, and sustainable business operations, the Company developed a step-by-step plan to replace oil boilers with natural gas boilers. The Company's natural gas consumption for 2021–2023 is as follows：

1. Elite Material Co., Ltd.- Guanyin Plants

	Plant 1 (front-end process + back-end process) and Plant 3 (back-end process)			Plant 2 (back-end process)		
Plant	2021	2022	2023	2021	2022	2023
Natural gas consumption (1,000 cubic meter/year)	2,576.90	2,768.79	2,818.22	347.16	317.04	319.45
Natural gas consumption (GJ/year)	86,311.85	98,895.64	94,394.59	11,627.78	11,325.71	10,699.79

2. Elite Material Co., Ltd.- Hsinchu Plant (Plant 4)

Plant	Hsinchu Plant (front-end process + back-end process)		
Year	2021	2022	2023
Natural gas consumption (1,000 cubic meter/year)	946.94	1,431.27	1,489.69
Natural gas consumption (GJ/year)	31,717.22	47,939.57	49,896.27

3. Elite Material Co., Ltd. - Mainland China plants

Plant	Elite Electronic Material (Kunshan)		Elite Electronic Material (Zhongshan)		Elite Electronic Material (Huangshi)	
Year	2022	2023	2022	2023	2022	2023
Natural gas consumption (1,000 cubic meter/year)	6168.12	7,829.75	4621.93	4,434.83	5005.00	5,277.01
Natural gas consumption (GJ/year)	206,597.47	265,602.22	154,808.64	148,542.19	167,639.47	176,750.53

4.1.5 Water Management

100% of the water used at EMC's Guanyin Plants and Hsinchu Plant comes from the municipal water supply (tap water). The water is mainly used for employees' daily needs and the plants' peripheral equipment and cleaning machinery, particularly the air conditioning facilities (accounting for 70% of water consumption). Wastewater and sewage are discharged via legal pipelines to sewage treatment plants in Guanyin Industrial Park (Guanyin Plants) and Hukou Industrial Park (Hsinchu Plant) for treatment. EMC believes that water is one of the earth's precious resources, and the task of reducing water consumption and improving water use efficiency is of the utmost importance. In order to implement water resource management, EMC has taken various measures for water conservation; for example, building an air conditioning water quality control system and evaluating the monitoring results of air conditioning water quality. With respect to the water used for employees' daily needs, the Company endeavors to raise awareness of water conservation among employees and has taken measures such as the use of water-efficiency devices to reduce water consumption and protect the environment. The total water withdrawal by the Taiwan plants in 2023 was reduced by 40% compared with 2022.

1. The statistics of water withdrawal and intensity of the Taiwan plants (Guanyin Plants and Hsinchu Plant) are as follows：

	2021	2022	2023
1. Water withdrawal (cubic meter/year or m³/year)	101,897	92,126	69,271
2. 2023 Annual Revenue (the parent company only financial reports; Unit: NT$1,000)	9,189,94	9,202,70	10,663,80
3. 3. Total water withdrawal intensity (Water consumption/total revenue [Unit: NT$1,000])	0.01	0.01	0.01
4. Total water withdrawal reduction		⬇ 9.1%	⬇ 40%

2. The statistics of water withdrawal and consumption of the plants in Taiwan and Mainland China

Plant	Guanyin Plants	Hsinchu Plant	Elite Electronic Material (Kunshan)	Elite Electronic Material (Zhongshan)	Elite Electronic Material (Huangshi)	Total
Municipal water withdrawal (m³/year)	55,289.00	13,892.00	252,970.00	199,443.00	Plant 129,565.00 Dormitory24,910.00	676,069.00
Total water withdrawal (m³/year)	55,289.00	13,892.00	252,970.00	199,443.00	154,475.00	676,069.00
Total water discharge (m³/year)	44,231.20	11,113.60	54049.20	30,000.00	49,532.40	188,926.40
Water consumption(m³/year)	11,057.80	2,778.40	198,920.80	169,443.00	104,943.00	487,143.00

The wastewater and sewage produced by each plant are discharged into the management center sewage treatment plant and the municipal sewage treatment plant for subsequent handling.

The Company has adopted 2022 as the base year for the establishment of baseline data, and the total water withdrawal intensity as an indicator for the planning of reduction goals.

	2022	2023
Total water withdrawal (m3/year)	592,489.00	676,069.00
Annual consolidated revenue (Unit: NT$1,000)	38,672,549.00	41,296,217.00
Total water withdrawal intensity (water consumption/total revenue)	1.53%	1.64%
	Compared to the previous year ⬆ 6.41%	

4.2 Climate Change and Greenhouse Gas Management

4.2.1 Risks and Opportunities of Climate Change

The Intergovernmental Panel on Climate Change (IPCC) has cited overwhelming scientific evidence in its published assessment reports to prove that climate change has become an unalterable reality. The most representative evidence is that the global average temperature has increased over the past 150 years (from the 1860s until the 2000s), and the rate of temperature increase is accelerating; furthermore, surveys show that the global average sea level has risen due to melting glaciers. EMC realizes that it is impossible to ignore the issue of climate change. In terms of products, the Company has achieved the production of halogen-free copper-clad laminate, and the Company spares no effort in developing countermeasures for the climate change issues faced by its plants.

The management actions taken by EMC in response to climate change are shown in the table below：

Item	Company's management actions	Content	Actions taken in 2023
Governance	Board supervision	The Board of Directors is the highest governance body on climate issues, and is responsible for supervising and deciding on relevant affairs. The Corporate Social Responsibility Committee regularly reports to the Board of Directors on the implementation progress of tasks related to climate change issues.	The ESG Committee regularly reports to the Chairman of the Board of Directors on EMC's core climate risks and response strategies. The Committee also reports to the Board of Directors at least once a year on CSR implementation status for climate-change-related issues to ensure that the Board understands the Company's climate-related risks and can decide on relevant management policies and supervise the policies' implementation.
	Managerial personnel's roles and responsibilities	The Corporate Social Responsibility Committee is chaired by the Chairman of the Board of Directors (serving as the committee minister). Four working groups have been established under the Committee, which are the Corporate Governance/Economic Group, the Supply Chain/Green Product Group, the Employee Care/Social Participation Group, and the Sustainable Environment Group. The groups are formed by heads of relevant units/ departments or their representatives.	Climate change is a broad issue; therefore, EMC strives to fully understand the operational and developmental impacts of climate-related risks on the Company, as well as the potential opportunities. Guided by the TCFD framework, EMC facilitates interdepartmental discussions and communication to complete at least one assessment of operational impact and related likelihood each year, thereby identifying material risks and opportunities and enabling the Company to develop mitigation or adaptation strategies.

Item	Company's management actions	Content	Actions taken in 2023
Strategy	Identification of short-, medium-, and long-term risks and opportunities	The Company has introduced climate-related risk and opportunity identification and conducted comprehensive inventories and assessments of the short-, medium-, and long-term impacts of these risks and opportunities on the Group's operations, following existing internal goals to manage the schedules. By definition, short-term is less than 3 years, medium-term is 3–5 years, and long-term is more than 5 years.	The increased operating costs arising from climate change have prompted the Company to adopt cost-reduction methods. For example, by conducting inventories of various procurement costs, items with high unit prices or large purchase volumes can be identified and substitute items or substitute vendors can be considered. For items that cannot be replaced, long-term contracts are adopted to facilitate price reduction. As for GHG reduction, the Company has implemented strategies to reduce indirect GHG emissions, such as electricity saving and the use of clean energy (e.g., replacing heavy oil with natural gas).

On the basis of the inventory conducted by the ESG Committee, the Company's climate change-related risks and opportunities are as follows：

Type	Climate Change Issues	Potential Impacts	Possible impacts on the company's business operation and development	Countermeasures taken in 2023
Risks	Natural disasters (e.g., typhoons, earthquakes, and floods)	Increased operating costs Increased incidence of occupational accidents Increased incidence of environmental pollution Increased anomaly rate of machinery / equipment	The occurrence of natural disasters may damage machinery/equipment or public facilities or increase the Company's operating costs.	Formulated requirements for initiating emergency response measures and corresponding practices, and assisted in adjusting the procedures and documentation corresponding to various natural disasters that are likely to occur in the specific vicinity of the enterprise, which will be used as a reference during the occurrence of a natural disaster.
Risks	Greenhouse Gas Emissions	Increased operating costs Increased incidence of environmental pollution	A carbon tax may be imposed by the government in the future in accordance with the Paris Agreement, which will result in higher operating costs.	Conducted a greenhouse gas inventory, quantified the results in accordance with ISO 14064-1：2018 standards, and set emission reduction targets based on the results.
Risks	Abnormal temperature and air pressure changes	Increased operating costs Increased incidence of environmental pollution Increased anomaly rate of machinery/equipment	Abnormal temperature and air pressure changes may cause equipment overload, requiring the installation of additional air conditioning systems, which will increase electricity consumption.	Conducted energy diagnostics and replaced outmoded energy-consuming machines with energy-efficient models.
Opportunities	Customers' regular inspections and require-ments	Decreased incidence of occupational accidents Decreased incidence of environmental pollution Decreased anomaly rate of machinery/equipment	By cooperating with external regular audits and requirements the Company can optimize various equipment and facilities in the plants to reduce occupational accidents, environmental pollution, and the anomaly rate of machinery/equipment.	Managed business operations in accordance with ISO 45001:2018 Occupational Health and Safety Management Systems and made improvements based on the results of internal and external audits.
Opportunities	Participa-tion in energy-sav-ing and waste-re-duction projects and the stipula-tion of related objectives	Decreased operating costs Decreased incidence of environmental pollution	Plants will formulate internal waste reduction plans on a yearly basis to reduce waste generation, waste removal costs, and environmental pollution.	Set environmental goals in accordance with ISO 14001:2015 Environmental Management Systems on a regular basis.
Opportunities	Announce-ment and enforcement of new environmen-tal regula-tions	Decreased incidence of environmental pollution Decreased anomaly rate of machinery/equipment	The Company will comply with and implement new regulations announced by the government, make possible improvements to equipment, and adjust plants' operation methods to reduce the incidence of environmental pollution.	Evaluated EMC's legal compliance regularly, rectified non-compliance, and proposed preventive measures.

Type	Climate Change Issues	Potential Impacts	Possible impacts on the company's business operation and development	Countermeasures taken in 2023
Opportunities	Development of green products (halogen-free CCL)	Increased revenue Decreased incidence of environmental pollution	By continuing to develop green products in response to future global environmental protection trends, the Company can enhance products' competitiveness and reduce the environmental pollution caused by the products.	Developed new green products with high performance and low pollution levels; improved the low-carbon formula by switching to bio-based epoxy resins.
	High-efficiency plants and equipment	Increased revenue Decreased incidence of occupational accidents Decreased incidence of environmental pollution Decreased anomaly incidence of machinery/equipment	The Company will regularly improve plant equipment to increase product yield and revenue. The re-assessed equipment can also enhance the safety of the operating environment and reduce the incidence of occupational accidents.	Established occupational safety and health goals and plans, based on which the equipment was improved to address unacceptable risks.

4.2.2 Greenhouse Gas Management

MC follows ISO 14061-1: 2018 standards to conduct its GHG emissions inventory. The inventory process and results allow the Company to understand each plant's emission status and propose feasible solutions for GHG reduction. In order to enhance the credibility of the information and the report and improve the quality of the GHG inventory, after the inventory is completed, an impartial third-party inspection agency is appointed to perform external assurance in accordance with set standards. This helps the Company to establish complete inventory procedures and improve data quality.

The Company's GHG emissions have been calculated by means of the operational control method. The GWP values stated in the IPCC Sixth Assessment Report (2021) were adopted for the calculation. In order to effectively grasp the amount of GHG emissions, Greenhouse Gas Emission Intensity (metric tons CO2e/total consolidated revenue [NT$1,000]) is used as an indicator for GHG management. The Company has adopted 2022 as the base year for the year-on-year disclosure of GHG emissions reduction.

Elite Electronic Material (Kunshan) was expanded in 2023, resulting in an increase its GHG emissions. As a result, the overall GHG emissions intensity increased by 4.27% in 2023 compared with 2022. The Company will actively make improvements to achieve its emission reduction goals, including equipment maintenance and optimization of high-energy-consumption areas of the plants.

1. Category 1 and Category 2 GHG emissions of the Mainland China plants：

Plant	Elite Electronic Material (Kunshan)		Elite Electronic Material (Zhongshan)		Elite Electronic Material (Huangshi)	
Year	2022	2023	2022	2023	2022	2023
Category 1 (metric tons CO_2e/year)	14,305.00	29,796.94	13,789.12	12,805.40	15,635.25	12,163.22
CO_2 (metric tons CO_2e/year)	13,592.00	27,631.58	12,897.73	12,461.37	11,633.70	11,550.90
CH_4 (metric tons CO_2e/year)	88.00	99.66	101.57	103.59	80.79	80.20
N_2O (metric tons CO_2e/year)	12.00	13.72	7.04	7.29	8.11	8.93
HFCs (metric tons CO_2e/year)	613.00	2051.97	782.78	233.15	3,912.64	523.19
PFCs (metric tons CO_2e/year)	0.00	0.00	0.00	0.00	0.00	0.00
SF_6 (metric tons CO_2e/year)	0.00	0.00	0.00	0.00	0.00	0.00
NF_3 (metric tons CO_2e/year)	0.00	0.00	0.00	0.00	0.00	0.00
Category 2 (metric tons CO_2e/year)	26,463.24	33,856.94	25,641.22	24,895.03	21,581.63	24,044.11
Category 1 + Category 2 (metric tons CO_2e/year)	40,768.24	63,653.87	39,430.34	37,700.43	37,216.88	36,207.33

2. Category 1 and Category 2 GHG emissions of the Taiwan plants：

Plant	Guanyin Plants		Hsinchu Plant		Total 1 + 2 Plants in Mainland China + Taiwan	
Year	2022	2023	2022	2023	2022	2023
Category 1 (metric tons CO_2e/year)	12,398.66	8,907.55	2,868.19	6,729.71	58,996.22	70,402.82
CO_2 (metric tons CO_2e/year)	11,920.44	8,429.65	2,713.94	6,558.01	52,757.81	66,631.51
CH_4 (metric tons CO_2e/year)	72.53	83.24	38.45	41.02	381.34	407.71
N_2O (metric tons CO_2e/year)	15.29	3.33	1.34	1.56	43.77	34.83
HFCs (metric tons CO_2e/year)	390.41	391.33	114.46	129.12	5,813.29	3,328.76
PFCs (metric tons CO_2e/year)	0.00	0.00	0.00	0.00	0.00	0.00
SF_6 (metric tons CO_2e/year)	0.00	0.00	0.00	0.00	0.00	0.00
NF_3 (metric tons CO_2e/year)	0.00	0.00	0.00	0.00	0.00	0.00
Category 2 (metric tons CO_2e/year)	14,058.73	10,608.45	10,213.39	9,475.12	97,958.22	102,879.65
Category 1 + Category 2 (metric tons CO_2e/year)	26,457.40	19,516.00	13,081.58	16,204.83	156,954.44	173,282.46
Total consolidated revenue (Unit：NT$ thousands)					38,672,55	41,296,22
Category 1 + Category 2 Total greenhouse gas emission intensity (metric tons CO2e/Total consolidated revenue)					0.40%	0.42%
					與前一年比較 ⬆ 4.26%	

3. Categories 3–6 Other indirect GHG emissions of the three Mainland China plants Unit：(metric tons CO_2e/year)

Plant	Elite Electronic Material (Kunshan)		Elite Electronic Material (Zhongshan)		Elite Electronic Material (Huangshi)	
Year	2022	2023	2022	2023	2022	2023
Category 3：Indirect greenhouse gas emissions from upstream transportation	-	5,225.88	1,407.11	1,210.93	3,178.82	3,607.24
3-1 Upstream raw material transportation and distribution (4) Note 1	-	1,323.19	798.34	677.49	1,802.05	2,069.16
3-2 Business trips (6)	-	320.04	198.37	43.29	6.96	5.96
3-3 Employees' commutes (7)	-	353.73	6.96	140.36	82.51	75.27
3-4 Downstream transportation and distribution (9)	-	3,228.92	403.45	349.80	1,287.30	1,456.85
Category 4: Indirect greenhouse gas emissions from products used by the organization	2490.59	147,158.05	58,454.98	45,087.37	121,227.03	100,460.45
4-1 Procurement of goods and services (1)	-	146,730.31	53,793.99	44,931.18	85,332.74	100,404.78
4-2 Capital goods (2)	-	0	168.96	0.00	32,130.78	0.00
4-3 Fuel- and energy-related activities (3)	386.25	114.79	4,378.55	75.16	3,717.99	48.44
4-4 Waste generated in operations (5)	2,104.34	312.96	113.49	81.03	45.52	7.23

4. Categories 3–6 Other indirect GHG emissions of the Taiwan plants (Unit: metric tons CO_2e/year)

Plant	Guanyin Plants		Hsinchu Plant		Total (3 + 4)	
Year	2022	2023	2022	2023	2022	2023
Category 3：Indirect greenhouse gas emissions from upstream transportation	946.35	1,267.74	185.49	141.88	5,717.76	11,453.67
3-1 Upstream raw material transportation and distribution (4) Note 1	250.55	421.16	29.18	10.97	2,880.12	4,501.97
3-2 Business trips (6)	121.80	331.43	-	-	327.13	700.72
3-3 Employees' commutes (7)	574.00	515.15	156.31	130.91	819.77	1,215.42
3-4 Downstream transportation and distribution (9)	-	-	-	-	1,690.75	5,011.78
Category 4：Indirect greenhouse gas emissions from products used by the organization	4,480.38	4,054.17	2,604.52	3,030.09	186,766.91	299,790.13
4-1 Procurement of goods and services (1)	-	-	-	-	139,126.73	292,066.27
4-2 Capital goods (2)	-	-	-	-	32,299.74	0.00
4-3 Fuel- and energy-related activities (3)	4,190.70	3,728.97	2,514.98	2,750.04	14,802.21	6,717.41
4-4 Waste generated in operations (5)	289.68	325.20	89.54	280.04	538.23	1,006.46
4-5 Upstream leased assets (8)	-	-	-	-	-	-
Category 5：Indirect greenhouse gas emissions from the use of products associated with the organization	(Not yet quantified)					
Category 6：Other indirect emissions	(Not yet quantified)					

4.2.3 Countermeasures against Climate Change (Energy efficiency improvement measures taken in plant areas)

Climate change is an issue that must be collectively faced by the entire world, and EMC has devoted its full effort to addressing this matter. All departments cooperate with plant maintenance units to maintain and improve the equipment used in high-energy-consumption areas of the plants, based on the results of the annual GHG inventory.

