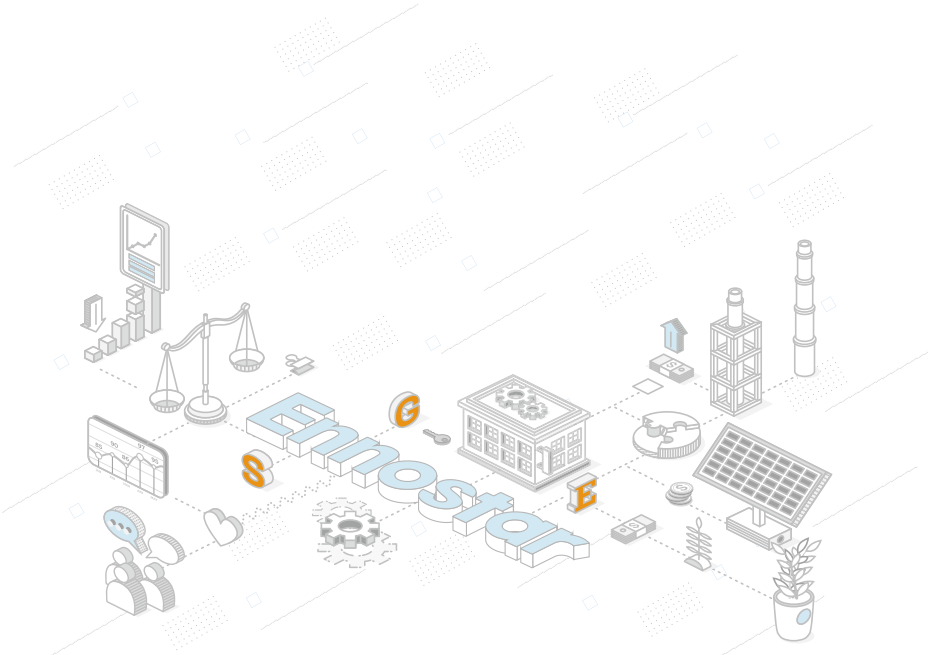
Ennostar

ESG 2021 Report

Contents



About this Report

Ennostar Inc. (hereinafter referred to as “Ennostar,” “the Group,” “us,” “we,” and “our”) was founded on January 6, 2021. We issued our first ESG Report in 2022 to disclose our efforts and achievements in sustainable development indicators relating to environmental, social, and corporate governance aspects. We hope this Report allows the general public and other stakeholders who care about us to gain a better understanding of Ennostar.

Reporting Principles 102-54 102-55

The Ennostar ESG Report for 2021 (hereinafter referred to as “this Report”) is structured according to the content and quality principles under the Core Option of the GRI Sustainability Reporting Standards released by the Global Sustainability Standards Board, and corresponding GRI disclosure codes 000-00 are listed for each section. Compilation of this Report also referenced the three major principles (materiality, inclusiveness, and responsiveness) of the Accountability Principles AA1000 Assurance Standards while incorporating material issues of concern to our stakeholders and highlighting our corporate sustainability.

Our future long-term developments focus on and adhere to the principles of the Sustainability Accounting Standards Board, Task Force on Climate-Related Financial Disclosures, ISO 26000 Guidance on Social Responsibility, Earth Charter, OECD Guidelines for Multinational Enterprises, United Nations Global Compact, and United Nations Sustainable Development Goals.

Reporting Scope and Source 102-50 102-56

The data disclosed in this Report cover our ESG achievements and commitments from January 1 to December 31, 2021, and mainly encompass the sustainability achievements of Ennostar Inc. (Ennostar) and our main subsidiaries Epistar Corporation (Epistar) and Lextar Electronics Corporation (Lextar), as well as selected data on sustainable development achievements from previous sub-subsidiary Unikorn Semiconductor Corporation (Unikorn), which became an Ennostar subsidiary in 2022.

A Sustainability Editorial Team composed of representatives appointed by functional units at Ennostar, Epistar, Lextar, and Unikorn compiled this ESG Report based on stakeholder communications to disclose economic, environmental, and social issues arising from our operational activities. The team operated in accordance with Plan-Do-Check-Action concepts, investigating topics of concern to stakeholders, and requiring various points-of-contact within the team to evaluate and review implementation and response measures to these issues. The team was responsible for overall planning, communication and compilation, and goal setting. Following confirmation of these procedures, editing processes for this Report were implemented by the team convener. After compiling and editing, members of the Editorial Team reviewed and revised the content and data contained within a preliminary draft, before submitting a final draft to the highest authority at each unit for approval. Prior to its release, this Report was verified by a third-party institute, reviewed by our President and Chairman, and finally approved by our Board. Depending on materiality, discussions on relevant economic, environmental, and social issues are reported periodically or non-periodically to our Chairman or Board, and related resolutions are recorded in meeting minutes for tracking by administrative units for subsequent reporting at the next Board meeting.

The financial information in this Report was sourced from financial statements certified by PwC. Assurance engagement for this Report was performed by BSI (British Standards Institution) Taiwan Branch in accordance with the AA1000AS Assurance Standard (AA1000AS v3) Type 1 Moderate level of assurance. The Independent Assurance Statement is included in Appendix VI.

External verification and boundaries of scope for the information in this Report are as follows:

Category	Management System	Epistar	Lextar	Unikorn
E	ISO14000 Environmental Management System	V	V	V
	ISO 14064-1 Greenhouse Gas Emissions	V	V	
S	ISO 45001 Occupational Health and Safety Management System	V	V	V
	CNS 45001 Taiwan Occupational Health and Safety Management System	V		V
G	ISO 27001 Information Security Management System	V		
	IATF 16949 Quality Management System	V	V	
	ISO 9001 Quality Management System	V	V	V

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Issue Date

Ennostar regularly releases ESG Reports to promote our sustainability implementations, which are also disclosed on our corporate website.

Previous issue: First issue released in 2022

Current issue: Released June 2022

Next issue: To be released June 2023

Contact Information

If you have any suggestions regarding our ESG Report, you can provide feedback to us via the “Contact Us” section on our corporate website.

Ennostar ESG Department

Contact number：+886-3-567-9000

Email：ESG@Ennostar.com

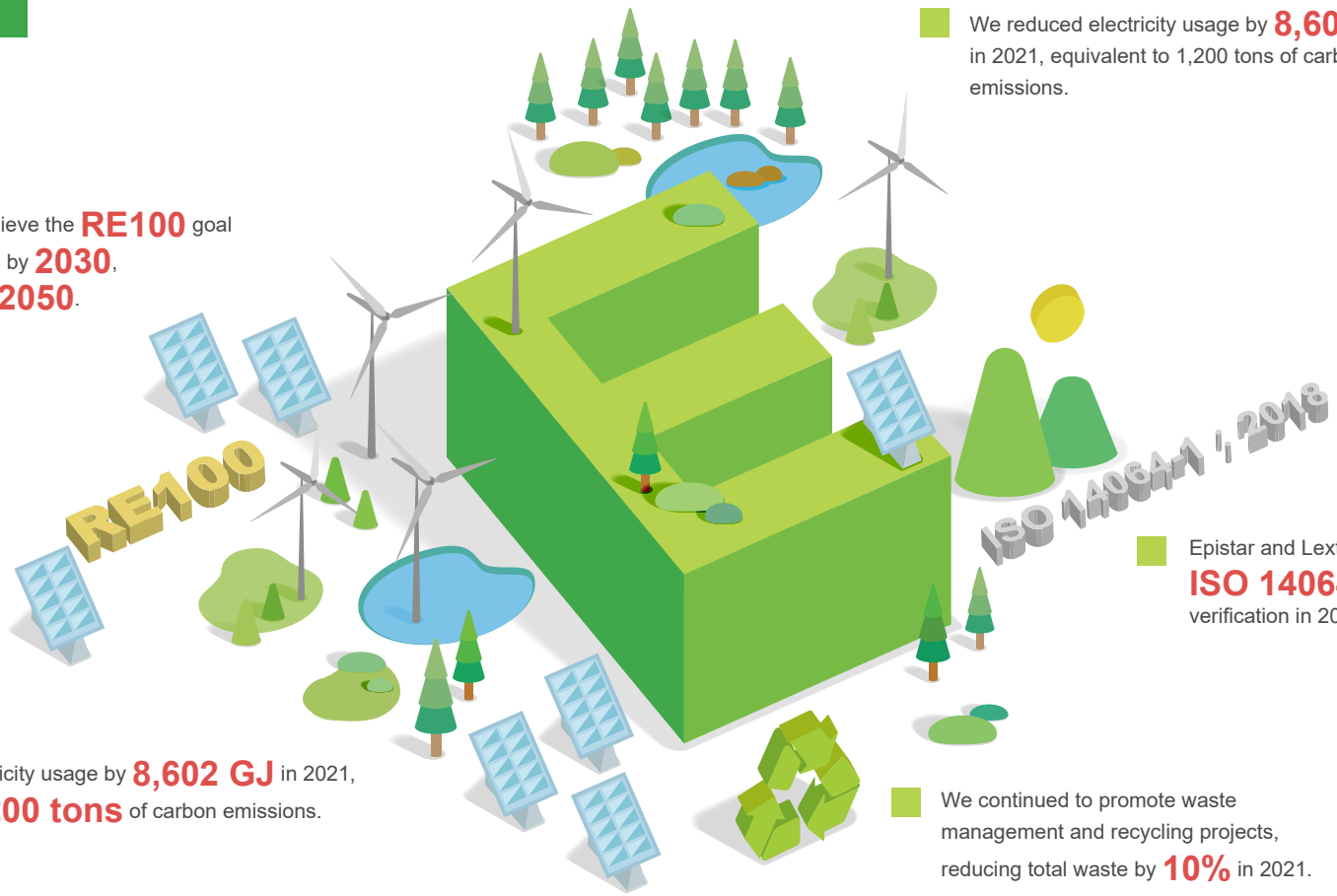
Corporate website：www.ennostar.com/ESG?lang=en

Responsible uni： Ennostar ESG Department

Sustainability Performance

Environment

- We reduced electricity usage by **8,602 GJ** in 2021, equivalent to 1,200 tons of carbon emissions.
- The Group plans to achieve the **RE100** goal for non-production sites by **2030**, for the entire Group by **2050**.



- Epistar and Lextar both obtained **ISO 14064-1 : 2018** verification in 2021.
- We reduced electricity usage by **8,602 GJ** in 2021, equivalent to **1,200 tons** of carbon emissions.
- We continued to promote waste management and recycling projects, reducing total waste by **10%** in 2021.

Note: Ennostar was founded in 2021. For further details on our short, medium, and long-term plans and goals, please refer to 1.1 Sustainable Development Strategies.

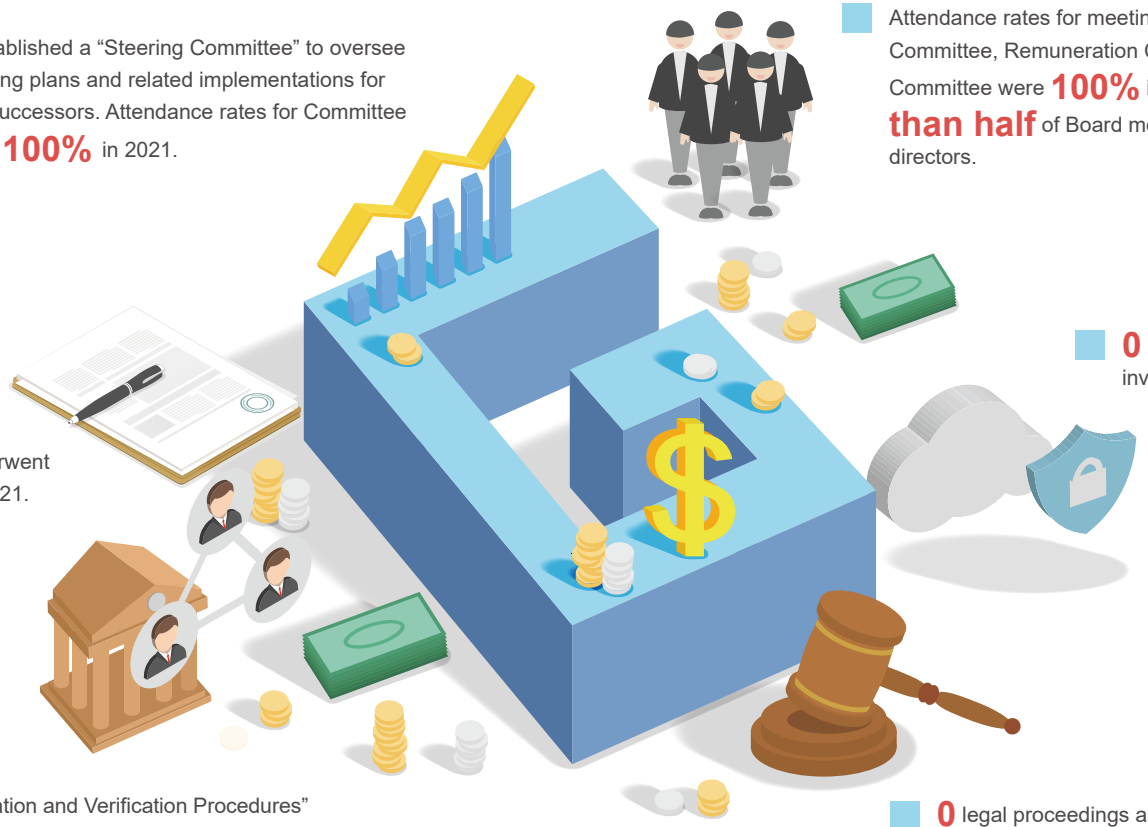
Social

- **0** major occupational disasters occurred in 2021.
- In 2021, we served as an expert member on the “Health and Safety Expert Platform” of the Ministry of Science and Technology Hsinchu Science Park Bureau’s “Health and Safety Counseling and Inspections for Small and Medium High-Risk Science Park Businesses Project for 2021,” and **received an award**.
- We maintained our record of **0** labor-management disputes in 2021.
- In 2021, 1,777 Group employees participated in human rights training courses, and average training completion rates were **99%**.
- In 2021, the Group invested **NT$ 1,862,142** in public welfare and provided employees with 10 hours of paid volunteer leave.

Governance

The Group established a “Steering Committee” to oversee long-term training plans and related implementations for management successors. Attendance rates for Committee meetings were **100%** in 2021.

Attendance rates for meetings of the Board, Audit Committee, Remuneration Committee, and ESG Committee were **100%** in 2021, and **more than half** of Board members are independent directors.



0 information security incidents or invasions of customer privacy in 2021.

100% of Group employees underwent regular performance appraisals in 2021.

The “ESG Report Compilation and Verification Procedures” were approved by the Board in May 2022 to incorporate ESG Report compilation and verification procedures in our **internal controls**.

0 legal proceedings associated with anticompetitive or antitrust behaviors in 2021.

Ennostar Response to the United Nations Sustainable Development Goals in 2021

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Environment

Social

Governance

6.4 By 2030, substantially increase water-use efficiency across all sectors and ensure sustainable withdrawals and supply of freshwater to address water scarcity and substantially reduce the number of people suffering from water scarcity.

4.24.2 Management of Water Resources

We spare no effort in promoting water conservation. In addition to improving our facilities and equipment, we also encourage our employees to change their water usage behaviors to increase water conservation efficiency. The Group implemented a number of water-saving projects in 2021 to enhance water usage efficiency and reduced water usage volumes by almost 80 million liters in 2021.

11.6 By 2030, reduce the adverse per capita environmental impact of cities, including by paying special attention to air quality and municipal and other waste management.

4.5.2 Waste Management

Our top 20 suppliers in terms of transactions values comply with EHS chemical management and environmental management requirements, and all collaborating waste management companies comply with our EHS requirements. In 2021, we incurred zero fines from EHS units relating to exhaust emissions, illegal wastewater discharge, and waste management. We continue to implement waste management projects for recycling and reuse of resources, including our N-Methylpyrrolidone (NMP) waste liquid reduction, waste solvent distillation & recovery, and packaging recycling projects.

12.5 By 2030, substantially reduce waste generation through prevention, reduction, recycling and reuse.

4.5.2 Waste Management

To reduce usage of raw materials and waste volumes, we sought out new collaborating companies to develop waste recycling and reuse technologies that enhanced recycling rates and reduced volumes of non-recycled (incinerated, stabilized, and landfilled) waste. We hope to continue reducing non-recycled waste ratios and increasing recycled waste ratios. Our recycled waste ratio rose from 71% in 2014 to 84% in 2021.

7.a By 2030, enhance international cooperation to facilitate access to clean energy research and technology, including renewable energy, energy efficiency and advanced and cleaner fossil-fuel technology, and promote investment in energy infrastructure and clean energy technology.

Four. Low Carbon Transformations

The Group has installed solar power systems and formulated plans in response to the government's 2050 net zero emissions goal. Ennostar will continue to procure green power purchase agreements and renewable energy certificates, with a view to achieving the RE100 goal for non-production sites by 2030 and the RE100 goal across the entire Group by 2050.

13.2 Integrate climate change measures into national policies, strategies and planning.

2.4.2 Climate Change Governance (TCFD)
Four. Low Carbon Transformations

To reduce operational risks from climate change and enhance product competitiveness, we have formulated the following responses: flood prevention measures, increased volumes of recycled water, water usage plans for water shortage periods, strengthened crisis responses to water shortages, procurement of renewable energies, energy and carbon reduction plans, and installation of solar power systems on factory roofs. Additionally, we also studied manufacturing processes for regenerative products to do our part in reducing energy usage and carbon emissions of our products.

1.b Create sound policy frameworks at the national, regional and international levels, based on pro-poor and gender-sensitive development strategies, to support accelerated investment in poverty eradication actions.

5.2 Employee Care

The Group attaches great importance to the consistency and fairness of remuneration operations, monetary incentives, and management of employee bonuses. Individual salaries are based on the education, expertise, and professional experience of each employee, but do not differ on the basis of race, religion, skin color, political affiliation, age, gender, marital status, or physical and mental disabilities. For further details on ratios of standard salaries to local minimum salaries, please refer to 5.2 Employee Care.

3.d Strengthen the capacity of all countries, in particular developing countries, for early warning, risk reduction and management of national and global health risks.

5.2.2 Management of Employee Health Promotion

The Group provides annual occupational health checks (including abdominal ultrasounds) for employees, surpassing requirements set out by law, and also conducts health checks for employees involved in special operations or transfers. In 2021, a total of 2,951 employees underwent health checks, and total health check fees amounted to NT$ 6,751,331.

4.4 By 2030, substantially increase the number of youth and adults who have relevant skills, including technical and vocational skills, for employment, decent jobs and entrepreneurship.

5.3.1 Talent Cultivation

The Group formally established a dedicated ESG unit and the Ennostar Sustainability Institute to integrate our core capabilities with ESG developments, generate corporate "well-being" from the inside out, and create higher corporate values.

5.1 End all forms of discrimination against all women and girls everywhere.

5.1 Talent Structure

In 2021, 49% of all new employees were female and 51% were male. The overall ratio of female to male employees is around 1:1. All employees are placed in positions that are suited to their talents. To encourage marriage and child-rearing in our employees, we also provide engagement/ marriage leave, marriage subsidies, maternity parking, lactation rooms, care for expectant mothers, pregnancy checkup leave, paternity leave, and family leave.

Words from our Chairman

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Ennostar was founded in 2021. In order to uncover potential opportunities in next-generation technologies and increase international competitive advantages, Epistar and Lextar came together to establish Ennostar, thereby integrating supply chain resources; strengthening new-generation advanced display, automotive, sensor, and special lighting technologies and high-value applications; while also extending our core capabilities in epi manufacturing procedures and involvement in new-generation compound semiconductors.

This year marked a good start for Ennostar, but was a challenging year for the world, with extreme climate events causing natural disasters in various regions, pandemic impacts causing supply chain interruptions, and limited resources causing energy shortages. These challenges tested corporate crisis responses and raised public interest in ESG issues.

As an industry leader, Ennostar hopes to lay a solid foundation for sustainability during the early stages of our establishment. Therefore, we formally established a dedicated ESG unit and ESG Committee in 2022 to oversee operations of our Board and three major subsidiaries. We incorporated ESG concepts in the Group through six primary aspects: goals, projects, our Sustainability Institute, ESG reports, our corporate website, and activities. We start with goals, identify key projects, and gather resources while accelerating towards our goals with support from our Sustainability Institute, using our ESG reports and corporate website to establish good communications with our stakeholders. We organize internal activities that immerse our colleagues in an atmosphere conducive to ESG actions, and externally seek suitable corporate partners to collaborate on sustainability actions. Additionally, we actively participate in evaluations and awards to demonstrate our commitment towards ESG. We hope to create well-being from the inside out through our ESG promotions while also incorporating ESG in our corporate DNA, forming a virtuous cycle for extended and strong growth as we lead our subsidiaries and supply chain partners in sustainability actions to do what we can for society and bring value to the Group.

Make Strides to Become the Best Compound Semiconductor Investment Platform

To become the best compound semiconductor investment platform, Ennostar has adopted the highest standards for corporate governance. We were not involved in any legal proceedings relating to anticompetitive behaviors, antitrust or monopoly behaviors, labor incidents, or marketing and communications in 2021, and there were also no information security incidents or invasions of customer privacy, making us a benchmark for the industry. In terms of strategic positioning, we aim to optimize our product portfolio and raise gross margins through our foundry services for Mini/Micro-LED displays, smart sensors, automotive components, special lighting, and new-generation compound semiconductors. Through resource integration and professional division of labor, we enable our subsidiaries to fully utilize their expertise throughout our value chain and industrial positioning to establish a competitive industry ecosystem with sound finances, solid R&D momentum, and appropriate resource utilization, thereby enhancing overall Group revenues and profits while fulfilling the needs of our clients, investors, and other stakeholders.

Integrate Group Resources to Build Sustainable Environmental Cycles

Ennostar attaches great importance to environmental sustainability issues and encourages our colleagues to take action and understand the necessity for environmental protection while continuing to work toward reductions in water usage, energy usage, carbon emissions, and waste. By reducing and optimizing usage of raw materials at the source, we gradually reduced total chemical consumption volumes for every unit of production capacity year over year. In terms of water-saving achievements, we reduced water usage by 80 million liters in 2021. We also implemented power-saving measures, and our subsidiaries obtained ISO 14064-1:2018 verification and monitored greenhouse gas emissions at all factories in 2021. Additionally, we continue to implement waste management projects for recycling and reuse of resources, including our NMP waste liquid reduction, waste solvent distillation & recovery, and packaging recycling projects, to reduce our environmental impacts. We believe that integration of resources allows for optimal utilization, deeper commitments to environmental sustainability, and acceleration of low-carbon transformations in line with global trends.

Light the Fires of Love to Shine on All Corners of Society

Ennostar firmly believes that virtuous cycles are conducive to mutual happiness in society. We incurred no major occupational disasters or labor-management disputes in 2021, actively promoted EHS through competitions, and served as an expert member on the “Health and Safety Expert Platform” of the Ministry of Science and Technology Hsinchu Science Park Bureau’s “Health and Safety Counseling and Inspections for Small and Medium High-Risk Science Park Businesses Project for 2021,” working to enhance occupational health and safety for our employees. We strive to maintain good ties and strengthen relationships with our local communities, and 83% of our senior managers are local residents. In terms of social participation, we and our subsidiaries participated in public welfare activities and donated NT$ 1,862,142 while also organizing non-periodic sponsorships, charity events, and scholarships. We encourage our employees to join us in participation of public welfare activities to shine a light on all corners of society.

Chairman

Group Overview

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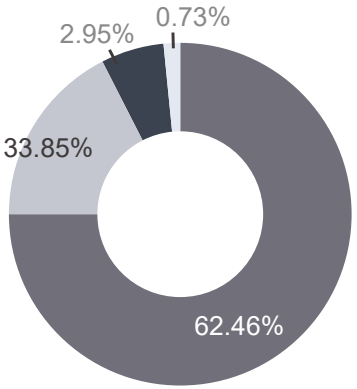
Date of listing	January 6, 2021; ticker code 3714
Total number of employees	9,553 as of year-end 2021
Group headquarters	7F.-5, No. 1, Sec. 3, Gongdao 5th Rd., East Dist., Hsinchu City
Capital	NT$6,852,515 as of year-end 2021
Revenues	NT$36,424,760

Ennostar Inc.

Ennostar was founded on January 6, 2021 through a share swap involving two of the biggest LED corporate groups in Taiwan, Epistar and Lextar. Ennostar strives to be a multinational compound semiconductor investment platform. We focus on technology development and manufacturing of compound semiconductors, and our products encompass epi, chip, packaging, and module materials, providing our clients with integrated supply chain services and solutions. Our products are used in displays, automotives, sensors, professional lighting, 5G communications, and power components. The name “Ennostar” is derived from the words “Innovation” and “Star.” We continue to enhance our technological innovations and work to become a leading brand in the semiconductor industry.

Ennostar was founded to meet future demand and be an industry leader, and this is also our operational target. We hope to expand our core capabilities, integrate our resources and strengths with those of our collaborating partners, and continue to invest in innovative research to realize our vision for new-generation compound semiconductors so that we can become the best compound semiconductor investment platform.

Manpower distribution



Ennostar	70
Epistar	5,967
Lextar	3,234
Unikorn	282
Total	9,553

Ennostar subsidiaries Epistar and Lextar continue to operate as independent companies. Epistar mainly manufacturers upstream LED wafers and chips, while Lextar manufactures and sells downstream LED packaging materials. The employees and clients of both companies were not affected in any way. Based on Ennostar's strategies and division of labor, we continued internal division of labor and integrated Group resources in 2021 to redistribute internal equity, ensuring consistency in management and ownership of parent companies and subsidiaries, thereby enhancing overall operational and management efficiency, accelerating industrial positioning, and strengthening our competitiveness and overall supply chain developments.

Ennostar actively invests in technological development for Micro LEDs. Our subsidiaries Epistar, Lextar, and Unikorn work to exert their individual strengths, integrating supply chain resources and various technology solutions to fulfill client demands for Micro LED displays, including design of Micro LED epi wafers and chips, development of manufacturing processes, and production. We pair our capabilities with driver technologies to manufacture packaging and module products through mass transfer to create an innovative and comprehensive display system. Ennostar subsidiaries have all established close ties with strategic upstream and downstream supply chain partners. Joint development by teams on both sides have moved our scope of technology from traditional LED backlights to the increasingly popular Mini LED backlights, and now to the ultimate pinnacle in display technology represented by Micro LEDs. We and our strategic partners have formed a comprehensive supply chain in Taiwan that accelerates future integration of chips and panels, and we hope to mass produce Micro LEDs before 2025 following supply chain integration.

Global operations

102-3 102-4

Main base of operations

Headquarters	Hsinchu Science Park
R&D Center	Hsinchu Science Park
Manufacturing base	Hsinchu Science Park Miaoli Zhunan Factory Tainan Science Park

Main Products and Services 102-2 102-6

Ennostar subsidiaries Epistar, Lextar, and Unikorn are focused on development and manufacturing of compound semiconductor optoelectronics. We provide our clients with comprehensive products and services through vertical integration of resources.

Ennostar			
Products	Epi/Chip	Packaging/ Module	Compound Semiconductor
Subsidiaries	EPISTAR	Lextar	Unikorn
Affiliated Businesses	Epistar Epicrystal Corporation Jiangsu Canyang Optoelectronics Shenzhen Epikylin Optoelectronics	Lextar Electronics Yenrich Technology Corporation ProLight Opto Technology Corporation Trendylite Corporation Hexawave Inc. Vogito Innovation Co., Ltd. Leadstar Micro-Crystal Display Corporation	

Epistar | Upstream LED epi products and chips

Epistar was founded in 1996 and continues to focus on development and manufacturing of upstream LED epi products and chips, accumulating professional expertise in development and manufacturing capabilities as well as competitive advantages across all LED products. We work to fulfill all client needs and become a leading global LED chip supplier.

Epistar was publicly listed on the Taiwan Stock Exchange in May 2001, and spun-off three major businesses in 2018 based on core technologies surrounding LED and III-V compound semiconductor applications. Our strategic vision for product and technology development have moved from “realizing unlimited potential in LED applications” to “realizing unlimited potential in III-V compound semiconductors.” In technological terms, we invested heavily in research relating to Mini/Micro LED sensors and new-generation compound semiconductors. Annual revenues for Epistar in 2021 were NT$ 24.75 billion.

Lextar | Downstream LED packaging and modules

Lextar was founded in 2008, and was at the time the only full-service manufacturer of optoelectronic semiconductor epi, chip, package, SMT, and module products in Taiwan. Lextar was publicly listed on the Taiwan Stock Exchange in September 2011. Product applications encompass four main categories: display backlights and RGB displays; lighting components and modules; automotive lighting components and modules; and sensors, UV, and other advanced optoelectronic components. We also focus on technology development for Mini/Micro LEDs and power semiconductors., and respectively acquired LightHouse Technology and Wellypower Optronics in 2010 and 2013. Lextar headquarters are located in the Hsinchu Science Park, and has manufacturing bases at the Hsinchu Science Park, Zhunan Kuan Yuan Science Park, and Lextar Electronics in China. Annual revenues for Lextar in 2021 were NT$ 11.67 billion.

In 2021, Epistar and Lextar continued to provide internal division of labor and integration of Group resources in accordance with Ennostar’s strategies and plans for division of labor. In 2022, Unikorn was spun off from Epistar and became a subsidiary of Ennostar.

Unikorn | Foundry services for compound semiconductors

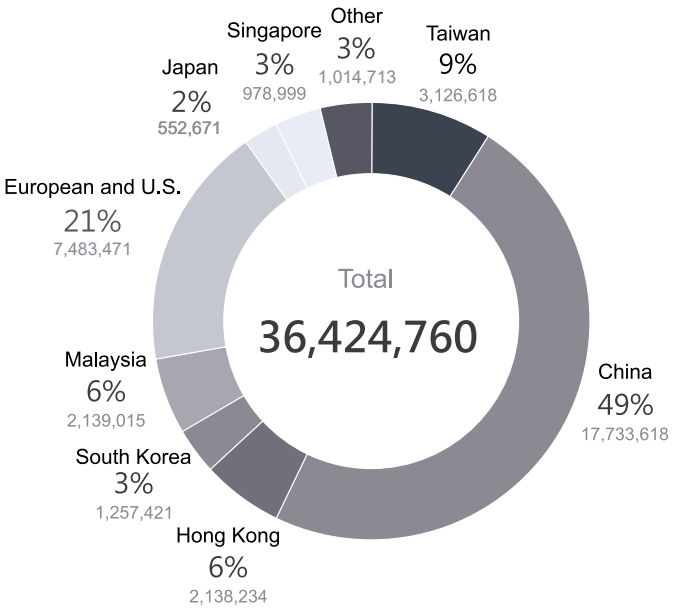
Unikorn was founded in 2018 and is focused on foundry services for compound semiconductors. Our foundry products include VCSEL, EEL, inspection devices for optical communications, and GaN microwave and power devices. We are the only professional foundry with advanced epi and chip manufacturing capabilities for optoelectronic and electronic components.

In March 2019, we formed a strategic partnership with GCS Holdings, a company which provides foundry services for gallium arsenide/indium phosphide/gallium nitride RF devices and optoelectronic components for compound semiconductor wafers; licensing of relevant intellectual property rights; and research, development, manufacturing, and sales of advanced optoelectronic products. GCS Holdings is a leading American RF device and optoelectronic component manufacturer, and is the only pure professional wafer foundry in the US.

The market for compound semiconductors is growing rapidly alongside advances in new technologies and applications. Unikorn focuses on providing comprehensive foundry services for emerging market applications, and actively assists our partners and clients in building these application products:

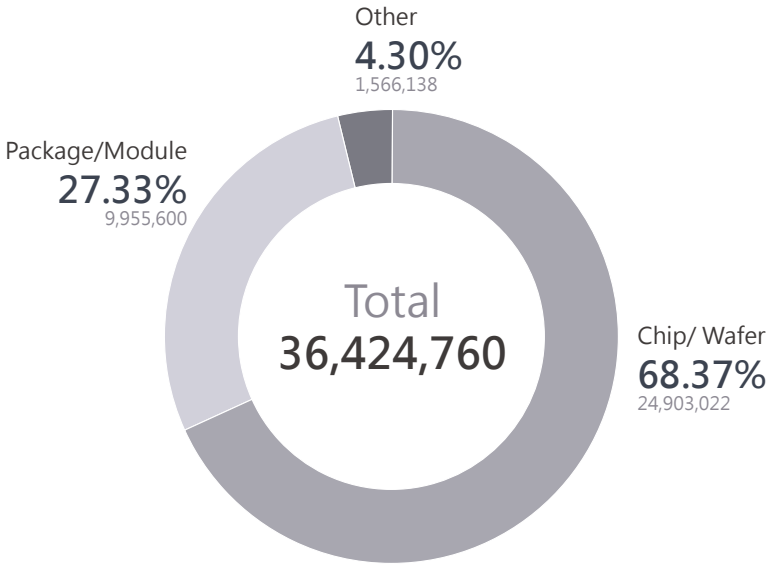
Product Applications	Products
Sensor Technologies	VCSEL, EEL
Optical Communications Technologies	10G/25G VCSEL, PIN, APD
Display Technologies	Advanced LEDs
5G Communications	RF devices, BAW
Other Technologies	GaN on Si power devices, other components

Global Sales



Unit: thousand NTD

Proportion of Business



Unit: thousand NTD

Product Manufacturing and Sales

Units: square inches for chips and wafers;
thousand pcs for packaging and module products;
thousand NTD for output values

Year	Chip/Wafer		Packaging and Module	
	Output volume	Output values	Output volume	Output values
2021 年度	1,177,406,814	22,887,599	3,295,307	9,874,313

1 Commitment to Sustainability

One. Commitment to Sustainability

Established ESG Committee

a functional committee under the Board of Directors

Established dedicated sustainability unit

established Sustainable Development Department, a department-level unit, to promote and manage the Group's sustainability strategies as well as fully implement Ennostar's strategic plans for sustainability

Six main sustainability aspects

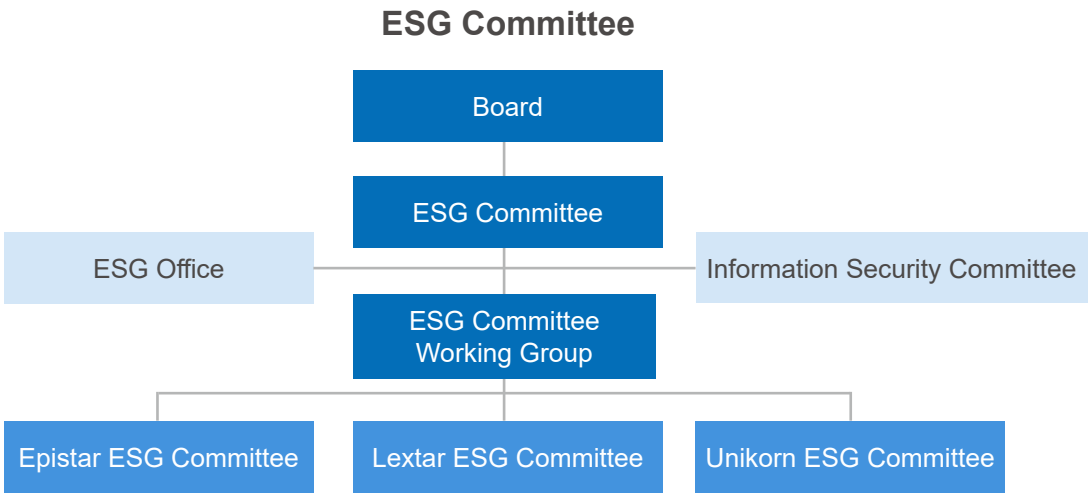
established Group core ESG strategies, as well as targets, our Sustainability Institute, projects, ESG reports, corporate website, and activities

Most representative merger of the year award

Received 2021 MAPECT Taiwan M&A Award. Please scan the following QR code for a full report:

1.1 Sustainable Development Strategies

Ennostar established an ESG Committee at the end of 2021 as a functional committee under the Board. ESG Committee members include our chairman, independent directors, vice presidents, and senior executives from our subsidiaries. The Committee is responsible for coordinating and planning Group ESG policies and sustainable targets, identifying ESG risks and opportunities to determine related investment strategies, and monitoring achievement of all ESG performance targets, with 2022 set as the base year for all ESG items.

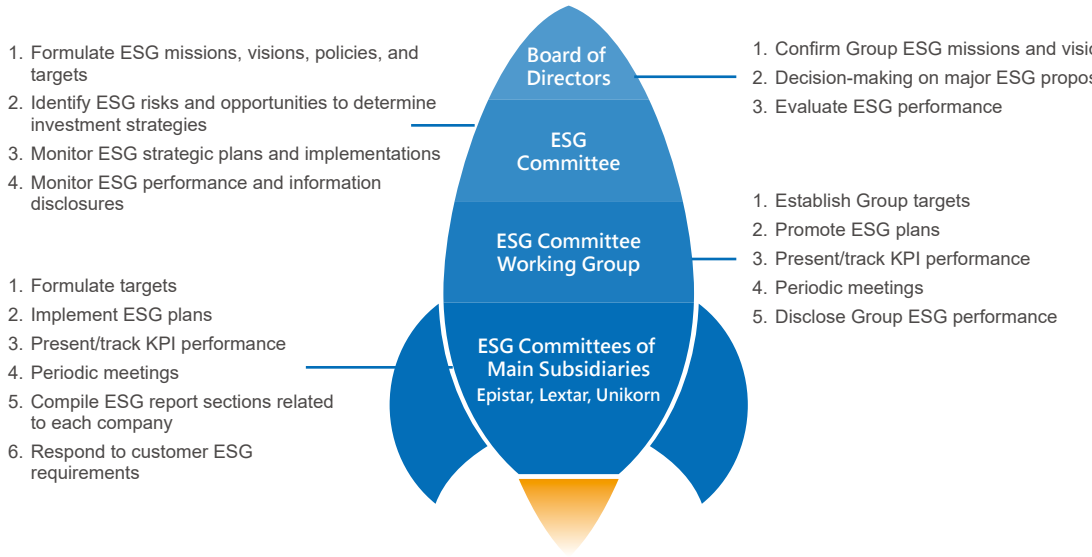


Our three main ESG themes for 2022 are as follows :

1 Committee operations:

The ESG Committee operates across four levels, the first level being the Board, which is responsible for making decisions on major ESG proposals; the second level is at the ESG Committee, which is headed by the Chairman and is responsible for determining the Group's ESG visions and monitoring ESG performance; the third level is at the ESG Committee Working Group, which is chaired by the vice president of the Corporate Development Office, and is responsible for formulating Group targets and implementing important Group projects; the fourth level is at subsidiary ESG committees, which are responsible for formulating company targets and implementing relevant projects. Apart from implementing ESG actions through top-down directives, we also encourage bottom-up proposals, and have established an open bidirectional communication channel for joint achievement of goals as we strive for sustainable development. Operations across all levels are shown in the following image.

The ESG Committee's responsibility



2 Foundation based on six primary aspects:

We base Group ESG principles around six aspects (targets, projects, our Sustainability Institute, ESG reports, our corporate website, and activities) and work back from our goals to identify key projects to focus our resources, while also accelerating towards our goals with support from our Sustainability Institute, and using our ESG reports and corporate website to establish good communications with our stakeholders. We organize internal activities that immerse our colleagues in an atmosphere conducive to ESG actions, and externally seek suitable corporate partners to collaborate with on sustainability actions.

In future, we will further integrate ESG performance with our rewards systems to incorporate ESG concepts into routine work, embed ESG into our Group culture over time, and make ESG a part of our corporate DNA.

3 Group ESG disclosures:

We were a humble hero in the past, but plan to expand our social influence in future so that more people can become aware of and be willing to participate in our activities. We believe that our ESG achievements will become better known to all over time.

We consider 2022 to be the base year for ESG implementations at the Group. With the help of senior Group executives, we identified 19 material topics for formulation of short, medium, and long-term goals to demonstrate our commitment to corporate sustainability. The details of these goals are listed in the table below. We hope to assist our colleagues in incorporating ESG concepts in their daily work, and we also plan to link Board remuneration with sustainability performance in future. Looking to the future, we plan to establish a material topics working group at the Group, continue to integrate subsidiary advantages and resources, and establish vertical and horizontal communication platforms that allow us to create synergies.

