



2022

Ubiqconn Technology, Inc. ESG Report

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About the Report

Ubiquconn Technology, Inc. (hereinafter referred to as the Company) published the Sustainability Report (hereinafter referred to as the Report) for the main purpose of transparently and openly presenting the Company's ESG practices and achievements, as well as the related strategies and objectives to the general public.





About Ubiquinn Technology, Inc's 2022 Sustainability Report

Ubiquinn Technology, Inc. (hereinafter referred to as the Company) published the Sustainability Report (hereinafter referred to as the Report) for the main purpose of transparently and openly presenting the Company's corporate social responsibility (CSR) practices and achievements, as well as the related strategies and objectives to the general public. The Report is published on a regular annual basis, and will be available to the public after obtaining third party's assurance; the Report was published in November 2023, and the Report mainly presented the performance data of the Company's Neihu head office and the Zhonghe plant, excluding subsidiaries stated in the consolidated financial statement, in terms of environmental protection, corporate governance, and social involvement for the period of January 1 to December 31, 2022, with some performance data dating back to 2021 as

well. The Company did not have any significant violations of laws and regulations during the above reporting period .

The Company is a leading manufacturer of rugged mobile solutions with major sales in Europe, the U.S., and Japan, focusing on major industries such as satellite communications, agriculture, logistics, maritime, transportation, and government projects. After considering the operating entities that affect the Group's operations, the scope of the Report centers on the Company's Neihu head office and Zhonghe plant and does not include other subsidiaries or reinvested companies.

scheduled to be published annually on an ongoing basis

The financial statement figures in this report were in NT Dollars, with the financial information taken from the consolidated financial statement, and the environmental safety and health related performance was expressed using internationally recognized indicators. If there were any estimates or assumptions, they would be stated in the related sections.

Latest released version: November 2023

Previous release: None

Next release: Expected to be released in October 2024

This report is published electronically on the Company's website for the purpose of environmental protection and going paperless.

You are welcome to contact us if you have any comments on this report. The following are the contact methods:

Ubigconn Technology, Inc. Sustainable Development Department

E-mail: uti-spokesperson@ubiqconn.com

Website: <https://www.ubiqconn.com/>

Head office ADD: 4F, No.300, Yang Guang St., NeiHu, Taipei

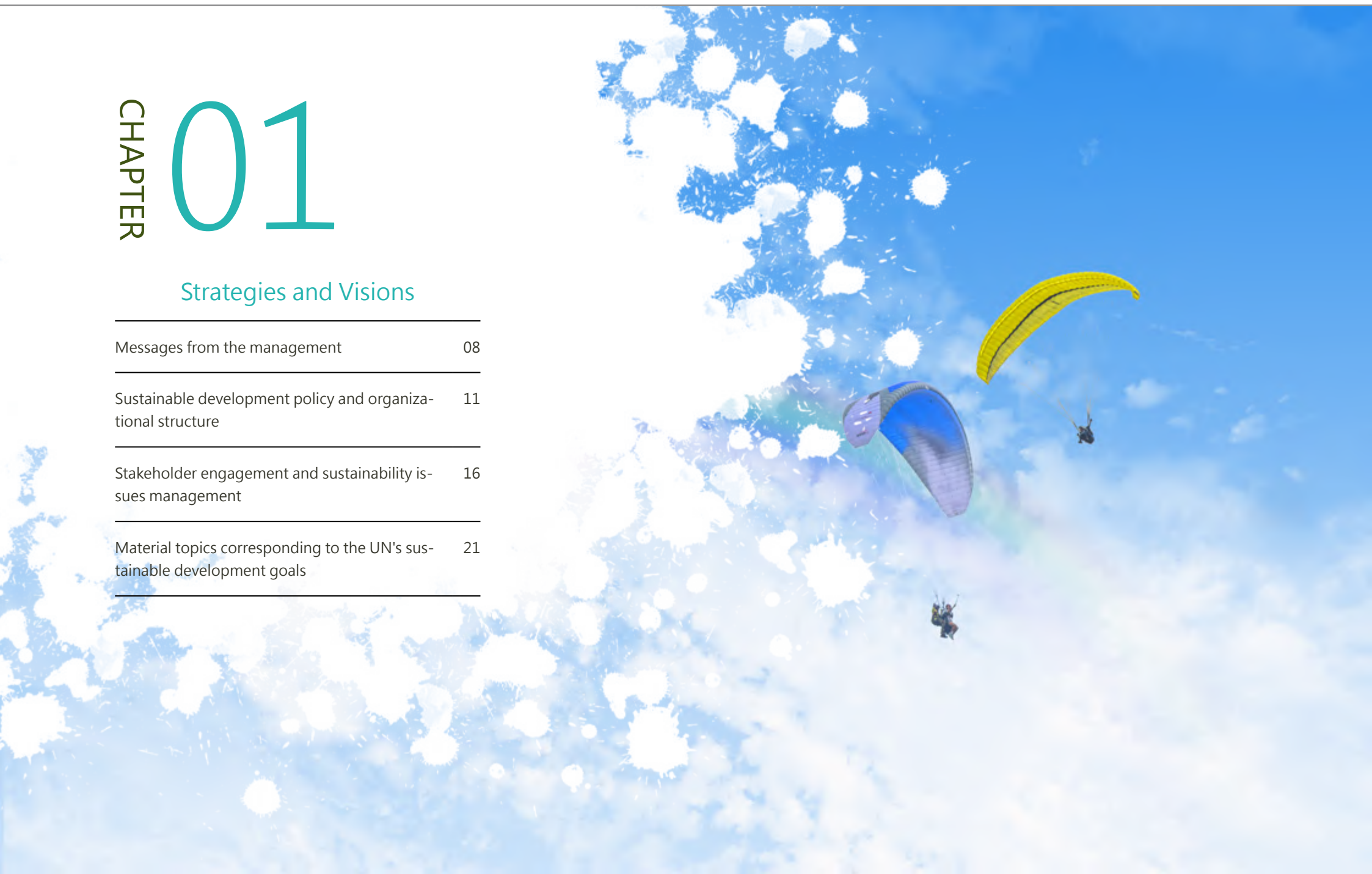
TEL: 02-8751-6008

Next release: Expected to be released in October 2024

CHAPTER 01

Strategies and Visions

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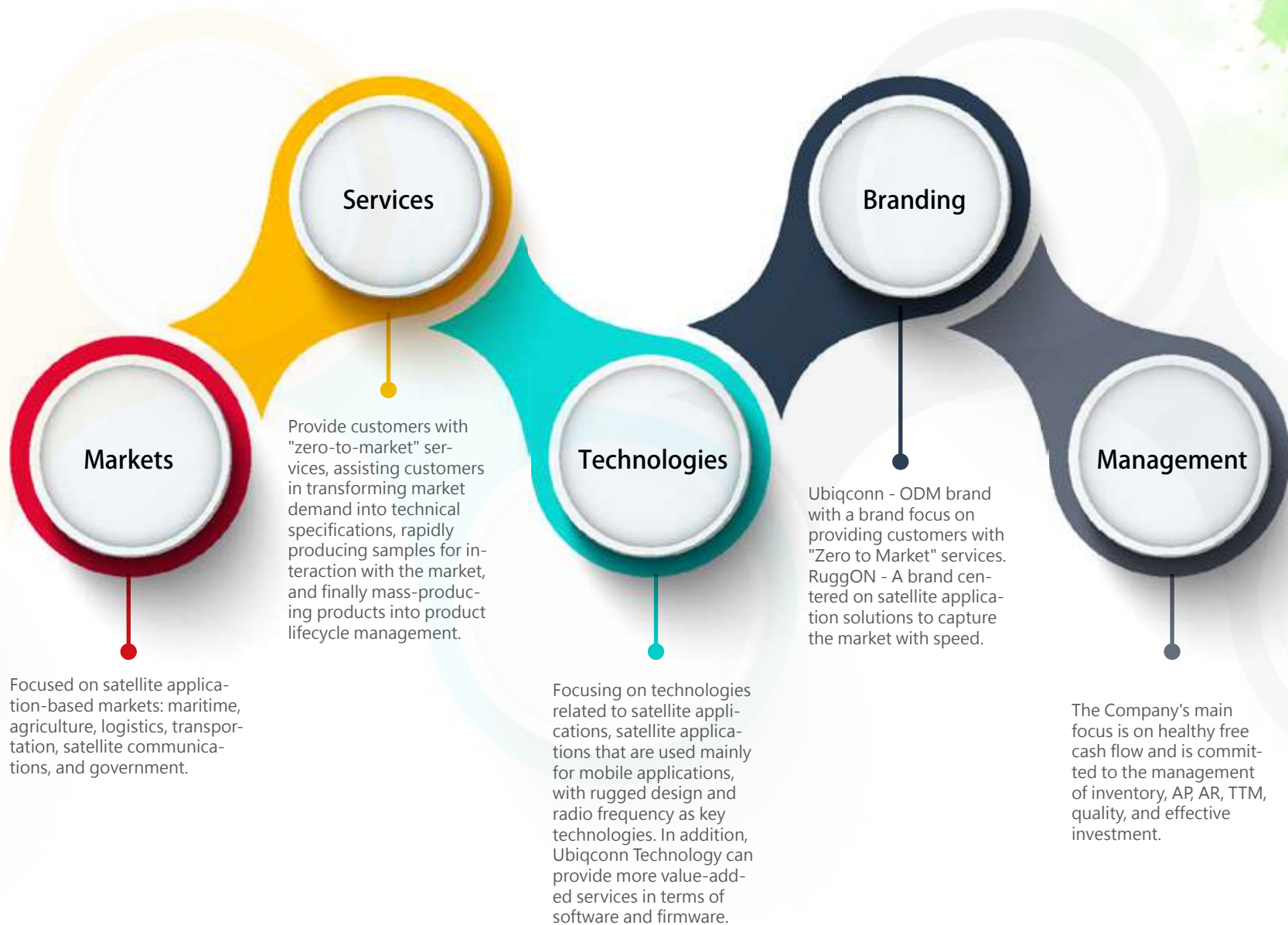


Messages from the management

Expectations of senior executives

Ubiquconn Technology is mainly engaged in the development and sales of satellite application solutions. Taking the vision of "ubiquitous connection" as the basis, Ubiquconn Technology focuses on the connection technology related to satellite application solutions, the establishment of the ECO system in various vertical markets, the interconnected and solid supply chain, and the digital collaboration platform. We are committed to connecting all employees with the Company's core values (Curiosity, Empathy, Agility, Can-do attitude, Discipline) in order to build a sustainable business with all employees and to implement ESG.

Satellite application solutions include rugged tablets, rugged automotive computers, marine equipment, among others. Apart from the long-established brand RuggON, the Company also originated from the satellite communication industry, which is characterized by its small quantity yet wide variety, and it requires a high degree of innovation and flexibility. With the past experience in the industry and the ability of plant management, Ubiquconn Technology possesses a solid R&D technology and a flexible operation, and the Company will continue to work on expanding the global satellite application solution market by utilizing the R&D advantage and the know-how of the industry solution market.



In the future, our main growth driver will be satellite communications. Starting from 2021, we have been developing mobile satellite gateways and satellite communications-related products in preparation for 6G, and we will continue to move towards the vision of “ubiquitous connectivity”. The directions of our CSR efforts in the economic, environmental, and social aspects are described below:

Economic aspect

The Company regulates the ethical conduct of all employees, directors, and managers in accordance with the "Company Act," "Securities and Exchange Act," and "The Corporate Governance Best-Practice Principles for TWSE/TPEx Listed Companies," regularly reviews the corporate "Vision, Mission, Strategy, Goal," "Core Functions," and "Management Functions," and requires relevant personnel to comply with them. In addition to disclosing important CSR issues in our published annual reports, we also enhance the transparency of our operations through the publishing of ESG reports on a regular basis.

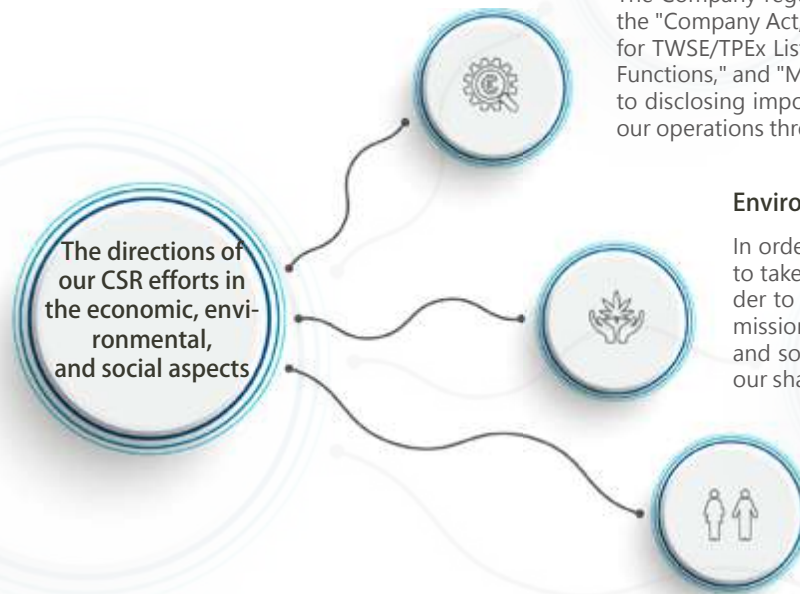
Environmental aspect

In order to cope with the harsh challenges of the internal and external environments, the Company will continue to take responsibility in fulfilling its commitment to achieving various goals and benefits. At the same time, in order to meet the high standards of safe production and carbon reduction, we will actively accomplish our sacred mission as a corporate citizen. Looking ahead, with the gradual improvement and completion of various hardware and software establishments, as well as the dedication of our corporate team, we hope to live up to the trust of our shareholders and continue to create a new level of business and operational synergy.

Social aspect

Our company focuses on the sustainable operation of the enterprise, in addition to responding to the stakeholders' concerns through this report. Being a member of the Company is also a lifelong honor. In addition to our willingness to double our efforts, we will also seize the opportunity to guide the enterprise towards a warm and benevolent culture, to establish environmentally friendly organizational goals, to unite the dedication and commitment of all the employees, to create the best team synergy, to uphold the "To challenge only those with obstacles, and do not go to the place that is crowded" strategy, and to fulfill our social responsibility to make our company an outstanding corporate citizen.

CEO Hsu, Ching-Chen

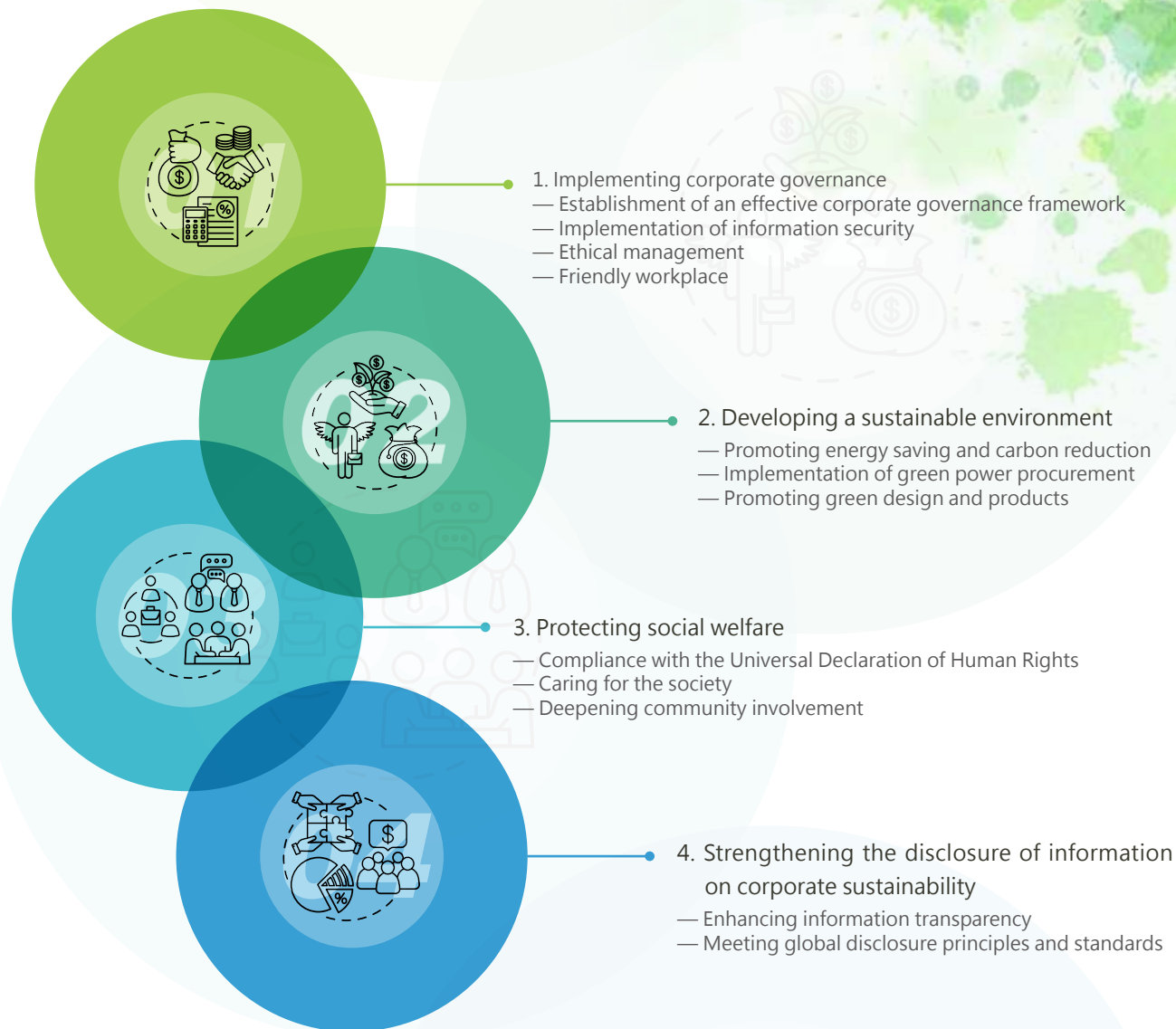


Sustainable development policy and organizational structure

The Company is mainly engaged in the development and sales of satellite application solutions and focuses on both ODM and brand business. Based on the vision of "Ubiquitous Connectivity", Ubiqconn Technology focuses on the solutions related to satellite application connectivity technology, the establishment of the ECO system in each vertical market, and the interconnected and solid supply chain and digital collaboration platforms.

The Company connects all employees with the five core values of "Curiosity," "Empathy," "Agility," "Can-do attitude," and "Discipline" in order to establish a sustainable enterprise for all employees and to implement the company's sustainable development policy by incorporating them into our operational activities to achieve the goal of sustainable management.