The Company's plants always pay attention to the impacts of their production and operation activities on climate change, and they have formulated strategies and goals for energy conservation, carbon reduction, and GHG reduction. In 2023, each plant once again implemented energy saving and carbon reduction improvement measures. On the basis of the efficiency statistics, the successful improvement measures included replacing the fuel oil used in plants' air pollution prevention equipment with low-carbon natural gas, upgrading the motors of air conditioning facility water pumps to energy-efficient models, and adding temperature controllers to air conditioning water pumps in accordance with ITRI's energy saving suggestions. Through these measures, electricity consumption was reduced and energy efficiency enhanced.

Energy saving and carbon reduction measures taken by Elite Material Co., Ltd. plants in 2023

1. Taiwan Plants

Item	Energy saving measures and practices	Power-saving amount
1	Added a temperature variable-frequency controller to the water chiller Added a variable-frequency drive to run the water chiller motor at 40–60 Hz.	1973 kW (before improvement) -1243 kW (after improvement) * 240 days = 175,200 kW
2	Improved the cooling system's water quality The cooling system was improved by using soft water to reduce scale formation and maintain heat exchange efficiency.	9,600 RT (daily air conditioning load) * 0.03 * 365 days * 0.7 kW/RT = 73,584 kW
3	Replaced the fan blades of the cooling tower with energy-efficient ones The common fan blades of the cooling tower have been replaced with energy-efficient thick-winged fan blades, which will help reduce power consumption under the same air flow rate.	192.24 (before improvement) – 144 kW (after improvement) * 225 days = 10,854 kW
4	Switched to natural gas for the thermal oxidizer (TO) Heavy oil was originally used as the fuel, but it has been replaced with natural gas, which will reduce carbon emissions by 30% at the same heat value.	1. 1,063,349 cubic meters of natural gas were used in the previous year, 2.15 KG/M3 2. Heavy oil：2.98 kg/L (carbon emissions) 3. Carbon emissions reduction after switching to natural gas：685,860kg
Estimated carbon emissions reduction from electricity saving = Electricity-saving amount x Electricity emission factor (0.495 metric tons of CO2e / 1,000 kWh) (As announced in the 2022 Taiwan Power Company Report)		814.3803 metric tons of CO_2e

2. Mainland China Plants

Item	Energy saving measures and practices	Power-saving amount
Elite Electronic Material (Zhongshan)		
1	1#Switched to energy-efficient frequency converters 1#Replaced outmoded frequency converters with energy-efficient ones	496.8 KW (before improvement) -390.72 KW (after improvement) * 365 days = 38,719 KW
2	Added a variable-frequency drive to the cooling water pump for energy efficiency A variable-frequency drive has been added to run the cooling tower motor at 33 Hz during the winter.	2221 KW (before improvement) – 494 KW (after improvement) * 120 days = 20,7240 KW
3	Switched to highly energy-efficient lighting The standard 16 W LED tubes have been replaced with 8 W high efficiency LED tubes.	1021.44 KW (before improvement)-510.72 KW (after improvement) * 365 days = 186,413 KW
4	Installed a solar photovoltaic system for electricity generation A solar photovoltaic system has been installed for electricity generation.	1424.66 KW * 365 days = 520,000 KW
Estimated carbon emissions reduction from electricity saving = Electricity - saving amount x Electricity emission factor		423.8100 metric tons of CO_2e
Elite Electronic Material (Kunshan)		
1	Relocated and upgraded You-bi Plant's gluing machine Relocated the DEFG gluing machine for energy efficiency improvement 1. All circulating fans have been replaced and upgraded to motors meeting GB2 efficiency (28 units) 2. All process cooling water systems have been replaced, heat exchangers have been upgraded to improve heat exchange efficiency, and water pump motors have been replaced with those meeting GB2 efficiency (14 units).	(Energy savings from fan upgrade) 84,137 kW + (Energy savings from water pump upgrade) 31,320 kW = 115,457 kW/year
2	DC fan filter units (FFUs) The AC FFUs, originally used for the PRF combined/stacked clean room, have been replaced with DC FFUs, reducing the power consumption per machine from 120 W to 60 W at the same wind speed.	120 W (before improvement) – 60 W (after improvement) * 24 H/day * 365 days * 122 units = 64,123kWH
3	Air-handling units The four 10P cabinet air conditioners units in the high- and low-voltage distribution room have been replaced with central air condition.	42.4 KW (before improvement) – 21 KW (after improvement) * 24 H/day * 180 days = 92,448 kWH
4	EC and DC fans The AC fans of the PR/EF combination air-handling unit have been replaced with EC and DC fans.	19 KW (before improvement) – 7 KW (after improvement) * 24 H/day * 365 days = 105,120 kWH

Item	Energy saving measures and practices	Power-saving amount
Elite Electronic Material (Kunshan)		
5	Oil-free air compressor The screw air compressors have been replaced with oil-free water-cooled air compressors	275.84 (before improvement) – 250 kW (after improvement) * 24 H/day * 365 days = 226,358 kWH
6	Installed soft water equipment for Jinmao Plant The air compressor cooling system has been improved to reduce pipe scaling and corrosion, thus increasing heat exchanger efficiency.	A 6% reduction in energy consumption from water chillers, calculated over 100 days (high-load working conditions per year) with 4 water chillers running: 629 kW * 80% * 6% = 30 kW/H/unit 30 kW/H * 4 * 24 H * 100 days = 288,000 kWH
7	Reduced the exhaust air volume at the bottom of front-end gluing machines The exhaust air volume at the bottom of five gluing machines in Jinmao Plant 2 has been reduced by about 20% compared with the original volume, which saves both electricity and natural gas.	Electricity savings：13,000 kWH/year Natural gas savings：66,000 NM3/year
8	Reduced the operation frequency of the air-handling unit in the glue mixing zone The frequency of the air-handling unit in the glue mixing zone of Jinmao Plant 2 has been adjusted from 30 Hz to 24 Hz, which will save 150,000 kWH electricity per year.	150,000 kWH/year
9	Energy management system at Jinmao Plant 1 and Plant 2 The consumption of water, electricity, gas, air compressor, etc. have been included in the energy management system for online real-time monitoring and management, which will save 210,000 kWH electricity per year.	210,000 kWH/year
Estimated carbon emissions reduction from electricity saving = Electricity-saving amount x Electricity emission factor (China Regional Power Grids [Jiangsu] Carbon Dioxide Emission Factors 2023)		878.8317 metric tons of CO_2e

Item	Energy saving measures and practices	Power-saving amount
Elite Electronic Material (Huangshi)		
1	Added temperature controls to water chiller vacuum pumps at Huangshi Plant 1 Two-way electromotion valves have been installed on the water chiller's return piping of the PRA/B line vacuum pumps to set the return water temperature for automatic valve opening control.	78.1 KW * 12 H * 215 days * 0.8 factor * 20% = 32,240 KW
2	Replenished the cooling water with soft water at Huangshi Plant 1 The cooling system has been improved by using soft water to reduce scale formation and maintain heat exchange efficiency.	(267 KW * 59 days * 24 H + 395 * 122 days * 24 H + 629 * 62 days * 24 H + 629 * 122 days * 24 H * 2 units) * average output 70% * Energy savings from small temperature difference 6% = 258,468kW / year The system has been in use for less than 1 year, saving 242,500 kW in 2023 based on the calculation formula.
3	Switched the production site's light tubes to highly energy-efficient LED tubes The standard 16 W LED tubes have been replaced with 8 W high efficiency LED tubes.	0.008 KW * 24 H * 625 units * 200 days = 24,000 KW
Estimated carbon emissions reduction from electricity saving = Electricity-saving amount x Electricity emission factor (China Regional Power Grids (Hubei) Carbon Dioxide Emission Factors 2023)		94.4018 metric tons of CO_2e

4.3 Management of Pollution Sources

Material Issue	Air Pollution Control, Waste Management	
GRI Topic Standard	GRI 305-7 Nitrogen oxides (NOx), sulfur oxides (SOx), and other significant air emissions GRI 306-1 Waste generation and significant waste-related impacts GRI 306-2 Management of significant waste-related impacts GRI 306-3 Waste generated GRI 306-4 Waste diverted from disposal GRI 306-5 Waste directed to disposal	
Policy commitment	Use natural gas as a transitional fuel to shift from high-carbon energy to low-carbon energy sources in response to global carbon reduction trends.	
Sustainability Indicator	2023 Evaluation Mechanisms and Performance	Medium- and Long-term Goals
Air pollution emissions	A reduction of 18% at the Taiwan plants compared with 2022.	A reduction to 30% by 2030 as compared with the base year of 2022.
Waste recycling rate	The waste recycling rate in 2023 increased by 6.7% compared with 2022.	A 10% increase by 2030 as compared with the base year of 2022.
Total waste intensity	The total waste intensity in 2023 decreased by 31.58% compared with 2022.	A reduction to 50% by 2030 as compared with the base year of 2022.

4.3.1 Air Pollution Control GRI 305-7

EMC has taken measures to control and manage the air pollution issues arising from its production, services, and activities and follows regulatory requirements to carry out improvements. In 2019, EMC's Guanyin Plants changed the fuel used for the A012 and A016 exhaust gas incinerators from heavy oil to natural gas; in 2022, the fuel used for the A003 exhaust gas incinerator was changed from heavy oil to natural gas, which raised the VOC destruction and removal efficiency (DRE) to 95% or higher, and thus reduced VOC emissions. The 2022 NOx emissions increased slightly due to changes in product order patterns. As Plant 2's VOC emissions did not reach the threshold for mandatory control and monitoring prior to 2021, no declaration was filed. The Company voluntarily began to file the declaration in 2022, which resulted in an increase in VOC emissions at Plant 2.

In 2022, air pollution emissions (NOx [nitrogen oxides] + SOx [sulfur oxides] + VOCs [volatile organic compounds] + PM [particulate matter]) from the Taiwan plants were reduced by 23% compared with 2021. In 2023, the overall emissions were reduced by 18% compared with 2022. Relevant statistics are listed in the table below：

1. Air pollution emissions management of Elite Material Co., Ltd. (Guanyin Plants + Hsinchu Plant)

Plant	Plants in Taiwan		
Pollutant emission unit (kg)	2021	2022	2023
NOx (Nitrogen oxides)	24,836.66	26,390.91	15,922.76
SOx (Sulfur oxides)	31,493.72	39,317.45	22,981.11
VOCs (Volatile Organic Compounds)	720,152.01	533,974.86	45,1134.10
PM (Particulate matter)	3,334.32	3,265.44	1,204.71
Total (kg)	**779,806.72**	**602,948.62**	**491,242.68**
Compared to the previous year	+0.9%	-23%	-18%

1.1 Elite Material Co., Ltd.- Guanyin Plants (Plant 1 and Plant 3 - M01- share the same control code and are evaluated at the same time, therefore the statistics are combined)

Pollutants (kg)	2021	2022	2023
NOx (Nitrogen oxides)	19,122.95	19,656.81	9,162.36
SOx (Sulfur oxides)	16,998.36	21,489.84	5,616.00
VOCs (Volatile Organic Compounds)	430,640.68	346,156.20	297,240.11
PM (Particulate matter)	2,666.98	2,596.29	568.50
Total (kg)	**469,428.97**	**389,899.10**	**312,586.97**

1.2. Elite Material Co., Ltd.- Guanyin Plants (Plant2 - M02)

Pollutants (kg)	2021	2022	2023
NOx (Nitrogen oxides)	506.98	507.88	483.43
SOx (Sulfur oxides)	0.00	0.00	0.00
VOCs (Volatile Organic Compounds)	0.00	9.28	13.35
PM (Particulate matter)	20.85	27.54	26.19
Total (kg)	**527.84**	**544.70**	**522.97**

1.3. Elite Material Co., Ltd.- Hsinchu Plant

Pollutants (kg)	2021	2022	2023
NOx (Nitrogen oxides)	5,206.73	6,226.22	6,276.97
SOx (Sulfur oxides)	14,495.36	17,827.61	17,365.11
VOCs (Volatile Organic Compounds)	289,501.33	187,809.38	153,880.64
PM (Particulate matter)	646.49	641.61	610.02
Total (kg)	**309,849.91**	**212,504.82**	**178,132.74**

2. The pollutant emissions from EMC's plants in Taiwan and Mainland China are listed in the table below：

2.1 Statistics on pollutant emissions from Mainland China plants：

Plant / Pollutant	Elite Electronic Material (Kunshan)		Elite Electronic Material (Zhongshan)		Elite Electronic Material (Huangshi)	
	2022	2023	2022	2023	2022	2023
NOx (Nitrogen oxides)	22,082.00	10,140.10	2988.00	91,056.20	10885.21	18,135.30
SOx (Sulfur oxides)	7,036.00	4,825.20	Not detected	138.00	392.12	1,876.10
VOCs(Volatile Organic Compounds)	17,348.00	14,261.86	8625.60	44,118.80	3964.43	2,606.80
PM(Particulate matter)	759.00	1148.54	707.26	4,796.75	1167.22	3,787.80
Total (kg)	**47,225.00**	**30,375.70**	**12320.86**	**140,109.75**	**16,408.98**	**26,406.00**

Source of data for Guanyin Plants and Hsinchu Plant: EPA Air Pollution Control Fee Reporting System;
Source of data for Kunshan Plant, Zhongshan Plant, and Huangshi Plant: Annual Report on Pollutant Emission Permit Implementation

2.2 Statistics on pollutant emissions of Taiwan plants：

Plant / Pollutant	Guanyin Plant		Hsinchu Plant		Total	
	2022	2023	2022	2023	2022	2023
NOx (Nitrogen oxides)	20,164.69	9,645.79	6226.22	6,276.97	62,346.12	135,254.36
SOx (Sulfur oxides)	21,489.84	5,616.00	17827.61	17,365.11	46,745.57	29,820.41
VOCs(Volatile Organic Compounds)	346,165.48	297,253.46	187809.38	153,880.64	563,912.89	512,121.56
PM(Particulate matter)	2,623.83	594.69	641.61	610.02	5,898.92	10,937.80
Total (kg)	**390,443.80**	**313,109.94**	**212504.82**	**178,132.70**	**678,903.50**	**688,134.13**
						↑ 1.34%

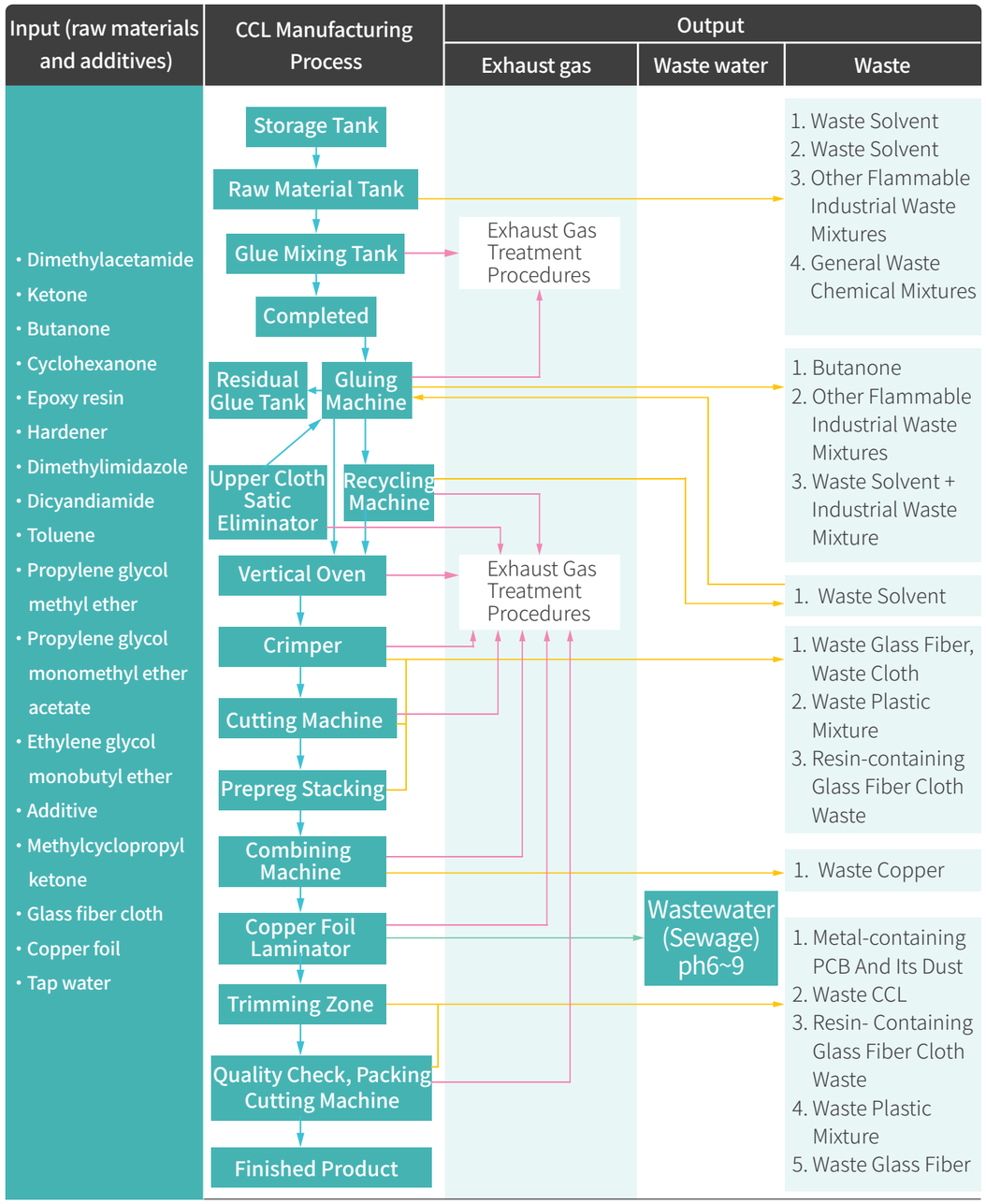
Source of data for Guanyin Plants and Hsinchu Plant: EPA Air Pollution Control Fee Reporting System

