

Auras Technology Sustainability Report 2022



About the report

Principles of organization

Auras Technology in addition to pursuing corporate growth, we are also committed to fulfilling the role of corporate citizenship through corporate social responsibility. We implement employee care, social care, and environmental protection, constantly striving for excellence. The content structure of this report is based on the Global Reporting Initiative Sustainability Reporting Standards (hereinafter referred to as the GRI Guidelines) issued by The Global Reporting Initiative (GRI). This report has been prepared in accordance with the core options of the GRI Guidelines.

At the same time, in accordance with the Hardware Industry Disclosure Theme of the Sustainability Accounting Standards Board (SASB), and following the "Operating Procedures for Preparing and Reporting Sustainable Development Reports for OTC Companies", environmental (E), social (S), and corporate governance (G) information disclosure will be conducted.

Boundary and scope of the report

Content of this report for Auras Technology the practice and achievements of sustainable development, in addition to the Taiwan headquarters, are covered in the scope of data disclosure in the report, including the Kunshan factory, Guangzhou factory, Chongqing factory, Hefei factory, and Thailand factory in mainland China.

Expose data and content primarily from January 1 to December 31, 2022, covering major issues of concern to stakeholders; The statistical data disclosed in the report are all from self statistics and survey results, and are presented in the commonly used numerical description.

Furthermore, assessing the comparability of information, some performance data from the past three years will be disclosed together, if within the scope or data on measurement, there are the factory area not included will be specifically noted and explained in this paragraph.

Report issuance time

Auras Technology regularly issue perpetual reports every year and make them available for browsing and downloading on our company's website. Current release version: June 2023 (previous release version: June 2021) Next release version: scheduled to be released in June 2024.

Feedback and Contact information

If there are any deficiencies in the editing of the 2022 Auras Sustainability Report, we would like to thank the wise people from all walks of life for their generous suggestions so that Auras can continue to improve. Welcome to contact us.

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Catalogue

Chairman Remark-4

1、Business Operations-6

- 1.1 Origin and History of Establishment-7**
- 1.2 Company Overview-8**
- 1.3 Main Business Operations-12**
- 1.4 Operational and Technological Growth -13**
- 1.5 Financial Performance-15**
- 1.6 Vision and Mission-16**

2、Sustainable Development-17

- 2.1 Sustainable Governance-18**
- 2.2 Analysis of Major Issues-20**
- 2.3 Communication among Stakeholders-25**
- 2.4 Corporate Governance Operations-26**
- 2.5 Integrity Management-32**
- 2.6 Risk Management-33**
- 2.7 Supply Chain Management-38**

3、Green and Common Prosperity-41

- 3.1 Environmental Sustainability-42**
- 3.2 Greenhouse Gas Reduction Management-44**
- 3.3 Environmental Material Flow Information-45**
- 3.4 Pollution Prevention and Control to Reduce Environmental Impact-46**

4、Friendly Workplace-46

- 4.1 Global Talent-49**

4.2 Talent Recruitment-54

4.3 Talent Cultivation-56

4.4 Benefits and Rights-59

4.5 Health Care-65

4.6 Workplace Safety-67

4.7 Social Public Welfare Participation-71

Report Index Comparison Table GRI-73

Report Index Comparison Table SASB-88



Chairman Remark:

To our Stakeholders who are concerned about Auras sustainability practices:

It is our great honor to share our third sustainability report with you. We sincerely appreciate all of you for the long-term encouragement and support, which has enabled Auras to reach a record high EPS for the fourth consecutive year in 2022.

After years of technology upgrade and innovation, Auras has become a well-known cooling solution provider in the thermal industry. Our achievements come from the trust of customers and the support of suppliers. Here I would like to express my sincere gratitude to all business partners and stakeholders.

I deeply agree with the United Nations Brundtland Report, Our Common Future, which defined sustainability as, “meeting the needs of the present without compromising the ability of future generations to meet their own needs.” As a corporate citizen, not just firmly believing in, “Giving back what we take out from society at this moment,” we also do care and focus more on the concept of environmental rights across generations.

There is a "Climate Clock" in New York's Union Square in downtown Manhattan, reminding pedestrians/travelers how much time is left to save the planet before it is too late. We all clearly know that there is no Planet B. Fewer than 6 years to prevent the irreversible effects of climate change is a serious warning for all of us.

Especially in recent years, global climate change has caused extreme weather across the planet, such as droughts, extreme heat, heavy rains, and wildfires, which often cause great damage and losses to lives and resources. These extreme weather events are warnings given by Nature. No one can escape it. We should always be sure to take ESG actions with Green life.

To practice accountability and to keep these goals in focus, we established the Auras Foundation in 2022 to actively engage in cultural/educational promotion, social welfare assistance, climate change initiatives etc. Also, net-zero carbon emissions is our sustainable development goal. We want to combine raising ESG awareness and increasing commitment to action to put ESG



**Chairman
Auras Technology Co., Ltd.**

initiatives into practice. We hereby invite the entire Auras Group, stakeholders, and supply chain partners to Go Greener and to protect the only Mother Earth we have.