Management Targets for Material Topics

Corresponding Sections One. Commitment to Sustainability

Material Topic	Operational Significance Impacts on Ennostar (Opportunities/Risks)	Short-Term Goals 2022-2023	Mid-Term Goals 2024-2025	Long-Term Goals 2026 and Beyond
Sustainable Development Strategies	• **Opportunities** Establish a sustainability brand for the mutual benefit of society, our employees, and our industry • **Risks** Lack of management may damage the environment and our corporate image	1. Establish all levels of ESG Committee operations 2. Foundation based on six primary aspects 3. Expand ESG disclosures and scope of influence	1. Continue ESG Committee operations at all levels 2. Developments based on six primary aspects 3. Expand ESG disclosures and scope of influence	1. Continue ESG Committee operations at all levels 2. Strengthening of six primary aspects 3. Expand ESG disclosures and scope of influence

Corresponding Sections Two. Ethical Management

Material Topic	Operational Significance Impacts on Ennostar (Opportunities/Risks)	Short-Term Goals 2022-2023	Mid-Term Goals 2024-2025	Long-Term Goals 2026 and Beyond
Corporate Governance	• **Opportunities** Establish an outstanding corporate image • **Risks** Elimination by the industry or market	1. Continue to implement director diversity and management 2. Rank at top 6-20% in Corporate Governance Evaluations 3. Participate in Taiwan Corporate Sustainability Awards	1. Continue to implement director diversity and management 2. Rank at top 5% in Corporate Governance Evaluations 3. Adopt the Dow Jones Sustainability Index (DJSI) evaluation framework for external disclosures	1. Strengthen director diversity and management 2. Rank at top 5% in Corporate Governance Evaluations 3. Inclusion in Dow Jones Sustainability Index (DJSI)
Economic Performance	• **Opportunities** Generate long-term and stable value for the Group • **Risks** Withdrawal of funding from shareholders and vendors	1. Annual revenues growth of 5-10% 2. Shareholder equity ratio of 5-10% 3. R&D expenses/revenues > 7%	1. Annual revenues growth of 5-10% 2. Shareholder equity ratio > 10% 3. R&D expenses/revenues > 7%	1. Annual revenues growth of 5-10% 2. Shareholder equity ratio > 10% 3. R&D expenses/revenues > 7%
Ethical Management	• **Opportunities** 1. Ensure compliance with all applicable laws 2. Build a good business reputation	1. Establish corporate ethical management working groups	1. Achieve completion rate of 100% for ethical management training	1. Require 95% of employees to complete self-assessment questionnaires (survey system)

Material Topic	Operational Significance Impacts on Ennostar (Opportunities/Risks)	Short-Term Goals 2022-2023	Mid-Term Goals 2024-2025	Long-Term Goals 2026 and Beyond
Ethical Management	• **Risks** Legal violations which cause operational risks and financial losses	2. Formulate “Regulations for Ethical Management and Moral Conduct” 3. Achieve completion rate of 100% for ethical management training (Targets: All employees, including direct, indirect, foreign, resident, and contract employees) 4 .Lower the number of substantiated reports of fraud to less than 1 per year	2. Formulate ethics and integrity self-assessment questionnaire for Group employees (Targets: All employees, including direct, indirect, foreign, resident, and contract employees) and suppliers (Targets: Direct and indirect suppliers and contractors) 3. Require 85% of employees to complete self-assessment questionnaires (survey system) 4. Lower the number of substantiated reports of fraud to less than 1 per year	2. Achieve completion rate of 100% for ethical management training 3. Zero reports relating to corruption and bribery (note), unfair competition, leakages and infringements, and insider trading each year 4. Obtain Taiwan Corporate Sustainability Award Note: Gifts and personal favors
Compliance with Environmental Protection Laws	• **Opportunities** Disseminate knowledge of environmental laws to our colleagues in relevant departments • **Risks** Legal violations which cause operational risks and financial losses	• **LED epi and chip materials:** 1. Comuplete 100% of legal compliance appraisals related to new environmental laws and legislative drafts for all companies 2. Complete 100% of legal compliance improvements 3. Complete verification of management systems at new N5 factory 4. Maintain validity of ISO 14001 management system • **LED packages and modules:** Incur no environment-related fines • **Foundry services for compound semiconductors:** 1. Ensure that temporary approval documentation for hazardous and chemical substances of concern adhere to the requirements of the Toxic and Concerned Chemical Substances Control Act 2. Identify hazardous and chemical substances of concern within factories 3. Submit prevention and response plans in compliance with the Toxic and Concerned Chemical Substances Control Act 4. Formulate relevant forms that adhere to the operational needs of hazardous chemical substances of concern and responsible units	• **LED epi and chip materials:** 1. Complete 100% of legal compliance appraisals related to new environmental laws and legislative drafts for all companies 2. Complete 100% of legal compliance improvements 3. Maintain validity of ISO 14001 management system • **LED packages and modules:** Incur no environment-related fines • **Foundry services for compound semiconductors:** 1. Ensure that monthly declarations of hazardous and chemical substances of concern adhere to laws and regulations. (Ensure > 90% conformance) 2. Periodic replacement of Hexafluorine. (100% completion) 3. Train response personnel in accordance with laws related to toxic and chemical substances of concern (100% completion) 4. Review raw material permit documentation each year and ensure at least 90% actual conformance 5. Conduct monthly analyses of environmental laws	• **LED epi and chip materials:** 1. Complete 100% of legal compliance appraisals related to new environmental laws and legislative drafts for all companies 2. Complete 100% of legal compliance improvements 3. Maintain validity of ISO 14001 management system • **LED packages and modules:** Incur no environment-related fines • **Foundry services for compound semiconductors:** 1. Inspect emissions, water, waste, and toxic substance permit documentation for five-year renewal (100% completion) 2. Complete regular replacement and management of Hexafluorine (100% conformance) 3. Review raw material permit documentation each year and ensure 100% actual conformance 4. Conduct monthly analyses of environmental laws

Material Topic	Operational Significance Impacts on Ennostar (Opportunities/Risks)	Short-Term Goals 2022-2023	Mid-Term Goals 2024-2025	Long-Term Goals 2026 and Beyond
Compliance with Environmental Protection Laws		5. Prepare disaster prevention medications in compliance with the emergency response sections of laws related to hazardous and chemical substances of concern 6. Deploy, train, and establish response personnel in accordance with the emergency response sections of laws related to hazardous and chemical substances of concern 7. Conduct re-inspections of raw materials and re-submit waste emissions and wastewater permit documents each year. (Complete at least 60%) 8. Conduct monthly analyses of environmental laws		
Socioeconomic Compliance	• **Opportunities** 1. Outstanding corporate image and employer brand 2. Ensure all employees have accurate legal knowledge • **Risks** Legal violations which cause operational risks and financial losses	1. Continue to implement or participate in internal or external training and dissemination activities relating to accounting regulations 2. Strengthen reporting channels and regulations for informant protection 3. No major violation incidents incurring fines of NT$ 1 million or more 4. Annually review the legality and implementation of internal bylaws, and formulate and execute plans for improvement 5. Host at least one legal training course for all employees each year	1. Continue to implement or participate in internal or external training and dissemination activities relating to accounting regulations 2. Strengthen reporting channels and regulations for informant protection 3. No major violation incidents incurring fines of NT$ 1 million or more 4. Annually review the legality and implementation of internal bylaws, and formulate and execute plans for improvement 5. Host at least one legal training course for all employees each year	1. Continue to implement or participate in internal or external training and dissemination activities relating to accounting regulations 2. Strengthen reporting channels and regulations for informant protection 3. No major violation incidents incurring fines of NT$ 1 million or more 4. Annually review the legality and implementation of internal bylaws, and formulate and execute plans for improvement 5. Host at least one legal training course for all employees each year
Risk Management	• **Opportunities** 1. Rigorous control for prevention of potential crises 2. Protect employee, shareholder, and partner interests to enhance corporate value 3. Optimize deployment of corporate resources • **Risks** Operational interruption risks	1. Implement Business Continuity Management System 2. Formulate intellectual property management plans and regulations for management and protection of trade secrets, and implement intellectual property management systems (TIPS or ISO 56005)	1. Maintain Business Continuity Management System 2. Obtain third-party verification for intellectual property management systems (TIPS or ISO 56005)	1. Maintain Business Continuity Management System 2. Maintain third-party verification for intellectual property management systems (TIPS or ISO 56005) and conduct self-assessments

Material Topic	Operational Significance Impacts on Ennostar (Opportunities/Risks)	Short-Term Goals 2022-2023	Mid-Term Goals 2024-2025	Long-Term Goals 2026 and Beyond
Information Security	• **Opportunities** 1. Use new technologies to enhance service efficiency 2. Strengthen information security protection 3. Enhance customer trust and satisfaction • **Risks** 1. Information security risks 2. Risks of leakages in personal information and trade secrets	1. Implement ISO 27001 at all Group companies 2. Establish dedicated information security personnel at subsidiaries Unikorn and Lextar 3. Implement ISO 27001 Information Security Management System at subsidiaries Unikorn and Lextar, and obtain system verification in 2023 4. Ensure that subsidiary Epistar passes three-year renewal reviews for ISO 27001 5. Zero information security incidents resulting in property damages across the Group	1. Maintain ISO 27001 verification 2. Comply with new ISO 27001 requirements 3. Implement assessments using information security maturity models 4. Zero information security incidents resulting in property damages across the Group	1. Maintain ISO 27001 verification 2. Formulate enhancements for all subsidiaries implementing information security maturity models based on results of maturity assessments 3. Zero information security incidents resulting in property damages across the Group

Corresponding Sections **Three. Industry Value Chains**

Material Topic	Operational Significance Impacts on Ennostar (Opportunities/Risks)	Short-Term Goals 2022-2023	Mid-Term Goals 2024-2025	Long-Term Goals 2026 and Beyond
Product Quality	• **Opportunities** 1. Enhance customer satisfaction 2. Improve yield and quality management 3. Enhance production efficiency and reduce production costs • **Risks** 1. Increased customer complaint rates and possible lost orders 2. Reduce market competitiveness	• **LED epi and chip materials:** Hazardous substance inspections for all product series • **LED packages and modules:** 1. Continuous Improvement Process (CIP) implementation rate of 100% 2. Process capability index Cpk(1.67) **:** 96% 3. Customer satisfaction: 92% (4.6/5) 4. Obtained ISO 26262 verification • **Foundry services for compound semiconductors:** Pass annual ISO 9001 Quality Management System third-party verifications and continue to implement and strengthen quality management system requirements	• **LED epi and chip materials:** Hazardous substance inspections for all product series • **LED packages and modules:** 1. CIP implementation rate of 100% 2. Cpk(1.67) **:** 97% 3. Customer satisfaction: 94% (4.7/5) 4. Maintained ISO 26262 certification • **Foundry services for compound semiconductors:** Pass annual ISO 9001 Quality Management System third-party verifications and continue to implement and strengthen quality management system requirements	• **LED epi and chip materials:** Hazardous substance inspections for all product series • **LED packages and modules:** 1. CIP implementation rate of 100% 2. Cpk (1.67) : 98% 3. Customer satisfaction: 96% (4.8/5) 4. Maintained ISO 26262 certification • **Foundry services for compound semiconductors:** Pass IATF 16949 Automotive Quality Management System third-party verification and incorporate TQM management concepts for thorough implementation of total quality management

Material Topic	Operational Significance Impacts on Ennostar (Opportunities/Risks)	Short-Term Goals 2022-2023	Mid-Term Goals 2024-2025	Long-Term Goals 2026 and Beyond
Customer Health And Safety	• **Opportunities** 1. 100% compliance with hazardous substances laws to meet customer expectations 2. Establish a corporate image of sustainability • **Risks** 1. Violations of legal regulations and client requirements 2. Reduced willingness to invest	• **LED epi and chip materials:** 100% of all manufactured products comply with international environmental protection regulations such as RoHS and REACH SVHC • **LED packages and modules:** 1. 100% RoHS and REACH compliance 2. 100% compliance with Green Product regulations 3. 100% ENVI compliance • **Foundry services for compound semiconductors**: 100% of our manufactured products comply with laws and regulations relating to hazardous restricted substances and client Hazardous Substance Free (HSF) requirements	• **LED epi and chip materials:** 100% of all manufactured products comply with international environmental protection regulations such as RoHS and REACH SVHC • **LED packages and modules:** 1. 100% RoHS and REACH compliance 2. 100% compliance with Green Product regulations 3. 100% ENVI compliance • **Foundry services for compound semiconductors:** 1. 100% of our manufactured products comply with laws and regulations relating to hazardous restricted substances and client Hazardous Substance Free (HSF) requirements 2. All of our raw materials comply with laws and regulations relating to hazardous restricted substances, and our suppliers and contractors have all received ISO9001 certification	• **LED epi and chip materials:** 100% of all manufactured products comply with international environmental protection regulations such as RoHS and REACH SVHC • **LED packages and modules:** 1. 100% RoHS and REACH compliance 2. 100% compliance with Green Product regulations 3. 100% ENVI compliance • **Foundry services for compound semiconductors:** 1. 100% of our manufactured products comply with laws and regulations relating to hazardous restricted substances and client Hazardous Substance Free (HSF) requirements 2. All of our raw materials comply with laws and regulations relating to hazardous restricted substances, and we proactively guide/assess contractor IATF16949 certification to ensure that our quality requirements for our supply chain comply with automotive industry standards
Innovation Management	• **Opportunities** 1. Strengthen professional expertise 2. Expand customer service opportunities and capabilities 3. Gain customer trust 4. Reduce environmental pollution and develop products that align with sustainability trends	• **Ennostar Group** 1. Apply for more than 200 patents per year 2. More than 750 cumulative registered trade secrets (by year-end 2023)	• **Ennostar Group** 1. Apply for more than 250 patents per year 2. More than 1,500 cumulative registered trade secrets (by year-end 2025)	• **Ennostar Group** 1. Apply for more than 300 patents per year 2. More than 350 trade secrets registered each year

Material Topic	Operational Significance Impacts on Ennostar (Opportunities/Risks)	Short-Term Goals 2022-2023	Mid-Term Goals 2024-2025	Long-Term Goals 2026 and Beyond
Innovation Management	• **Risks** 1. Market elimination from failure to meet the needs and expectations of brand clients 2. Loss of market and product competitiveness	• **LED epi and chip materials:** 1. BLU/Lighting/Auto performance enhancement 2. Sensing • Sensor component performance enhancement • SWIR long wavelength technology development and production line establishment • Bring InGaAs PD products to market • Development of ultra-thin wearable products 3. UVC product performance enhancement 4. µLED performance enhancement and commence mass production 5. Refinement of existing technologies • **LED packages and modules:** 1. Energy-saving products: • Incorporate client power-saving models • Gradually incorporate high-performance LEDs 2. Intelligent products • iMFG system integration • Data integration 3. Reduce • Semi-packaging • Incorporate client ultra-thin models 4. Reuse • Develop and incorporate reusable substrates and carriers 5. Recycle • Develop biopolymer adhesives	• **LED epi and chip materials:** 1. Continue enhancement of BLU/Lighting/Auto performance 2. Sensing • Continue enhancement of sensor component performance • Bring InGaAs PD products to international markets • Continue development and mass production of ultra-thin wearable products • Development of new sensor product technologies 3. UVC products • Continue enhancement of UVC product performance • Development of UVC short wavelength technologies • Expansion of UVC production lines 4. µLED • Continue enhancement of µLED performance • Expansion of µLED production lines 5. Continue refinement of existing technologies • **LED packages and modules:** 1. Energy-saving products: • Incorporation of high-performance LEDs 2. Intelligent • Data integration and operations 3. Reduce • Reduce LED size by 75% • Lower drop rates to less than 33% • Solvent Free process • Reduce client backlight model product thickness by 30% 4. Reuse • Incorporate reusable substrates and carriers 5. Recycle • Cross-industry material recycling	• **LED epi and chip materials:** 1. Continue enhancement of BLU/Lighting/Auto performance 2. Sensing • Continue enhancement of sensor component performance • Mass production of new sensor product technologies 3. Continue enhancement of UVC product performance 4. µLED • Continue enhancement of µLED performance • Continue expansion of µLED production lines • Continue refinement of existing technologies • **LED packages and modules:** 1. Energy Saving • Incorporate client power-saving models • Gradually incorporate high-performance LEDs 2. Intelligent manufacturing • Enhance productivity per person by 30% • Enhance equipment efficiency by 30% • Reduce quality abnormalities by 30% 3. Reduce • Reduce LEDs by 50% • Incorporate green processes in mass-produced products

Material Topic	Operational Significance Impacts on Ennostar (Opportunities/Risks)	Short-Term Goals 2022-2023	Mid-Term Goals 2024-2025	Long-Term Goals 2026 and Beyond
Innovation Management		• **Foundry services for compound semiconductors:** Development of prospective process technologies for our five main products: • Advanced LED: Complete development of top-emission (TE-μLED) and bottom-emission (BE-μLED) process platform technologies • VCSEL: Complete development of EP process platform technologies • RF Devices: Complete development of low-impedance and high-frequency sub-6 GHz GaN PA products • GaN Power: Complete high-voltage and high-performance D-mode & E-mode product component platforms • BAW Filter: Complete development of SMART 2.0 technology platforms	• **Foundry services for compound semiconductors:** Development of prospective process technologies for our five main products: • Advanced LED: Development of AR-μLED process platform technologies • VCSEL: Complete development of EP/FC/NP process platform technologies • RF Device: Complete development of low-impedance and ultra high-frequency mm-Wave GaN MMIC products • GaN Power: Complete development of high-frequency and high-performance IC product platforms • BAW Filter: Complete development of low-loss high-frequency (LLHF) SMART technology platforms	• **Foundry services for compound semiconductors:** Continue technological innovation of five main products
Customer Service	• **Opportunities** 1. Long-term and stable customer relations and collaborations 2. Enhance customer satisfaction 3. Build corporate brand and reputation • **Risks** 1. Loss of customer trust and orders 2. Legal violations which cause operational risks and financial losses	• **LED epi and chip materials:** Average satisfaction scores of 80% and above • **LED packages and modules:** 1. Customer satisfaction: 92% (4.6/5) 2. Zero major abnormalities in end markets • **Foundry services for compound semiconductors:** Average satisfaction scores of 70% and above	• **LED epi and chip materials:** Average satisfaction scores of 80% and above • **LED packages and modules:** 1. Customer satisfaction: 92% (4.6/5) 2. Zero major abnormalities in end markets • **Foundry services for compound semiconductors:** Average satisfaction scores of 75% and above	• **LED epi and chip materials:** Average satisfaction scores of 80% and above • **LED packages and modules:** 1. Customer satisfaction: 92% (4.6/5) 2. Zero major abnormalities in end markets • **Foundry services for compound semiconductors:** Average satisfaction scores of 80% and above
Customer Privacy	• **Opportunities** 1. Build corporate brand and reputation 2. Reduce risks of leakages in personal information and trade secrets • **Risks** 1. Infringements of corporate and client information 2. Loss of customer trust and orders 3. Legal violations which cause operational risks and financial losses	1. Zero complaints relating to losses of customer data 2. Zero legal proceedings relating to breaches of customer privacy 3. Strengthen dissemination and training of trade secrets regulations	1. Zero complaints relating to losses of customer data 2. Zero legal proceedings relating to breaches of customer privacy 3. Review implementation improvements and audit mechanisms for privacy rights 4. Strengthen dissemination and training of trade secrets regulations	1. Zero complaints relating to losses of customer data 2. Zero legal proceedings relating to breaches of customer privacy 3. Effectively reduce risks relating to unauthorized disclosures of personal information and achieve zero violations of relevant regulations 4. Strengthen dissemination and training of trade secrets regulations

Corresponding Sections **Four. Low Carbon Transformations**

Material Topic	Operational Significance Impacts on Ennostar (Opportunities/Risks)	Short-Term Goals 2022-2023	Mid-Term Goals 2024-2025	Long-Term Goals 2026 and Beyond
Chemicals Management	• **Opportunities** 1. Reduce operating risks by providing relevant personnel with comprehensive knowledge 2. Comply with regulatory requirements set by competent authorities • **Risks** 1. Exposure of operating personnel to safety risks 2. Legal violations which cause operational risks and financial losses	• **LED epi and chip materials:** 1. Establish compatibility comparison tools for chemical usage/storage sections 2. Establish safety procedures for opening chemical storage cabinets 3. Require incorporation of chemical compatibility and storage requirements in on-the-job occupational safety training 4. Revise general hazard operational standards and plans (SVS080003) • **LED packages and modules:** 1. Zero occupational diseases caused by chemical exposures. 2. Establish list of controlled chemicals 3. Implement review processes for chemicals 4. Control process usage risks • **Foundry services for compound semiconductors:** 1. Replace existing Epistar ECMS system with self-developed Unikorn chemicals management system before March 2022 2. Formulate chemical specification documents based on guidance provided by quality assurance departments and chemical usage units, and require SDS verification and GHS labeling for incoming materials 3. Inventory declared chemicals and on-site substances (100% conformance) 4. Ensure that GHS labeling for chemicals adhere with regulatory requirements (inventory at least 50% of chemicals)	• **LED epi and chip materials:** 1. Facilitate establishment of chemical compatibility comparison tables at all factories 2. Post safety procedures for opening chemical storage cabinets at all factories 3. Continue to implement on-the-job occupational safety training for production line personnel 4. Assess substitutions for hazardous substances banned by the EU after 2030 5. Assess feasibility of incorporating protective and safety equipment for chemical handling at A1 factory • **LED packages and modules:** 1. Zero occupational diseases caused by chemical exposures. 2. Establish list of controlled chemicals 3. Implement review processes for chemicals 4. Control process usage risks • **Foundry services for compound semiconductors:** 1. Archive more than 75% of chemical SDS documents 2. Maintain consistency between declared chemicals and on-site substances (100% conformance) 3. Ensure that GHS labeling for chemicals adhere with regulatory requirements (inventory at least 75% of chemicals)	• **LED epi and chip materials:** 1. Continue to implement on-the-job occupational safety training 2. Assess substitutions for hazardous substances banned by the EU after 2030 3. Implement image recognition procedures for chemical procedures on production lines • **LED packages and modules:** 1. Zero occupational diseases caused by chemical exposures. 2. Establish list of controlled chemicals 3. Implement review processes for chemicals 4. Control process usage risks • **Foundry services for compound semiconductors:** 1. Archive more than 95% of chemical SDS documents 2. Maintain consistency between declared and on-site substances (100% conformance) 3. Ensure that GHS labeling for chemicals adhere with regulatory requirements (inventory at least 95% of chemicals)

Material Topic	Operational Significance Impacts on Ennostar (Opportunities/Risks)	Short-Term Goals 2022-2023	Mid-Term Goals 2024-2025	Long-Term Goals 2026 and Beyond
Wastewater Management	• **Opportunities** 1. Enhance wastewater processing and recycling efficiency to increase revenues and usage efficiency 2. Develop wastewater recycling technologies to reduce environmental impacts of water resources • **Risks** 1. Environmental damage to surrounding communities 2. Legal violations which cause operational risks and financial losses	• **LED epi and chip materials:** 1. Discharge all factory wastewater in accordance with science park management standards 2. Implement water risks assessments and establish baseline recycled water volumes at our factories • **LED packages and modules:** N/A (As there are no actual figures for wafer outputs from back-end packaging and assembly factories) • **Foundry services for compound semiconductors:** Ensure acetone and dimethyl sulfide levels comply with regulated standards	• **LED epi and chip materials:** 1. Discharge all factory wastewater in accordance with science park management standards 2. Set targets based on baseline inventories and gradually raise process water recovery rates by 1% • **LED packages and modules:** N/A (As there are no actual figures for wafer outputs from back-end packaging and assembly factories) • **Foundry services for compound semiconductors:** Reduce single move-out wastewater volumes by 3% Note: Move-out is defined as posting amounts for all production processes	• **LED epi and chip materials:** 1. Discharge all factory wastewater in accordance with science park management standards 2. Introduce new materials, technologies, equipment, and water sources to increase recycled water volumes and reduce water usage before 2030, reducing water consumption per unit of production capacity by 7% • **LED packages and modules:** N/A (As there are no actual figures for wafer outputs from back-end packaging and assembly factories) • **Foundry services for compound semiconductors:** Reduce single move-out wastewater volumes by 5%
Greenhouse Gas Management	• **Opportunities** 1. Reduce environmental impacts and enhance corporate value 2. Implement effective carbon reduction measures to realize our goal of net zero emissions • **Risks** 1. Increased carbon emissions and environmental impacts 2. Market elimination from failure to meet the needs and expectations of brand clients 3. Legal violations which cause operational risks and financial losses	• **LED epi and chip materials:** 1. Establish baseline data for carbon emission strength and intensity per unit of production capacity for Epistar in 2022 2. Add inventory verification for N5 factory in 2023 3. Set factory and process carbon reduction targets in 2023 4. Inventory and verify product carbon footprints in 2023 5. Maintain ISO 14064 verification	• **LED epi and chip materials:** 1. Establish internal carbon pricing in 2024 2. Join SBTi initiative in 2024 3. Launch horizontal product carbon footprint inventories in 2024 4. Establish carbon reduction targets for R&D units linked to innovative management guidelines in 2024 5. Reduce absolute carbon emissions by 1,882 ton CO_2e before 2025 6. Maintain ISO 14064 verification 7. Continue to meet factory and process carbon reduction targets	• **LED epi and chip materials:** 1. Propose SBTi carbon reduction plan in 2026 2. Maintain ISO 14064 verification 3. Implement internal carbon pricing 4. Continue to implement horizontal product carbon footprint inventories and seek to develop digital product carbon footprint inventory systems over the long term 5. Continue to meet factory and process carbon reduction targets 6. Continue to implement carbon reduction targets at R&D units 7. Reduce absolute carbon emissions by 14,056 ton CO_2e before 2030

Material Topic	Operational Significance Impacts on Ennostar (Opportunities/Risks)	Short-Term Goals 2022-2023	Mid-Term Goals 2024-2025	Long-Term Goals 2026 and Beyond
Greenhouse Gas Management		• **LED packages and modules:** 1. Complete greenhouse gas emissions inventories for Lextar's factories in Taiwan, pass third-party verification, and obtain certification 2. Organize training related to product carbon footprints • **Foundry services for compound semiconductors:** 1. Complete ISO 14064 greenhouse gas inventory and verification 2. Complete GHG filings within the time limits set by the Environmental Protection Administration	• **LED packages and modules:** 1. Continue to implement greenhouse gas emissions inventories for factories in Taiwan, complete third-party verification, and obtain certification 2. Complete carbon footprint verification for at least one product • **Foundry services for compound semiconductors:** 1. Maintain ISO 14064 verification and submit necessary documentation 2. Continue to confirm and calculate carbon dioxide equivalent emissions generated by our products based on ISO 14064 guidelines	• **LED packages and modules:** 1. Continue to implement greenhouse gas emissions inventories for factories in Taiwan, complete third-party verification, and obtain certification 2. Complete carbon footprint verification for at least three products 3. Continue to reduce carbon emissions, and reduce average annual carbon emissions by 1% over 2026-2030 compared to the base year of 2025 4. Achieve the RE100 goal in non-production sites by 2030, and the RE100 goal across the entire Group by 2050 • **Foundry services for compound semiconductors:** 1. Maintain ISO 14064 verification and continue to submit necessary documentation every year 2. Reduce carbon dioxide equivalent emissions for each unit of production by 5%
Air Pollution Management	• **Opportunities** Upgrade aged equipment to increase productivity and reduce environmental pollution • **Risks** Legal violations which cause operational risks and financial losses	• **LED epi and chip materials:** Ensure compliance with air pollution and emission laws in 2022 • **LED packages and modules:** N/A (As there are no actual figures for wafer outputs from back-end packaging and assembly factories) • **Foundry services for compound semiconductors:** Reduce single move-out (note) volatile organic compound (VOC) emissions by 3% compared with 2021 Note: Move-out is defined as posting amounts for all production processes	• **LED epi and chip materials:** Continue to replace aged pollution prevention equipment • **LED packages and modules:** N/A (As there are no actual figures for wafer outputs from back-end packaging and assembly factories) • **Foundry services for compound semiconductors:** Reduce single move-out VOC emissions by 5% compared with 2021	• **LED epi and chip materials:** Complete replacement of aged air scrubbers by 2030 • **LED packages and modules:** N/A (As there are no actual figures for wafer outputs from back-end packaging and assembly factories) • **Foundry services for compound semiconductors:** Reduce single move-out VOC emissions by 7% compared with 2021

Corresponding Sections **Five. Happy Workplace**

Material Topic	Operational Significance Impacts on Ennostar (Opportunities/Risks)	Short-Term Goals 2022-2023	Mid-Term Goals 2024-2025	Long-Term Goals 2026 and Beyond
Talent Cultivation	• **Opportunities** Strengthen the professional expertise of our personnel for active innovation and transformation to strengthen industrial competitiveness • **Risks** Failure to establish professional capabilities in our personnel and loss of industrial competitiveness	Establish identification systems for key talent and map career development plans	Increase internal promotion rate for key positions by 10% a year	Establish a mechanism to measure return on investment for talent cultivation, and increase returns by 10% every year
Occupational Health and Safety	• **Opportunities** 1. Protect employee health and safety, reduce health risks, and ensure overall corporate operational efficiency 2. Comply with regulatory requirements to avoid penalties • **Risks** 1. Legal violations which cause operational risks and financial losses 2. Failure to provide healthy and safe workplace environments	• **LED epi and chip materials:** 1. Complete 100% of legal compliance appraisals related to new occupational safety laws and legislative drafts for all companies 2. Lower the number of major deficiencies discovered during external ISO 45001 and CNS 45001 audits to less than zero 3. Lower the number of occupational safety violations which incur penalties to less than one 4. Participate in selection processes for excellent occupational safety and health units organized by local science park administration offices to gain recognition • **LED packages and modules:** 1. Maintain our record of zero major industrial safety incidents for each year 2. Lower disabling injury frequency rate by 10% each year 3. Lower disabling injury severity rate by 10% each year	• **LED epi and chip materials:** 1. Complete 100% of legal compliance appraisals related to new occupational safety laws and legislative drafts for all companies 2. Lower the number of major deficiencies discovered during external ISO 45001 and CNS 45001 audits to less than zero 3. Lower the number of occupational safety violations which incur penalties to less than one 4. Incorporate AI technologies in occupational health and safety management 5. Participate in selection processes for excellent occupational safety and health units organized by local science park administration offices to gain recognition • **LED packages and modules:** 1. Maintain our record of zero major industrial safety incidents for each year 2. Lower disabling injury frequency rate by 10% each year 3. Lower disabling injury severity rate by 10% each year	• **LED epi and chip materials:** 1. Complete 100% of legal compliance appraisals related to new occupational safety laws and legislative drafts for all companies 2. Lower the number of major deficiencies discovered during external ISO 45001 and CNS 45001 audits to less than zero 3. Lower the number of occupational safety violations which incur penalties to less than one 4. Incorporate AI technologies in occupational health and safety management 5. Participate in national selection processes for excellent occupational safety and health units to gain recognition • **LED packages and modules:** 1. Maintain our record of zero major industrial safety incidents for each year 2. Lower disabling injury frequency rate by 10% each year 3. Lower disabling injury severity rate by 10% each year

Material Topic	Operational Significance Impacts on Ennostar (Opportunities/Risks)	Short-Term Goals 2022-2023	Mid-Term Goals 2024-2025	Long-Term Goals 2026 and Beyond
Occupational Health and Safety		• **Foundry services for compound semiconductors:** 1. Complete manuals for business continuity plans 2. Identify themes related to operational interruptions (including earthquakes, fires, water and power shortages, and supply chain shortages) and complete training for at least one theme 3. Formulate, plan, and implement health checks for all employees 4. Assist 100% of first-aid personnel in attending external training and obtaining certification 5. Compile occupational health and safety materials for new employees and cultivate internal lecturers 6. Complete training for 100% of new employees on the day they report for work	• **Foundry services for compound semiconductors:** 1. Compile business continuity plans for 70% of operational interruption themes 2. Conduct one BCP drill 3. Review and compile statistics on annual employee health checks and implement health checks for 100% of employees 4. Assist 100% of first-aid personnel in completing retraining 5. Strengthen deployment of first-aid personnel and substitute personnel (100% completion) 6. Complete training for 100% of new employees on the day they report for work 7. Review and update training materials for new employees at least once a year	• **Foundry services for compound semiconductors:** 1. Compile business continuity plans for 80% of operational interruption themes 2. Conduct one BCP drill 3. Review and compile statistics on annual employee health checks and implement mandatory health checks for 100% of employees 4. Promote control mechanisms and activities related to employee health risks (100% conformance) 5. Implement drills and training for first-aid personnel (100% conformance) 6. Complete training for 100% of new employees on the day they report for work 7. Review and update training materials for new employees at least once a year

1.2 Stakeholder Engagement 102-40 102-42 102-37

A "sustainability editorial team" composed of representatives from all functional units including our corporate promotion office and human resources, auditing, R&D, manufacturing, shareholder affairs, environmental health and safety, quality assurance, factory affairs, and materials departments helped to compile this ESG Report for the Group. Each unit identified stakeholders based on unit characteristics, relevant industrial practices and principles, and AA1000 stakeholder engagement standards related to Dependency, Responsibility, Influence, Diverse Perspectives, and Tension.

Stakeholder Communication Channels 102-43 102-44

The Group identified 8 stakeholder categories for 2021: Shareholders/investors, government institutes and competent authorities, the media, employees, insurance companies, clients, suppliers/contractors, and banks. We use a variety of channels to communicate with our stakeholders so as to understand their needs and expectations toward the Group. We not only provide immediate responses, but also use stakeholder feedback as a basis for promotion of sustainable development. Our stakeholder communication channels and communication frequencies are shown in the table below :

Stakeholders	Sustainability Issues of Concern	Communication Channels and Responses	Communication Frequency
Employees	Sustainable Development Strategies Corporate Governance Ethical Management Information Security Economic Performance Innovation Management Talent Cultivation Occupational Health and Safety	ESG questionnaires and surveys	Annually
		Internal network messaging system: Used for internal announcements and searches.	Immediate
		Strategic planning meetings: Formulate corporate strategic targets and implement relevant plans.	Once each year
		Facilitate bidirectional communications with executives: Host communication meetings with section managers and above as well as other senior executives.	Once each month (once every six months for Unikorn)
		Grievance channels: Enables employees to report issues; reports are handled by dedicated personnel immediately upon receipt.	Immediate
		Labor-management meetings and employee welfare committee meetings: Provide suggestions and negotiate with company executives.	Quarterly
		Employee suggestions and feedback.	Immediate
		President's mailbox: Provides a channel for all employees to anonymously communicate their thoughts and suggestions directly to the Group President; all letters to this mailbox are read personally by the President and relevant issues are handled and tracked	Immediate

Stakeholders	Sustainability Issues of Concern	Communication Channels and Responses	Communication Frequency
Shareholders/ investors	Sustainable Development Strategies Product Quality Ethical Management Risk Management Socioeconomic Compliance Environmental Protection Laws Chemicals Management Information Security Innovation Management	Shareholders general meetings.	Annually
		Investor conferences.	Quarterly
		Compliance with all laws and public disclosure of operational conditions, annual reports, and quarterly reports.	Monthly, quarterly, annually
		Spokesperson, deputy spokesperson, shareholder affairs contact, and mailbox for investors.	Immediate
		Investor and CSR/ESG section on corporate website; investors can subscribe to receive investor information from our corporate website.	Immediate
		Complete corporate governance evaluation procedures in compliance with Financial Supervisory Commission regulations.	Annually
		Apart from participating in investor briefings organized by securities authorities, the Group also discusses and communicates relevant issues with securities authorities.	Immediate
		ESG questionnaires and surveys	Annually
Clients	Ethical Management Information Security Customer Service Customer Privacy Product Quality	ESG questionnaires and surveys	Annually
		Official website: Online customer service mailbox.	Immediate
		Customer satisfaction surveys.	Annually
		Participation in product exhibitions for direct understanding of customer needs and market developments.	Immediate
		Client visits by sales personnel.	Immediate
Suppliers/ Contractors	Environmental Protection Laws Socioeconomic Compliance Customer Health and Safety (Management of Hazardous Substances in Products) Greenhouse Gas Emissions Chemicals Management Air Pollution Management Occupational Health And Safety	ESG questionnaires and surveys	Annually
		Supplier audits and interviews.	Immediate
		Contractor agreements and organizational meetings.	Immediate
		Sales departments such as customer service departments, finance departments, and procurement departments serve as communication channels	Immediate

Stakeholders	Sustainability Issues of Concern	Communication Channels and Responses	Communication Frequency
Government Institutes	Chemicals Management Air Pollution Management Customer Health and Safety (Management of Hazardous Substances in Products) Environmental Protection Laws Socioeconomic Compliance Wastewater Management Greenhouse Gas Emissions	Maintain sound interactions with competent authorities and actively participate in public hearings hosted by competent authorities.	Immediate
		Management and identification of laws and regulations.	Fixed term contract
		Official documents, project seminars, public information.	Immediate
		ESG questionnaires and surveys	Annually
Media	Innovation Management Corporate Governance Wastewater Management Chemicals Management	ESG questionnaires and surveys	Annually
		Official website: Online customer service mailbox.	Immediate
		Spokesperson and deputy spokesperson	Immediate
Insurance Companies	Economic Performance Sustainable Development Strategies Risk Management Information Security Socioeconomic Compliance	ESG questionnaires and surveys	Annually
		Official website: Online customer service mailbox.	Immediate
Banks	Economic Performance Sustainable Development Strategies Environmental Protection Laws Socioeconomic Compliance Ethical Management	ESG questionnaires and surveys	Annually
		Official website: Online customer service mailbox.	Immediate

1.2.1 Identification of Material Topics

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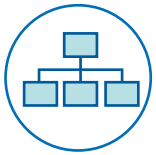
The Group incorporated materiality analysis during report compilation and used systematic analysis models to identify sustainability issues of concern for stakeholders that serve as a reference for information disclosures in this Report, and to facilitate effective communication with our stakeholders and continue improvements in sustainability performance. To ensure that the information disclosed in this Report complies with stakeholder needs, we determined material sustainability themes using five steps ("Identify stakeholders," "Compile and summarize sustainability themes," "Investigation on levels of concern and impact for each theme," "Materiality analysis and identification," "Review and discussion") in response to stakeholder concerns, allowing our stakeholders to understanding our ESG actions, strategies, and performance while publicly disclosing key projects and achievements for the year.

Stakeholder identification

8 main stakeholder categories

Identified stakeholders through internal discussion with and feedback from department managers and our colleagues, and referenced stakeholder groups identified in ESG reports by our industry peers.



Compile and summarize sustainability themes

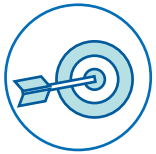
50 ESG sustainability issues

Themes were collected internally on corporate culture, operating principles, and scope of work for all units; information was collected externally on GRI Standards, RBA indicators, and TCSA selection indicators. We used GRI standards to define, categorize, and screen preliminary issues of concern. External stakeholder feedback was collected through various channels.

Investigation on levels of concern and impact for each theme

1,155 stakeholder questionnaires

Distributed questionnaires and conducted interviews with senior executives to understand stakeholder levels of concern for each theme and assess levels of impact on corporate operations for each theme. In 2021, we collected 1,097 questionnaires related to levels of concern and 58 questionnaires related to levels of impact.



Materiality analysis and identification

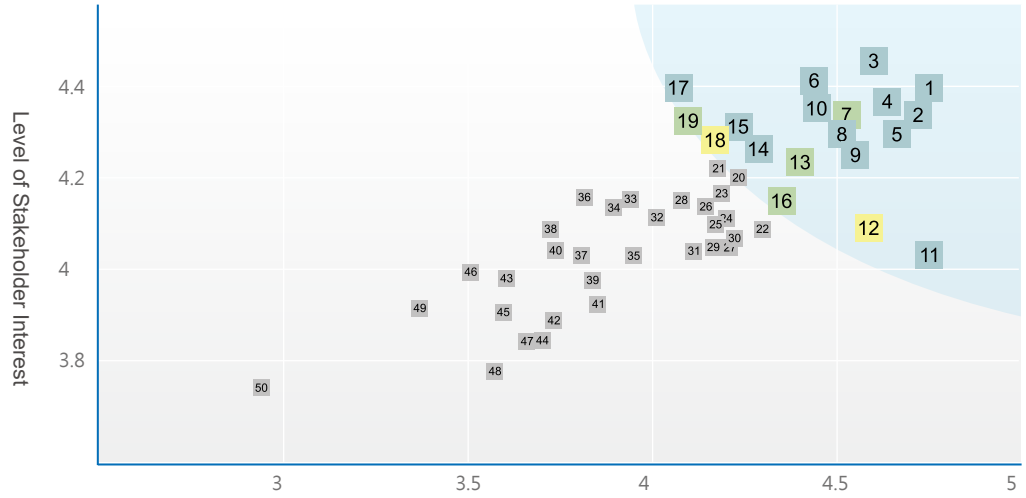
Identified 19 material sustainability issues

Assessed questionnaire analysis results to determine the scores for each theme under differing evaluation criteria and their levels of impact on sustainable operations as determined by Group managers, then calculated risk priority scores for each theme and formulated effective management guidelines for each theme.

Review and discussion

Disclosed management guidelines for material issues identified for this year, and continued to strengthen management and information disclosures in future ESG reports.

Materiality Analysis Chart



1. Information security	2. Product quality	3. Sustainable development strategies	4. Economic performance	5. Ethical management
6. Risk management	7. Air pollution management	8. Customer health and safety	9. Customer privacy	10. Socioeconomic compliance
11. Corporate governance	12. Talent cultivation	13. Greenhouse gas emissions	14. Innovation management	15. Customer service
16. Chemicals management	17.Environmental protection laws	18. Occupational safety and health	19. Wastewater management	20. Product portfolio management
21. Marketing and labeling	22. Labor relation (Employee Benefits, Life-Work Balance)	23. Supplier environmental assessments	24. Water resource management	25. Training and education
26. Energy	27. Labor relations (Talent Acquisition and Retention)	28. Cleantech opportunities	29. Anti-competitive behaviors	30. Anti-corruption
31. Employee diversity and equal opportunities	32. Forced or compulsory labor	33. Labor-management relations	34. Non-discrimination	35. Child labor
36. Waste	37. Supplier social assessment	38. Financial impacts from climate change	39. Materials	40. Taxes
41. Market image	42. Local communities	43. Indirect economic impacts	44. Human rights assessments	45. Procurement practices
46. Association and collective bargaining	47. Security practices	48. Rights of indigenous peoples	49. Biodiversity	50. Public policy

Value Chain Boundaries of Material Issues

Following analysis of material issues for our 2021 ESG Report, we disclosed information relating to management of economic, product responsibility, environmental, social participation, labor care, and human rights issues through five chapters: "Commitment to Sustainability," "Ethical Management," "Industry Value Chains," "Low Carbon Transformations," and "Happy Workplace." Boundary analysis was based on our value chain, and we will continue to strengthen sustainable management and disclose relevant information in our ESG reports.

Themes	Corporate Governance	Supply Chain Management	Environmental Sustainability Management	Talent Management
Self-defined themes	Sustainable development strategies, ethical management, corporate governance, risk management, information security	Product quality, innovation management, customer service	Air pollution management, chemicals management	Talent cultivation, occupational health and safety
Corresponding GRIs	Economic performance (GRI 201), Environmental compliance (GRI 307), Socioeconomic compliance (GRI 419)	Customer privacy (GRI 418), Customer health and safety (GRI 416)	Water and effluents (GRI 303), Emissions (GRI 305)	Training and education (GRI 404), Occupational health and safety (GRI 403)
Impact boundary on value chain	The Group (direct impacts), clients (impacts from business dealings), suppliers/contractors (impacts from business dealings)	The Group (direct impacts), clients (impacts from business dealings), suppliers/contractors (impacts from business dealings)	The Group (direct impacts), clients (impacts from business dealings), suppliers/contractors (impacts from business dealings)	The Group (direct impacts), suppliers/ contractors (impacts from business dealings)
Corresponding sections	One. Commitment to Sustainability Two. Ethical Management	Three. Industry Value Chains	Four. Low Carbon Transformations	Five. Happy Workplace

1.3 Sustainability Awards

Year	Award
2021	• MAPECT Taiwan M&A Award Most Representative M&A Award of the Year (Ennostar) • "Quantum Dot Light Emitting Diode Packaging Technology Development Program" recognized as an excellent program by the Ministry of Economic Affairs (Lextar) • 2021 Prix Aurora Award Top Ten Supply Chain Stars of LED Display Chips Award and Award of Innovative Annual Product of LED Display Supply Chain (Epistar) • Prix Aurora Award Top Ten Supply Chain Stars of UVC & UVA Award and Top Ten Supply Chain Stars of Mini LED Backlight Module (Lextar)

Year	Award
2021	• GG LED Golden Globe Awards Product of the Year Award (Epistar) • Served as an expert member on the “Health and Safety Expert Platform” of the “Health and Safety Counseling and Inspections for Small and Medium High-Risk Science Park Businesses” project • Epistar’s Tainan Science Park Factory received the “Promoting Equal Rights in the Workplace Distinguished Honor Award” • Epistar’s Hsinchu Science Park Factory received the “Promoting Equal Rights in the Workplace Excellence Award”
2020	• Ranked 6-20% in the 7th Corporate Governance Evaluation (Ennostar) [1] • Received TCSA Silver Corporate ESG Report Award in IT & IC Manufacturing (Epistar) • BSI Sustainability Resilience Pilot Award (Epistar) • Top Three Supply Chain Stars Award from first Prix Aurora Award (Epistar) • Top Ten Supply Chain Stars of UV LED Packaging Award, Top Ten Supply Chain Stars of Mini LED Backlight Module Award, and Top Three Supply Chain Stars of Mini LED Backlight Module Award from first Prix Aurora Award (Lextar) • GG LED Golden Globe Awards Innovative Technology and Product of the Year-Top 50 in white chip and new display industry (Epistar) • Listed as an excellent enterprise for R&D substitute services (Epistar) • Best Partner Relations Award from Lite-On Technology (Epistar) • Samsung VD Global Partner (Epistar)
2019	Ranked 6-20% in the 6th Corporate Governance Evaluation (Epistar) Received TCSA Gold Corporate ESG Report Award (Epistar) BSI Sustainability Excellence Award (Epistar) Listed as top 20 “Happy Enterprise” in technology enterprise category by 1111 Job Bank (Epistar) I Sports Enterprise certification (Epistar)

[1] Group performance for the 7th Corporate Governance Evaluation was based on comprehensive considerations of individual corporate governance data taken from Epistar and Lextar in 2020 (evaluations were mainly based on Epistar data), but evaluation results for the 7th Corporate Governance Evaluation were listed under Ennostar. Ennostar could not be included in the 8th Corporate Governance Evaluation for 2021 it had been listed for less than one year.

2 Ethical Management

Two. Ethical Management

100%

Attendance rates for Audit, Remuneration, ESG Committee meetings in 2021

98.9%

Implementation rate of anti-corruption training across the Group

No property losses

Associated with information security incidents occurred in 2021

TCFD framework

Was used to identify climate risks/ opportunities in the Group

2.1 Corporate Governance

Management Target | Base Year: 2021

Short Term (2022~2023)	Medium Term (2024~2025)	Long Term (2026 and beyond)
1.Continue to implement director diversity and management 2.Rank at top 6-20% in Corporate Governance Evaluations 3.Participate in Taiwan Corporate Sustainability Awards	1.Continue to implement director diversity and management 2.Rank at top 5% in Corporate Governance Evaluations 3.Adopt the Dow Jones Sustainability Index (DJSI) evaluation framework for external disclosures	1.Strengthen director diversity and management 2.Rank at top 5% in Corporate Governance Evaluations 3.Inclusion in Dow Jones Sustainability Index (DJSI)

Responsible unit: Ennostar Finance & Risk Office.

Invested resources: External instructors for training courses, internal HR personnel and IT departments, ESG working teams. Manager performance is regularly tracked by implementation units and reported to the Board, and we plan to invite external consultants to guide DJSI implementation.