With this in mind, the Company has established a sustainable development practice and principle in 2023, and based on the four principles of implementing corporate governance, developing a sustainable environment, protecting social welfare, and strengthening the disclosure of information on corporate sustainability, Ubiqconn Technology has set up important promotional items and practiced them as follows:



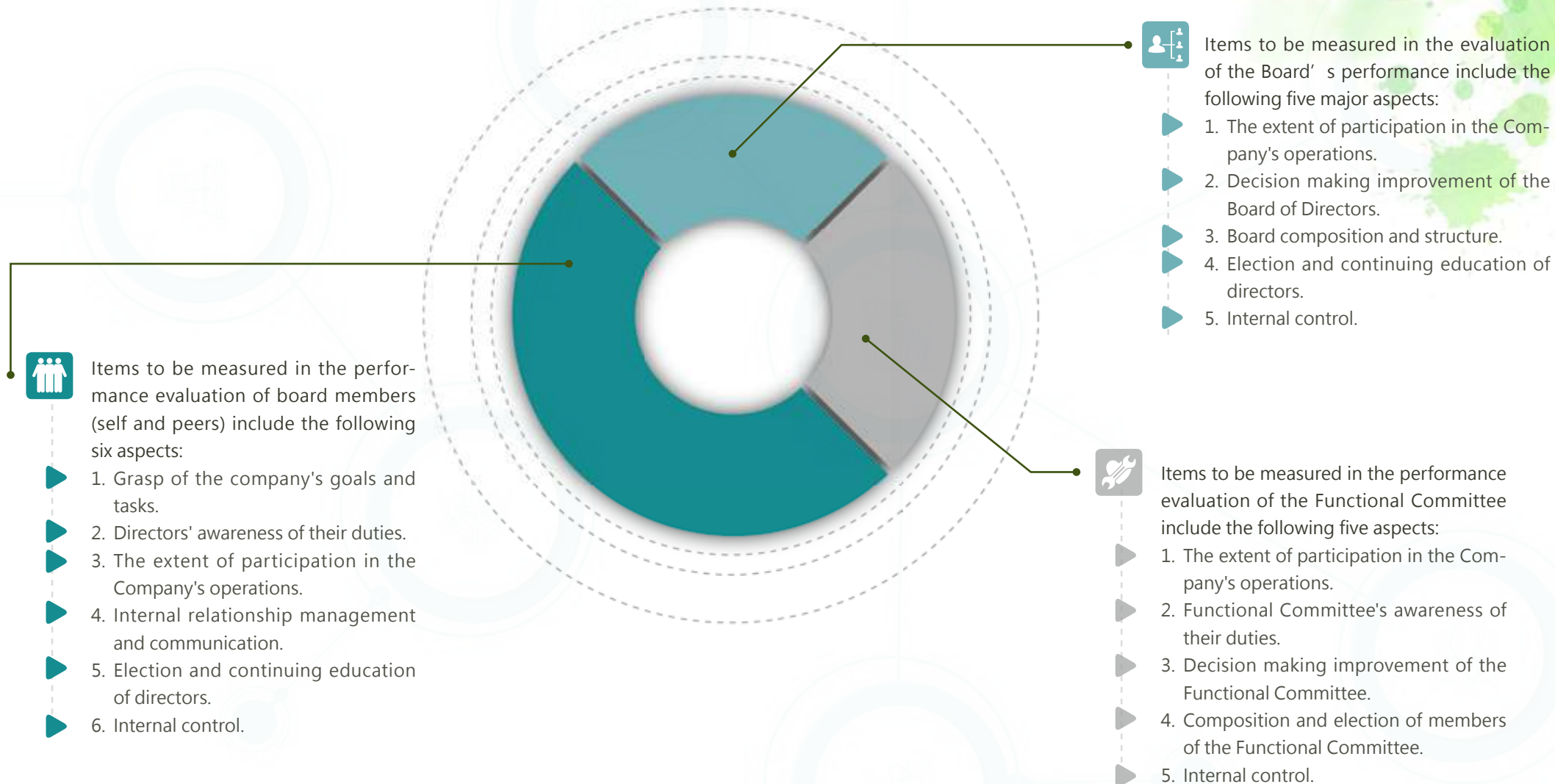
The Company has set up a dedicated unit for sustainable development, and invited the directors of each unit to be the functional convenor or team leader according to the nature of the business/project, as well as to report and review the implementation of sustainable development in the senior management meeting from time to time. The dedicated unit for sustainable development operates under the "P-D-C-A" ("Planning-Doing-Checking-Acting") management model and regularly identifies stake-

holders, collects and examines issues of concern to stakeholders, and reports to the Board of Directors at least once a year on important promotional items and specific promotional plans for sustainable development. The Board of Directors reviews the important promotional items, the status of implementation, and the future plans and, based on these, adopts the relevant resolutions and provides the necessary resources, as well as provides opinions for the management team' s reference and adjustment.

The Company has a "Board of Directors' Performance Evaluation Method" which stipulates that the performance evaluation of the Board of Directors shall be conducted once a year and shall be completed and the results reported to the Board of Directors before the first quarter of the following year. The procedure for Board performance evaluation is as follows:

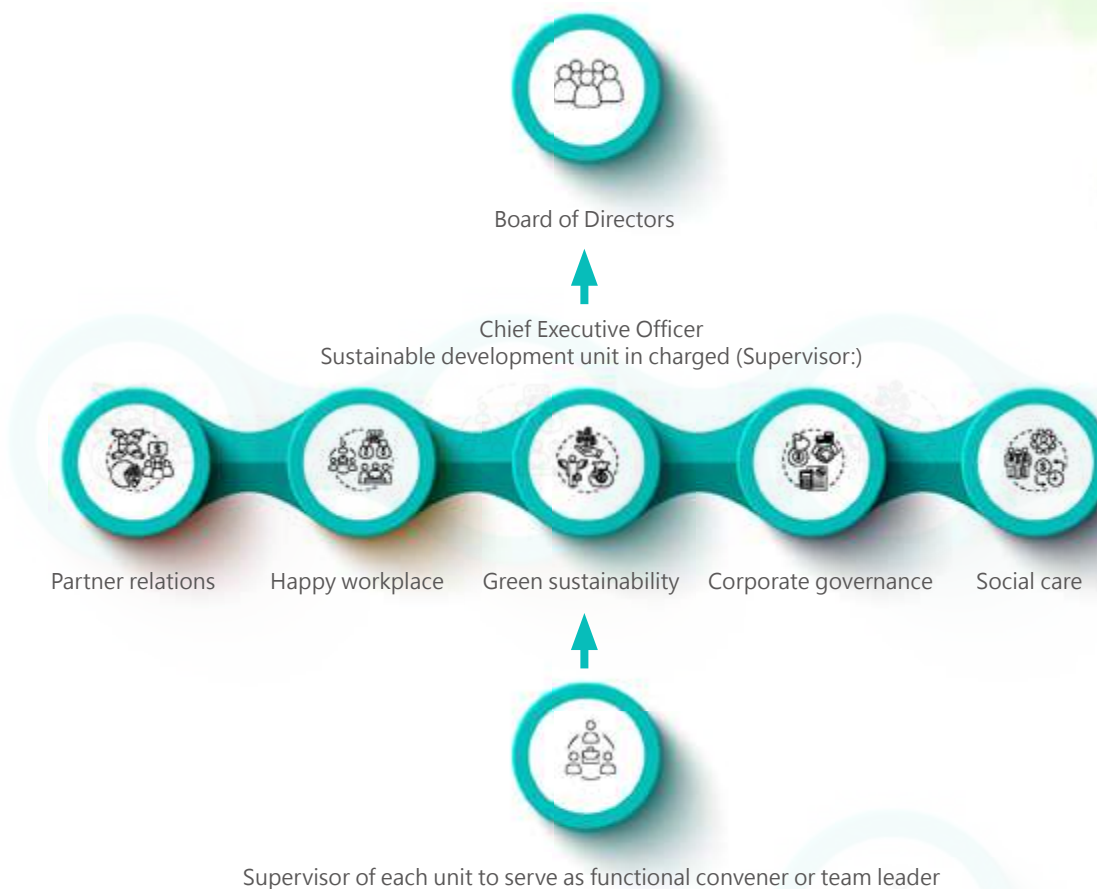
1. Determine the unit, period, and scope (e.g., the entire board of directors, individual board members, each functional committee, etc.) that will be evaluated during the year.
2. Determine the method of evaluation (e.g., internal self-evaluation by the board of directors, self-evaluation by board members, outsourcing to external professional organizations, expert evaluation, etc.).
3. Choose the appropriate unit to perform the evaluation.
4. Each executive unit collects information related to the activities of the Board of Directors and distributes self-evaluation questionnaires such as the "Performance Self-Evaluation Questionnaire for the Board of Directors," the "Performance Self-Evaluation Questionnaire for Board Members," and the "Performance Self-Evaluation Questionnaire for the Audit Committee," etc. Lastly, the coordinating executive unit unifies and collects all the information, and then records a report of the evaluation results based on the evaluation indicators and submits it to the Board of Directors for review and improvement.

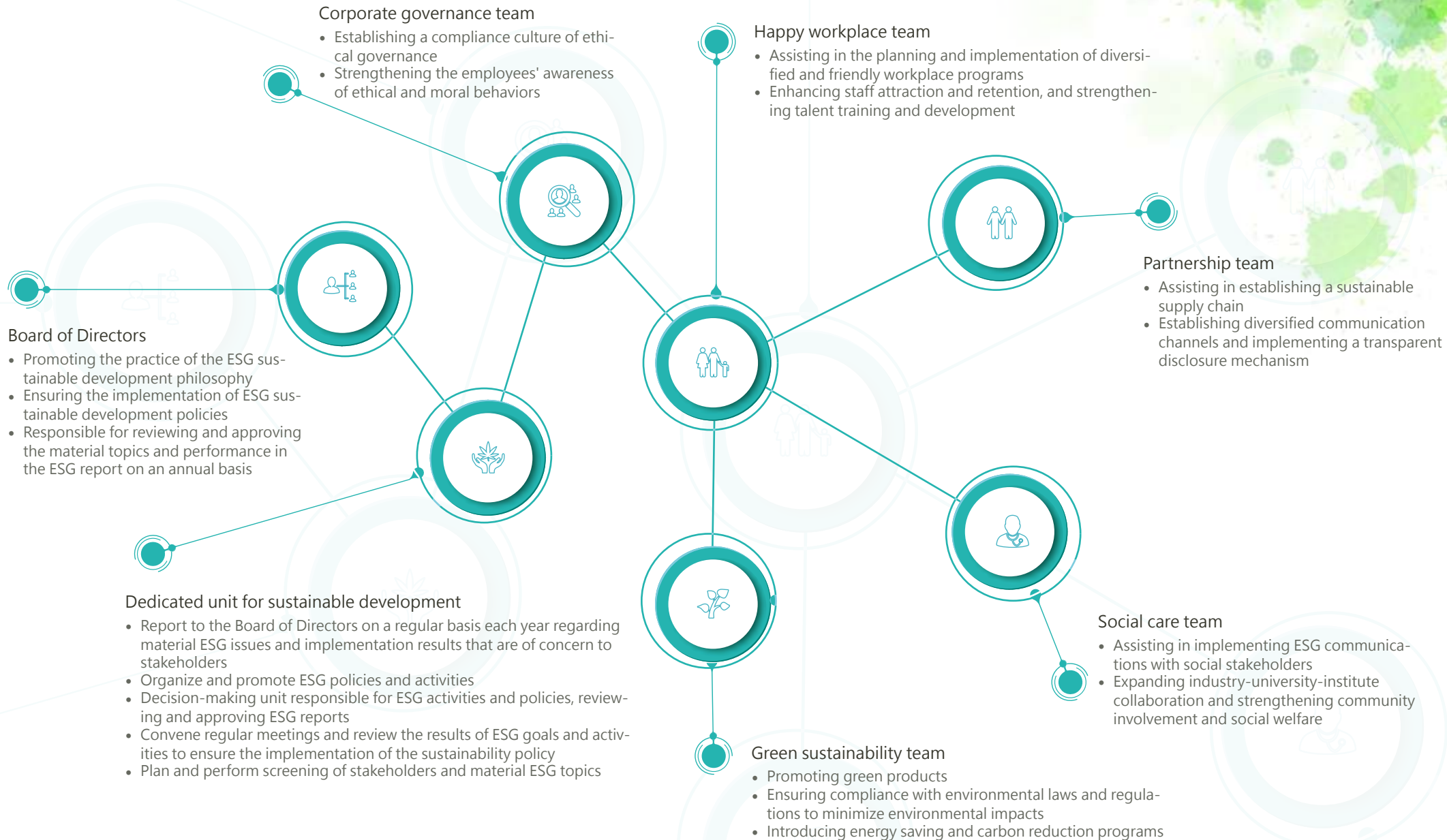




The results of the Board of Directors' performance evaluation ("self-evaluation") for the year 2022 have been reported to the Board of Directors on March 28, 2023 and published in the annual report of the Company' s shareholders' meeting and on the Company' s website; however, the Audit Committee of the Company was not evaluated due to not having completed one year of operation, and the Remuneration Committee was not evaluated due to being not yet established in the year 2022, and the results of the self-evaluation by directors of the Company for the overall operation of the Board of Directors and the self-evaluation results of individual directors have reached the level of "Good" to "Exceptional" , for more details, please refer to page 23 to 24 of the Company' s 2022 Annual Report to Shareholders or the Company' s website (https://www.ubiqconn.com/tw/investor_govern_operate.php), and please refer to page 23 to 32 of the 2022 Annual Report to Shareholders for details of the members of the Company' s Audit Committee and Board of Directors, as well as their operating status. In addition, in order to enhance the Company' s emphasis on sustainable development, it is proposed to establish a board-level Sustainable Development Committee in November 2023, with independent directors responsible for establishing and supervising the implementation of policies related to the environment, society and corporate governance, and to report to the board of directors at least once a year on the results of the implementation of the policies and the status of fulfillment of the policies.

Ubiqconn Technology' s ESG implementation structure and organization' s authority and responsibility are as follows:





Stakeholder engagement and sustainability issues management

Analysis process for material topics

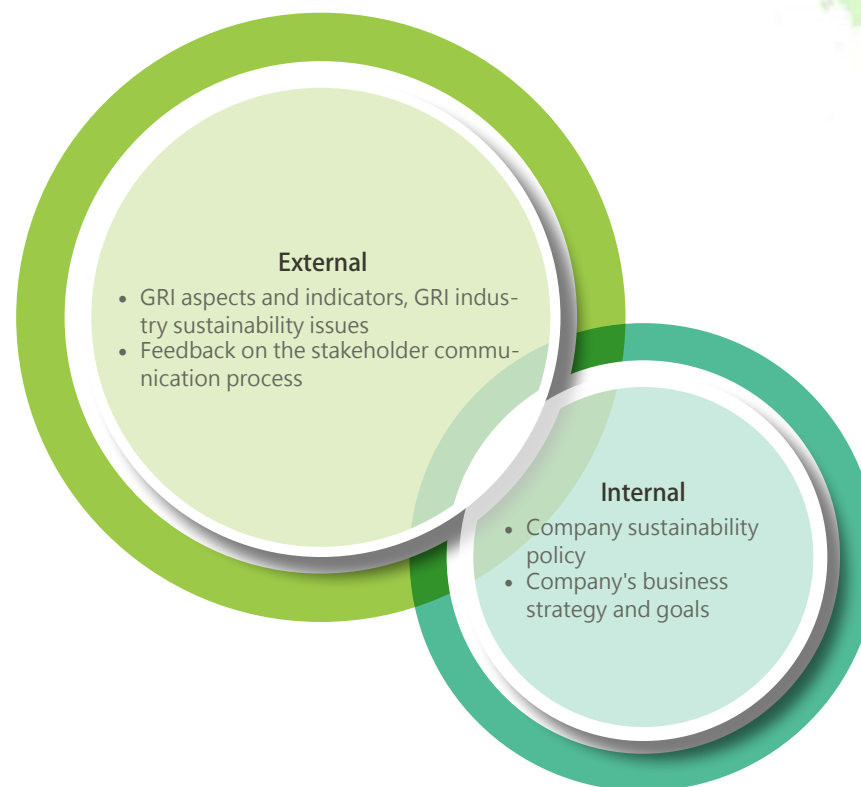
In this report, the process of material topic analysis is used as a method to identify the sustainability issues that stakeholders are concerned about, which serves as a basis for information disclosure, to achieve the goal of effective communication and to serve as an important basis for planning the direction of corporate social responsibility in the future.

Communication and screening of stakeholders and material topics are the most important aspects of CSR. Understanding the issues of concern to relevant stakeholders and disclosing them in this report will enable relevant stakeholders to understand the Company's efforts and performance in CSR for 2022.

The dedicated unit for sustainable development will, based on daily operations of the relevant departments of the Company and communication with external parties, seek out stakeholders by each functional team or designated collaborative department staff on the basis of a practical issue screening mechanism for the organization's operational communication and stakeholder inclusiveness, identify the stakeholders and select high priority communication targets and their issues of concern to respond to (Stakeholder Communication Management Guidelines), and identify major stakeholders and their issues of concern. There are seven types of stakeholders: customers, employees, investors, media, suppliers, communities, and government. After each functional group or designated department sends out questionnaires and collects them back from their stakeholders, the dedicated sustainability development unit will compile the questionnaires, look for material topics, and proceed with the disclosure.

Sources of sustainability issues

The Company's process for identifying material topics is based on the reporting principles and guidelines for defining the content of reports in the GRI Standard sustainability reporting framework. Due to the wide range of sustainability issues, the Company uses the following sources to gather information on issues that are relevant to the organization.



Stakeholders communication methods and frequencies





Stakeholder	Issue of concern	Ubiqconn Technology communication methods	Communication frequency	Responding chapter in this report
Employees	<ul style="list-style-type: none"> Occupational health and safety Education and training Labor relations 	Employee Welfare Committee (quarterly) Company portal website Labor-management meeting Theme-based Training (Online/Physical)	<ul style="list-style-type: none"> Quarterly Non-scheduled Annually Quarterly Non-scheduled 	CH3. Environmental Sustainability CH4. Labor Human Rights and Social Care
Government (including financial regulatory bodies / environmental protection institutions)	<ul style="list-style-type: none"> Effluent Water Waste Supplier sustainability management 	ESG report Market Observation Post System Government decrees advocacy (official document) ESG mailbox on company website	<ul style="list-style-type: none"> Annually Non-scheduled Non-scheduled Non-scheduled 	CH2. Operations Review CH3. Environmental Sustainability
Communities/local residents	<ul style="list-style-type: none"> Effluent water and waste 	Non-scheduled visits Information disclosure on the ESG Report website	<ul style="list-style-type: none"> Non-scheduled Annually 	CH1. Strategies and Visions CH2. Operations Review CH3. Environmental Sustainability
Customers	<ul style="list-style-type: none"> Customer privacy management 	Annual customer satisfaction survey Customer business meeting (depending on customers, weekly/monthly/quarterly/yearly) Customer ESG audits	<ul style="list-style-type: none"> Annually Non-scheduled 	CH3. Environmental Sustainability CH4. Labor Human Rights and Social Care
Stockholders / Investors	<ul style="list-style-type: none"> Economic performance Water Waste 	Investor service mailbox Market Observation Post System Spokesperson's mailbox Stockholders' meeting	<ul style="list-style-type: none"> Non-scheduled Non-scheduled Non-scheduled Annually 	CH1. Strategies and Visions CH3. Environmental Sustainability CH4. Labor Human Rights and Social Care
Suppliers	<ul style="list-style-type: none"> Supplier sustainability management 	Supplier ESG advocacy Supplier ESG assessments Information disclosure on the ESG Report website	<ul style="list-style-type: none"> Annually Annually Annually 	CH1. Strategies and Visions CH2. Operations Review
Media	<ul style="list-style-type: none"> Economic performance Occupational health and safety 	Market Observation Post System Information disclosure on the ESG Report website Press releases	<ul style="list-style-type: none"> Non-scheduled Annually Non-scheduled 	CH3. Environmental Sustainability CH4. Labor Human Rights and Social Care

Note: In response to the launch of organizational sustainability management in 2022, the "ESG Corporate Sustainable Development Mailbox" (uti-spokesperson@ubiqconn.com) has been set up for various stakeholders to communicate and provide feedback, along with dedicated personnel responsible for communication and response.