Business Operations

1.1 Origin and History of Establishment

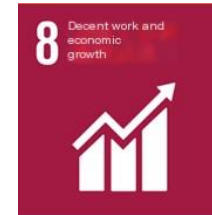
1.2 Company Overview

1.3 Main Business Operations

1.4 Operational and Technological Growth

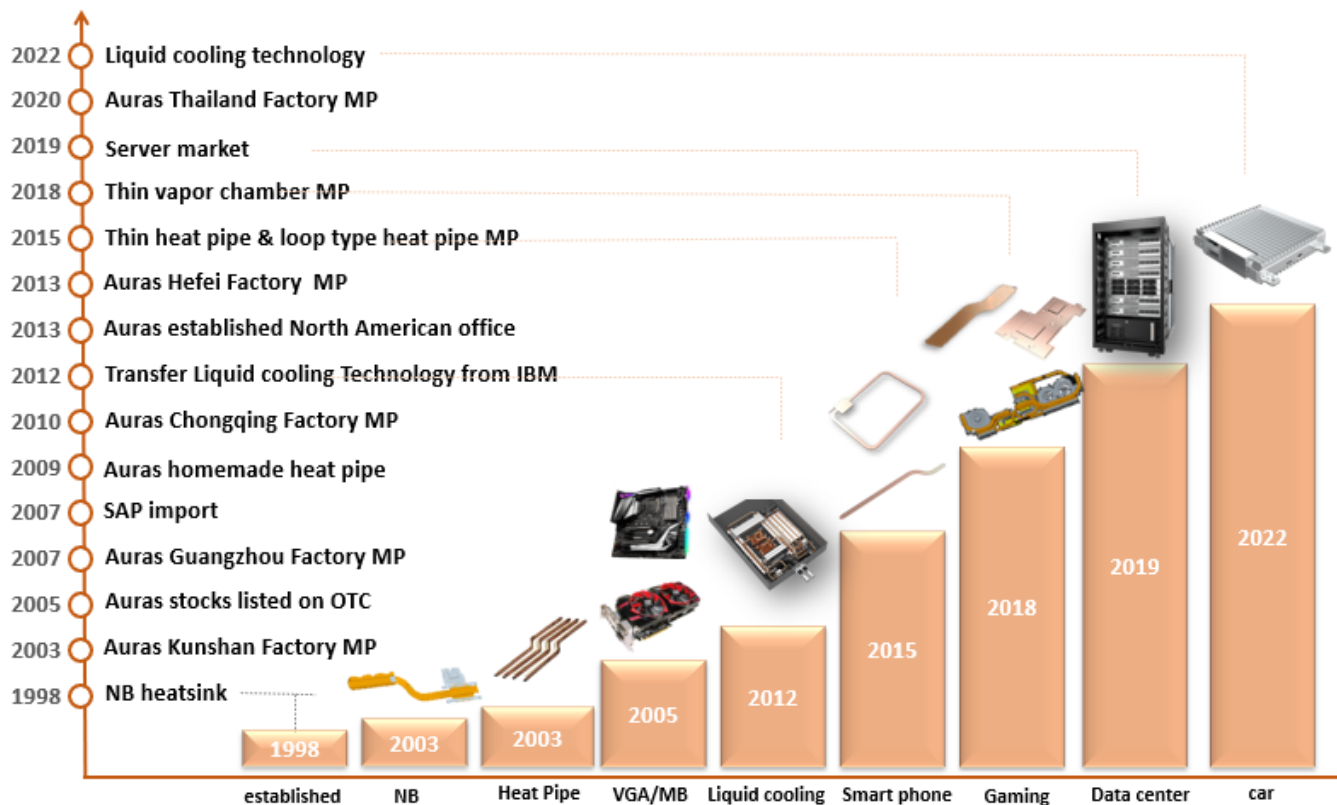
1.5 Financial Performance

1.6 Vision and Mission



1.1 Origin and History of Establishment

Auras Technology Co., Ltd. was established in 1998. At first, it was mainly engaged in NB radiator design, module manufacturing and sales. In order to open up new markets and expand business scale, the market extended to the manufacturing of air-cooling technology cooling modules for servers, graphics cards, motherboards, workstations, etc. Auras has been investing in energy-saving cooling technology for many years. It is well aware that as the rigid demand for data center construction increases, the increase in computing power will cause the chip power consumption to continue to rise. Therefore, in addition to air cooling technology, the company has also advanced liquid cooling (Cold Plate) technology, and has always insisted on becoming a comprehensive cooling solution provider with quality, reliability and flexibility.

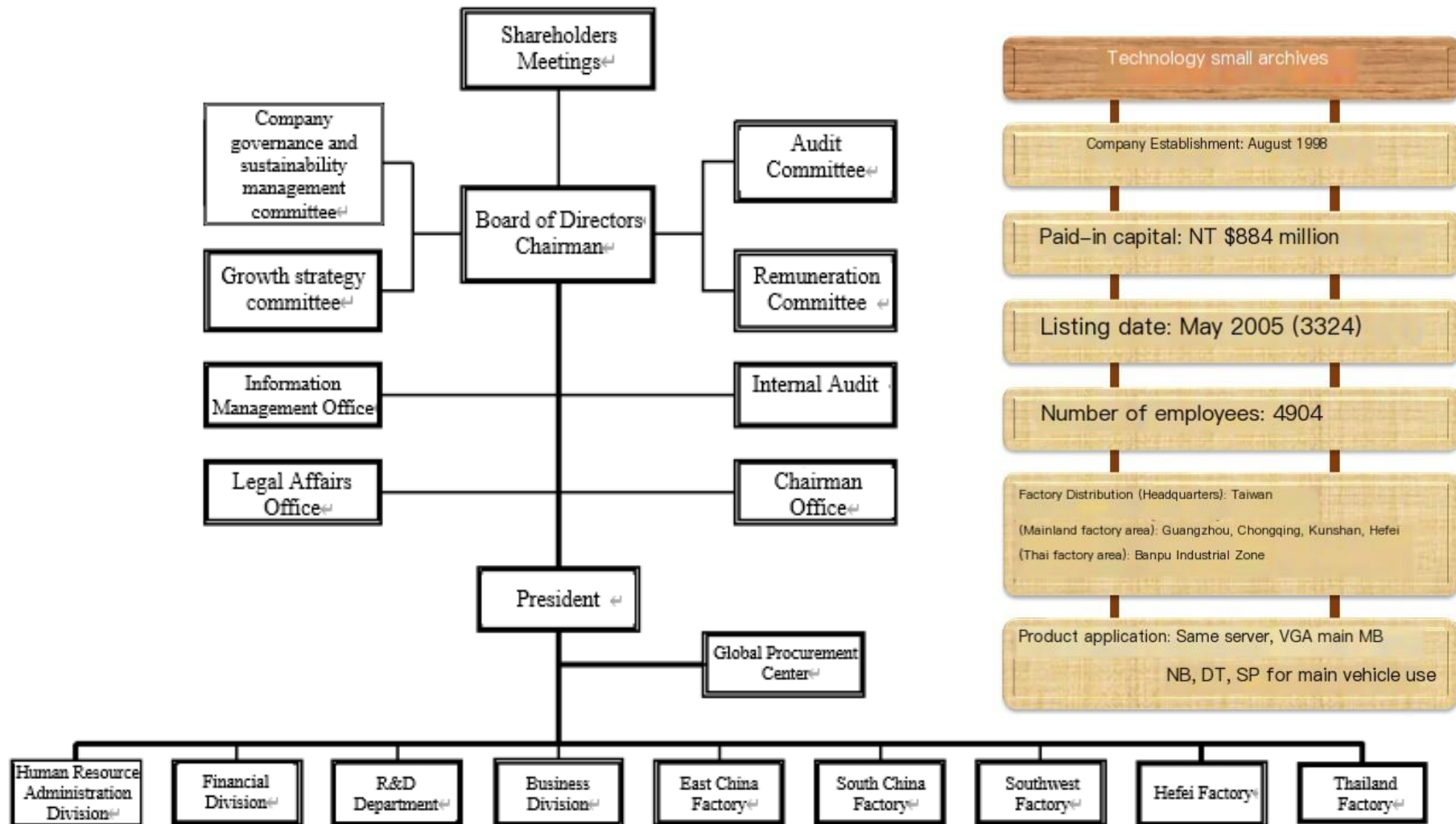


1.2 Company Overview

Auras operating headquarters is located in HSIN CHUANG District, New Taipei City, Taiwan. It is mainly a sales and R&D center. In 2003, it set up a factory in Kunshan, China. During the 10 years, it expanded its production lines in Guangzhou, Chongqing, and Hefei, China. (Heat Pipe) and Vapor Chamber (Vapor Chamber) are self-made to meet the needs of customers for customized design of cooling modules. Auras expands its market from cooling modules for laptops, graphics cards (VGA), gaming, motherboards, and smart phones to servers and cloud data centers. Auras is a cooling solution provider; in order to meet customer needs, it went to Thailand to build a factory in 2020, and mass production began smoothly in the first half of 2021. In the future, with the increase in demand from new markets and new customers, it will continue to expand production capacity in China and Thailand factories.



1.2.1 Auras Organization chart



1.2.2 Business Operations of Main Departments

Data source: Company's 2022 Annual Report

Department	Main Responsibilities
Internal Audit	<ol style="list-style-type: none"> 1. Establishment, amendment and examination of the internal audit system 2. Auditing on the operation of each department and the execution and promotion of the Company's self-evaluation
Chairman Office	<ol style="list-style-type: none"> 1. Responsible for the Group's engineering integration and development related to product technology 2. Enhancement and development of technical ability and promotion and supervision of product development
R&D Department	In addition to taking charge of the affairs related to the Company's product developing plans, it is responsible for assisting with solving technical problems such as technics, quality and costs from production to sales service
Business Division	Responsible for matters related to marketing plans, domestic and overseas sales, operating and sales activity strategies, promotion of market expansion and sales ensuring, transportation, storage and marketing of products, accounts receivable and payable, and others related to after sales service
Global Procurement Center	Procurement plans for production materials, selection and management of suppliers, production plans, storage management, outsourcing management and the relevant operation matters
Growth strategy committee	<ol style="list-style-type: none"> 1. Based on the analysis and management of the Company's overall operational performance, the expertise of relevant functional departments was combined, and the resources of various business units was integrated to assist the Company in promoting and enhancing the business performance of each business unit to achieve annual goals. 2. Develop and plan medium- and long-term, strategic and investment development plans of the Company's competitive advantages, and expand the subsidiaries and functional units to lead the Company's overall organizational operations to continuously grow and gain profit.
Company governance and sustainability development committee	The Company takes the shareholders' meeting as the highest authority of the Company and with the Chairman chairing the board of directors, it implements and supervises the business operations. In order to demonstrate the determination to fulfill corporate citizenship responsibilities and implement sustainable business, the Corporate Governance and Sustainability Committee is responsible for implementing the company's sustainable operations.
Audit Committee	Assistance to the Board in performing its function of supervising the accounting, audit, financial reporting process and financial control for assurance of quality and integrity.
Legal Affairs Office	Businesses related to the Company's legal affairs, including domestic and overseas commercial contracts, patents and other intellectual property right management, and litigations
Information Management Office	<ol style="list-style-type: none"> 1. Responsible for analyzing the costs and performance of business computerization 2. Planning and designing software system and writing computer programs 3. Matters such as the hardware characteristics of computer system and solving the operational problems
Human Resource	<ol style="list-style-type: none"> 1. Responsible for matters related to human resource management, administration and general affairs management