Calculation explanation (Guanyin Plants and Hsinchu Plant)

1. Calculation of NOx (Nitrogen oxides): Materials consumption * Emission factor (published by the Environmental Protection Administration)
2. Calculation of SOx (Sulfur oxides): Materials consumption * Emission factor (published by the Environmental Protection Administration) * Percentage of sulfur contained in materials
3. Calculation of VOCs (Volatile Organic Compounds): Σ Process Emissions (Materials consumption * Emission factor [published by the Environmental Protection Administration])
4. Calculation of PM (Particulate matter): Σ Process Emissions (Materials consumption * Emission factor [published by the Environmental Protection Administration])

4.3.2 Waste Management GRI 306-1, GRI 306-2, GRI 306-3, GRI 306-4, GRI 306-5

EMC's industrial waste includes general industrial waste and hazardous industrial waste. The management strategies for the waste generated from production processes focus on legal removal and disposal and waste reduction and reuse. All waste from the plants must be cleared, transported, and disposed of by government-approved waste removal/disposal service providers in accordance with laws and regulations. Waste that can be recycled and reused should be categorized and then disposed of by contracted service providers according to the category.



The Company's contracted waste removal and disposal service providers were not involved in any legal or contractual violations in 2023. There were no incidents related to chemical, oil, or fuel leakage. EMC is committed to protecting the environment against significant impact caused by waste. The Company's manufacturing process, input (raw materials and additives), and output are illustrated in the diagram above.

All relevant operations concerning the plants' waste are implemented in accordance with the Industrial Waste Cleanup Plan approved by Environmental Protection Administration. The waste is disposed of by government-approved waste removal/disposal service providers. The Company performs regular checks on the routes of the removal/disposal service providers' vehicles to ensure that the waste arrives at legal final disposal sites. As shown in the diagram above, the raw materials and additives used in the manufacturing process do not contain any ozone-depleting substances (ODSs), and nor do the output nor the finished products.

The recyclable (or rejected product) waste includes glass-fiber cloth, recycled solvents, scrap solvents, empty plastic buckets, buckets containing sediment, etc. These items are collected, categorized, and then recycled by lawful recyclers so that the resource life cycle can be extended through reuse. Additionally, a resource classification and recycling system has also been established to improve awareness of resource recycling.

The waste treatment methods implemented in 2023 are disclosed as follows：

1. The recycling rates achieved by the Mainland China plants are listed in the table below：

Waste disposal methods unit (metric tons)			Elite Electronic Material (Zhongshan)		Elite Electronic Material (Kunshan)		Elite Electronic Material (Huangshi)	
			2022	2023	2022	2023	2022	2023
General Waste	Recyclable	Reuse	0.00	0.00	0.00	0.00	0.00	0.00
		Outsourcing for reuse	2,588.31	1,667.08	1,834.18	1,152.40	1,318.29	2,104.18
		Total	**2,588.31**	**1,667.08**	**1,834.18**	**1,152.40**	**1,318.29**	**2,104.18**
	Non-recyclable	Incineration treatment	741.50	0.00	325.08	626.06	0.00	0.00
		Physical treatment	0.00	0.00	0.00	0.00	637.02	0.00
		Solidification treatment	0.00	0.00	0.00	0.00	0.00	91.42
		Thermal treatment	0.00	0.00	0.00	0.00	0.00	0.00
		Stabilization treatment	0.00	0.00	0.00	0.00	0.00	0.00
		Cleaning treatment	0.00	0.00	0.00	0.00	0.00	0.00
		Total	**741.50**	**0.00**	**325.08**	**626.06**	**637.02**	**91.42**
	Percentage of recyclable general waste		**77.73%**	**100%**	**84.94%**	**64.79%**	**67.42%**	**95.48%**
Hazardous waste	Recyclable	Reuse	0.00	0	0.00	0	0.00	0
		Outsourcing for reuse	11,484.36	1,200.51	2,814.51	3,582.95	812.34	908.51
		Total	**11,484.36**	**1,200.51**	**2,814.51**	**3,582.95**	**812.34**	**908.51**
	Non-recyclable	Incineration treatment	184.13	227.53	130.30	121.57	279.01	339.67
		Physical treatment	0.00	0.00	0.00	0.00	0.00	0.00
		Solidification treatment	0.00	0.00	0.00	0.00	0.00	0.00
		Thermal treatment	0.00	0.00	0.00	0.00	0.00	0.00
		Stabilization treatment	0.00	0.00	0.00	0.00	0.00	0.00
		Cleaning treatment	1,307.44	0.00	499.39	0.00	0.00	0.00
		Total	**1,491.57**	**227.53**	**629.69**	**121.57**	**279.01**	**339.67**
	Percentage of recyclable hazardous waste		**88.51%**	**84.07%**	**81.72%**	**96.72%**	**74.43%**	**72.79%**

2. The recycling rates achieved by the Taiwan plants are listed in the table below：

Waste disposal methods unit (metric tons)			Guanyin Plants		Hsinchu Plant		Total (1 + 2)	
			2022	2023	2022	2023	2022	2023
General Waste	Recyclable	Reuse	721.97	459.00	600.65	544.05	1,322.62	640.78
		Outsourcing for reuse	548.99	612.87	200.34	198.28	6,490.11	5,745.07
		Total	**1,270.96**	**1,071.87**	**800.99**	**742.33**	**7,812.73**	**6,385.85**
	Non-recyclable	Incineration treatment	0.00	2.38	179.28	304.755	1,245.86	933.20
		Physical treatment	996.69	545.80	189.91	225.30	1,823.62	725.09
		Solidification treatment	0.50	0.00	0.00	0.00	0.50	91.42
		Total	**997.19**	**548.18**	**369.19**	**530.05**	**3,069.98**	**1,749.67**
	Percentage of recyclable general waste		**56.04%**	**66.14%**	**68.45%**	**58.34%**	**71.79%**	**78.49%**
Hazardous waste	Recyclable	Reuse	0.00	0.00	63.67	31.95	63.67	65.35
		Outsourcing for reuse	0.00	0.00	0.00	0.00	15,111.21	5,691.97
		Total	**0.00**	**0.00**	**63.67**	**31.95**	**15,174.88**	**5,757.32**
	Non-recyclable	Incineration treatment	562.11	678.08	242.45	388.41	1,397.99	1,755.31
		Physical treatment	0.00	0.00	63.91	93.49	63.91	458.62
		Thermal treatment	0.00	1.42	626.63	482.87	626.63	484.29
		Stabilization treatment	0.00	0.00	75.46	0.00	75.46	0.00
		Cleaning treatment	0.00	0.00	2.33	0.00	1,809.16	0.00
		Total	**562.11**	**679.50**	**1,010.78**	**964.77**	**3,973.15**	**2,698.21**
	Percentage of recyclable hazardous waste		**0.00%**	**0.00%**	**5.93%**	**3.21%**	**79.25%**	**68.09%**
Total amount of waste generated annually (metric tons/year)							**14,855.86**	**10,833.73**

As EMC changed its contracted waste removal/disposal service providers in 2023, the stabilization treatment method and cleaning treatment method were not used for waste disposal.

Guanyin Plants includes Guanyin Plant - Plant 1 and Plant 3 and Guanyin Plant - Plant 2, which are separately explained in the tables below：

2.1 Elite Material Co., Ltd. - Guanyin Plants (Plant 1 and Plant 3)

Waste Category	Total	Disposal Method	Weight (metric tons)	General waste	Hazardous waste
Recyclable waste	1071.87	Reuse	459.00	459.00	0
		Outsourcing for reuse	612.87	612.87	0
Non-recyclable waste	1173.93	Incineration treatment	677.32	2.38	674.97
		Physical treatment	496.91	496.91	0.00
		Solidification treatment	0	0	0
Total (metric tons)			2,246.13	1,571.16	674.97

Data source：Environmental Protection Administration, Executive Yuan - Industrial Waste Declaration and Management Information System

2.2 Elite Material Co., Ltd. - Guanyin Plants (Plant 2)

Waste Category	Total	Disposal Method	Weight (metric tons)	General waste	Hazardous waste
Recyclable waste	0	Reuse	0	0	0
		Outsourcing for reuse	0	0	0
Non-recyclable waste	52.10	Incineration treatment	3.11	0	3.11
		Physical treatment	48.90	48.90	0
Total (metric tons)			52.10	48.90	3.11

Waste Management Measures

(1) Carry out inspections on an irregular basis to ensure the Company's waste is properly handled at the disposal sites. Moreover, regularly inspect (at least once a year) the outsourced service providers' operation and management of storage, removal, treatment, and reuse of the contracted waste in accordance with the Waste Management Procedures specified in ISO 14001 Environmental Management Systems.

(2) Since online reporting and filing is required by law for the clearance of each batch of waste, the Company files monthly reports on the waste treatment status as required by the Environmental Protection Administration.

(3) Suppliers are required to provide documents concerning the proper disposal of each batch of waste entrusted by the Company.

(4) Commission reclamation agencies to deal with relevant categories of the Company's recyclable (scrap) waste based on published information.

(5) Precisely implement waste categorization and recycling to reduce the types and quantities of waste that need to be cleared.

(6) Introduce eco-friendly consumables and raw materials in a step-by-step manner.

(7) Reduce the use of disposable utensils; give each employee a set of cutlery for personal use, and use stainless steel reusable tableware in the staff cafeteria.

The Company has adopted 2022 as the base year for the establishment of baseline data, and the total waste intensity as an indicator for planning reduction goals.

	2022	2023
Total amount of waste generated (metric tons/year)	14,855.86	10,833.729
Annual consolidated revenue (Unit: NT$1,000)	38,672,549	41,296,217
Total waste intensity (metric tons/NT$1,000)	0.038%	0.026%
		⬇ 31.58%

In addition to basic compliance with environmental laws and regulations such as the Waste Disposal Act, the Water Pollution Control Act, and the Air Pollution Control Act, EMC also allocates funds every year to implement pollution prevention measures to protect the plants' environments and maintain environmental quality. The pollution control costs for the Taiwan plants are listed in the table below：

Item	2021	2022	2023
Remediation cost for soil and groundwater pollution	261	178	231
Cost for stationary air pollution sources	20,840	13,984	15,325
Cost for water pollution prevention and control	0	0	0
Cost for sewage treatment	2,824	2,657	3,685
Cost for waste disposal	87,762	81,597	90,200
Total	**111,687**	**98,416**	**109,441**

Unit：NT$1,000

05

Building a Safe and Healthy Workplace

Material Issue	Occupational Safety and Health Management	
GRI Topic Standard	GRI 403-1 Occupational health and safety management system GRI 403-2 Hazard identification, risk assessment and incident investigation GRI 403-3 Occupational health services GRI 403-4 Worker participation, consultation, and communication on occupational health and safety GRI 403-5 Worker training on occupational health and safety GRI 403-6 Promotion of worker health GRI 403-7 Prevention and mitigation of occupational health and safety impacts directly linked by business relationships GRI 403-9 Work-related injuries	
Policy commitment	1. Committed to building a safe workplace in accordance with various standard procedures required by the ISO 45001:2018 Occupational Safety Management System to enable every employee to work under safe conditions. 2. Standard operating procedures for workplace safety and employee health management should be established by on-site units at all factories. In addition to regular education and training on safety and health, simulation exercises aiming at reinforcing the concepts from the education and training and promotion of management related to work environments, equipment, and hazardous substances should be held to ensure the safety and health of employees.	
Sustainability Indicator	2023 Evaluation Mechanism and Performance	Medium- and Long-term Goals
Promoting safety culture	Occupational safety and health education and training： 100% completion rate for employees; 100% completion rate for contractors	
Providing a safe work environment	Employees' Disabling Injury Frequency Rate (FR) ＜3	Employees' Disabling Injury Frequency Rate (FR) ＜2
	Employees' Disabling Injury Severity Rate (SR) ＜144	Employees' Disabling Injury Severity Rate (SR) ＜30
Safeguarding employee health	Compliance with regulatory health check items	Add two more items to surpass the regulatory health check system (Taiwan

5.1Occupational Safety and Health Management

● 5.1.1Occupational Health and Safety Management System GRI 403-1

EMC's EHS Policy Legal Compliance, Risk Control Pollution Prevention, Conservation, and Waste Reduction Consultation, Communication, and Continuous Improvement	With the aim of accomplishing the EHS policy, the company makes the following commitments： 1. Comply with EHS laws and regulations, protect workers' safety and health, and control the risks of potential environmental pollution and safety accidents. 2. Implement system management to prevent pollution and reduce energy and resource consumption, thereby achieving energy and resource conservation. 3. Take appropriate management measures to control the risks of hazards such as confined spaces, falls, chemical hazards, fire and explosion, mechanical equipment injuries, electric shocks, etc. 4. Provide opportunities for consultation and communication through various meetings so that all employees and collaborative companies are aware of and understand the company's EHS Policy and its meaning, and set goals for continuous improvement.

EMC strives to create a safe and healthy workplace so that every employee can work comfortably and return home safely. However, a safe work environment cannot be achieved merely through the upgrade of relevant soft and hard safety facilities—it requires the cooperation of every employee. The Safety and Health Department and on-site units have established standard operating procedures for workplace safety and employee health management. In terms of managerial training on work environments, equipment, and hazardous substances, regular education and training as well as simulation exercises are held to ensure the safety and health of employees. To ensure the normal operation of machinery and equipment, the company strengthens equipment operation management, personnel training, and inspection/maintenance routines and also improves the dust collection system. The aforementioned work guidelines are implemented based on the goals set to address potential impacts identified by each department during annual hazard identification. The Occupational Safety and Health Committee is responsible for tracking quarterly progress and examining the effectiveness of implementation in accordance with the Improvement Tracking Form to ensure the realization of the EHS policy.

EMC strives to create a safe and healthy workplace so that every employee can work comfortably and return home safely. However, a safe work environment cannot be achieved merely through the upgrade of relevant soft and hard safety facilities—it requires the cooperation of every employee. The Safety and Health Department and on-site units have established standard operating procedures for workplace safety and employee health management. In terms of managerial training on work environments, equipment, and hazardous substances, regular education and training as well as simulation exercises are held to ensure the safety and health of employees. To ensure the normal operation of machinery and equipment, the company strengthens equipment operation management, personnel training, and inspection / maintenance routines and also improves the dust collection system. The aforementioned work guidelines are implemented based on the goals set to address potential impacts identified by each department during annual hazard identification. The Occupational Safety and Health Committee is responsible for tracking quarterly progress and examining the effectiveness of implementation in accordance with the Improvement Tracking Form to ensure the realization of the EHS policy.

EMC's Taiwan Plants

CERTIFICATE

This is to certify that

Elite Material Co., Ltd.
No. 18, Datong 1st Rd
Taoyuan City 32849
Taiwan (R.O.C.)

with the organizational units/sites as listed in the annex

has implemented and maintains an
Occupational Health and Safety Management System.

Scope:
The occupational health and safety activities and supporting processes associated with the design and manufacturing of copper-clad laminates and prepregs (bonding sheets).

Through an audit, documented in a report, it was verified that the management system fulfills the requirements of the following standard:

ISO 45001 : 2018

Certificate registration no.	20000886 OHS18
Date of revision	2021-08-05
Date of certification	2021-09-06
Valid until	2024-09-04

DQS Inc.

Brad McGuire
Managing Director

Accredited Body: DQS Inc., 1500 McConnor Parkway, Suite 400, Schaumburg, IL 60173 USA
Administrative Office: DQS Taiwan Inc., 8F, 23, Yuan Huan West Road, Feng Yuan Dist., Taichung City, Taiwan 420

1 / 2

Elite Electronic Material (Kunshan) Co., Ltd.

CERTIFICATE

This is to certify that

Elite Electronic Material (KunShan) Co., Ltd.
No. 368, Youbi Road, Zhoushi Town, KunShan City
Jiang Su Province
China

with the organizational units/sites as listed in the annex

has implemented and maintains an
Occupational Health and Safety Management System.