Grievance mechanisms:

- Taiwan Stock Exchange
- Financial Supervisory Commission
- Insurance associations
- Legal entities/shareholders and other stakeholders
- Taiwan Corporate Governance Association

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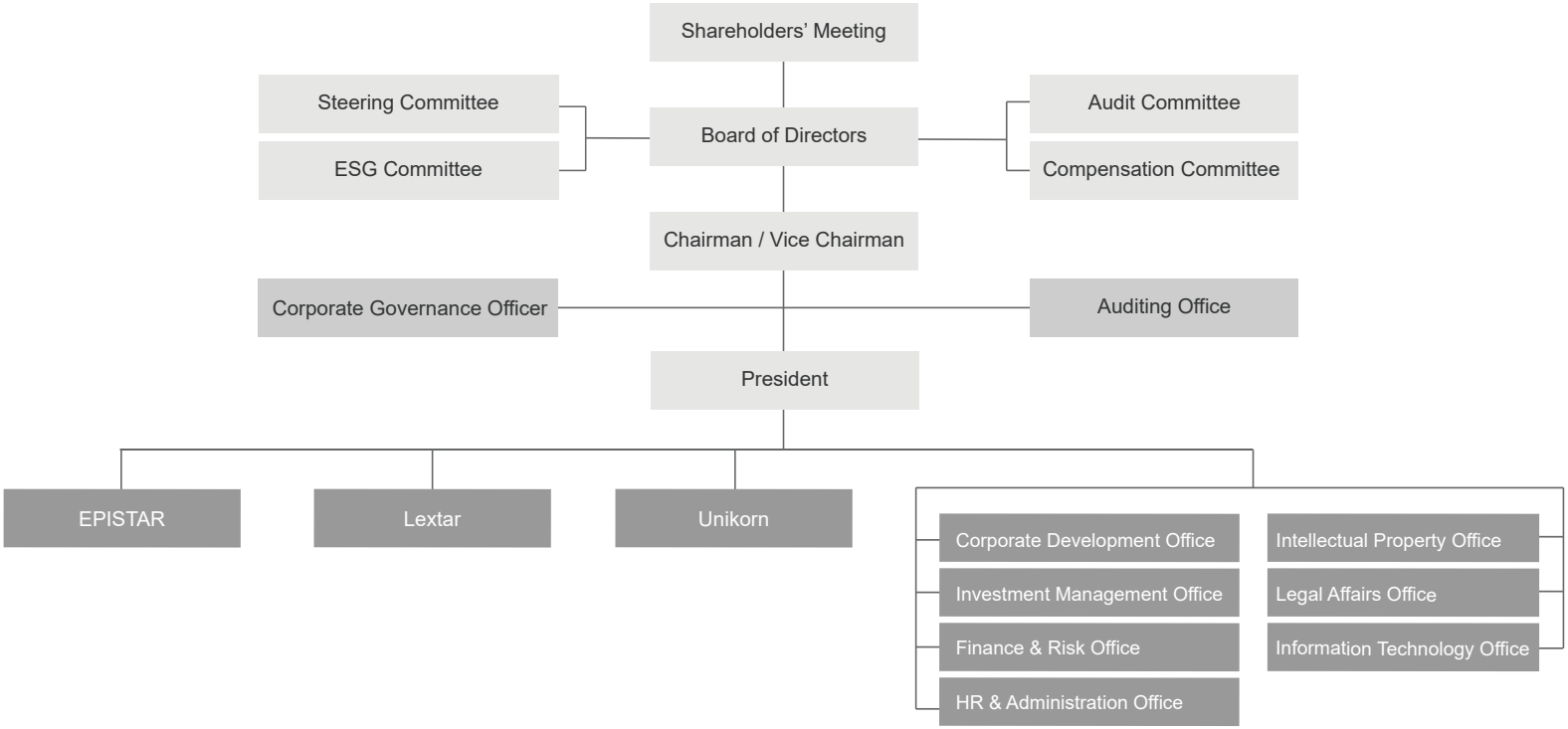
Corporate governance is the core foundation of any enterprise. We implement management along six main aspects: Strengthen corporate governance culture, sustainable development of the Group, strengthen risk management, implement board responsibilities and supervisory management, respect for stakeholder rights, and information quality and transparency.

The following functional committees have been established under the Board, the highest governance authority at Ennostar: the Audit Committee, Compensation Committee, and ESG Committee, which are respectively governed by the “Rules for the Procedures of the Board of Directors’ Meeting,” “Audit Committee Charter,” and “Compensation Committee Charter,” as well as the operational plans for the “ESG Committee” submitted to the Board in December 2021.

Our Board of Directors is headed by Ennostar Chairman and President Biing-Jye Lee. The Board implements and supervises corporate matters, formulates various business plans, and facilitates coordination and collaboration between companies in accordance with market trends and competitive conditions.



Ennostar has established an investor section on our corporate website which provides annual reports, financial reports, investor conference reports, and regular monthly review reports for download by our shareholders and stakeholders, thereby facilitating open and transparent sharing of corporate information. Ennostar had been listed for less than a year in 2021, and therefore was unable to participate in the 8th Corporate Governance Evaluation. In future, we will continue to execute ethical and transparent governance, and work to be ranked in the top 5% of companies reviewed by the Corporate Governance Evaluations.

Members	Audit Committee (Formed 2021/8/11)	Attendance Rate	Compensation Committee (Formed 2021/1/6)	Attendance Rate	ESG Committee (Formed 2021/12/16)	Attendance Rate
Biing-Jye Lee	○	-	○	-	● (Committee chair)	100%
Wei-Min Sheng	● (Committee chair)	100%	●	100%	-	-
Sheng-Tai Weng	●	100%	● (Committee chair)	100%	-	-
Ji-Yen Liang	●	100%	●	100%	●	100%
Hsien-He Sheng	●	100%	●	100%	-	-
Wei-Cheng Wang	●	100%	-	-	●	100%

Note : The Group Chairman and President is required to attend Compensation Committee meetings.
○ Attendee ● Mandatory attendee

Board Operations 102-24

Election of Ennostar directors (and independent directors) adheres to the “Rules for Elections of Directors and Supervisors” and adopts a candidate nomination system. The Board assesses candidates to ensure that they comply with the requirements for directors (and independent directors), following which directors are elected in accordance with law by the shareholders’ meeting. Article 14-4 of the Securities and Exchange Act stipulates that all independent directors should form an Audit Committee to replace supervisors. The number of independent directors in the 1st Board was more than half of all directors.

Ennostar “Corporate Governance Best Practice Principles” stipulate that Board members should be diverse and the number of directors concurrently serving as Group managers should not exceed more than one third of all directors (at present, there are three Board directors concurrently serving as Group managers). Our Board members possess different core capabilities and are supported by independent directors with different professional backgrounds. Ennostar directors actively participate in internal and external training courses, with each director required to undergo continued training of more than six hours per year for effective undertaking of their responsibilities, which include establishment of sound Board governance systems; supervision, designation, and guidance of Group executives; strengthening of management functions; monitoring of overall economic, social, and environmental operations; and maximization of stakeholder interests.

We conduct annual evaluations regarding the independence of independent directors in accordance with the “Regulations Governing Appointment of Independent Directors and Compliance Matters for Public Companies” to ensure that independent directors are maintaining their independence during their tenure. Independent directors should not concurrently serve as independent directors of more than three other public companies.

Title	Name	Academic and Work Experience	Current Position	Attendance Rate
Chairman	Biing-Jye Lee	• Ph.D., Institute of Chemical Engineering, National Tsing Hua University • Chairman, Epistar Corporation • Research fellow/supervisor, Institute of Photonics Technologies in Industrial Technology Research Institute (ITRI)	• Chairman and President, Ennostar Inc. • Chairman, Tyntek Corporation	100%
Vice Chairman	Shuan-Lang Peng	• MBA, Heriot-Watt University • President, AU Optronics Corp. • Director, Qisda Corporation • Director, Darwin Precision Corp.	• Chairman and CEO, AU Optronics Corp. • Director, Qisda Corporation • Chairman, Taipei Computer Association (TCA) • Chairman, Taiwan Display Union Association (TDUA) • Chairman, AUO Foundation	100%
Director	Chin-Yung Fan	• M.A., Institute of Physics, National Central University • Chairman and CEO, Epistar Corporation • Chairman and CEO, Formosa Epitaxy Incorporation • Chairman, Huga Optotech Inc.	• Chairman and CEO, Epistar Corporation	100%
Director	Feng Cheng Su	• Ph.D., Materials Science and Engineering, State University of New York, Stony Brook • Avionics application project, General Electric • VP of Product Development, UniPac Optoelectronics Corporation • VP/Senior VP, AU Optronics • Director/Chairman/CEO, Lextar Electronics • Chairman, LightHouse Technology • Director, Wellypower Optronics Corporation • Director, Wellysun Inc.	• Chairman and CEO, Lextar Electronics • Chairman, Hexawave Inc. • Chairman, TrendyLite Corporation	100%
Independent director	Wei-Min Sheng	• PhD in Accounting, Purdue University • Professor, Department of Public Finance, National Taichung University of Science and Technology • Independent director and Remuneration Committee member, Epistar Corporation • Independent director, Siliconware Precision Industry Co. • Supervisor, Elite Semiconductor Memory Technology Inc.	• Professor, Department of Public Finance, National Taichung University of Science and Technology • Independent director and Remuneration Committee member, Episil-Precision Inc. • Independent director, Advanced Lithium Electrochemistry Co., Ltd. • Independent director and Remuneration Committee member, UPI Semiconductor Corp.	100%
Independent director	Ji-Yen Liang	• MBA, National Chengchi University • Bachelor degree, Department of Chemical Engineering, National Tsing Hua University • Chairman, TAINET Communication System Corp. • Partner/COO, CID Group • Executive VP, CDIB Capital Group • Independent director and Remuneration Committee member, Epistar Corporation	• Juristic person director representative, Flexium Interconnect Inc. • Independent director and Remuneration Committee member, Excelliance MOS	100%

Title	Name	Academic and Work Experience	Current Position	Attendance Rate
Independent director	Sheng-Tai Weng	• MBA, Rutgers, The State University of New Jersey • President, Lite-On Technology Corp. • Independent director and Remuneration Committee member, Lextar Electronics • Vice Chairman, Ability Enterprise Co., Ltd. • Independent director and Remuneration Committee member, Billion Electric Co., Ltd.	• Independent director and Remuneration Committee member, Onano Industrial Corp. • Independent director and Remuneration Committee member, GEM Services • Juristic person director representative, E-Pin Optical Industry Co., Ltd. • Director and CEO, TaiYi International Investment Ltd.	100%
Independent director	Hsien-He Sheng	• Bachelor degree, Department of Electronic Engineering, Chung Yuan Christian University • Vice President and Plant Chief, United Microelectronics Corporation • Vice President, AU Optronics Corp. • Independent director and Remuneration Committee member, Lextar Electronics	• Director, Anpec Electronics Corp. • Director, C Sun Manufacturing Ltd. • Director, Taiwan Surface Mounting Technology Corp. • Director and President, Chem Tec Corporation Co., Ltd.	100%
Independent director	Wei-Cheng Wang	• Department of Accounting, National Chengchi University • Vice Chair/CPA, PwC	• CPA, Zhi Cheng CPAs • Independent director and Remuneration Committee member, Taiwan Mask Corporation • Independent director and Remuneration Committee member, Feature Integration Technology Inc.	100%

Board members are all Republic of China nationals and there are no spousal relations or relatives within the second degree of kinship between directors. The average age of directors is 64 years, 33% of directors are Group employees, and 56% of directors are independent directors. Ennostar plans to include female directors when nominating members of the 2nd Board. The 1st Board independent directors cannot serve for more than three consecutive terms. Diversity conditions of Board members in 2021 were as follows:

Title	Criteria / Name	Gender	Age (Years)	Professional knowledge and skills		Main area of expertise		Concurrent manager	Tenure		
				Law Accounting Finance	Industry Marketing Technology	Professional skills	Industry experience		Under 3 years	3-9 years	Over 9 years
Chairman	Biing-Jye Lee	Male	61~70	●	●	●	●	●	●		
Vice Chairman	Shuan-Lang Peng	Male	61~70		●		●		●		
Director	Feng Cheng Su	Male	61~70	●	●	●	●	●	●		
Director	Chin-Yung Fan	Male	51~60		●	●	●	●	●		
IndependentDirector	Wei-Min Sheng	Male	61~70	●	●	●			●		
IndependentDirector	Sheng-Tai Weng	Male	Above 71	●	●	●	●		●		
IndependentDirector	Ji-Yen Liang	Male	61~70	●	●	●	●		●		
IndependentDirector	Hsien-He Sheng	Male	61~70	●	●	●	●		●		
IndependentDirector	Wei-Cheng Wang	Male	61~70	●		●			●		

Director Nomination and Election Process

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According to the Group's "Articles of Incorporation" and "Rules for Elections of Directors and Supervisors," election of independent directors should adhere to the candidate nomination system as stipulated by Article 192-1 of the Company Act. From July 2, 2021 to July 12, 2021, shareholders holding more than 1% of publicly issued Ennostar stock submitted documents containing nominee names, education level, work experience, letter of commitment to serve as a director if elected, written statement guaranteeing no violations of Article 30 of the Company Act, and other relevant documents to the Ennostar Finance & Risk Office Shareholder Affairs Department, following which a list of independent director candidates were proposed for shareholder election.

The Board assesses whether directors (and independent directors) possess the necessary professional qualifications and other capabilities, including diversity, independence, future corporate development needs, and management goals such as professional ESG knowledge and experience, participation in corporate operations, and sustainable corporate management, thereby ensuring that director candidates adhere to industry needs, possess core capabilities, and can effectively shoulder their responsibilities which include establishment of a sound board governance system; supervision, appointment, and guidance of corporate executives; and strengthening of management functions so that we can exert our corporate influence and achieve corporate sustainability.

Required Capabilities of Board Members 102-27

The Board rigorously evaluates and determines Group business strategies and policies, strengthens corporate performance, protects shareholder interests, and complies with relevant regulations in judging and assessing the independence of independent directors. Apart from organizing annual training for directors, the Board also continues to evaluate the contributions of individual directors to ensure that the Board can maintain innovative perspectives and optimize corporate governance.

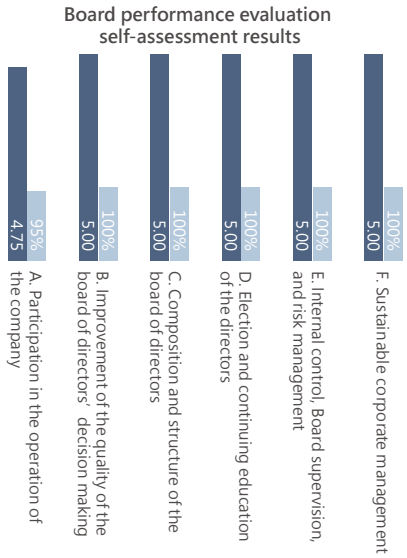
All Board members possess the professional knowledge, skills, industrial knowhow, finance, business, and management expertise to conduct their duties. All independent directors are able to exercise their duties objectivity and comply with independence criteria stipulated by law. Self-assessments conducted by Board members indicate that they possess the following professional capabilities and industrial analysis skills:

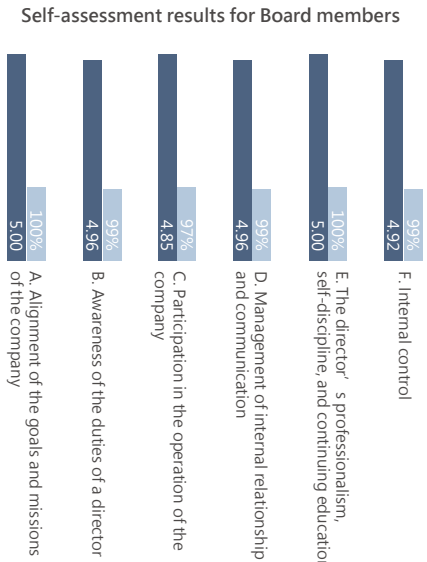
Title	Criteria / Name	Operational judgment capabilities	Accounting and financial analysis capabilities	Business management capabilities	Crisis handling capabilities	Industrial knowledge	Global market perspectives	Leadership capabilities	Decision-making capabilities
Chairman	Biing-Jye Lee	●	●	●	●	●	●	●	●
Vice Chairman	Shuan-Lang Peng	●		●	●	●	●	●	●
Director	Feng Cheng Su	●	●	●	●	●	●	●	●
Director	Chin-Yung Fan	●		●	●	●		●	●
IndependentDirector	Wei-Min Sheng	●	●	●	●	●		●	
IndependentDirector	Sheng-Tai Weng	●	●	●	●	●	●	●	●
IndependentDirector	Ji-Yen Liang	●	●	●	●	●	●	●	●
IndependentDirector	Hsien-He Sheng	●	●	●	●	●	●	●	●
IndependentDirector	Wei-Cheng Wang		●			●			

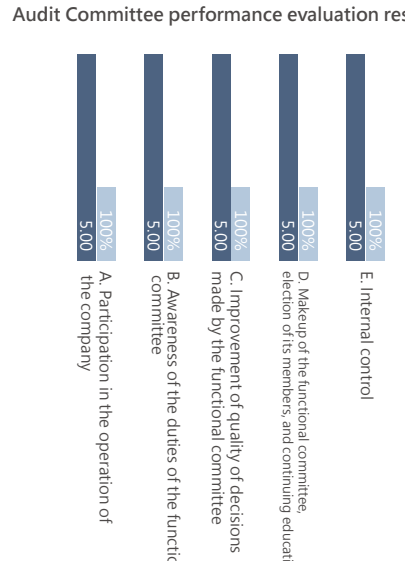
Performance Evaluations of the Board and Functional Committees

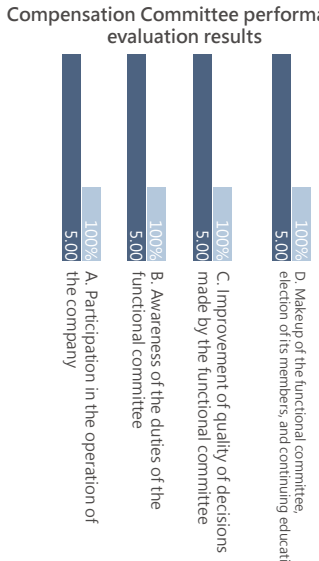
In order to implement corporate governance and enhance the functions of our Board and functional committees, we have established performance targets to strengthen our operational efficiency. We conduct performance evaluations of the Board and related functional committees in accordance with our “Regulations for Performance Evaluations of the Board and Functional Committees,” which stipulates that internal Board performance evaluations should be conducted annually, and external evaluations implemented by independent institutes or expert teams should be conducted at least once every three years. Evaluation results for 2021 were reported to the Board during the first quarter of 2022, and have also been published on our corporate website.

Survey type	Target	Collected surveys	Effective surveys	Response rate
Board performance evaluation self-assessment survey	9 directors	9	9	100%
Self-assessment survey for Board members	9 directors	9	9	100%
Audit Committee performance evaluation self-assessment survey	5 committee members	5	5	100%
Compensation Committee performance evaluation self-assessment survey	4 committee members	4	4	100%









Management Succession Planning

Ennostar maintains the succession systems of Epistar and Lextar, and established a “Steering Committee” to oversee long-term training plans and related implementations for management successors, as well as organize talent rotation and changes in management successors at Ennostar, Epistar, Lextar, Unikorn, and other important subsidiaries. In addition to good communication skills, strong knowledge and technical skills, outstanding performance, and management potential, management successors are required to align with corporate values. Ennostar conducts model functional skill evaluations for center managers and above; evaluation results are used as a reference for organizing corporate talent and management successors. Apart from allowing corporate talent to showcase their professional skills in the workplace and implementing job rotations, we also cultivate strategic formulation skills in our management successors by inviting them to participate in monthly, quarterly, and annual management decision meetings.

Our Chairman is the ex-officio head of the “Steering Committee”; the three Committee members (namely directors Shuan-Lang Peng, Chin-Yung Fan, and Feng Cheng Su) were nominated and appointed by the Chairman. The Steering Committee convenes once a month and may convene at any time as needed. Attendance rates for all four members were 100%.

System for Avoidance of Conflicts of Interest 102-25

The Group’s Rules for the Procedures of the Board of Directors’ Meeting and Audit Committee Charter both contain provisions related to avoidance of conflicts of interest. If directors themselves or the juristic persons they represent hold interests in agenda matters, they should summarize said interests during associated Board meetings, but must recuse themselves from discussion or voting on the item, and may not exercise voting rights as proxy for another director. The names of associated directors, descriptions of director interests, and recusals should be recorded in meeting minutes. Please refer to our 2021 annual report (P.34) for details of director recusals on specific proposals.

The Group has established the Ethical Corporate Management Best Practice Principles, Codes of Ethical Conduct, and Rules Governing Transactions Between the Group and its Affiliated Enterprises, which all contain provisions regarding recusals due to conflicts of interest; we plan to report implementation results to the Board each year. Additionally, the stakeholder section of our corporate website has detailed disclosures of relevant regulations and information, which serve as a channel for stakeholder communication. We have also established a spokesperson and a mailbox staffed with dedicated personnel responsible for responding to stakeholder queries and suggestions.

2.2 Operational Performance

Sustainable management is Ennostar's core mission. We hope to generate long-term and stable value for the Group through continued increases in revenues, profitability, and R&D investments. We continue to increase our investments in Mini/Micro-LED displays, smart sensors, and microelectronic components for III-V compound semiconductors, as well as other advanced technologies to stabilize our financial structure, build our R&D capabilities, and optimize resource utilization, thereby consolidating our value chain and industrial positioning while establishing a competitive ecosystem to raise Group revenues and profits.

Management Target | Base Year: 2021		
Short Term (2022~2023)	**Medium Term (2024~2025)**	**Long Term (2026 and beyond)**
1.Annual revenues growth of 5-10% 2.Shareholder equity ratio of 5-10% 3.R&D expenses/revenues > 7%	1.Annual revenues growth of 5-10% 2.Shareholder equity ratio > 10% 3.R&D expenses/revenues > 7%	1. Annual revenues growth of 5-10% 2. Shareholder equity ratio > 10% 3. R&D expenses/revenues > 7%
Responsible unit : Ennostar Finance & Risk Office		
Invested resources: Continue to invest in capital expenditures and R&D resources in accordance with annual budgets to stabilize annual Group revenues and maintain steady growth in return on equity.		
Grievance mechanisms : • CPAs • Research reports issued by institutional investors		

Ennostar was founded through a share swap involving two of the biggest LED corporate groups in Taiwan, Epistar and Lextar, in what was considered to be a jointly facilitated organizational restructuring, but was in actuality an extension of Epistar operations. The following is the condensed and consolidated income statement for Ennostar in 2021 :

2021 Condensed and Consolidated Income Statement Unit : thousand NTD

Item \ Company	Ennostar
Operating revenues	36,424,760
Gross operating profit (retained economic value)	7,618,509
Operating profit and/or loss	2,110,130
Net profit (loss)	1,898,474
Payment made to investors	1,365,881
Earnings per share (NTD)	3.21
Employee compensation and benefits	8,624,345
Payments made to the government (taxes)	97,802

2.3 Ethics and Integrity

Management Target | Base Year: 2021		
Short Term (2022~2023)	**Medium Term (2024~2025)**	**Long Term (2026 and beyond)**
1. Establish corporate ethical management working groups 2. Formulate "Regulations for Ethical Management and Moral Conduct" 3. Achieve completion rate of 100% for ethical management training (Targets: All employees, including direct, indirect, foreign, resident, and contract employees) 4. Lower the number of substantiated reports of fraud to less than 1 per year	1. Achieve completion rate of 100% for ethical management training 2. Formulate ethics and integrity self-assessment questionnaire for Group employees (Targets: All employees, including direct, indirect, foreign, resident, and contract employees) and suppliers (Targets: Direct and indirect suppliers and contractors) 3. Require 85% of employees to complete self-assessment questionnaires (survey system) 4. Lower the number of substantiated reports of fraud to less than 1 per year	1.Require 95% of employees to complete self-assessment questionnaires (survey system) 2. Achieve completion rate of 100% for ethical management training 3.Zero reports relating to corruption and bribery (note), unfair competition, leakages and infringements, and insider trading each year 4.Obtain Taiwan Corporate Sustainability Award Note: Gifts and personal favors
Responsible unit : Human resources departments of Ennostar and associated subsidiaries		
Invested resources : External consultants, all Group employees, and related departments; budgeting for training platform maintenance costs, lecturer fees, and teaching materials.		
Grievance mechanisms: Ethical and integrity violations incurred by personnel when carrying out their duties can be reported through the following channels • Internal: Direct supervisors, physical employee suggestion box, dedicated phone line, president mailbox, and reporting system for professional ethics violations • External: Reporting system for professional ethics violations (http://www.ennostar.com)		

Ethical management, Ennostar's most important core value, is deeply rooted in our corporate culture and systems, and was used to formulate our business ethics and legal compliance systems, including :

1.All Ennostar employees consider integrity and self-discipline to be their core values as they uphold their ethical responsibilities to shareholders, customers, suppliers, business partners, and colleagues; aim to enhance ethical practices; and integrate these ethics in daily conduct.

2.We adopt a zero tolerance policy towards corruption, bribery, unfair competition, leakages, infringements, and insider trading.

102-16 206-1 415-1

The Group adheres to business philosophies of integrity, transparency, and responsibility in formulating ethical policies and to establish a sound corporate governance and risk control system for creation of a sustainable business environment. We have established a dedicated unit responsible for formulating and supervising implementation of ethical management policies and prevention plans in compliance with the Company Act, Securities and Exchange Act, Business Entity Accounting Act, Political Donations Act, Anti-Corruption Act, Government Procurement Act, Act on Recusal of Public Servants Due to Conflicts of Interest, regulations for public companies, and other laws relating to business conduct; said unit reports to the Board at least once a year to ensure implementation of ethical management policies. Ethical management promotion teams have been established at all subsidiaries, and the Group Human Resources Department is responsible for coordinating, formulating, overseeing implementation of ethical management policies and prevention plans, the results of which are reported to the Board at ESG Committee meetings at least once a year to ensure full execution of ethical management policies.

The Group has established the "Ethical Corporate Management Best Practice Principles" and "Codes of Ethical Conduct" to establish a corporate culture and sound development strategies of ethical management, good business operations, and to guide our directors, managers, and other employees in complying with ethical standards.

We have also formulated other prevention plans including operational procedures, codes of conducts, and training to communicate our ethical management policies to our stakeholders through our internal bylaws, corporate website, and public documents. We assess the legality and past unethical behaviors of our distributors, suppliers, customers, and other business partners before conducting business transactions to avoid dealing with parties that have a record of unethical behaviors.

We and our directors, managers, employees, appointees, and substantive controllers are not allowed to directly or indirectly offer, promise, demand, or accept improper benefits in any form when conducting business. External donations and sponsorships are handled in accordance with relevant laws and internal regulations to prevent provision and acceptance of bribes, as well as other illegal political contributions. Ennostar did not lobby for any public policies, provide any political contributions, and was not involved in any anti-competitive, anti-trust, and monopoly behaviors in 2021.

Grievance System 102-17

To strengthen corporate governance and implement ethical management and codes of ethical conduct, the Group provides channels for reporting ethical and integrity violations, and we have also formulated the “Whistle-Blowing Channel and Protection System.” We have established a reporting system for professional ethics violations on our corporate website and internal networks. Suggestion boxes have also been installed at all factories for grievance reports. Depending on grievance targets, any persons who suspect or discover violations of legal regulations or ethical codes of conduct can submit adequate information to independent grievance mailboxes or dedicated phone lines for effective handling and case allocation. All grievance information from both internal and external channels are handled in a confidential manner and informants can remain anonymous. Depending on case circumstances, handling committees may be formed, and investigation results are reported to the Chairman. Information on committee members and related parties are kept confidential and we work to protect informant safety during the investigation process.

Reported grievances are delivered directly to the Chairman and audit supervisors through our “reporting system for professional ethics violations,” following which the Chairman appoints audit managers to handle said grievances. External experts (such as lawyers and CPAs) can be invited to provide support or assist investigations as necessary.

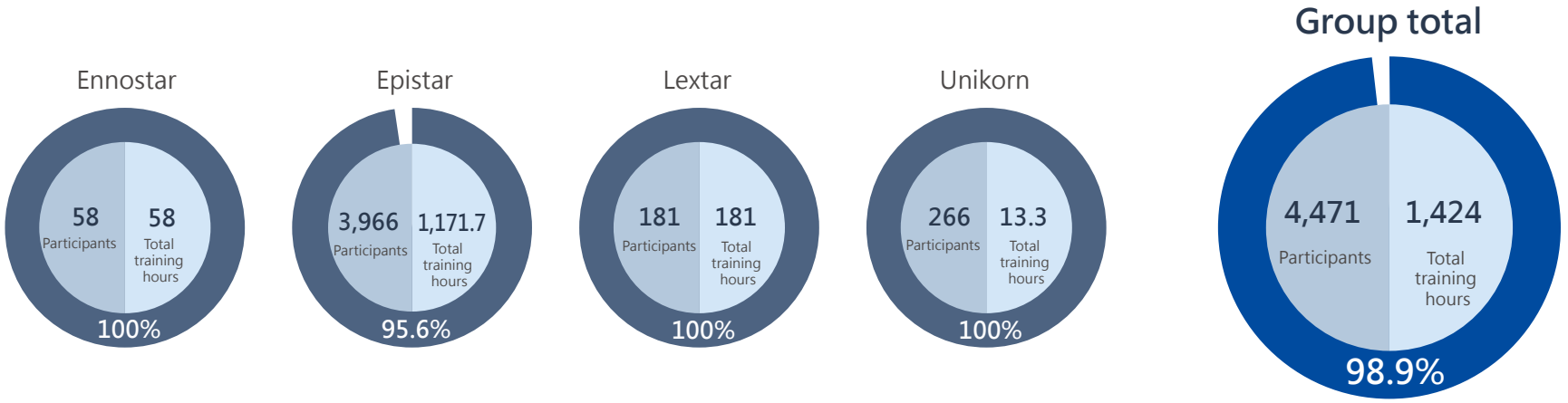
1. Reporting system for professional ethics violations
2. Audit supervisors from Ennostar, the Group’s parent company, accept reported grievances and initiate investigations
3. Report investigation results and penalty regulations to the Chairman or the highest authority of relevant units
4. Report incident to independent directors or supervisors for :
   1. Major violations or major damages
   2. Incidents involving the Chairman or senior executives

Grievance Channels		Ennostar	Epistar	Lextar	Unikorn
Internal	The Chairman appoints audit supervisors to handle reported grievances	V			
	Internal reporting system for professional ethics violations	V	V	V	V
	Employee feedback hotline	V	V	V	V
	Exclusive employee suggestion box staffed by dedicated personnel from the employee relations unit of the human resources department	V	V	V	V
	Periodic hosting of labor-management meetings	V	V	V	V
	Mailbox to the President with all letters personally read and handled by the President		V	V	V
	Grievances directly reported to audit units	V	V	V	V
External	External reporting system for professional ethics violations	V	V	V	V
	Contact numbers and mailboxes (for ESG, sales, and HR units) on corporate website	V	V	V	V

2.3.1 Anti-Corruption Management 205-1 205-2 205-3

The Group strictly prohibits all acts of corruption, bribery, and extortion. To guide our employees in complying with ethical standards, we require our employees to be prudent in their actions, maintain ethical conduct, and avoid taking advantage of their positions to engage in malpractice or accept favors. We continue to provide relevant training for employees. During the reporting period, we conducted corruption risk assessments on the operating activities of our eight main operational bases to strengthen management of legal identification and implement ethical management.

The Group has established a reporting system for professional ethics violations to serve as a grievance channel for our internal and external stakeholders (including suppliers, consumers, clients, employees, and shareholders. We have also established a dedicated unit to handle reported grievances, and employees are punished in accordance with our Procedures for Management of Employee Rewards and Punishment depending on incident severity. We have formulated clear stipulations regarding handling procedures for grievances related to legal violations. No corruption incidents occurred at the Group in 2021, and 98.9% of employees have attended anti-corruption courses.



Internal Control System 102-30

The Ennostar Audit Office coordinates Group audit procedures, adjusts control procedures, and oversees establishment of internal controls in accordance with the local laws and regulations, operational characteristics, and operating scope of each subsidiary. We conduct annual evaluations of internal control system effectiveness and risk assessments regarding transaction modes, potential fraud, and corruption at Ennostar and our main operating bases: Ennostar and its subsidiaries Episky Corporation (Xiamen) Ltd., Jiangsu Canyang Optoelectronics Ltd., Shenzhen Epikylin Optoelectronics Co., Ltd., and Epicrystal (Changzhou) Ltd.; and Lextar and its subsidiary Lextar Electronics (Chuzhou) Corp. We draw up annual audit plans and conduct audits at these seven operating bases, then regularly report annual audit results to the Ennostar Board and Audit Committee. Audits of risk assessment results in 2021 did not reveal any major corruption incidents.

In 2022, we issued our first ESG report to strengthen our sustainability report quality and in adherence to TWSE regulations. The “ESG Report Compilation and Verification Procedures” were approved by the Board in May 2022 to incorporate ESG Report compilation and verification procedures in our internal controls.

2.3.2 Legal Compliance

Compliance with Environmental Protection Laws

Management Target | Base Year: 2021

Short Term (2022~2023)	Medium Term (2024~2025)	Long Term (2026 and beyond)
• **LED epi and chip materials:** 1. Complete 100% of legal compliance appraisals related to new environmental laws and legislative drafts for all companies 2. Complete 100% of legal compliance improvements 3. Complete verification of management systems at new N5 factory 4. Maintain validity of ISO 14001 management system • **LED packages and modules:** Incur no environment-related fines • **Foundry services for compound semiconductors:** 1. Ensure that temporary approval documentation for hazardous and chemical substances of concern adhere to the requirements of the Toxic and Concerned Chemical Substances Control Act 2. Identify hazardous and chemical substances of concern within factories 3. Submit prevention and response plans in compliance with the Toxic and Concerned Chemical Substances Control Act 4. Formulate relevant forms that adhere to the operational needs of hazardous chemical substances of concern and responsible units 5. Prepare disaster prevention medications in compliance with the emergency response sections of laws related to hazardous and chemical substances of concern 6. Deploy, train, and establish response personnel in accordance with the emergency response sections of laws related to hazardous and chemical substances of concern 7. Conduct re-inspections of raw materials and re-submit waste emissions and wastewater permit documents each year (Complete at least 60%)	• **LED epi and chip materials:** 1. Complete 100% of legal compliance appraisals related to new environmental laws and legislative drafts for all companies 2. Complete 100% of legal compliance improvements 3. Maintain validity of ISO 14001 management system • **LED packages and modules:** Incur no environment-related fines • **Foundry services for compound semiconductors:** 1. Ensure that monthly declarations of hazardous and chemical substances of concern adhere to laws and regulations. (Ensure > 90% conformance) 2. Periodic replacement of Hexafluorine. (100% completion) 3. Train response personnel in accordance with laws related to toxic and chemical substances of concern (100% completion) 4. Review raw material permit documentation each year and ensure at least 90% actual conformance 5. Conduct monthly analyses of environmental laws	• **LED epi and chip materials:** 1. Complete 100% of legal compliance appraisals related to new environmental laws and legislative drafts for all companies 2. Complete 100% of legal compliance improvements 3. Maintain validity of ISO 14001 management system • **LED packages and modules:** Incur no environment-related fines • **Foundry services for compound semiconductors:** 1. Inspect emissions, water, waste, and toxic substance permit documentation for five-year renewal (100% completion) 2. Complete regular replacement and management of Hexafluorine 3. Review raw material permit documentation each year and ensure 100% actual conformance 4. Conduct monthly analyses of environmental laws

Responsible unit: Occupational safety units of all Group subsidiaries

Invested resources: Compilation and identification of audit procedures in accordance with EHS regulations, costs of maintaining ISO 14001 and ISO 45001 verifications, and costs of obtaining verification for new factories.

Grievance mechanisms:
• “Contact Us” section on corporate website
• Competent authority audits and reporting system audits

307-1

The Group strives to reduce environmental shocks and impacts, and will incorporate the latest international pollution prevention techniques when constructing new factories as we work to realize our 3R (Reduce, Reuse, Recycle) model, increase energy usage efficiency, build comfortable living environments, and pursue corporate sustainability.

As a global citizen, we continue to create low-pollution and eco-friendly environments while implementing continued improvements in environmental management systems and managing pollution prevention and environmental protection expenditures. Following comprehensive consideration of overall environmental management performance, we voluntarily proposed the N8 pollution prevention facilities enhancement plan, which not only reduces the time needed to switch to backup adsorption towers, but also adheres to future manufacturing industry air pollution management processes and discharge standards.

Company	Date & Case Number	Violated Regulations	Description of Violation	Penalty	Response Measures
Epistar	2021/7/1 EPA-Kong-Tze No. 1100098721	Paragraph 2, Article 24 of the Air Pollution Control Act	Backup A006 absorber equipment handling efficiency did not meet license requirements.	NT$ 100,000 fine	Immediately changed the activated carbon of the backup adsorption tower and shortened operating days from 56 to 45 days.

Socioeconomic Compliance

Management Target | Base Year: 2021

Short Term (2022~2023)	Medium Term (2024~2025)	Long Term (2026 and beyond)
1. Continue to participate in internal or external training and dissemination meetings in accordance with accounting regulations. 2. Strengthen reporting channels and regulations for informant protection 3. No major violation incidents incurring fines of NT$ 1 million or more 4. Annually review the legality and implementation of internal bylaws, and formulate and execute plans for improvement	1. Continue to participate in internal or external training and dissemination meetings in accordance with accounting regulations. 2. Strengthen reporting channels and regulations for informant protection 3. No major violation incidents incurring fines of NT$ 1 million or more 4. Annually review the legality and implementation of internal bylaws, and formulate and execute plans for improvement	1. Continue to participate in internal or external training and dissemination meetings in accordance with accounting regulations. 2. Strengthen reporting channels and regulations for informant protection 3. No major violation incidents incurring fines of NT$ 1 million or more 4. Annually review the legality and implementation of internal bylaws, and formulate and execute plans for improvement

Responsible unit: Ennostar Finance & Risk Office.

Invested resources: Investments in planning, implementation (human resources department), and external lecturer fees for legal training.

Grievance mechanisms :
• Investor mailbox : ir@ennostar.com
• To report violations of business ethics, please refer to the ethical grievances section on the Ennostar corporate website (www.ennostar.com)

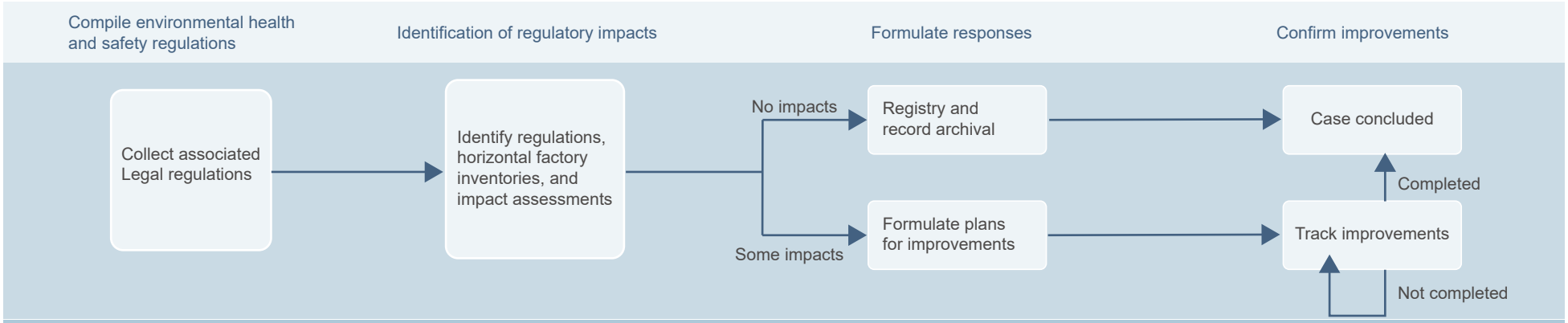
419-1

The Group has established a Legal Affairs Office to provide legal training for employees, legal consultation, and review of stakeholder contracts. We have also established an internal audit office to ensure continued and effective implementation of our internal control systems, thereby preventing corporate risks and enhancing our business performance. Previous violations of social and economic regulations, incident description, and subsequent improvements are shown in the following table :

Company	Fine	Violation Incident	Response Measures
Epistar	30,000	Violated Article 287 of the Rules for Occupational Safety and Health Facilities and Paragraph 1, Article 6 of the Occupational Safety and Health Act: Group personnel operating semi-automatic developer machinery did not use appropriate occupational health and safety protection equipment despite being engaged in hazardous chemical procedures and were at risk of exposure, resulting in personnel requiring medical attention from occupational injuries.	1. Placed posters detailing wearing standards for personal protective equipment at entrances of chemical work areas 2. To prevent our colleagues from underestimating chemical exposure risks, instructions regarding wearing standards for personal protective equipment when replacing/adding chemicals were placed on top of machinery, and personnel are required to don personal protective equipment (protective face shields, acid and alkaline resistant gloves, and protective aprons) when opening chemical cabinets 3. When conducting operations on machinery with special chemical substances, inspections should be carried out before, during, and after said procedures 4. “Handling by equipment personnel only” notices have been placed on chemical dispensing machines
	50,000	Violated Paragraph 2, Article 32 of the Labor Standards Act: Extended working hours should not exceed 46 hours a month.	Established advanced warning system for working hours to aid managers in coordinating working hours and to prevent abnormal working hour incidents from occurring.
	50,000	Violated Paragraph 1, Article 36 of the Labor Standards Act: Employees should have two rest days every seven days, one a mandatory rest day and the other a flexible rest day.	Established advanced warning system for working hours to aid managers in coordinating working hours and to prevent abnormal working hour incidents from occurring.

Column: Identification of environmental health and safety regulations

The Occupational Safety Office investigates conditions at each factory in advance of revisions to environmental health and safety regulations (including draft regulations) to assess possible impacts. We also actively put forward the opinions of various industry members to provide early warning and reduce risks of corporate violations during public hearings. Associated identification steps are shown in the following image to demonstrate our care and emphasis on occupational health and safety.



2.4 Risk Management

Management Target | Base Year: 2021

Short Term (2022~2023)	Medium Term (2024~2025)	Long Term (2026 and beyond)
1. Implement ISO 22301 (Business Continuity Management System) 2. Formulate intellectual property management plans and regulations for management and protection of trade secrets, and implement intellectual property management systems (TIPS or ISO 56005)	1. Obtain ISO 22301 verification 2. Obtain third-party verification for intellectual property management systems (TIPS or ISO 56005)	1. Maintain ISO 22301 verification 2. Maintain third-party verification for intellectual property management systems (TIPS or ISO 56005) and conduct self-assessments

Responsible unit: Ennostar Finance & Risk Office.

Invested resources: Verification and consulting fees for implementation of ISO and intellectual property management systems, and manpower investments including external consultants and internal personnel.

Grievance mechanisms: Not applicable.

102-11 102-15

Ennostar has established the “Risk Management Policies & Procedures” to define various risks in accordance with overall corporate operational guidelines so as to formulate advanced identification, accurate measurement, effective monitoring, and rigorous control risk management mechanisms that allows us to prevent possible losses within the scope of manageable risks. We continue to adjust and improve optimal risks management practices in accordance with internal and external environmental changes to protect the interests of our employees, shareholders, collaborating partners, customers, and other stakeholders, thereby enhancing corporate value and enabling us to optimize allocation of corporate resources.

Risk Management Organizational Structure and Responsibilities

Management Organization	Description of Responsibilities
Board of Directors	Responsible for approving risk management regulations, overseeing existing and potential risks at Ennostar, and reasonable allocation of resources to ensure effective risk management.
ESG Committee	Our ESG Committee is a unit that comprehensively handles risk management activities. Our Chairman is an ex-officio Committee member, convener, and meeting chair, and is responsible for nominating and appointing the 2-5 members of the Committee. Committee responsibilities are as follows : 1.Formulating relevant risk management procedures; establishing risk management standards; and periodically reviewing implementations, risk category assessments, and procedural refinements relating to Ennostar risk management mechanisms. 2.Executing Board risk management decisions and periodically reviewing development, establishment, and effectiveness of all Ennostar risk management mechanisms. 3.Approving risk response strategies and action plans, and requiring effective risk management, measurement, monitoring, and control from all Ennostar risk management units. 4.Convening at least two ESG Committee meetings each year and inviting the ESG Risk Management Team to present reports. 5.Reviewing all Ennostar risk management reports, periodically submitting reports to the Board, and reporting risk management implementations to the Board as necessary.
ESG Risk Management Team	1.Assisting the ESG Committee in promoting relevant risk management actions. 2.Ensuring effective risk identification and management activities at Ennostar to achieve risk management goals. 3.Periodically convening senior executives to identify key and emerging risks at Ennostar.
Internal Audit Units	Audit units should conduct audits in the spirit of independence, and should conduct at least one audit of Ennostar risk management matters each year, the results of which should be reported to the Board.
Board of Directors at Important Subsidiaries	Overseeing business units at important subsidiaries to ensure implementation of risk management procedures and establishing risk management teams at all important subsidiaries for execution of risk management activities.
Functional Units	All units should fully implement risk management, reporting, and improvement processes; promote and execute risk management procedures; and report improvements in risk associated plans to risk management teams.