Administration Division	<ol style="list-style-type: none"> 2. Planning, integration and management of the system related to receiving orders, shipments and inventories 3. Responsible for planning, integration and management of the Group's Document Management Center. 4. Responsible for matters related to human resource management, administration and general affairs management
Financial Division	<ol style="list-style-type: none"> 1. Research, design, promotion and revision of financial management 2. Utilization and dispatching of long and short term funds, and processing of each investment 3. Processing of financial and cashier matters 4. Planning and execution of matters related to investor relationship, shareholders service management, shareholders' meetings and each functional committee 5. Research, design, promotion and revision of accounting system 6. Analysis and reporting of the summary, control and execution results of annual budget 7. Processing of accounting and cashier matters

1.3 Main Business Operations

Since its establishment, Auras has adhered to the concept of "satisfying customers" and has continuously pursued technological innovation and excellence. It has invested in energy-saving cooling technology for many years. In addition to being committed to air cooling technology, the company has also refined liquid cooling (Cold Plate) technology to provide Comprehensive cooling solutions for customers.

The current operations are still mainly based on air-cooling heat dissipation technology. With the goal of grasping trends and developing new generation products, we continue to invest in research and development to improve the heat pipe process and increase yield, and make good use of industry-leading technologies to consolidate existing notebook, desktop, VGA, Gaming, Smartphone and other markets, while continuously strengthening the company's technological competitiveness, and continuing to delve into markets such as cloud servo, AI, HPC, automotive and charging devices.

- **High-efficiency vapor chamber:** The advantage is that it can quickly conduct heat energy away from the chip, effectively reducing the temperature of the chip during high-speed computing. It will be increasingly used in heat dissipation fields such as AI, HPC, cloud servo, and e-sports products, and will continue to be developed. Different types of 3DVC to enhance product competitiveness.

- **Liquid cooling:** Auras liquid cooling technology has been developed from single chip to complete system requirements. It not only has single and double pump options, but also has parallel and series liquid cooling modules and complete systems in response to different space and power consumption requirements. Design and planning to cope with high-power computing heat issues in products such as supercomputers, HPC, AI, self-driving cars, and charging devices, while also responding to the global net-zero carbon emission policy; in the next 2-3 years, liquid cooling will become the mainstay of server. The important heat dissipation technology of the machine will help the advancement of Auras operations.



1.4 Operational and Technological Growth

Applications such as artificial intelligence, autonomous driving, smart cities, and IoT that are extended by 5G technology all require a large amount of real-time analysis, feedback, and data transmission. The industry is developing in technologies such as big data analysis, AI deep learning, edge computing, and cloud storage. Under the trend, the operating efficiency of CPU/GPU must be continuously improved, which will increase the power consumption and heat generation. The power consumption/heat generation of CPU/GPU is directly proportional to the computing efficiency. Auras has invested in energy-saving cooling technology for many years. In addition to its dedication to air cooling technology, the company has also advanced liquid cooling (Cold Plate) technology to provide customers with comprehensive cooling solutions.

As early as 10 years ago, through the transfer of IBM technology to liquid cooling technology, in order to meet customer needs and reduce customer introduction costs, Auras also provided water-cooled rear doors (Rear Door Heat Exchanger, RDHx), in other words, air cooling plus liquid cooling. This technology allows customers to directly add water-cooled back doors to the cabinets without having to significantly modify the existing data center infrastructure.

As the rigid demand for data center construction increases and computing power increases, chip power consumption continues to rise. However, regulations and carbon reduction requirements also require operators to reduce PUE. Heat dissipation is the part of PUE that has the greatest opportunity to be optimized, and liquid cooling. The introduction of heat dissipation also helps the data center reduce the total operating cost. Due to the threat of extreme climate, the concept of sustainable development has become more popular among governments and enterprises around the world in recent years. In particular, net-zero carbon emissions proposed by various governments have become a hot topic around the world. Focus, in response to global carbon emission reduction policies, energy-efficient liquid cooling solutions will become mainstream, and their application will expand from single chips to complete systems in various fields such as supercomputers, AI, HPC, cloud servers, automobiles, charging devices and other products.

機櫃散熱全方位解決方案商 Rack System Total Solution Supplier



Research and development status

Auras is actively invests in research and development work, and strengthen the R&D team. Overall, it is expected that with the growth of the company's performance and the diversification of its product line, R&D expenses will continue to increase; Our R&D strategy:

- Expand the management team, plan core products, establish the company's own key technologies and patents, and continuously invest in the research and development of new generation products to pursue technological leadership.
- Enhance product design capabilities, establish standardized and modular development technologies, reduce development time and costs, and increase the time and price competitiveness of new product launches.

Research and development achievements in 2022

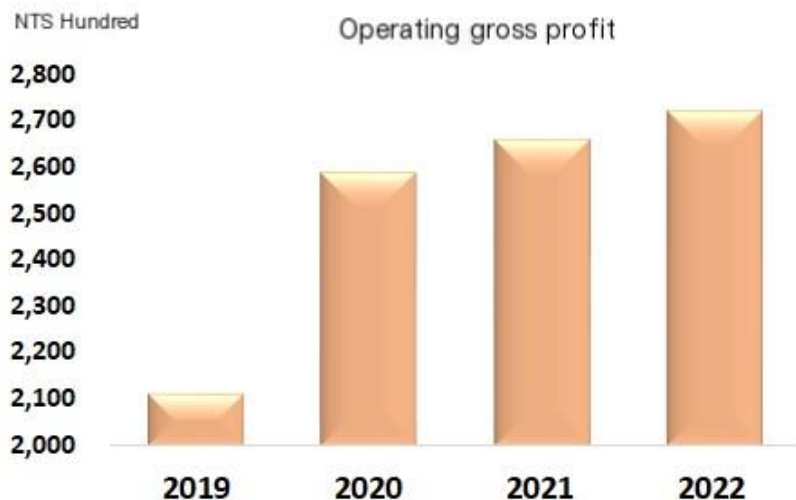
- New lightweight composite materials are used in high-performance vapor chamber research projects.
- High-efficiency integrated VC gaming cooling module research proposal.
- Product research plan for powerful matrix superconducting thermal body stacked vapor chamber transfer solution.
- Design and development of heterogeneous boundary layer stereo wave texture structure and optical effects.
- Research on AI accelerated composite superconducting thermal cavity coexisting three-dimensional heat dissipation module device.
- Efficient AI acceleration device TS. Development of F.M. type heat dissipation module.
- Performance and structural development of series high-power heat dissipation modules in AI artificial intelligence data centers.
- Liquid cooling system for cloud artificial intelligence computing center .

1.5 Financial Performance

Auras consolidated net operating income in 2022 was 13,856,991 thousand yuan, a decrease of 2.8% from the 2021 consolidated net operating income of 14,257,907 thousand yuan. However, with the increase in the proportion of high-margin application revenue, the operating gross profit was 2,722,232 thousand yuan. Gross profit margin also increased compared with the previous year, reaching 20%. Net profit after tax was 1,286,665 yuan, and earnings per share were 14.68 yuan. Profit reached a record high for four consecutive years.

Furthermore, Auras dividend distribution rate in the past four years has averaged over 40%. We will continue to uphold the spirit of innovation, actively plan the scope of product applications in the next 3 to 5 years, and continuously strive to strengthen the company's product competitiveness, with a view to Shareholders, customers and employees create maximum benefits and share future operating results.