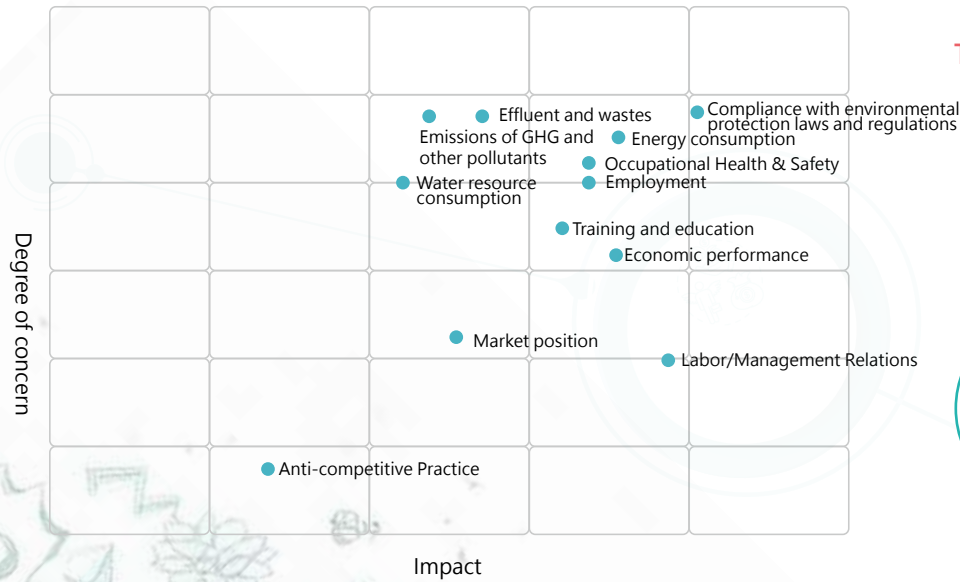
Sequence of material topics

Based on the evaluation results of the practical issues in 2022, the Company adopted the following process to measure the degree of relationship between stakeholders and the Company based on the AA 1000 principle, with each issue's concern score and degree of relationship weighted on an average basis, in order to understand the degree of concern of the stakeholders. In terms of the impact of each issue on the Company in economic, environmental, and social

aspects, a dedicated sustainable development unit of the Company and the staff of each functional team in 2022, in conjunction with the views of internal and external experts, confirmed the applicability of the issue and then supplemented it with the views of internal experts and disclosed the ESG issues of high concern and impact in the relevant chapters of this report, and the related operational steps are as follows:

 Understand the background of the organization	Step1 Organizational links	Identify industry themes and set boundaries as required by EPEAT	In accordance with IEEE 1680.1, 4.9.2 standard, manufacturers are required to regularly disclose environmental issues such as water consumption, energy consumption, scope 1/2 GHG emissions, waste, etc. and have third party assurance performed by GRI AA1000.
	Step2 Select the relevant topics	Evaluate the topics relevant to ESG	After communicating with the ESG team in accordance with IEEE-1680.1-4.9.2.1 regarding environmental concerns, the EPEAT team designed the questionnaire by selecting high-priority ESG topics based on 34 ESG topic criteria from the GRI Standard, taking into account the stakeholders' perspectives on Social and Governance.
 Identify actual and potential impacts	Step3 Degree of concern	Questionnaire for Internal and External Stakeholders	The questionnaire was sent to internal and external stakeholders to investigate the level of concern of various stakeholders on various sustainability topics, and a total of 25 valid questionnaires were collected.
	Step4 Level of impact	Questionnaire for the sustainable development department and its functional teams	Based on the questionnaires returned by the sustainable development department and its functional teams in 2022, the Company has been rated according to the level of impact of each topic on the Company's sustainable development, with a total of 12 valid questionnaires collected
 Evaluate the level of impact	Step5 Priority	Sorting of selected annual material topics	A total of 9 items were selected from the highest ranked items and ranked in descending order by combining the scores of the "degree of concern" and "level of impact" questionnaires, which were then defined as material topics at the meeting
	Step6 Disclosure	Material topics which should be disclosed	After having selected 9 specific indicators and evaluated the positive and negative impacts, we highlighted the disclosure of these indicators in this report, identified the corresponding SDGs, and explained in detail the response strategies and performance of the topics
 Sequence and disclose the report	Step7 Reporting	Publication of the report By 11/30	Reviewed the report to present a complete picture of the company's performance and sustainability impacts, and requested repeated confirmation of topics of concern to stakeholders in each relevant chapter. Submitted to the sustainable development department and the board of directors for approval, and publicly published and collected stakeholder comments to reflect them in the next report.

Analysis results of material topics



The 9 material topics responded to in this report








Note: Those marked with * were negative impacts and the remaining 7 were positive impacts

Icon	Description
NA	Not applicable
●	Can be fully disclosed in this report
--	Information not available

Material topic boundaries

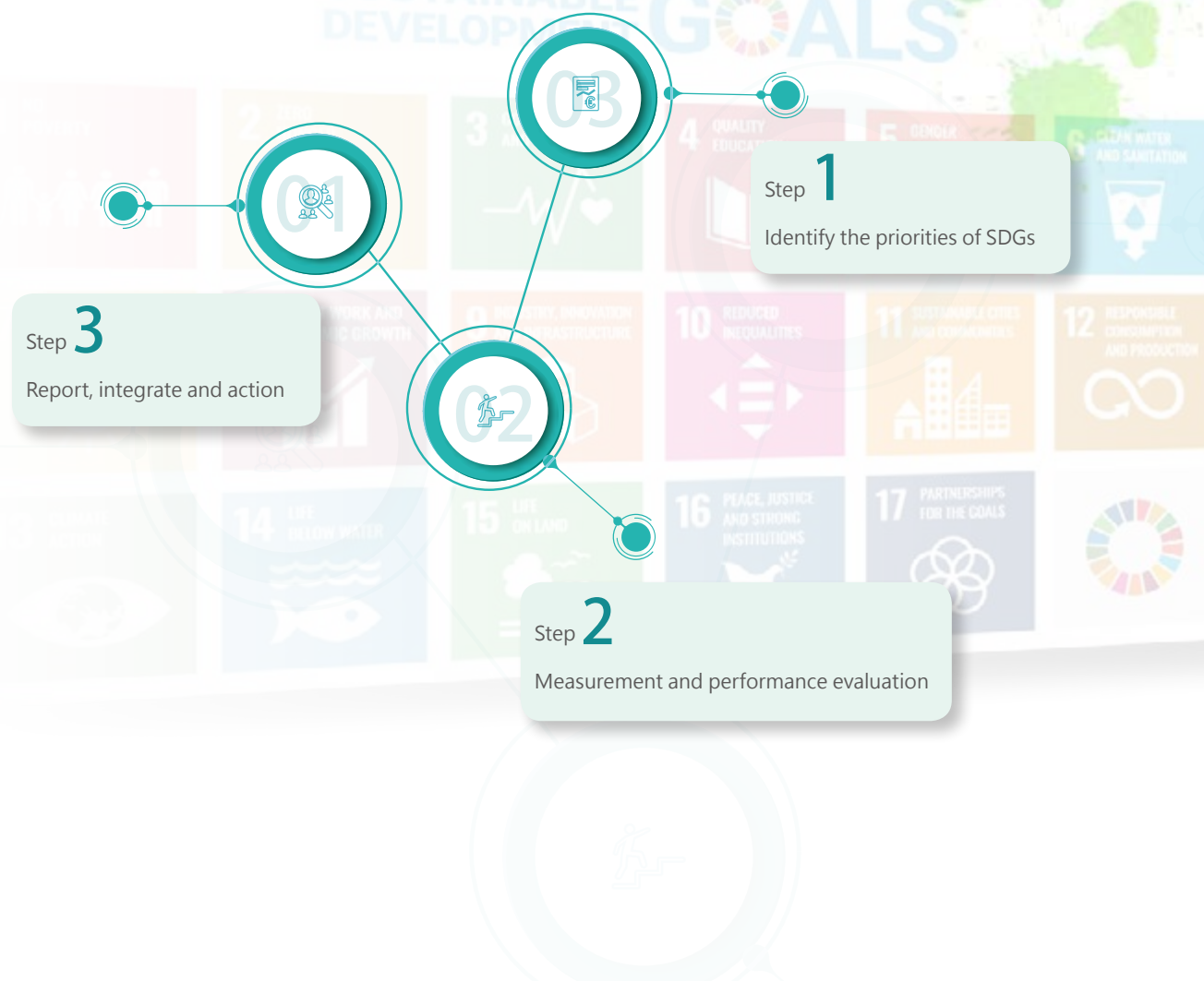
For those identified as material topics, the Company evaluates the impact and determines whether the topic has an impact within the organization or on major external stakeholders.








Material topics for the year		GRI	Value chain of the Company					Major stakeholder(s) affected	SDGs
			Upstream		The Company		Downstream		
			Supplier	Contractor	Zhonghe plant	Neihu head office	Customer		
Energy saving and carbon reduction	• Energy	GRI 302	--	---	●	●	--	Government	   
	• Emission	GRI 305	●	---	●	●	--	Government, society, investors	
Green production	• Water	GRI 303	--	---	●	●	--	Government, media, society	
	• Waste	GRI 306	●	---	●	●	--	Media, society	
Sustainable environmental protection	• Compliance with environmental regulations	GRI 307	●	●	●	●	--	Government, media, society, investors	
Ethical management	• Economic performance	GRI 201	--	---	●	●	--	Investors, employees	
Labor equal rights	• Labor relations	GRI 401	●	●	●	●	--	Employees	
	• Education and training	GRI 404	●	●	●	●	--	Employees	
Safe production	• Occupational safety and health	GRI 403	●	●	●	●	--	Government, employees	

Material topics corresponding to the UN' s sustainable development goals

The SDGs, published by the United Nations in 2015, have become the common language of international sustainable development. The SDGs are not only a global development trend, but also an important business opportunity for enterprises in the future. The Company uses the GRI standards to evaluate the material topics as a basis for identifying the sustainable development goals linked to the SDGs, in terms of risks to people and the environment, and in terms of the delivery of beneficial products, services, or investments. We aim to make the most significant contribution to the SDGs.

The Company has strengthened its sustainability strategies to fully promote economic growth, social equality and development, and environmental protection, so as to display the Company' s long-term value. Starting from 2022, the Company has defined priority items related to the Sustainable Development Goals (SDGs), and the Company will reveal its sustainable development performance in the product life-cycle and value chain phases and will shift from responding to the SDGs goals to practical action plans. By integrating these goals into our daily activities, we will continue to review and revise the priority of our sustainable development goals in order to win the recognition of investors and stakeholders and create sustainable value. The topics and sustainable development practices and goals will be disclosed in the respective chapters.



Various topics of the Company	Items corresponding to the SGDs	Description of the UN SDGs	The Company's sustainable development practices and goals
Energy saving and carbon reduction		<ul style="list-style-type: none"> Ensure access to affordable, stable, and sustainable modern energy for all. SDGs goal sub-item 7.3: To double the improvement rate of global energy efficiency by 2030. 	<ul style="list-style-type: none"> To continue to implement on-site energy-saving promotion and green design, to produce products in a more energy-efficient way, and to reduce the rate of energy intensity. The goal is to achieve an average annual power saving rate of 0.1% or more.
		<ul style="list-style-type: none"> To adopt emergency measures in response to climate change and impacts. SDGs goal sub-item 13.2: Incorporate measures to address climate change into policies, strategies and plans. 	<ul style="list-style-type: none"> To continue to manage and reduce greenhouse gases in accordance with the national greenhouse gas reduction policy. We aim to meet the national policy of net-zero greenhouse gas emissions by 2050.
Green production		<ul style="list-style-type: none"> Ensure that all people have access to sustainably managed water resources and health facilities. SDGs goal sub-item 6.3: To improve water quality through various means and significantly increase global recycling and safe reuse of waste by 2030. 	<ul style="list-style-type: none"> We actively implement water conservation promotions and regularly discuss water conservation and wastewater reduction targets at ISO14001 management review meetings in order to achieve the goal of continuous improvement.
Sustainable environmental protection		<ul style="list-style-type: none"> To ensure the implementation of sustainable consumption and production models. SDGs goal sub-item 12.5: To significantly reduce waste generation through prevention, reduction, recycling, and reuse by 2030. 	<ul style="list-style-type: none"> Waste reduction and recycling management through the ISO14001 environmental management system to ensure environmental sustainability.
Ethical management		<ul style="list-style-type: none"> To promote inclusive and sustainable economic growth, full employment, and the creation of productive and quality jobs. SDGs goal sub-item 8.2: To improve the productivity of the economy through diversification, technological upgrading, and innovation. To create peaceful and inclusive societies for sustainable development, with access to justice for all and effective, responsible, and inclusive institutions at all levels. 	<ul style="list-style-type: none"> Continuous growth in revenue and enhancement of the economy's productivity through patented R&D and innovation. To implement sound corporate governance and risk management mechanisms
Labor equal rights		<ul style="list-style-type: none"> To promote inclusive and sustainable economic growth, full employment, and the creation of productive and quality jobs. SDGs goal sub-item 8.7: To eliminate forced labor, modern slavery, and human trafficking, and to prohibit and eliminate the worst forms of child labor and end all forms of child labor by 2025. SDGs goal sub-item 8.8: To protect labor rights and promote safe and secure work environments for all workers, including migrant workers, especially women migrants and those without stable employment. 	<ul style="list-style-type: none"> Protecting labor rights through the ISO45001 occupational safety and health management system and the ILO International Labor Organization's requirements to control emerging issues such as psychological threats in the workplace and forced labor
Safe production		<ul style="list-style-type: none"> To promote inclusive and sustainable economic growth, full employment and the creation of productive and quality jobs. SDGs goal sub-item 8.8: Protect labor rights and create a safe and secured working environment for all workers. 	<ul style="list-style-type: none"> The "safety and health policy" established through the ISO45001 occupational safety and health management system discloses that the company's core value is people-oriented, and through the operation of the principles of "technology," "safety and health culture," "responsibility," and "communication," the company pursues the goal of zero disasters and zero injuries.

CHAPTER 02

Operations Review

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Company history and financial performance

Company profile

Establishment date: June 10, 2011

Zhonghe plant address: 12F & 12-4, No. 186, Jian 1st Rd., Zhonghe Dist., New Taipei City

Neihu head office address: 4F, No. 300, Yangguang St., Neihu Dist., Taipei City

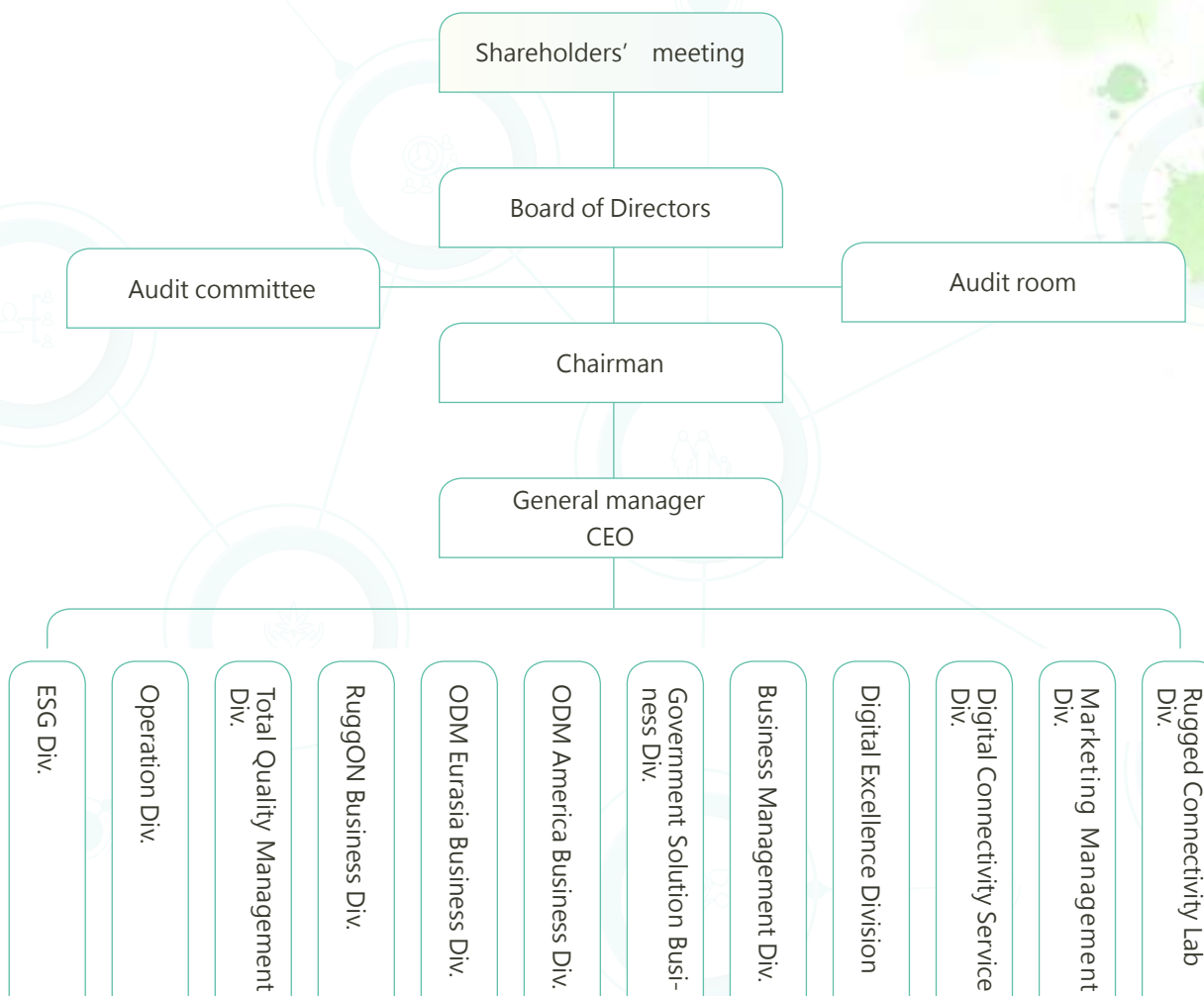
Tel: 02-8751-6008

Total employees: 315

Total non-employee workers: 5

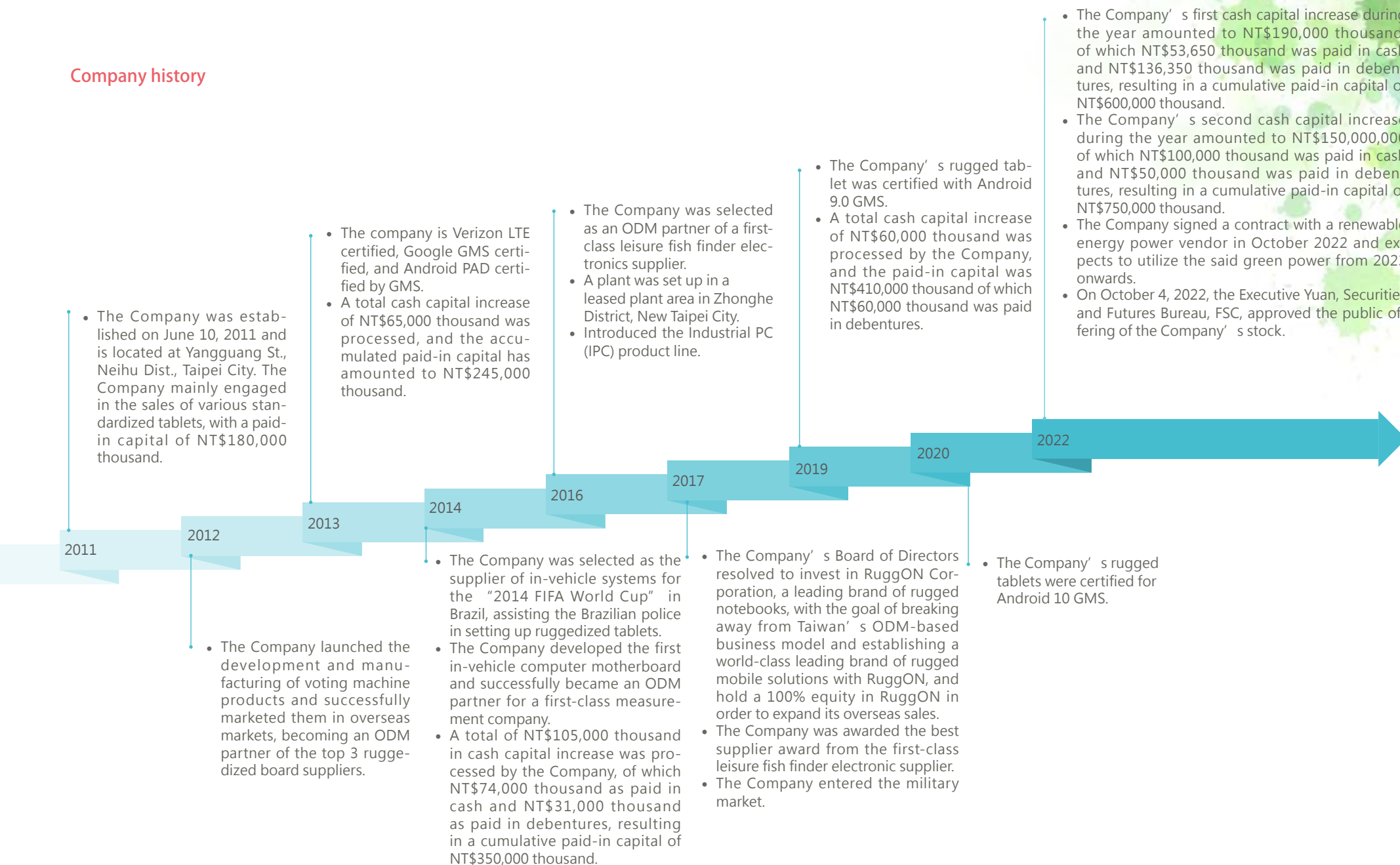
The Company's governance organizational structure consists of a shareholders' meeting composed of all shareholders as the highest deliberative body of the Company, a board of directors composed of directors elected by the shareholders' meeting as the executive body of the Company's business, and an audit committee composed of independent directors elected to oversee the execution of the Company's business. The CEO is the chairman of the board of directors and represents the Company externally as the highest responsible person of the Company, and does not concurrently hold any executive positions. From time to time, the directors of the Company participate in relevant corporate governance and ESG education training organized by the Securities and Futures Institute (SFI) and the Corporate Governance Association (CGA).