Risk Management Processes and Operations

Ennostar senior executives conduct identification of key and emerging risks at least once a year, the results of which are communicated to all important subsidiaries. Additionally, the business units of all important subsidiaries conduct risk identification activities to provide transparent disclosures of on risk identification results and management. Identification of risks at the corporate level compile past experiences and assess possible risks in future business. Following risk identification and measurement, all business units adopt appropriate responses to relevant risks and establish prevention, warning, response, crisis management, and business continuity plans that mitigate, transfer, or avoid risks. These processes are recorded and compiled every six months by the ESG Committee Risk Management Team, and are reported to the ESG Committee to enhance overall operational decisions.

2.4.1 Information Security

Management Target | Base Year: 2021

Short Term (2022~2023)	Medium Term (2024~2025)	Long Term (2026 and beyond)
1. Implement ISO 27001 at all Group companies 2. Establish dedicated information security personnel at subsidiaries Unikorn and Lextar 3. Implement ISO 27001 Information Security Management System at subsidiaries Unikorn and Lextar, and obtain system verification in 2023 4. Ensure that subsidiary Epistar passes three-year renewal reviews for ISO 27001 5. Zero information security incidents resulting in property damages across the Group	1. Maintain ISO 27001 verification 2. Comply with new ISO 27001 requirements 3. Implement assessments using information security maturity models 4. Zero information security incidents resulting in property damages across the Group	1. Maintain ISO 27001 verification 2. Formulate enhancements for all subsidiaries implementing information security maturity models based on results of maturity assessments 3. Zero information security incidents resulting in property damages across the Group

Responsible unit: Group information technology offices.

Invested resources: Verification fees, auditors, external consultants, and internal personnel (including information security departments and auditing offices) required for implementing ISO 27001 systems, as well as other software, manpower, and training costs invested in information security maintenance.

Grievance mechanisms:
- Members of the public can report vulnerabilities in our systems through TWCERT/CC and HITCON-Zeroday.
- “Contact Us” section on corporate website

418-1

Ennostar and all subsidiaries have formulated information security policies to protect client privacy as part of our responsibilities to prevent unauthorized use of computer systems in accordance with the “Regulations for Protection and Management of Personal Information.” Users of all departments are required to apply for user codes and applications, and can only obtain formal access to computer systems following approval by unit managers and information technology office managers. Personnel not involved in operations are unable to obtain customer information. To ensure protection of client privacy, we plan to establish a dedicated information security management department under our parent company responsible for information security maintenance, information security frameworks, information security policies, and other information security projects and review procedures within the Group to lead our subsidiaries in joint realization of Ennostar information security goals, allowing the Group to achieve zero property losses due to information security incidents each year. No complaints relating to infringement of client privacy rights or client information losses occurred in 2021.

Information Security and Privacy Management

To ensure information security, achieve the quality expected by our customers, and protect customer privacy, the Group adheres to ISO 27001 requirements in formulating corporate information protection and management processes. Epistar information security processes comply with international standards and obtained ISO 27001 information security certification in 2010. We plan to complete implementation and certification in our subsidiaries year over year to reduce corporate information security threats and establish the highest standards for protection of confidential information and the most rigorous information security systems to protect customer intellectual property rights, process parameters, and other confidential information.

We established an “Information Security Management and Review Committee” to review all information security implementation strategies, goals, and performance; to enhance information security goals and management levels; and to provide clear stipulations of information security policies and related regulations. To align with legal regulations, technical needs, stakeholder expectations, and operational strategies, all employees are required to undergo information security training, comply with the “Regulations for Information Classification, Protection, and Management,” and fulfill their responsibilities as a good-faith manager.

We have also established an “Information Security Execution Team” to disseminate information security concepts throughout the Group. We conduct four phishing email information security drills for all Group employees each year, and colleagues who were successfully phished are required to attend phishing courses and pass course exams to reduce impacts of viral attacks and confidential information leakages on the Group and our colleagues.

To reduce possibilities and impacts of risk incidents, the Group actively implements management systems that serve as risk response measures. We conduct routine inventories of information assets, account checks, and internal audits each year, and convene information security management and review meetings attended by the President and managers from relevant units. Epistar also conducts a business continuity drill once a year.

We consider information security to be one of the most important risk management aspects of the Group. We proactively formulated the “Information Security Declaration” to ensure that all Group employees and stakeholders understand our commitment, to demonstrate our responsibilities to our clients and partners, and to maintain our market competitiveness.

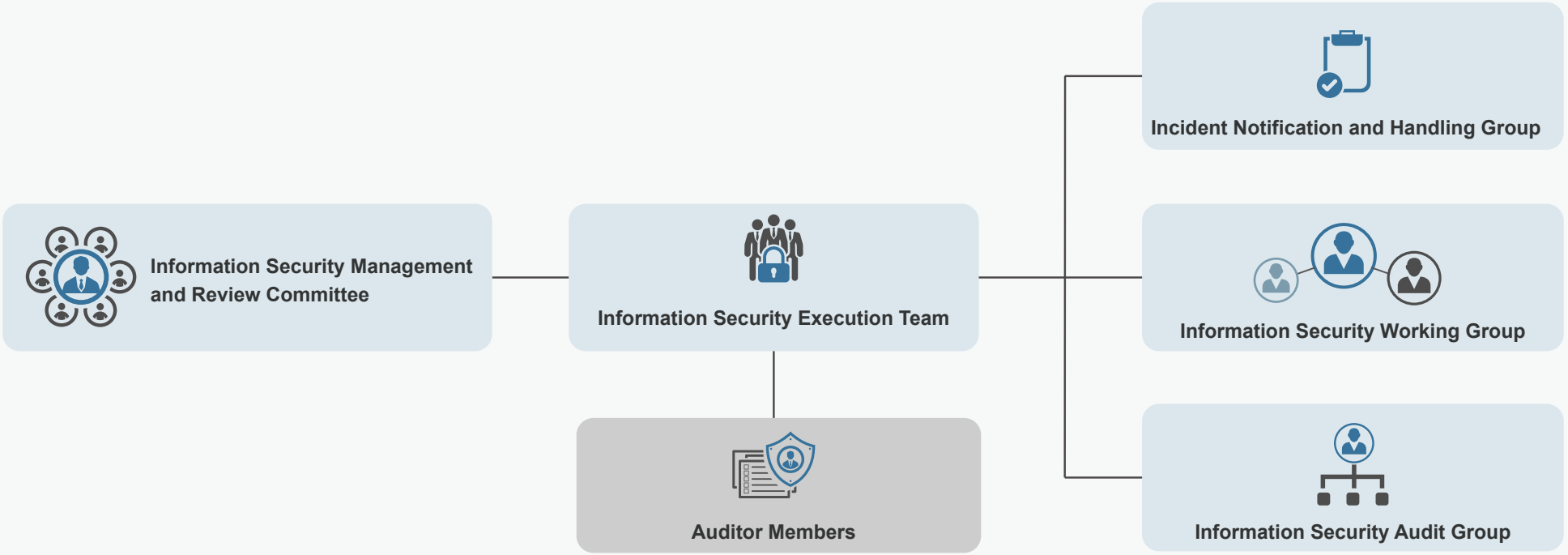
Ennostar Information Security Declaration

The ultimate goal of Group information security actions is to ensure effective handling of key Group business information through personnel, procedure, and information technology management, thereby preventing safety incidents from impacting on information confidentiality, integrity, and accessibility of key business operations during information handling procedures, enabling us to achieve our goal of becoming a global optoelectronics manufacturing center.

Our information security actions are based on systematic risk assessments and risk management that balance management and technology to implement risk control measures that can be incorporated in routine employee tasks for joint realization of the following information security goals :

- Information protection procedures of key business tasks completely adhere to corporate requirements and associated regulations
- Complete accuracy of information handling processes and results for key business tasks and supporting administrative work
- Continued operations of information systems and information handling procedures

Information Security Organizational Framework



The Information Security Management and Review Committee convenes once every six months. Committee members including our President, Information Center, audit managers, legal intellectual property management personnel, and other senior executives jointly participate in and are responsible for review and decision-making of associated issues :

(1) Information security policies
(2) Effectiveness of information security policies and control measures
(3) Provision of information security resources.

2.4.2 Climate Change Governance (TCFD) 201-2

Global climate change not only causes extreme weather, but also directly and indirectly impacts on corporate operations and consumption behaviors. The Group understands that passive energy management may result in negative impacts such as increased expenditures and environmental damage.

The Group works to be environmentally friendly through continued energy and carbon reduction measures to lower expenditure risks, and strives to incorporate core business capabilities with implementation and development of green technologies so that we can provide eco-friendly and energy-saving products for our customers, as well as heighten product competitiveness on sustainability issues. We actively respond to international trends relating to climate change, work to reduce carbon emissions, and plan to incorporate renewable energies to achieve management of natural resources and sustainable management.

The Group references the Climate Change Reporting Framework (CDSB) and the recommendations and implementation guidelines of the Task Force on Climate-related Financial Disclosures (TCFD) to consider and identify hidden corporate opportunities and risks.

Six steps of TCFD recommended climate scenario analysis

1	2	3	4	5	6
Ensure governance is in place	Assess materiality of climate-related risks	Identify and define range of scenarios	Evaluate business impacts	Identify potential responses	Document and disclose
Confirm that climate actions adhere to corporate operational strategies and provide specific explanations of Board supervisory information.	Identify impacts of risks and opportunities on the organization and stakeholders based on market changes, technological process, corporate reputation, government policies, regulations, and physical risks.	Set scope for assessment of impacts such as stakeholders and time periods based on items emphasized by the organization.	Determine impact items such as raw material costs, operational costs, revenues, and supply chains for assessment of operational and financial impacts on the organization.	Implement responses to assessed impacts including adjustment of business models, investment portfolios, and investments in technical R&D.	Document implementation methodologies for internal promotion and disclose relevant information for better communication with stakeholders.

Our ESG Committee (and working groups) support effective management and implementation of climate change actions within the Group. We incorporated TCFD-defined risk and opportunity categories, and applied governance for climate change risks and opportunities on corporate operations and information asset management following our assessments. The Group's main climate change risks are shown as follows:

Aspect	Item	Stakeholders	Challenges and Risks	Management Approach
Transition Risks				
Policies and regulations	International contracts	Ennostar Group	Global carbon reduction policies and commitments will promote development of low-carbon manufacturing, potentially increasing carbon reduction responsibilities and risks	1. Formulate and continue to implement carbon reduction goals 2. Continue to conduct annual inventory of greenhouse gases 3. Invest in energy-saving solutions to achieve energy-saving goals
Policies and regulations	Volume control and emissions transactions	Ennostar Group	Increased operational costs from future expansions in volume restrictions and emissions transactions by the Environmental Protection Administration	1. Continue to be attentive of changes in volume restrictions 2. Inventory and manage greenhouse gases 3. Formulate and continue to implement annual volume reduction goals 4. Energy deployments at operating bases
Technology	Renewable energy	Ennostar Group	Requirements for installation, use, or procurement of renewable energies may increase establishment costs	Achieve the RE100 goal at non-production sites by 2030
Market	Consumer behaviors	Ennostar Group	Client product requirements already exceed regulatory requirements and we hope to surpass legal requirements	1. Continue development of low power consuming LED products 2. Enhance brightness of LED products to reduce the number of LEDs required for each product
Market	Increased raw material costs	Ennostar Group / Supply chain	Climate change has increased raw material costs for bulk goods, which in turn has affected production costs.	1. Continue to implement material reduction at the source 2. Develop a circular economy where waste is recycled and reused
Physical Risks				
Immediate	Rainfall changes	Ennostar Group / Clients	Changes in rainfall patterns may cause water shortages, affecting production and increasing operational costs	1. Formulate and continue to implement water conservation goals 2. Develop technology for recycling of process water 3. Prepare contract management for water trucks
Long-term	Extreme climate	Ennostar Group / Supply chain	The frequency and severity of floods, snowstorms, droughts, and pandemics have increased, and therefore our supply chain should develop appropriate capabilities in response to climate change and epidemic prevention	1. Establish flood prevention plans and operational standards, conduct periodic disaster prevention drills such as floodgate flood prevention drills and drills for locating anti-flooding equipment in factories 2. Installed floodgates on easily flooded driveways and important server rooms to reduce disaster losses 3. Establish supply chain risk identification and business continuity plans 4. Distribute supplier questionnaires

Adaptation to climate change is an innovative organization opportunity that includes enhancement of resource usage efficiency; use of low-carbon energies; development of new products, services, and market entry models; and enhancing supply chain resilience. Our ESG Committee (and working groups) identified the following climate change opportunities based on operational impacts and occurrence possibilities:

Identified Aspects	Item	Stakeholders	Challenges and Risks	Management Approach
Resource efficiency	Use of water resources	Ennostar Group / Clients	Reduce reliance on water resources and develop water conservation technologies	1. Formulate and continue to implement water conservation goals 2. Develop technologies for recycling process water
Market	Seek new business opportunities	Ennostar Group	Find new business opportunities through energy-saving policies and greenhouse gas reduction to discover new business opportunities	1. Continue to develop energy-saving products 2. Collaborate with multiple parties to develop new business models
Products / services	Low-carbon products and services	Ennostar Group / Clients	Keep abreast of market changes and provide energy-saving products to our clients	1. Develop LED products with low power consumption 2. Enhancement of LED product brightness

3 Industry Value Chains

Three. Industry Value Chains

100%
procurement of conflict-free minerals

100%
of manufactured products comply with national standards and international environmental protection regulations such as RoHS and REACH

More than
5,500
approved patents across the Group

Ratio of local suppliers
95%

3.1 Quality Assurance

Product Quality

Management Target | Base Year: 2021

Short Term (2022~2023)	Medium Term (2024~2025)	Long Term (2026 and beyond)
• **LED epi and chip materials:** Hazardous substance inspections for all product series	• **LED epi and chip materials:** Hazardous substance inspections for all product series	• **LED epi and chip materials:** Hazardous substance inspections for all product series
• **LED packages and modules:** 1.Continuous Improvement Process (CIP) implementation rate of 100% 2.Process capability index (Cpk) (1.67) →96% 3.Customer satisfaction : 92% (4.6/5) 4.Obtained ISO 26262 verification	• **LED packages and modules:** 1.CIP implementation rate of 100% 2.Cpk (1.67) → 97% 3.Customer satisfaction : 94% (4.7/5) 4.Maintained ISO 26262 certification	• **LED packages and modules:** 1.CIP implementation rate of 100% 2.Cpk (1.67)→98% 3.Customer satisfaction : 96% (4.8/5) 4.Maintained ISO 26262 certification
• **Foundry services for compound semiconductors:** Pass annual ISO 9001 Quality Management System third-party verifications and continue to implement and strengthen quality management system requirements	• **Foundry services for compound semiconductors:** Pass IATF 16949 Automotive Quality Management System third-party verification to enhance quality management competitiveness	• **Foundry services for compound semiconductors:** Pass IATF 16949 Automotive Quality Management System third-party verification and incorporate TQM management concepts for thorough implementation of total quality management

Responsible unit: Quality assurance units at all Group subsidiaries.

Invested resources: Fees for third-party verifications and manpower inputs.

Grievance mechanisms :

- "Contact Us" section on corporate website
- Shareholders' meeting

Customer Health and Safety (Management of Hazardous Substances in Products)

Management Target | Base Year: 2021

Short Term (2022~2023)	Medium Term (2024~2025)	Long Term (2026 and beyond)
• **LED epi and chip materials:** 100% of all manufactured products comply with international environmental protection regulations such as RoHS and REACH SVHC	• **LED epi and chip materials:** 100% of all manufactured products comply with international environmental protection regulations such as RoHS and REACH SVHC	• **LED epi and chip materials:** 100% of all manufactured products comply with international environmental protection regulations such as RoHS and REACH SVHC
• **LED packages and modules:** • 100% RoHS and REACH compliance • 100% compliance with Green Product regulations • 100% ENVI compliance	• **LED packages and modules:** • 100% RoHS and REACH compliance • 100% compliance with Green Product regulations • 100% ENVI compliance	• **LED packages and modules:** • 100% RoHS and REACH compliance • 100% compliance with Green Product regulations • 100% ENVI compliance
• **Foundry services for compound semiconductors :** 100% of our manufactured products comply with laws and regulations relating to hazardous restricted substances and client Hazardous Substance Free (HSF) requirements	• **Foundry services for compound semiconductors:** 1.100% of our manufactured products comply with laws and regulations relating to hazardous restricted substances and client Hazardous Substance Free (HSF) requirements 2. All of our raw materials comply with laws and regulations relating to hazardous restricted substances, and our suppliers and contractors have all received ISO 9001 certification	• **Foundry services for compound semiconductors:** 1.100% of our manufactured products comply with laws and regulations relating to hazardous restricted substances and client Hazardous Substance Free (HSF) requirements 2. All of our raw materials comply with laws and regulations relating to hazardous restricted substances, and we proactively guide/ assess contractor IATF 16949 certification to ensure that our quality requirements for our supply chain comply with automotive industry standards

Responsible unit: Quality assurance units at all Group subsidiaries.

Invested resources: Annual verification fees for RoHS restricted substance inspections for series products and manpower inputs.

Grievance mechanisms :

- "Contact Us" section on corporate website
- Shareholders' meeting

416-1 416-2

The products and services provided by the Group all adhere to relevant laws and regulations, and are subject to internal review processes that comply with the ISO 9001 Quality Management System and IATF 16949 requirements (please refer to the following table for details on the certifications obtained by each of our companies). We conduct annual validity assessments of relevant hazardous substance regulations and client HSF requirements to ensure that our products comply with laws and regulations relating to hazardous restricted substances and client Hazardous Substance Free (HSF) requirements. We periodically commission third-party verification institutes to inspect our products and ensure compliance with regulatory requirements and client demands. Products manufactured by all Group factories adhere 100% to national standards as well as international environmental regulations such as RoHS and REACH. The Group incurred some violations of environmental laws during the reporting period, but we implemented immediate improvements and guarantee that said incidents will not reoccur. Our clients need not feel concerned as their health and safety were not impacted by Group products, and we will continue to guarantee product safety in the future and ensure that Group performance does not impact negatively on society or the environment. The Group incurred no penalties related to violations of health and safety laws relating to our products and services in 2021.

	IATF 16949	ISO 9001
Epistar	V	V
Lextar	V	V
Unikorn		V

Note: Unikorn is scheduled to obtain third-party verification for the IATF 16949 Automotive Quality Management System in 2024-2025

Product Safety Verifications

417-1 417-2 417-3

Products sold by the Group to different regions undergo testing and are labeled in accordance with the requirements of their destination countries, client requirements, and product labeling laws. Disclosed product information and labels adhere to the electrical/optical/appearance/reliability specifications agreed upon by both parties, as well as relevant regulations and standards. The Group supplies the following product information :

1. Product name, model, part number, batch number, quantity, production date, and production location
2. Textual or graphical green product labels such as RoHS, Green Product, and HSF
3. Safety precautions, including textual or graphical instructions to keep away from moisture, handle with care, do not invert, avoid bumps, and so on

Our products and services did not violate any regulations relating to product information or labeling in 2021, and none of our products were banned, recalled, or violated regulations relating to product marketing and communications (including advertisements, promotions, or sponsorships).

Statistics on safety certifications for our products and services

Product or service	Safety certification
Chip and LED	REACH/(EU)
Chip and LED	Registration, Evaluation, Authorisation and Restriction of Chemicals (REACH)
Chip and LED	International Electrotechnical Commission halogen-free electronics standards
Chip and LED	EU Substances of Very High Concern (SVHC) 211 certification
LED Chip	Restriction of Hazardous Substances (RoHS) certification
RF GaN Device series EPI Wafer	RoHS 10 Restricted Substances certification
VCSEL Series-Chip/ Processed Wafer	RoHS 10 Restricted Substances certification
VCSEL Series-EPI Wafer	RoHS 10 Restricted Substances certification
Power GaN Device Series-EPI Wafer	RoHS 10 Restricted Substances certification
Power GaN Device Series_CHIP / Processed wafer	RoHS 10 Restricted Substances certification

Hazardous substances management

The Group manages all hazardous substances in accordance with international laws, client requirements, and controlled substance regulations and trends in different countries. Epistar established its management policies and regulations for hazardous substances in 2009, and is also responsible for management of hazardous substances at Unikorn from product development, manufacturing, production, storage, and transportation. Raw materials suppliers have also been incorporated in management processes for hazardous substances. We provide the resources necessary for management processes and target fulfillment, identify applicable regulations each month, review product compliance in advance of official regulation promulgation, and integrate management of effective regulations. We conduct annual validity assessments of relevant hazardous substance regulations and client HSF requirements to ensure that our products comply with laws and regulations relating to hazardous restricted substances and client Hazardous Substance Free (HSF) requirements.

Lextar updates requirements for controlled substances each year based on changes in environmental laws such as the Canadian Environmental Protection Act and the U.S. Lacey Act, as well as controlled substances requirements of international brands. In 2021, we implemented 100% control of 142 chemical substances.

7%

Reporting Reduce Use
Suppliers are required to reduce use of and propose alternatives for 10 controlled substances

42%

Reporting Use
Suppliers are required to specify the content and concentration of 60 controlled substances

9%

Class A
Suppliers are required to provide test reports indicating that their products do not contain the 12 substances prohibited by Lextar

42%

Class B
Suppliers are required to submit declarations stating that their products do not contain the 60 substances banned by Lextar

To ensure that our suppliers fully understand our requirements on hazardous and controlled substances in green products, Lextar updated its documentation for management of hazardous substances, “Regulations for Management of Green Supply Chains,” and required all existing suppliers to confirm and commit to achievement of updated hazardous substance management requirements.

Each year, Lextar confirms that all test reports for hazardous substances provided by suppliers adhere to relevant requirements, and manufactured chip and LED products are submitted for hazardous substance analyses and tests at ISO 17025 certified laboratories to ensure that our products comply with RoHS, REACH SVHC, halogen-free requirements, other international regulations, and client requirements.

3.2 Innovation Management

Management Target | Base Year: 2021

Short Term (2022~2023)

- **Ennostar Group**
  1. Apply for more than 200 patents per year
  2. More than 750 cumulative registered trade secrets (by year-end 2023)
- **LED epi and chip materials:**
  1. BLU/Lighting/Auto performance enhancement
  2. Sensing
     - Sensor component performance enhancement
     - SWIR long wavelength technology development and production line establishment
     - Bring InGaAs PD products to market
     - Development of ultra-thin wearable products
  3. UVC product performance enhancement
  4. μLED performance enhancement, ready for mass production
  5. Refinement of existing technologies
- **LED packages and modules:**
  1. Energy-saving products:
     - Incorporate client power-saving models
     - Gradually incorporate high-performance LEDs
  2. Intelligent products
     - i MFG system integration
     - Data integration
  3. Reduce
     - Semi-packaging
     - Incorporate client ultra-thin models
  4. Reuse
     - Develop and incorporate reusable substrates and carriers
  5. Recycle
     - Develop biopolymer adhesives

Medium Term (2024~2025)

- **Ennostar Group**
  1. Apply for more than 250 patents per year
  2. More than 1,500 cumulative registered trade secrets (by year-end 2025)
- **LED epi and chip materials:**
  1. Continue enhancement of BLU/Lighting/Auto performance
  2. Sensing
     - Continue enhancement of sensor component performance
     - Bring InGaAs PD products to international markets
     - Continue development and mass production of ultra-thin wearable products
     - Development of new sensor product technologies
  3. UVC products
     - Continue enhancement of UVC product performance
     - Development of UVC short wavelength technologies
     - Expansion of UVC production lines
  4. μLED
     - μLED Continue enhancement of LED performance
     - Expansion of LED production lines μLED
  5. Continue refinement of existing technologies
- **LED packages and modules:**
  1. Energy-saving products:
     - Incorporation of high-performance LEDs
  2. Intelligent
     - Data integration and operations
  3. Reduce
     - Reduce LED size by 75%
     - Lower drop rates to less than 33%
     - Solvent Free process
     - Reduce client backlight model product thickness by 30%

Long Term (2026 and beyond)

- **Ennostar Group**
  1. Apply for more than 300 patents per year
  2. More than 350 trade secrets registered each year
- **LED epi and chip materials:**
  1. Continue enhancement of BLU/Lighting/Auto performance
  2. Sensing
     - Continue enhancement of sensor component performance
     - Mass production of new sensor product technologies
  3. Continue enhancement of UVC product performance
  4. μLED
     - μLED Continue enhancement of LED performance
     - Continue expansion of LED production lines μLED
     - Continue refinement of existing technologies
- **LED packages and modules:**
  1. Energy Saving
     - Incorporate client power-saving models
     - Gradually incorporate high-performance LEDs
  2. Intelligent manufacturing
     - Enhance productivity per person by 30%
     - Enhance equipment efficiency by 30%
     - Reduce quality abnormalities by 30%
  3. Reduce
     - Reduce LEDs by 50%
     - Incorporate green processes in mass-produced products

Management Target | Base Year: 2021

Short Term (2022~2023)	Medium Term (2024~2025)	Long Term (2026 and beyond)
• **Foundry services for compound semiconductors :** Development of prospective process technologies for our five main products: • Advanced LED: Complete development of top-emission (TE-μLED) and bottom-emission (BE-μLED) process platform technologies • VCSEL: Complete development of EP process platform technologies • RF Devices: Complete development of low-impedance and high-frequency sub-6 GHz GaN PA products • GaN Power: Complete high-voltage and high-performance D-mode & E-mode product component platforms • BAW Filter: Complete development of SMART 2.0 technology platforms	4.Reuse • Incorporate reusable substrates and carriers 5.Recycle • Cross-industry material recycling • **Foundry services for compound semiconductors :** Development of prospective process technologies for our five main products: • Advanced LED: Development of AR-μLED process platform technologies • VCSEL: Complete development of EP/FC/NP process platform technologies • RF Device: Complete development of low-impedance and ultra high-frequency mm-Wave GaN MMIC products • GaN Power: Complete development of high-frequency and high-performance IC product platforms • BAW Filter: Complete development of low-loss high-frequency (LLHF) SMART technology platforms	• **Foundry services for compound semiconductors :** Continue technological innovation of five main products

Responsible unit: Group Operations Center Product Management Team/Intellectual Property Office and subsidiary R&D Centers

Invested resources :

1.Established industry-academia collaborations and signed memorandums of cooperation with academic units

2.Participated in relevant seminars (including annual seminars such as SEMICON and TOUCH Taiwan), developed new processes and platforms, customized products, and incorporated technology transfers

3.R&D center budgets account for more than 6% of revenues

4.R&D center manpower resources account for more than 6% of total manpower

5.Hosted technical exchanges with suppliers: Material manufacturers, equipment manufacturers, and Group companies

Grievance mechanisms : Not applicable

Ennostar believes that protection of patents and trade secrets are key components of corporate strategies. Our comprehensive frameworks not only protect our intangible assets and trade secrets for appropriate assertion of corporate rights, but also serve as a core focus for corporate development and maintenance of corporate competitiveness.

Protection of Intellectual Property Rights

Ennostar has established a dedicated unit for IP protection to assist our subsidiaries in continued improvement of management for intellectual property rights. We adjust our intellectual property portfolio based on our systemic management mechanisms and operational plans to maintain a reasonable level of maintenance costs while expanding our developments in new technologies. We have also established necessary avoidance measures in response to intellectual property risks to protect our operational freedoms and strengthen our competitive advantages.

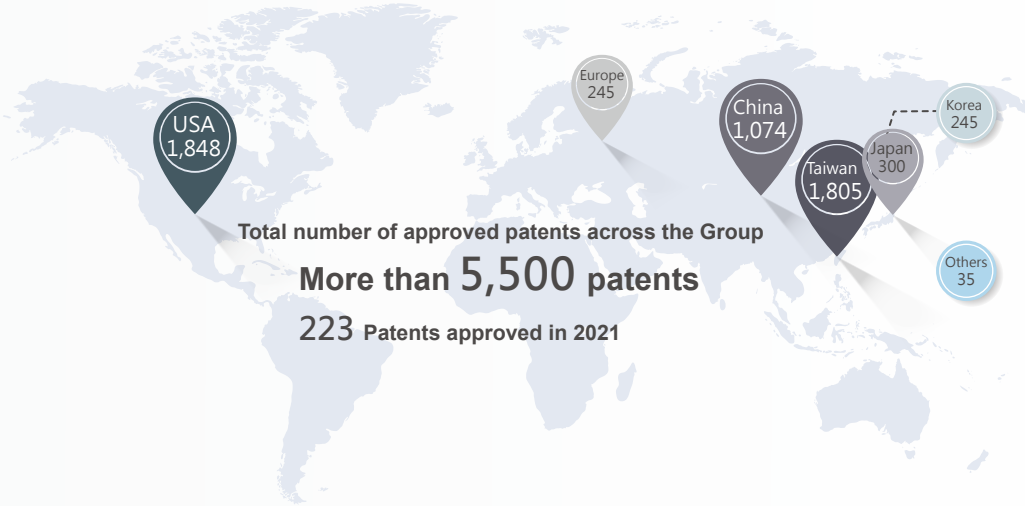
We continue to implement management of intellectual property rights in accordance with our corporate strategies and targets as well as development and marketing plans from relevant departments, and we produce, maintain, and utilize intellectual property rights to fulfill client demands, obtain market acclaim, and establish our market leadership.

Trade Secrets

Appropriate management of both business and technical trade secrets serves as the cornerstone of stable business operations and customer services. Failure to establish complete management mechanisms constitutes a major risk for corporate operations. Ennostar founded the “Trade Secrets Committee” to protect our trade secrets and employee work product, maintain corporate competitiveness, and prevent leakages of important corporate information, thereby demonstrating our emphasis on intellectual properties. The Trade Secrets Committee is composed of our President and the heads of our information technology, auditing, human resource, intellectual property, legal, and R&D departments. All Ennostar subsidiaries have formulated rigorous rules for protection of trade secrets and have appointed representatives who participate in periodic Trade Secrets Committee meetings. We provide training related to protection of trade secrets for all our employees through internal digital newsletters and online courses to ensure that all colleagues attach great importance to intellectual property rights and protection of trade secrets.

Patent Strategies

In 2021, we received approval for a total of 223 patents from various regions around the world. As of year-end 2021, the Group has received approval for a cumulative total of 5,500 patents. Our solid intellectual property portfolio serves to protect our corporate technologies and products so we can provide a comprehensive range of customer services and ensure quality assurance.

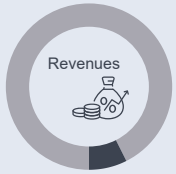


R&D Capacity

Ennostar understands that investments in technological R&D is the cornerstone of corporate competitiveness and that investments in innovative capacities are essential for maintaining competitive advantages. Regardless of industrial and macroeconomic conditions, maintaining steady R&D investments is one of our key responsibilities to ourselves and our investors.

2021

R&D investments
(Unit : thousand NTD)
2,656,848



Ratio of revenues
7.29%

3.2.1 Customer Service

Customer Service

Management Target | Base Year: 2021		
Short Term (2022~2023)	**Medium Term (2024~2025)**	**Long Term (2026 and beyond)**
• **LED epi and chip materials:** Average satisfaction scores of 80% and above • **LED packages and modules:** 1. Customer satisfaction: 92% (4.6/5) 2. Zero major abnormalities in end markets • **Foundry services for compound semiconductors :** Average satisfaction scores of 70% and above	• **LED epi and chip materials:** Average satisfaction scores of 80% and above • **LED packages and modules:** 1.Customer satisfaction: 92% (4.6/5) 2.Zero major abnormalities in end markets • **Foundry services for compound semiconductors :** Average satisfaction scores of 75% and above	• **LED epi and chip materials:** Average satisfaction scores of 80% and above • **LED packages and modules:** 1. Customer satisfaction: 92% (4.6/5) 2. Zero major abnormalities in end markets • **Foundry services for compound semiconductors :** Average satisfaction scores of 80% and above
Responsible unit: Customer service units (quality assurance, sales, customer service) at all Group subsidiaries.		
Invested resources: All investments in product development and sales by the Group and our subsidiaries.		
Grievance mechanisms: • “Contact Us” section on corporate website		

Customer Privacy

Management Target | Base Year: 2021		
Short Term (2022~2023)	**Medium Term (2024~2025)**	**Long Term (2026 and beyond)**
1. Zero complaints relating to losses of customer data 2. Zero legal proceedings relating to breaches of customer privacy 3. Strengthen dissemination and training of trade secrets regulations	1. Zero complaints relating to losses of customer data 2. Zero legal proceedings relating to breaches of customer privacy 3. Review implementation improvements and audit mechanisms for privacy rights 4. Strengthen dissemination and training of trade secrets regulations	1. Zero complaints relating to losses of customer data 2. Zero legal proceedings relating to breaches of customer privacy 3. Effectively reduce risks relating to unauthorized disclosures of personal information and achieve zero violations of relevant regulations 4.Strengthen dissemination and training of trade secrets regulations
Responsible unit: Information security, business units, and all employees at Group subsidiaries.		
Invested resources: Handled by various departments in accordance with their scope of responsibilities; there are currently no plans for external investment of resources.		
Grievance mechanisms : • All Group subsidiaries have placed “mailboxes for protection of privacy rights” and “customer mailboxes” on their corporate websites		

To prevent leakages of customer information and confidential information, we have established FTP systems to restrict external access. Applications for external connections to our FTP systems are required to include notations on external sources and public IP addresses so that our information technology department can track access of customer information. Those who have business dealings with us that involve integrity and confidentiality of information assets are required to sign confidentiality statements and non-disclosure agreements for client information to ensure they understand that all information obtained during the course of their dealings with us are corporate assets which cannot be used for other purposes without authorization, thereby maintaining protection of customer privacy.

Five main aspects of customer satisfaction surveys

Customer satisfaction survey processes

We continue to enhance the quality of our customer services and strengthen our partnerships with our customers as we work to understand customer perceptions, expectations, and suggestions for Group service and product quality through our customer satisfaction surveys. We also analyze survey data for follow-up and proposal of improvement plans from various internal units, following which the results of customer satisfaction surveys are used as a reference for corporate strategic plans.

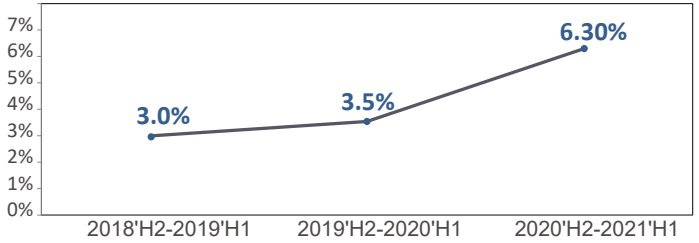
Results of Customer Satisfaction Surveys

【Epistar】

Epistar customer satisfaction surveys are conducted using scorecards that cover different aspects to obtain detailed information on customer opinions and needs. Epistar takes the differing opinions of our customers into consideration. Survey data are analyzed for follow-up and proposal of improvement plans from various internal units, following which the results of customer satisfaction surveys are used as a reference for corporate strategic plans.

Customer satisfaction surveys for 2020 H2-2021 H1 were conducted in June 2021; results improved by 6.3% compared with the results for 2019 H2-2020 H1, meeting our target to improve customer satisfaction survey results by 2%. The results were submitted to senior executives and used to formulate corporate strategic plans for the second half of the year. In future, Epistar will continue to enhance service quality and implement continued improvements in accordance with the “Co-Activation Service” model to create a mutually beneficial situation for us and our customers.

Epistar Customer Satisfaction Survey-Overall Satisfaction Trends



Note: Customer satisfaction scores were calculated using overall customer satisfaction levels

【Lextar】

In 2021, we conducted customer satisfaction surveys focusing on automotive products, lighting products, and sensor products over the five main aspects of technologies and development, shipments and delivery dates, product yield and quality reliability, communication and services, and partner relations, with each aspect scored out of 5.

Delivery dates and costs (PR): Average score of 4.2

Quality (QM): Average score of 4.4

Product management and technologies (PM): Average score of 4.3

Development and technologies (RD): Average score of 4.3

Customer services (CS): Average score of 4.5

Lextar
Customer Satisfaction Survey

Item	A1	A2	A3	T1	T2	S1	S2	S3	S4
Delivery dates and costs (PR)	3.7	4.3	3.6	3.7	4.6	4.4	3.7	5.0	4.5
Quality (QM)	4.0	4.3	4.0	4.0	4.6	4.0	5.0	5.0	4.3
Product management and technologies (PM)	4.0	4.6	3.9	4.1	4.8	4.0	4.0	5.0	4.3
Development and technologies (RD)	4.0	4.4	4.0	4.1	4.8	4.0	4.0	5.0	4.4
Customer services (CS)	4.0	4.4	4.6	4.8	5.0	4.0	4.0	5.0	4.4

【Unikorn】

In 2021, we conducted customer satisfaction surveys focusing on the two main product categories of optoelectronic components and microelectronic components over the five main aspects of technologies and development, delivery quantities and dates, yield and quality, communication and services, and partner relations, with each aspect scored out of 5.

We received an overall score of 3.36 (67%), scoring lowest on delivery quantity and timeliness, communications and responses for quality issues, and timeliness of product development. To continue enhancing customer satisfaction, our short-term plans for 2022 are to raise our satisfaction score to more than 70% through improvements focused on quality, product delivery dates, and timeliness of development. Unikorn will continue to improve along all aspects in future to enhance overall customer satisfaction.

Unikorn Customer Satisfaction Survey			2020/07~2021/06									
			VCSEL					aLED		GaN		Average
Item			T01	T34	A09	C01	C05	T06	K01	T07	T31	
I. Technologies and development	1	Unikorn's equipment capabilities meet your product design needs	4	4	4	3	4	4	5	3	3	3.78
	2	Development timeliness of OEM products meet your needs	2	4	4	2	3	3	4	3		3.13
	3	Actual process manufacturing specifications adhere to your designs	4	4	4	3	3	3	4	3		3.50
II. Delivery quantities and dates	4	Product deliveries meet your requirements in terms of product quantity and delivery timeliness	3	4		2		1	4	3	3	2.86
III. Product yield and quality reliability	5	Yield performance of OEM products	4	4		3		3	4	3	3	3.43
	6	Quality reliability and stability performance of OEM products	3	4		3	2	3	4	3		3.14
	7	Level of cooperation with customer audit activities as well as implementation and management of quality systems	3	4				4		3		3.50
	8	Responses and level of cooperation for management of hazardous substances	3	4				3		3		3.25
IV. Communication and services	9	Project support efficiency and service quality	2	4		4	3		5	3	3	3.43
	10	Business communications and responses	4	4			4	4	4	3	3	3.71
	11	Communications and responses on quality issues	2	4		3	2		4	3	3	3.00
V. Partner relations	12	Management of partner relations comply with your expectations	2	4	4		3	3	5	3	3	3.38
Overall satisfaction			**3.00**	**4.00**	**4.00**	**2.88**	**3.00**	**3.10**	**4.30**	**3.00**	**3.00**	**3.36**

Customer Privacy

All employees of the Group and its subsidiaries strive to protect customer privacy and confidential information. We regularly review our corporate management mechanisms for privacy rights, issue relevant announcements, and implement training courses to enhance our corporate sustainability and demonstrate our commitment to sustainable management. For more information on our information security policies and actions, please refer to 2.4.1 Information Security.

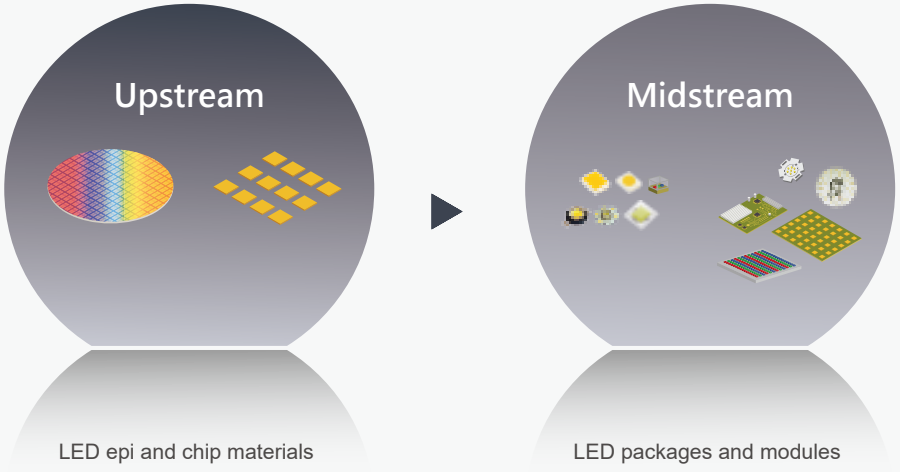
3.3 Supply Chain Management 102-9

We keep informed of supplier operations, financial conditions, dispersion of material sources, and geographical distribution of production lines through periodic and non-periodic surveys to prevent supply impacts from sudden closures and to reduce future supply shortage risks triggered by extreme weather and major disasters. We have also established an emergency response team and emergency response processes for handling of abnormal supplier incidents. We conduct regular situational drills to ensure that Lextar adopts the most appropriate prevention measures for our supply chain, thereby protecting stakeholder interests from operational hazards.

The Group actively works to establish close ties with local partners, stabilize supply through long-term collaborations and strategic alliances, and reduce risks from supply shortages to enhance supply chain efficiency, accelerate development of new products, and reduce additional expenditures. We hope to build mutual trust and benefits with our suppliers through long-term collaborations, establish more competitive transactions and payment models for joint achievement of sustainable development targets, and work together to create mutually beneficial optimizations of costs and quality.

We regard our suppliers as important partners in value creation, and work with our brand clients to incorporate business ethics and social responsibilities in our supply chains, thereby reducing consumption of environmental resources and environmental impacts as we enhance our capabilities to create economic, social, and environmental value that enables industrial development and sustainable growth. The Group and its connections with upstream and downstream partners are shown as follows :

LED Supply Chain



Foundry Services for Compound Semiconductors

Upstream (suppliers)	Midstream (Unikorn)	End user applications
Equipment · MOCVD · Lithography / Etching · PECVD · Sputter · Inspection / Test equipment	**Epi materials**	· AR/VR · Sensor · Automotive · Displays · Optical communications · 5G applications · High power applications
Materials and components · Substrates · Mo source · Plating materials · Chemicals, gases, and production consumables	**Front-end processes**	
	Back-end processes	

Procurement Policies 204-1

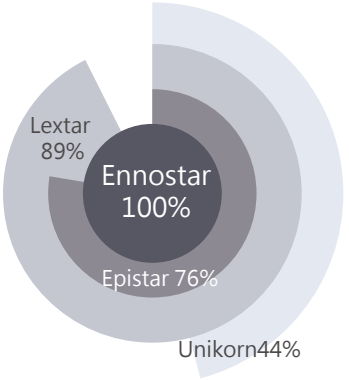
To ensure sustainable supply, the procurement policies of Ennostar subsidiaries prioritize local suppliers when all other conditions are equal. Items procured through our supply chain include equipment, components, raw materials, outsourcing services, and factory materials. Localized procurement supports the stability of local economies and enhance the technical expertise and quality of local suppliers. In future, we will continue to uphold our beliefs regarding green procurement and localized supply as part of our contribution to global sustainability.

It is necessary for Unikorn to procure expensive equipment and machinery from abroad to maintain operational competitiveness as the company is still in its initial stages of development and construction. Therefore, Unikorn's local procurement ratio for 2021 was relatively low. In future, Unikorn plans to gradually raise local procurement amounts to reduce carbon footprints from procurement and to achieve our sustainability aims through green procurement.

In terms of supplier numbers for our subsidiaries in 2021, more than 80% of subsidiary suppliers were domestic companies. Local procurement amounts and ratios are shown in the table below:

Company	Number of suppliers		Ratio of local suppliers	Local procurement ratio
	Domestic	Overseas		
Ennostar	38	0	100%	100%
Epistar	1,233	67	95%	76%
Lextar	877	71	92%	89%
Unikorn	354	25	93%	44%

Note : Local procurement refers to purchases from manufacturers, suppliers, and contractors established under local laws.



Commitment to Conflict-Free Minerals

Ennostar subsidiaries all conduct reasonable due diligence as required for business dealings and procure responsibly. We require metal suppliers to procure conflict-free minerals and ensure that products manufactured by Epistar, Lextar, and Unikorn do not use or contain conflict minerals (including gold, tantalum, tungsten, or tin) from the Democratic Republic of Congo (DRC) or surrounding regions controlled by military groups or non-governmental/illegal military factions, ensuring joint fulfillment of social and environmental responsibilities alongside our suppliers.