	Unit : NT\$ thousand			
Dividend/Year	2019	2020	2021	2022
Revenue	10,247,561	12,214,199	14,257,907	13,856,991
Gross Profit	2,116,501	2,588,955	2,662,864	2,722,232
Operating Profit	1,188,268	1,561,600	1,379,094	1,173,299
Net Profit	969,428	1,127,148	1,153,875	1,286,665
EPS(NT\$)	11.71	12.88	13.12	14.68



1.6 Vision and Mission

"Innovation, persistence, and mutual prosperity" are Auras core corporate values. With continuous innovation, insisting on achieving 100% customer satisfaction, and creating a win-win concept between the company and customers, we hope that Auras will become a technology leader in the industry. "Studying things to gain knowledge" as stated in the "Book of Rites" of university is Auras business philosophy and the principle of doing everything. Everything must be mastered and understood, and with a positive and enterprising belief, we must overcome obstacles and ultimately realize our ideals; "Stop at perfection" is Auras DNA, and we constantly pursue truth and perfection in everything, just like continuing to improve cooling technology, providing customized all-round solutions, and achieving a win-win situation with customers.

Corporate Culture “Servant Leadership”

- Listen to the voices of stakeholders and take practical action
- A virtuous cycle, believing in both altruism and self-interest
- Encourage flexible adjustments and strive to become problem solvers
- Learn by doing, learn by learning, encourage colleagues to have the courage to try and reflect, regard failures as learning opportunities, and turn mistakes into positive experiences

Enterprise Management "Six Standard Deviations" (6 Sigma)

- DOE (Design Of Experiment), reduces process variation and production costs, while shortening development time, and strives to become a pioneer in newly developed markets or new technologies.
- TRIZ (Theory of Innovative Problem Solving) is introduced and applied to the development of new products and new technologies.
- TPM (Total Productive Maintenance), with the ultimate goal of zero disasters, zero failures, and zero defects, strengthens the overall efficiency of equipment and pursues maximization of output value.
- TPS (Toyota Production System), Just in Time, ensures precise production management, reduces indiscriminate waste in the production process, and maximizes value creation.



Sustainable Development

2.1 Sustainable Governance

2.2 Analysis of Major Issues

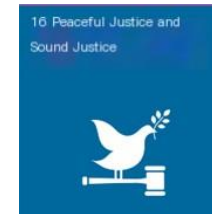
2.3 Communication among Stakeholders

2.4 Corporate Governance Operations

2.5 Integrity Management

2.6 Risk Management

2.7 Supply Chain Management



2.1 Sustainable Governance

Following the vision and mission of Auras ESG policy, the "Corporate Governance and Sustainability Committee" working group was established in 2018. In January 2022, the board of directors approved the regulations and changed its name to the "Corporate Governance and Sustainability Committee" to serve as the internal The highest-level sustainable development decision-making center works with senior executives from different fields to review the company's core operating capabilities and formulate mid- to long-term sustainable development plans.

The "Corporate Governance and Sustainability Committee" serves as a cross-department communication platform that integrates up and down and connects horizontally. Identify sustainability issues that are of concern to the company's operations and stakeholders, formulate corresponding strategies and work guidelines, prepare budgets related to each organization and sustainable development, plan and implement annual plans, and track implementation results to ensure that the sustainable development strategy is fully This document is implemented in the company's daily operations, and the working group reports the sustainable development implementation results and future work plans to the chairman of the board from time to time, at least once a year, and reports compliance status to the board of directors at least once a year.

Responsibilities:

1. The formulation of the company's sustainable development and net-zero emission policies and systems.
2. The company's sustainable development includes the formulation of sustainable governance, honest management, environmental and social goals, strategies and execution plans.
3. Tracking, review, review and revision of the company's sustainable development and net-zero emission implementation status and results.
4. Collect and consolidate the opinions of stakeholders, and identify and manage the impact of major themes.
5. Production of ESG report content and disclosure of relevant information.
6. Review the development direction and goals for sustainable development, including corporate social responsibility, corporate governance, labor relations, public safety, environmental protection, social welfare, supplier management, risk management, product design, customer and shareholder rights, formulated by each responsible unit, as well as specific promotion plans.
7. Pay attention to the issues and communication plans of various stakeholders, including shareholders, customers, suppliers, employees, government, non-profit organizations, communities, and media.
8. Advocate and implement the execution and supervision of relevant work related to the company's honest operation and risk management, and promote and strengthen the organization and system of corporate governance.
9. Other matters that are handled by this committee in accordance with the Articles of Association, relevant internal regulations of the company, regulations of the competent authority, or other matters passed by the board of directors.compan, regulations of the competent authority, or other resolutions of the board of directors.

2.1.1 Governance Blueprint

Auras Technology spontaneously attach importance to corporate governance and are also committed to following the "Corporate Governance 3.0 Sustainable Development Blueprint" released by the Financial Supervisory Commission, in order to enhance the sustainable development of enterprises and strengthen integration with the international capital market, towards the development of a comprehensive cooling solution supplier for sustainable operation.

Safeguarding shareholder rights and interests

The company sets up a spokesperson and proxy spokesperson system to ensure that any information that may affect shareholder decisions can be disclosed in a timely and appropriate manner, and sets up a dedicated email to receive shareholder suggestions, doubts, disputes, and other matters.

Equal treatment of shareholders

The company values the right of shareholders to know and indeed complies with relevant regulations on information disclosure. It regularly and promptly uses public information observation stations or websites set up by the company to provide information to shareholders regarding the company's financial, business, insider shareholding, and corporate governance situation.

To treat shareholders equally, all types of information are simultaneously disclosed in English. In order to protect the rights and interests of shareholders and implement equal treatment for shareholders, the company prohibits insiders from using undisclosed information in the market to buy and sell securities.

Strengthen the structure and operation of the board of directors

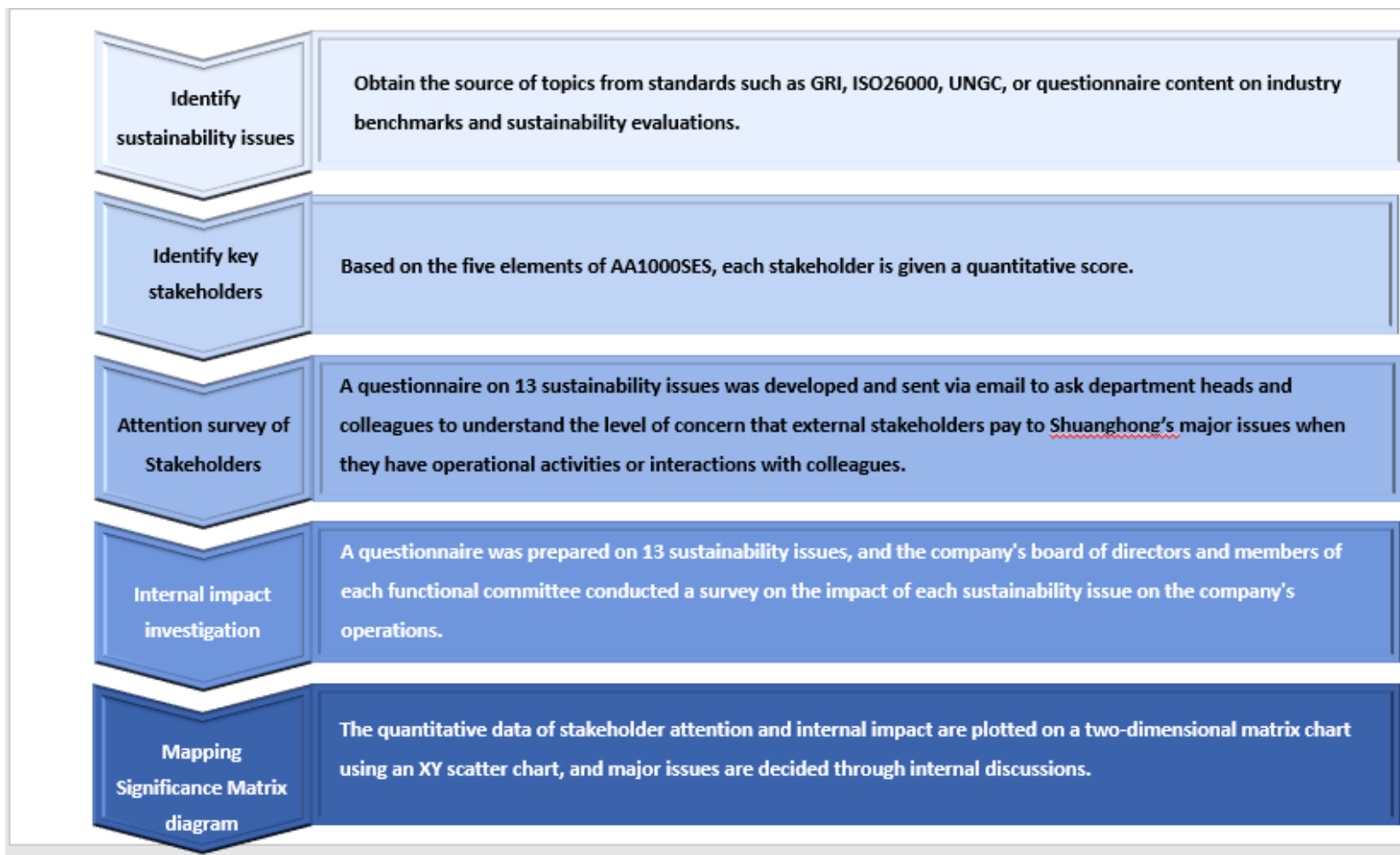
The composition of the company's board of directors is diversified, and there is no agreement between directors Spouse or relatives within the second degree of kin ship; further more, the company has established a Sustainable Development Committee and a Growth Strategy Committee.