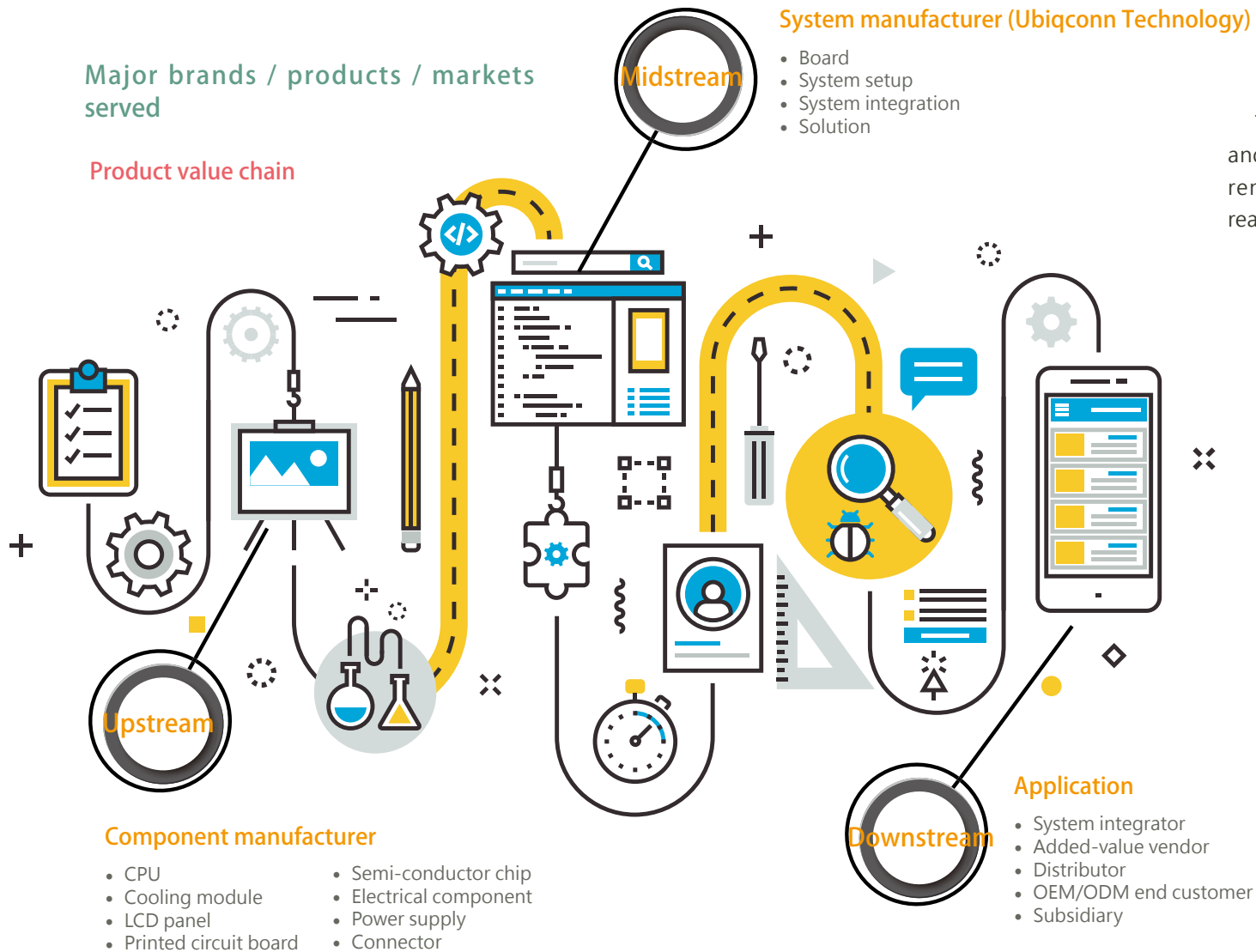
A chart of the Company's governance structure is as follows:



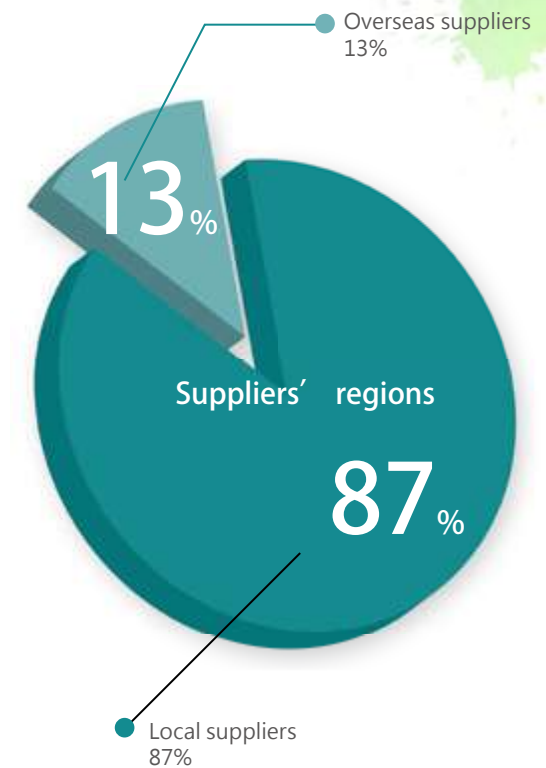
Organization Chart

Company history





The Company emphasizes on local procurement and actively collaborates with local suppliers. Currently, the percentage of local procurement has reached 87%, as follows:



Main businesses

1. Customization service

Provide ruggedized mobile solutions, LCD touch solutions, embedded modules and customized design and production of satellite modules. Main focus areas include maritime, national defense, office automation, voting machines, and satellite communications (future 6G), and more.

2. Branding

The products are mainly ruggedized mobile solutions, and we are deeply engaged in the four vertical markets of agriculture, public transportation, national defense, and logistics under the brand name of our subsidiary (RuggON Corporation).

3. The company's current products

Ruggedized mobile solutions, LCD touch solutions, embedded modules and satellite communication modules.

4. New products planned for development

- (1) Ruggedized mobile solutions
- (2) Satellite communication for 6th generation mobile communication system (mobile/portable/ruggedized satellite communication connectivity solutions)
- (3) Solutions for next-generation military ruggedized and compact embedded computers and systems.
- (4) Artificial intelligence image recognition module
- (5) GPS differential positioning system

Various development trends and competitive situation of the products

1. Customization service

Provide ruggedized mobile solutions, LCD touch solutions, embedded modules and customized design, and production of satellite modules. Main focus areas include maritime, national defense, office automation, voting machines, and satellite communications (future 6G), among others.

The Company is also the most trustworthy partner of major players in different vertical markets, with design and manufacturing services ranging from hardware, software, and firmware, to fully embedded solutions to fully meet customers' needs. With years of experience in delivering outstanding and creative solutions across a wide range of industries, we are able to help our customers remain competitive and innovative.

2. Branding

As a result of the rapid development of wireless communication technologies such as 5G and Wi-Fi 6 and their rapid cost reduction, as well as the trend of significant improvement in the computing power of tablets and mobile phones, the non-Wintel segment is gradually occupying the industrial control market, especially in the retail,





warehousing, traffic management, and other application markets. Major competitors are also starting to invest in non-Wintel platform products. Due to the popularity of ruggedized computing devices and competitive pricing, the profit of industrial control products will gradually decline. By focusing on specific vertical market applications, analyzing customer needs and weaknesses, and continuously introducing the latest communication technologies, we will be able to differentiate ourselves from our competitors and enhance

customer loyalty and competitiveness through the development of market-specific models, the establishment of a unique ecosystem, and the provision of highly flexible customization services.

In response to the escalating global climate change, coupled with the global uneven distribution of energy and manpower, the precision agriculture and livestock industries are abandoning their previous manpower and experience-based operations and moving toward high-tech devices such as big data software analysis and AI image

recognition, which will drive demand for ruggedized tablets and automotive computers.

The promotion of ESG concepts and systems is increasing globally. By integrating the concepts of ESG and Green Product into our corporate governance and daily operations, from product conception to product design, development, production, and product recycling, we will be able to raise our competitive edge and market competitiveness.

Long-term and short-term business development plans

1. Short-term development plans

Provide customers with product solutions with sales features and high added value in accordance with market dynamics.

Marketing plans



- Deeply engaged in four vertical markets (agriculture, public transportation, government, and logistics) under the subsidiary (RuggON Corporation) brand.
- Provide customers with full customization services from Proof of Concept (POC) to mass production, and continue to develop the maritime, satellite communications, and government markets.
- Establishing a market image of technological leadership.
- Establishment of professional after-sales service to differentiate from competitors in the existing market.

Production plans



- Surface Mount Technology (SMT) process capacity demand is large and stable. Products with competitive market prices are OEM by the affiliated enterprise 3CEMS Group; however, in order to shorten the time of the supply chain to improve the inventory turnover rate, and in response to the geopolitical trade risks, shifting the production base back to Taiwan has become a trend, the strategy for the production of the Printed Circuit Board +Assembly (PCBA) will be gradually shifted to Taiwan for the OEM production of affiliates. In response to the trade war between the U.S. and China, all system assemblies were produced in the Zhonghe factory, while those with insufficient production capacity were produced by OEMs.

Operational plans



- Integrate the supply chain system to strengthen bargaining capability; maintain a second supplier to secure bargaining flexibility.
- Enhance the production capacity of Zhonghe plant with existing equipment to reduce production cost.
- A sound ecosystem is in place to bring in more business opportunities with the concept of "crowd fighting."
- The amoeba management system shall be thoroughly implemented.

Financial plans



- To strengthen the control of customer credit information and to reduce operational risks through continuous monitoring and management.
- Properly utilize various working capital tools and management techniques to meet the financial needs of daily operations.

2. Long-term development plans

The goal is to enhance product creativity, design quality, cost reduction, and the development of higher value-added products.

Marketing plans



- Deeply engage in four vertical markets (agriculture, public transportation, government, and logistics) with the RuggON brand, in order to become the TOP ONE solution provider in these four vertical markets in the next five years.
- The goal is to achieve year-on-year growth in satellite communications revenue within five years.

01

Production plans



- Centralize production and provide one-stop production services.
- Continuously optimize and shorten the supply chain.

02

Product development plans



- Ruggedized connectivity as the core of the technology.
- With a vision of ubiquitous connectivity, continue to develop solutions for different vertical markets.

03

Operational plans



- Plan and promote digital transformation to enhance overall operational efficiency.
- Establish a supply chain operation platform to simplify operations and enhance the efficiency of supply chain operations.
- A sound ecosystem is in place to bring in more business opportunities with the concept of "crowd fighting."
- The amoeba management system shall be thoroughly implemented.

04

Financial plans



- The financial goal of maximizing shareholders' value will be accomplished by raising long-term capital for operations through the capital markets and reducing the overall cost of capital.
- Free cash flow is the ultimate goal within the organization.

05

Sustainable diversified layout strategy

In order to achieve sustainable management of the enterprise, the Company is actively moving towards the goals of increasing production capacity, lowering production costs, increasing sales competitiveness, and expanding market share by seeking corporate alliances, improving the industrial structure, and developing new products with high added value.

With the purpose of enhancing the value of our customers, meeting the needs of our customers and our competitive role in the international market, our technical service team picks experienced and excellent engineers to provide technical and product application services to our customers at all times. In the future, our company will continue to seek other better development opportunities, so that our company's competitiveness will remain strong and rock solid for a long time.

The company's products comply with government regulations on various products and services, in line with the EU RoHS, REACH and other standards, without any hazardous substances, to provide customers with stable product quality through strict quality management, and at the same time, to ensure the quality of customer service, enhance customer satisfaction, set up a customer service hotline and a communication website. We also take the initiative to carry out a regular survey of customer service satisfaction every year to strengthen the collaborative relationship between us and our customers. The foundation of the company's sustainable development will be based on the relationship of mutual benefit and prosperity with our customers.

RoHS
COMPLIANT

REACH





The Company' s involvement in environmental and social issues

The Company is involved in the following unions and associations to share management techniques and practical experience; information is as follows:

1. Taipei Computer Association (TCA)
2. European Chamber of Commerce Taiwan (ECCT)
3. Taiwan LEO Satellite Industry Alliance (TLEOSIA)
4. Greenpeace RE10x10 corporate green energy initiative

Financial performance

Various topics of the company	Material topic	Items corresponding to the SDGs	Description of the UN SDGs	The company's sustainable development practices and goals
Ethical management	Economic performance		<ul style="list-style-type: none"> To promote inclusive and sustainable economic growth, full employment and the creation of productive and quality jobs. 8.2 To enhance the productivity of the economy through diversification, technological upgrading and innovation. 	Continuous growth in operating revenue to enhance the economy's productivity through patented R&D and innovation. The goal is to drive significant overall revenue growth and continue to improve current profit margins.

R&D expenses for the year 2022

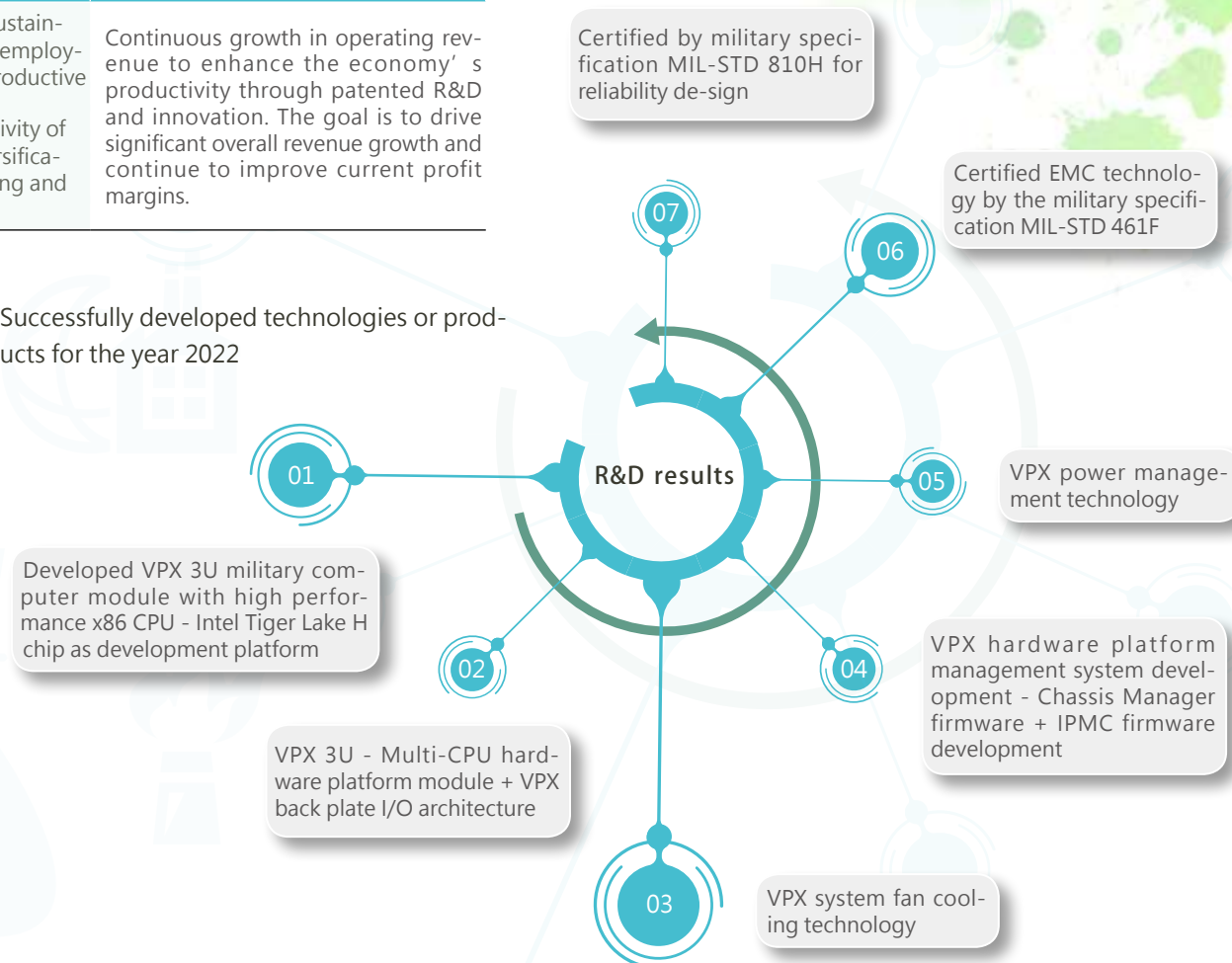
R&D expenses(NTD thousand)