3.3.1 Supplier Evaluations 308-1 308-2 414-1 414-2

In addition to fulfillment of corporate social responsibilities, the Group is aware that sustainability concepts should be extended to supply chains. Previous supplier evaluations focused on traditional audit items were found to be inadequate, and we plan to expand control of sustainable development issues for comprehensive management of supply chain risks and to enhance value.

We review various aspects of new suppliers, including operational services, quality systems, R&D capabilities, manufacturing, environmental management, labor rights (prohibition of child labor and forced labor), and ethics and integrity. Following this, we compile the following: investigation reports on potential suppliers and contractors, written guarantees to avoid use of environmentally damaging substances, statements of commitment to supplier/contractor social and environmental responsibilities, quality assurance agreements, procurement agreements, and non-disclosure agreements. Only companies that adhere to specified standards can be listed as qualified suppliers for the Group.

The Group has formulated supplier management processes and supplier evaluation procedures. Our procurement, quality management, and other related departments conduct annual and quarterly evaluations of supplier quality, price, services and technologies, delivery dates, and restrictions on hazardous substances. Evaluation results are used as a reference for management of supplier risks to the Group. Our supplier quality evaluation system divides suppliers into four grades: A, B, C, and D. Additional improvements are required from suppliers that receive a C grade following evaluations.

In 2021, we completed evaluations for 246 suppliers; 28 were found to be excellent A-grade suppliers, 213 were found to be qualified B-grade suppliers, and 5 were found to be C-grade suppliers. We have since ceased transactions with 2 C-grade suppliers and required 3 C-grade suppliers to implement improvements prior to subsequent audits.

Company \ Grade	A	B	C	D	Total
Epistar	1	68	1	0	70
Lextar	26	127	3	0	156
Unikorn	1	18	1	0	21
Total	**28**	**213**	**5**	**0**	**246**

Supplier EHS Evaluations 403-7

To ensure appropriate management of EHS implementations and service capabilities, we formulated EHS evaluation systems to prevent major EHS incidents from affecting our suppliers and interrupting our operations. Our supplier EHS evaluations include the seven major aspects of general health and safety, emergency response, chemical management, contractor management, environmental management, fire safety, and health management. We screen suppliers for EHS evaluations based on the results of supplier self-assessments, which divides suppliers into four grades: A (scores of 90 and above), B (scores of 75-89), C (scores of 60-74), and D (scores of 59 or lower). Suppliers receiving a D-grade result based on their self-assessments are deemed to be at risk, and are subject to on-site audits. If a supplier has incurred a major industrial safety incident within the past year or is determined to be high-risk based on the results of our EHS evaluation form, said supplier will be listed as a target for mandatory audits. In 2021, 3 Epistar suppliers and 17 Lextar suppliers were listed as mandatory audit targets, as well as 24 waste handling companies. All Unikorn waste handling companies were listed as mandatory audit targets in accordance with the Waste Disposal Act. A total of 19 companies underwent audits in 2021, and all were found to be A-grade companies and above. We therefore continued our association with these companies and prioritize future collaborations with them. We plan to audit 22 companies in 2022.

Gas suppliers have higher safety and environmental risks, and major safety incidents at these companies may cause operational interruptions for Epistar. In consideration of these factors, we have listed gas suppliers as targets for EHS audits. Furthermore, as chemical suppliers also have relatively high safety and environmental risks, we began listing chemical suppliers as targets for EHS audits starting in 2018. Epistar distributed supplier EHS evaluations forms to 3 suppliers in 2021, and all were found be 100% qualified suppliers based on evaluation results.

Lextar attaches great importance to generated waste products and appropriate handling by qualified vendors. In accordance with our “Supplier evaluation forms for waste handling companies,” we have listed vendors responsible for handling waste organic solvents, acid and alkali solvents, sludge, solvent containers, and mercury-containing lights as targets for supplier audits. Lextar audited 24 waste handling companies in 2021 and did not discover any major deficits. Suggested improvements were tracked until completion.

On-Site Audits for Suppliers and Waste Handling Companies

Management of Supplier/Contractor Evaluations

Suppliers are required to implement corrective and prevention measures for non-conformities on audit items, and improvements are tracked until completion. Following audits, our audit teams prepare supplier/contractor EHS evaluations reports, compile the results of supplier/contractor self-assessments and on-site audits, and analyze supplier/contractor EHS management strengths and weaknesses. Supplier/contractor EHS evaluation reports are provided to procurement units, serving as an annual indicator of supplier/contractor performance. In 2021, none of Epistar's suppliers or contractors were found to be unqualified (scores of 60 or lower) based on the results of EHS evaluations. Lextar audited 30 major suppliers and did not discover any major deficits. Unikorn conducted EHS evaluations on 5 suppliers/contractors, and all were found to be A-grade companies with no major deficits.

In 2015, Epistar began implementing "Supply chain CSR management evaluation," which include procedures for evaluating four major aspects (environment, labor conditions, human rights, social impact) of new and existing suppliers. These evaluations enable continued improvement and fulfillment of corporate social responsibilities in our suppliers. We incorporated the RBA Code of Conduct in August 2019 and use this as a guideline for comprehensive management of corporate social responsibilities in our supply chain. We organized RBA verification training courses for internal auditors in November 2020, and a total of 37 trainees completed the course.

Contractor Health and Safety Management

To ensure compliance with articles 25-28 of the Occupational Safety and Health Act, and to protect the safety of contractor personnel and equipment, we set aside a fixed portion of fees for health and safety management in project costs, and require that construction sites be equipped with labor health and safety supervisors to reduce occurrence of occupational disasters. We formulated the "Regulations and Procedures for Contractor Management," which stipulates that all personnel are required to attend lectures informing them of contractor hazards before entering factories. Project contractors are required to submit applications for construction projects, high-risk operational control plans, and construction protection plans for all construction projects before project commencement, and contractors are required to convene toolbox safety meetings on the day of construction commencement, as well as implement analysis of operational hazards. Group and contractor supervisors are required to patrol project sites during construction periods.

These regulations are used to protect contractor and Group interests by ensuring contractor management of health and safety operations during construction periods. During construction periods, contractors are required to adhere to project contracts, the Occupational Safety and Health Act, and other relevant regulations.

4 Low Carbon Transformations

Four. Low Carbon Transformations

Completed ISO 14064-1 verification

ISO 14064-1

Epistar and Lextar passed independent third-party data verifications in 2021

RE100

Formulated Group green power strategies to gradually align with international RE100 targets

Total energy-saving benefits of

8,602 GJ

Development and sales of low-power products

CO_2

Reduced carbon emissions by **480,000 tons**

As an electronics manufacturing company, Ennostar attaches great importance to environmental protection and strives to “prevent pollution, enhance energy usage efficiency, facilitate sustainable management, and fulfill corporate social responsibilities.” We implement consolidated carbon reduction actions, enhanced efficiency, continued improvement of resource recycling and reuse, low-carbon management, and green procurement. Our subsidiaries Epistar and Lextar began participating in the Taiwan Optoelectronic Semiconductor Industry Association member greenhouse gas inventory project starting from 2008, conducting inventories of greenhouse gas emissions in accordance with standard ISO 14064-1 procedures. Epistar and Lextar both obtained ISO 14064-1:2018 verification in 2021 and received greenhouse gas emission verifications. Unikorn and Ennostar began promoting and implementing the ISO 14064-1 system in 2021 and plans to complete verifications before 2023.

4.1 Management of Raw Materials

Chemicals Management

Management Target | Base Year: 2021

Short Term (2022~2023)	Medium Term (2024~2025)	Long Term (2026 and beyond)
• **LED epi and chip materials :** 1. Establish compatibility comparison tools for chemical usage/storage regions 2. Establish safety procedures for opening chemical storage cabinets 3. Require incorporation of chemical compatibility and storage requirements in on-the-job occupational safety training 4. Revise general hazard operational standards and plans (SVS080003)	• **LED epi and chip materials :** 1. Facilitate establishment of chemical compatibility comparison tables at all factories 2. Post safety procedures for opening chemical storage cabinets at all factories 3. Continue to implement on-the-job occupational safety training for production line personnel 4. Assess substitutions for hazardous substances banned by the EU after 2030 5. Assess feasibility of incorporating protective and safety equipment for chemical handling at A1 factory	• **LED epi and chip materials :** 1.Continue to implement on-the-job occupational safety training 2.Assess substitutions for hazardous substances banned by the EU after 2030 3.Implement image recognition procedures for chemical procedures on production lines

Management Target | Base Year: 2021

Short Term (2022~2023)	Medium Term (2024~2025)	Long Term (2026 and beyond)
• LED packages and modules : 1. Zero occupational diseases caused by chemical exposures. 2. Establish list of controlled chemicals 3. Implement review processes for chemicals 4. Control process usage risks **• Foundry services for compound semiconductors :** 1. Replace existing Epistar ECMS system with self-developed Unikorn chemicals management system before March 2022 (expected commencement in February 2022) 2. Formulate chemical specification documents based on guidance provided by quality assurance departments and chemical usage units, and require SDS verification and GHS labeling for incoming materials (expected commencement in February 2022) 3. Inventory declared chemicals and on-site substances (100% conformance)(expected commencement in March 2022) 4. Ensure that GHS labeling for chemicals adhere with regulatory requirements (inventory at least 50% of chemicals) (expected commencement in May 2022)	**• LED packages and modules :** 1. Zero occupational diseases caused by chemical exposures. 2. Establish list of controlled chemicals 3. Implement review processes for chemicals 4. Control process usage risks **• Foundry services for compound semiconductors :** 1. Archive more than 75% of chemical SDS documents 2. Maintain consistency between declared chemicals and on-site substances (100% conformance) 3. Ensure that GHS labeling for chemicals adhere with regulatory requirements (inventory at least 75% of chemicals)	**• LED packages and modules :** 1. Zero occupational diseases caused by chemical exposures. 2. Establish list of controlled chemicals 3. Implement review processes for chemicals 4. Control process usage risks **• Foundry services for compound semiconductors :** 1. Archive more than 95% of chemical SDS documents 2. Maintain consistency between declared and on-site substances (100% conformance) 3. Ensure that GHS labeling for chemicals adhere with regulatory requirements (inventory at least 95% of chemicals)

Responsible unit: EHS units at all Group subsidiaries.

Invested resources: Sound occupational safety training, protective gear, clear chemical labeling, and grade management.

Grievance mechanisms :

- Science park administration office
- Environmental Protection Administration Chemical Bureau

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The Group works to promote reduction of raw materials in response to global trends in carbon reduction and environmental protection. We gradually optimize usage rates to reduce material usage at the source, continually improve production processes, and have achieved excellent progress in reducing unit chemical consumption and total consumption volumes year over year. Material usage intensities and consumption volumes of Group subsidiaries for 2021 are shown in the table below. We adjust equipment and materials usage through experimentation of our processes and continue to reduce usage of chemical materials. However, our unit chemical consumption increased in 2021 due to reduced production capacity and adjustments in product portfolios. Currently, none of our subsidiaries recycle packaging materials or products; sold products and product packaging are all used by our downstream clients.

Epistar's main products are B2B high-brightness LED wafers and chips, and therefore are not suited for material recycling and reuse. Epistar used a total of 62,377 kg in paper consumables for product packaging in 2021.

Lextar used a total of 21,310 kg in paper product packaging materials in 2021. Unikorn is a newly established company and all systems are currently under construction; we plan to compile information on renewable and non-renewable material consumption in the future. Ennostar premises are mainly used as offices, and therefore no relevant data was compiled. Apart from paper packaging materials, which are classified as renewable materials, all other materials used at our subsidiaries are classified as non-renewable materials.

Raw Material Management at Epistar, Lextar and Unikorn

Item	Epistar	Consumption per unit area (kg/m^2)	Lextar[2]	Consumption per unit area (kg/m^2)	Unikorn[3]	Consumption per unit area (kg/m^2)
Weight of organic chemicals consumed (kg)	1,642,414	38.3	652,572	89.60	111,182	10.87
Weight of acidic chemicals consumed (kg)	285,343	6.7	85,796	11.78	31,256	3.06
Weight of alkaline chemicals consumed (kg)	3,029,205	70.6	389,309	53.45	1,710	0.17
Total weight of chemicals consumed (kg)	4,958,984	115.6	1,127,677	154.84	144,148	14.09
Total production area (m^2)[1]	**42,881.59**		**7,282.97**		**10,228**	

Note 1: Total production area encompasses non-renewable materials.
Note 2: Total production area includes front-end epi wafers and back-end packaging and assembly, and encompasses non-renewable materials.
Note 3: Unikorn was still in the product development and verification stages in 2021, and therefore usage of relevant chemicals was relatively high.

4.2 Management of Water Resources

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All water used at the Group is sourced from tap water. The water resources at our factories are mainly used for process water and domestic water. Wastewater is processed by sewage treatment facilities or discharged to underground sewers connected to science park sewage treatment plants in accordance with law, before final discharge to oceans. The quality of discharged wastewater adheres to science park requirements and has no significant impact on ecological environments. According to the "Water Resource Risk Assessment Tool" developed by the World Resources Institute, the main area where our operations are located has Low Medium (1-2) water stress, indicating that the Group's water usage does not cause significant impact to ecological environments.

Water Sources and Discharge Points for All Factories

Company	Factory	Water Sources	Wastewater Treatment	Final Discharge Point
Epistar	Hsinchu Science Park Factory	Baoshan First Reservoir, Baoshan Second Reservoir, and Yongheshan Reservoir	Our factories are located in a science park and wastewater is processed by park sewage treatment plants	Keya River, Sinkang River
	Central Taiwan Science Park Factory	Liyutan Reservoir	Our factories are located in a science park and wastewater is processed by park sewage treatment plants	Wu River
	Southern Taiwan Science Park Factory	Nanhua Reservoir	Our factories are located in a science park and wastewater is processed by park sewage treatment plants	Yanshuei River
Lextar	Epi/Chip Factory	Baoshan Reservoir	Our factories are located in a science park and wastewater is processed by park sewage treatment plants	Keya River
	Packaging, Assembly, and Testing Factory	Tap water is sourced from Yongheshan Reservoir and industrial water is sourced from Dapu Reservoir	Our factories are located in the Pao Yuan Science Park and wastewater is processed by the Pao Yuan sewage treatment plant	Yangang River
Unikorn	Hsinchu Science Park Factory	Baoshan Reservoir	Our factories are located in a science park and wastewater is processed by park sewage treatment plants	Keya River

The Group's historical water withdrawal, discharge, and consumption volumes (million liters) per output unit are shown as follows :

Unit : Million Liters

Company	Item \ Year	2019	2020	2021
Ennostar	Water withdrawal	Founded in 2021		0.663
	Water discharge			0
	Water consumption			0
Epistar	Water withdrawal	1,638.80	1,657.80	1,802.45
	Water discharge	1,271.20	1,292.10	1,376.41
	Water consumption	367.60	365.70	426.04
Lextar	Water withdrawal	418.78	380.66	367.69
	Water discharge	335.03	304.53	294.15
	Water consumption	83.75	76.14	73.54
Unikorn	Water withdrawal	Still included in Epistar scope of operations from 2019-2020		92.95
	Water discharge			49.93
	Water consumption			43.02

Note: Ennostar premises are mainly used as offices, and therefore data is only compiled on water withdrawal volumes.

4.2.1 Water-Saving Measures

Impacts from global climate change in recent years have made development and deployment of water resources an important issue for all countries around the world. Therefore, management of water resources, water conservation, and emergency responses to water shortages have become an integral part of corporate climate change risk management and disaster adaption measures. In light of this, the Group spares no effort in promoting water conservation. In addition to improving our facilities and equipment, we also encourage our employees to change their water usage behaviors to improve water conservation efficiency. The Group implemented a number of water conservation projects in 2021 to enhance water usage efficiency. Implementation results were as follows:

Company	Water Conservation Project	Water Conserved (Million Liters/Year)	Water Conservation Rate (%)
Epistar	Recycling of wastewater from quality assurance section at S1 Factory	3.60	2.37%
	Organic QDR recycling at N2 Factory	10.95	
	Recycling of low-concentration organic and inorganic wastewater at H1 Factory	29.20	
Lextar	Recycling and reuse of organic wastewater from epi/chip factories	4.11	6.9%
	Recycling and reuse of CMP wastewater from epi/chip factories	2.74	
	Reduction of process water usage at epi/chip factories	16.20	
	Ceased usage of dilution water in wastewater tanks for discharged tap water at N2 packaging, assembly, and testing factories	1.58	
	Closed valve connecting industrial water to tap water at B1 packaging, assembly, and testing factories	2.57	
Unikorn	Conserved water in accordance with science park administration announcements	9.29	9%

Note: Water conservation rate = Water conserved / (water conserved + total annual water withdrawal)

4.2.2 Management of Effluents and Recycled Water

Wastewater Management

Management Target | Base Year: 2021

Short Term (2022~2023)

- **LED epi and chip materials :**
  1. Discharge all factory wastewater in accordance with science park management standards
  2. Implement water risks assessments and establish baseline recycled water volumes at our factories
- **LED packages and modules :**

  N/A (As back-end packaging, assembly, and testing factories only generate domestic sewage and do not produce industrial wastewater which needs to be treated)

Medium Term (2024~2025)

- **LED epi and chip materials :**
  1. Discharge all factory wastewater in accordance with science park management standards
  2. Set targets based on baseline inventories and gradually raise process water recovery rates by 1%
- **LED packages and modules :**

  N/A (As back-end packaging, assembly, and testing factories only generate domestic sewage and do not produce industrial wastewater which needs to be treated)

Long Term (2026 and beyond)

- **LED epi and chip materials :**
  1. Discharge all factory wastewater in accordance with science park management standards
  2. Introduce new materials, technologies, equipment, and water sources to increase recycled water volumes and reduce water usage before 2030, reducing water consumption per unit of production capacity by 7%
- **LED packages and modules :**

  N/A (As back-end packaging, assembly, and testing factories only generate domestic sewage and do not produce industrial wastewater which needs to be treated)

Management Target | Base Year: 2021		
Short Term (2022~2023)	**Medium Term (2024~2025)**	**Long Term (2026 and beyond)**
• Foundry services for compound semiconductors : Ensure acetone and dimethyl sulfide levels comply with regulated standards	**• Foundry services for compound semiconductors :** Reduce single move-out wastewater volumes by 3% Note: Move-out is defined as posting amounts for all production processes	**• Foundry services for compound semiconductors :** Reduce single move-out wastewater volumes by 5%
Responsible unit : Epistar Occupational Safety Office and Unikorn Engineering and Manufacturing Unit.		
Invested resources : Includes related water resource engineering contractors and consultant companies, research on new technologies to increase recycled water volumes, and use of materials or components with lower water consumption.		
Grievance mechanisms : • Science Park Administration • Environmental Protection Administration		

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The Group's prevention measures for water pollution mainly seek to reduce direct entry of process pollutants into wastewater. Our wastewater is processed by wastewater treatment equipment to reduce pollutant content so that discharged water can meet science park administration standards. Our main water processes involve water purification systems which convert tap water into ultrapure water used in process equipment for cleaning chemical resides on wafer surfaces.

To reduce water withdrawal volumes, the water discharged from water purification systems and process equipment at Epistar is categorized based on levels of cleanliness, and we are gradually establishing recycling systems to prioritize circular purification of the cleanest water for reuse in process equipment. Water categorized at secondary levels of cleanliness are recycled and used in secondary non-process procedures. Finally, wastewater that cannot be recycled is discharged to wastewater treatment plants within factories for final wastewater treatments.

Effective Treatment Based on Wastewater Classification

The Group classifies and diverts front-end wastewater to enhance treatment efficiency. Epistar wastewater is classified as gallium, arsenic, fluorine/iron, and acid and alkaline wastewater. Lextar process wastewater is classified as inorganic wastewater, organic wastewater, polishing wastewater, and fluorine wastewater. All categories of wastewater are diverted by our machinery and we implement strict classification procedures by process equipment for wastewater management, diversion, and collection to various wastewater treatment facilities. Our factory personnel ensure that our wastewater quality meets science park administration standards before discharge to science park wastewater treatment plants for further processing.

All Ennostar subsidiaries have obtained ISO 14001 Environmental Management System verification and use systemic management measures to implement environmental protection strategies and wastewater plant operations. Responsible units also conduct maintenance procedures and periodic inspections according to equipment characteristics. We have installed appropriate backup pumps and temporary equipment to ensure that backups are available in the event of operational interruptions, thereby reducing abnormal discharge of pollutants. Warnings of abnormalities are sent to staff on shift 24 hours a day, following which water discharge is suspended temporarily and resumed only when abnormalities have been eliminated. We have established equipment at wastewater plant outlets to monitor water quality (acid and alkaline levels) and water volumes so that we can carry out appropriate responses if abnormalities occur. All factories are required to undergo inspections of effluents and raw water every six months in accordance with law to ensure that effluent quality adheres to required standards. The Group also conducts voluntary sampling tests of water quality on a monthly basis. The Group's discharged wastewater all adhered to the requirements of competent authorities in 2021.

Company / Factory \ Wastewater Indicators / Limits		BOD	COD	SS
Epistar	Hsinchu	300 mg/L	500 mg/L	300 mg/L
	Zhunan	300 mg/L	500 mg/L	300 mg/L
	Central Taiwan Science Park	300 mg/L	500 mg/L	300 mg/L
	Southern Taiwan Science Park	250 mg/L	450 mg/L	250 mg/L
Lextar	Hsinchu	300 ppm	500 ppm	300 mg/L
	Zhunan	300 ppm	500 ppm	300 mg/L
Unikorn	Hsinchu	300 mg/L	500 mg/L	300 mg/L

Inorganic wastewater management system

4.3 Management of Energy Resources

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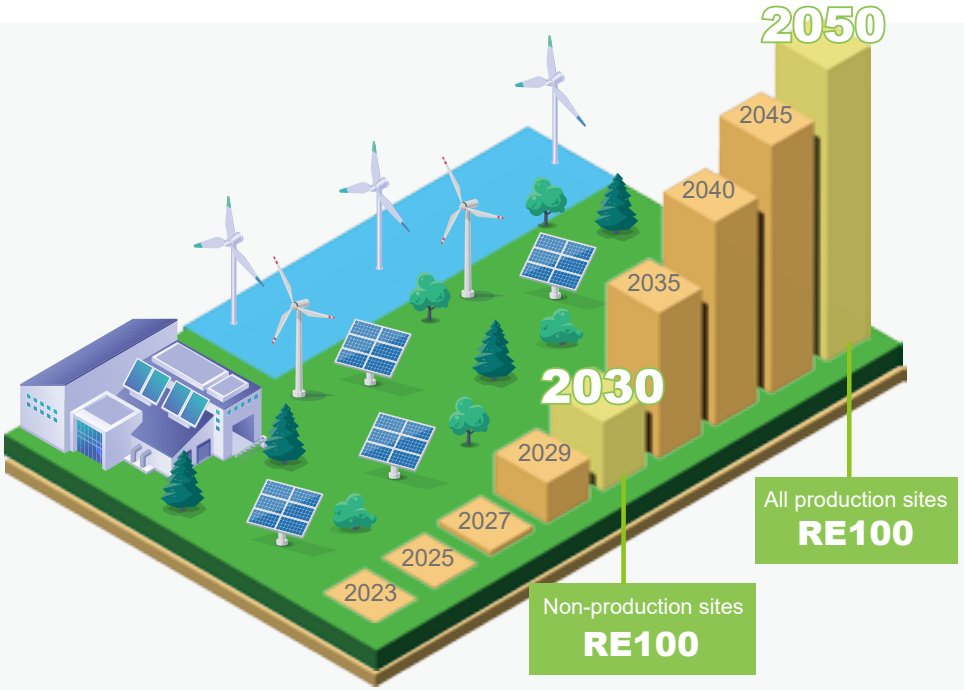
Ennostar Green Electricity Strategies

In response to the government's 2050 net zero emissions goal and to exert corporate influence, the Group is gradually procuring green electricity contracts and other green electricity certificates, formulating green electricity policies, and aims to achieve the RE100 goal in non-production sites by 2030 and the RE100 goal across the entire Group by 2050.

We plan to focus on solar energy/onshore wind power in 2023–2027, adopt solar power/onshore wind power/offshore wind power and other renewable energies in 2027–2050, and use comprehensive and planned green electricity procurement to lead the Group in achieving the RE100 goal.



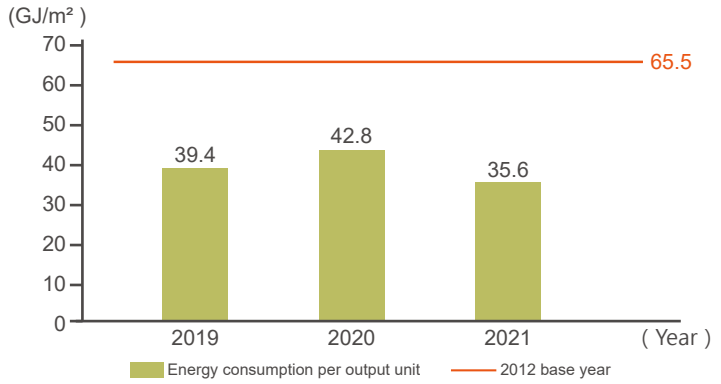
In response to government energy policies that aim to reduce average electricity usage by 1% each year and to comply with renewable energy policy requirements of factories with contract capacities exceeding 5,000 kW, we installed solar power generation systems on our factory rooftops. In 2021, the total installed capacity of our solar power generation systems exceeded 400 KWp, and we aim to increase the total installed capacity of our solar power generation systems to more than 1,200 KWp in 2022.

The Group's total energy consumption is shown in the following table. All conversion factors used were taken from the latest version of the "Greenhouse Gas Emission Coefficient Table (Edition 6.0.4)" issued by the Environmental Protection Administration, Executive Yuan. Ennostar premises are mainly used as offices and not factories, and therefore data is only disclosed for electricity usage and no other energy consumption indicators.

Ennostar Historical Energy Consumption Data

Quantitative Indicators	Unit	2019	2020	2021
Electricity usage	kWh / Year	Founded in 2021		28,166
	GJ			101.4

Epistar's total energy consumption in 2021 amounted to 1,197,845 GJ and energy consumption per output unit (including electricity, natural gas, and diesel, which are all non-renewable energies) was 35.6 (GJ/m^2), a reduction of 7.2 (GJ/m^2) compared with 2020, mainly as production capacity was increased. Historical energy consumption per output unit is shown in the figure below :



In 2021, Epistar's total electricity usage amounted to 1,131,391 (GJ)(1kWh=0.0036GJ), an increase of 16.02% compared with 2012 values (950,119 GJ) and an increase of 8.15% compared with 2020 values (1,046,149 GJ). The main reason for this increase over 2020 electricity usage levels was due to an increase in mini LED mass production capacities. Epistar historical diesel consumption, natural gas consumption, and electricity usage is shown in the following table :

Epistar Historical Energy Consumption

Quantitative Indicators	Unit	2019	2020	2021
Electricity usage	kWh / Year	299,375,556	290,596,896	314,275,288
	GJ	1,077,752	1,046,149	1,131,391
Diesel usage[3]	L / Year	211,750	12,140	10,600
	GJ	7,442	427	373
Liquefied natural gas (LNG) usage [4]	m^3 / Year	1,467,000	1,587,998	1,754,858
	GJ	55,241	59,798	66,081
Total production area	m^2	28,960	25,831	33,609
Total energy consumption	GJ	1,140,435	1,106,374	1,197,845
Total energy consumption intensity	GJ / m^2	39.4	42.8	35.6

Note :

[3] Diesel heating value = 8400 kcal/L, according to the Greenhouse Gas Emission Coefficient Table (Edition 6.0.4). Heat generated per liter of diesel (GJ) = 8400(kcal/L)*4.184(J/cal)/1,000,000(J/GJ)

[4] Natural gas heating value = 9,000kcal/m3. Heat generated per cubic meter of natural gas (GJ) = 9,000(kcal/ m3)*4.184(J/cal)/1,000,000(J/GJ)

Lextar's total energy consumption in 2021 amounted to 255,897.43 GJ and energy consumption per output unit (including electricity, natural gas, and diesel, which are all non-renewable energies) was 35.14 (GJ/m2), an increase of 5.28 (GJ/m2) compared with 2020, mainly due to relative reductions in production capacity for front-end epi wafers and back-end packaging and assembly factories, as well as increased natural gas usage by air pollution prevention equipment in front-end epi factories.

In 2021, Lextar's total electricity usage amounted to 249,716.66 GJ, a reduction of 2.8% compared with 2020 values (256,906.95 GJ). The main reason for this decrease stemmed from relative reductions in production capacities and implementation of electricity-saving measures.

Lextar Historical Energy Consumption

Quantitative Indicators	Unit	2019	2020	2021
Electricity usage	kWh / Year	77,100,224	71,363,041	69,365,739
	GJ	277,560.81	256,906.95	249,716.66
Diesel usage	L / Year	8.000	8.000	8.270
		281	281	291
Liquefied natural gas (LNG) usage	m^3 / Year	132,140	135,350	156,410
	GJ	4,975.86	5,096.74	5,889.77
Total production area	m^2	9,599	8,783	7,283
Total energy consumption	GJ	282,818	262,285	255,897
Total energy consumption intensity	GJ / m^2	29.4	29.9	35.1

Unikorn currently rents factories from Epistar for production and operations, and began compiling energy consumption data in 2021. Unikorn's total energy consumption for 2021 amounted to 36,125 GJ and energy consumption per output unit was 3.53 GJ /m^2. Unikorn energy consumption data for 2021 is shown in the following table :

Unikorn Historical Energy Consumption

Quantitative Indicators	Unit	2019	2020	2021
Electricity usage	kWh / Year	Founded in 2021		9,493,250
Liquefied natural gas (LNG) usage	m^3 / Year			51,778
Total energy consumption	GJ			36,125
Total energy consumption intensity	GJ / m^2			3.53

4.3.1 Energy-Saving Performance

The Group implements energy and carbon reduction actions aligned with corporate social responsibilities, green production, and sustainable management goals. Our electricity usage was reduced by 8,602 GJ in 2021, equivalent to 1,200 tCO_2e of carbon emissions. Epistar energy reduction benefits in 2021 amounted to 5,716 GJ and greenhouse gas emissions were reduced by 797 tCO_2e, equivalent to annual carbon fixation volumes of 79,702 trees. Lextar energy reduction benefits in 2021 amounted to 2,886 GJ and greenhouse gas emissions were reduced by 403 tCO_2e, equivalent to annual carbon fixation volumes of 40,254 trees. Epistar and Lextar energy-saving benefits per output unit (energy-saving benefits/production capacity) are shown in the following tables :

Epistar Energy Savings for 2021

Factory	Specific Measures	Electricity Savings	
		(kWh / Year)	GJ
S1、S3、H1	Replaced fluorescent lamps with LED lamps	84,412	304
S1、S3、H1 N1、N2	Leakage detection in CDA/pipelines using audiovisual tests	291,317	1,049
S1、S3	Equipment replacement (air compressors/air conditioners & exhaust windmills)	388,574	1,399
S1、N6、H1	Optimized air-conditioning systems	823,382	2,964
Total		**1,587,685**	**5,716**

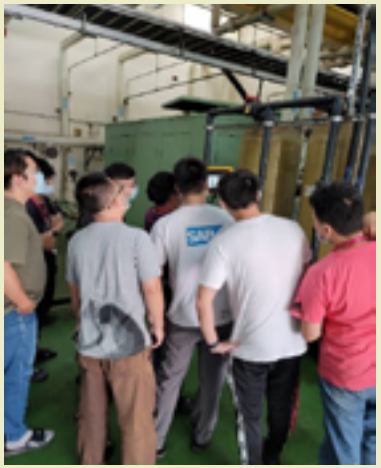
Lextar Energy Savings for 2021

Specific Measures	Electricity Savings	
	(kWh / Year)	GJ
Reduced electricity usage for pure water and wastewater treatment equipment at epi/chip factories	30,000	108.00
Reduced energy usage in fab yellow illumination areas of epi/chip factories	15,257	54.93
Reduced energy usage in ammonia water recycling systems at epi/chip factories	75,625	272.25
Reduced energy usage of 100HP air compressors at epi/chip factories	245,061	882.22
Reduced electricity usage for EPI production equipment at epi/chip factories	144,540	520.34
Connected PV systems at packaging, assembly, and testing factories	162,481	584.93
Automated adjustment of office air-conditioning times at packaging, assembly, and testing factories	32,232	116.04
Automated adjustment of lobby air-conditioning times at packaging, assembly, and testing factories	96,684	348.06
Total	**801,880**	**2,886.77**

Note: Electricity usage GJ = kWh/year*$3.6*10^{-3}$

Energy saving improvements implemented at Epistar in 2021

Pipeline leakage detection using audiovisual tests



Exhaust windmill

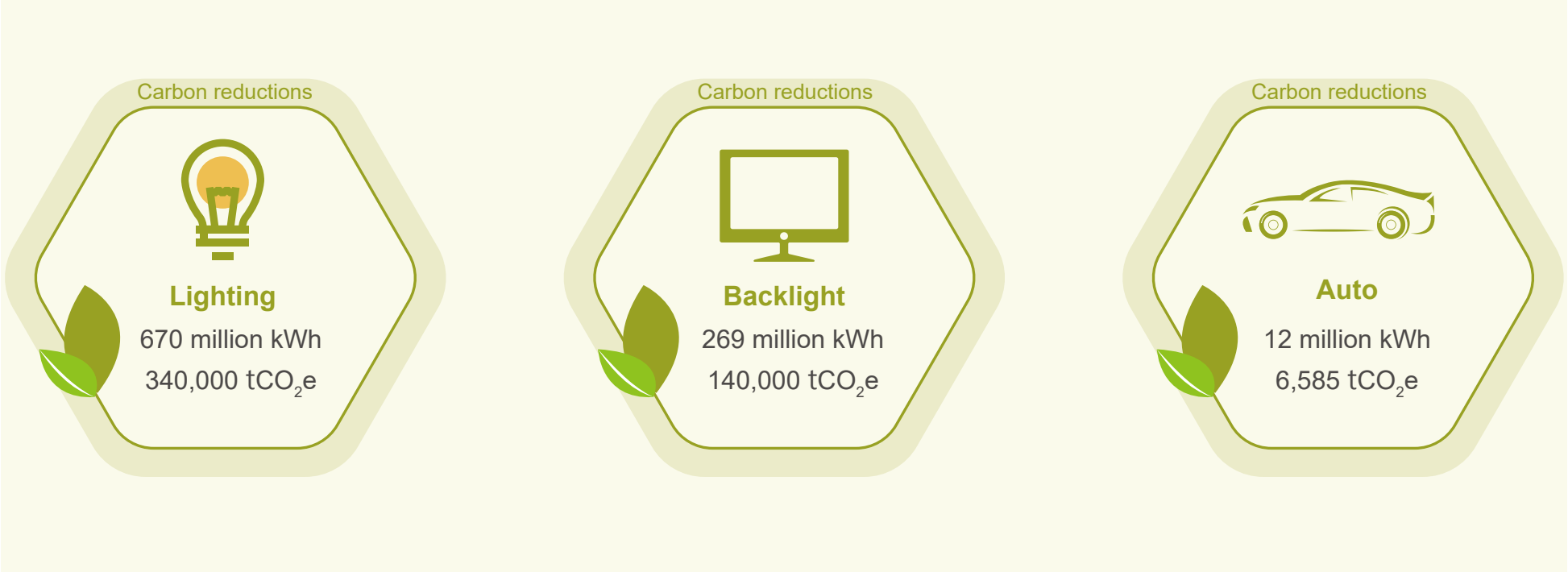
Energy-Saving Products

The Group attaches great importance to sustainable management not only in terms of our own energy savings, but also through development of better product and facilities that help our clients conserve energy. Our R&D team works to develop energy-saving products that reduce the energy consumption of our end clients as part of our contribution to environmental sustainability.

Environmental changes have made remote business, home entertainment, sterilization applications, and electric vehicles important opportunities and advantages for Taiwanese companies and the LED industry. The LED industry continues to develop key industrial products relating to new-generation Mini/Micro LED display technologies, applications for optoelectronic components, UV sterilization and curing products, renewable energy vehicles, and intelligent health and lighting. To enhance long-term competitiveness, Lextar has accelerated strategic developments related to compound semiconductors and is gradually entering industries related to communications and power semiconductor components. The rise in stay-at-home economy needs, establishment of 5G network communications platforms, widespread IoT needs, and the GaN applications market all provide the Group with significant growth momentum.

Widespread vaccination and increased willingness to coexist with the coronavirus are expected to reduce pandemic impacts, but rising material prices and inflation pressures are bringing uncertainty to economic developments. As an optoelectronics semiconductor solution provider faced with fierce competition and emerging new applications in the LED industry, we will continue to optimize our product portfolio and develop new technologies and products.

We incorporated concepts related to low energy consumption in our product design stages and strive to reduce carbon emissions generated by our products. We reduced 48 tons of carbon emissions and 951 million kWh of electricity usage in 2021.



4.4 Management of Greenhouse Gases

Management Target | Base Year: 2021

Short Term (2022~2023)	Medium Term (2024~2025)	Long Term (2026 and beyond)
• LED epi and chip materials : 1. Establish baseline data for carbon emission strength and intensity per unit of production capacity for Epistar in 2022 2. Add inventory verification for N5 factory in 2023 3. Set factory and process carbon reduction targets in 2023 4. Inventory and verify product carbon footprints in 2023 5. Maintain ISO 14064 verification **• LED packages and modules :** 1. Complete greenhouse gas emissions inventories for Lextar's factories in Taiwan, pass third-party verification, and obtain certification 2. Organize training related to product carbon footprints **• Foundry services for compound semiconductors :** 1. Complete ISO 14064 greenhouse gas inventory and verification 2. Complete GHG filings within the time limits set by the Environmental Protection Administration	**• LED epi and chip materials :** 1. Establish internal carbon pricing in 2024 2. Join SBTi initiative in 2024 3. Launch horizontal product carbon footprint inventories in 2024 4. Establish carbon reduction targets for R&D units linked to innovative management guidelines in 2024 5. Reduce absolute carbon emissions by 1,882 tCO2e before 2025 6. Maintain ISO 14064 verification 7. Continue to meet factory and process carbon reduction targets **• LED packages and modules :** 1. Continue to implement greenhouse gas emissions inventories for factories in Taiwan, complete third-party verification, and obtain certification 2. Complete carbon footprint verification for at least one product **• Foundry services for compound semiconductors :** 1. Maintain ISO 14064 verification and submit necessary documentation 2. Continue to confirm and calculate carbon dioxide equivalent emissions generated by our products based on ISO 14064 guidelines	**• LED epi and chip materials :** 1. Propose SBTi carbon reduction plan in 2026 2. Maintain ISO 14064 verification 3. Implement internal carbon pricing 4. Continue to implement horizontal product carbon footprint inventories and seek to develop digital product carbon footprint inventory systems over the long term 5. Continue to meet factory and process carbon reduction targets 6. Continue to implement carbon reduction targets at R&D units 7. Reduce absolute carbon emissions by 14,056 tCO_2e before 2030 **• LED packages and modules :** 1. Continue to implement greenhouse gas emissions inventories for factories in Taiwan, complete third-party verification, and obtain certification 2. Complete carbon footprint verification for at least three products 3. Continue to reduce carbon emissions, and reduce average annual carbon emissions by 1% over 2026-2030 compared to the base year of 2025 4. Achieve the RE100 goal in non-production sites by 2030, and the RE100 goal across the entire Group by 2050 **• Foundry services for compound semiconductors :** 1. Maintain ISO 14064 verification and continue to submit necessary documentation every year. 2. Reduce CO_2 equivalent emissions for each unit of production by 5%

Responsible unit : Occupational safety units at all Group subsidiaries.

Invested resources : Internal and external personnel who conduct annual greenhouse gas inventories and verification fees for implementation of ISO 14064.

Grievance mechanisms : Not applicable.

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In 2021, Ennostar subsidiaries Epistar and Lextar both obtained ISO 14064-1:2018 verification, conducted greenhouse gas inventories at all factories, obtained greenhouse gas emission verification statements, and continue to update greenhouse gas inventory data in accordance with established tools. All information for 2021 has been verified by a third-party institute.

The Group's greenhouse gas emissions include direct emissions and indirect emissions associated with energy. Sources of direct emissions include gases used during production processes (FCs, N_2O, CH_4, CO_2); equipment for preventing volatile organic compound pollution; emergency generators; natural gas, liquefied petroleum gas, petroleum, diesel, and other fuels used by other facilities; and fugitive emissions from septic tanks, fire drills, and associated equipment. Indirect emissions associated with energy mainly stem from purchased electricity. Other emissions stem from product and material transportation, supplier production, employee travel, waste treatment, and employee commutes.

To further measure and manage greenhouse gas emissions for reduction of operational impacts caused by climate change, we continue to establish renewable energy systems and disclose Scope 3 greenhouse gas emissions. As Ennostar was founded in 2021, we plan to implement CDP questionnaires in 2022 to better understand our greenhouse gas emissions framework and adjust future indicators in response to climate change. Epistar spun-off its internal foundry business to establish Unikorn in 2021, and therefore Unikorn was unable to conduct greenhouse gas inventories in 2021, but plans to implement the ISO 14064 system and obtain verification in 2022.

Epistar greenhouse gas emissions for 2021 amounted to 242,511 tCO_2e, an increase of 25% compared with 2020, mainly stemming from increases in production capacity. Our production capacity for 2021 was increased by 46% compared with 2020, leading to rises in greenhouse gas emissions for 2021. However, if calculated in terms of greenhouse gas emission intensities, our carbon emissions were reduced by 40%.

Epistar			
Item	2019	2020	2021
Category 1: Direct emissions (tCO_2e)	16,519	38,444	67,042
Category 2: Indirect emissions (tCO_2e)	152,820	155,648[1]	175,469
Category 4: Indirect emissions from products used [2]	N/A	36,359	35,941
Total (tCO_2e)	169,339	194,092[1]	278,452
Total area of produced LED wafers (m^2)	16,733.10	16,194.73	33,609.27
Carbon emissions per output unit (tCO_2e / m^2)	10.12	11.99	8.25

Note 1: In 2020, Epistar included Category 4 emissions in Scope 2 indirect emissions, and therefore related data for Category 4 has been removed from this table.
Note 2: Category 4 includes subcategories 4.1 and 4.3, as shown in the following table:

Subcategory	Emission source	Greenhouse gas emissions (tCO_2e)
Emissions generated from purchased goods	Upstream petroleum emissions	5
	Upstream natural gas emissions	680
	Upstream liquefied petroleum gas emissions	0
	Upstream diesel emissions	6
	Upstream emissions from purchased electricity	32,263
Emissions generated from treatment of solid and liquid waste	Waste treatment (excluding transportation)	1,936
	Waste disposal	450
	Wastewater treatment	601

Lextar greenhouse gas inventory results for 2021: Category 1 direct emissions amounted to 6,079.46 tCO_2e, Category 2 indirect emissions associated with energy amounted to 34,902.18 tCO_2e, a slight increase of 0.88% compared with 2020. Historical greenhouse gas emission inventory results are shown in the following table :

Lextar			
Item	2019	2020	2021
Category 1: Direct emissions (tCO_2e)	4,105.65[1]	4,300.42[1]	6,079.46
Category 2: Indirect emissions (tCO_2e)	39,244.02	36,323.79	34,902.18
Category 4: Indirect emissions from products used[2]	N/A		6,896.61
Total (tCO_2e)	43,349.67	40,624.21	47,878.25
Total area of produced LED wafers (m^2)	9,599.31[1]	8,783.12[1]	7,282.97
Carbon emissions per output unit (tCO_2e/m^2)	4.51	4.62	6.57

Note 1: We have commissioned a third-party to verify data for 2021. Our data for 2019 and 2020 were taken from self-conducted inventories and self-checked.