Scope:
The occupational health and safety activities and supporting processes associated with the design and manufacturing of copper-clad laminates and prepregs (bonding sheets).

Through an audit, documented in a report, it was verified that the management system fulfills the requirements of the following standard:

ISO 45001 : 2018

Certificate registration no.	20000881 OHS18
Date of revision	2022-01-06
Date of certification	2022-01-17
Valid until	2025-01-16

DQS Inc.

Brad McGuire
Managing Director

Accredited Body: DQS Inc., 1500 McConnor Parkway, Suite 400, Schaumburg, IL 60173 USA
Administrative Office: DQS Taiwan Inc., 8F, 23, Yuan Huan West Road, Feng Yuan Dist., Taichung City, Taiwan 420
Responsible Office: DQS AP Ltd.,906-907, Waterfront Place Block E, No.31,Lane 168, Dadune Road,
Putuo District, Shanghai, China, Post Code: 200062

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Elite Electronic Material (Zhongshan) Co., Ltd.

证　书

ISO 45001 : 2018

证书注册号	20000883 OHS18
证书变更日期	2024-04-16
批准日期	2024-04-16
有效期至	2027-04-15

DQS Inc.

Accredited Body: DQS Inc., 1500 McConnor Parkway, Suite 400, Schaumburg, IL 60173 USA
Administrative Office: DQS Taiwan Inc., 8F, 23, Yuan Huan West Road, Feng Yuan Dist., Taichung City, Taiwan 420

Elite Electronic Material (Huangshi) Co., Ltd.

证　书

台光电子材料（黄石）有限公司

ISO 45001 : 2018

证书注册号	50000302 OHS18
证书变更日期	2024-02-06
批准日期	2024-03-22
有效期至	2027-03-21

DQS Inc.

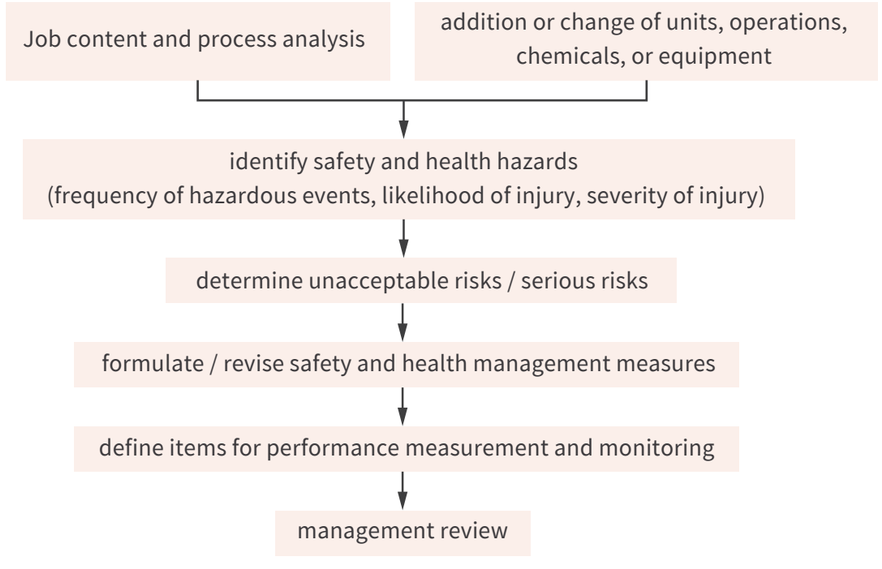
EMC has introduced the Occupational Safety and Health Management Systems (ISO 45001) at its Headquarters and all production plants and has been verified by a third-party independent verification organization. Additionally, EMC has set up occupational safety and health management units and dedicated personnel to take the responsibility for drafting, planning, supervising, and promoting safety and health management items and guiding relevant units to implement corrective and preventive measures for disasters/accidents in hope that workplace hazards can be reduced and safety and health management levels enhanced. The company's management system covers all staff engaged in work under the supervision of the Headquarters and the various production sites, including employees (96.4%) and non-employees (3.6%) tasked with design, development, procurement, construction, production, maintenance, and contracting, covering 100% of the Company's sales and marketing areas.

5.1.2 Hazard identification, Risk Assessment and Incident Investigation GRI 403-2, GRI 403-9, GRI 403-10, GRI 2-8

1. Hazard Identification and Risk Assessment Procedures

EMC emphasizes workplace safety and health based on the principles of Advance Preparation, Zero Accidents, and Zero Disasters. The scope of these principles encompasses the company's routine operations and other people engaged in activities at EMC's work sites (including contractors, visitors, and suppliers). The Occupational Safety and Health Management System Promotion Team reviews the results of hazard identification and risk assessment in accordance with the Hazard Identification and Risk Assessment Management Procedures on a yearly basis (by referencing the Procedures for Hazard Identification and Risk Assessment), and then takes corresponding improvement and control/management measures based on the risk levels. The risk levels (five levels in total) are determined based on the frequency of hazards, the likelihood of injuries, and the severity of injuries (with reference to the Judgment Criteria for Hazard Identification and Risk Assessment). For unacceptable risks (level 1 to level 3), measures such as elimination, substitution, engineering controls, education and training, and personal protective equipment must be taken, and improvement effectiveness must be continuously tracked. Moreover, workers are allowed to leave work conditions and places that they think may cause injury or ill health without being targeted by punitive measures such as pay deduction, salary cut, or leave deprivation.

Procedures for Hazard Identification and Risk Assessment



1. Targets for hazard identification and risk assessment

Personnel who are engaged in work or work-related activities supervised by the organization. Such personnel may be workers employed by the organization or other personnel, including senior managers, managerial personnel, non-managerial personnel, personnel from external manpower dispatch companies, contractor workers, individuals, or other personnel whose work or work-related activities are jointly supervised by the organization.

2. Scope of hazard identification and risk assessment

(1) Identify potential hazard factors existing in the workplace's basic facilities, machinery and equipment, materials, substances, operating environment, manufacturing processes, operating procedures, operational activities, products, services, etc., and then assess the possible risks, determine unacceptable risk levels, and take measures to address the unacceptable risks, such as elimination, substitution, engineering controls, education and training, or personal protective equipment.

(2) The identification and assessment of contracted operators' risks along with the control methods are discussed during pre-construction safety meetings and consultative organization meetings.

(3) In the event of changes to processes, raw materials, or operating environment conditions or the addition of new equipment, personnel shall follow the Procedures for Change Management Operation and conduct pre-change safety assessments to increase safety and protective measures, assess the use of low-hazard chemicals to substitute for high-hazard chemicals, etc. to ensure the safety and health of the organization's personnel.

Judgment Criteria for Hazard Identification and Risk Assessment

(1) Frequency of hazards：				
Score	8	4	2	1
Judgement criteria	Frequently happens	Occasionally happens	Rarely happens	Almost never happens
	Once per year	Once every 1–3 years	Once every 3–5 years	Once every 5+ years
(2) Likelihood of injuries: Take the higher score of soft/hard service scoring results as the parameter for ER calculation.				
Score	8 (Certain to happen)	4 (Very likely)	2 (Possible)	1 (Very unlikely)
Hard services	Almost no safety measures have been implemented; even though signs have been set, there are still many deficiencies.	No guardrails, protection covers, or safety devices have been installed, or the installed safety/protection devices are incomplete. Facilities such as alarms, signs, emergency stop devices, etc. have been correctly installed.	Guardrails, protection covers, or other safety devices have been installed, but the guardrails do not provide sufficient protection as the height is too low, the gaps are too wide, etc., and thus personnel may enter dangerous zones and be in contact with sources of danger.	Guardrails and protection covers have been used to completely isolate the sources of danger, and safety devices have been installed to make it difficult to enter dangerous zones, or be in contact with sources of danger.
Soft services	Even if operating guidelines are followed, accidents will occur if workers are not attentive enough; or, no guidelines are available at all.	Operating guidelines are available, but they are hard to follow. Accidents are very likely to occur if workers are not attentive enough.	Operating guidelines are available, but some are hard to follow. Accidents are likely to occur if workers overlook the guidelines.	Operating guidelines (safety and health rules, etc.) are easy to follow. Accidents won't occur even when special attention is not paid.
(3) Severity：				
Score	8	4	2	1
Judgement criteria	Fatal injury	Serious illness	Non-severe injury	Minor injury
	Benchmark: Severe injuries such as death, severed limbs, blindness, etc.	Benchmark: Injuries requiring hospitalization (accidents where shutdown is required).	Benchmark: Injuries requiring doctors' treatment (accidents where shutdown is not required).	Benchmark: Work can be continued after emergency measures are taken; or the incident is just a close call.

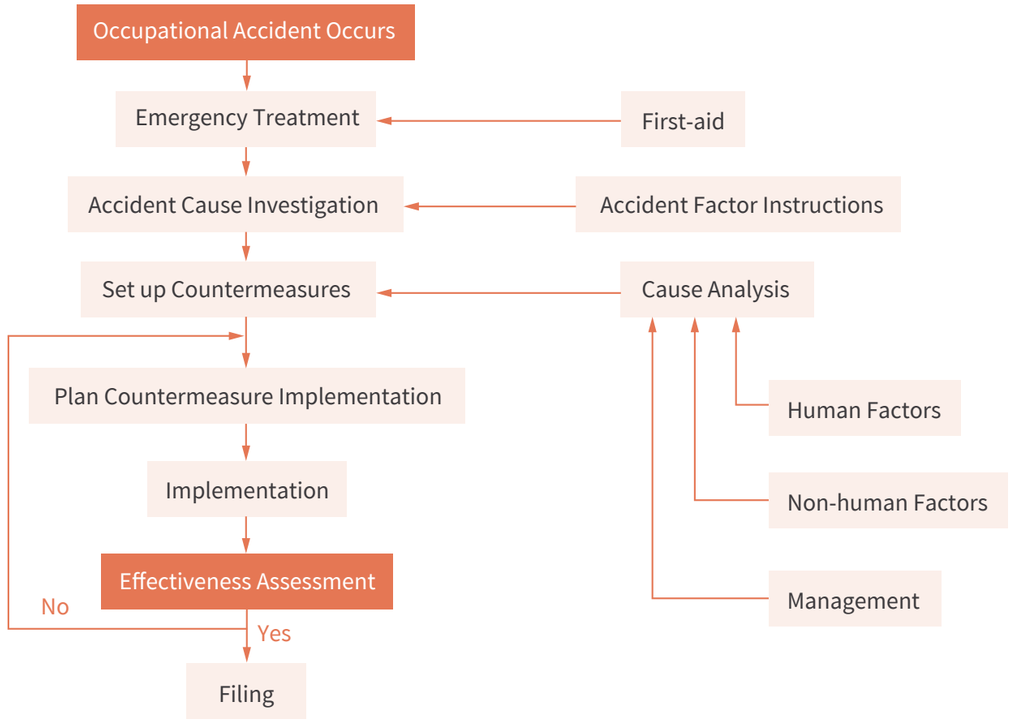
Risk assessment scores (1) x (2) x (3)	Danger Degree	Risk Level
≧73	Extreme danger: Operations must be stopped	Level 1
51—72	High-level danger: Immediate rectification required	Level 2
36—50	Significant danger: Rectification required	Level 3
13—35	General danger: Attention required	Level 4
≦12	Minor danger: Acceptable	Level 5

2. Incident Investigation

The Company has established an Occupational Accident Reporting System in accordance with the ISO 45001 Occupational Safety and Health Management Systems and designated dedicated units for the management of occupational safety and health performance and occupational accident indicators. The statistics of occupational accidents classified by accident type are shown in the table below. The accident type with the highest occurrence from 2019 to 2022 was Traffic Accidents, followed by Slips and Trips, and Being Caught/Pulled In.

Compared with 2022, the total number of accident cases in 2023 decreased by one, and one extraordinary incident occurred during the year, which was a large fire at EMC Guanyin Plant 1, Zone 2, in January 2023, sparked by static friction in the glue basin of the glue applying machine. Upon detection of the fire, one employee immediately used a fire extinguisher, one employee contacted the maintenance department for assistance, and one employee rang the alarm bell. However, even with four fire extinguishers, staff failed to put out the fire. Subsequently, they followed drill procedures by immediately notifying all personnel to evacuate the plant and calling the fire brigade. As a result, the fire was successfully extinguished without casualties. After the incident, EMC promptly raised the ground resistance of equipment and added an alert level function and shutdown mechanism through the static electricity detector to prevent the recurrence of similar incidents.

Traffic Accidents accounted for the majority of the remaining accidents. Therefore, the plants regularly conduct traffic safety advocacy activities to enhance personnel's safety awareness and reduce the incidence of traffic accidents. The occurrence of work-related accidents Pricks, Gashes, and Scratches and Being Caught/Pulled In shows that there is still room to improve environmental safety and protection in the plant's work areas. The causes of these accidents have been comprehensively analyzed by examining similar accidents occurring at peer companies, and improvement measures have been taken in hope of achieving the goal of Zero Occupational Accidents. Accident reporting procedures have been formulated in accordance with the Regulations on EHS Accident Investigation and Guidelines to Achieve Zero Serious Accidents, which are illustrated in the diagram below：



EMC Major Types of Occupational Injury	Taiwan Plants		Elite Electronic Material (Kunshan)		Elite Electronic Material (Zhongshan)		Elite Electronic Material (Huangshi)	
Hazard Category	2022	2023	2022	2023	2022	2023	2022	2023
Chemical spills	0	0	0	0	0	0	0	0
Fire accidents	0	1	0	0	0	0	0	0
Traffic accidents	11	4	0	5	0	1	0	3
Object falling	1	0	0	0	0	0	0	0
Object collapsing /toppling down	0	0	0	0	0	0	0	0
Object fracturing /rupturing	0	0	0	0	0	0	0	0
Being caught/ pulled in	2	1	0	4	0	1	1	0
Being pressed /smashed	0	0	0	0	1	0	1	0
Pricks, gashes, and scratches	0	4	0	0	0	0	2	0
Being hit	0	0	0	0	0	0	0	0
Slips and trips	0	2	1	2	0	0	0	1
Electric shock	0	0	0	0	0	0	0	0
Contact with high (low) temperature	0	1	0	0	0	0	0	0
Contact with hazardous substances	0	0	0	0	0	0	0	0
Falls	0	0	1	0	0	0	1	0
Collision	0	0	0	0	0	0	0	0
Others	0	0	0	3	0	0	0	0
Total	14	13	2	14	1	2	5	4

EMC carries out comprehensive hazard identification every year to determine whether each department's work items may potentially cause personnel injuries or accidents and further assess existing safety and health protection facilities and review their control effectiveness. By assessing the risk level of each hazard, the Company actively explores the unacceptable risks and sets objectives to improve the occupational safety and health risks. Nevertheless, occupational accidents may still happen due to human, environmental, and management factors. In order to correctly grasp the causes and impacts of EHS accidents, relevant management directions are stipulated for accident investigation, analysis, and subsequent control. The Company keeps complete records of accident occurrences with an aim to prevent recurrences and the loss of Company property and resources. Activities promoting the goal of Zero Major Accidents are also held to encourage employees to actively identify anomalies and report safety concerns and non-conformities, thereby reducing the incidence of occupational accidents.

Guanyin Plant 3 was fined NT$200,000 by the labor inspection authority in July 2023 for violating Article 6, Paragraph 1, Subparagraph 1 of the Occupational Safety and Health Act, which stipulates that, "The employers shall have the necessary safety and health equipment and measures that comply with regulations for the following items: 1. To prevent the risks of injuries posed by items such as machinery, equipment, and tools." An EMC operator employee was accidentally caught and rolled by a traverse cutting machine as he was returning to operations after a brief stoppage. During subsequent inspection of the equipment, a safety cover was added to each control panel as well as a locking function. Additionally, the interlock function was set to instantly halt the machine once the guardrails are up, and a floor pressure sensor was added, with an aim to prevent the recurrence of similar incidents.

As indicated in the Company's accident reporting records and content, none of the work-related accidents that occurred at EMC's plants in Taiwan from 2019 to 2023 were fatal accidents. The Occupational Disease Rate (ODR) was 0%. In 2023, male employees lost 195 work days due to disabling injuries. The average Disabling Injury Frequency Rate (FR) was 2.20, and the Disabling Injury Severity Rate (SR) (rounding to the nearest integer) was 107.

In 2023, both the Disabling Injury Frequency Rate (FR) and the Disabling Injury Severity Rate (SR) at EMC's Taiwan plants increased compared with that of the previous year (FR and SR in 2021 were both 0); this was a result of increased work-related injury cases and work hour loss. In 2024, the Company will continue to advocate work safety and assist on-site unit supervisors in implementing engineering controls or strengthening administrative management. More importantly, the concept of safety awareness must be deeply rooted in employees' minds and further internalized into their daily habits so as to realize long-term effectiveness. A low-risk workplace with zero occupational accidents remains the Company's ultimate goal.