176,306

% of turnover

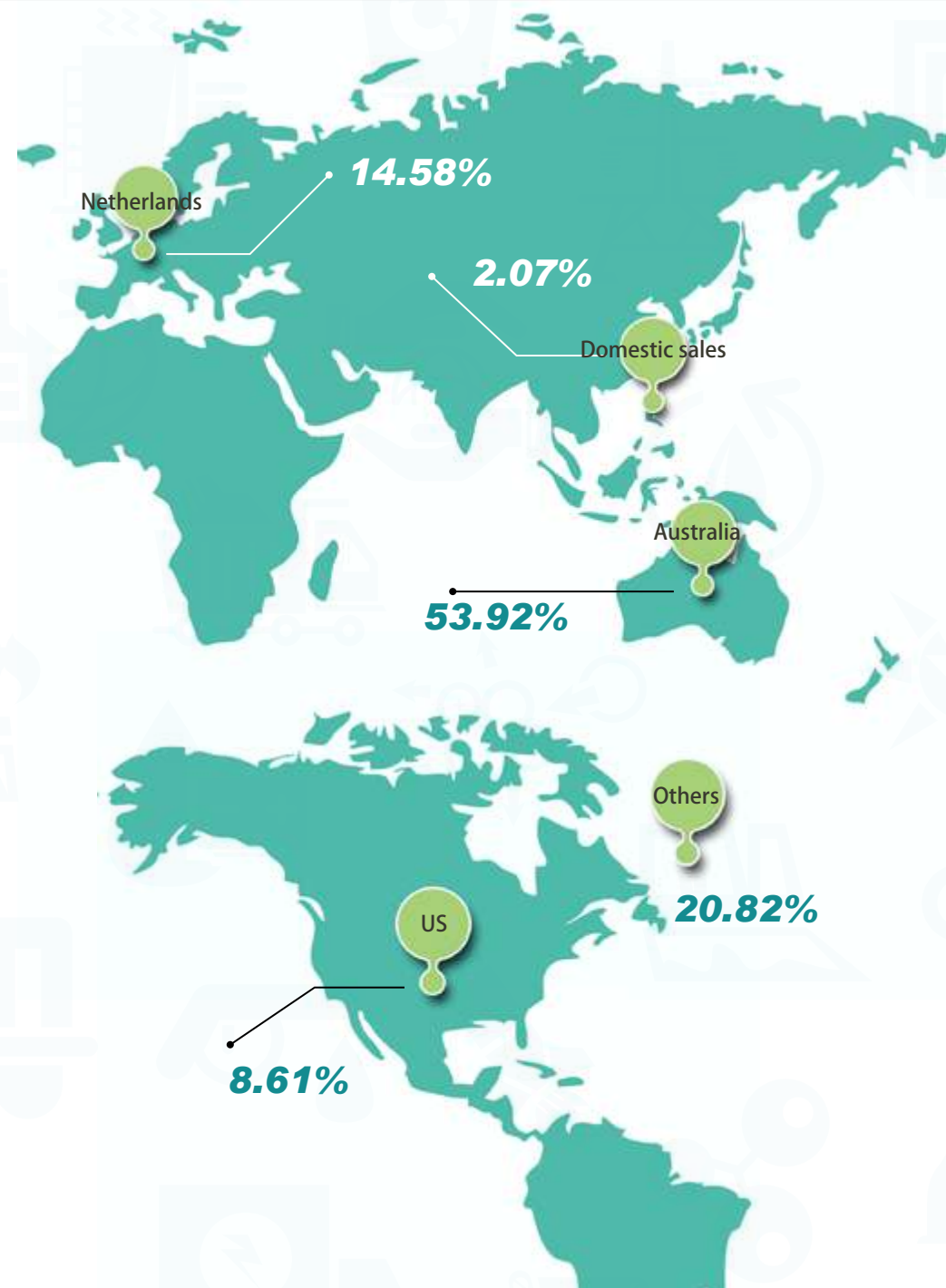
5.31%

Successfully developed technologies or products for the year 2022



The consolidated revenue of the Company for 2022 was NT\$(the same for below)3,315,035 thousand, and the net income after tax attributed to the Company's owner was NT\$207,192 thousand.

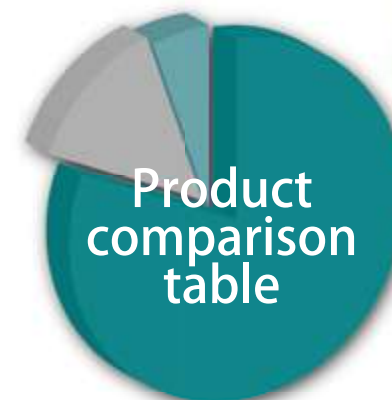
Income Statement		Unit: NTD thousand
Item	2022	
Operating revenue	3,315,035	
Operating cost	2,704,135	
Operation gross income	610,900	
Operating expenses (for employees' remuneration, welfare, etc.)	359,351	
Operating income	192,990	
Non-operating income and expenses	22,135	
Expenses for communities/social welfare organizations/charities etc.	132	
Net income before tax	215,125	
Current income from continuing operations	-	
Income tax (payable to government unit)	8,203	
Current net income (loss)	207,192	
Current other comprehensive income (after tax)	1,164	
Total current other comprehensive income	208,356	
Net income from re-investments	-12,004	
Earnings per share	3.13	
Dividends payable to shareholders in 2023 (0.5 per share)	37,500	



Product comparison table

Unit: NTD thousand

Product type	2020		2021		2022	
	Sales amount	%	Sales amount	%	Sales amount	%
Industrial Computer	1,404,575	86.85	2,446,922	76.15	2,697,069	81.36
Embedded boards	166,291	10.28	599,780	18.67	441,407	13.32
Others	46,323	2.87	166,529	5.18	176,559	5.32
Total	1,617,189	100.00	3,213,231	100.00	3,315,035	100.00



Major sales regions

Unit: NTD thousand

Region	2020		2021		2022	
	Amount	%	Amount	%	Amount	%
Domestic sales	16,611	1.03	12,291	0.38	68,770	2.07
Export						
United States of America	700,356	43.31	1,654,368	51.49	1,787,322	53.92
Australia	314,143	19.43	311,433	9.69	285,587	8.61
Netherlands	283,543	17.53	587,305	18.28	483,418	14.58
Others	302,536	18.71	647,834	20.16	689,938	20.82
Subtotal	1,600,578	98.97	3,200,940	99.62	3,246,265	97.93
Total	1,617,189	100.00	3,213,231	100.00	3,315,035	100.00



Corporate governance

The Company' s management team has long been implementing the transparency of various information such as operation and finance, with ethical corporate standards and commitment, as well as good corporate governance as the goal. The product' s manufacturing technology should be continuously developed, be absolutely strict in terms of quality, and be timelier and more considerate in terms of after-sales service; its employees should be kind to their peers and have faith in the Company, and be full of ambition in any position. The Company has been striving to win the confidence of investors with a steady pace and positive attitude, complying with laws and regulations, and emphasizing the openness and transparency of information in order to gain the recognition of relevant stakeholders and the general public. The Company' s Charter requires consideration of diversity and independence and ensuring no conflict of interest, and the nomination of candidates among the directors to the Board of Directors for the election of the Chairman.

All Employees-Sustainability-Management

The names and job titles of the Company' s directors and key managers are as follows, with no representatives of disadvantaged social groups and stakeholders:

Directors of the Company

Job title	Name	Gender	Experience (Education)
Chairman	FIC Global, Inc. Representative: Chien, Min-Chih	Male	<ul style="list-style-type: none"> Master of Electrical Engineering, University of California, U.S.A. First International Computer, Inc., General Manager First International Computer, Inc., Chief Operating Officer
Director	FIC Global, Inc. Representative: Hsu, Ching-Chen	Female	<ul style="list-style-type: none"> Graduate of EMBA Department of Information Technology, National Chengchi University Hwa Hsia University of Technology, Department of Electronics RuggOn Corporation, CEO First International Computer, Inc., Vice General Manager Advantech Co.,Ltd., Assistant Vice General Manager LITE-ON Technology, Vice General Manager
Director	Lin, Sung-Hsi	Male	<ul style="list-style-type: none"> Bachelor of Economics, University of California, Los Angeles branch, U.S.A. Dell Inc., Senior Manager BNP Paribas Securities (Taiwan) Co., Ltd., Business Manager Yuanta Securities Co., Ltd., Business Manager
Director	Tseng, Huai-Yi	Male	<ul style="list-style-type: none"> Master of Business Administration (MBA), Tsinghua University & MIT Sloan School of Management Bachelor of Science in Civil and Environmental Engineering, University of California, Los Angeles branch, USA Trip.com Group Ltd., Group Affairs Department, Vice CEO Anjuke Inc. Chief of Group Finance Beijing Baidu Netcom Science And Technology Co., Ltd., Director & Chief of Finance for Investor Relations, International Finance and Mergers & Acquisition Deutsche Bank AG, Hong Kong Branch, Vice Chairman

Job title	Name	Gender	Experience (Education)
Independent Director	Yu, Yung-Kuei	Male	<ul style="list-style-type: none"> National Chiao Tung University, Institute of Mechanical Engineering National Cheng Kung University, Department of Mechanical Engineering Hung Ding Venture Investment Co., Ltd. Director & General Manager China Development Industrial Bank, Investment Department Manager Asia Pacific Investment Corporation, Specialist ChinChun Motor Co., Ltd., Engineer of Development Department
Independent Director	Hsiao, Tsu-Tse	Male	<ul style="list-style-type: none"> National Taiwan Ocean University, Department of Electrical Engineering ST Engineering (Taiwan) Ltd., Vice General Manager Kang Jin Cosmic Technology Co., Ltd. product department manager Lucky Securities Co., Ltd. Information department manager Ching Wei Information Technology Co., Ltd. engineer of R&D department
Independent Director	Huang, Chung-Liang	Male	<ul style="list-style-type: none"> Master of Finance, Florida International University EVP Technology Llc. (U.S.A.) Taiwan Branch Executive Room, Executive Assistant to Chairman SIEMENS Limited, Railway Systems Division, Project & Business Manager OTIS Elevator Company (Taiwan) Limited, Finance Department, ERP Project Manager

Key managerial officers

Job title	Name	Experience (Education)
Chief Executive Officer	Hsu, Ching-Chen	<ul style="list-style-type: none"> Graduate of the Department of Information Technology, National Chengchi University (EMBA) Hwa Hsia University of Technology, Department of Electronics RuggOn Corporation, CEO First International Computer, Inc., Vice General Manager Advantech Co.,Ltd., Assistant Vice General Manager LITE-ON Technology, Vice General Manager
Sustainable Development Department, Assistant Vice General Manager	Huang, Chien-Chen	<ul style="list-style-type: none"> Institute of Law for Science and Technology, National Tsing Hua University Fubon Financial Holding Co., Ltd., Legal Affairs Crew First International Computer, Inc., Legal Affairs Project Manager
ODM America business division, Vice General Manager	Liao, Shan-Ju	<ul style="list-style-type: none"> Tamkang University, Cooperative Economics Department First International Computer, Inc., Assistant Vice General Manager Toshiba Taiwan Office, Representative of Sumitomo Corporation Brazil Procurement Manager
Rugged Connectivity Research Department, Chief of Technology	Wang, Chien-Hsiung	<ul style="list-style-type: none"> Hwa Hsia University of Technology, Department of Electronics First International Computer, Inc., R&D Vice General Manager EZHI Technologies, Inc., Chief of Technology
Rugged Connectivity Research Department, Hardware Design Section, Assistant Vice General Manager	Chang, Chih-Chun	<ul style="list-style-type: none"> National Taiwan University of Science and Technology, Department of Electronics First International Computer, Inc., Assistant Manager EZHI Technologies, Inc., Project Manager Senao International Co., Ltd., Hardware Supervisor
Rugged Connectivity Research Department, System Structure Design Section, Assistant Vice General Manager	Huang, Meng-Chou	<ul style="list-style-type: none"> National Taipei University of Technology, Institute of Mechatronics Integration First International Computer, Inc., Assistant Manager INVENTEC Corporation, Senior Engineer

Job title	Name	Experience (Education)
Rugged Connectivity Research Department, Product Design Verification Section, Assistant Vice General Manager	Chen, Han-Tun	<ul style="list-style-type: none"> NCKU, Department of Aeronautics and Astronautics First International Computer, Inc., Assistant Manager National Chung-Shan Institute of Science and Technology, Engineer FeiChung Computer Co., Ltd. Senior Engineer
Management Department, Vice General Manager	Chien, Chin-Sheng	<ul style="list-style-type: none"> National Taiwan University of Science and Technology Graduate Institute of Management Advantech Technology Co., Ltd., Chief of Linkou board plant Advanced Semiconductor Engineering, Inc., Strategies & Planning Section, Project Manager Compal Electronics, Inc., IE Department, Supervisor
Digital Information Department & Digital Connectivity Service Department, Vice General Manager	Tien, Lien-Jen	<ul style="list-style-type: none"> NYIT Master of Computer Science Ubiquconn Technology, Inc., Digital Connectivity Service Department, Vice General Manager First International Computer, Inc., Software & Technology Section, Vice General Manager
ODM Eurasia Business Division, Assistant Vice General Manager	Kuo, Chia-Chi	<ul style="list-style-type: none"> Master of Science in Industrial Engineering, Purdue University Ennoconn Corporation, Business Head office, Vice General Manager Advantech Co.,Ltd., Application Computer Business Group, Assistant Manager Compal Communications Inc., Business Section, Senior Assistant Manager First International Computer, Inc., Assistant Vice General Manager
RuggOn Business Division, Assistant Vice General Manager	Li, Po-Cheng	<ul style="list-style-type: none"> Simon Fraser University, Bachelor of Arts FUTURE SHOP CANADA Channel Marketing Specialist PLUSTEK Inc, Overseas Business Manager

Job title	Name	Experience (Education)
Audit Supervisor	Chiu, Huang-Chun	<ul style="list-style-type: none"> Department of Accounting, National Taipei University Asian New Energy Co., Limited, Audit Supervisor ShunSin Technology Holdings Limited, Audit Supervisor Deloitte & Touche, Team Leader
Finance Supervisor	Hsieh, Kuo-Tsai	<ul style="list-style-type: none"> Master of Business Administration (MBA), Tunghai University College of Management, National Sun Yet-sen University Advanced Digital Co., Ltd. Chief of Finance Holser Technology Co., Ltd. Audit Assistant Manager LITE-ON IT Corporation, Finance Manager LITE-ON Technology Corporation, Account Department, Vice manager Chailease Finance Co., Ltd., International Business Audit Specialist
Account Supervisor	Yu, Chia-Ju	<ul style="list-style-type: none"> Chungyu University of Film and Arts, Department of Accounting & Statistics TMP International Corporation, Account Supervisor Chuang Chi-Hui CPA Firm Audit specialist

Furthermore, in order to implement remuneration equality, the Company has established a remuneration committee and elected remuneration members to fulfill their duties and responsibilities. Members of the committee shall faithfully perform the following duties and responsibilities with due diligence and shall be accountable to the board of directors, as well as submit their recommendations to the board of directors for discussion:

To establish and regularly review policies, systems, standards and structures for performance evaluation and remuneration of directors, supervisors and managers.

01

Evaluate and set the remuneration of directors, supervisors and managers on a regular basis.

02

Other matters authorized by the board of directors.

03

Retirement benefits and the necessary re-claim mechanism.

04

In accordance with the Company Charter, the remuneration to directors and supervisors shall be linked to the Company's annual net income after tax and earnings distributable and shall be prepared by the board of directors and submitted to the shareholders' meeting for resolution each year. For details on the percentage of remuneration to directors and supervisors, please refer to the remuneration to the "Directors and Supervisors" section in the dividend policy description in the annual report. In 2022, there were no severance payments or reclaims from members of the management and the board of directors.

Please refer to the annual report and Market Observation Post System for information on the annual remuneration of the board of directors, supervisors, general manager, and assistant general manager for the year 2022. In order to attract and retain talented employees, the Company offers competitive salaries and sets annual salary adjustments based on the Company's operating conditions, overall industry salary adjustments, and employee performance data. In addition, in order to increase employee loyalty and motivate employees to exceed the annual operating goals, so as to create profits and share the results together, based on the Company's profitability, compensation was appropriated for employees; and the Company conducts annual promotion through the results of the performance and contribution assessment. The total amount of employee compensation expenses (including salary expenses and various bonuses, etc.) in 2022 was NT\$262,748,000.

The total amount of employee compensation expenses

NT\$ **262,748,000**

(including salary expenses and various bonuses, etc.)



Moreover, there are procedures for whistle-blowing, disciplinary actions, and grievances in the "Employee Grievance Procedures," Article 10 of the "Code of Ethical Conduct," Article 21 of the "Guidelines for Ethical Business Procedures and Behaviors," and the "Stakeholder Section" on the Company's official website, along with channels for employees/communities/suppliers/investors/customers grievances, as follows:

Stakeholder	Unit in charged	Grievance channel	Promotion and management mechanism
Community	Sustainable development department	uti-spokesperson@ubiqconn.com	<ul style="list-style-type: none"> Official website discloses sustainable development policy, human rights policy
Shareholders/ investors/ government/ media	Corporate governance and investor relations office, audit office	uti-ir@ubiqconn.com	<ul style="list-style-type: none"> Official website discloses sustainable development policy, human rights policy Report of the shareholders' meeting Juridical person presentation Company visit Press releases
Suppliers	Strategic procurement office	uti-supplier@ubiqconn.com	<ul style="list-style-type: none"> Official website discloses sustainable development policy, human rights policy Procurement contract Suppliers' letter of commitment
Employees	Human resources office	uiti-hr@ubiqconn.com	<ul style="list-style-type: none"> Offer letter stipulating good faith clause and signing of confidentiality clause Education and training for newcomers Consultation and grievance channels for illegal infringement
Customers	Strategic marketing department, business department	mkt@ubiqconn.com	<ul style="list-style-type: none"> Official website discloses sustainable development policy, human rights policy Standards for business contracts Company visit



(Vision)

(Mission)

(Strategy)

(Goal)

Internal audit and internal control system

In order to implement a high-quality corporate culture and to safeguard the Company's image and corporate ethics, the Company has established the "Corporate Governance Principles," the "Ethical Management Principles," and the "Guidelines for Ethical Business Procedures and Behaviors" in accordance with the "Company Act," the "Securities and Exchange Act," and the "The Corporate Governance Best-Practice Principles for TWSE/TPEX," with a commitment to conduct due diligence on non-compliance with the law and to protect the whistle-blowers, to avoid the abuse of position to gain inappropriate benefits for individuals and their relatives in terms of business conduct and procedure regulations, and to avoid the leakage of customer privacy. In addition, the Company has established procedures for reporting, disciplinary actions, and grievances. We regularly review our "VMSG, namely Vision, Mission, Strategy, Goal" and "Core Values, namely Curiosity, Empathy, Agility, Can-do attitude," Discipline," and "Management Functions," which are required to be complied with by the relevant personnel and are implemented in the semi-annual and annual performance appraisals of the employees, and in case of any violation of the relevant rules and regulations, the relevant actions will be taken in accordance with the "Reward and Punishment Method."

The Company's "Code of Ethical Conduct" and "Guidelines for Ethical Business Procedures and Behaviors" require fair trade and anti-corruption provisions so that ESG requirements are integrated throughout the Company's internal and external operations and business activities. The Company has also implemented safety and health communication processes to ensure that ESG-related grievance communication and feedback channels are available to various stakeholders to recognize the effectiveness of remedial measures. The Company also encourages employees to raise concerns about the Company's business practices through labor-management meetings.

The Company has established the Company's internal control system in accordance with the "Regulations Governing the Establishment of Internal Control Systems by Public Companies" stipulated by the Financial Supervisory Commission, Executive Yuan, as well as other relevant laws and regulations, letters, and documents, and the system has been approved by the board of directors to promote the sound operation of the Company and to ensure the effective implementation of the Company's policies and regulations in order to achieve the three major goals of operational effectiveness and efficiency, reliability of financial reporting, and compliance with laws and regulations.



The scope of the internal control system covers all daily operational activities such as sales and collection cycle, information management and other management controls, etc., and it is integrated with international standards such as ISO9001, ISO14001, etc. in the daily operation process.

The Company has also established an internal audit unit, which is directly under the board of directors, to assist the board of directors and management in inspecting and reviewing various internal systems and processes, and to provide timely recommendations for improvement to ensure that the Company's internal control system is implemented effectively and continuously. In addition, the audit unit performs due diligence on detected violations in accordance with the Company's

"Corporate Governance Principles" to ensure compliance.