Note 2: Category 4 includes subcategories 4.1 and 4.3, as shown in the following table:

Subcategory	Emission Source	Greenhouse gas emissions (tCO_2e)
Emissions generated from purchased goods	Upstream petroleum emissions	0
	Upstream natural gas emissions	71
	Upstream liquefied petroleum gas emissions	0
	Upstream diesel emissions	6
	Upstream emissions from purchased electricity	6,417
Emissions generated from treatment of solid and liquid waste	Waste treatment (excluding transportation)	213
	Waste disposal	25
	Wastewater treatment	164

4.5 Management of Pollution Prevention

Ennostar strives to implement environmental protection measures. Environmental protection expenditures for Group subsidiaries Epistar and Unikorn in 2021 for installation of pollution prevention equipment (capital expenditures), operations/maintenance (routine expenditures), and pollution prevention fees (expenditures for pollution prevention activities) amounted to NT$ 252.76 million. Apart from repairs and maintenance fees for existing pollution prevention equipment at our factories and government-mandated fees, the main expenditures for our N2 Factory were used to reduce sludge moisture content, install drying equipment, reduce waste volumes, and construct a 2,500-ton underground water storage tank in response to wter usage needs. The main expenditures for our H1 Factory were used to establish a diversion system for liquid organic waste, increase value of recycled liquid organic waste, reduce waste, and promote circular economy concepts.

Our subsidiary Lextar actively implements environmental protection actions, invests capital expenditures in various equipment for preventing water and air pollution, and executes multiple improvement projects, including establishment of equipment for recycling and reuse of inorganic and organic wastewater. Routine expenditures are used for estimated allocations of water and electricity costs for factory equipment, chemical costs, maintenance fees, and fees for outsourced processing.

Unit : NT$ thousand

Year	2019		2020		2021	
Item/Expenditures	Capital expenditures	Routine expenditures	Capital expenditures	Routine expenditures	Capital expenditures	Routine expenditures
Prevention of air and water pollution	3,148	8,497	3,148	13,755	5,519	8,434
Waste treatment	855	995	855	9,367	1,920	13,343

Note :
Routine expenditures: Operations and maintenance costs for pollution prevention equipment.
(Maintenance fees include estimated allocations of water and electricity costs, chemical costs, maintenance fees, and fees for outsourced processing, but does not include personnel cost allocations)

4.5.1 Prevention of Air Pollution

Management Target | Base Year: 2021

Short Term (2022~2023)	Medium Term (2024~2025)	Long Term (2026 and beyond)
• **LED epi and chip materials :** Ensure compliance with air pollution and emission laws in 2022	• **LED epi and chip materials :** Continue to replace aged pollution prevention equipment	• **LED epi and chip materials :** Complete replacement of aged air scrubbers by 2030
• **LED packages and modules :** N/A (As packaging and assembly factories were not required to monitor air pollution conditions)	• **LED packages and modules :** N/A (As packaging and assembly factories were not required to monitor air pollution conditions)	• **LED packages and modules :** N/A (As packaging and assembly factories were not required to monitor air pollution conditions)
• **Foundry services for compound semiconductors :** Reduce single move-out (note) volatile organic compound (VOC) emissions by 3% compared with 2021	• **Foundry services for compound semiconductors :** Reduce single move-out VOC emissions by 5% compared with 2021	• **Foundry services for compound semiconductors :** Reduce single move-out VOC emissions by 7% compared with 2021
Note: Move-out is defined as posting amounts for all production processes		

Responsible unit : Manufacturing Centers of Group subsidiaries Epistar and Unikorn.

Invested resources : Assessments for replacement of pollution prevention equipment and equipment procurement costs.

Grievance mechanisms : “Contact Us” section on corporate website.

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Exhaust gas from Group production processes is mainly categorized as acidic exhaust gas, alkaline exhaust gas, volatile organic exhaust gas, and general exhaust gas. General exhaust gas mainly includes exhaust gas from machinery heat dissipation, which does not cause pollution and can be directly discharged into the atmosphere. Equipment for preventing air pollution differs by pollutant type and characteristics. For example, acid and alkaline substances in acidic and alkaline exhaust gases are collected by associated equipment before discharge to a central scrubber for filtering and cleaning with chemicals and water. Volatile organic compounds in volatile organic exhaust gases are collected by associated equipment before discharge to a zeolite concentration runner where high heat is used to break down the majority of volatile organic compounds, following which the exhaust gas is discharged into the atmosphere. Exhaust gas concentrations are tested periodically in accordance with law. Key parameters and operational signals of all prevention equipment receive 24-hour management and monitoring. Staff on shift immediately handle all abnormalities such as operational interruptions due to equipment failure, and backup equipment is also available to reduce environmental impacts.

Historical test results showed that the Group's air pollutant discharge concentrations all adhered to discharge standards set by the Environmental Protection Administration. We also checked factory equipment for processing of ozone depleting substances (ODS) and did not discover any discharges of ozone depleting potential substances or ozone depleting substances in 2021.

Unit : kg

Company	Item	2019	2020	2021
Epistar	SOx	8,900	12,210	12,380
	NOx	9,988	16,848	18,781
	VOC	23,437	22,391	39,875
Lextar[6]	VOC	2,678	2,678	4,061
Unikorn	Unikorn was spun off from Epistar in 2021, but all related operations are still handled by Epistar, and therefore related data has been merged with Epistar figures.			

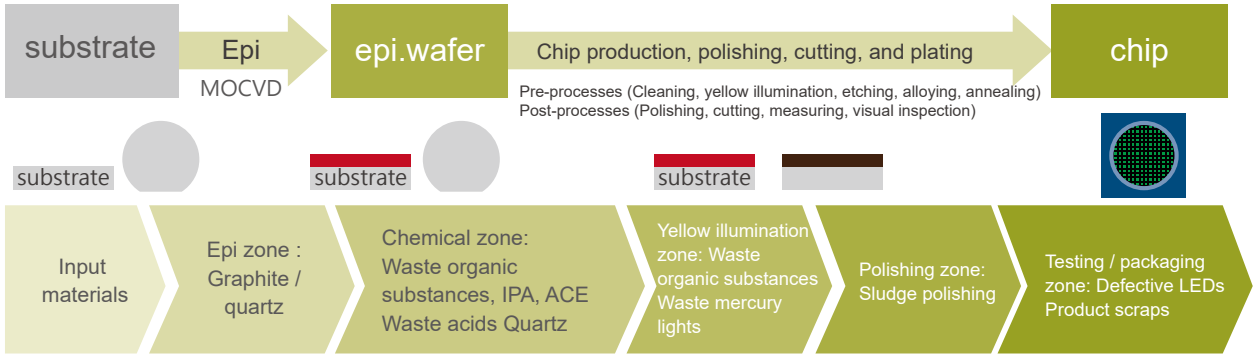
[6] Figures taken from Lextar First Hsinchu Factory, which will be operated by Epistar starting in 2022.

Air pollution flues

Central scrubber

4.5.2 Waste Management

Epistar production processes generate a variety of waste which are managed and stored according to procedural manuals before treatment by legally qualified vendors.



Sources of generated waste

Waste Category		Total Weight (tons)	Conversion During Disposal			Direct Disposal	
			Reuse	Recycling	Other	Incineration	Landfill disposal
Epistar	Hazardous waste	12,946.08	10,563.43	0.00	613.94	280.85	1,487.86
	Non-hazardous waste	1,087.26	135.97	190.71	0.00	310.07	450.51

Notes :1 : Waste composition is classified by the categories (A/B/C/D/E/R...) in our “Waste Disposal Plan.”
2 : Waste weight is calculated in tons.
3 : Other disposal methods include physicochemical, physical, and chemical treatment methods.

Waste Composition	Hazardous Waste		Non-Hazardous Waste		Total
Treatment Method	On-site	Off-site	On-site	Off-site	
Conversion During Disposal	25.30	11,152.07	6.76	319.922	11,504.05
	11,177.37		326.68		
Direct Disposal	0	1,768.713	0.94	759.643	2,529.29
	1,768.71		760.58		
Total	12,946.08		1,087.26		14,033.35

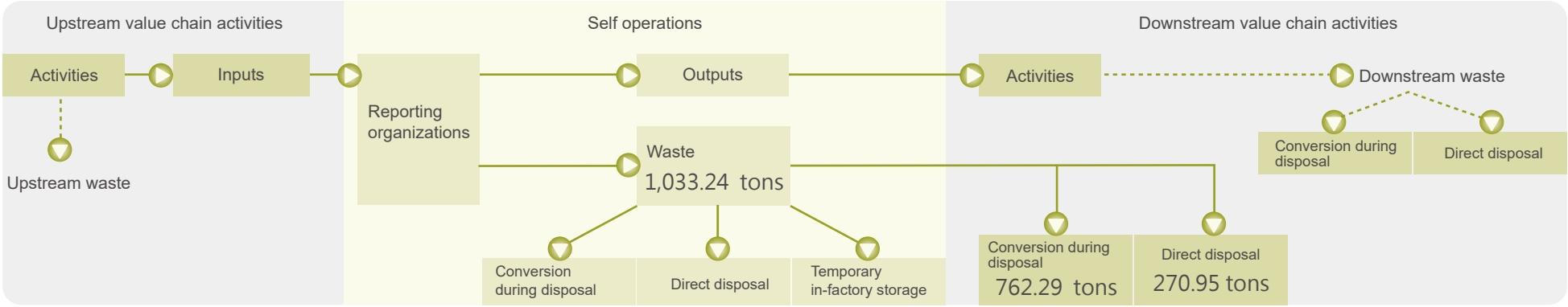
Lextar actively implements operations and maintenance of prevention systems for environmental pollutants, incurring zero fines from EHS units relating to exhaust emissions, illegal wastewater discharge, and waste management in 2021.

Hazardous waste composition for Lextar in 2021 :

Waste Category		Total Weight (tons)	Conversion During Disposal				Direct Disposal	
			Re-use	Thermal Treat-ment	Chemi-cal Treat-ment	Physical Treat-ment	Incinera-tion	Physical Treat-ment
Lextar	Hazard-ous waste	528.29	0	144.22	138.98	63.98	181.11	0
	Non-hazardous waste	504.95	80.64	2.05	0.95	331.47	81.83	8.01

Notes :1 : Waste composition is classified by the categories (A/B/C/D/E/R...) in our “Waste Disposal Plan.”
2 : Note 2: Waste weight is calculated in tons.

Waste Composition	Hazardous Waste		Non-Hazardous Waste		Total
Treatment Method	On-site	Off-site	On-site	Off-site	
Conversion During Disposal	0.00	347.18	0.00	415.11	762.29
	347.18		415.11		
Direct Disposal	0.00	181.11	0.00	81.83	270.95
	181.11		89.84		
Total	528.29		504.95		1,033.24



Waste generated at Unikorn includes waste solvents, waste liquids, waste bottles, product scraps, and other hazardous industrial waste generated by production processes; general industrial waste; and domestic waste generated by employees.

Waste Composition	Hazardous Waste		Non-Hazardous Waste		Total
Treatment Method	On-site	Off-site	On-site	Off-site	
Temporary in-factory storage	4.52	0	0.43	0.00	4.95
	4.52		0.43		
Incineration (excluding recycled energies)	0.00	0.00	0.00	25.58	25.58
			25.58		
Other disposal methods[7]	0.00	228.03	0.00	0.37	228.40
	228.03		0.37		
	232.55		26.38		258.93

[7] Other disposal methods include: physical treatment, thermal treatment, recycling, reuse.

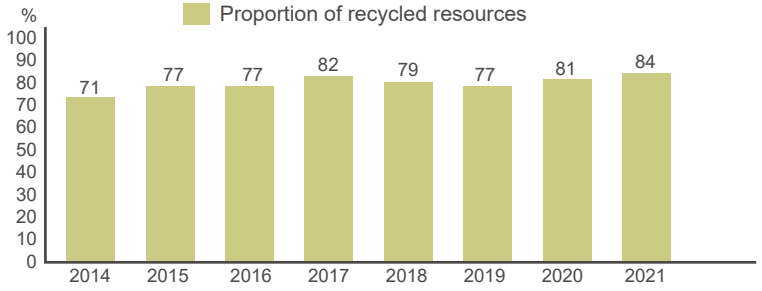
Waste Reduction Plans

To reduce usage of raw materials and waste volumes, Epistar sought out new collaborating companies to develop waste recycling and reuse technologies that enhanced recycling rates and reduced volumes of non-recycled (incinerated, stabilized, and landfilled) waste. We hope to continue reducing the proportion of non-recycled waste and increasing the proportion of recycled waste. Our proportion of recycled waste has risen from 71% in 2014 to 84% in 2021. We recycled reusable portions of packaging materials such as pallets, buffer materials, and wafer delivery boxes, and collected recyclable materials at specific suppliers for reuse.

Waste management at Lextar adheres to relevant regulations, and waste from all production processes stages are categorized according to specific characteristics before storage and treatment by legally qualified waste disposal companies. We also continue to seek out opportunities for waste reduction and recycling to reduce our environmental impacts.

In recent years, our factories in Taiwan continue to implement waste management projects for recycling and reuse of resources, including our NMP waste liquid reduction, waste solvent distillation & recovery, and packaging recycling projects. In terms of waste reduction, we not only work to reduce and recycle waste solvents, but also reduce and recycle packaging materials and reduce use of copier paper. Our efforts have achieved excellent results. Our implemented actions were as follows:

Year	2019	2020	2021
Waste Reduction Plans	Reduction Benefits		
Recovered NMP waste liquids using dedicated pipelines (replaced incineration with distillation and recovery)(tons)	130.4	185.8	253.3
Reduced shipping buffer materials (pieces)	1,134	1,560	1,347
Reused shipping and packaging materials (pieces)	1,434	420	449
Paperless operations (pieces)	72,316	-	-
Digitalized shipment reports (piec-es)	23,181	29,120	20,055
Adjusted shipment packaging designs to reduce use of paper cartons (pieces)	833	1,492	1,375
Replaced paper pick lists with PDA devices (pieces)	-	37,000	39,000
Recycled and reused plywood pallets (pieces)	-	1,584	1,440
Recycled and reused wafer expand-er rings along with shipping cartons (pieces)	-	-	1,980



Column: Reduce waste and promote circular economy concepts.

Description : We began using photoresist strippers in front-end processes at Epistar H1 and S1 factories beginning in 2021. Originally, our waste liquids were incinerated by legally qualified vendors, and we commissioned tests and analyses from multiple waste treatment companies, the results of which showed that our photoresist strippers contained high levels of NMP (N-methyl pyrrolidone) which were worth recycling. We collaborated with our factory managers to revise factory waste liquid discharge pipelines, diverting waste stripper liquid from mixed organic waste liquid pipelines to dedicated collection pipelines, then used physical disposal methods to achieve our aims of recycling and reuse.

Benefits : We used physical distillation technologies approved by the Environmental Protection Administration to remove impurities from waste photoresist liquids to obtain purified NMP which was processed before used for cleaning heavy industry pipelines.

Starting in 2021, the recycling and reuse project implemented at our H1 and S1 factories recycled a total of 430 tons in waste stripper liquids. This achievement not only enhanced manager and employee interest in waste recycling and reuse, but also lowered our overall waste volumes, meeting our goal of reducing waste and realizing circular economies while also enhancing Epistar's corporate image.

5 Happy Workplace

Five. Happy Workplace

1,794

New employees recruited in 2021 and provided with excellent job opportunities

Promoting Equal Rights in the Workplace Distinguished Honor Award

Presented to Epistar's Tainan Science Park Factory by the Science Park Bureau; Epistar's Hsinchu Science Park Factory also received the Promoting Equal Rights in the Workplace Excellence Award

NT$ 6,751,331

Invested in employee health checks

NT$ 1,862,142

Invested in the community in 2021; employees were also provided with 10 hours of paid volunteer leave to encourage social participation

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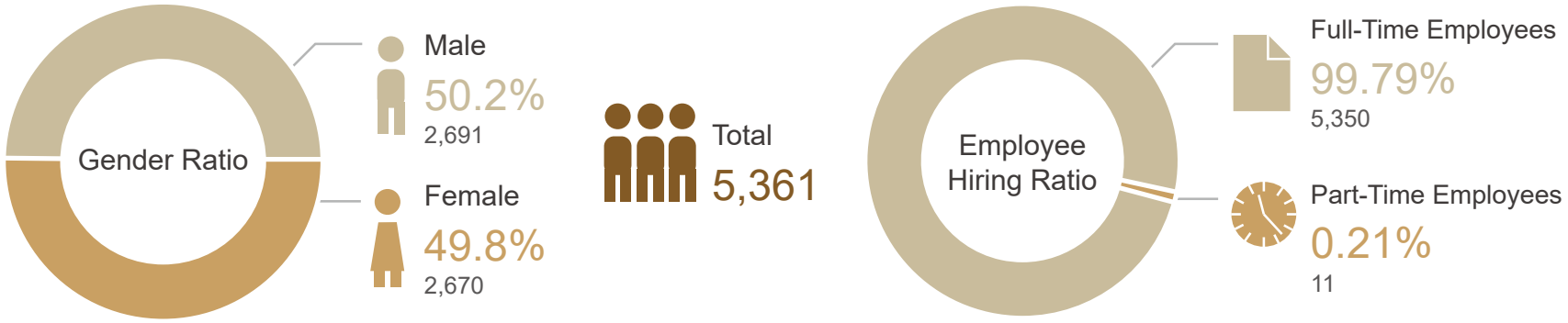
Ennostar strives to establish a happy workplace. Our talent recruitment processes adhere to legal requirements and we protect human rights, maintain individual privacy, and prohibit inappropriate discrimination. We comply with principles of fairness, impartiality, and integrity when recruiting employees, and our employee recruitment, selection, and hiring procedures all adhere to governmental regulations. The Group's "Regulations for Management of Talent Recruitment" does not discriminate or provide differing remuneration based on race, indigenous status, class, language, ideology, religion, political affiliation, place of origin, place of birth, gender, sexual orientation, age, marital status, facial features, physical appearance, disabilities, or union membership. All our subsidiaries have established channels for reporting grievances (please refer to 5.2.3 Communication Channels for further details). Please refer to 5.3.2 Training in Human Rights for details on relevant human rights policies and training.

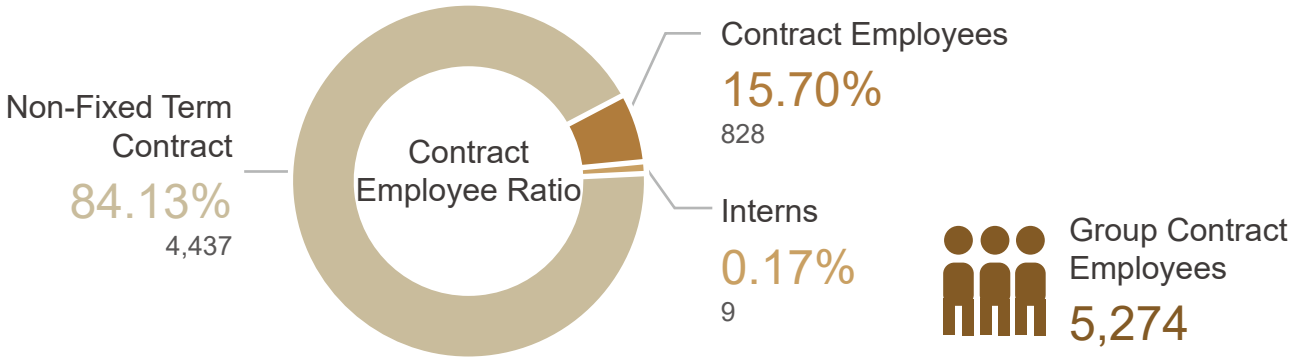
Ennostar complies with the Labor Standards Act and Occupational Safety and Health Act, and requires all supplier contracts to adhere with national human rights regulations and the Labor Standards Act in protection of human rights. We require suppliers to provide labor and health insurance for their employees, prohibit forced labor, prohibit hiring of child laborers under 15 years of age, and fully implement gender equality at work. We do not employ any child laborers, and were not involved in any incidents relating to discrimination, freedom of association, or forced labor in 2021. We strictly prohibit all instances of forced labor.

5.1 Talent Structure 102-8

There were no significant changes in the number of people employed by the Group during the reporting period. We employed a total of 5,361 people as of the end of the reporting period with no non-employee workers in our factories. Our main operational bases are located in Taiwan. Details of employment type and employee gender distribution for 2021 are as shown in the table below:



Number of employees for each contract type is shown as follows:



Noted : Contract employees were not employed in Ennostar Inc.

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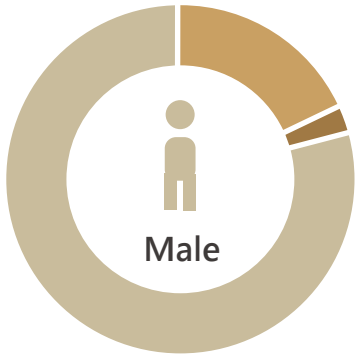
To strengthen local ties and increase workforce stability, the Group mainly hires local residents. The proportion of senior executives who are locals (Taiwanese nationals) is 100% (including senior department heads and above at Ennostar and Epistar, factory directors and above at Lextar, and department heads and above at Unikorn).

Employee Type and Age Distribution for 2021

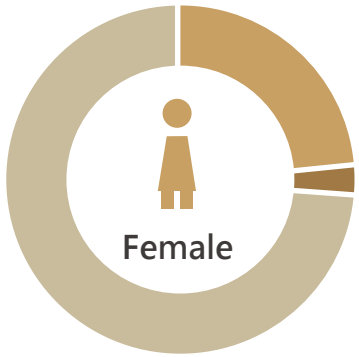
Company	Age/Type	Management		R&D and Technical Personnel		Direct Labor		Contract Labor	
		Male	Female	Male	Female	Male	Female	Male	Female
Ennostar	Under 30	1	5	0	0	0	0	0	0
	30-50	3	25	6	14	0	0	0	0
	51 and above	5	1	1	0	0	0	0	0
Epistar	Under 30	3	6	211	154	135	380	3	6
	30-50	305	83	729	266	523	1,059	3	5
	51 and above	28	7	32	10	5	66	3	0
Lextar	Under 30	2	0	32	33	58	63	0	0
	30-50	144	40	181	110	80	207	0	0
	51 and above	13	4	7	1	2	10	0	0
Unikorn	Under 30	0	0	24	11	2	3	1	0
	30-50	28	4	83	34	23	52	1	0
	51 and above	6	0	4	0	0	6	0	0



Under 30
17.57%
472

31-50
78.49%
2,109

Above 51
3.94%
106



Under 30
24.80%
661

31-50
71.26%
1,899

Above 51
3.94%
105

Ennostar has a diverse group of employees. We comply with the People with Disabilities Rights Protection Act, which stipulates that employment of people with disabilities that have capability to work shall be no less than one percent of the total number of the employees. Ennostar actively hires people with disabilities and promotes measures that enable innovation-friendly workplaces and redesigned job duties.

Male			Female			Total
Under 30	30-50	Above 51	Under 30	30-50	Above 51	
1	15	3	2	11	1	33

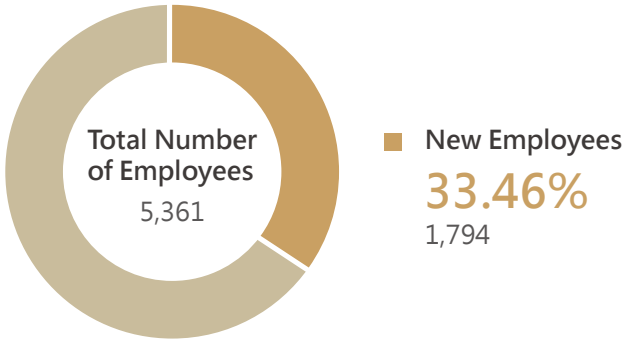
www.ennostar.com

Staff Turnover 401-1

Human resource planning and the personnel requirements of each unit are based on knowledge, integrity, abilities, experience, and suitability for each position or job. We work to enhance employee remuneration and benefits while reducing turnover. Statistics on new and terminated employees are as shown below.

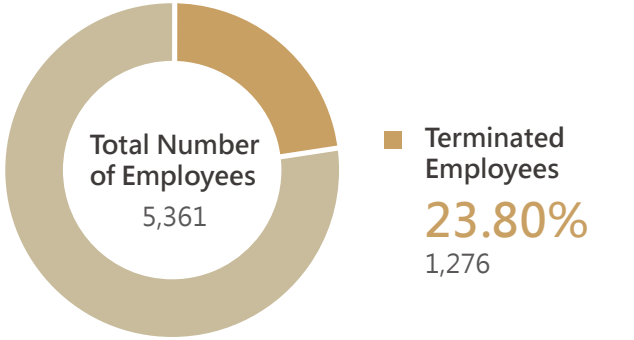
Statistics on New Employees for 2021

Gender/Age Distribution	Age			Total Number of New Employees	Total Number of Employees	Ratio of New Employees
Ennostar Group	Under 30	30-50	51 and Above			
Male	304	579	29	1,794	5,361	33.46%
Ratio of male new employees	33.33%	63.49%	3.18%			
Female	270	593	19			
Ratio of female new employees	30.61%	67.23%	2.15%			



Statistics on Terminated Employees for 2021

Gender/Age Distribution	Age			Total Number of Terminated Employees	Total Number of Employees	Turnover Rate
Ennostar Group	Under 30	30-50	51 and Above			
Male	194	419	20	1,276	5,361	23.80%
Male turnover rate	3.62%	7.82%	0.37%			
Female	217	418	8			
Female turnover rate	4.05%	7.80%	0.15%			



5.2 Employee Care

401-2 402-1

The first step of implementing corporate social responsibilities is adopting a human-oriented attitude toward our employees, who we consider to be important corporate assets. Apart from basic remuneration, we also provide a variety of employee benefits that enhance the willingness of our colleagues to participate in planning and implementation of activities, thereby enriching their lives and eliminating their unhappiness and worries. The Group has not established any unions, but we encourage our employees to form and participate in social clubs. Our corporate training allows employees to develop their capabilities steadily during each stage of their career. Although we have no transition and support plan in place for employees who ended their careers due to retirement or termination of employment relations, our employees are equipped with sufficient capabilities for facing various challenges in the future.

To protect employee interests, we adhere to the requirements of local labor laws in setting the minimum notice periods for announcement of major operational changes, termination of employment relations, and business alternations.

Outstanding Performance: Recognition of Equality in the Workplace

2021 Promoting Equal Rights in the Workplace Excellence Award

Southern Taiwan Science Park Factory received Outstanding Award

Southern Taiwan Science Park Factory received Excellence Award

Epistar's Southern Taiwan Science Park and Hsinchu Science Park factories were respectively recognized with an Outstanding Award and an Excellence Award by science park administration offices in 2021, affirming our efforts to build a harmonious workplace and our active adherence to labor laws as we strive to create an employee-friendly workplace that provides work-life balance and enhances overall quality of life for our employees.

Epidemic prevention LOHAS lifestyle: Free massages for stress relief

The emotions of the general public fluctuated alongside changes in epidemic conditions, intensifying physical and mental stresses. To relieve the pressure on our colleagues, we organized the "Epidemic prevention LOHAS lifestyle: Free massages for stress relief" event where professional masseuses helped our colleagues relieve stress.

Care for new employees event series

1. Establishment of mentor system:
Upon reporting for work, each new and transferred employees is matched with a mentor who helps them adapt to their new life and environment, helping them to better focus on their work and learning. The main responsibility of the mentor is to provide of life and workplace care services to new employees after they return to their jobs following orientation. The mentor also regularly checks in on these employees for active observation and discovery of issues and to provide timely assistance.

2. New employee orientation parties:
An orientation party is held for each new and transferred employee to facilitate exchanges, communication, and assistance on necessary issues between new employees, thereby enhancing their adaptability; new employees are requested to fill out adaptability questionnaires so that we can better understand their work conditions.

Employee-friendly parental leave system

We enable employees to personally care for their young children and accompany them as they grow, then subsequently return to their work and continue their career development so that their work is not affected by childcare.

- Parental leave without pay
- Military leave from work
- Injury leave and family care
- Special leave

Overwork prevention: Overwork reminders

We systematically deliver warning emails each week to employees who have worked continually for 6 days or who have accumulated 36 hours of overtime, reminding them and their supervisors to be attentive of employee working hours for prevention of overwork.

Remuneration System 202-1 404-4 405-2

Ennostar attaches great importance to the consistency and fairness of remuneration operations, monetary incentives, and management of employee bonuses. Individual salaries are based on the education, expertise, and professional experience of each employee, but do not differ on the basis of race, religion, skin color, political affiliation, age, gender, marital status, or physical and mental disabilities. We provide Employee Assistance Programs (EAPs) to help our colleagues relieve work and life stresses and problems. We also review turnover rates and reasons for termination each month and take corresponding measures when necessary.

Related management mechanism proposals based on corporate operational performance are submitted to the Board by the Compensation Committee to ensure close links between corporate finances and operational performance. We also consider individual work duties, contributions, and results of performance appraisals when determining employee remuneration.

Ennostar salaries are determined by academic qualifications, years of professional experience, individual performance, and market conditions; the basic salaries we offer our employees exceed the requirements set out by the Labor Standards Act. Actual salaries may change according to individual seniority, performance, job responsibilities, and future potential. Average employee remuneration adjustment ratios were 3-5% in 2021, and our monthly salaries for new entry-level staff all exceeded local minimum salaries by several times.

Ratios of standard entry-level wages compared to local minimum wage

Company	Ennostar[1]		Epistar		Lextar		Unikorn	
Gender	Male	Female	Male	Female	Male	Female	Male	Female
Salary Ratio	2.28	1.63	1.16	1.12	1.10	1.09	1.13	1.17

Note 1: Ennostar is a holding company that mainly hires professional staff, and therefore has a higher entry-level to local minimum wage ratio.
Note: Standard salaries refer to fixed regular monthly salaries.
Note: Minimum wage is calculated as NT$ 24,000 in accordance with the minimum wage level set by the Labor Standards Act in 2021.
Note: Calculations were based on the actual average salaries of lowest-ranking employees in December 2021.

Category		Remuneration and Salary Ratio							
		Ennostar[1]		Epistar		Lextar		Unikorn[2]	
		Male	Female	Male	Female	Male	Female	Male	Female
Direct Employees		N/A	N/A	1	0.97	1	1.03	1	0.96
Indirect Employees	General Employees	1	0.71	1	0.89	1	0.80	1	0.77
	Managers	1	0.94	1	0.85	1	0.81	1	0.78

Note: The ratio of male employees is set as 1.
Note 1: Ennostar does not employ any direct employees.
Note 2: Managers include section leaders and above.

Average and Median Annual Salaries for Non-Supervisor Full-Time Employees

Unit: thousand NTD

Ennostar	2021	Comparison with Previous Year (%)
Number of non-supervisor full-time employees	52	Ennostar was founded in 2021, and therefore no data is available for the previous year.
Total salaries for non-supervisor full-time employees	65,462	
“Average salaries” for non-supervisor full-time employees	1,259	
“Median salaries” for non-supervisor full-time employees	1,046	

Unit: thousand NTD

Epistar	2019	2020	Comparison with Previous Year (%)	2021	Comparison with Previous Year (%)
Number of non-supervisor full-time employees	3,262	3,015	92.43%	3,348	111.04%
Total salaries for non-supervisor full-time employees	2,501,296	2,447,492	97.85%	2,925,741	119.54%
“Average salaries” for non-supervisor full-time employees	767	812	105.87%	874	107.64%
“Median salaries” for non-supervisor full-time employees	633	681	107.58%	715	104.99%

Unit: thousand NTD

Lextar	2019	2020	Comparison with Previous Year (%)	2021	Comparison with Previous Year (%)
Number of non-supervisor full-time employees	1,396	1,370	98.14%	1,276	93.14%
Total salaries for non-supervisor full-time employees	988,268	1,073,433	108.62%	1,102,180	102.68%
“Average salaries” for non-supervisor full-time employees	723	795	109.96%	891	112.08%
“Median salaries” for non-supervisor full-time employees	607	644	106.10%	725	112.58%

Unit: thousand NTD

Unikorn	2019	2020	Comparison with Previous Year (%)	2021	Comparison with Previous Year (%)
Number of non-supervisor full-time employees	111	157	141.44%	179	114.01%
Total salaries for non-supervisor full-time employees	70,332	117,588	167.19%	145,422	123.67%
“Average salaries” for non-supervisor full-time employees	634	749	118.14%	812	108.41%
“Median salaries” for non-supervisor full-time employees	602	658	109.30%	734	111.55%

Employee Retirement Systems and Implementations 201-3

Ennostar has established employee retirement mechanisms in accordance with the Labor Standards Act and Labor Pension Act, allocating 6% of monthly wages to individual pension accounts under the Bureau of Labor Insurance. Employees can also voluntarily contribute up to 6% of monthly wages to their pension accounts. Employees under the old pension system or who have selected the new pension system can retain their seniority under the old pension systems, and the full amount of labor pension reserve funds have been transferred to a designated trust account at the Bank of Taiwan for safekeeping.

Epistar paid out NT$ 381.3 million to retired employees in 2021, Lextar's expected pension benefit obligations amount to NT$ 9.4 million, and Unikorn's expected pension benefit obligations amount to NT$ 1.4 million. As of December 31, 2021, the respective labor pension reserve funds allocated under the old pension system at Epistar, Lextar, and Unikorn were, respectively, NT$ 304.61 million, NT$ 56 million, and NT$ 1.4 million. All Ennostar personnel use the new pension policy.

For continued delivery of care and gratitude to our retired employees, our supervisors gift elaborately made plaques to employees upon retirement on our behalf to express our gratitude to the employees for their many years of service.

5.2.1 Employee Benefits

In order to provide our employees with a comfortable space for resting, organizing their thoughts, and stimulating creativity at work, our marketing promotion and industrial design units came together to design and create different sceneries, build comfortable resting spaces, and provide coffee packs, coffee beans, and brewing utensils from renowned brands so that our employees can enjoy the cozy and relaxed atmosphere of a neighborhood coffee shop while in the office. The Employee Welfare Committee is responsible for taking care of daily employee needs, maintaining harmonious labor-management relations, and encouraging our employees to engage in reasonable recreational and leisure activities. Group insurance plans provide a number of insurance benefits for employees from the day they report for work so that they can work without worry.

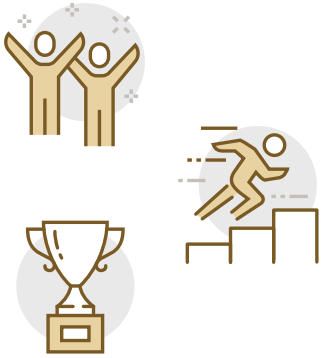
The Group's current welfare benefits are as follows:

1. Generous bonuses:
   - Employee dividends, bonuses for the three major festivals, incentive bonuses, employee patent application incentives, and gold coins for outstanding employees.
2. Flexible leave mechanisms:
   - New employees are eligible for special leave days from the year they enter the Group and are allowed to take advance leave; supervisors are allowed an extra six days of supervisor leave days.
   - Maternity leave, paternity leave, parental leave without pay.
3. Comprehensive insurance systems: Apart from labor insurance and national health insurance, employees also enjoy comprehensive group insurance when entering the Group, including benefits such as life insurance, accident insurance, medical insurance, cancer insurance, and group insurance discounts for family members (including parents, spouses, and children).
4. Overseas travel insurance: We take out overseas travel insurance for employees who travel overseas on business.
5. Multiple welfare benefit measures:
   - Birthday bonuses, Labor Day bonuses, wedding gifts, funeral & burial benefits, childcare support, and hospitalization solatia.
   - Our flexible employee welfare points can be used for employee trips, quarterly movie viewings, tickets for recommended venues and other group activities, annual celebration parties, departmental networking activities, and raffle events.
   - A free meal is provided to employees on work days, with a variety of meal options are available for selection.
6. Employee-friendly workplace environments: We have established fitness and leisure areas, dance studios, billiards facilities, and table tennis facilities that our colleagues can use free of charge. We have also established well-equipped clinics and lactation rooms.
7. Health care: The Group has established a "Health Center" which not only provides the functions of normal clinics, but also voluntarily organizes a variety of free health checks, health consultancy lectures, fitness checks, smoking cessation activities, and weight loss events.
8. Multiple social clubs: We have formed a variety of active and sedentary social clubs that provide leisure and entertainment activities for our employees after work. Our clubs include basketball, volleyball, badminton, softball, road running, table tennis, fitness, aerobic dance, yoga, volunteer, photography, and hiking clubs. We also host non-periodic sports, leisure, and other activities for our colleagues.

Incentive Systems

We have established various incentive channels to encourage outstanding employees, promote team collaborations, and create an atmosphere where work processes are constantly improved and refined.

Outstanding production line incentives	We conduct quarterly evaluations of and provide awards for outstanding personnel, team competitions, action plans, best improvement progress, best idea generators, and most creative people on our production lines.
Team breakthrough awards	All business groups can host internal celebrations when internal operational milestones have been met or as part of team-building activities as needed.
Outstanding award	All units can provide incentives to outstanding personnel or project teams at any time.
Lextar Award: Outstanding team award	We provide awards and incentives to outstanding cross-departmental teams.
Seniority award	We award trophies to our colleagues who have worked at the Group for more than 10 years.



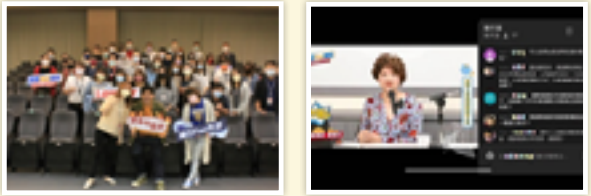
Employee Welfare Committee

The Group established the Employee Welfare Committee to care for daily employee needs, maintain harmonious labor-management relations, and encourage our employees to engage in reasonable recreational and leisure activities. Committee members are nominated or elected from each department depending on the ratio of employees in each department. The Committee convenes regularly once every quarter to exercise their duties, decide on employee welfare policies, and promote employee activities. The Employee Welfare Committee provides monetary wedding gifts, childcare subsidies, funeral subsidies, hospitalization solatia, bonuses for the three major festivals, birthday bonuses, meal and travel allowances, and discounts for special stores and e-commerce platforms, providing the best care and services to our colleagues through comprehensive welfare benefits.

To promote a work-life balance, the Employee Welfare Committee regularly organizes large-scale events including art activities, educational activities, fairs and markets, sports competitions, and annual celebration parties. The Employee Welfare Committee has also formulated regulations for social club establishment, providing subsidies to encourage our colleagues to voluntarily set up social clubs, thereby creating diverse interpersonal interactions and promoting lifelong learning.

Organized two online DIY activities

Hosted two online celebrity lectures



Online problem-solving activity with 33 participating teams

Though we were unable to host physical activities due to the pandemic, our colleagues' interest in brainstorming games remained undiminished. We therefore hosted an online problem-solving activity so that all employees could stay in their seats or in conference rooms and interact with their partners online to solve puzzles. A total of 33 teams registered for this event, and 7 teams completed their missions within the allocated time, with the winning team completing the mission almost 30 minutes before the deadline. After the activity, the participants all commented that this activity was tiring but fun!

Column: Lextar 13th Anniversary Series Events

For Lextar's 13th anniversary in May 2021, the Employee Welfare Committee planned a series of anniversary events including the "Lextar Exam" where participants who received full marks were entered in a raffle. The second activity was the "Lextar Model Student" event, where photo zones with school uniforms, satchels, and props were set up in all factories. Photos were uploaded to and shared on our corporate Facebook page. This activity created unforgettable memories for our colleagues during the anniversary event.

5.2.2 Management of Employee Health Promotion

403-3 403-4 403-6

Healthy employees offer better work quality, efficiency, and workplace vitality, which in turn enables the Group to grow and develop in a sound manner. The Group is responsible for providing healthy environments, creating healthy workplaces, and promoting healthy and sustainable management. We not only organize creative and diverse health activities, but also use health risk indicators as a basis for promoting customized risk control projects. In future, we will continue to enhance our health service scope and quality while implementing various health management activities.

- **Epistar and Ennostar:** We provide diverse medical services to ensure that there are no health hazards in our workplace environments. Currently, there are seven nurses who provide medical services at Epistar factories and factory occupational health services are provided once a month. We not only provide health services in accordance with the regulations of the Rules for Labor Health Protection, but also offer customized health services based on the health issues of our colleagues as part of our emphasis on employee health.
- **Lextar:** Doctors provide on-site services once a month and two nurses provide health services in our factories.
- **Unikorn:** Doctors provide on-site services once every two months and nurses provide on-site services four times each month.

Employee Health Care and Management Guidelines

The Health Management Section of our Employee Relations Department formulated the Employee Health Management Procedures and Standards, Regulations for Prevention and Management of Human-Induced Hazards, Maternity Health Management and Protection Procedures and Standards for Female Employees, as well as other regulations to execute hazard prevention, health care, health management, and health promotion measures for effective enhancement of employee health.

Initiation of Healthy Workplace Environments

Lextar obtained the Badge of Accredited Healthy Workplace for Preliminary Health Workplace in 2012 and was re-accredited in 2015. Our Health Center designed a variety of health promotion activities such as “cancer prevention screening tests,” “women’s health activities,” and “weight loss competitions” based on the needs of different health classification and management groups. We also hosted health lectures themed around stress relief, CPR & AED training, and healthy diets, as well as regular “on-site medical services” and “massage services from visually impaired massage therapists.” We encourage our colleagues to form internal social clubs such as the basketball club, softball club, badminton club, yoga club, cycling club, jogging club, kickboxing club, and other sports clubs, as well as the popular music club, recreational activities club, and other stress relief clubs. Regular social club activities help our colleagues establish a habit of exercise. We hope to work with our colleagues to create a healthy corporate atmosphere and achieve our aim of building a healthy workplace.

Dedicated cleanroom clothing and parking spaces for pregnant women

To protect the maternal safety of our pregnant employees, we provided dedicated pink cleanroom clothing and established pregnancy parking in spaces nearest factory entrances so our pregnant colleagues can save time and effort when searching for parking spaces, and can arrive at work in a safer, faster, and more comfortable manner. We also compiled pregnancy cards and handbooks containing systematic information on internal maternal protection measures and external subsidy resources for our employees.

Pregnancy reporting and welcoming babies at Lextar

We encourage our colleagues to notify our health center of their pregnancy status as soon as possible so that workplace health protection assessments for pregnant colleagues can be initiated. As part of our plan to build a caring and healthy workplace, our health center began providing pregnancy gifts to our pregnant colleagues starting in 2022; our colleagues could pick up the gift by showing their mother’s handbook or related medical records.

Establishment of Lactation Room

To provide a friendly environment for breastfeeding female colleagues and visitors, all factories have established comfortable and private lactation rooms with sufficient light and ventilation for our colleagues with breastfeeding needs. In 2013, we received the Friendly Breastfeeding Room Silver Certification from the Hsinchu City Government Department of Health and received the Friendly Breastfeeding Room Outstanding Certification from the Hsinchu City Government Department of Health in 2020, which is valid until 2023.

Lactation room certification

In order to support breastfeeding, we have built a breastfeeding-friendly workplace environment as well as comfortable and friendly lactation rooms for mothers to use away from home. Our certified lactation rooms provide excellent lactation environments and enhance breastfeeding rates. Our Health Center ensures that our lactation rooms are well-equipped, comfortable, clean, and managed by dedicated personnel so that mothers returning to the workplace can find breastfeeding to be an enjoyable experience.

Parental Leave Statistics 401-3

In accordance with the “Act of Gender Equality in Employment,” the Group offers pregnancy checkup leave and maternity leave for female employees during pregnancy and childbirth, while male employees can take paternity leave when their spouses give birth. We also allow our employees to apply for parental leave without pay in accordance with our “Leave Without Pay Regulations.”

To encourage marriage and child-rearing in our employees, we also provide engagement/marriage leave, monetary wedding gifts, maternity parking, lactation rooms, care for expectant mothers, pregnancy checkup leave, paternity leave, and family leave. Parental leave statistics are shown in the table below.