Statistics of employees' work-related injuries in Taiwan and Mainland China plants in 2023

Summary of Work-related Injury Statistics \ Plant	Taiwan Plants		Elite Electronic Material (Kunshan)		Elite Electronic Material (Zhongshan)		Elite Electronic Material (Huangshi)	
Gender	Male	Female	Male	Female	Male	Female	Male	Female
Total working hours (hrs)	1,821,380	353,084	2,717,832	694,682	1,492,000	382,000	1,554,111.7	344,325
Disabling Injury Frequency Rate (FR)	1.65	0	3.31	0	0	0	0.643	0
Total Recordable Injury Frequency Rate (TRIR)	3.29	2.83	4.78	1.44	1.34	0	2.57	0
Near Miss Frequency Rate (NMFR)	2.75	0	2.20	0	0	0	1.93	0
Number of occupational diseases/disorders	0	0	0	0	0	0	0	0
Occupational Disease Rate (ODR)	0%	0%	0%	0%	0%	0%	0%	0%
Disabling Injury Severity Rate (SR)	102.67	0	0	0	0	0	0	0
Number of serious occupational accidents	1	0	0	0	0	0	0	0
Rate of serious occupational accidents	25%	0%	0%	0%	0%	0%	0%	0%
Death toll from work-related injuries	0	0	0	0	0	0	0	0
Death rate from work-related injuries	0%	0%	0%	0%	0%	0%	0%	0%

Contractors (statistics of Taiwan plants only)

Summary of Work-related Injury Statistics	2022		2023	
Gender	Male	Female	Male	Female
Total persons-counts	7,594		4,548	
Total working hours (hrs)	1,386,080		758,300	
Disabling Injury Frequency Rate（FR)	0	0	0	0
Number of occupational disease/disorder	0	0	0	0
Occupational Disease Rate (ODR)	0%	0%	0%	0%
Disabling Injury Severity Rate (SR)	0	0	0	0
Death toll from work-related injuries	0	0	0	0
Death rate from work-related injuries	0%	0%	0%	0%

Note 1：Disabling Injury Frequency Rate (FR) = (total work-related injury cases / total working hours) ×106

Note 2：Disabling Injury Severity Rate (SR) = (total loss of work days / total working hours) ×106

Note 3：Occupational Disease Rate (ODR) = Total number of people with occupational diseases × 106 / total working hours

Note 4：Serious Occupational Accidents = Work-related accident that results in a fatality or in an injury from which the worker cannot, does not, or is not expected to recover fully to pre-injury health status within 6 months.

Note 5：Rate of Serious Occupational Accidents = (Number of serious occupational accidents / Total number of work-related injury cases) × 100%

Note 6：Data included in occupational safety statistics: Disasters where employees suffer work-related injuries or ill health; data do not include approved leave, maternity leave, paternity leave, funeral leave, and general sick leave.

Note 7：EMC conducts employee health checks every year, implements Friendly Work Environment operating environment testing, and actively eliminates potential workplace hazards through Improvement Proposals, Safety Observation, Near Miss Reporting, and other systems. With respect to emergency response procedures, self-inspection, education and training on safety and health, operating environment testing, and other related operations, ongoing reviews, and improvements are carried out every year in the hope of creating a healthy and safe work environment for employees.

Note 8：“Non-employee workers” refers to workers who are not EMC’s employees, and includes outsourced personnel, dispatched labor, security guards, cleaners, kitchen personnel, etc. The total number of such workers was 158 in 2023, accounting for 4% of the total number of employees at EMC’s four plants, and showing no significant fluctuation in comparison with the previous year. When signing contracts with non-employee workers, EMC ensures that their wages and labor conditions comply with the local minimum wage requirements.

Plant	Taiwan Plants	Elite Electronic Material (Kunshan)	Elite Electronic Material (Zhongshan)	Elite Electronic Material (Huangshi)	Total
Non-employee workers	34	52	37	35	158
Number of employees at the end of the year	1,018	1,513	937	871	4,329
Percentage of non-employee workers	3.37%	3.4%	0.03%	4.01%	3.65%

5.1.3 Education and Training on Occupational Safety and Health GRI 403-5

In accordance with the Occupational Safety and Health Education and Training Rules and related regulations, EMC provides new employees with occupational safety and health education and training, which includes general education and training on safety and health and workplace hazards. In addition, training courses are organized in accordance with laws and regulations for the initial training and on-the-job re-training required for supervisors of various operations, which include occupational safety and health management staff, supervisors in charge of hypoxia operations, supervisors in charge of organic solvent operations, operators of forklifts with a capacity of one ton or more, first aid personnel, etc., to maintain the validity of their certificates and reinforce their safety and health awareness. Moreover, other education and training courses on safety and health are conducted on an irregular basis. All education and training courses offered by the Company are conducted during normal work hours. Employees will not suffer punitive treatments such as pay deduction, salary cut, or leave deprivation for their participation in related training.

On-the-job Re-training for EHS Certificate Holders (Targets: Personnel with EHS Certificates)

Type	Title of Certificate	Number of On-the-job Re-training Participants (Taiwan)		
		2021	2022	2023
Occupational Safety	Class-1 Manager of Occupational Safety and Health Affairs	3	0	3
	Class-A Occupational Safety and Health Management Specialist	1	0	3
	Class-B Occupational Safety and Health Management Staff	3	1	1
	Operator of forklift with a capacity of 1 ton or more	20	42	42
	First-aid personnel	11	0	5
	Supervisor in charge of organic solvent operations	3	10	9
	Supervisor in charge of specified chemical substance operations	0	3	8
	Supervisor in charge of roofing operations	0	1	0
	Supervisor in charge of dusty operations	4	1	2
	Supervisor in charge of hypoxia operations	1	2	8
	Personnel transporting dangerous goods by road (Truck)	0	0	0
	Operator of fixed cranes with a capacity of 3 tons or more	0	0	0
	Operator of fixed cranes with a capacity of less than 3 tons	0	4	21
	Operators using cranes for slinging operations	6	1	45
	Class-B boiler operator	6	3	13
	Operator of high-pressure gas vessels	0	0	0
Fire Safety	Security Supervisor	1	0	3
	Fire Safety Manager	0	0	1
	Radiation Protection Personnel	8	8	28

Type	Title of Certificate	Number of employees in Mainland China plants taking on-the-job re-training in 2023		
		Elite Electronic Material (Kunshan)	Elite Electronic Material (Zhongshan	Elite Electronic Material (Huangshi)
Occupational Safety	Safety responsible person	2	1	1
	Safety management staff	15	10	4
	Occupational safety responsible person	1	1	1
	Occupational safety and health management staff	7	2	1
	Hazardous chemicals operator	39	0	28
	Team leader for highly hazardous operations	6	0	0
	Electrician	45	38	26
	Special equipment safety management	4	3	7
	Food safety management staff	0	2	0
	In-plant motor vehicle safety management	6	1	0
	Forklift	108	86	47
	Elevator operator	0	0	3
	Class-1 boiler operator	3	8	3
	Boiler operations	4	8	0
	Elevated operations	22	8	9
	Welding and thermal cutting operations	6	11	4
	Radiation safety and protection	10	10	0
	Refrigeration and air conditioning operations	2	2	3
	First aid personnel	59	82	40
Fire Safety	Fire facility operator (intermediate-level)	14	6	4
	Building (structure) firefighter (junior-level)	1	0	3

1. General Safety and Health and Emergency Response Training (Targets: General Employees and Contractors)

In addition to conducting training courses in accordance with the law, EMC also prioritizes the overall safety of employees, contractors, and visitors. In order to actively eliminate potential workplace hazards, each year, the Company organizes whole-plant evacuation drills, fire and chemical accident emergency drills, firefighting training (conducted at the Hsinchu Fire Training Facility), hazard prevention for safe plant operations (i.e., forklift operations, confined space operations, and hot work), and education and training for contractors before entering the plant. By carrying out ongoing reviews and improvements every year, the Company and its employees jointly strive to create a healthy and safe work environment.

Plant Area Safety and Health Education and Training held in 2023 (Taiwan Plants)

Training Item	Training Hours	Number of Participants
General Education and Training on Safety and Health	3	193
General Educational Training on Workplace Hazards	3	193
Annual Fire and Chemical Accidents Emergency Drill (whole plant)	3	88
Emergency Evacuation Drill (whole plant)	0.5	300
2023 Annual Civil Defense Training (Hsinchu)	4	20
Firefighting Training at the Hsinchu Fire Training Facility	7	20
High-altitude Operation and Fall Accident Prevention Advocacy	0.5	79
Forklift Operation Hazards Prevention Advocacy	0.5	79
Moving Operation Hazards Prevention Advocacy	0.5	74
Machine Caught/Drawn Hazards Prevention Advocacy	0.5	74
Power Press/Shear Machine Operation Hazards Prevention Advocacy	0.5	64
Electrical Operation Hazards Prevention Advocacy	0.5	64
Confined Space Operation Hazards Prevention Advocacy	0.5	67
Hot Work Hazards Prevention Advocacy	0.5	67
Slinging Operation Hazards Prevention Advocacy	0.5	53
Chemical Labeling and General Management Advocacy	0.5	53
Noise Hazard Prevention Advocacy	0.5	59
Traffic Safety Advocacy	0.5	59
	Total	1606

Statistics of occupational safety and health educational training for employees in 2023 (each Mainland China plant)

Elite Electronic Material (Kunshan)			Elite Electronic Material (Zhongshan)			Elite Electronic Material (Huangshi)		
Training Item	Training Hours	Number of Participants	Training Item	Training Hours	Number of Participants	Training Item	Training Hours	Number of Participants
Industrial Safety Training (January to December)	2	1000	Fire Drill	2	850	New Employee Orientation	14.5	474
Jinmao Plant's Hazardous Waste Leakage Drill (February)	0.5	15	Chemical Accident Emergency Drill	0.5	51	ISO 14064 GHG Emissions Inventory Training	10	25
You-bi Plant's hazardous waste leakage drill (March)	0.5	15	Typhoon Disaster Drill	0.5	17	2023 Preplan Knowledge and Training on Emergency Incidents	1	40
You-bi Plant's Chemical Leakage Drill (April)	0.5	15	Emergency Drill for Confined Space Accidents	0.5	26	2023 Supervisor Training	2	184
Jinmao Plant's H1 Fire Drill (April)	1	472	Fundamental Knowledge for 6S Management	0.5	21	Training on 2023 Relevant Laws and Regulations	1	39
Jinmao Plant's Confined Space Emergency Drill (June)	0.5	15	Waste (Hazardous Waste) Treatment Training	1	40	Occupational Disease Prevention Training for Employees Exposed to Occupational Hazards	1	28
You-bi Plant's Fire Drill (June)	0.5	548	Preplan Knowledge and Training for Environmental Safety Emergency Accidents	0.5	860	2023/4 Flood BCM Drill	0.5	9
Two plants' H1 Dormitory Fire Safety and Evacuation Drills (May)	0.5	341	Chemical Safety Management Training	1	61	In-plant Fire Drill	1	790
Jinmao Plant's Chemical Leakage Drill (September)	0.5	14	Contractor Safety Management	1	6	Training for Safety Management Personnel	8	6
Two plants' Hazardous Chemicals Training (September)	1	200	Safety Training for Construction Supervision and Management Personnel	1	475	Training on Hazardous Chemicals and Precursor Chemicals	1	16

Statistics of occupational safety and health educational training for employees in 2023 (each Mainland China plant)								
Elite Electronic Material (Kunshan)			Elite Electronic Material (Zhongshan)			Elite Electronic Material (Huangshi)		
Training Item	Training Hours	Number of Participants	Training Item	Training Hours	Number of Participants	Training Item	Training Hours	Number of Participants
You-bi Plant's Emergency Drill for Mechanical Injury Accident (April)	2	14	Safety Training for Personnel Responsible for Construction (35 companies)	1	35	Training on Hazardous Waste	1	33
Jinmao Plant's Emergency Drill for Mechanical Injury Accident (September)	0.5	7	Occupational Health Management Training	1	34	ISO 14001 & ISO 45001 Management System Internal Auditor Training	19	25
Jinmao Plant's H2 Fire Drill (December)	0.5	674	Operating Instructions for Fire Emergency Broadcast System Host and Fire Equipment	0.5	9	Occupational Injury Prevention Training	2	72
You-bi Plant's Environmental Protection Facility Drill (November)	0.5	8	Training on EHS Inspection Skills	0.5	9	Dormitory Fire Drill	1	124
Jinmao Plant's Environmental Protection Facility Drill (June)	1	14	Training on Occupational Injury Prevention	2	47	Training on Hazardous Waste Standardized Environmental Management and Risk Prevention/Control	16	1
Two plants' H2 Dormitory Fire Safety and Evacuation Drills (November)	0.5	350	New Employee EHS Training (11 sessions)	9.5	229	Building (Structure) Firefighting Training	40	1
You-bi Plant's Confined Space Emergency Drill (November)	0.5	10	Refresher Training for Safe Production Managerial Personnel	8	10			
You-bi Plant's H2 Fire Drill (October)	1	550	Training on Improving Team Safety Management Skills	1	80			
Total	12.5 Hours	-	Total	32 Hours	-	Total	119 Hours	-

Emergency Evacuation Drill (whole plant)




Annual Fire and Chemical Accidents Emergency Drill (whole plant)




2. Hazard Awareness for Contractors and Training on Consultative Organization Meetings
(Targets：Contractors)

Contractor management is a complicated but essential part of the Company's business. On the one hand, personnel entering plant areas must be properly controlled; on the other hand, contracted personnel are not plant employees, which raises concerns about whether they have sufficient safety awareness. In addition to holding safety meetings prior to starting construction work, Plant-entry Education and Training and Hazard Awareness Workshops are held by the Safety and Health Department and project organizing units to ensure that contractors fully understand the regulations governing the plant areas. Moreover, project organizing units are required to fill out a Construction Application Form prior to contractors' plant-entry to confirm the construction date, number of workers, work content, construction location, and other information for the precise management of contractors' operations.

Contractor assessments have been conducted at the end of each year since 2020 to summarize contractors' violations during the year, based on which the contractors are classified into Class A, Class B, and Class C. Contractors with more than five violations are classified as Class C, and their contract is suspended for 3 months starting from the assessment date, during which time no further projects are awarded. Starting in 2023, the contractor assessment no longer distinguishes between the Guanyin Plants and the Hsinchu Plant, and instead summarizes the Taiwan Plants' statistics for the number of contractor violations during the year. For information on contractor assessment results prior to 2022, please refer to the 2022 ESG Report. The result of the 2023 assessment (437 contractors were assessed)：Class A：432, Class B：5, Class C：0

Contractor Assessment Result (Plants in Taiwan)			
Contractor Class	2022 (Guanyin Plant)	2022(Hsinchu Plant)	2023(Guanyin Plant + Hsinchu Plant)
Class A	381	335	432
Class B	2	3	5
Class C	0	0	0
Total	**383**	**338**	**437**

5.1.4 Prevention and Mitigation of Occupational Safety and Health Impacts GRI 403-7

In order to successfully implement the company's occupational safety and health planning and management, maintain the continuous operation of the management system, and prevent and mitigate business-related occupational safety and health impacts, EMC upholds the principles of its EHS policy and sets annual occupational safety and health goals to create a safe and comfortable work environment for employees. Moreover, improvement goals for the upcoming year are formulated by fully considering the results of hazard identification and risk assessment, internal and external safety and health issues, stakeholders' demands and expectations, regulatory requirements and other requirements, technical and financial issues, etc.

The Safety and Health Department supervises the heads of all departments and formulates safety and health management plans based on the Company's EHS policy; details of these plans are recorded on corresponding Goal Planning Charts. Plans that can be completed within the planning year are viewed as short-term plans, whereas plans that take several years (2-3 years) to complete are classified as long-term plans. Since 2012, all departments of EMC have set annual safety and health improvement goals for the following year based on their potential hazards, with the aim of improving the overall safety and health of all plant areas. Several risk control and protective measures were taken for manufacturing sites in 2023, including adding movable aspirators to IQC/IPQC and upgrading the explosion-proof motors in chemical warehouses. These measures will eliminate the risk of accidents during operations and actively promote personnel's hazard awareness. The Company continued to implement contractors' plant-entry education and training in 2023, which explains the operation precautions for each plant area to construction workers entering the plant areas for the first time, thereby increasing their familiarity with the work environment to improve their safety and health awareness of hazardous operations and helping them comply with laws and regulations. Additionally, safety and health inspections are conducted on an irregular basis to ensure that all operations are carried out in compliance with regulations, aiming to reduce the incidence of contractors' occupational accidents and create a safe workplace for employees, contractors, customers, and all plant-entry personnel.

Movable aspirators were added to IQC/IPQC

Explosion-proof motors in the general chemical warehouse were upgraded

Elite Electronic Material (Kunshan)

Heptafluoropropane automatic fire extinguishing system installed in the data processing room

Elite Electronic Material (Zhongshan)

Power-on indicator and emergency stop switch added to the glue mixing tank.

Elite Electronic Material (Huangshi)

Cofferdam installed to prevent heat transfer fluid leakage at the lower-level tank of the RTO (regenerative thermal oxidizer)

5.1.5 Worker Participation, Consultation, and Communication GRI 403-4

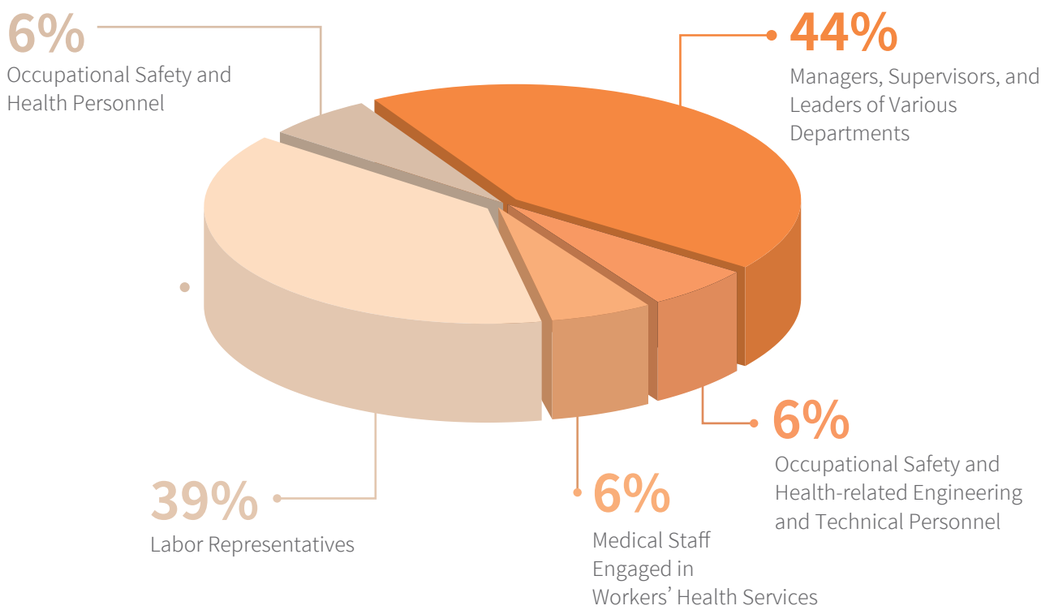
EMC has established the Consultation and Communication Management Procedures to help the Company reach an internal consensus on the EHS management system and the Company's various management mechanisms and establish channels for effective two-way communication with the Company's internal employees and related external groups regarding the company's commitment to EHS management and various management mechanisms. Workers should be consulted whenever there are changes in workplace safety and health conditions, and the arrangement of the consultation should be documented, for example, in the form of meeting notices or minutes, and the interested parties should be notified.