Overview of investor services

Information disclosure is one of the most important aspects of the Company's services to investors. Over the years, the Company has invested a lot of resources in order to comply with the principles of completeness, accuracy, timeliness, and reliability of information disclosure. Apart from uploading all announcements and important information to the Market Observation Post System in a timely manner, all financial reports, annual reports, dividends, and other important information can be accessed on the Company's website and are linked to the content of the Market Observation Post System.

Operational risk management and future outlook

With reference to the results of the aforementioned stakeholder engagement, it was found that most of the stakeholders were concerned about the Company's operating performance/market image and even corporate governance. In this regard, the management of the Company will take more rigorous consideration regarding the impacts on the Company's financial operations caused by market risk, credit risk, domestic and foreign important policy and legal changes, and technological and industrial changes. As for market risk, the Company collects information on exchange rates, interest rate fluctuations, and inflation at any time to respond to such risks. The Company will engage in forward exchange contracts as necessary to hedge foreign currency exchange rate risks, and there were no lending of funds or derivatives transactions in the year 2022.

In the future, the Company will focus on the long-term prospects and sustainable development of its financial performance. In terms of credit risk, the Company will go through a credit verification procedure before making transactions with customers, set up an information system to control and continuously evaluate the recovery status of accounts receivable, and set up an allowance for bad debts based on the recovery status. We also pay close attention to domestic and international political and economic developments, legal changes, and industry changes, as well as evaluate and discuss them in our management meetings as necessary.

CHAPTER 03



Environmental Sustainability

Disclosure of environmental management approaches 44

Environmental sustainable management and environmental protection activities 48



Disclosure of environmental management approaches

Various topics of the company	Material topic	Items corresponding to the SDGs	Description of the UN SDGs	The company's sustainable development practices and goals
Energy saving and carbon reduction	Energy		<ul style="list-style-type: none"> Ensure access to affordable, stable and sustainable modern energy for all. SDGs goal sub-item 7.3: To double the global rate of improvement in energy efficiency by 2030. 	To continue to implement on-site energy-saving promotion and green design, to produce products in a more energy-efficient way, and to reduce the rate of energy intensity. The goal is to achieve an average annual energy saving of more than 0.1%.
	Emissions		<ul style="list-style-type: none"> To adopt emergency measures in response to climate change and impacts. SDGs goal sub-item 13.2: To integrate measures in response to climate change into policies, strategies and planning. 	To continue to implement GHG management and reduction, in accordance with the national GHG reduction policy, the long-term reduction goal is to achieve net-zero GHG emissions in 2050 in line with the government's policy.

Established environmental management system and obtained certification

The Company insists on the spirit of sustainable development and has been committed to improving environmental pollution for a long time. In order to fulfill the environmental policy of "Pollution Prevention and Continuous Improvement" (Effluent and Waste Management Policy), the Company has not only built environmental protection facilities, but also tried to implement the EU Waste Electrical and Electronic Equipment (WEEE) Directive (Energy Management Policy) in recent years, in order to achieve the goal of environmental protection. The Company was awarded the ISO14001 certification in 2016. In addition to operating according to the P.D.C.A principle, we continue to utilize resources, to prevent pollution, and to make continuous improvements as the objective of implementing the environmental management system.



All Employees-Sustainability-Management

Implementation of environmental management training

As environmental protection work is complicated, diverse, and involves many levels of interaction, the only way for on-site and environmental protection professionals to improve their work efficiency is to receive continuous education and training to gain new knowledge about environmental protection. The Company has been promoting environmental protection training courses in recent years. There was no major violation for the year 2022.

The Company carries out scope 1 and 2 simple inventory operations in accordance with ISO14064-1, and the calculation of energy consumption outside the organization is planned to be completed by 2025:

ISO 14064-1 scope 1 greenhouse gas emissions (mainly fugitive biogenic emissions caused by company personnel arriving for work):

Year	(1) Activity data (Total attendance hours)	(2) Emission factor (ton CH ₄ /people-hour)	(3)GWP (According to IPCC AR5)	Emission (ton CO ₂ e) (1)X(2)X(3)
2021	509,023(hour)	0.000001594	28	22.7
2022	589,629(hour)	0.000001594	28	26.3

Note:

1. Activity data: the source of information is the total hours declared in the occupational disaster report. The total attendance hours in 2022 include all employees; in 2021, only full-time employees was included.
2. Source of emission factors: Referred to Ministry of Environment's "GHG emission factor management table revision 6.0.4".

ISO14064-1 scope 1 GHG emissions (direct emission sources, mainly from civil service vehicles) :

Year	(1) Activity data (Total liters consumed)	(2) Emission factor (Kg-CO ₂ /liter)	(3)GWP (According to IPCC AR5)	Emission (Kg CO ₂ e) (1)X(2)X(3)
2022	966.41	3.01	1	2908.9

Note: Source of emission factors: Referred to Ministry of Environment's "environmental information open platform -carbon footprint emission factors" emission factor for motor gasoline (used for moving sources, 2020).

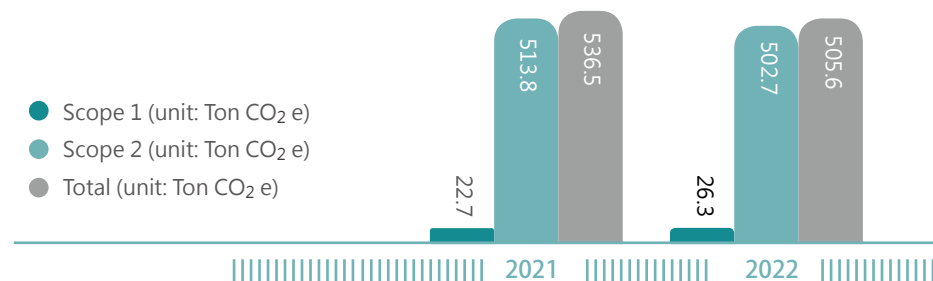
ISO14064-2 scope 2 GHG emissions (mainly GHG emissions caused by electricity consumption):

Year	(1) Activity data (Total kWh consumed)	(2) Emission factor (Kg-CO ₂ /kWh)	(3)GWP (According to IPCC AR5)	Emission(Kg CO ₂ e) (1)X(2)X(3)
2021	1,009,396	0.509	1	513,782.6
2022	1,015,532	0.495	1	502,688.3

Note:

3. Activity data: Includes indoor electricity consumption and public electricity consumption at Neihu head office and Zhonghe plant.
4. Source of emission factors: Referred to the Energy Bureau Announcement of 2021, 2022 power emission factor.

Total GHG emissions:



GHG emission intensity (measured in terms of Turnover)

Year	2022
Turnover (NTD millions)	\$3,315
Total GHG (carbon equivalent)	531.9
GHG intensity (measured in terms of business turnover) (unit: tons/NTD millions)	0.1605

Note: Turnover=Data from the Company's 2022 consolidated revenue.

Total energy consumption:

2022	Remarks
(A) Consumption of purchased electricity (kWh)	1,015,532 (kWh)
(B) Total energy consumption of purchased electricity (MJ)	3,655,875 (MJ)
(C) Direct emission energy (liter)	966.41(L) Civil service vehicles
(D) Direct emission energy consumption (MJ)	31,554(MJ)
(E) Total energy consumption (MJ)	3,687,429(MJ) E=B+D
(F) Number of employees	315(人)
(G) Energy consumption intensity per capita (MJ/number of employees)	11,706 G=E/F
Percentage of grid electricity	100%
Renewable energy consumption	0%

Note:

1. Energy heat value conversion is based on the Energy Administration, Ministry of Economic Affairs' "heat content of energy products", electricity (consumer side) (860kcal/kWh), motor gasoline (7,800kcal/L); Joule conversion factor (4.186 kJ/kcal).
2. Only full-time employees were included in the calculation.

All Employees-Sustainability-Management



Energy savings program for 2022

2022	Energy saving measures implemented	Implementation period (months)	(1) Annual power saving (kWh)	(2) Emission factor (Kg-CO ₂ /kWh)	Emission (Kg CO ₂ e)
(1)X(2)	Energy saving program for replacing flat panel lights (LED flat panel lights, 23W/base, a total of 420 units were replaced in 4F of Neihu head offices)	August 2022	10,535	0.495	5,214.82
Total			10,535	-	5,214.82

Note:

- Calculation of annual savings:
 Estimated monthly reduction (kWh) = T5 lighting wattage - LED flat panel lights wattage = 4,657 - 2,550 = 2,107
 Energy saved = Estimated monthly kWh reduction * 5 months = 2,107 * 5 = 10,535 kWh/year. This energy-saving program has also received an energy-saving subsidy of NT\$159,936 from the Taipei City Government.
- Source of emission factors: Referred to the Energy Bureau Announcement of 2022 power emission factor.

Other than production-side energy-saving solutions, we also implemented energy-saving designs for EPEAT labeled products, and we plan to set up the energy-saving performance evaluation for the products from 2026 onwards.

Air pollutant management

The Company does not use or produce ozone depleting substances (ODS) such as chlorofluorocarbon or halon in its manufacturing, assembly, and processing processes, so there has been no emission of ODS.




The Company mainly engages in assembly process, which belongs to the process with low air pollution load, so there will be no emission of nitrogen oxides (NOx), sulfur oxides (SOx) or volatile organic compounds (VOCs). In addition, the Company is not required by law to report stationary sources of pollution, and has no independent emission pipelines or other significant sources of gas emissions.

Environmental sustainable management and environmental protection activities

Various topics of the company	Material topic	Items corresponding to the SDGs	Description of the UN SDGs	The company's sustainable development practices and goals
Green production	Water Waste		<ul style="list-style-type: none"> Ensure that all people have access to sustainably managed water resources and health facilities. SDGs goal sub-item 6.3: To improve water quality through various means and significantly increase global waste recycling and safe reuse by 2030. 	To actively promote water conservation, and regularly discuss water conservation and wastewater reduction goals at ISO14001 management audit meetings to achieve continuous improvement goals.

For the final disposal weights of the Company's NeiHu head office and Zhonghe plant, since most of the general household waste is handled by the building management committees, except for some of the waste that has data from manufacturers, the Company was unable to obtain further information on the weights of the waste that were classified for disposal, and therefore, only the handling information in the table above was disclosed. In addition, the Company strives to improve the efficiency of waste management, and examines the current operation situation annually based on the product manufacturing process and the input/output of materials, and handles the situation in accordance with relevant laws and regulations (including the Waste Disposal Act) in a timely manner.

Waste management

<p>General business waste</p>  <p>Waste content</p> <p>Business and employees' household waste</p> <p>Handling method</p> <ul style="list-style-type: none"> The management committee entrusted the building cleaning company to handle or recycle the waste toner clips, while the waste toner clips were recycled by the manufacturer A total of 14 pcs of toner clips were recycled in 2022 	<p>Hazardous business waste</p>  <p>Waste content</p> <p>Printed Circuit Board (PCB) wastes containing metal and its dusts Waste electronic components, scrap and defective products Other mixed hardware wastes treated by physical processing method.</p> <p>Handling method</p> <ul style="list-style-type: none"> Handled by qualified cleaning service providers 	<p>Recyclable waste</p>  <p>Waste content</p> <p>Containers, items</p> <p>Handling method</p> <ul style="list-style-type: none"> The management committee entrusted the building cleaning company to handle or recycle the waste lamps, while the waste lamps were recycled by the manufacturer A total of 143 pcs of waste lamps were recycled in 2022
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Environment-friendly products

The products of the Company do not contain environmentally hazardous substances listed by customers and laws and regulations (such as RoHS), and the specifications, performance, and cautions for the use of the products provided by the Company comply with the Company's AQL for non-hazardous substances.

The cost and effectiveness of environmental protection

There were no waste spill incidents in 2022, and in order to minimize the environmental impact of waste in the production process, the Company strives to promote pollution prevention and industrial waste reduction.

Water resource management

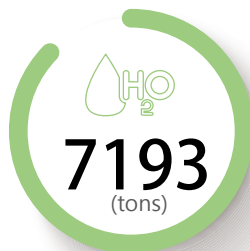
In response to the rapid changes in the water environment caused by climate change in recent years, the occurrence of droughts and floods has become more frequent, and external stakeholders have become increasingly concerned about water resource issues. The Company needs to respond to the complex water resource issues as soon as possible and to effectively integrate the management concepts of prevention and conservation.

Regarding the distribution of water stress, the Company made reference to the Aqueduct Water Risk Atlas drawn up by the World Resources Institute (WRI) to understand the Water Stress by Country maps of various countries around the world. Based on our findings, the water stress and overall water risk of our Neihu head office and Zhonghe plant are classified as low to medium risk areas. (<https://www.wri.org/aqueduct/tools>)

In accordance with our commitment to water saving, the water source used at our operating sites was tap water, which was mainly for providing household water to our offices. The source of water was Feitsui Reservoir, which was not a water scarcity-sensitive area, and therefore, we did not draw water from areas with water stress, and there was no industrial wastewater related to the production process at our Neihu head office and Zhonghe plant. All the wastewater generated was household wastewater, which was collected through the

sewage pipes of the buildings/park areas into the city wastewater collection network.

Total water consumption



Note:

1. Converted tonnage according to the water bill; the water consumption of the whole area in the park was calculated according to the proportion of the floor area used, and the total water consumption in 2022 was 7,193 units; 1 unit = 1 metric ton = 1,000 kilograms = 1,000,000 liters.
2. Considering the fact that the plant and office were located in an office building with a well-established water pipeline network, and that the Company's production was mainly based on assembly, it was estimated that the water withdrawal was equal to the water discharge, and therefore the water consumption should be close to zero.

Compliance with environmental laws and regulations

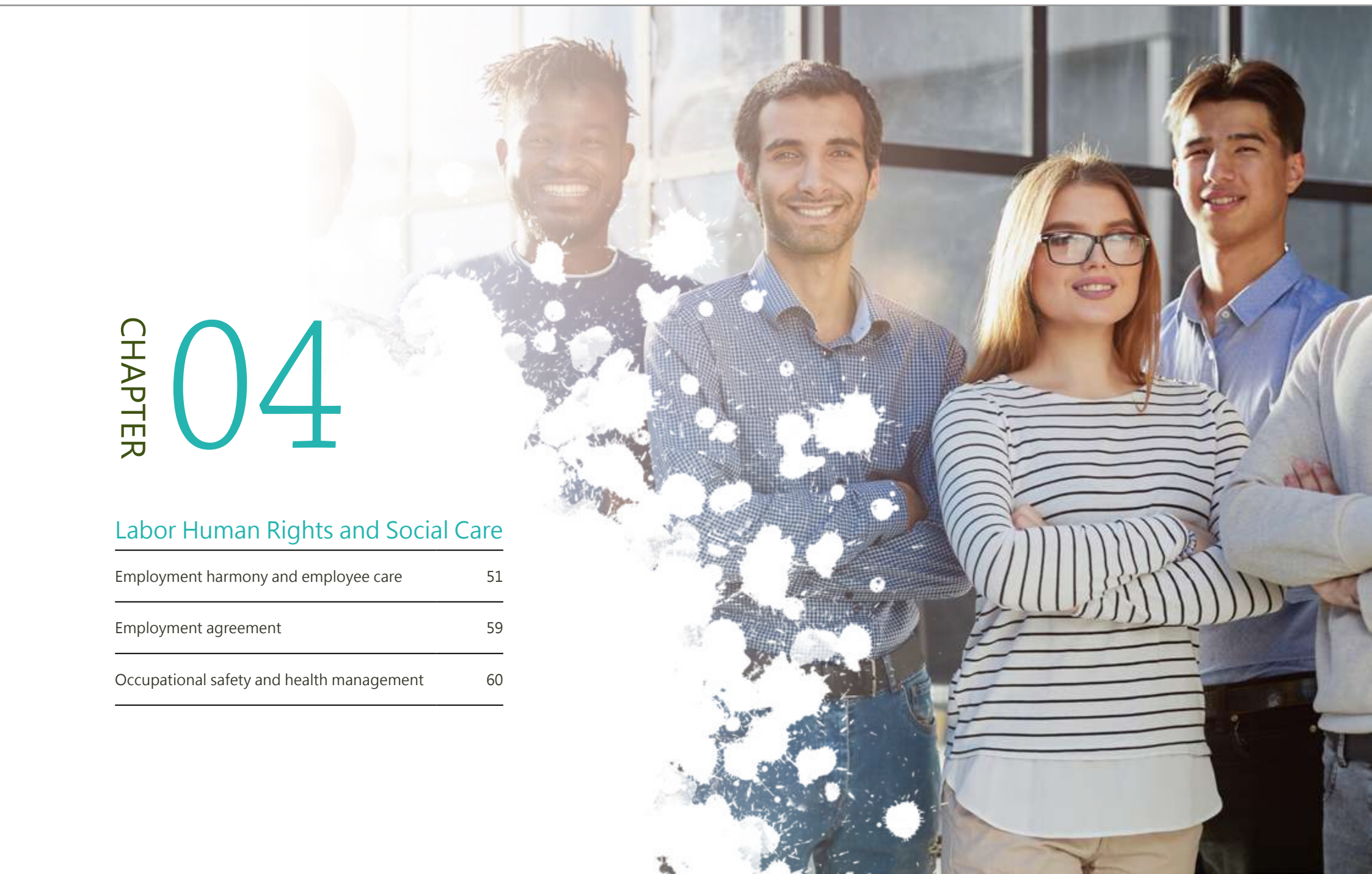
Various topics of the Company	Material topic	Items corresponding to the SDGs	Description of the UN SDGs	The Company's sustainable development practices and goals
Sustainable environmental protection	Compliance with laws and regulations related to environmental protection		<ul style="list-style-type: none"> To ensure the implementation of sustainable consumption and production models. SDGs goal sub-item 12.5: To significantly reduce waste generation through prevention, reduction, recycling and reuse by 2030. 	To ensure environmental sustainability through ISO14001 environmental management system for waste reduction and recycling management.

Currently, there is no environmental pollution affecting the organization's profitability or competitive position. The Company is actively dealing with various environmental issues and is doing its best to protect the environment by complying with the laws and regulations and making improvements.


CHAPTER
04

Labor Human Rights and Social Care

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Employment harmony and employee care

Various topics of the company	Material topic	Items corresponding to the SDGs	Description of the UN SDGs	The company's sustainable development practices and goals
Equal rights for labor	Employment Education and training		<ul style="list-style-type: none"> To promote inclusive and sustainable economic growth, full employment, and the creation of productive and quality jobs. SDGs goal sub-item 8.7: Eradicate forced labor. SDGs goal sub-item 8.8: Protect labor rights and promote the creation of a safe and secured work environment for all workers, including immigrant workers, especially female immigrants and those without stable jobs. 	Through the ISO45001 Occupational Health and Safety Management System and the ILO International Labor Organization requirements, we control emerging issues such as the psychological hazards in the workplace and forced labor, and promote joint negotiations for the protection of labor rights.

While continuously striving to improve production efficiency, the Company also pays attention to promoting the employment rate in the labor market, creating a high-quality working environment, and providing long-term stable employment. We have achieved results after years of efforts, with an average of 5.2 years of service for our employees, and more than 25% of our employees have more than 5 years of service.

with an average of 5.2 years of service for our employees

more than

25%
of our employees



Labor relations: Employment, devotion, and satisfaction

Labor relations: Employment, devotion, and satisfaction

The total number of employees in 2022 was 315, with both male and female employees meeting the basic wages required by national labor laws and regulations, and the Company also provides long-term commitments to its employees in order to take care of their livelihoods in a stable manner. Furthermore, in order to protect the employment rights of local workers, the Company gives priority to local workers, except when there is a need to employ foreign workers for professional functions.