Enhance information transparency

The company has set up an official website in both Chinese and English to disclose financial, business, and corporate governance related information, and the company's financial and annual reports are published in both Chinese and English versions.

2.2 Analysis of Major Issues

Auras Technology emphasis should be placed on communication with stakeholders, and dedicated personnel from each unit should maintain communication and interaction with stakeholders on a daily basis. Following the sustainability framework, significance, completeness, and stakeholder inclusiveness of the GRI Sustainability Reporting Guidelines, the management process for identifying, sorting, confirming, and reviewing major issues should be carried out by the company Governance and sustainability. The Management Committee convened a cross departmental meeting, and the Chairman and Chief Operating Officer also participated in the identification process. After multiple meetings and discussions, senior executives and heads of various units identified potential major stakeholders for communication. The following is an explanation of the identification method and process.



2.2.1 Inventory of Sustainability Related Issues

Through internal discussions within the company, taking into account the June 2018 Chinese version of the Sustainability Reporting Standards published by the Global Reporting Initiative (GRI) and the Sustainability Accounting Standards Board (SASB) in the United States, we simultaneously examine the operational direction and trends of our respective industries, and analyze sustainability reports published by domestic and foreign peers, Through the above process, 13 sustainability issues related to Double Red in 2022 were identified and confirmed to align with international reporting standards and industry trends.

Major issues		Topic Description
corporate governance + Economic aspect	Operational performance	Hongtech's business strategy and profit performance
	Technological Innovation and Market Layout	Hongtech aims to enhance competitiveness by continuously researching innovative technologies to meet customer needs
	Integrity management	Hongtech has attributes in policies and management measures such as honest operation, anti-corruption, and anti bribery
	Risk and Crisis Management	Hongtech pays attention to various risks that may occur in the future, such as epidemics, market trends, and new regulations, monitors and takes preventive and contingency actions
	Regulatory compliance	Hongtech values compliance with regulations, strictly abides by local government laws and regulations, aims to achieve sustainable operation, takes responsibility for employees, shareholders, and the overall supply chain
	Supply chain management	Hongtech sets management policies for supply chain manufacturers and encourages them to take action together, making society and the environment more friendly, and building a sustainable supply chain
Environmental surface	Waste and Hazardous Substance Management	Hongtech's management measures related to waste generation, disposal, and transfer, as well as the weight of materials used and the proportion of recyclable materials used, recycled products, and their packaging materials
	energy management	Hongtech saves water, electricity, reduces waste, prevents pollution, and sets targets for carbon emissions and environmental pollution while adopting improvement measures
	Greenhouse gas emissions/climate change	Faced with global warming, Hong Technology is committed to reducing greenhouse gas emissions, exposing energy consumption, energy-saving management performance, promoting renewable energy, etc
Social surface	Labor management system/salary and benefits	Hongtech's employee recruitment, employment, retention and other related operation methods, as well as the main incentive measures for working hours, vacation, salary and benefits, etc
	Occupational Health and Safety	Hongtech provides a safe and healthy working environment, complies with safety and health laws, promotes employee safety and health consultation, conducts accident investigations, and reduces occupational safety and health risks
	Talent attraction and retention	Hongtech has established a comprehensive mechanism for employee cultivation and career development, such as education and training, performance evaluation, internal migration, and career planning assistance measures
	Social care and participation	Hongtech's investment in social equipment and participation

2.2.2 Identification of Stakeholders

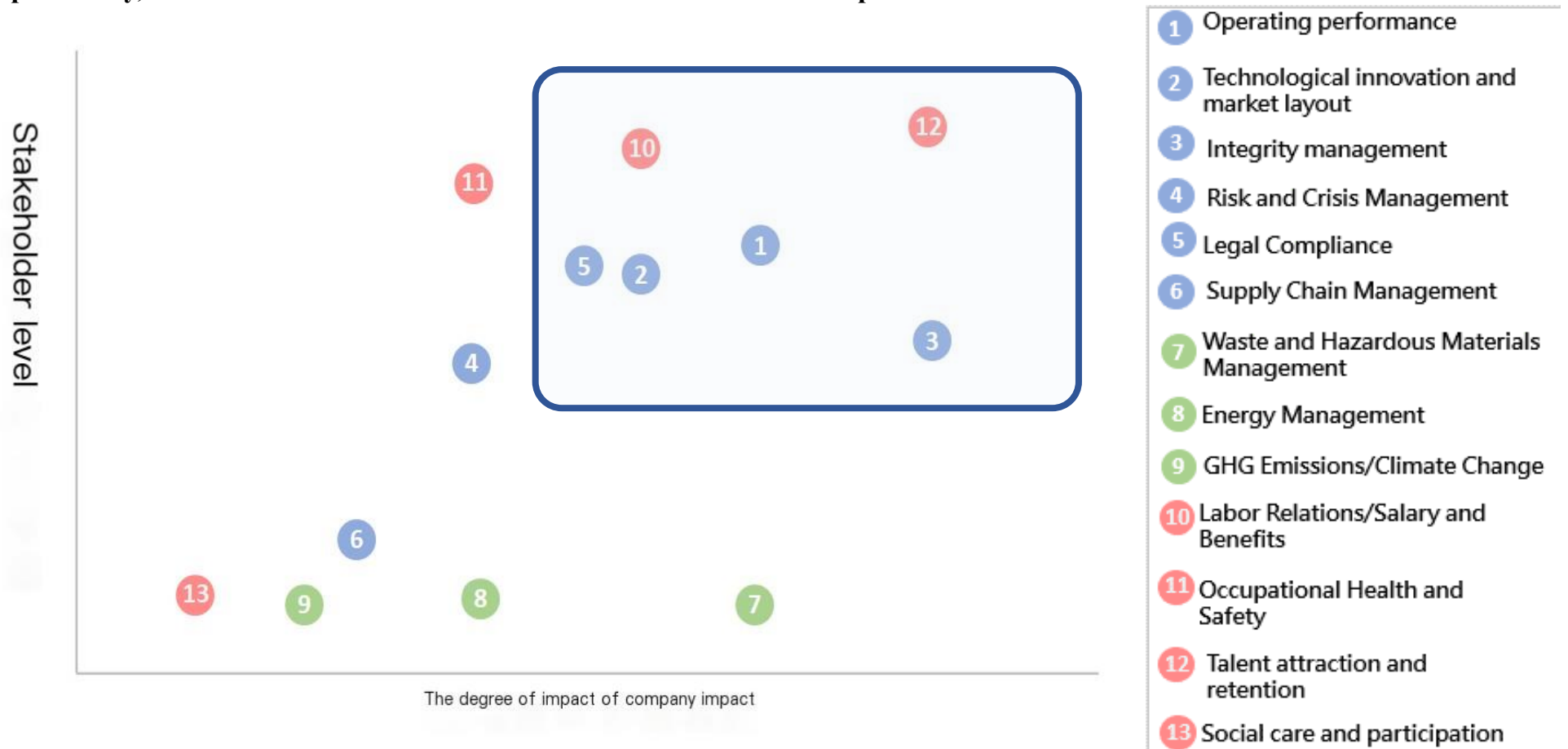
Supervisors of each department understand external stakeholders when engaging in operational activities or interactions with colleagues follow Auras major issues are evaluated based on the five principles of AA1000SES (dependency, responsibility, influence, diverse perspectives, and tension) to identify relevant stakeholders. After discussion by the ESG group, important stakeholders are identified, including internal employees, external shareholders, customers, suppliers, as well as government, media, and NGOs.