Ennostar and Epistar Parental Leave Statistics in 2021

Item	Ennostar[1]			Epistar[2]			Lextar			Unikorn		
	Male	Female	Total	Male	Female	Total	Male	Female	Total	Male	Female	Total
Number of employees eligible for parental leave in 2021 (A)	0	3	3	157	73	230	83	69	152	7	5	12
Actual number of applicants for parental leave in 2021 (B)	0	1	1	8	30	38	2	11	13	1	1	2
Number of expected reinstatements in 2021 (C)	0	1	1	7	23	30	1	15	16	0	2	2
Actual number of reinstatements in 2021 (D)	0	1	1	2	13	15	0	11	11	0	1	1
Reinstatement rate for 2021 (D/C)	-	100%	100%	29%	57%	50%	-	73%	69%	N/A	50%	50%
Actual number of parental leave employees reinstated in 2020 (E)	-	-	-	4	19	23	2	9	11	0	1	1
Number of employees who continued working for one year following reinstatement in 2020 (F)	-	-	-	3	16	19	0	6	6	0	0	0
Parental leave retention rate after reinstatement in 2021 (F/E)	-	-	-	75%	84%	83%	-	67%	55%	N/A	0	0

Note 1: Ennostar was founded in 2021
Note 2: Number of employees eligible for parental leave in 2021: Calculated using the number of employees who took maternity or paternity leave from 2019-2021
Note 2: Actual number of applicants for parental leave in 2021: Total number of employees on parental leave in 2021
Note 2: Retention rates after reinstatement did not reach 100%; organizational and personal issues both accounted for 25% of employees, and statutory factors accounted for 50% of employees.
Note 2: C was originally set as number of employees with reinstatement dates (including postponed reinstatement dates) in 2021

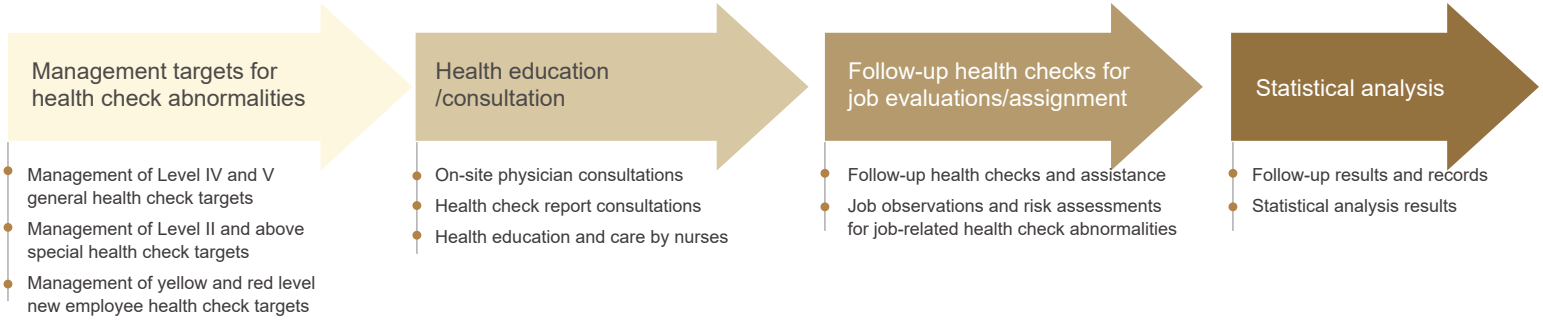
Note: Includes employees who applied for maternity leave (female) and paternity leave (male) within the past three years from 2019/1/1-2021/12/31
Note: Number of employees expected to be reinstated following completion of parental leave in 2019
Note: Reinstatement rate formula = D/C*100%
Note: Retention rate formula = F/E*100%

Employee Health care 403-10

Employee Health Measures

- Hazard prevention: We worked with occupational health management personnel equipped with professional medical backgrounds (factory doctors and occupational nurses) to conduct comprehensive assessments of occupational hazards and implement protections for operational health hazards to protect employee safety and prevent health hazards.
- Health care: We consolidated external resources and supporting medical equipment to strengthen our health care protections and enhance our health care quality.
- Health management: We established and implemented health classification and management systems to protect employee health, and also incorporated concepts relating to preventive medicine for effective disease control and prevention, thereby ensuring employee health.
- Health promotion: We designed diverse, multidimensional, and interesting health promotion activities; cultivated health promotion seed personnel; and extended health activities, concepts, and actions from our factories to the outside world, and from our employees to their family members.

Management process for health checks:



To implement health management, the Group provides annual on-the-job employee health checks with items that exceed regulatory requirements, for example intraocular pressure checks and bone density testing. We track abnormalities, analysis, and management based on health check results; execute health promotion activities; implement health classification and management systems for general operations and special operations; provide health guidance to management targets through our on-site doctors; and conduct fitness for work evaluations and job adjustments when necessary.

For details on special health check items, please refer to the list of health check items for 2021. No employees were determined to be Level IV management targets in 2021.

Number of employees who underwent health checks and health check costs at Epistar for previous years are shown in the table below (Ennostar and Epistar health checks were jointly implemented).

Year	2020 (Minor health checks)	2021 (Major health checks)
Number of employees who underwent health checks	956	2,951
Health check costs (NTD)	417,952	6,751,331

List of Health Check Items for 2021

Category	Health check items	Detailed items	Ennostar	Epistar	Lextar	Unikorn
General health checks	Vision	Vision and color blindness	The Group and all subsidiaries provide general health checks for all employees.			
	Chest	Chest X-rays				
	Abdomen	Abdominal ultrasound				
	Urine	Urinary occult blood, urinary protein				
	Blood	CBC/DC, WBC/DC				
	Blood lipids	CHOL, TG, LDL, HDL				
	Glucose	AC sugar				
	Liver function	GOT, GPT, r-GT, ALK-P				
	Kidney function	BUN, CR, UA				
Special health checks	Dust	Physician consultations, chest X-rays, lung function tests	Office personnel are not required to undergo special health checks	V	V	
	Hearing	Physician consultations, physical examinations of ear canals, pure-tone hearing tests		V	V	
	Arsenic	Physician consultations, chest X-rays, urine tests, blood tests, arsenic level in urine tests		V	V	V
	Nickel	Physician consultations, chest X-rays, blood tests, urine tests, lung function, nickel level in urine tests		V		V
	Yellow phosphorus	Physician consultations, blood tests		V		
	Indium	Physician consultations, chest X-rays, lung function tests		V	V	
	n-Hexane	Physician consultations, physical examinations of skin and limbs		V	V	

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On-the-job health checks




Influenza Vaccination Activity

Autumn and winter are the peak seasons for influenza infections each year, with annual prevalence of 5-10% for adults and 20-30% for children; 8% of influenza patients treated at outpatient clinics develop serious complications, and mortality rates are around 20%. In consideration of the fact that our colleagues are family breadwinners, we began organizing influenza vaccination activities starting in 2017 to protect employee health and prevent them from spreading the virus to their family members. This activity not only enhanced vaccination willingness in our employees, but also reminded them to vaccinate their family members for increased immunity. In 2021, a total of 133 people (including employee family members) participated in our influenza vaccination activity.

Gynecologic cancer screening activity

According to research conducted by the Health Promotion Administration, gynecologic cancers tend to develop at younger ages compared with other cancers. Prognosis is good for gynecologic cancers that are detected early. Therefore, to increase the willingness of our female colleagues to undergo cancer screening tests, we organized a gynecologic cancer screening activity in 2021 attended by 154 participants.

Three-in-one gynecologic cancers screening activity

WE CAN Health Promotion and Competition Activity

The results of on-the-job health checks conducted in 2019 revealed that 56.19% of employees had BMI abnormalities (BMI > 24) and 38.1% had total cholesterol abnormalities. To help our employees establish a habit of exercise and reduce obesity rates, we organized the WE CAN health promotion and competition activity in 2021. The competition was executed both inside and outside the factory, with teams participating from five regions. The first stage of the activity was an online marathon which took place from March to May. The external YY Sport App was used to record the number of kilometers ran or walked. Our employees developed a habit of exercise through mutual encouragement and exercised over 42,000 kilometers within three months. The system randomly selected 120 employees and gifted them NT$ 500 in online gift cards. The app also displayed discounted online items for employee purchase. The second stage of the activity was an exercise point accumulation activity which took place from June to October. Our colleagues formed exercise teams and participated in external exercise activities, then registered and uploaded supporting information to the system after conclusion of related activities. Points were calculated each month and rankings and results were released in December. The winning regional team received NT$ 100,000 in cash, the team in second place received NT$ 80,000, the team in third place received NT$ 60,000, and the team in fourth place received NT$ 40,000. These generous rewards inspired our employees to keep exercising.

WE CAN sports and health lectures

The WE CAN health promotion and competition activity was organized through collaboration with multiple units and employees. Due to the efforts of these units and employees, the number of applicants applying for the first stage of the activity increased from 600 to 876, and total exercise kilometers amounted to 72,390.37 kilometers, growing by 32%. For the second stage of the activity, employees formed their own teams. The total number of teams increased from 77 to 99, and total exercise kilometers amounted to 42,648.64 kilometers, growing by 22%. Participants rose from 29.14% to 42.46%, demonstrating significant implementation performance.

5.2.3 Communication Channels 406-1

We provide complete and diverse communication channels to protect employee interests. Employees who discover management deficits or suffer inappropriate punishment or discrimination can file written complaints or report grievances through our dedicated phone line and email, either on the record or anonymously. No major grievances were reported in 2021.

1. Dedicated employee relations hotline extension
2. Dedicated employee relations email
3. Directly contact Employee Relations Department
4. Labor management council/ Contact labor representative
5. Suggestion boxes established at all factories

Step 1

Accept grievance reports
Initiate report investigations

Step 2

Assess grievance content is substantiated

Step 3

Substantiated reports are classified
• General grievances
• Special grievances (Workplace violence/sexual harassment)

Step 4

• General grievances: Transferred to relevant units for processing
• Special grievances: Set up handling committee

Step 5

General grievances Responses to investigation reports:
Named reports: Respond to complainant
Anonymous reports: Disseminate case studies and policies, or record information in labor-management meetings

Step 6

Conclude cases
A maximum of one appeal is allowed

5.3 Development of Human Capital

Fair Performance Management System 404-3

The Group has formulated an appraisal system for performance management and development which aims to enhance overall individual and organizational performance. We implement bidirectional communications with our employees and appraise employee development using fair and reasonable performance appraisal procedures that are used as a basis for promotion, salary adjustments, bonus distributions, career development, and training. Ennostar provides appropriate severance pay measures in accordance with relevant laws to protect employee work rights. All employees who have worked at the Group for more than three years are required to undergo two types of appraisals: routine performance appraisals and year-end performance appraisals. Employees are graded based on their work capabilities, conduct, and diligence. In 2021, 100% of Ennostar employees underwent periodic performance appraisals.

Management Target | Base Year: 2021		
Short Term (2022-2023)	**Medium Term (2024-2025)**	**Long Term (2026 and beyond)**
Establish identification systems for key talent and map career development plans	Increase internal promotion rate for key positions by 10% a year	Establish a mechanism to measure return on investment for talent cultivation, and increase returns by 10% every year
Responsible unit: Human resources departments of Ennostar and important subsidiaries		
Invested resources: External consultants, internal human resources, and other related departments; training budgets and promotion bonuses		
Grievance mechanisms: Not applicable.		

5.3.1 Talent Cultivation 404-1 404-2

To stimulate employee potential and enhance their professional capabilities, Ennostar and all associated subsidiaries provide diverse and varied learning resource channels. Apart from orientation training for new employees, technical functional training, and professional training, the organizational appraisal committees, promotion appraisal committees, and talent development committees of all subsidiaries formulate annual goals and manage key performance to ensure that all employees can be placed in appropriate positions through comprehensive training systems, thereby enriching our human resources.

The Group has also established a sustainability college to create well-being from the inside out through our ESG promotions while incorporating ESG in our corporate DNA, forming virtuous cycles for continued generation of additional corporate value.

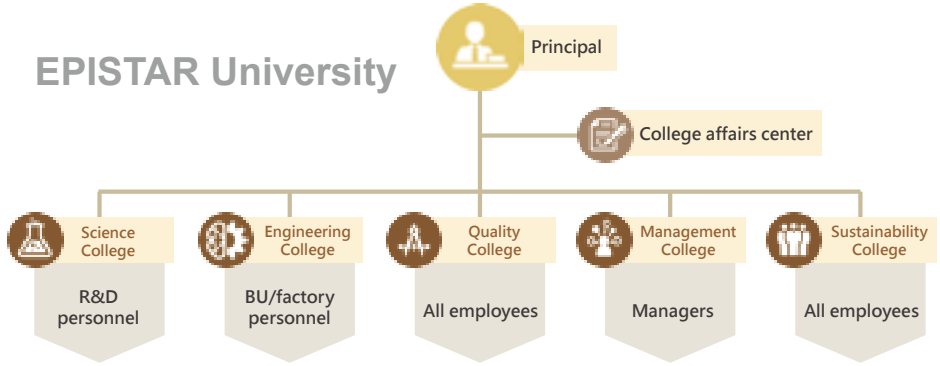
Training statistics for 2021 were as follows:

Company	Item/Category		Managers		R&D and Technical Personnel		Direct Labor		Total
	Unit/Gender		Male	Female	Male	Female	Male	Female	
Ennostar	Total number of employees	Persons	9	31	7	14	0	0	61
	Total training hours	Hours	69	269	58	32	0	0	428
	Average training hours	Hours/Persons	8	9	8	2	0	0	27
	Training costs	NTD	25,212	81,383	9,000	15,000	0	0	130,595
Epistar	Total number of employees	Persons	357	111	1,113	613	848	1,714	4,756
	Total training hours	Hours	5,949	1,537	23,128	10,261	6,448	9,994	57,317
	Average training hours	Hours/Persons	17	14	21	17	8	6	83
	Training costs	NTD	1,177,001	223,406	770,668	336,861	12,431	24,406	2,544,773
Lextar	Total number of employees	Persons	159	44	220	144	N/A*	N/A*	567
	Total training hours	Hours	2,246	433	3,249	2,525	N/A*	N/A*	8,453
	Average training hours	Hours/Persons	14	10	15	18	N/A*	N/A*	57
	Training costs	NTD	325,330	86,700	202,815	333,020	N/A*	N/A*	947,864
Unikorn	Total number of employees	Persons	34	4	126	50	41	83	338
	Total training hours	Hours	462	86	4,808	1,180	284	514	7,334
	Average training hours	Hours/Persons	14	21	38	24	7	6	110
	Training costs	NTD	29,755	10,315	24,641	47,805	9,900	14,540	136,956

Note: Lextar does not compile information on direct employees.

We consider employees to be important assets. To enhance employee skills and enable mutual growth alongside our organization, thereby increasing their work efficiency and productivity, we provide periodic training including professional technical training, training for new employees, work-life balance course series, anti-trust laws and compliance courses, and management courses.

- **Orientation training for new employees:** Introduction to corporate culture, administrative regulations and quality concepts, occupational and environmental safety regulations, dissemination of information security policies and trade secrets laws, ethical management and legal compliance
- **General capabilities training:** General education courses, new employee consensus camps, establishment of sustainability awareness, strategic blueprints for cultivation of new employees and general education college
- **Professional capabilities training:** Professional courses, training for internal lecturers, cultivation of production line trainers; strategic blueprints for engineering college, science college, quality college, and unit training
- **Leadership capabilities training:** Training courses for managers of all levels, strategic blueprints for management college
- **Self-development training:** On-the-job training, language studies

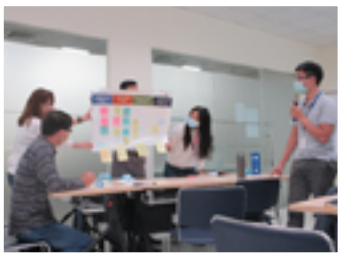


Five colleges

Training Framework

LED optoelectronics feature testing

Technical courses taught by internal lecturers included practical cases to enhance employee understanding



Performance interviews and guidance

Provided knowledge on performance management concepts and performance interview techniques to section chiefs

Financial concepts for a happy life

Organized lectures on financial concepts to equip our colleagues with relevant knowledge

Workplace communication techniques

Helped our colleagues understand the essentials of workplace communication through drills so they can communicate more smoothly in the workplace

Advanced practical LED technologies

Advanced LED courses that assisted our employees in understanding both theory and practice

Project management

Implement project management through group discussions and effective techniques that can be applied at work

Column | Sustainability DNA

Ennostar hopes that each employee can understand ESG concepts and implement these concepts in their routine tasks. ESG encompasses almost all tasks in every department, and therefore execution of ESG actions should be facilitated not only through top-down orders, but also through bottom-up proposals. We hope that all our colleagues can understand and hold a positive attitude toward corporate sustainability concepts and trends, and in turn shape a commitment to sustainability for voluntary enhancement of our core businesses and to build positive influence that benefits not only our entire Group, but also forms virtuous cycles for society, the environment, and ourselves.

We organized three ESG management policy workshops at the end of 2021 to teach our colleagues how to formulate short, medium, and long-term goals. Participating managers and employees were from all departments, including the environmental safety, factory affairs, human resources, R&D, audit, intellectual property rights, quality assurance, and legal affairs departments. The workshop courses used examples from daily life to introduce ESG concepts, then explained target formulation and methodologies in our management policies. In-class discussions and examples from daily life helped our colleagues logically formulate a set of comprehensive management policies. Our colleagues became more interested in learning about ESG as they became more knowledgeable about relevant concepts. Each course was originally scheduled to be three hours long, but were extended by more than an hour each due to active questioning and enthusiastic group discussions, showing that concepts of sustainability were gradually taking root in the hearts of our colleagues.

The Ennostar sustainability college was officially established in 2022. Internal and external experts were invited to speak on domestic and foreign sustainability trends, low-carbon transformations, and circular economy. We offered diverse learning channels in the form of physical and online courses so that our colleagues could learn at their own pace. The sustainability college assisted all our colleagues in incorporating ESG concepts in their routine work, elevating core functions to a higher level and making it a part of our corporate DNA. ESG is a positive trend that can add value to individuals, corporations, and society.

Introduction to ESG concepts

Introduction to management policies

Group discussions

Group presentations

5.3.2 Training in Human Rights

410-1 412-1 412-2

The Group commits to “providing safe and comfortable workplace environments, promoting physical and mental health in our employees, effectively preventing occupational hazards, and fulfilling corporate social responsibilities.” We respect human rights, have built workplace environments that offer dignity to our employees, and have formulated “Labor Policies” that serve as the highest governance principles for routine management of human rights issues related to our employees. We have also formulated internal management policies based on the RBA Code of Conduct and included human rights stipulations in our procurement contracts in response to international principles and to demonstrate our value as a global corporate citizen.

In 2021, Epistar clients commissioned third-party verification institutes to conduct RBA factory audits. Five audits were conducted at our three factories, amounting for 30% of our factories. All audit deficits were corrected in accordance with client requirements and have since passed verification.

In 2021, Lextar conducted RBA certification procedures in accordance with client requirements to ensure adherence to the RBA Code of Conduct. Three audits were conducted at one of our factories, amounting for 50% of our factories, and we collected a total of seven questionnaires.

Unikorn is managed in accordance with RBA standards and will assess the possibility of third-party verification based on client requirements in future.

Human Rights Protection Training

The Group understands the importance of human rights issues. To strengthen awareness of human rights issues in our colleagues, we have incorporated human rights courses in training for new employees, including courses on trends in gender issues, sexual harassment prevention, gender equality, labor laws, and the Labor Standards Act. In 2021, we organized a human rights protection and ethical code of conduct training course for all employees in accordance with the RBA Code of Conduct. Training included courses on integrity management, anti-corruption, protection of intellectual property rights, trade secrets, and fair trade.

In 2021, we conducted human rights protection training for all colleagues to help them better understand their rights and our human rights policies. A total of 1,777 Group employees participated in human rights training courses with average training completion rates of 99% and a total of 2,381 training hours. Additionally, we also disseminate our human rights policies and emphasis on human rights through factory posters and irregular newsletters.

Item	Ennostar	Epistar[1]	Lextar	Unikorn
Number of expected trainees	58	579	1,014	140
Total number of trainees	58	567	1,012	140
Total training hours	58	113.4	2,024	186
Completion rate	100%	97.9%	99.8%	100%

Note 1: Epistar figures on human rights training courses encompassed our “human rights hazard prevention and communication techniques training” and scope of calculation encompassed factories in the Taiwan region. The number of expected trainees included production team leaders, indirect team leaders, and section and department managers.

Security Personnel Human Rights Training

Security personnel at the Group come from the China Steel Security Corporation, Dun Tai Security, and G4S Taiwan. We implement human rights policies and conduct human rights training in accordance with Article 10-2 of the Private Security Service Act (“When a security company hires security guards, it shall offer them pre-service professional training of one week or above. For serving security guards, it shall provide them with in-service training at least four hours for every month.”) Epistar provides stakeholder communication channels through its corporate website and supply chain management system, and communicates with suppliers and clients regularly each year and when adjusting social responsibility policies in accordance with RBA management manuals. We communicate with factory personnel of our indirect security, cleaning, and catering suppliers annually for effective promotion of our corporate social responsibility policies and applicable RBA regulations, including human rights requirements and grievance channels, thereby preventing violations of human rights when these personnel conduct their duties.

In 2021, 100% of Epistar indirect suppliers completed human rights training. Training for indirect suppliers at Ennostar and Unikorn were coordinated by Epistar. Lextar communicates corporate social responsibilities, human rights requirements, and grievance channels to employees, factory visitors, indirect suppliers, and contractors through its corporate website and public announcements in all departments. In future, Lextar will also assess the feasibility of extending human rights training from employees and direct suppliers to contractors and indirect suppliers.

5.4 Occupational Health and Safety

Management Target | Base Year: 2021

Short Term (2022-2023)	Medium Term (2024-2025)	Long Term (2026 and beyond)
• LED epi and chip materials: 1. Complete 100% of legal compliance appraisals related to new occupational safety laws and legislative drafts for all companies 2. Lower the number of major deficiencies discovered during external ISO 45001 and CNS 45001 audits to less than zero 3. Lower the number of occupational safety violations which incur penalties to less than one 4. Participate in selection processes for excellent occupational safety and health units organized by local science park administration offices to gain recognition **• LED packages and modules:** 1. Maintain our record of zero major industrial safety incidents for each year 2. Lower disabling injury frequency rate by 10% each year 3. Lower disabling injury severity rate by 10% each year **• Foundry services for compound semiconductors:** 1. Complete manuals for business continuity plans 2. Identify themes related to operational interruptions (including earthquakes, fires, water and power shortages, and supply chain shortages) and complete training for at least one theme 3. Formulate, plan, and implement health checks for all employees 4. Assist 100% of first-aid personnel in attending external training and obtaining certification 5. Compile occupational health and safety materials for new employees and cultivate internal lecturers 6. Complete training for 100% of new employees on the day they report for work	**• LED epi and chip materials:** 1. Complete 100% of legal compliance appraisals related to new occupational safety laws and legislative drafts for all companies 2. Lower the number of major deficiencies discovered during external ISO 45001 and CNS 45001 audits to less than zero 3. Lower the number of occupational safety violations which incur penalties to less than one 4. Incorporate AI technologies in occupational health and safety management 5. Participate in selection processes for excellent occupational safety and health units organized by local science park administration offices to gain recognition **• LED packages and modules:** 1. Maintain our record of zero major industrial safety incidents for each year 2. Lower disabling injury frequency rate by 10% each year 3. Lower disabling injury severity rate by 10% each year **• Foundry services for compound semiconductors:** 1. Compile business continuity plans for 70% of operational interruption themes 2. Conduct one BCP drill 3. Review and compile statistics on annual employee health checks and implement health checks for 100% of employees 4. Assist 100% of first-aid personnel in completing retraining 5. Strengthen deployment of first-aid personnel and substitute personnel (100% completion) 6. Complete training for 100% of new employees on the day they report for work 7. Review and update training materials for new employees at least once a year	**• LED epi and chip materials:** 1. Complete 100% of legal compliance appraisals related to new occupational safety laws and legislative drafts for all companies 2. Lower the number of major deficiencies discovered during external ISO 45001 and CNS 45001 audits to less than zero 3. Lower the number of occupational safety violations which incur penalties to less than one 4. Incorporate AI technologies in occupational health and safety management 5. Participate in national selection processes for excellent occupational safety and health units to gain recognition **• LED packages and modules:** 1. Maintain our record of zero major industrial safety incidents for each year 2. Lower disabling injury frequency rate by 10% each year 3. Lower disabling injury severity rate by 10% each year **• Foundry services for compound semiconductors:** 1. Compile business continuity plans for 80% of operational interruption themes 2. Conduct one BCP drill. 3. Review and compile statistics on annual employee health checks and implement mandatory health checks for 100% of employees 4. Promote control mechanisms and activities related to employee health risks (100% conformance). 5. Implement drills and training for first-aid personnel (100% conformance) 6. Complete training for 100% of new employees on the day they report for work 7. Review and update training materials for new employees at least once a year

Responsible unit: Occupational safety units at all Group subsidiaries.

Invested resources: Costs of annual employee health checks, special health checks, and emergency personnel, as well as ISO 45001 external verification costs.

Grievance mechanisms: Competent authority audits and reporting system audits

403-1

To promote work safety, prevent accidents, improve workplace environments, and maintain employee health, the Group adheres to the risk evaluation technical guidelines of the Occupational Health and Safety Administration, and we have obtained ISO 45001 verification. We formulated the “ESH Management Manual” and established the “Occupational Health and Safety Committee” to identify, assess, and control workplace environments and operational hazards. All departments conduct health and safety hazard analysis to identify hazards in processes, epi materials, factory affairs, administration, logistics, and IT; obtain knowledge of potential hazards in processes, factory systems, equipment, and all operations; prevent occupational hazards; and achieve our aim of protecting occupational health and safety.

All 34 of our environmental health and safety personnel have obtained occupational health and safety certification and qualifications. Our environmental health and safety personnel are responsible for planning and overseeing factory environmental health and safety management systems, and also formulate environmental health and safety management system documentation in accordance with environmental protection regulations, occupational safety regulations, and environmental health and safety systems (ISO 14001:2015, ISO 45001:2018, CNS 45001) for factory personnel and contractor compliance. We also regularly organize lectures from our system auditors, conduct training and certification for internal environmental health and safety auditors, and undergo internal audits of environmental health and safety systems once every six months.

The number and ratio of employees who have undergone external organizational audits or certification processes and workers who are not employees but whose work and/or workplace is controlled by the organization were as follows:

Item	Epistar	Lextar	Unikorn
Total personnel in Taiwan region	4,058	987	264
Number of environmental health and safety personnel who have relevant certifications and qualifications	34	10	5
Number of qualified internal auditors in environmental health and safety system	118	52	16
Number of personnel with internal audit approval and supervised by environmental health and safety system	152	62	16
Ratio of personnel under environmental health and safety management (number of personnel with internal audit approval and supervised by environmental health and safety system)	4%	6%	6%

Ennostar rents offices in Epistar’s A1 Factory and occupational health and safety management is facilitated in accordance with Epistar policy.

Investments in Occupational Health and Safety Training 403-5

We ensure that all employees are familiar with occupational health and safety regulations and our corporate health and safety management mechanisms in accordance with regulatory requirements, and periodically organize occupational health and safety training to promote our corporate occupational health and safety culture and concepts. Training courses organized during the reporting period are shown as follows. Our occupational health and safety training courses for workers included general training and training related to specific occupational hazards, hazardous activities, and hazardous conditions for reduction of environmental impacts and enhancement of personnel operational safety. Our plans for occupational health and safety training are as follows:

1. New employees or existing employees who are changing their job duties are required to undergo at least three hours of general health and safety training necessary for their respective jobs, and personnel involved in disposal or use of hazardous chemicals are required to undergo an additional three hours of training.
2. To enhance personnel work safety and emergency response capabilities, we conducted occupational health and safety training for our existing employees in 2021. The number of attendees are shown below:

Occupational health and safety training in 2021		
Training course	**Participants**	**Training costs**
General health and safety training	140	13,700
General hazard training	140	
Intensive night drills	29	
ERT education and training	49	
General training on hazardous substances	26	
Emergency evacuation drills	426	
Evacuation personnel training	167	
Firefighting training	337	
PPE training	8	
Emergency response training	681	
Personnel injury training	2,598	
Hazardous substances transportation personnel training course	94	
Self-defense firefighting program and factory-wide evacuation training for first half of 2021	2,514	
Total	7,209	13,700

Occupational Safety Performance Indicators 403-9

The Group attaches great importance to safe workplace environments for our employees and contractors, and strives to provide safe operating environments. To prevent occupational disasters, our environmental health and safety department implements periodic and non-periodic environmental health and safety investigations, and invites factory department supervisors and above to participate in monthly environmental health and safety investigations. Deficits are recorded by responsible units, who also assess correction and response periods for each deficit, and also track said deficits until they have been corrected. No occupational diseases or deaths occurred in Group employees or contractors in 2021, demonstrating our efforts in protecting employee occupational safety.

Employee Work-Related Injury Records in 2021

Category	Item	Ennostar	Epistar	Lextar	Unikorn
Total number of hours worked	Total number of hours worked for women	93,240	3,822,493	1,377,793	183,137
	Total number of hours worked for men	33,152	3,465,083	1,596,283	272,979
	Total number of hours worked	126,392	7,287,576	2,974,076	456,116
Number of fatalities as a result of work-related injury	Total number of fatalities as a result of work-related injury	0	0	0	0
Number of high-consequence work-related injuries (excluding fatalities)	Total number of high-consequence work-related injuries	0	0	0	0
Recordable work-related injuries (including fatalities and high-consequence work-related injuries)	Number of work-related injuries for women	1	3	3	0
	Number of work-related injuries for men	0	1	1	1
	Total number of work-related injuries	1	4	4	1
Rate of fatalities as a result of work-related injury	Total rate of fatalities as a result of work-related injury	0	0	0	0
Rate of high-consequence work-related injuries (excluding fatalities)	Total rate of high-consequence work-related injuries	0	0	0	0
Rate of recordable work-related injuries (including fatalities and high-consequence work-related injuries)	Total rate of work-related injuries	0	0	0	0
Description of work-related injury types (such as fractures, cuts, or contusions)		1 contusion	4 sprains	2 cuts and 2 falls	1 case of slipping on stairs

Note:

1. Rate of fatalities as a result of work-related injury = Number of fatalities as a result of work-related injury / Number of hours worked *1,000,000
2. Rate of high-consequence work-related injuries = Number of high-consequence work-related injuries (excluding fatalities) / Number of hours worked *1,000,000
3. Rate of recordable work-related injuries = Number of recordable work-related injuries (including fatalities and high-consequence work-related injuries) / Number of hours worked *1,000,000
4. Data included in occupational disaster reports

Non-Employee Work-Related Injury Records in 2021

Category	Item	Ennostar	Epistar	Lextar	Unikorn
Total number of hours worked	Total number of hours worked for women	0	678,557	78,900	6,744
	Total number of hours worked for men	0	96,937	82,338	0
	Total number of hours worked	0	775,494	240,138	6,744
Number of fatalities as a result of work-related injury	Total number of fatalities as a result of work-related injury	0	0	0	0
Number of high-consequence work-related injuries (excluding fatalities)	Total number of high-consequence work-related injuries	0	0	0	0
Recordable work-related injuries (including fatalities and high-consequence work-related injuries)	Total number of work-related injuries	0	0	0	0
Rate of fatalities as a result of work-related injury	Total rate of fatalities as a result of work-related injury	0	0	0	0
Rate of high-consequence work-related injuries (excluding fatalities)	Total rate of high-consequence work-related injuries	0	0	0	0
Rate of recordable work-related injuries (including fatalities and high-consequence work-related injuries)	Total rate of work-related injuries	0	0	0	0
Description of work-related injury types (such as fractures, cuts, or contusions)		N/A	N/A	N/A	N/A

Note:

1. Rate of fatalities as a result of work-related injury = Number of fatalities as a result of work-related injury / Number of hours worked *1,000,000
2. Rate of high-consequence work-related injuries = Number of high-consequence work-related injuries (excluding fatalities) / Number of hours worked *1,000,000
3. Rate of recordable work-related injuries = Number of recordable work-related injuries (including fatalities and high-consequence work-related injuries) / Number of hours worked *1,000,000
4. Data included in occupational disaster reports

In 2021, the majority of injuries suffered by Epistar employees were mostly from falls/sprains/contusions (collision/crash/crush incidents), including one colleague who sprained their left ankle due to slipping on the stairs, and another colleague who suffered a fracture after accidentally tripping over a chair leg when getting up from resting in the employee lounge due to numbness in their legs. In order to reduce risks, we began implementing monthly environmental safety supervisor meetings starting in August 2020; supervisors were asked to discuss potential factory safety hazards each month. These meetings enabled active discovery of potential safety hazards and factory issues for subsequent notification to relevant units for improvement of these issues. (During November 2020 to July 2021, we completed corrections for 17 environmental safety cases, including uneven hallway floors, damaged non-slip pads, and loose door handles.)

Prevent falls **Protection for all**

Self protection+mutual protection+supervision & protection

403-10

The Group attaches great importance to management of occupational ill health and conducts health checks every two years which exceed regulatory requirements. We also implement human-induced hazardous assessments and annually conduct health checks for special operations to enhance prevention of occupational ill health in all factories. The reasons for all cases of occupational ill health were analyzed during Occupational Health and Safety Committee meetings, where improvement measures were also proposed.
We identify and assess risks for our colleagues at high-risk of occupational ill health, and prioritize monitoring of high-risk operational environments to serve as a reference for management of hazards in operating environments for protection of labor health and safety. No incidents of work-related ill health occurred in 2021. Relevant statistics are as follows:

Employee/Non-Employee Incidents of Work-Related Ill Health in 2021

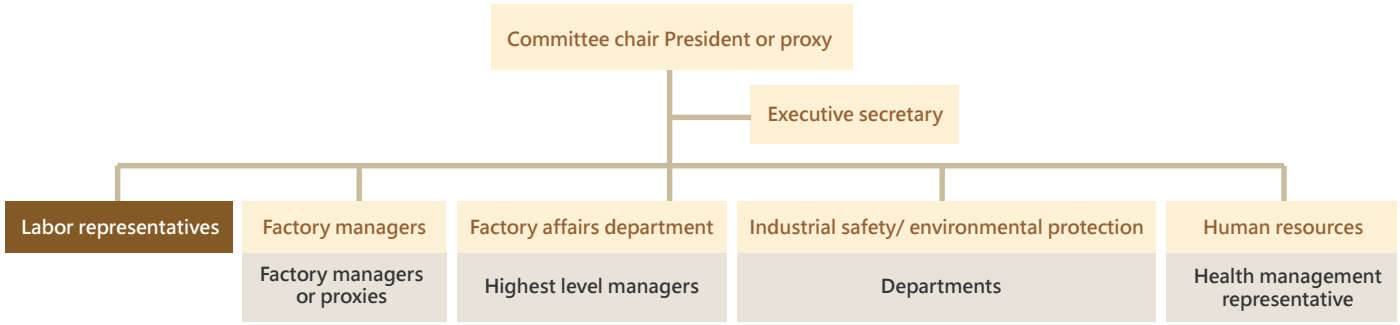
Category	Item	Ennostar		Epistar		Lextar		Unikorn	
		Employees	Non-employees	Employees	Non-employees	Employees	Non-employees	Employees	Non-employees
Number of fatalities as a result of work-related ill health	Total number of fatalities	0		0		0		0	
Number of cases of recordable work-related ill health	Total number of cases of recordable work-related ill health	0		0		0		0	
Rate of fatalities as a result of work-related ill health	Total rate of fatalities as a result of work-related ill health	0		0		0		0	
Rate of work-related ill health	Total rate of work-related ill health	0		0		0		0	
Description of work-related ill health types (such as malignant cancers or hearing loss)		N/A		N/A		N/A		N/A	

Note:
1. Rate of work-related ill health = Number of cases of work-related ill health / Number of hours worked *1,000,000
2. Rate of fatalities as a result of work-related ill health =Number of fatalities as a result of work-related ill health / Number of hours worked *1,000,000
3. Data included in occupational disaster reports

5.4.1 Occupational Health and Safety Committee

The Group is fully committed to environmental protection and health and safety. We have formulated health and safety codes of practice to implement safety standards throughout the entire Group, care for our employees, and protect their families. We have established the Environment, Safety and Health Committee (ESH Committee) to discuss and coordinate ESH matters while working to achieve our aims of building healthy and safe workplace environments, preventing pollution, and reducing carbon emissions as we work towards corporate sustainability.

The Group-level ESH Committee is convened every quarter by our President to discuss corporate health and safety, environmental protection, and health promotion strategies; formulate targets; and continue to promote plans for improvement. Committee conclusions are applicable to all factories and all employees. Factory-level ESG Committee meetings are convened every month by factory managers and meeting conclusions are applicable to each factory and associated personnel. Meeting attendees include Committee members such as factory managers or proxies and the highest level managers from the R&D, support, quality assurance, and human resource centers; environmental safety department representatives, as well as labor representatives, who should represent more than one-third (33%) of Committee members. Items discussed during meetings are recorded and tracked until corrections have been completed.



Numbers of ESH Committee members and ratios of labor representatives for all Epistar factories in 2021 are shown in the following table:

Meeting type	Group-level ESH Committee	Factory-level ESH Committee					
Factory	A1	N2	N3	N6/N8/N9	H1	S1	S3
Meeting frequency	Quarterly	Monthly	Monthly	Monthly	Monthly	Monthly	Monthly
Number of labor representatives	9	9	7	9	9	18	20
Number of ESH Committee members	21	19	11	15	21	32	39
Ratio of labor representatives	43%	47%	64%	60%	43%	56%	51%

The numbers of ESH Committee members and ratios of labor representatives for all Lextar factories in 2021 are shown in the following table:

Meeting type	Factory Safety Committee
Factory	T01 & T05
Meeting frequency	Quarterly
Number of labor representatives	20
Number of Safety Committee members	48
Ratio of labor representatives	42%

The numbers of ESH Committee members and ratios of labor representatives for all Unikorn factories in 2021 are shown in the following table:

Meeting type	Factory Safety Committee			
Meeting frequency	Quarterly			
Safety Committee	V	V	V	V
Monthly industrial safety meetings	V	V	V	V
Number of labor representatives (including proxies)	3	3	3	3
Number of Committee members (including proxies)	7	7	7	7
Ratio of labor representatives	43%	43%	43%	43%

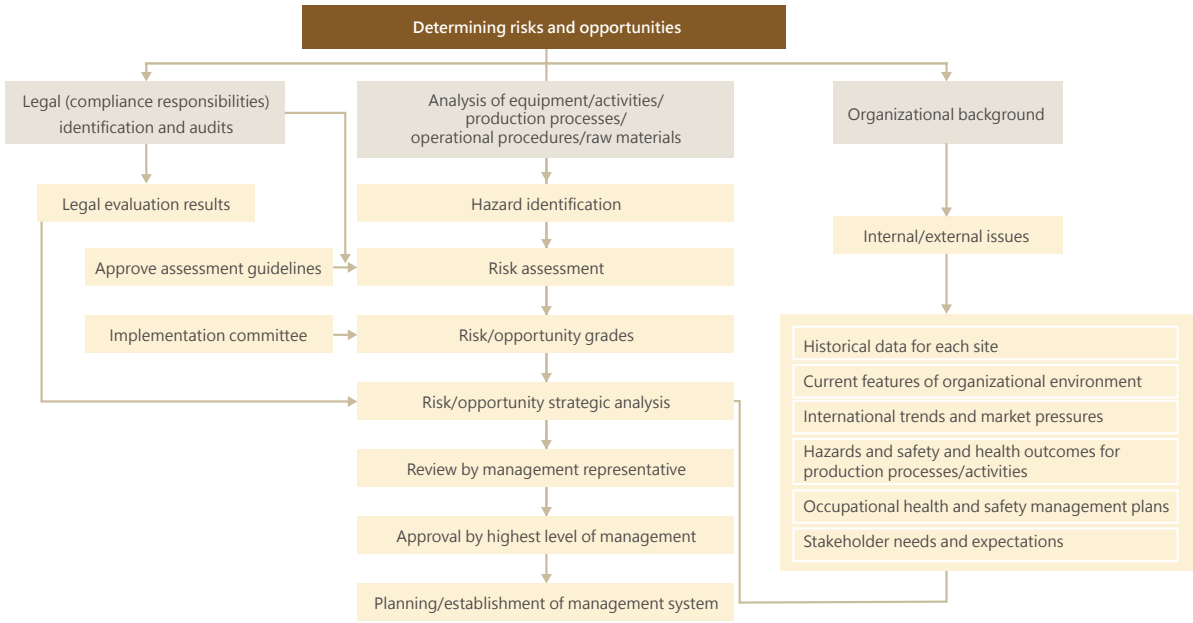
5.4.2 Management of Emergency Responses

Hazard Identification and Risk Assessment

To comprehensively grasp all potential risks in the production process, factory system and equipment, and operational procedures, major hazard identification and risk assessment management processes have been established. We use risk assessment technical analysis to assess hidden risks that could cause anomalies, and have developed appropriate control and prevention procedures to reduce hazard occurrence and severity.

Health and safety hazard analysis is conducted according to the activities/production processes/categories/relevant procedures/ machinery and equipment/operational items of each department, with hazards further classified into physical, chemical, biological, human factor engineering, social, and other hazards. Estimated occurrence rates, exposure rates, and severity are calculated for each hazard, and used to differentially assess risks and opportunities of the procedures involved.

The decisional flowchart used to determine and manage risks and opportunities is shown as follows:



Accident Investigation Management

The Group attaches great importance to the work safety of all staff. When abnormalities or accidents occur, incident reporting and initiation of emergency response mechanisms should be conducted as soon as possible, and the Group's "Accident Reporting and Investigation Procedures" should be used to conduct post-incident investigation with labor representatives to identify root causes and adopt appropriate remedial and prevention measures. Accident investigation report should be presented at safety committee briefings for all factory sites, and branching investigations should be conducted as needed to provide a basis for improvements at each factory and prevent recurrence of similar incidents.

The "Accident Reporting and Investigation Procedures" is applicable to all employees and contractors at all factories, and reporting and investigation is limited to on-site accidents and traffic accidents; off-site accidents should only be reported and included in statistical analyses. Further details are shown as follows:

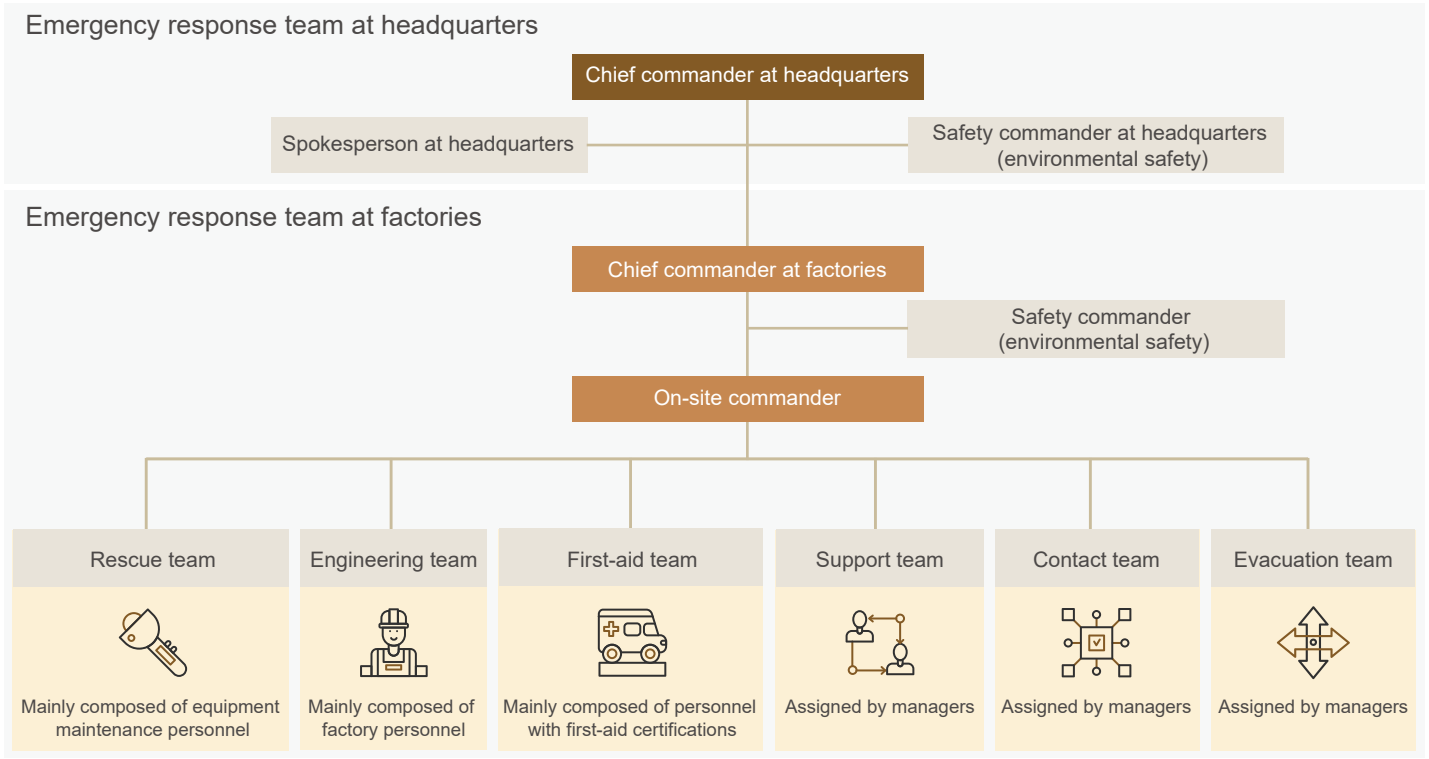
- On-site accidents: Fires (including explosions), gas alarms, odors, leaks, water leakages, power outages, environmental pollution, food poisoning, cuts, falls, crush injuries, chemical exposure, collisions, public safety, on-site traffic accidents.
- Off-site accidents: Earthquakes, typhoons, odors, power outages (voltage drops), off-site traffic accidents, or other incidents deemed to be harmful to the Group.