All Employees-Sustainability-Management

The Company offers employee benefit plan obligations and retirement plans

The Company provides benefits to both full-time and part-time employees that are better than the insurance coverage required by the law, such as group insurance/dependents' group insurance, to protect the work and life safety of our employees. We also provide a variety of benefits such as meal subsidies, annual dinners, annual health checkups, annual trips, employee retention awards, and gift/subsidies for marriage, childbirth, injury, sickness, funerals, etc., as well as situational subsidies for employees who are having difficulty in making ends meet during New Year's Day. Employees are the most important assets of the company, and we encourage employees to set up their own clubs that are beneficial

to their physical and mental well-being, which not only enhances the interaction between employees, but also enables them to relieve their stress and promote their health while at work, and it also brings about a positive impact on their lives.

Unpaid parental leave for raising children

The Company emphasizes the balance between family life and work and provides employees with the right to apply for unpaid parental leave for raising children in accordance with the law so that they can apply for unpaid parental leave for raising children if they have the need to take care of their children, with a total of one employee applying for unpaid parental leave for raising children in 2022.

In accordance with the Labor Standards Act, the Labor Pension Act, and its enforcement details, as well as the accounting standards for pensions, the Company contributes monthly to the employees' individual accounts in the Bank of Taiwan and the Bureau of Labor Insurance, and through the Supervisory Committee of Business Entities' Labor Retirement Reserve, the Company regularly holds meetings to review the status of pension utilization in order to protect employees' retirement rights. Please refer to the publicly available annual report for the amount recognized in the employees' pension accounts. The company also contributes a certain amount of funds to the employee welfare committee on a regular basis (monthly) based on the revenue status.

(A) Those who were eligible for unpaid parental leave for raising children



(B) Those who applied for unpaid parental leave for raising children



(C) Those who were reinstated after unpaid parental leave for raising children



Reinstatement rate of those who have applied for unpaid parental leave for raising children



Remarks: There was 1 person who extended the unpaid leave until April 8, 2023
The formula is C/B

(D) Those who were eligible for unpaid parental leave for raising children



(E) Those who applied for unpaid parental leave for raising children



(F) Those who were reinstated after unpaid parental leave for raising children



Reinstatement rate of those who have applied for unpaid parental leave for raising children



Remarks: The formula is F/E

Human resources policy

The Company adheres to the spirit of respecting employees' labor rights and equality in employment and, in accordance with the Labor Standards Act of Taiwan and the Responsible Business Alliance (RBA) Code of Conduct, does not make any decisions that would affect or undermine the rights of employees based on origin, color, age, gender, sexual orientation, gender identity, expression, race or nationality, disability, pregnancy, faith, political stands, group backgrounds, veteran status, protected genetic information, or marital status, among other factors, to provide fair, equal, and safe employment opportunities and environments, and to attract a wide range of professional talents of different genders, ages, experiences, and fields, with the hope of becoming a company with both innovation and talent inclusiveness.

Diversified workplace

Due to the fact that on-site work requires more physical strength, there are more male employees in the Company. However, in terms of administrative duties, the number of female employees has reached 40%, which shows that the Company's appointment of talents is not affected by gender differences, but instead is based on capability.



The number of employees of the Company (head office and Zhonghe plant) is 315. By gender, 54% are male and 46% are female; by age, 13% are under 30, 66% are between 31 and 49, and 21% are over 50, with an average age of 41.6.

The total number of senior executives in the Company is 39, of which 74.4% are male and 25.6% are female. The Company employs talented people (no different treatment based on gender), of which more than 25% are female senior executives. By reference to the 104 Job Bank 2020 report (the percentage of female senior executives in Taiwan's electronic information-related industry was 18%) and the Grant Thornton Women in business 2022 report (the global average percentage of female senior executives, regardless of industry, was 32%). The Company will continue to pay attention to the percentage of female senior executives through its diversity and equality policies and development plans in order to comply with the trend of diversity, inclusiveness, and equality.

Distribution of employer type-according to gender and region

Area	Gender	Labor type			
		Terms of employment		Type of working-hours	
		Permanent	Temporary	Full-time	Part-time
Zhonghe plant	Male	61	0	61	0
	Female	94	0	94	0
Neihu head office	Male	108	2	110	0
	Female	50	0	50	0
Total by type		313	2	315	0
Total number of employees		315			
Those with physical and mental disabilities		2	0	2	0
Employment rate for those with physical and mental disabilities		0.63%			

Note:

1. A permanent employee refers to an employee with an indefinite contract, which is equivalent to a permanently employed worker as defined by the GRI guidelines.
2. Temporary workers are employees on fixed-term contracts.
3. Full-time employees are those who work 8 hours per day and 40 hours per week.
4. Part-time employees are non-full-time employees who work fewer hours per week, month or year than full-time employees (not employed by the Company).
5. Employment rate for those with physical and mental disabilities=Those with physical and mental disabilities/Total number of employees

Non-employees composition table for 2022

	Security	Outstation	Cleaning	Contractor
Zhonghe plant	0	4	0	0
Neihu head office	0	0	1	0
Total	0	4	1	0

Note: Using the FTE full-time equivalent method, the number of people is converted by using 8 man-hours/person-day against the annual man-hours (220 man-days and 8 hours per person-day).

Statistics on new employees and resigned employees

The number of new employees in 2022 was 146, with a percentage of 46.35%, and the number of resigned employees was 109, with a percentage of 34.6%. If an employee resigns, the human resources department will conduct an interview to understand the reason for the employee's resignation and actively assist in adjusting and explaining the job content, personal characteristics, and issues raised in order to achieve the goal of retaining talent.

Employee type		New employees			Percentage of new employees to total employees:	Resigned employees			Percentage of resigned employees to total employees:
Gender		Below 30 years old/ 30-50 years old/Above 50 years old				Below 30 years old/ 30-50 years old/Above 50 years old			
Zhonghe plant	Number of male	5	20	1	46.35%	4	20	1	34.6%
	Percentage of male	16.67%	19.42%	7.69%		23.53%	24.39%	10.00%	
	Number of female	8	25	4		4	23	2	
	Percentage of female	26.67%	24.27%	30.77%		23.53%	28.05%	20.00%	
	Number of people in the area	13	45	5		8	43	3	
	Percentage in the area	43.33%	43.69%	38.46%		47.06%	52.44%	30.00%	
Neihu head office	Number of male	7	26	5		4	21	3	
	Percentage of male	23.33%	25.24%	38.46%		23.53%	25.61%	30.00%	
	Number of female	10	32	3		5	18	4	
	Percentage of female	33.33%	31.07%	23.08%		29.41%	21.95%	40.00%	
	Number of people in the area	17	58	8		9	39	7	
	Percentage in the area	56.67%	56.31%	61.54%		52.94%	47.56%	70.00%	
Total number of people		30	103	13	146	5	17	82	109

The responsibility of employee training

The Company expects to improve employee function and performance by having employees participate in education and training. With this in mind, we have categorized our education and training into the following categories:

2. Liberal courses

Training for new employees, environmental safety and health, ethical management, etc., knowledge that all employees need to have.

4. Self-development courses

Related to self-growth, not directly related to work but still useful in improving work performance.



1. Professional courses

Related to the professional competence of each unit, organized by the head of each unit.

3. Management courses

Training courses to develop potential supervisors or to enhance the management skills of existing supervisors.

The following table summarizes the training information for 2022

Course category	Internal training		External training		Total	
	Number of participants	Hours	Number of participants	Hours	Number of participants	Hours
Professional courses	81	134	18	127	99	261
Liberal courses	387	743.5	1	6	388	749.5
Management courses	29	58	0	0	29	58
Self-development courses	14	35	3	20	17	55
Total	511	970.5	22	153	533	1123.5

The above courses are organized by the relevant units. In 2022, a total of 533 people were trained internally and externally, with a cumulative total of 1,123.5 hours and an average of 3.6 hours of training per person:

Item	Employee category	Number of participants	Total training hours	Hours %	Average number of hours trained per person
Employee type	Senior executives	39	249	22.16%	6.4
	Direct-employees	145	321	28.57%	2.2
	Indirect-employees	131	553.5	49.27%	4.2

Item	Employee category	Number of participants	Total training hours	Hours %	Average number of hours trained per person
Employee gender	Male	171	690.5	61.46%	4.0
	Female	144	433	38.54%	3.0
All employees		315	1123.5	100.00%	3.6

The Company focuses on the development of every employee's career, with more emphasis on education and training for the on-site production units. 321 hours of education and training have been accumulated, accounting for 28.6% of the total education and training hours, in the hope that through continuous learning, the company can move forward continuously.

For employees who are approaching retirement age, the Company conducts individual interviews to understand pre-retirement transition planning and provides necessary assistance, such as early identification and training of internal successors. For employees who wish to continue to work, they can participate in the Company's internal training programs to continue to accumulate professionalism and develop competitiveness. At the same time, the Company also compiles relevant information and provides consultation to help employees smoothly transition to their daily lives after retirement or termination of employment.

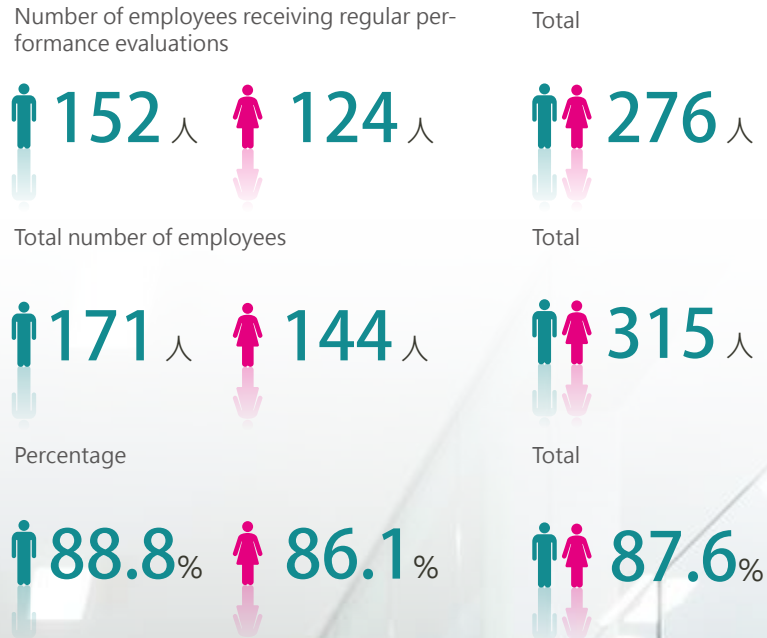
Performance evaluation system

The Company regularly conducts performance evaluations for all employees annually in order to improve the performance of the organization as a whole, as well as the performance of individuals. The evaluation is conducted online, by evaluating employees' initial goal setting, supplemented by quantitative standard, to understand the status of individual employees' achievement of goals, and supervisors must also give comprehensive advice to employees to assist their development in their individual career positions.

There are two types of performance evaluation, one is the quantitative score of the company's Core Value, and the other is the qualitative work demonstration, which is categorized into "Exceptional", "Good", "A", "B", and "C" according to the performance. The evaluation results will be used as a reference for differentiation of rewards and promotions, as well as to motivate employees to achieve the company's operational goals. At the same time, it will also be used as a basis for tracking the performance of employees in the future.

Core Value

Percentage of employees receiving regular performance evaluations (by gender)



Percentage of employees receiving regular performance evaluations (by employee category)

Number of employees receiving regular performance evaluations

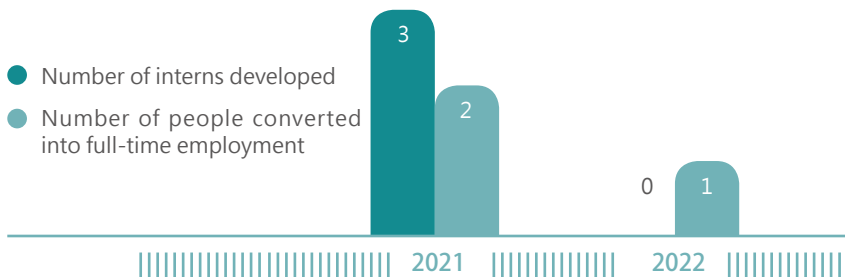


Note: The implementation rate for 2022 was 87.6%. The remaining 39 persons were not evaluated as they were either on probation or had applied for resignation.

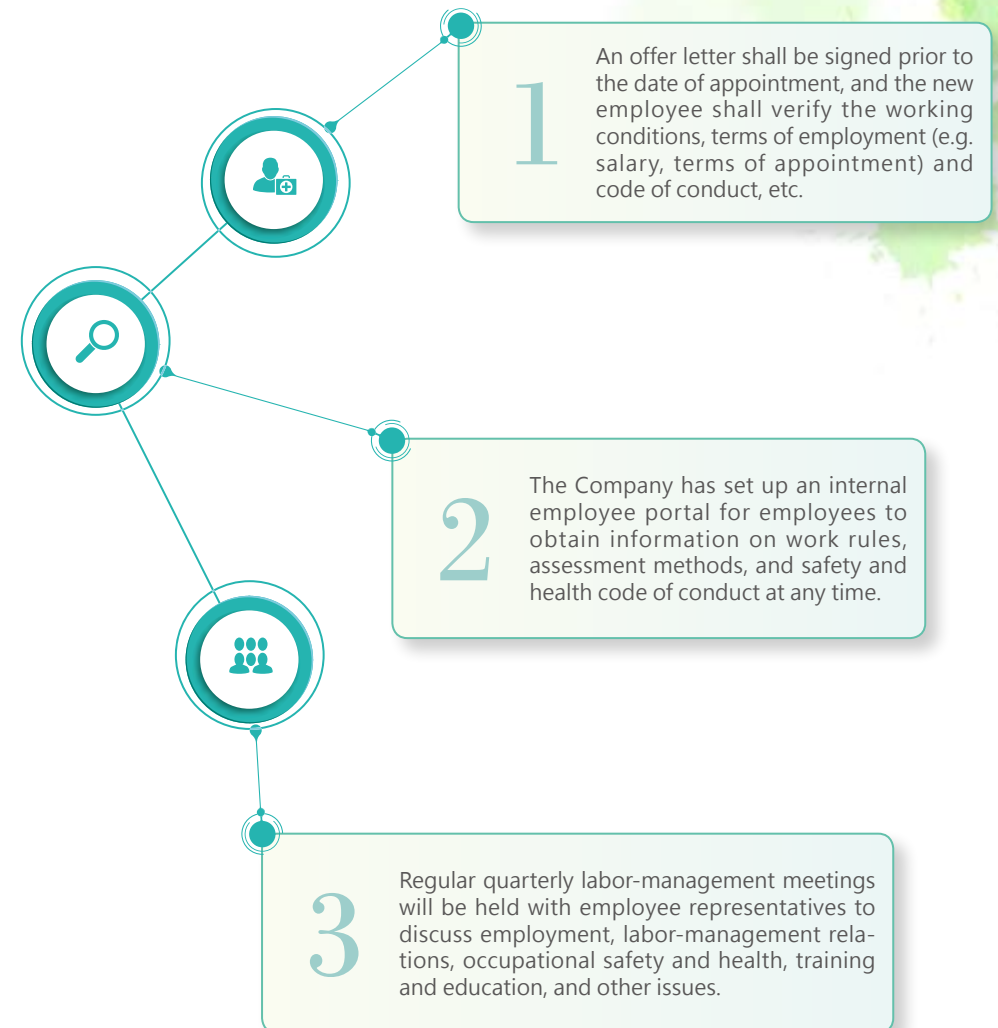
Young talents development

The Company values R&D innovation and the development of industrial talents and has been committed to the development of young talents on campus since 2018. Other than campus recruitment, the Company also organizes related internship programs to strengthen the connection with campuses and prepare for the long-term development of talents in the future, and through the mechanism of industry-academia collaboration among different schools and departments, the Company provides the opportunity for students to combine the theoretical knowledge they have acquired with practical knowledge, along with the opportunity for internships to enter the formal workplace before graduation, thus increasing their competitiveness in future employment. The objective of the program is to provide students with an early understanding of the workplace environment and career planning through the guidance and exchanges of current employees.

The specific results were as follows:



Employment agreement



Occupational safety and health management

While the Company focuses on the development of its own industry, it also emphasizes on the environmental safety and health of its plants. In 2022, the occupational safety and health room has been conducting environmental safety and health trainings for new employees, demonstrating Ubiqconn's dedication to prioritize safety and health and environmental protection.

Various topics of the company	Items corresponding to the SDGs	Description of the UN SDGs	The company's sustainable development practices and goals
Safe production		<ul style="list-style-type: none"> To promote inclusive and sustainable economic growth, full employment and the creation of productive and quality jobs. SDGs goal sub-item 8.8: To protect labor rights and promote safe and secure work environments for all workers. 	The "Safety and Health Policy" established through the ISO 45001 occupational safety and health management system reveals that our company's core value is people-oriented and that we pursue the goal of zero disaster and zero injury through operations based on the principles of "technology," "safety and health culture," "responsibility," and "communication" .

Occupational safety and health organizations

The Company will establish the ISO45001 Occupational Health and Safety Management System (hereinafter referred to as "ISO45001") in 2023, and also organized the Occupational Safety and Health Committee (hereinafter referred to as the "OS&H committee") in 2022 in accordance with the law, with one chairman, six employer representatives, and five worker representatives in accordance with paragraph 6 of Article 11 of the Occupational Safety and Health Management Regulations, with worker representatives accounting for more than one-third of the total number, and the said worker representative shall be selected from the worker representatives in the labor-management meeting, and be disclosed to all employees in the online common teams.

The Company goes to great lengths to provide a safe working environment for its employees. We have set up an OS&H committee and an OS&H room, and regular meetings of the OS&H committee are held by the chairman of the OS&H committee or by his/her proxy, in order to implement the occupational safety system for labor-management communication and supervise the implementation of the requirements.

Improvement topics related to OS&H committee meetings for 2022 are as follows:



1. Health checkups and promotion
2. Pursuit of zero-disaster, zero-injury planning operations and program safety



1. Discussion on safety management for contractors
2. To include "occupational safety and health management" in the weighting of suppliers' evaluation and management scores.



Employer representatives

Worker representatives

58%

42%

With worker representatives accounting for more than one-third of the total number

Occupational safety and health policy and promotion of occupational safety and health management system

In order to provide a sound working environment for our employees and contractors entering the plant, we are committed to eliminating and preventing injuries and sicknesses by continuously improving the working environment and facilities, installing equipment that complies with laws and engineering standards, strengthening education and training for employees, requiring and caring for the safety of our contractors, and establishing a sound safety and health system and procedures to enhance the safety and health standard of our company and to establish a high-quality safety and health culture. We hope that the announcement of our occupational safety and health policy will encourage all employees to improve their occupational safety and health. Through various occupational safety and health management systems and the introduction of ISO45001, the hazardous factors in all operations will be grasped, and it is hoped that after the establishment and implementation of ISO45001, it will become a set of occupational safety and health management systematic standards for employees to follow, in order to continue to make progress and to achieve excellence.

The Company's occupational safety and health management system covers all employees and non-employees, and it is expected that the related auditing operation will be performed in 2023. The number and percentage of non-employees are as follows:

Percentage of employees and non-employees



In case employees want to express their opinions on safety and health issues (including false alarms), they can directly address their opinions to the relevant authorities or the Occupational Safety and Health Office by their colleagues or unit supervisors. Once the Occupational Safety and Health Office is informed of, it will contact the relevant authorities to handle the opinions appropriately and reply to them. If an employee is faced with an emergency hazard while performing his/her duties, he/she may stop his/her work and immediately retreat to a safe place without affecting the work of others, and the company shall not impose any penalties for the above behavior.