Sustainability	Significance	Inclusiveness	Completeness
<p>Filter list of issues</p> <p>Based on the AA1000 stakeholder negotiation standards, the sustainability team and senior managers discuss together to identify important stakeholders.</p>	<p>Sort/Analyze</p> <p>Using the GRI principles as a compliance framework and divided into economic, environmental, and social aspects. The issues that stakeholders are concerned about are identified through statistical results and 13 major issues are provided for feedback.</p>	<p>Confirm/evaluate</p> <p>Confirm the impact of major considerations within and outside the organization, discuss major issues with senior managers, and formulate strategies and countermeasures to strengthen communication with stakeholders.</p>	<p>Review</p> <p>The working group will review and review the differences in major issues from the previous version of the report to strengthen understanding of the needs of stakeholders and respond to and communicate with them.</p>

2.2.3 Matrix of Major Issues

Using an online questionnaire conduct a survey of stakeholders and collect a total of 75 questionnaires. Analyze and interact with the questionnaires to identify external concerns and internal impact issues, and integrate them into a matrix of major issues. This report summarizes a total of 13 issues of concern regarding corporate governance and economic, environmental, and social aspects, Building sustainability developing a process for identifying significant issues as a basis for disclosing corporate responsibility, in order to fulfill the commitment of sustainable business operations.



2.2.4 Confirmation and Discussion

Through significant analysis, we identified 6 major issues and submitted them to internal management for confirmation. Each ESG task force evaluated their completeness, scope of impact, and boundaries. This report is compiled based on the principles of integrity and stakeholder inclusiveness, and the identified major issues will be disclosed in order in each chapter of the perpetual report. In the future, we will continue to strengthen the management of major issues and respond to the concerns of stakeholders. The corresponding chapters and report boundaries for major issues of this year are shown on the right:

Major issues	Corresponding GRI Guidelines Topics	Value Chain					
		company	employee	shareholder	client	supplier	Outsiders (Government, media, NGOs)
operating performance		V	V	V	V	V	V
Technological innovation and market layout		V	V	V	V	V	
Integrity management	GRI205 Anti-corruption	V	V	V	V	V	V
Legal Compliance		V	V	V	V	V	V
Labor Relations/Salary and Benefits		V	V	V	V		V
Talent attraction and retention	GRI401 labor-employer relationship GRI405 Employee Diversity and Equal Opportunities	V	V	V	V		

Major issues for Auras Technology the importance and response of:

Major Issues	Auras	Corresponding Actions
operating performance	Continue to uphold the spirit of innovation, actively plan the scope of product applications in the next 3 to 5 years, and continuously strive to strengthen the competitiveness of the company's products, with a view to creating maximum benefits for shareholders, customers and employees, and sharing future operating results.	1.5 Financial performance
Technological innovation and market layout	We have long-term investment in energy-saving cooling technology. In addition to focusing on air cooling technology, it has also refined liquid cooling (Cold Plate) technology to provide customers with comprehensive cooling solutions. Auras defines 2023 as the first year of liquid cooling technology. As the rigid demand for data center construction increases, the increase in computing power will cause chip power consumption to continue to rise. Liquid cooling is about to be introduced into the market, opening up new business opportunities for Auras.	1.4 Operating and Technological Growth
Integrity management	Establish a corporate culture of integrity and demonstrate to stakeholders our determination to move toward sustainable operations.	2.5 Integrity Management
Legal Compliance	We voluntarily attach great importance to corporate governance and is committed to following the "Corporate Governance 3.0 Sustainable Development Blueprint" issued by the Financial Supervisory Commission to enhance corporate sustainable development and strengthen integration with the international capital market.	2.1 Sustainable Governance
Labor Relations/Salary and Benefits	We formulate overall remuneration policies and structures, as well as performance reward methods, and participates in market salary surveys every year, adjusting salaries based on market salary levels, economic trends and individual performance to maintain overall salary competitiveness.	4.1.4 Employee Salary Remuneration
Talent attraction and retention	Recruit talents through diversified recruitment channels and provide competitive salaries and employee benefits to continue to attract outstanding talents.	4.2 Talent Recruitment 4.3 Talent Cultivation

2.3 Communication among Stakeholders

Stakeholders	Issues	Communication channels, communication frequency
Employee 	<ul style="list-style-type: none"> ● Talent attraction and retention ● Occupational Health and Safety ● Labour Relations ● Salary and benefits ● Epidemic protection ● social care and participation 	<ul style="list-style-type: none"> ● Employee mailbox ● Welfare Committee ● hr@auras.com.tw
Shareholder 	<ul style="list-style-type: none"> ● operating performance ● Sustainable governance operations ● technological innovation ● Market layout ● Risk and Crisis Management 	<ul style="list-style-type: none"> ● Hold a shareholders' meeting every year and publish an annual report ● Hold at least one entity legal person briefing every year ● Important information: Public information observatory, real-time disclosure/announcement of important information ● Set up a contact window for stock affairs and investor relations for two-way communication ● Participate in meetings with domestic and foreign corporate analysts from time to time ● Invited from time to time to participate in domestic and foreign forums ● ir@auras.com.tw
Client 	<ul style="list-style-type: none"> ● technological innovation ● supply chain management ● Risk and Crisis Management ● Occupational Health and Safety ● Waste and Hazardous Materials Management 	<ul style="list-style-type: none"> ● Set up a full-time customer service engineer to respond to customer needs immediately ● customer satisfaction survey ● Customer on-site audit ● Regular <u>long and short term</u> improvement plans
Supplier 	<ul style="list-style-type: none"> ● supply chain management ● technological innovation ● Hazardous Substance Management ● climate change 	<ul style="list-style-type: none"> ● Supplier and procurement/material control interactive platform ● Full-time supplier management unit ● Complaint mailbox vendor@auras.com.tw
Outsiders (Government, media, NGOs) 	<ul style="list-style-type: none"> ● climate change ● Legal compliance ● energy management ● Integrity management 	<ul style="list-style-type: none"> ● Participate in policy discussions and symposiums held by competent authorities from time to time ● Cooperate with the competent authorities in supervision and inspection ● Establish a liaison window to maintain good interaction with the competent authorities ● Set up a media window and respond to media questions ● Irregular face-to-face meetings/telephone communication

2.4 Corporate Governance Operations

Auras Technology adhere to the spirit of corporate governance, improve the operation and responsibilities of the board of directors, establish an audit system for supervision and management, and implement the responsibility of the company's operation and management. Adhere to the business philosophy of "seeking knowledge from facts", adhere to the principles of corporate governance, adhere to information disclosure and operational transparency, and strive to strengthen the company's operational performance while considering the interests of other stakeholders to ensure shareholder rights and interests.