Employees are an important asset of EMC; and health and safety are employees' primary wealth. EMC set up the Occupational Safety and Health Committee to ensure that employees can work in a healthy and safe environment and the company can carry out its safety and health policy. The Committee meets every 3 months and makes suggestions concerning the following items. A total of 12 projects were proposed and finalized by the end of 2023：

(1) Occupational safety and health policy
(2) Occupational safety and health management plan
(3) Implementation plan for safety and health education and training
(4) Work environment monitoring plan, monitoring results, and measures adopted
(5) Matters related to health management, occupational disease prevention, and health promotion
(6) Various safety and health proposals
(7) Business units' self-inspection and items included in the safety and health inspection
(8) Preventive measures against hazards arising from machinery, equipment, raw materials, and materials
(9) Occupational accident investigation report
(10) Assessment of on-site safety and health management performance
(11) Matters related to the safety and health management of contracted businesses
(12) Other matters related to occupational safety and health management

Labor representatives accounted for 39% of the total members of the Occupational Safety and Health Committee (a ratio higher than the one-third or more of the quorum stipulated by law). The composition of the Committee is as follows：

(1) Occupational safety and health personnel
(2) Managers, supervisors, and leaders of various departments
(3) Occupational safety and health-related engineering and technical personnel
(4) Medical staff engaged in workers' health services
(5) Labor representatives



5.2 Comprehensive Employee Health Management GRI 403-3

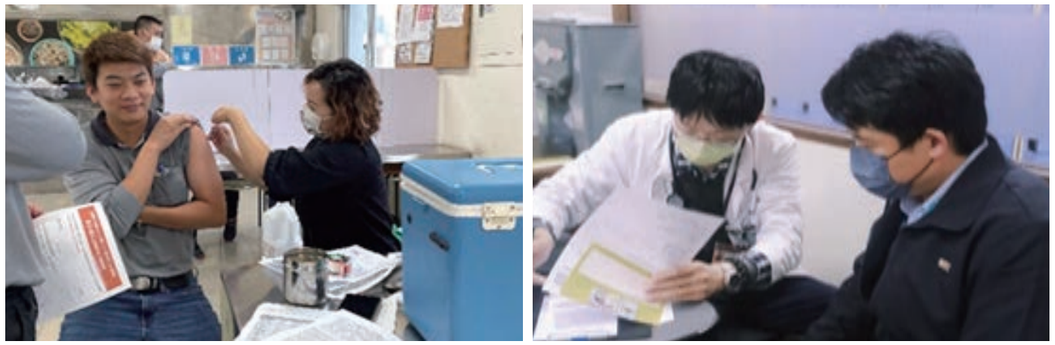
EMC is people-oriented and always attaches great importance to the health and safety of personnel. With respect to employee health management, in addition to providing free health checks and graded health management in accordance with laws and regulations, the Company also stations nurses in plant areas and arranges for occupational health specialists to provide monthly on-site services for employees, including work-related health consultations, medical guidance, improvement suggestions, and follow-up attention to confirm improvement status after health checks. Maternal health protection programs are promoted for female employees to protect the health of pregnant and postnatal employees, which include the provision of a breastfeeding room, relevant health guidance, health education, consultation, and assessments of hazardous operational risks, health status, and fitness-for-work.

EMC conducts health checks and special health checks for employees in accordance with the frequency stipulated in the Occupational Safety and Health Act. In 2023, 192 out of 205 employees who meet the requirement took the general health check, showing a coverage rate of 93%; meanwhile, all 274 employees who met the requirement took the special health check, showing a coverage rate of 100%.

The statistics of the number of employees participating in general health checks and special health checks in 2023 are as follows：(only covers the statistics for Taiwan plants)

Item		EMC Guanyin Plant	EMC Hsinchu Plant
General Health Check	General Health Check	130	62
Special Health Check	Dust operations	52	23
	Noise	123	15
	Ionizing radiation operations	36	23
	Operations related to manganese	0	3
Number of employees whose general health check results are categorized as Level 1 Management group		16	12
Number of employees whose general health check results are categorized as Level 2 Management group		81	23
Number of employees whose general health check results are categorized as Level 3 Management group		28	16
Number of employees whose general health check results are categorized as Level 4 Management group		4	11
Dust operations (Level 2 Management)		19	21
Noise operations (Level 2 Management)		52	7
Ionizing radiation operations (Level 2 Management)		24	14
Abnormal workload (Level 2 Management)		11	20
Abnormal workload (Level 3 Management)		2	21

In-plant health promotion activities



Occupational health specialists are invited to the plants every month to provide on-site services related to employees' health check results, including relevant health consultations, medical guidance, improvement suggestions, and follow-up attention to confirm improvement status after health checks. Through the combination of on-site services provided by occupational health specialists, progress tracking, and relevant management measures, employees' health has improved considerably.

1. EMC Guanyin Plants – Services provided by on-site occupational health specialists and the number of participants

Item	Q1 (people)	Q2 (people)	Q3 (people)	Q4 (people)
Review of new employees' physical examination reports	33	36	49	46
	67	24	21	27
Consultation (about overload)	5	3	2	7
Consultation (about maternity protection)	1	0	4	1
Consultation (about special operations)	4	1	6	2
Consultation (about respiratory protection)	0	0	0	0
Consultation (about work-resumption assessment)	2	4	4	1
Consultation (about follow-ups to annual health checks)	2	12	7	7
Consultation (about other health issues)	1	2	2	2
Total	385			

2. EMC Hsinchu Plant – Services provided by on-site occupational health specialists and the number of participants

Item	Q1 (people)	Q2 (people)	Q3 (people)	Q4 (people)
Review of new employees' physical examination reports	1	9	8	24
	10	5	4	12
Consultation (about overload)	1	0	1	8
Consultation (about maternity protection)	0	1	1	0
Consultation (about special operations)	1	0	2	0
Consultation (about respiratory protection)	0	0	0	0
Consultation (about work-resumption assessment)	5	5	4	6
Consultation (about follow-ups to annual health checks)	8	4	9	4
Consultation (about other health issues)	3	6	9	6
Total	157			

06

Employee Care

Material Issue	Employment	
GRI Topic Standard	GRI 202-1 Ratios of standard entry level wage by gender compared to local minimum wage GRI 202-2 Proportion of senior management hired from the local community GRI 405-1 Diversity of governance bodies and employees GRI 405-2 Ratio of basic salary and remuneration of women to men	
Policy Commitment	Provide diversified benefits and activities for employees to balance their work and life.	
Stakeholder Engagement	Employees Quarterly Employee Welfare Committee Meetings (Taiwan area); Weekly departmental meetings for each unit; Employee Mailbox for feedback on employee life set up at each plant; Minutes of 4 Employee Welfare Committee meetings (Taiwan area); 0 suggestions received for improvement of employee life.	
Sustainability Indicator	2023 Evaluation Mechanism and Performance	Medium- and Long-term Goals
Diversity and Inclusion	The percentage of employees with disabilities accounted for 0.58%.	The percentage of employees with disabilities accounts for 1%.
Female Care and Gender Equality	The percentage of female managerial personnel accounted for 13%.	The percentage of female managerial personnel accounts for 15%.

Material Issue	Attracting and Retaining Talented Personnel	
GRI Topic Standard	GRI 401-1 New employee hires and employee turnover GRI 401-2 Benefits provided to full-time employees that are not provided to temporary or part-time employees GRI 401-3 Parental leave GRI 404-1 Average hours of training per year per employee GRI 404-3 Percentage of employees receiving regular performance and career development reviews	
Policy Commitment	Enhance employees' management and professional competencies, improve team performance and exercise team synergy, and strengthen the organization's operational efficiency and momentum to achieve the sustainable operation and development of the Company.	
Stakeholder Engagement	Employees	
Sustainability Indicator	2023 Evaluation Mechanism and Performance	Medium- and Long-term Goals
Talent Retention	Turnover rate was 17.22%.	Turnover rate is less than 20%.
Retention Rate of Employees who took Parental Leave	Retention rate reached 83.33%.	Retention rate reaches 100%.
Establishment of Good Labor–Management Relations	One labor–management meeting was held every quarter (Taiwan area).	At least one labor–management meeting is held every quarter (Taiwan area).
Enhancement of Employees' Learning Motivation	Number of training hours for employees at Taiwan and Mainland China plants Managerial personnel: 12.1 hours per person on average Non-managerial personnel: 44.8 hours per person on average	Managerial personnel: 12.5 hours per person on average in 2024 Non-managerial personnel: 46 hours per person on average in 2024

6.1 Employment Status

6.1.1 Human Resources Structure GRI 2-7, GRI 202-2, GRI 405-1

As a global corporate citizen, EMC upholds the Responsible Business Alliance (RBA), Social Accountability 8000 (SA 8000), and other internationally recognized human rights norms, including the Universal Declaration of Human Rights, International Labour Organization conventions, and the UN Guiding Principles on Business and Human Rights. Moreover, the Company has referenced the aforementioned norms and local regulations to formulate its fundamental labor standards, such as the Labor and Ethical Management Code of Conduct, the Corporate Social and Environmental Responsibility Policy Statement, and the Corporate Social Responsibility Best Practice Principles, which are used as guidelines for practicing corporate social responsibility. The use of child labor is explicitly prohibited to ensure that no labor under the legal working age is employed; furthermore, the Company protects the physical and psychological health and safety of underage employees and prohibits their assignment to dangerous work. For the Taiwan and Mainland China plants, the term "managerial position" refers to a rank of manager or above; the Company's managerial positions are all held by local residents.

At the end of 2023, EMC had 4,297 employees, a 15.75% increase compared to 3,712 employees in 2022. This growth was due to an increase in production capacity following the COVID-19 pandemic. Currently, the majority of employees are under the age of 50 years, accounting for more than 95% on average. Due to industry characteristics, job market conditions, and related factors, the gender discrepancy in the Company's manpower ratio is relatively high.

2023 Labor Composition at Taiwan and Mainland China Plants (statistics as of December 31, 2023)

Plant		Taiwan Plants		Elite Electronic Material (Kunshan)		Elite Electronic Material (Zhongshan)		Elite Electronic Material (Huangshi)	
Number of employees at the end of the year		1,028		1,513		923		833	
Nationals	Male	700	68.09%	1,205	79.65%	732	79.31%	683	81.99%
	Female	158	15.37%	308	20.35%	191	20.69%	150	18.01%
	Others	0	0	0	0	0	0	0	0
Foreign nationals	Male	157	15.27%	0	0	0	0	0	0
	Female	13	1.27%	0	0	0	0	0	0

2023 Labor Composition at Taiwan and Mainland China Plants (statistics as of December 31, 2023)

Plant		Taiwan Plants		Elite Electronic Material (Kunshan)		Elite Electronic Material (Zhongshan)		Elite Electronic Material (Huangshi)	
Non-fixed term contract personnel (permanent employees)	Male	701	68.19%	315	20.82%	261	28.28%	47	5.64%
	Female	165	16.05%	103	6.81%	56	6.07%	4	0.48%
Fixed term contract personnel (temporary employees)	Male	156	15.18%	890	58.82%	471	51.03%	636	76.35%
	Female	6	0.58%	205	13.55%	135	14.62%	146	17.53%
Casual employees	Male	0	0	0	0%	0	0%	0	0%
	Female	0	0	0	0%	0	0%	0	0%
Full-time employees	Male	857	83.37%	1,205	79.65%	732	79.31%	683	81.99%
	Female	171	16.63%	308	20.35%	191	20.65%	150	18.01%
Part-time employees	Male	0	0	0	0%	0	0%	0	0%
	Female	0	0	0	0%	0	0%	0	0%
Age structure (%)	<30	178	17.32%	398	26.3%	212	22.96%	232	27.85%
	30-50	709	68.97%	1,099	72.63%	708	76.7%	600	72.02%
	>50	141	13.71%	16	1.05%	3	0.32%	1	0.12%
Managerial personnel (rank of manager or above)	Male	88	8.56%	11	0.73%	7	0.76%	2	0.24%
	Female	13	1.27%	2	0.13%	1	0.11%	0	0
R&D personnel	Male	100	9.73%	59	3.90%	35	3.79%	0	0.00%
	Female	12	1.17%	10	0.66%	4	0.43%	0	0.00%
Onsite technical personnel	Male	548	53.31%	1009	66.69%	603	65.33%	629	75.51%
	Female	86	8.36%	219	14.47%	121	13.11%	107	12.85%
Sales, administrative, and other personnel	Male	121	11.77%	126	8.33%	87	9.43%	52	6.24%
	Female	60	5.83%	77	5.09%	65	7.04%	43	5.16%
Personnel from minority or vulnerable groups		6	0.58%	0	0	3	0.32%	4	0.48%

6.1.2 New Employee Hires and Employee Turnover GRI 401-1

In terms of employee recruitment, all candidates are treated equally regardless of gender, religion, political affiliation, marital status, etc. Employees should be provided with a good work environment that is free from discrimination and harassment. The company also promotes freedom of employment, meaning that all work is taken on voluntarily. An Employee Complaint Management System has been established to deal with employee grievances. Moreover, an Employee Mailbox has been set up to collect employees' suggestions, further expanding the communication channels.

The Company's turnover statistics also include foreign employees who returned to their home countries after their contracts expired, as well as officially employed personnel who retired at the age of 65 as per the Labor Standards Act or voluntarily retired early in accordance with the law. If a labor contract is terminated by the employer or the employee for any reason, the Company will give advance notice in accordance with relevant laws and within the specified period.

1. 2023 New Employee Hiring Rate at Taiwan and Mainland China Plants

Plant		Taiwan Plants		Elite Electronic Material (Kunshan)		Elite Electronic Material (Zhongshan)		Elite Electronic Material (Huangshi)	
End of Year	Number of Employees	1028		1513		923		833	
	Employees Under the Age of 18	0		0		0		0	
Number of New Employees		179		531		156		336	
New Employee Hiring Rate		17.41%		35.1%		16.9%		40.3%	
Gender	Male	157	87.71%	429	80.8%	129	82.7%	286	85.1%
	Female	22	12.29%	102	19.2%	27	17.3%	50	14.9%
Age Structure	<30	60	33.52%	236	44.4%	74	47.4%	145	43.20%
	30–50	112	62.57%	294	55.4%	82	52.6%	191	56.8%
	>50	7	3.91%	1	0.2%	0	0.00%	0	0.00%

Note：New Employee Hiring Rate = Number of new employees / Total number of employees for the year
Total number (percentage) of new employees = Number of new employees / Percentage of the current year's employees of the group

2. 2023 Statistics of Employee Turnover at Taiwan and Mainland China Plants

Plant		Plants in Taiwan		Elite Electronic Material (Kunshan)		Elite Electronic Material (Zhongshan)		Elite Electronic Material (Huangshi)	
Number of Resigned Employees		177		669		180		322	
Turnover		17.22%		44.0%		19.5%		38.70%	
Gender	Male	155	87.57%	546	81.6%	154	85.56%	283	87.89%
	Female	22	12.43%	123	18.4%	26	14.44%	39	12.11%
Age Structure	<30	32	18.08%	267	39.91%	64	35.56%	130	40.37%
	30–50	128	72.32%	402	60.09%	116	64.44%	191	59.32%
	>50	17	9.60%	0	0.00%	0	0.00%	1	0.31%

Note：Turnover = Number of resigned employees / Total number of employees for the year
Total number (percentage) of resigned employees = Number of resigned employees / Percentage of the current year's employees of the group

6.2 Employee Remuneration and Benefits

6.2.1 Employee Benefits GRI 401-2

In order to become an excellent and sustainable enterprise, EMC insists on putting people first and commits to providing employees with a remuneration system superior to that of peer industries. The company strives to improve employee benefits, cares about employees' physical and mental health and quality of life, and aims to create a friendly work environment that demonstrates gender equality, multicultural integration, and multi-generational composition. The company has developed various systems for employees' safety and provides employees with retirement benefits (labor pension), labor insurance, and health insurance as well as comprehensive education and training and incentive compensation in accordance with the law. The relevant remuneration policies are as follows：

- Employee remuneration and year-end bonus are given based on the achievement rate of annual business goals
- Management bonuses are offered for management personnel based on the achievement rate of annual business goals and employees' performance achievements
- Monthly performance bonuses are given based on performance achievements
- A retirement system has been implemented in accordance with the Labor Standards Act

- Labor insurance, provident fund, national health insurance, and employee group insurance (term insurance, accident insurance, and medical and occupational accident insurance) are provided
- Regular health checks for employees are provided
- Various employee training courses and reading workshops are provided on a regular basis
- Healthy, nutritious, and delicious free meals are provided for lunch and dinner
- Free employee uniforms
- Parking is provided for motorbikes (free) and cars
- Dormitories are provided
- Year-end banquets
- Assistive living supplies were distributed on a quarterly basis during the COVID-19 pandemic period

6.2.2 Employee Remuneration GRI 202-1, GRI 405-2, GRI 2-21

Employee salary standards are formulated by the Human Resources Department based on market salary, the company's financial status, and organizational structure. The overall remuneration is determined according to employees' individual professional skills, job responsibilities, work performance, and achievement status of the company's operating goals. The salaries of new employees do not differ on account of gender, race, political affiliation, ideology, religious beliefs, sexual orientation, or marital status. The starting salary is higher than the basic salary regulated by the government. The core principle for salary calculation lies in a comprehensive consideration of employees' expertise and the positions held.