COVID-19 prevention measures

The Company's measures in response to the 2022 COVID-19 pandemic were as follows:

• Establishment of a pandemic prevention team

In response to the demand for pandemic prevention of severe and unusual contagious pneumonia, the Company has established a pandemic prevention team, with the CEO as the convenor, and emergency response teams have been set up in each unit to take pandemic prevention-related measures and to cooperate with the governmental competent authorities in establishing pandemic prevention methods, evaluating the impacts of the pandemic and responding to the situation, purchasing protective equipment and facilities, supervising and auditing the effectiveness of the implementation, conducting education, training and advocacy, and staying up-to-date with the latest information about the pandemic prevention, as well as reviewing the pandemic prevention measures to enable the Company to sustain its operations.

• Procurement of adequate pandemic prevention supplies

Examples are quick-screening reagents, medical-surgical masks, hand sanitizer, 75% cleaning alcohol, ear thermometers, forehead thermometers, bleach, pandemic prevention kits for employees on business trips, etc., which were distributed to specific high-risk employees (e.g., employees on business trips or on official duties) according to the discussion at the pandemic prevention team meeting or to carry out quick-screening for consecutive holidays to keep track of the health status of the employees according to the pandemic situation.

• Strengthened pandemic prevention and health education advocacy.

✓ Pandemic prevention posters were placed at the entrances of the plant or other noticeable places to encourage employees to take care of their health at home when they are sick, to follow coughing etiquette and to maintain hand hygiene, and to teach employees to wear surgical masks properly and to wash their hands, as well as to update pandemic information at any time by posting it on the bulletin boards, the company's intranet site, or Teams announcements.

✓ Preparation of EDM for pandemic prevention.



• Strengthened advocacy to avoid group activities

✓ Reduced the number of non-essential meetings and prioritized the use of video conferencing for official meetings and staff recruitment.

✓ Divided dining hours to avoid crowds of diners.

✓ Organized online Kickoff meetings, annual awards and employee raffles in place of physical year-end dinners.

• Work from home

✓ Some indirect units of the plant and the Neihu head office practiced separated work shifts, worked from home, etc., depending on the nature of the job.

Health promotion system and sickness prevention

The Company has established an occupational safety and health hazard identification and risk assessment system to perform major occupational safety and health risk assessment, focusing on unacceptable risks and acceptable opportunities for improvement, and has included goals and action plans to effectively control risks. In addition, the Company has established a system for dealing with abnormalities and has drawn up reporting standards for different levels of safety and health incidents, including false alarms.

Employee health is an important factor in maintaining a balance between work and life. The Company outsources professional doctors to provide free health clinical services for employees at the plant, offering employee health consultation, guidance, evaluation, and tracking and management of employee health issues and referrals or medical services. We have also hired professional nurses to continue to protect the physical and mental health of our employees through the four main axes of maternity protection, man-made injury prevention, burnout prevention, and unlawful infringement prevention. Through a variety of healthcare programs, occasional health seminars, and a variety of health promotion activities, all of which are designed to create a happy and healthy workplace environment. The company also follows the occupational safety and health organization's background risk and hazard



identification procedures to comprehensively assess the social aspect's impact on occupational safety and health, such as workplace psychological discomfort, verbal violence, gender discrimination, and sexual harassment, and to take countermeasures in advance.

The Company is moving towards a diversified approach to employee healthcare. Each year, the Company analyzes the test data from the overall report of employee health examinations, establishes annual health management plans that meet the health needs of the employees, and has improvement plans to maintain their health, as well as ensuring that the privacy of the results of employee health screenings is maintained and that such services and programs,

or the resulting health data, are not used as a basis for determining employee evaluations and performance. After the completion of the employee health examinations, the clinical service doctor conducts follow-up tracking of the unusual results, and the nurses are responsible for carrying out health improvement activities and health promotion programs in accordance with the results of the diagnosis. The health promotion activities promoted by the Company so far include blood donation activities and health seminars. In addition, in order to strengthen employees' health awareness, we share information on major diseases or health education from time to time, so that employees can understand a full range of health information, thereby enhancing their health awareness and knowledge of self-weight management.

The Company is also committed to promote health in the workplace, actively implement health promotion measures, and establish a healthy work environment. The following activities were launched in 2022 to promote the health of our employees:

Annual health check-ups Organized annual employee health checkups, including on-site and hospital visits

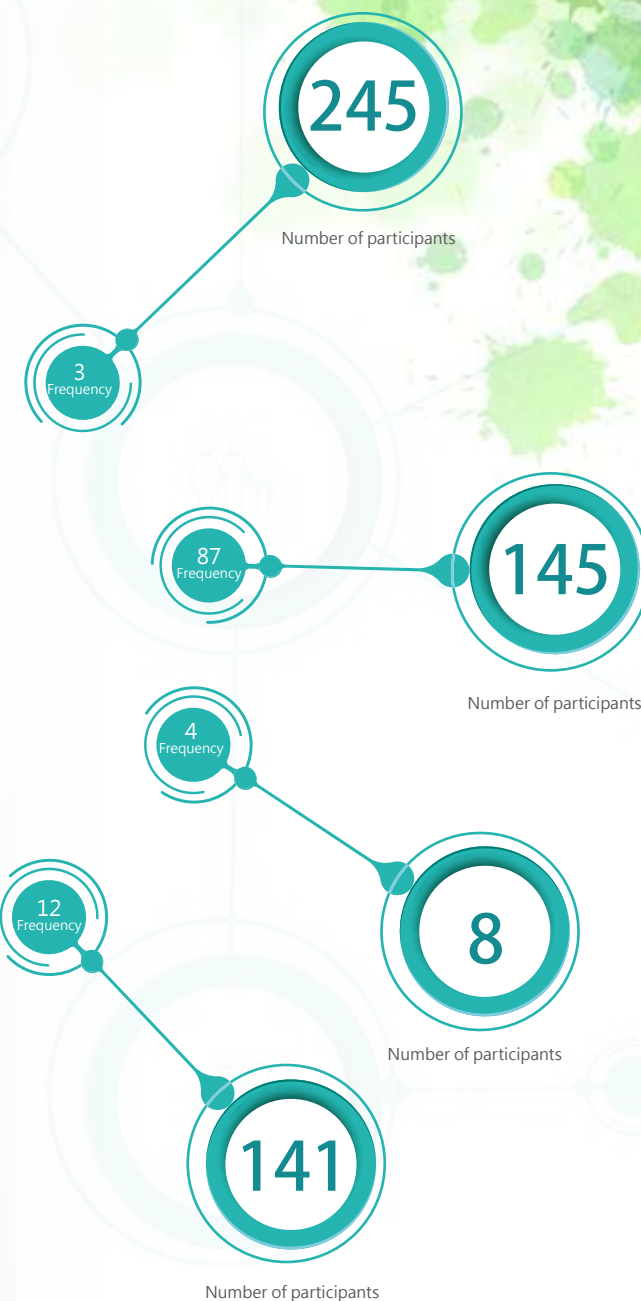
On-site service health consultations

- One-on-one employee health consultation services by visiting doctors and company nurses
- Tracking and follow-up care for the high-risk groups in the health check report.

Workplace inspection One monitoring each in the first and second half of the year, including organic solvents and carbon dioxide

Health seminars/ health promotion activities / Health education

- 1 health seminar by visiting doctor
- 11 health education/occupational safety advocacy sessions



With respect to specific occupational diseases, we have been instilling proper occupational safety and health concepts in our employees on a regular basis, effectively advocating the Company's occupational safety and health information, and organizing professional training on occupational health for our employees in order to cultivate good work habits and minimize human negligence. On the day of reporting for duty, new employees will receive 3 hours of safety and health training through on-site lectures and real-life case studies; The Company has set up various types of specialized personnel in accordance with the law, and when general employees change their jobs or duties, the supervisor of the newly-appointed job unit and the occupational safety and health office will evaluate whether it is necessary to arrange for appropriate occupational safety and health training.

On-the-job training for relevant occupational safety and health in 2022 is as shown in the table below:

Month	Place	Type	Content	Course hours (H)	Number of persons trained	Number of hours trained
01	Neihu	External	On-the-job retraining for level A occupational safety personnel	6	1	6
01	Zhonghe	External	On-the-job retraining for occupational safety personnel	12	1	12
03~04	Zhonghe	Internal	General safety and health education and training	1.5	126	189
04	Zhonghe	Internal	Self-defense and fire-fighting formation drills in the first half of the year	4	29	116
04	Zhonghe	Internal	Annual fire escape drill	0.5	113	57
06	Zhonghe	External	On-the-job retraining for level A occupational safety personnel	6	1	6
10	Zhonghe	Internal	Self-defense and fire-fighting formation drills in the second half of the year	4	25	100
10	Zhonghe	External	First responder initial training	16	1	16
Total				50	297	502

The number of employee occupational disaster injuries tallied in 2022 was three in total, as detailed in the table below; there were no work-related mortalities.

2022			
Employee-male	2	Non-employee-male	0
Employee-female	1	Non-employee-female	0

Note:

1. The Company's statistics (including commute accidents) are based on laws and regulations related to occupational safety and health.
2. The three occupational accidents in 2022 were all commute accidents.

Occupational disaster statistics

2022			
Disabling injury frequency rate (FR)	0	Occupational injury mortality rate	0
Disabling severity rate (SR)	0	Occupational disease mortality rate	0

Note:

1. The absence rate is defined as the actual days missed as a percentage of the days when the employee should have been working during 2022. Absence: An employee's absence from work due to incapacity, not limited to work-related injury or sickness, not including approved leave such as holidays, training, maternity/paternity leave, and funeral leave.
2. Disabling severity rate (SR) = (days away from work/total hours worked) * 1,000,000; days away from work: the number of days that a worker "loses" due to an occupational accident or disease that prevents him/her from engaging in his/her daily work. The number of days lost will not be counted when a worker is engaged in limited duties or alternative work in the same organization.
3. Disabling injury frequency rate (FR) = (total number of injuries/total hours worked) * 1,000,000.
4. SR and FR statistics do not include traffic accidents and contractors.

GRI Appendix



GRI Standards Reference Table

Disclaimer: The Company has reported the contents for the period January 1 to December 31, 2022 in accordance with GRI referral standards
 GRI used: GRI 1: Foundation 2021
 Applicable GRI industry standards: M/A

GRI Standards

GRI standard/ source	Disclosure	Page no.	Remarks		
			Omission	Reason	Explanation
General disclosures					
GRI 2: General disclosures 2021	2-1 Organizational details	24			
	2-2 Entities included in the organization’ s sustainability reporting	5			
	2-3 Reporting period, frequency and contact point	6			
	2-4 Restatements of information		V	Inapplicable	No previous information as this is the first time of publishing this report
	2-5 External assurance	6			
	2-6 Activities, value chain and other business relationships	20			
	2-7 Employees	24,54			
	2-8 Workers who are not employees	24,54			
	2-9 Governance structure and composition	15			
	2-10 Nomination and selection of the highest governance body	36			
	2-11 Chair of the highest governance body	37			

GRI Standards

GRI standard/ source	Disclosure	Page no.	Remarks		
			Omission	Reason	Explanation
GRI 2: General disclosures 2021	2-12 Role of the highest governance body in overseeing the management of impacts	15,42			
	2-13 Delegation of responsibility for managing impacts	15			
	2-14 Role of the highest governance body in sustainability reporting	15			
	2-15 Conflicts of interest	41			
	2-16 Communication of critical concerns	15,40			
	2-17 Collective knowledge of the highest governance body	24			
	2-18 Evaluation of the performance of the highest governance body	12,15			
	2-19 Remuneration policies	40			
	2-20 Process to determine remuneration	39			
	2-21 Annual total compensation ratio		V		Remuneration is confidential information of the organization
	2-22 Statement on sustainable development strategy	12			
	2-23 Policy commitments	41			
	2-24 Embedding policy commitments	12,41			
	2-25 Processes to remediate negative impacts	41			
	2-26 Mechanisms for seeking advice and raising concerns	40-41			

GRI Standards

GRI standard/ source	Disclosure	Page no.	Remarks		
			Omission	Reason	Explanation
GRI 2: General disclosures 2021	2-27 Compliance with laws and regulations	5			
	2-28 Membership associations	32			
	2-29 Approach to stakeholder engagement	17			
	2-30 Collective bargaining agreements	59			
Material topics					
G3: Material topics 2021	3-1 Process to determine material topics	18			
	3-2 List of material topics	19			
	3-3 Management of material topics	33			
GRI 201: Economic Performance 2016					
201-1	Direct economic value generated and distributed	34			
201-2	Financial implications and other risks and opportunities due to climate change		V	Incomplete	TCFD risk assessment not yet performed
201-3	Defined benefit plan obligations and other retirement plans	52			
201-4	Financial assistance received from government	47			

GRI Standards

GRI standard/ source	Disclosure	Page no.	Remarks		
			Omission	Reason	Explanation
GRI 302: Energy 2016					
302-1	Energy consumption within the organization	46			
302-2	Energy consumption outside of the organization	45			
302-3	Energy intensity	46			
302-4	Reduction of energy consumption	47			
302-5	Reductions in energy requirements of products and services	47			
GRI 303: Water and Effluents 2018					
303-1	Interactions with water as a shared resource	35			
303-2	Management of water discharge related impacts	35			
303-3	Water withdrawal	35			
303-4	Water discharge	35			
303-5	Water consumption	35			

GRI Standards

GRI standard/ source	Disclosure	Page no.	Remarks		
			Omission	Reason	Explanation
GRI 305: Emissions 2016					
305-1	Direct (Scope 1) GHG emissions	31-32			
305-2	Energy indirect (Scope 2) GHG emissions	31-32			
305-3	Other indirect (Scope 3) GHG emissions		V	Incomplete	Scope 3 identification not performed on the GHG inventory
305-4	GHG emissions intensity	32			
305-5	Reduction of GHG emissions	33			
305-6	Emissions of ozone-depleting substances (ODS)	33	V		
305-7	Nitrogen oxides (NOx), sulfur oxides (SOx), and other significant air emissions	33	V		
GRI 306 G3: Material topics 2021: Waste 2020					
306-1	Waste generation and significant waste-related impacts	34			
306-2	Management of significant waste-related impacts	33-34			
306-3	Significant spills	34			

GRI Standards

GRI standard/ source	Disclosure	Page no.	Remarks		
			Omission	Reason	Explanation
GRI 307: Environmental Compliance 2016					
307-1	Non-compliance with environmental laws and regulations	35			
GRI 401: Employment 2016					
401-1	New employee hires and employee turnover	38-39			
401-2	Benefits provided to full-time employees that are not provided to temporary or part time employees	36			
401-3	Parental leave	36-37			
GRI 403: Occupational Health and Safety 2018					
403-1	Occupational health and safety management system	42			
403-2	Hazard identification, risk assessment, and incident investigation	43-44			
403-3	Occupational health services	43-44			
403-4	Worker participation, consultation, and communication on occupational health and safety	41-42			
403-5	Worker training on occupational health and safety	45			
403-6	Promotion of worker health	44			
403-7	Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	44			

GRI Standards

GRI standard/ source	Disclosure	Page no.	Remarks		
			Omission	Reason	Explanation
403-8	Workers covered by an occupational health and safety management system	42			
403-9	Work-related injuries	45			
403-10	Work-related ill health	45-46			
GRI 404: Training and Education 2016					
404-1	Average hours of training per year per employee	39			
404-2	Programs for upgrading employee skills and transition assistance programs	39			
404-3	Percentage of employees receiving regular performance and career development reviews	40-42			



Independent Assurance Statement

To the Management and Stakeholders of Ubiquconn Technology Inc.

DQS has been engaged by Ubiquconn Technology Inc. to provide independent assurance over the ESG Report 2022. The engagement took place in September 2023.

The objective of this assurance engagement was to independently express conclusions on underlying reporting processes and validate qualitative and quantitative claims, so as to limit misinterpretation by stakeholders and increase the overall credibility of the reported information and data.

Scope of assurance

The assurance encompassed the entire ESG report and focused on all figures, statements and claims related to sustainability during the reporting period January 2022 to December 2022.

The assurance engagement was performed in accordance with a Type 2 assurance of the AA1000 Assurance Standard (AA1000AS v3), which consists of:

- Evaluating the company's sustainability framework and processes using the inclusivity, materiality, responsiveness and impact criteria of the AA1000 AccountAbility Principles (AA1000APS 2018), and
- Evaluating the quality of the reported sustainability performance information.

The report has been self-declared to be in accordance with requirements of the GRI Standards.

Level of assurance and limitations

A moderate level of assurance under AA1000AS was provided for this engagement. Information and performance data subject to assurance is limited to the scope described above.

The assurance did not cover financial data, technical descriptions of buildings, equipment and production processes or other information not related to sustainability.

The assurance engagement is not a compliance audit and does not assess or evaluate compliance with applicable laws and regulations.

Independence and Competences of the Assurance Provider

The DQS Group is an independent professional services firm that provides assurance on sustainability disclosures under the Global Reporting Initiative (GRI), CDP and other specialized management and reporting mechanisms. Independent verifiers have not been involved in the development of the report or have they been associated with Ubiquconn Technology sustainability program, data collection or strategic processes.

DQS CFS GmbH
August-Schneer-Strasse 21
60433 Frankfurt am Main
Germany



www.dpsglobal.com



DQS Group ensures that the assurance team possesses the required competencies, maintained neutrality and performed ethically throughout the engagement. Further information, including a statement of impartiality, can be found at: www.dpsglobal.com.

The management of Ubiquconn Technology was responsible for the preparation of the sustainability data.

Assurance Methodology

The assurance procedures and principles used for this engagement were drawn from the International Standard AA1000AS and methodology developed by DQS, which consists of the following steps:

1. Identifying statements and data sets, which are classified according to the relevant data owners and the type of evidence required for the verification process.
2. Reviewing the Sustainability Report to determine whether the material topics identified during our procedures have been adequately disclosed.
3. Carrying out interviews with key functional managers and data owners at Ubiquconn Technology office in 4F., No. 300, Yangguang St., Neihu Dist., Taipei City 11491, Taiwan
4. Assessing the collected information and provide recommendations for immediate correction where required or for future improvement of the report content.

Evaluation of the adherence to AA1000 AccountAbility Principles

Inclusivity - People should have a say in the decisions that impact them

The stakeholder identification and engagement process is documented and implemented through the Ubiquconn Technology Sustainability program and the Report brings out key stakeholder concerns as material aspects of significant stakeholders. Therefore, it is recommended that Ubiquconn Technology should continue with the planned process of direct dialogue with the stakeholders at determined intervals.

Materiality - Decision makers should identify and be clear about the sustainability topics that matter
The sustainability data included in the scope of the assurance engagement consists of sustainability performance indicators for ESG topics that are considered material, through a materiality assessment.

Responsiveness - Organizations should act transparently on material sustainability topics and their related impacts

Ubiquconn Technology is responding to those issues that it has identified as material and demonstrates this in ESG performance indicators. The organization and its stakeholders can use the reported ESG information as a reasonable basis for their opinions and decision-making.

DQS CFS GmbH
August-Schneer-Strasse 21
60433 Frankfurt am Main
Germany



www.dpsglobal.com



Impact - Organizations should monitor, measure and be accountable for how their actions affect their broader ecosystems

Ubiquconn Technology has implemented systems to monitor and measure its economic, environmental and social impacts through selected performance indicators based on the GRI standards. The company has set up a comprehensive and robust sustainability data reporting approach.

Conclusion

On the basis of a moderate assurance engagement according to the above-listed criteria, nothing has come to our attention that causes us to believe that the disclosures within the scope of this assurance engagement are materially misstated. The processes for collecting and consolidating the data are structured in such a way as to enable independent verification.

On behalf of the assurance team

September 29, 2023

Frankfurt, Germany

Guido Eggers

Guido Eggers

Managing Director

DQS CFS GmbH



DQS CFS GmbH
August-Schneer-Strasse 21
60433 Frankfurt am Main
Germany



www.dpsglobal.com