According to Auras Company Article 17 of the articles of association stipulates that the members of the board of directors shall be elected by voting at the shareholders' meeting, and the directors (including independent directors) shall be comprehensive collecting. The candidate nomination system involves the shareholder meeting selecting candidates from the list of candidates, and they can be reelected if reelected. In order to improve the operation of the board of directors, it is composed of 7 directors with rich professional experience in entrepreneurship leadership, electronic technology, venture capital finance experts, business academia, and other fields; Convene at least one meeting per quarter to review business performance and discuss important strategic decisions; Auras Technology. In 2022, a total of 5 board meetings were held, and important resolutions were immediately announced on the Taiwan Stock Exchange's Public Information Observatory. The company's official website also set up a corporate governance section, providing relevant information such as the company's articles of association and board meeting rules for easy access.

Furthermore, according to the "Guidelines for the Promotion of Continuing Education for Directors and Supervisors of Listed and OTC Companies", newly appointed directors or independent directors are required to study for at least 12 hours in the current year of appointment, and at least 6 hours per year from the following year of appointment. Continuing directors or independent directors are required to study for at least 6 hours per year during their term of office. In 2022, all directors and independent directors meet the requirements for continuing education, with an average of 7.9 hours per person, The relevant progress of further education is announced at the Public Information Observatory.

Furthermore, Auras Technology directors uphold a high degree of self-discipline and may express their opinions and answer questions regarding proposals made by the board of directors that have an interest in themselves or their representative's legal entity, which may harm the interests of the company Inquiry. They are not allowed to participate in discussions and voting, and are avoided during discussions and voting. They are not allowed to exercise their voting rights on behalf of other directors. We must adhere to the ethical principles of mutual support and balancing interests and avoidance, effectively ensuring the interests of the company.

2.4.1 Board Members

According to our company's Corporate Governance Code, the composition of the board of directors should consider diversity. Except for directors who also serve as company managers, the number of directors should not exceed one-third, and appropriate diversification policies should be formulated based on their own operations, operational patterns, and development needs. Furthermore, Strengthen the independence of the board of directors by setting up at least two independent directors, with no less than one-third of the board seats. Our company focuses on gender equality in the composition of the board of directors and aims to increase the number of female directors by more than 30%. Currently, there are 7 male board members and 0 female board members. In the future, we will increase the number of female directors to achieve our goal.

2.4.2 Operation and attendance of the board of directors

In 2022, a total of 5 board meetings were held. In accordance with Article 14-3 of the Securities and Exchange Act and other board meeting resolutions that have been opposed or reserved by independent directors and have records or written statements, the date, period, content of the board meeting, all opinions of independent directors, and the company's handling of the opinions of independent directors should be specified. There was no such situation in 2022. Furthermore, on January 20th and August 3rd, the board of directors discussed the distribution of the year-end bonus for the manager. However, Mr. Lin Yu-Shen, the director, avoided his own interests and did not participate in the resolution due to his concurrent position as the company manager, which involved his own interests.

The convening of the board of directors shall specify the reasons and notify all directors seven days in advance; At the same time, the deliberation unit shall draft the content of the board meeting and provide sufficient meeting data, which shall be sent together with the convening notice. The board of directors shall record the entire process of the minutes of the meeting and keep it for at least five years. The chairman and the recorder shall sign or stamp and distribute it to all directors within 20 days after the meeting.



2.4.3 Operation and attendance of the audit committee

Auras Technology establish an audit committee in 2021 to replace the previous oversight Human system; The committee members are composed of three independent directors from the board of directors, and one independent director is elected by all members as the convener and chairman of the meeting. The convener of the first audit committee is Liu Fu-Han, an independent director. In 2022, a total of 4 audit committees were convened, and there were no proposals related to interests that required independent directors to avoid.

Internal audit

The internal audit office is under the jurisdiction of the board of directors, and the appointment and removal of audit supervisors are all approved by the board of directors; Internal auditors carry out their duties objectively and impartially, and the audit supervisor also attends board reports in accordance with regulations. In addition to submitting audit reports and improvement tracking reports on audit deficiencies to independent directors on a monthly basis, the internal audit supervisor regularly convenes an audit committee at least once a quarter to explain the audit business, audit results, and tracking situation to independent directors. If there are special circumstances, they will also report to the members of the audit committee in a timely manner. Our company's certified public accountant reports on the audit or review results of the financial statements for the current quarter, as well as other communication matters required by relevant laws and regulations, at the quarterly audit committee meetings. If there are special circumstances, they will also report to the audit committee members immediately. There are no such special circumstances in 2022. Furthermore, the audit supervisor, accountant, and independent director can directly communicate with each other at any time as needed, and the communication channels are smooth.

2.4.4 Operation of the Salary and Remuneration Committee

Regularly evaluate and set the remuneration of directors and managers

Formulate and regularly review policies, systems, standards and structures for performance evaluation and salary remuneration of directors and managers

Review this procedure regularly and suggest corrections

By improve Auras Technology the salary and compensation system for directors and managers, hence according to article 3 of the Measures for the Establishment and Exercise of the Salary and Remuneration Committee of Companies Listed on Stock Exchange or Trading on Securities Firms, the Organizational Regulations of the Salary and Remuneration Committee are formulated for compliance, and a Salary and Remuneration Committee was established on December 31, 2011.

According to the Organizational Regulations of the Salary and Remuneration Committee, there are three members of the committee, and Mr. Liu Fu-Han is unanimously elected by the members as the convener.

The function of this committee is to provide a professional and objective perspective, and to regularly review of Auras Technology evaluate the salary and compensation policies and performance of directors and managers, and provide suggestions to the board of directors for their reference; According to the Organizational Regulations of the Salary and Remuneration Committee, meetings shall be held at least twice a year. In 2022, a total of three meetings will be held. Please refer to our company and the website of the

Public Information Observatory for the organizational charter of the Compensation Committee.

2.4.5 Growth Strategy Committee

In addition to the functional committees of the Audit Committee and Compensation Committee, Auras Technology establish a Growth Strategy Committee to improve the analysis and management of the overall operational performance of the company, in conjunction with the expertise of relevant functional departments, and to integrate resources from various public institutions, in order to assist the company in promoting and improving the operational performance of each public institution, and meet the functional requirements of various annual work. The Growth Strategy Committee is composed of all independent directors, as well as Vice General Managers Chen Zhi-Wei, Zhang Zhi-Hui, and Accounting Director Yan, Pei- Xu serves as the committee member, and Chen Zhi-Wei, the deputy general manager, serves as the recruiter of this association, and is responsible for coordinating and executing it. The Growth Strategy Committee shall hold at least two regular meetings per year and may convene meetings as needed at any time.



2.5 Integrity Management

The company was founded on Cleanliness Transparent and responsible business philosophy, formulation of policies based on integrity, and establishment of good corporate governance and risk control mechanisms to create a sustainable business environment.

Greed Unfair competition can corrupt governance capabilities, undermine the value of corporate integrity, seriously affect the sustainable development of enterprises, and even pose problems and threats to social stability and security. Strengthening corporate integrity management culture, implementing and fulfilling corporate social responsibility, from self-discipline to other laws, can promote the stable development of enterprises and society.

The company has established a "Code of Conduct for Integrity and Measures for Reporting and Appeal", and also includes a director's interest avoidance system in the "Rules of Procedure for Board Meetings". In addition, the "Work Rules" stipulate that employees are not allowed to accept gifts; All suppliers of our company are required to sign a "Confidentiality and Integrity Commitment Letter"; Both the board of directors and management have signed a "Declaration of No Violations of Integrity Principles" as the basis for implementing honest business operations. Adhere to operational transparency and ask suppliers to sign a "Integrity Commitment Letter".

In order to maintain social and factory order and stability, protect the personal rights and interests of employees and whistle blowers who refuse to participate in unethical behavior from infringement, encourage employees to refuse to participate in unethical behavior and report to suppliers and customers, report bad behavior, including the company has a complaint and whistle blower protection management procedure for any behavior that violates social ethics laws and regulations, or does not meet RBA standards.

The heads of each department of the company are responsible for formulating and supervising the implementation of integrity management policies and prevention plans. The auditing unit is responsible for supervising the company's implementation of integrity management operations and audits, and reports regularly to the board of directors once a year.