Statistics of new hires' salaries by gender (disclosed to the hundredth)

1. Base-level employees' basic salary

Taiwan Plants			Elite Electronic Material (Kunshan)		Elite Electronic Material (Zhongshan)		Elite Electronic Material (Huangshi)	
Gender	Male	Female	Male	Female	Male	Female	Male	Female
Average starting salary (per month)	NTD 33,072	NTD 34,971	RMB 3,926	RMB 3,741	RMB 3,549	RMB 3,689	RMB 3,661	RMB 3,498
Salary ratio by gender	1:1.06		1:0.95		1:1.04		1:0.96	
Ratio of the Company's entry level salary to the basic minimum wage (%)	125.3%	132.5%	157.7%	150.5%	186.8%	194.2%	187.7%	179.4%

Ratio of the renumeration to the basic minimum wage for various employee categories：

Note 1： The statistics of Taiwan plants were calculated by comparing the 2023 basic minimum wage announced by the Ministry of Labor (NT$26,400) with the Company's entry level salary for each employee category.

Note 2： The statistics of Elite Electronic Material (Kunshan) were calculated by comparing the 2024 minimum wage announced by the Suzhou Municipal Human Resources and Social Security Bureau (CN¥2,490) with the Company's entry level salary for each employee category.

Note 3： The statistics of Elite Electronic Material (Zhongshan) were calculated by comparing the minimum wage announced by the Zhongshan Municipal Government (CN¥1,990) with the Company's entry level salary for each employee category.

Note 4： The statistics of Elite Electronic Material (Huangshi) were calculated by comparing the 2024 minimum wage announced by the Provincial General Office (CN¥1,950) with the Company's entry level salary for each employee category.

Note 5： The ratio of the annual total remuneration of EMC's highest paid individual to the median annual total remuneration of all other employees in the organization was 20:1. The ratio of the annual total remuneration of EMC's highest paid individual to the average annual total remuneration of all other employees in the organization was 15:1. Moreover, the ratio of the increase (%) in annual total remuneration for EMC's highest paid individual during 2022–2023 to the median increase (%) in annual total remuneration for all other employees in the organization (not including the individual with the highest remuneration) was -8.5:1.

2. Ratio of Basic Salary and Remuneration of Women to Men GRI 405-2

Employee Category	Taiwan Plants			Elite Electronic Material (Kunshan)			Elite Electronic Material (Zhongshan)			Elite Electronic Material (Huangshi)		
	Male (people)	Female (people)	Pay Ratio Female : Male	Male (people)	Female (people)	Pay Ratio Female : Male	Male (people)	Female (people)	Pay Ratio Female : Male	Male (people)	Female (people)	Pay Ratio Female : Male
Managerial personnel (rank of manager or above)	88	13	0.95:1	11	2	1.08:1	7	1	0.89:1	2	0	N/A
R&D personnel	100	12	1:12:1	59	10	1.01:1	35	4	0.97:1	0	0	N/A
Onsite technical personnel	548	86	0.88:1	1009	219	0.91:1	603	121	0.98:1	629	107	0.91:1
Sales, administrative, and other personnel	121	60	0.94:1	126	77	0.78:1	87	65	0.84:1	52	43	0.85:1

6.2.3 Parental Leave GRI 401-3 (Statistics of Taiwan plants only)

	2023 Taiwan Plants		
	Male	Female	Total
Number of employees eligible for parental leave in 2023	45	9	54
Number of employees who applied for parental leave in 2023	3	5	8
Number of employees scheduled to resume work in 2023 (A)	1	4	5
Number of employees who resumed work in 2023 (B)	1	3	4
Work resumption rate (B/A)	100%	75%	80%
Number of employees who resumed work in 2022 after parental leave (C)	5	1	6
Number of employees who resumed work in 2022 after parental leave and remained at work for 1 year in 2023 (D)	5	0	0
Retention rate (D/C)	100%	0%	83.33%

Note 1: The workforce data in this report only show the statistics for Taiwan (including foreign workers).

6.3 Talent Development, Education, and Training

6.3.1 Employees' Further Education and Training GRI 404-1

EMC has established the Education and Training Operating Procedures, which are used as the basis for conducting various types of education and training. This training aims not only to enhance the skills and techniques necessary for employees to perform their duties and improve work efficiency but also to effectively utilize human resources, align employee competencies with the Company's development goals, and enable employees and the Company to move forward hand in hand.

✓ The Palace of Learning for Employees - EMC Academy's Philosophy and Achievements

EMC has established the EMC Academy to provide employees at all levels with systematic training. The Company's blueprint for learning takes the values of Commitment, Teamwork, and Value Creation as its foundation, the eHRD learning platform as its support pillars, and differentiation by employees duties and ranks as its roof beams.

EMC invests ample resources in employee training from the moment new hires join the Company. Moreover, EMC implements various training programs, such as on-the-job training and self-study, to attain optimal training results. Furthermore, the Company promotes annual highlight projects according to its annual business goals and external trends to effectively respond to changes in the environment and closely integrate the training trajectory with the company's strategies.

EMC Academy Framework

Training System ▸ / Rank ▾	Professional Training Employee Competence	Management Training Employee Governance	General Education Training Employee Thinking
Senior Management	● Production Program ● Technology Program ● Property Management Program ● Maintenance Program ● Quality Assurance Program ● Occupational Safety and Health Program ● Marketing Program ● R&D Program	● Advanced Management Training ● Basic Management Training ● Site Management Training	● Core Functions ● Laws and Regulations ● In-house Instructors ● Annual Theme ● EMC Values
Middle Management			
Operative-level Management			
On-site Supervisor			
IDL Personnel			
Production-site Personnel			
New Hires	Newcomer Training: Newcomer General Education Program + Newcomer Professional Course		

eHRD Learning Platform

Commitment • Teamwork • Value Creation

Achievements

1. Statistics of 2023 education and training hours at EMC's Taiwan and Mainland China plants (listed by position categories: managerial position and non-managerial position)
   Unit：hours

Plant	Taiwan Plants			Elite Electronic Material (Kunshan)			Elite Electronic Material (Zhongshan)			Elite Electronic Material (Huangshi)		
Gender	Male	Female	Total	Male	Female	Total	Male	Female	Total	Male	Female	Total
Managerial position	1143.8	258.8	1402.6	335.0	32.0	367.0	242.0	34.0	276.0	46.0	0.0	46.0
Average hours	13.0	19.9	13.9	9.3	10.7	9.4	11.0	8.5	10.6	6.6	0.0	6.6
Non-managerial position	12890.8	2132.3	15023.1	31568.0	10959.0	42527.0	43551.0	9223.0	52774.0	47167.0	8383.0	55550.0
Average hours	16.8	13.5	30.3	26.8	35.8	28.7	61.3	49.3	58.8	69.8	55.9	67.3
Total	14034.6	2391.1	16425.7	31903.0	10991.0	42894.0	43793.0	9257.0	53050.0	47213.0	8383.0	55596.0
Total average hours	16.4	13.9	15.9	26.3	35.6	28.2	59.8	48.5	57.5	69.1	55.9	66.7

Number of training hours for managerial employees at Taiwan and Mainland China plants: 12.1 hours per person on average

Number of training hours for non-managerial employees at Taiwan and Mainland China plants: 44.8 hours per person on average

General Education Training for Newcomers at Taiwan plant - CCL Production Processes

Digital Course Instructor Training Camp at Taiwan plant

Digital Course Training at Elite Electronic Material (Kunshan)

Performance Appraisal Advocacy Training at Elite Electronic Material (Kunshan)

Education and training at Elite Electronic Material (Zhongshan)

Supervisor education and training at Elite Electronic Material (Huangshi)

6.3.2 Performance Management GRI 404-3

Performance appraisal is a measure that allows an organization to understand the implementation status and progress of scheduled programs through objective performance standards and fair appraisal procedures, which can be referenced for human resource planning such as salary adjustments, transfers, promotions, and other operations. Performance appraisal also provides employees with developmental feedback and information to clarify the relationship between performance goals and organizational development strategies. Performance appraisal feedback guides employees and assists them in realizing their potential by encouraging them to improve and develop themselves.

Appraisal items and frequency are determined based on the targets being appraised, the content of which is summarized in the table below：

Structure of Employee Appraisal	Items for Appraisal	Appraisal Timing
New Hires	Learning attitude and ability, interpersonal interaction, professional performance	Three months (before the expiry of probation period)
Direct Labor	Work performance, work attitude assessment, competence and motivation	Monthly
Indirect Labor		Quarterly
Managerial Leaders	Work performance evaluation and competence development evaluation	Yearly

Note：Scheduled appraisals are carried out during an employees' tenure. In 2023, performance appraisals were completed for 100% of employees (excluding those on leave due to work-related injuries and those on unpaid leave).

Retirement System

In order to encourage employees' professional commitment and assure employees of stable living after retirement, EMC has formulated the Directions for Employee Retirement and allocates pensions for all employees in accordance with regulations. Additionally, a Pension Supervisory Committee has been established in accordance with the law to take responsibility for the implementation of pension management and retirement measures for employees covered under the old pension system. According to the old pension system, 2% of the monthly pay of employees with tenure acknowledged under the old pension system will be allocated to the old-system retirement pension account at the Bank of Taiwan on a monthly basis. Actuaries are appointed and actuarial reports are submitted on a yearly basis to ensure that sufficient funds have been allocated to protect the rights and interests of employees. Furthermore, in accordance with the new labor retirement system, the company allocates 6% of employees' monthly pay every month to the individual retirement account in accordance with the employee's pension level. In addition to the regular allocation made by the company, employees can also choose to deposit up to 6% of their pension fund in special accounts for tax exemption.

Employees who meet the statutory retirement conditions may apply for retirement. After the retirement procedures are completed, those with tenure acknowledged under the old pension system can receive their pensions from the old system, and the pensions deposited in the individual special accounts can also be withdrawn by law when employees reach the age of 60. Five employees applied for retirement in 2023, and their pension funds under the old pension system have been settled and paid in accordance with the law.

6.4 Employee Communication and Care

Labor–Management Meetings GRI 2-30

Since no labor union has been established at EMC's Taiwan plants, no collective bargaining agreement has been signed. EMC has formulated the Regulations for Implementing Labor–Management Meetings in accordance with Article 83 of the Labor Standards Act and relevant regulations announced by the Ministry of the Interior, based on which labor–management meetings are held regularly for labor–management negotiation and discussion of labor-related issues. The labor–management meeting participants comprise the same number of representatives from both the labor and the management sides, which in principle is a minimum of 5 and a maximum of 15 representatives for each side. Labor representatives are directly elected by all workers and serve a 4-year term. The representatives may serve consecutive terms if reelected. Labor–management meetings are held once every 3 months. Currently there are 10 management representatives and 10 labor representatives for the two plants. All employees can make suggestions on Company issues through management and labor representatives. During the quarterly labor–management meetings, labor representatives can clearly learn about the Company's recent important operational information, workforce status, and labor-related communication issues; this facilitates the establishment of harmonious labor–management relations and the promotion

of labor–management collaboration. Labor Unions have been established at EMC's plants in Mainland China. No collective bargaining agreement has been signed. Committee representatives have been elected in accordance with the Regulations on the Fundamental Organizational Election Affairs of Labor Unions of the People's Republic of China to facilitate communication through regularly held internal meetings. The Labor Union status of the plants is listed in the table below：

Plant	Union status
EMC's Taiwan Plants	No labor union has been established for EMC, so no collective bargaining agreement has been signed. Communication is carried out in the form of Labor–Management Meetings (composed of 10 management representatives and 10 labor representatives).
Elite Electronic Material (Kunshan)	1. A Labor Union has been established. 2. Meetings are held on a monthly basis by all union members, through which the establishment of harmonious labor–management relations and the promotion of labor-management collaboration is facilitated. (Seven meeting representatives have been set.)
Elite Electronic Material (Zhongshan)	1. Personnel of each location hold communication workshops on a quarterly basis and record meeting minutes for subsequent tracking and improvement. 2. The communication workshops shall facilitate harmonious labor–management relations, through which the opinions, suggestions, complaints, etc. proposed by employees to the Company can be immediately received and promptly handled.
Elite Electronic Material (Huangshi)	The first Member Representative's Conference of Elite Electronic Material (Huangshi) Co., Ltd. was successfully held on March 17, 2022, with a total of 41 representatives attending. Through the conference, the plant's first Labor Union Committee, Budget Review Committee, and Female Employee Committee have been formed.

Moreover, the company has formulated the Measures for Employee Mailbox Management, according to which an Employee Opinion Form can be filled out and submitted in the following situations：

1. When employees would like to make suggestions on issues related to the Company's management, benefits, work environment, etc. or something about the individual's life.
2. When employees would like to report illegal practices or complain about inequality in the workplace.
3. When employees' doubts or expectations fail to be dealt with or transferred to a higher level of management after the issues have been fully described and communicated to their team leaders, or when the issues of concern are related to their team leaders.

Employee Mailboxes are placed in the employee canteens at all Company plants. The keys are kept by the heads of the human resources departments, who collect the mail once per week. In addition to utilizing Employee Mailboxes, employees can also express their thoughts via e-mail：

- Taiwan plants: hr-emc@mail.emctw.com
- Elite Electronic Material (Kunshan): 200@emcks.com
- Elite Electronic Material (Zhongshan): 200@emczs.com
- Elite Electronic Material (Huangshi): 200@emchs.com

The Company maintains the confidentiality of employees who submit opinions, and promises that employees will not suffer any reprisal or unfair treatment as a result of filing a grievance. If a submitted opinion is helpful to the company, the submitter will be rewarded after the submission is recognized, and the case will be handled in a public or confidential manner depending on the nature of the case. Submitters will receive a response in writing or by other means within 2 weeks after the submission is received, with a copy sent to the President's Office. No complaints were received through official channels in 2023.

Appendix

Appendix 1

Statement of Use	EMC's 2023 Sustainability Report has been published in accordance with GRI Standards. The data and information cover the period from January 1, 2022, to December 31, 2023.
GRI Standards	GRI 1: Foundation 2021
Applicable GRI Sector Standards	N/A

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Appendix 1

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2-30	Collective bargaining agreements	6.4 Employee Communication and Care	No collective bargaining agreement has been signed	181

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305-2 Energy indirect (Scope 2) GHG emissions		
305-4 GHG emissions intensity		
305-7 Nitrogen oxides (NOX), sulfur oxides (SOX), and other significant air emissions	4.3.1 Air Pollution Control	122
GRI 306 Waste (2020)		
306-1 Waste generation and significant waste-related impacts	4.3.2 Waste Management	125
306-2 Management of significant waste-related impacts	4.3.2 Waste Management	125
306-3 Waste generated	4.3.2 Waste Management	125
306-4 Waste diverted from disposal	4.3.2 Waste Management	125
306-5 Waste directed to disposal	4.3.2 Waste Management	125
GRI 308 Supplier Environmental Assessment (2016)		
308-1 New suppliers that were screened using environmental criteria	3.2.4 Supplier Management Procedures	82
GRI 400 Social		
GRI 401 Employment (2016)		
401-1 New employee hires and employee turnover	6.1.2 New Employees and Employee Turnover Structure	172
401-2 Benefits provided to full-time employees that are not provided to temporary or part-time employees	6.2.1 Employee Benefits	173
401-3 Parental leave	6.2.3 Unpaid Paternity Leave	176

Appendix 1

GRI Content Index Disclosures	Chapter	Page No.
Specific Standard Disclosure 200/300/400		
GRI 400 Social		
GRI 403 Occupational Safety and Health (2018)		
403-1 Occupational safety and health management system	5.1.1 Occupational safety and health management system	137
403-2 Hazard identification, risk assessment and incident investigation	5.1.2 Hazard identification, risk assessment and incident investigation	140
403-3 Occupational health services	5.2 Comprehensive Employee Health Management	160
403-4 Worker participation, consultation, and communication on occupational health and safety	5.1.5 Worker Participation, Consultation and Communication	158
403-5 Worker training on occupational health and safety	5.1.3 Education and Training on Occupational Safety and Health	149
403-6 Promotion of worker health	5.2 Comprehensive Employee Health Management	160
403-7 Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	5.1.4 Prevention and Mitigation of Occupational Safety and Health Impacts	157
403-8 Workers covered by an occupational health and safety management system	5.1.2 Hazard identification, risk assessment, and incident investigation	140
403-9 Work-related injuries	5.1.2 Hazard identification, risk assessment, and incident investigation	140
403-10 Work-related ill health	5.1.2 Hazard identification, risk assessment, and incident investigation	140
GRI 404 Training and Education (2016)		
404-1 Average hours of training per year per employee	6.3.1 Employees' Further Education and Training	176
404-3 Percentage of employees receiving regular performance and career development reviews	6.3.2 Performance Management	180
GRI 405 Diversity and Equal Opportunity		
405-1 Diversity of governance bodies and employees	6.1.1 Human Resources Structure	170
405-2 Ratio of basic salary and remuneration of women to men	6.2.2 Employee Remuneration	174