All Group factories should conduct reporting and investigation according to these procedures.

Emergency Response Mechanisms 403-2

In order to strengthen the response capabilities of all employees in emergency environmental, safety, and health situations, appropriate staff levels and responsibilities have been defined to establish proper management procedures to ensure employee and equipment safety, while mitigating the effects of disasters to ensure minimal impact. We established the “ESH Emergency Response Procedures” and divided responding organizations into Group and factory-level organizations. If further responses are needed following preliminary on-site responses to factory abnormalities or accidents, said incident should be reported immediately, and emergency response procedures for the factory site should be activated to mitigate employee harm and operational losses. If the incident continues to escalate, the Group-level response organization should be activated, with all organizations focusing on their respective responsibilities to ensure appropriate emergency responses to ongoing situations.

These emergency response procedures are applicable to all employees and contractors at all factories, and at least one site-wide emergency response drill should be held each year at every factory. The Group also encourages all departments to voluntarily conduct their own response training to strengthen local response capabilities. In the event of abnormalities, local responses can help prevent incidents from escalating to site-wide involvement. In 2021, a total of 21 emergency response and disaster prevention drills were conducted, with 9 drills at Epistar, 9 drills at Lextar, and 3 drills at Unikorn.



Introduction to emergency response organizations and personnel

Three-step sheltering procedure for earthquakes

Environmental Safety and Health Competitions

To enhance awareness of environmental health and safety in our employees, related competitions are held each year, with winners receiving awards from the highest level managers at each factory. In 2020, we organized an ERT emergency response drill competition with participating teams from each factory. Competition winners were recognized at the 2021 ESH Committee. In 2021, we organized an environmental health and safety competition with safety and risk management activities and voluntary response drills held at each factory to reduce abnormalities and accidents. Competition winners were recognized at the 2022 ESH Committee.

Environmental health and safety competition

Public Recognition of Work Safety Management

The Group was invited to serve as an expert member on the “Health and Safety Expert Platform” of the Ministry of Science and Technology Hsinchu Science Park Bureau's “Health and Safety Counseling and Inspections for Small and Medium High-Risk Science Park Businesses” project in 2021, and we were awarded a trophy at the 2021 Work Safety and Environmental Protection Month event.

Executives receiving award at the 2021 Work Safety and Environmental Protection Month event

5.5 Community Investment

203-1

As citizens of society, we not only contribute resources in response to societal needs, but also offer employees 10 hours of paid volunteer leave each year to encourage their active participation in various social welfare activities, thereby creating a virtuous cycle. We hope our employees can light up all corners of society in their own unique way.

The Group strives to provide care to rural and disadvantaged children. Following an assessment of welfare groups, we determined that the Christmas gift-giving activity organized by World Vision was most in line with the original spirit of our social welfare program. Moreover, World Vision serves children from disadvantaged families in Hsinchu, Taichung, and Tainan, which aligns with the plant locations of the Group, and allowed all personnel to fulfill the wishes of disadvantaged children.

We also encourage our employees to voluntarily organize and attend diverse volunteer clubs, and our subsidiary companies Epistar and Lextar have established volunteer clubs that sporadically organize sponsorship activities, volunteer club events, education programs, and other social welfare activities to give back to society. The Group donated a total of NT$ 1,862,142 to social welfare activities in 2021.

Unit :NT$

Social Welfare Activity	Contributions
Lextar social welfare activity sponsorships	365,864
Lextar volunteer club events	447,477
“You can become Santa Claus” cash donation event	618,801
Hsinchu County Hsin Kwang Elementary School Night Angel Illumination Program	10,000
Hsinchu County PoHe Elementary School Developing Football Education Specialty Implementation Program	100,000
Hsinchu County Atayal School	100,000
Miaoli County Tai-Shing Elementary School scholarships for disadvantaged students	100,000
AAEON Foundation	120,000
Total	1,862,142

5.5.1 Public Welfare Activities

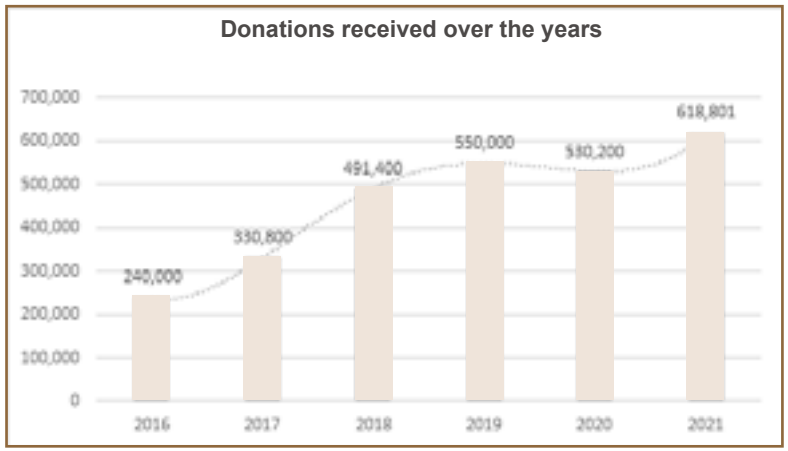
In 2021, Epistar continued to host the “You can become Santa Claus” Christmas gift collection and donation drive, with employees from Ennostar, Epistar, Unikorn, and GaNrich participating. This donation event allowed employees to donate to issues close to their hearts through use of four different red envelopes.

A total of NT$ 620,000 in donations was collected from 252 participants during this Donation of Love activity. Over the past six years, our cumulative donations have exceeded NT$ 2,760,000! Furthermore, the number of donors has continued to rise every year, indicative of the deep impact this event has on employees, who also invited their families and friends to participate in this event and send their love to rural areas. In addition to providing three meals a day to disadvantaged families and improving their living conditions, this program aims to enable children to strengthen their minds and bodies, and grow up securely and healthily. Furthermore, learning and training in future life and work capabilities are also provided to these children as they grow, enabling them to become top talents capable of functioning independently. It is hoped that these children can remember to give back to society as they face the adventures and challenges of their future lives.

In terms of gifts, 218 participants sent out a total of 300 gifts (Hsinchu Science Park: 150 gifts; Central Taiwan Science Park: 70 gifts; Southern Taiwan Science Park: 80 gifts), and over 2,500 gifts have been sent out over the past six years. These gifts have been delivered to Hsinchu, Taichung, Tainan, and Penghu, and fulfilled the Christmas wishes of over 2,500 children. Apart from providing these gifts, donors were requested to include a small card of good wishes to recipients, and the children also write cards of thanks to their donors. Linked together by this exchange of cards, these small gifts made wishes come true for children, while the thank-you cards constituted a powerful motivation for employee participation. We hope this activity helped all participants feel blessed and loved as we spread care and love even in the face of the COVID-19 pandemic!

Epistar	Ennostar	Unikorn	GaNrich
NT$542,301	NT$34,600	NT$30,500	NT$11,400

Donations from the four Group companies in 2021 (NT$)



Annual total of donations from 2016-2021 (NTD)

Lextar strives to give back to society while upholding the spirit of “focuses on core business, long-term investment, and general participation,” continuing to care for the learning needs of rural children while enhancing products and technologies. The two main axes of Lextar social welfare activities include “Improving lighting and learning environments” and “Smart LED knowledge promotion,” improving the learning environments of rural children and promoting the use of eco-friendly and energy-conserving LEDs in daily life.

250 gifts from employees
at the Hsinchu Science Park

170 gifts from employees
at the Southern Taiwan Science Park

Lextar Reading, Dreams Come True: Building a multi-purpose classroom for Mekarang Elementary School

Since the launch of the “Lextar Reading, Dreams Come True” program in 2012, we have focused on assisting rural elementary and secondary schools in the Hsinchu and Miaoli areas around factory locations, and have provided support to 10 rural elementary schools, junior high schools, and after-school tutoring centers to improve their learning environments and lighting facilities. In 2021, we continued to focus on the mountainous regions of Hsinchu, collaborating with the Taiwan Fund for Children and Families to conduct joint evaluations and visits. We assisted Mekarang Elementary School in Jianshi Township in building a multi-purpose classroom from a conference room that suffered from single-purpose usage, cramped spaces, and dated hardware. Moreover, snakes, mosquitoes, and bees often entered through gaps in the doors and windows. Following careful planning and renovation by Principal Ho in tandem with the construction team, the new Mekarang (mekarang refers to plum blossoms in the Atayal language) Classroom was repainted using bright colors, and a mirrored wall and sliding door allowed the space to be used for different teaching purposes, creating an educational space for reading, dancing, singing, and early therapy for special needs students, serving as a starting point for children to build their capabilities and begin to fulfill their dreams!

The brightly colored rejuvenated Mekarang Classroom

A mirrored wall and sliding door provide flexibility for curriculum planning and teaching

Group photo of the Lextar Head of Human Resources, volunteers from the Taiwan Fund for Children and Families, and Principal Ho of Mekarang Elementary School

A highlight of the ceremony was the cute and lively song-and-dance performance by the schoolchildren

In 2021, the Lextar Dreams Come True Program collected donations of love from company employees and assisted Mekarang Elementary School in Jianshi Township of Hsinchu County in building a multi-purpose classroom. Mekarang Elementary School organized an unveiling and opening ceremony for the multi-purpose classroom and basic sports courts in tandem with the 104th anniversary celebrations of the school, presenting a certificate of thanks to Lextar in gratitude for the proactive efforts of Lextar and its employees in improving the learning spaces of rural schools. Education is the starting point for all things possible; in future, Lextar will continue to improve rural education through the Dreams Come True Program, upholding the belief that accumulation of resources will help open more possibilities in learning for students, and allow a new generation of rural students with opportunities to prove themselves.

Aboriginal Dance Training Program for Slaq Elementary School

Lextar has been sponsoring the Aboriginal Dance Training Program for Slaq Elementary School since 2016. Apart from helping the school to promote aboriginal culture through special teaching activities on aboriginal dances and festive rituals, this program also helps students develop their dancing and artistic senses, allowing them to build their own stages through performances and competitions. In 2021, the Slaq Dance Team won a best-of-the-county prize at the National Student Dance Competition. The achievement of children has never been limited to tests and getting into good schools, and the children of Slaq Elementary School were able to develop confidence through the steps and rhythm of dance, while conveying moving strength through their dance performances. As of 2021, Lextar has invested a cumulative NT$ 735,840 in the program, and we will continue to focus on the learning needs of children in rural areas, providing strength and support for the education and multi-dimensional development of the new generation.

In 2021, the Slaq Dance Team won a best-of-the-county prize at the National Student Dance Competition

The Slaq Dance Team performing at the Competition

2021 Charity Activities Photos

Lextar Collection of Love to Warm the Disadvantaged

The “Lextar Volunteer Club” was established in 2021, and focuses on caring for and supporting the hardy, the disabled and disadvantaged, and families that encounter misfortune, with over 1,000 households assisted to date. The Volunteer Club delivers love and contributes to public welfare through sporadic organization of small-scale donation and collection drives. The Volunteer Club has long cultivated the hearts and minds of Lextar employees and frequently promotes the concept of “Every day is a good day and love can be delivered at any time.” Apart from working with the BenQ Foundation to purchase harvests from eco-friendly farms, the Club also encouraged employees to donate their purchases to food banks for the disadvantaged. Employees can also make a NT$ 10 donation every time they take a coffee pack from the company break room, allowing love to spread and build a widening positive cycle!

Those who give are more blessed than those who receive. The members of the Volunteer Club often use their weekends to spread love and care from Taipei to Miaoli, Chiayi to Pingtung, and even Hualien and Taitung. In 2021, volunteers provided donations and supplies amounting to NT$ 295,152, using their hands and hearts to travel to all the villages and townships of Taiwan, and creating a beautiful picture of service by Lextar volunteers in the process. The head of the Volunteer Club stated that, “The key to doing good is not to press things or exceed one’s own capabilities, but to participate voluntarily and be very happy in the process.” Thanks to the long-term care provided by the Volunteer Club to disadvantaged compatriots, Taiwanese society has become warmer and kinder. Lextar volunteers truly believe that the power of love is contagious and can spread widely as those who have received from others are sure to repay a surplus back to society in future. In this way, even ordinary Lextar employees can build moving stories in ordinary life.

Visit by the Volunteer Club to a disadvantaged family in Pingzheng, Taoyuan

Visit by the Volunteer Club to a disadvantaged family in Xingang, Chiayi

Improving Lighting and Learning Environments

Apart from actively participating in the public welfare activities of the BenQ Foundation, Group factories in the Taiwan region have also focused on improving learning environments for rural schoolchildren since 2012. The Dreams Come True Program was launched to illuminate rural schools through use of energy-saving LED lighting and collect donations of love from employees to improve rural learning environments, allowing children in mountainous regions to enjoy reading and find happiness in learning. In 2021, we invested a total of NT$ 336,000. The Group has invested a total of NT$ 30,403,000 in public welfare activities from 2013 to 2021.

Smart LED Knowledge Promotion

Since 2013, our factories in the Taiwan region have invited rural children to experience LED lighting through environmental science education activities, introducing the ubiquity of LED lighting in everyday life to children while also teaching them about environmental protection and energy conservation. As of 2021, the Group has invested NT$ 294,000 in these activities, with 2,547 volunteers participating over a total of 6,060 service hours.

6 Appendices

Six. Appendices

Appendix 1: GRI Sustainability Reporting Standards Comparison Table

The following content has been verified by the British Standards Institution (BSI), an independent third-party institute. Verification results are shown in Independent Assurance Statement (Appendix 6).

* indicates material issues

GRI Standard Category / Theme	Disclosure No.	GRI Standard	Corresponding Sections	Page No.	Notes
1. Organizational profile					
GRI 102: General Disclosures 2016: Core	102-1	Name of the organization	Group Overview	12	
	102-2	Activities, brands, products, and services	Group Overview	12	
	102-3	Location of headquarters	Group Overview	12	
	102-4	Location of operations	Group Overview	12	
	102-5	Ownership and legal form	Group Overview	12	Please refer to the Group's 2021 financial report for further details
	102-6	Markets served	Group Overview	12	
	102-7	Scale of the organization	Group Overview	12	
	102-8	Information on employees and other workers	5.1 Talent Structure	101	
	102-9	Supply chain	3.3 Supply Chain Management	75	
	102-10	Significant changes to the organization and its supply chain	-	-	Ennostar was established on January 6, 2021
	102-11	Precautionary Principle or approach	2.4 Risk Management	55	
	102-12	External initiatives	Ennostar Response to the United Nations Sustainable Development Goals in 2021	9	
	102-13	Membership of associations	Appendix 4: List of Affiliated Public Associations	145	
2. Strateg					
GRI 102: General Disclosures 2016: Core	102-14	Statement from senior decision-maker	Words from our Chairman	10	
GRI 102: General Disclosures 2016: Comprehensive	102-15	Key impacts, risks, and opportunities	2.4 Risk Management	55	

GRI Standard Category / Theme	Disclosure No.	GRI Standard	Corresponding Sections	Page No.	Notes
3. Ethics and integrity					
GRI 102: General Disclosures 2016: Core	102-16	Values, principles, standards, and norms of behavior	2.3 Ethics and Integrity	49	
GRI 102: General Disclosures 2016: Comprehensive	102-17	Mechanisms for advice and concerns about ethics	2.3 Ethics and Integrity	49	
4. Governance					
GRI 102: General Disclosures 2016: Core	102-18	Governance structure	2.1 Corporate Governance	40	
GRI 102: General Disclosures 2016: Comprehensive	102-20	Executive-level responsibility for economic, environmental, and social topics	1.1 Sustainable Development Strategies	18	
	102-21	Consulting stakeholders on economic, environmental, and social topics	1.1 Sustainable Development Strategies	18	
	102-22	Composition of the highest governance body and its committees	2.1 Corporate Governance	40	
	102-23	Chair of the highest governance body	2.1 Corporate Governance	40	
	102-24	Nominating and selecting the highest governance body	2.1 Corporate Governance	40	
	102-25	Conflicts of interest	2.1 Corporate Governance	40	
	102-27	Collective knowledge of highest governance body	2.1 Corporate Governance	40	
	102-29	Identifying and managing economic, environmental, and social impacts	1.1 Sustainable Development Strategies	18	
	102-30	Effectiveness of risk management processes	2.3.1 Anti-Corruption Management	51	
	102-31	Review of economic, environmental, and social topics	1.1 Sustainable Development Strategies	18	
	102-32	Highest governance body's role in sustainability reporting	1.1 Sustainable Development Strategies	18	
	102-33	Communicating critical concerns	1.1 Sustainable Development Strategies	18	
	102-37	Stakeholders' involvement in remuneration	1.2 Stakeholder Engagement	32	
	102-38	Annual total compensation ratio	-	-	Ennostar was established on January 6, 2021
	102-39	Percentage increase in annual total compensation ratio	-	-	Ennostar was established on January 6, 2021
5. Stakeholder engagement					
GRI 102: General Disclosures 2016: Core	102-40	List of stakeholder groups	1.2 Stakeholder Engagement	32	
	102-41	Collective bargaining agreements	-		No unions
	102-42	Identifying and selecting stakeholders	1.2 Stakeholder Engagement	32	

GRI Standard Category / Theme	Disclosure No.	GRI Standard	Corresponding Sections	Page No.	Notes
GRI 102: General Disclosures 2016: Core	102-43	Approach to stakeholder engagement	1.2 Stakeholder Engagement	32	
	102-44	Key topics and concerns raised	1.2 Stakeholder Engagement	32	
6. Reporting practice					
GRI 102: General Disclosures 2016: Core	102-45	Entities included in the consolidated financial statements	Appendix 5: Reinvested Companies and Other Affiliated Businesses	146	
	102-46	Defining report content and topic Boundaries	1.2.1 Identification of Material Topics	35	
	102-47	List of material topics	1.2.1 Identification of Material Topics	35	
	102-48	Restatements of information	-	-	First issue published this year
	102-49	Changes in reporting	-	-	First issue published this year
	102-50	Reporting period	About this Report	4	
	102-51	Date of most recent report	-	-	First issue published this year
	102-52	Reporting cycle	About this Report	4	
	102-53	Contact point for questions regarding the report	About this Report	4	
	102-54	Claims of reporting in accordance with the GRI Standards	About this Report	4	
	102-55	GRI content index	About this Report	4	
	102-56	External assurance	About this Report	4	
Topic-Specific Disclosures: 200 (Economic topics)					
*** Economic performance**					
GRI 103 Economic performance Management Approach 2016	103-1	Explanation of the material topic and its Boundary	Two. Ethical Management 1.2.1 Identification of Material Topics	40 35	
	103-2	1.2.1 Identification of Material Topics	Two. Ethical Management	40	
	103-3	The management approach and its components	Two. Ethical Management	40	
GRI 201 Economic Performance Topic-Specific Disclosures 2016	201-1	Direct economic value generated and distributed	2.2 Operational Performance	48	
	201-2	Financial implications and other risks and opportunities due to climate change	2.4.2 Climate Change Governance (TCFD)	60	
	201-3	Defined benefit plan obligations and other retirement plans	5.2 Employee Care	104	
	201-4	Financial assistance received from government	Total government subsidies amount to NT$ 159,789 thousand	-	

GRI Standard Category / Theme	Disclosure No.	GRI Standard	Corresponding Sections	Page No.	Notes
Market presence					
GRI 202 Market Presence Topic-Specific Disclosures 2016	202-1	Ratios of standard entry level wage by gender compared to local minimum wage	5.2 Employee Care	104	
	202-2	Proportion of senior management hired from the local community	5.1 Talent Structure	101	
Indirect economic impacts					
GRI 203 Indirect Economic Impacts Topic-Specific Disclosures 2016	203-1	Infrastructure investments and services supported	5.5 Community Investment	129	
Procurement practices					
GRI 204 Procurement Practices Topic-Specific Disclosures 2016	204-1	Proportion of spending on local suppliers	3.3 Supply Chain Management	75	
Anti-corruption					
GRI 205 Anti-Corruption Topic-Specific Disclosures 2016	205-1	Operations assessed for risks related to corruption	2.3.1 Anti-Corruption Management	51	
	205-2	Communication and training about anti-corruption policies and procedures	2.3.1 Anti-Corruption Management	51	
	205-3	Confirmed incidents of corruption and actions taken	2.3.1 Anti-Corruption Management	51	
Anti-competitive behavior					
GRI 206 Anti-Competitive Behavior Topic-Specific Disclosures 2016	206-1	Legal actions for anti-competitive behavior, anti-trust, and monopoly practices	2.3 Ethics and Integrity	49	
Topic-Specific Disclosures: 300 (Environmental topics)					
Materials					
GRI 301 Materials Topic-Specific Disclosures 2016	301-1	Materials used by weight or volume	4.1 Management of Raw Materials	80	
Energy source					
GRI 302 Energy Topic-Specific Disclosures 2016	302-1	Energy consumption within the organization	4.3 Management of Energy Resources	86	
	302-3	Energy intensity	4.3 Management of Energy Resources	86	
	302-4	Reduction of energy consumption	4.3.1 Energy-Saving Performance	89	
*** Water and effluents**					
GRI 103 Water and Effluent Management Approach 2018	103-1	Explanation of the material topic and its Boundary	Four. Low Carbon Transformations 1.2.1 Identification of Material Topics	80 35	
	103-2	The management approach and its components	Four. Low Carbon Transformations	80	
	103-3	Evaluation of the management approach	Four. Low Carbon Transformations	80	
GRI 303 Water and Effluents Topic-Specific Disclosures 2018	303-1	Interactions with water as a shared resource	4.2 Management of Water Resources	82	
	303-2	Management of water discharge-related impacts	4.2.2 Management of Effluents and Recovered Water	84	

GRI Standard Category / Theme	Disclosure No.	GRI Standard	Corresponding Sections	Page No.	Notes
GRI 303 Water and Effluents Topic-Specific Disclosures 2018	303-3	Water withdrawal	4.2 Management of Water Resources	82	
	303-4	Water discharge	4.2 Management of Water Resources	82	
	303-5	Water consumption	4.2 Management of Water Resources	82	
*** Emissions**					
GRI 103 Emissions Management Approach 2016	103-1	Explanation of the material topic and its Boundary	Four. Low Carbon Transformations 1.2.1 Identification of Material Topics	80 35	
	103-2	The management approach and its components	Four. Low Carbon Transformations	80	
	103-3	Evaluation of the management approach	Four. Low Carbon Transformations	80	
GRI 305 Emissions Topic-Specific Disclosures 2016	305-1	Direct (Scope 1) GHG emissions	4.4 Management of Greenhouse Gases	91	
	305-2	Energy indirect (Scope 2) GHG emissions	4.4 Management of Greenhouse Gases	91	
	305-4	GHG emissions intensity	4.4 Management of Greenhouse Gases	91	
	305-6	Emissions of ozone-depleting substances (ODS)	4.5.1 Prevention of Air Pollution	94	
	305-7	Nitrogen oxides (NOx), sulfur oxides (SOx), and other significant air emissions	4.5.1 Prevention of Air Pollution	94	
Waste Management					
GRI 306 Waste Topic-Specific Disclosures 2020	306-1	Waste generation and significant waste-related impacts	4.5.2 Waste Management	95	
	306-2	Management of significant waste-related impacts	4.5.2 Waste Management	95	
	306-3	Waste generated	4.5.2 Waste Management	95	
	306-4	Waste diverted from disposal	4.5.2 Waste Management	95	
	306-5	Waste directed to disposal	4.5.2 Waste Management	95	
*** Environmental compliance**					
GRI 103 Environmental Compliance Management Approach 2016	103-1	Explanation of the material topic and its Boundary	2.3.2 Legal Compliance 1.2.1 Identification of Material Topics	52 35	
	103-2	The management approach and its components	2.3.2 Legal Compliance	52	
	103-3	Evaluation of the management approach	2.3.2 Legal Compliance	52	
GRI 307 Environmental Compliance Topic-Specific Disclosures 2016	307-1	Non-compliance with environmental laws and regulations	2.3.2 Legal Compliance	52	

GRI Standard Category / Theme	Disclosure No.	GRI Standard	Corresponding Sections	Page No.	Notes
Supplier environmental assessments					
GRI 308 Supplier Environmental Assessment Topic-Specific Disclosures 2016	308-1	New suppliers that were screened using environmental criteria	3.3.1 Supplier Evaluations	76	
	308-2	Negative environmental impacts in the supply chain and actions taken	3.3.1 Supplier Evaluations	76	
Topic-Specific Disclosures: 400 (Social topics)					
Labor relations					
GRI 401 Employment Topic-Specific Disclosures 2016	401-1	New employee hires and employee turnover	5.1 Talent Structure	101	
	401-2	Benefits provided to full-time employees that are not provided to temporary or part-time employees	5.2 Employee Care	104	
	401-3	Parental leave	5.2 Employee Care	104	
Labor-management relations					
GRI 402 Labor/Management Topic-Specific Disclosures 2016	402-1	Minimum notice periods regarding operational changes	5.1 Talent Structure	101	
*** Occupational health and safety**					
GRI 103 Occupational Health and Safety Management Approach 2018	103-1	Explanation of the material topic and its Boundary	Five. Happy Workplace 1.2.1 Identification of Material Topics	100 35	
	103-2	The management approach and its components	Five. Happy Workplace	100	
	103-3	Evaluation of the management approach	Five. Happy Workplace	100	
GRI 403 : Occupational Health and Safety Topic-Specific Disclosures 2018	403-1	Occupational health and safety management system	5.4 Occupational Health and Safety	120	
	403-2	Hazard identification, risk assessment, and incident investigation	5.4.2 Management of Emergency Responses	127	
	403-3	Occupational health services	5.2.2 Management of Employee Health Promotion	109	
	403-4	Worker participation, consultation, and communication on occupational health and safety	5.4.1 Occupational Health and Safety Committee	125	
	403-5	Worker training on occupational health and safety	5.4 Occupational Health and Safety	120	
	403-6	Promotion of worker health	5.2.2 Management of Employee Health Promotion	109	
	403-7	Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	3.3.1 Supplier Evaluations	76	
	403-9	Work-related injuries	5.4 Occupational Health and Safety	120	
	403-10	Work-related ill health	5.4 Occupational Health and Safety	120	

GRI Standard Category / Theme	Disclosure No.	GRI Standard	Corresponding Sections	Page No.	Notes
*** Training and education**					
GRI 103 Training and Education Management Approach 2016	103-1	Explanation of the material topic and its Boundary	Five. Happy Workplace 1.2.1 Identification of Material Topics	100 35	
	103-2	The management approach and its components	Five. Happy Workplace	100	
	103-3	Evaluation of the management approach	Five. Happy Workplace	100	
GRI 404 Training and Education Topic-Specific Disclosures 2016	404-1	Average hours of training per year per employee	5.3.1 Talent Cultivation	115	
	404-2	Programs for upgrading employee skills and transition assistance programs	5.3.1 Talent Cultivation	115	
	404-3	Percentage of employees receiving regular performance and career development reviews	5.3 Development of Human Capital	115	
Diversity and Equal Opportunity					
GRI 405 Diversity and Equal Opportunity Topic-Specific Disclosures 2016	405-1	Diversity of governance bodies and employees	5.1 Talent Structure	101	
	405-2	Ratio of basic salary and remuneration of women to men	5.2 Employee Care	104	
Non-discrimination					
GRI 406 Non-Discrimination Topic-Specific Disclosures 2016	406-1	Incidents of discrimination and corrective actions taken	5.2.3 Communication Channels	114	
Security practices					
GRI 410 Security Practices Topic-Specific Disclosures 2016	410-1	Security personnel trained in human rights policies or procedures	5.3.2 Training in Human Rights 3.3.1 Supplier Evaluations	119 76	
Rights of indigenous peoples					
GRI 411 Rights of Indigenous Peoples Topic-Specific Disclosures 2016	411-1	Incidents of violations involving rights of indigenous peoples	Five. Happy Workplace	100	
Human rights assessment					
GRI 412 Human Rights Assessment Topic-Specific Disclosures 2016	412-1	Operations that have been subject to human rights reviews or impact assessments	5.3.2 Training in Human Rights	119	
	412-2	Employee training on human rights policies or procedures	5.3.2 Training in Human Rights	119	
Supplier social assessment					
GRI 414 Supplier Social Assessment Topic-Specific Disclosures 2016	414-1	New suppliers that were screened using social criteria	3.3.1 Supplier Evaluations	76	
	414-2	Negative social impacts in the supply chain and actions taken	3.3.1 Supplier Evaluations	76	

GRI Standard Category / Theme	Disclosure No.	GRI Standard	Corresponding Sections	Page No.	Notes
Public policy					
GRI 415 Public Policy Topic-Specific Disclosures 2016	415-1	Political contributions	2.3 Ethics and Integrity	49	
*** Customer health and safety**					
GRI 103 Customer Health and Safety Management Approach 2016	103-1	Explanation of the material topic and its Boundary	Three. Industry Value Chains 1.2.1 Identification of Material Topics	64 35	
	103-2	The management approach and its components	Three. Industry Value Chains	64	
	103-3	Evaluation of the management approach	Three. Industry Value Chains	64	
GRI 416 Customer Health and Safety Topic-Specific Disclosures 2016	416-1	Assessment of the health and safety impacts of product and service categories	3.1 Quality Assurance	64	
	416-2	Incidents of non-compliance concerning the health and safety impacts of products and services	3.1 Quality Assurance	64	
*** Customer privacy**					
GRI 103 Customer Privacy Management Approach 2016	103-1	Explanation of the material topic and its Boundary	Three. Industry Value Chains 1.2.1 Identification of Material Topics	64 35	
	103-2	The management approach and its components	Three. Industry Value Chains	64	
	103-3	Evaluation of the management approach	Three. Industry Value Chains	64	
GRI 418 Customer Privacy Topic-Specific Disclosures 2016	418-1	Substantiated complaints concerning breaches of customer privacy and losses of customer data	2.4.1 Information Security	57	
*** Socioeconomic compliance**					
GRI 103 Socioeconomic Compliance Management Approach 2016	103-1	Explanation of the material topic and its Boundary	2.3.2 Legal Compliance 1.2.1 Identification of Material Topics	52 35	
	103-2	The management approach and its components	2.3.2 Legal Compliance	52	
	103-3	Evaluation of the management approach	2.3.2 Legal Compliance	52	
GRI 419 Socioeconomic Compliance Topic-Specific Disclosures 2016	419-1	Non-compliance with laws and regulations in the social and economic area	2.3.2 Legal Compliance	52	

Appendix 2: Sustainability Accounting Standards Board Comparison Table

Disclosed Theme	Indicator	Category	Indicator Code	Corresponding Sections	Page No.
Greenhouse Gas Emissions	(1) Gross global Scope 1 emissions	Quantitative	TC-SC-110a.1	4.4 Management of Greenhouse Gases	91
	(2) Amount of total emissions from perfluorinated compounds	Quantitative		4.4 Management of Greenhouse Gases	91
	Discussion of long-term and short-term strategy or plan to manage Scope 1 emissions, emissions reduction targets, and an analysis of performance against those targets	Discussion and Analysis	TC-SC-110a.2	4.4 Management of Greenhouse Gases	91
Energy Management in Manufacturing	(1) Total energy consumed	Quantitative	TC-SC-130a.1	4.3 Management of Energy Resources	86
	(2) Percentage grid electricity	Quantitative		4.3 Management of Energy Resources	86
	(3) Percentage renewable	Quantitative		4.3 Management of Energy Resources	86
Water Management	(1) Total water withdrawn (2) Total water consumed, percentage of each in regions with High or Extremely High Baseline Water Stress	Quantitative	TC-SC-140a.1	4.2 Management of Water Resources	82
Waste Management	Amount of hazardous waste from manufacturing, percentage recycled	Quantitative	TC-SC-150a.1	4.5.2 Waste Management	95
Employee Health & Safety	Description of efforts to assess, monitor, and reduce exposure of employees to human health hazards	Discussion and Analysis	TC-SC-320a.1	5.4 Occupational Health and Safety	120
	Total amount of monetary losses as a result of legal proceedings associated with employee health and safety violations	Quantitative	TC-SC-320a.2	5.4 Occupational Health and Safety	120
Recruiting & Managing a Global & Skilled Workforce	Percentage of employees that are (1) foreign nationals (2) located offshore	Quantitative	TC-SC-330a.1	No data has been compiled on these items, but there are plans to disclose relevant information in future	-
Product Lifecycle Management	Percentage of products by revenue that contain IEC 62474 declarable substances	Quantitative	TC-SC-410a.1		-
	Processor energy efficiency at a system-level for : (1) servers (2) desktops (3) laptops	Quantitative	TC-SC-410a.2		-
Materials Sourcing	Description of the management of risks associated with the use of critical materials	Quantitative	TC-SC-440a.1	2.4 Risk Management 4.1 Management of Raw Materials	55 80
Intellectual Property Protection & Competitive Behavior	Total amount of monetary losses as a result of legal proceedings associated with anticompetitive behavior regulations	Quantitative	TC-SC-520a.1	Ennostar incurred no monetary losses due to legal proceedings associated with anticompetitive behavior in 2021.	-

Appendix 3: ISO 26000 Guidance on Social Responsibility Comparison Table

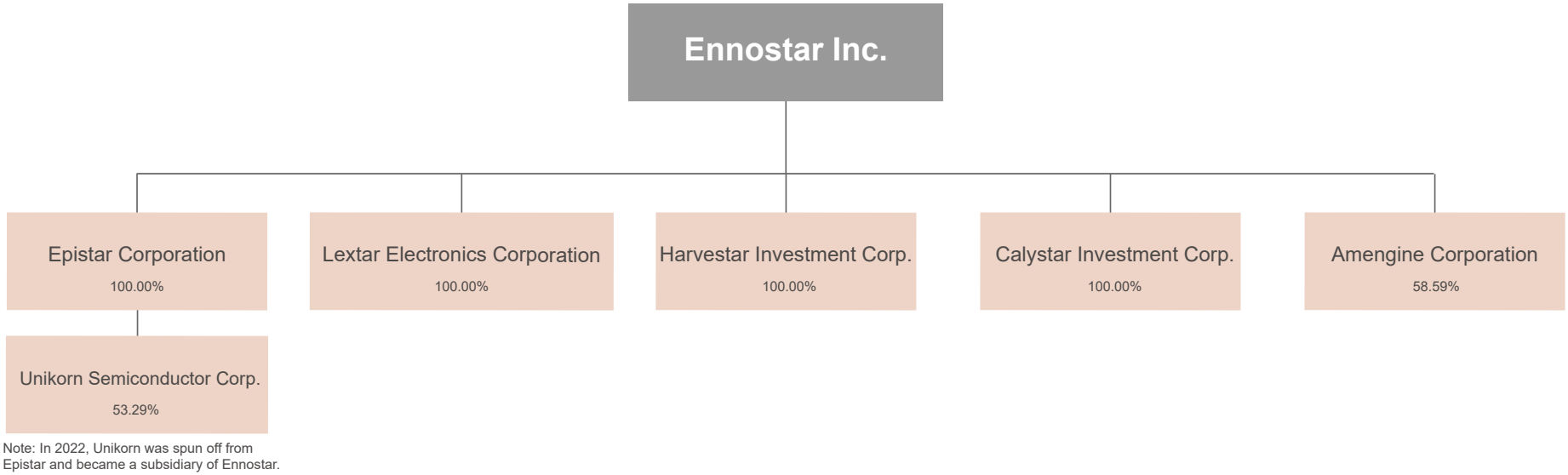
Item number	Issue	Corresponding Sections	Page No.
1. Organizational governance			
1.1	The system by which an organization makes and implements decisions in pursuit of its objectives	Two. Ethical Management	40
2. Human rights			
2.1	Due diligence	Five. Happy Workplace	100
2.2	Human rights risk situations	Five. Happy Workplace	100
2.3	Avoidance of complicity	Five. Happy Workplace	100
2.4	Resolving grievances	Five. Happy Workplace	100
2.5	Discrimination and vulnerable groups	Five. Happy Workplace	100
2.6	Civil and political rights	Five. Happy Workplace	100
2.7	Economic, social and cultural rights	Five. Happy Workplace	100
2.8	Fundamental principles and rights at work	Five. Happy Workplace	100
3. Labour practices			
3.1	Employment and employment relationships	Five. Happy Workplace	100
3.2	Conditions of work and social protection	Five. Happy Workplace	100
3.3	Social dialogue	Five. Happy Workplace	100
3.4	Health and safety at work	Five. Happy Workplace	100
3.5	Human development and training in the workplace	Five. Happy Workplace	100
4. The environment			
4.1	Prevention of pollution	Four. Low Carbon Transformations	80
4.2	Sustainable resource use	Four. Low Carbon Transformations	80
4.3	Climate change mitigation and adaptation	Four. Low Carbon Transformations	80
4.4	Protection of the environment, biodiversity and restoration of natural habitats	Four. Low Carbon Transformations	80
5. Fair operating practices			
5.1	Anti-Corruption	Two. Ethical Management	40
5.2	Responsible political involvement	Two. Ethical Management	40
5.3	Fair competition	Two. Ethical Management	40
5.4	Promoting social responsibility in the value chain	Two. Ethical Management	40
5.5	Respect for property rights	Two. Ethical Management	40
6. Consumer issues			
6.1	Fair marketing, factual and unbiased information and fair contractual practices	Two. Ethical Management	40
6.2	Protecting consumers' health and safety	Two. Ethical Management	40
6.3	Sustainable consumption	Two. Ethical Management	40
6.4	Consumer service, support, and complaint and dispute resolution	Two. Ethical Management	40
6.5	Consumer data protection and privacy	Two. Ethical Management	40
6.6	Access to essential services	Two. Ethical Management	40
6.7	Education and awareness	Two. Ethical Management	40
7. Community involvement and development			
7.1	Community involvement	5.5 Community Investment	129
7.2	Education and culture	5.5 Community Investment	129
7.3	Employment creation and skills development	Five. Happy Workplace	100
7.4	Technology development and access	5.5 Community Investment	129
7.5	Wealth and income creation	Five. Happy Workplace	100
7.6	Health	Five. Happy Workplace	100
7.7	Social investment	5.5 Community Investment	129

Appendix 4: List of Affiliated Public Associations

Ennostar works closely with industry peers and actively participates in industrial, academic, and trade associations, obtaining the latest information and aligning with the industry through mutual exchanges and collaborations. Our affiliated associations and management roles we hold in each association are as follows :

Category	Participating Company	Affiliated Association or Organization	Management Role	Member
Local industry	Ennostar	Taiwan Panel & Solution Association (TPSA)	-	V
International	Epistar / Unikorn	SEMI	-	V
China	Epistar / Lextar	UV LED Alliance	-	V
Local industry	Epistar	Academia-Industry Consortium for Southern Taiwan Science Park	-	V
Local industry	Epistar	Taiwan Flat Panel Display Materials & Devices Association (TDMDA)	Director	V
Local industry	Epistar	Taiwan Display Union Association (TDUA)	Director	V
Local industry	Epistar	Taiwan Optoelectronic Semiconductor Industry Association (TOSIA)	Honorary chair/vice chair	V
Local industry	Epistar	Taiwan Optoelectronic Semiconductor Industry Association Intellectual Property Right Strategic Committee	Committee chair	V
Local industry	Epistar	Taiwan Optoelectronic Semiconductor Industry Association Standards and Regulations Committee	Vice committee chair	V
Local industry	Epistar	Taiwan Optoelectronic Semiconductor Industry Association Environment and Safety Sustainable Development Committee	Vice committee chair	V
Local industry	Epistar / Lextar	The Allied Association for Science Park Industries	-	V
Local industry	Epistar / Lextar	Taiwan Lightning Fixture Export Association (TLFEA)	Honorary chair	V
Local industry	Epistar	Taiwan Lightning Fixture Export Association Committee of Illumination Technics	Committee member	V
Local industry	Epistar	Taiwan Plant Factory and Smart Agriculture Development Association	Director	V
Local industry	Epistar	The International Commission on Illumination-Taiwan (CIE-Taiwan)	Executive committee member	V
Local industry	Epistar	The Electronics Devices and Materials Association (EDMA)	Director	V
Local industry	Epistar	TTaiwan Automation Intelligence and Robotics Association (TAIROA)	-	V
Local industry	Epistar	Photonics Industry & Technology Development Association (PIDA)	-	V
Local industry	Epistar	Taiwan Association for Trade Secrets Protection	-	V
Local industry	Epistar	Chinese Institute of Industrial Engineers	-	V
Local industry	Lextar	Taipei Computer Association	Director	-
Local industry	Unikorn	High Power Device Application and Research Alliance (Taiwan Institute of Economic Research)		V

Appendix 5 :
Reinvested Companies and Other Affiliated Businesses Structure of reinvested companies



Note: In 2022, Unikorn was spun off from Epistar and became a subsidiary of Ennostar.

The following is a list of businesses under the Ennostar Group, companies we invested in for product integration and supply purposes :

Domestic wholly-owned subsidiaries	Domestic joint venture subsidiaries	Wholly-owned subsidiaries in China	Joint venture subsidiaries in China
Epistar Corporation Lextar Electronics Corporation Yenrich Technology Corporation GaN Force Corporation WellyWave Semiconductors Inc.	Unikorn Semiconductor Corporation GaNrich Semiconductor Corporation Amengine Corporation Trendylite Corporation Vogito Innovation Co., Ltd. Hexawave Inc. WellyHertz Electronics Corp.	Episky Corporation (Xiamen) Ltd. Luxlite (Shenzhen) Corporation Limited Shenzhen Epikylin Optoelectronics Co., Ltd. Lextar Electronics (Suzhou) Corp. Lextar Electronics (Xiamen) Co., Ltd. Lextar Electronics (Chuzhou) Corp.	Jiangsu Canyang Optoelectronics Ltd.Epicrystal (Changzhou) Co., Ltd. United LED Shan Dong Corporation Leadstar Micro-Crystal Display Corporation (JiangSu) Ltd.

Notes : An affiliated enterprise is defined as an enterprise in which Ennostar holds more than 50% (inclusive) of shares, has effective control over (holds majority control of the board), or is included in consolidated financial statements. As of year-end 2021, Ennostar has 45 affiliated enterprises.

Appendix 6: Independent Assurance Statement from British Standards Institution (BSI)

INDEPENDENT ASSURANCE OPINION STATEMENT

Ennostar Group 2021 ESG Report

The British Standards Institution is independent to Ennostar Group (including Ennostar Inc., Epistar Corporation, Lextar Electronics Corporation and Unikorn Semiconductor Corporation, hereafter referred to as Ennostar in this statement) and has no financial interest in the operation of Ennostar 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 Ennostar only for the purposes of assuring its statements relating to its ESG 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 Ennostar. 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 Ennostar only.

Scope

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

1. The assurance scope is consistent with the description of Ennostar Group 2021 ESG Report.
2. The evaluation of the nature and extent of the Ennostar'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.

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

Opinion Statement

We conclude that the Ennostar Group 2021 ESG Report provides a fair view of the Ennostar ESG programmes and performances during 2021. The ESG 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 Ennostar and the sample taken. We believe that the performance information of Environment, Social and Governance (ESG) are fairly represented. The ESG performance information disclosed in the report demonstrate Ennostar's efforts recognized by its stakeholders.

Our work was carried out by a team of ESG 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 Ennostar's description of their approach to AA1000AS v3 and their self-declaration in accordance with GRI Standards: Core option were fairly stated.

Methodology

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

- a top level review of issues raised by external parties that could be relevant to Ennostar'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.
- 30 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).

Conclusions

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

Inclusivity

This report has reflected a fact that Ennostar has 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 Ennostar's inclusivity issues.

Materiality

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

Responsiveness

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

Impact

Ennostar has identified and fairly represented impacts that were measured and disclosed in probably balanced and effective way. Ennostar 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 Ennostar's impact issues.

GRI Sustainability Reporting Standards (GRI Standards)

Ennostar provided us with their self-declaration of in accordance with GRI Standards: Core option (For each material topic covered by a topic-specific GRI Standard, comply with all reporting requirements for at least one topic-specific disclosure). 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 Ennostar's sustainability topics.

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.

Responsibility

The ESG report is the responsibility of the Ennostar'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 Lead 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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Statement No: SRA-TW-2021019

2022-05-27

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