GRI Content Index Disclosures	Chapter	Page No.
Specific Standard Disclosure 200/300/400		
GRI 400 Social		
GRI 414 Supplier Social Assessment		
414-1 New suppliers that were screened using social criteria	3.2.4 Supplier Management Procedures	82
GRI 418 Customer Privacy (2016)		
418-1 Substantiated complaints concerning breaches of customer privacy and losses of customer data	2.5 Information Security Management	127

Taiwan Stock Exchange Corporation Rules Governing the Preparation and Filing of Sustainability Reports by TWSE Listed Companies (January 26, 2024)

Appendix 1-12 Sustainability Disclosure Indicators — Electronic Parts/Components Industry

NO.	Metric for Disclosure	Category	2022 Disclosure	Unit	Page No.
1	Total energy consumption, percentage of grid electricity, and renewable energy usage rate	Quantitative	4.1 Energy Management	Gigajoules (GJ), percentage (%)	94
2	Total water withdrawal and total water consumption	Quantitative	4.1.5 Water Management	m^3	107
3	Total hazardous waste generated and the percentage recycled	Quantitative	4.3.2 Waste Management	Metric ton (t) %	116
4	Types, number of employees affected, and rate of occupational accidents	Quantitative	5.1 Occupational Safety and Health	%, Quantity	137
5	Product lifecycle management disclosure: including weights of scraps and electronic waste, and percentage recycled (Note 1) Note 1: Descriptions including the sale of scraps and the recycling and processing of waste must be provided.	Quantitative	4.3.2 Waste Management	Metric ton (t) %	125
6	Description of the management of risks associated with the use of critical materials	Qualitative description	3.1 The Use of Green Materials	N/A	76
7	Total amount of monetary losses as a result of legal proceedings associated with anticompetitive behavior regulations	Quantitative	N/A	Report currency	
8	Production volume of major products by product category	Quantitative	2.1 Company Overview	Varies by product type	41

Appendix 2

Appendix 2: SASB Index (Hardware, December 2023)

Code	Index Description	Chapter & Description
1. Product Security		
TC-HW-230a.1	Description of approach to identifying and addressing data security risks in products.	EMC has formulated its Directions for Information Security Management based on the three principles for information security management: confidentiality, integrity, and availability. The information security management aims to provide an information environment for EMC Group's overall business to operate without interruption, and to establish relevant management systems and standard procedures. For details, please see 2.6 Information Security Management.
2. Employee Diversity &Inclusion		
TC-HW-330a.1	Percentage of gender and racial/ethnic group representation for management, technical employees, and all other employees.	As of the end of 2022, EMC had a total of 3,712 employees, including 3,005 male employees (80.95%), and 707 female employees (19.05%). For details, please refer to 6.1.1 Human Resource Structure.
3. Product Lifecycle Management		
TC-HW-410a.1	Percentage of products, by revenue, that contain IEC 62474 declarable substances.	In response to relevant domestic and international laws and regulations on environmental protection and prohibited substances, EMC updates its Hazardous Substance Management Procedures on a regular basis, and complies with the requirements listed in the IEC 62474 Declarable Substance List (DSL). Products with IEC 62474 declarable substances account for 0% of the revenue.
TC-HW-410a.2	Percentage of eligible products, by revenue, meeting the requirements for EPEAT registration or equivalent.	Since EMC's main products are not end products, they cannot obtain the EPEAT Label for end electronics/electrical products.
TC-HW-410a.3	Percentage of eligible products, by revenue, certified to meet ENERGY STAR® criteria	Since EMC's main products are not end products, they cannot obtain the ENERGY STAR® Label for end electronics/electrical products.
TC-HW-410a.4	Weight of end-of-life products and e-waste recovered; percentage recycled.	0%, no e-waste generated in end-of-life products
4. Supply Chain Management		
TC-HW 430a.1	Percentage of Tier 1 supplier facilities audited in the RBA Validated Audit Process (VAP) or equivalent, by (a) all facilities and (b) high-risk facilities.	EMC does not currently require suppliers to obtain the RBA certification. However, the Company has consulted relevant standards set by the Responsible Business Alliance (RBA) and other international regulations to formulate its Suppliers Management Procedures, which are used as a basis for evaluating and auditing suppliers. (a) 0% (b) 0%
TC-HW 430a.2	Tier 1 suppliers' (1) non-conformance rate with the RBA Validated Audit Process (VAP) or equivalent, and (2) associated corrective action rate for (a) priority non-conformances and (b) other non-conformances.	EMC does not currently require suppliers to obtain the RBA certification. However, the Company has consulted relevant standards set by the Responsible Business Alliance (RBA) and other international regulations to formulate its Supplier Management Procedures, which are used as a basis for evaluating and auditing suppliers. (a) 0% (b) 0%
5. Materials Sourcing		
TC-HW 440a.1	Description of the management of risks associated with the use of critical materials.	EMC has defined gold (Au), tantalum (Ta), tungsten (W), cobalt, tin (Sn), palladium, and their derivatives as critical materials. For details on the management and performance of conflict minerals, please see 3.2 Supply Chain Management. All major raw material suppliers have been required to sign and return the Declaration of Conflict-free Metals, declaring and guaranteeing that none of the metals that they use are obtained through militant groups or illegal groups. For details on the management and performance of conflict minerals, please see 3.2.4 Supplier Management Procedures.

Appendix 2

Activity Metrics

Code	Activity Metric	Chapter & Description
TC-HW-000.A	Number of units produced by product category	EMC's major products include CCL, prepreg, and mass lamination. The production volume and values are listed in the table below： Major Products / Unit / Quantity CCL / Thousandsheets (SHT) / 34,487 Prepreg / Thousand meters (MTR) / 108,678 Multi-layer laminate / Thousand SF (S.F.) / 3,358
TC-HW-000.B	Area of manufacturing facilities.	1. Guanyin Plants of Elite Material Co., Ltd., including Plant 1: No. 18, Datong 1st Rd., Guanyin Dist., Taoyuan City (Plant area: 15,277.44 m2) Plant 2: No. 3, Jingjian 2nd Rd., Shulin Village, Guanyin Dist., Taoyuan City (Plant area: 3,376.77 m2) Plant 3: No. 10 Yuanyuan St., Guanyin Dist., Taoyuan City (Plant area: 4,953.20 m2) 2. Hsinchu Plant of Elite Material Co., Ltd. (Plant area: 13,848.96 m2) (No. 14, Wenhua Rd., Hukou Township, Hsinchu County) 3. Elite Electronic Material (Kunshan) Co., Ltd. (plant area: 109,921.31 m2) 4. Elite Electronic Material (Zhongshan) Co., Ltd. (plant area: 40,241.96 m2) 5. Elite Electronic Material (Huangshi) Co., Ltd. (plant area: 50,646.37 m2) 6. Arlon EMD (California, USA) (plant area: 7,097.42 m2)
TC-HW-000.C	Percentage of production from owned facilities	All products (100%) are produced/manufactured at EMC's own premises.

Appendix 2：SASB Index (Industrial Machinery & Goods, December 2023)

Code	Index Description	Unit of Measure	Chapter & Description
1. Energy Management			
RT-IG-130a.1	Total energy consumed, percentage of grid electricity, and percentage of renewable	Gigajoules (GJ), percentage (%) (Quantitative)	Total energy consumed: 117,539,775.43 GJ/year Percentage of grid (purchased) electricity: 100% Percentage of renewable energy: 0%
2. Employee Health & Safety			
RT-IG-320a.1	Total Recordable Incident Rate (TRIR), Fatality Rate and near miss frequency rate (NMFR)	Rate (Quantitative)	EMC's 2023 statistics of employees' work-related injuries at the Taiwan and Mainland China plants are listed in 5.1.2 Hazard identification, Risk Assessment, and Incident Investigation.
3. Fuel Economy & Emissions in Use-phase			
RT-IG-410a.1	Sales-weighted fleet fuel efficiency for medium- and heavy-duty vehicles	Gallons per 1,000 ton-miles (Quantitative)	N/A, EMC does not have a sales fleet of medium- and heavy-duty vehicles.
RT-IG-410a.2	Sales-weighted fuel efficiency for non-road equipment	Gallons per hour (Quantitative)	N/A, EMC does not sell non-road equipment.
RT-IG-410a.3	Sales-weighted fuel efficiency for stationary generators	Watts per gallon (Quantitative)	N/A, EMC does not sell stationary generators.
RT-IG-410a.4	Sales-weighted emissions of: (1) nitrogen oxides (NOx) and (2) particulate matter (PM) for: (a) marine diesel engines, (b) locomotive diesel engines, (c) on-road medium- and heavy-duty engines, and (d) other non-road diesel engines	Grams per KWh (Quantitative)	N/A, EMC does not have emissions of nitrogen oxides (NOx) and particulate matter (PM) for marine diesel engines, locomotive diesel engines, on-road medium- and heavy-duty engines, or other non-road diesel engines.

Appendix 2

Code	Index Description	Unit of Measure	Chapter & Description
4. Materials Sourcing			
RT-IG-440a.1	Description of the management of risks associated with the use of critical materials.energy	Discussion and analysis	EMC requires all of its major raw material suppliers to sign and return the Declaration of Conflict-free Metals, stating and guaranteeing that they have not obtained gold (Au), tantalum (Ta), tungsten (W), cobalt, tin (Sn), or palladium through non-government militant groups, illegal groups, mining areas in the conflict zone of the Democratic Republic of the Congo, or illegal smuggling. Metals exported from the following countries (“conflict areas”) do not comply with the Conflict-Free Specifications: Democratic Republic of the Congo, Rwanda, Uganda, Burundi, Tanzania, and Kenya. For detailed management procedures, please see 3.2.4 Supplier Management Procedures.
5. Remanufacturing Design & Services			
RT-IG-440b.1	Revenue from remanufactured products and remanufacturing services	Reporting currency (Quantitative)	N/A, EMC has no revenue from remanufactured products and remanufacturing services.

Activity Metrics

Code	Activity Metric	Chapter & Description
TC-HW-000.A	Number of units produced by product category	EMC’s major products include CCL, prepreg, mass lamination, etc. The production volume and values are listed in the table below:
RT-IG-000.B	Number of employees	EMC has a total of 3,712 employees, including 3,005 male employees (80.95%), and 707 female employees (19.05%).

Major Products	Unit	Quantity
CCL	Thousandsheets (SHT)	34,487
Prepreg	Thousand meters (MTR)	108,678
Multi-layer laminate	Thousand SF (S.F.)	3,358

Appendix 3: Report Verification Statement/Assurance Statement

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By Royal Charter

INDEPENDENT ASSURANCE OPINION STATEMENT

Elite Material Co., Ltd. 2023 Sustainability Report

The British Standards Institution is independent to Elite Material Co., Ltd. (hereafter referred to as EMC in this statement) and has no financial interest in the operation of EMC other than for the assessment and verification of the sustainability statements contained in this report.

This independent assurance opinion statement has been prepared for the stakeholders of EMC only for the purposes of assuring its statements relating to its sustainability report, more particularly described in the Scope below. It was not prepared for any other purpose. The British Standards Institution will not, in providing this independent assurance opinion statement, accept or assume responsibility (legal or otherwise) or accept liability for or in connection with any other purpose for which it may be used, or to any person by whom the independent assurance opinion statement may be read.

This independent assurance opinion statement is prepared on the basis of review by the British Standards Institution of information presented to it by EMC. The review does not extend beyond such information and is solely based on it. In performing such review, the British Standards Institution has assumed that all such information is complete and accurate.

Any queries that may arise by virtue of this independent assurance opinion statement or matters relating to it should be addressed to EMC only.

Scope

The scope of engagement agreed upon with EMC includes the followings:

1. The assurance scope is consistent with the description of Elite Material Co., Ltd. 2023 Sustainability Report.
2. The evaluation of the nature and extent of the EMC's adherence to AA1000 AccountAbility Principles (2018) in this report as conducted in accordance with type 1 of AA1000AS v3 sustainability assurance engagement and therefore, the information/data disclosed in the report is not verified through the verification process.
3. The assessment of disclosure to be in conformance with the applicable SASB industry standard(s) in this report as conducted in accordance with type 1 of AA1000AS v3 sustainability assurance engagement.

This statement was prepared in English and translated into Chinese for reference only.

Opinion Statement

We conclude that the Elite Material Co., Ltd. 2023 Sustainability Report provides a fair view of the EMC sustainability programmes and performances during 2023. The sustainability report subject to assurance is free from material misstatement based upon testing within the limitations of the scope of the assurance, the information and data provided by the EMC and the sample taken. We believe that the performance information of Environment, Social and Governance (ESG) are fairly represented. The sustainability performance information disclosed in the report demonstrate EMC's efforts recognized by its stakeholders.

Our work was carried out by a team of sustainability report assurors in accordance with the AA1000AS v3. We planned and performed this part of our work to obtain the necessary information and explanations we considered to provide sufficient evidence that EMC's description of their approach to AA1000AS v3 and their self-declaration in accordance with GRI Standards and SASB Standard(s) were fairly stated.

Methodology

Our work was designed to gather evidence on which to base our conclusion. We undertook the following activities:

- a review of issues raised by external parties that could be relevant to EMC's policies to provide a check on the appropriateness of statements made in the report.
- discussion with managers on approach to stakeholder engagement. However, we had no direct contact with external stakeholders.
- 15 interviews with staffs involved in sustainability management, report preparation and provision of report information were carried out.
- review of key organizational developments.
- review of the findings of internal audits.
- review of supporting evidence for claims made in the reports.
- an assessment of the organization's reporting and management processes concerning this reporting against the principles of Inclusivity, Materiality, Responsiveness, and Impact as described in the AA1000AP (2018).
- an assessment of the organization's use of metrics or targets of SASB Standard(s) to assess and manage topic-related risks and opportunities.

Conclusions

A detailed review against the Inclusivity, Materiality, Responsiveness, and Impact of AA1000AP (2018), GRI Standards and SASB Standard(s) is set out below:

Inclusivity

This report has reflected a fact that EMC has continually sought the engagement of its stakeholders and established material sustainability topics, as the participation of stakeholders has been conducted in developing and achieving an accountable and strategic response to sustainability. There are fair reporting and disclosures for the information of Environment, Social and Governance (ESG) in this report, so that appropriate planning and target-setting can be supported. In our professional opinion the report covers the EMC's inclusivity issues.

Materiality

EMC publishes material topics that will substantively influence and impact the assessments, decisions, actions and performance of EMC and its stakeholders. The sustainability information disclosed enables its stakeholders to make informed judgements about the EMC's management and performance. In our professional opinion the report covers the EMC's material issues.

Responsiveness

EMC has implemented the practice to respond to the expectations and perceptions of its stakeholders. An Ethical Policy for EMC is developed and continually provides the opportunity to further enhance EMC's responsiveness to stakeholder concerns. Topics that stakeholder concern about have been responded timely. In our professional opinion the report covers the EMC's responsiveness issues.

Impact

EMC has identified and fairly represented impacts that were measured and disclosed in probably balanced and effective way. EMC has established processes to monitor, measure, evaluate, and manage impacts that lead to more effective decision-making and results-based management within the organization. In our professional opinion the report covers the EMC's impact issues.

GRI Sustainability Reporting Standards (GRI Standards)

EMC provided us with their self-declaration of in accordance with GRI Standards 2021 (For each material topic covered in the applicable GRI Sector Standard and relevant GRI Topic Standard, comply with all reporting requirements for disclosures). Based on our review, we confirm that sustainable development disclosures with reference to GRI Standards' disclosures are reported, partially reported, or omitted. In our professional opinion the self-declaration covers the EMC's sustainability topics.

SASB Standards

EMC provided us with their self-declaration of in accordance with SASB Standard(s) (Hardware Sustainability Accounting Standard, version 2023-12 & Industrial Machinery & Goods Sustainability Accounting Standard, version 2023-12). Based on our review, we confirm that the sustainability disclosure topics & accounting metrics of SASB Standard(s) (Hardware Sustainability Accounting Standard, version 2023-12 & Industrial Machinery & Goods Sustainability Accounting Standards, version 2023-12) are reported, partially reported, or omitted. In our professional opinion the self-declaration covers disclosure topics, associated accounting metrics and activity metrics for applicable SASB industry standard(s).

Assurance level

The moderate level assurance provided is in accordance with AA1000AS v3 in our review, as defined by the scope and methodology described in this statement.

The moderate level assurance provided is in accordance with AA1000AS v3 in our review of SASB Standard(s).

Responsibility

The sustainability report is the responsibility of the EMC's chairman as declared in his responsibility letter. Our responsibility is to provide an independent assurance opinion statement to stakeholders giving our professional opinion based on the scope and methodology described.

Competency and Independence

The assurance team was composed of auditors experienced in relevant sectors, and trained in a range of sustainability, environmental and social standards including AA1000AS, ISO 14001, ISO 45001, ISO 14064, and ISO 9001. BSI is a leading global standards and assessment body founded in 1901. The assurance is carried out in line with the BSI Fair Trading Code of Practice.

For and on behalf of BSI:

Peter Pu, Managing Director BSI Taiwan

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2024-06-20

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