2.6 Risk Management

Our company's risk management includes not only risk response plans that may affect financial performance, but also environmental and information risk assessments and emergency response plans. We also incorporate prevention concepts into our corporate culture, eliminate identifiable and avoidable risks as much as possible, and reduce potential losses in operations. Therefore, we deeply understand that uncertain risk projects such as natural disasters and unexpected events have a significant impact and impact on the production, operation, and employee safety of the company. Only by adopting a proactive attitude towards disaster risk management and implementing rigorous risk management plans and safety regulations can we achieve the highest standard of safety.

To ensure that the company can quickly resume normal operations in the event of disasters (including fires, earthquakes, typhoons, water shortages, power outages, wars, political turmoil, terrorist attacks, food poisoning, statutory infectious diseases, environmental pollution, etc.), reduce property damage to the company and customers, and maintain the company's reputation and employee safety. In 2022, Auras will focus on commercial fires, transportation of goods, product liability, and public accidents shall be insured with insurance companies to ensure that during the insurance period, the insured property is not damaged due to sudden and unpredictable accidents loss and other risks. Through insurance planning and fixed insurance premium expenditures, operational risks are transferred and potential losses are minimized.

In addition, Our company also actively develops more advanced and sensitive procedures and guidelines for monitoring, evaluating, and controlling risks related to sales markets, production operations, human resource planning, new product development progress, and financial accounting control in various business operations, in addition to the existing institutional norms and treatments. This approach balances safety and efficiency, and establishes more cost-effective business operation models, such as strengthening the establishment of information systems, Strengthen early warning and monitoring capabilities.

Furthermore, In order to maintain the continuous operation of our company and protect the information operation process of our important business, and to effectively implement contingency measures when our company's operational activities are affected by major disasters, human damage, or equipment failures, we can reduce the damage to an acceptable range and ensure that the information operation process can be reconstructed and restored within the established time. Therefore, we refer to the standard specifications of ISO 27001 and use them as a basis, Establish an Information Security Management System. In addition, Auras Import ISO 27001 management system in 2022 to improve asset security system.

The Sustainable Development Committee analyzes ESG issues based on the principle of significance in the sustainability report, communicates with internal and external stakeholders, and evaluates significant ESG issues by reviewing domestic and foreign research reports, literature, and integrating evaluation data from various departments and subsidiaries. It formulates effective risk management policies for identifying, measuring, evaluating, supervising, and controlling risks, and takes specific action plans to reduce the impact of related risks. Based on the evaluated risks, relevant risk management policies or strategies are formulated as follows:

Major issue	Risk Assessment Project	Description
Environment	Environmental impact and management	<ul style="list-style-type: none"> ● The company effectively reduces pollution emissions and the impact on the environment by implementing process safety management and institutionalized management cycles. ● The company's main markets are the United States and the European Union, which require products to comply with environmental protection regulations. Therefore, in addition to initially obtaining environmental management verification of "ISO 14001" and IECQ-QC080000:2017, the company will subsequently obtain certifications on a regular basis. ● The company plans to launch a group-wide greenhouse gas inventory in 2024, with the goal of completing ISO14064-1 greenhouse gas inventory and ISO14067 product carbon footprint inventory certification in <u>2024</u>, and completing ISO50001 energy management system certification in 2025. ● In accordance with ISO 14064-1, we conduct regular inventory of greenhouse gas emissions and examine the impact on the company's operations. Based on the carbon inventory results, we continue to implement carbon reduction measures to effectively reduce scope 1 emission risks and indirect emissions of scope 2 greenhouse gases caused by electricity use. ● The annual planning internal audit plan focuses on the company's compliance with relevant environmental laws and regulations, and checks that each operating process complies with the regulations.
Social	Occupational Safety	<ul style="list-style-type: none"> ● Guangzhou factory, Kunshan factory, Chongqing factory, and Thailand factory have all obtained the "ISO 45001:2018 Occupational Health and Safety Management System" certification. ● Fire drills and industrial safety education and training are held regularly every year to cultivate employees' emergency response and self-safety management capabilities.
	Product Safety	<ul style="list-style-type: none"> ● <u>Auras</u> products comply with various government regulations and laws, comply with EU RoHS regulations, and do not contain any hazardous substances. We have established a customer service hotline and communication website, and proactively conduct customer service satisfaction surveys on a regular basis every year to strengthen the cooperative relationship with customers to ensure the quality of customer service.

Major issue	Risk Assessment Project	Description
Social	Infectious disease prevention and control	<p>The following measures have been taken in response to the COVID-19 epidemic:</p> <ul style="list-style-type: none"> Follow the external guidance "Guidelines for Business Continuing Operations in Response to the Severe Special Infectious Pneumonia (COVID-19) Epidemic" as internal response <u>measures</u>, and pay attention to the timely epidemic prevention information released by the CDC to dynamically adjust the company's epidemic prevention intensity. Encourage employees to get vaccinated to reduce the company's risk of infection. Develop diversified talent recruitment channels to fill the manpower gap. Staff travel and large gatherings are <u>temporarily suspended</u>. Reduce travel.
Governance	Social economy and legal compliance	<ul style="list-style-type: none"> The company conducts corporate governance-related courses internally to enhance employees' awareness of legal compliance. By establishing a governance organization and implementing internal control mechanisms, we ensure that all personnel and operations of the company comply with relevant laws and regulations. The products developed by our company apply for patent laws to protect the company's rights and interests.
	Strengthen the functions of directors	<ul style="list-style-type: none"> Plan relevant further education topics for directors and provide directors with the latest regulations, system developments and policies every year. <u>Insure</u> directors' liability insurance to protect directors from lawsuits or claims.
	Communication with stakeholders	<ul style="list-style-type: none"> Auras analyzes important issues of concern to important stakeholders every year to avoid misunderstandings between stakeholders and our company. Establish various communication channels, communicate actively, and reduce confrontation and misunderstandings. An investor mailbox is set up, and the spokesperson handles it and is responsible for responding.



Financial risk management

Our company continues to closely monitor the trends and information of interest rates in the financial market, dynamically adjust borrowing structure combinations, leverage the advantages of various banks, and obtain favorable borrowing conditions. Simultaneously controlling the overall accounts receivable, inventory, and accounts payable period of the company, and strengthening the speed and intensity of cash inflows. Interest rate risk comes from floating rate loans borrowed to support operational and investment activities. In 2022, due to strong interest rate hikes in the United States, interest rates fluctuated significantly. The company adjusted the borrowing structure to minimize the impact of interest rate fluctuations on cash flow and save interest expenses. The finance department pays attention to the global economic development situation and maintains close contact with financial institutions. The allocation of funds is based on the principles of conservatism, stability, and liquidity, and actively responds to the negative impact of interest rate fluctuations.

Project/Year	2021	2022
Net Exchange Gains and Losses	(81,883)	272,697
Net Operating Income	14,257,907	13,856,991
Operating Profit	1,379,094	1,173,299
Exchange Loss to Net Operating Income Ratio (%)	(0.57%)	1.97%
Exchange Loss to Operating Profit Ratio (%)	(5.94%)	23.24%

The sales of our company and its subsidiaries are mostly for export and Collecting. The quotation is mainly in US dollars, and procurement is also based on US dollars as the main quotation currency. After offsetting accounts receivable and payments, it is the net asset position in US dollars and a small amount of RMB asset position throughout the year. Looking at the overall international monetary market policies and exchange rate trends in 2022, the exchange rate of the New Taiwan dollar against the US dollar has depreciated, and the Chinese yuan against the US dollar has shown a depreciation trend. The company has a net asset position in the US dollar, resulting in an exchange gain of 272697 thousand yuan. The finance department continues to dynamically adjust the positions of foreign currency assets and liabilities based on future working capital needs and the trends of major international currencies such as the US dollar and Chinese yuan, in order to reduce the potential impact of exchange rate fluctuations on the company's profit and loss.

High risk, highly leveraged investments and derivative financial products:

Our company focuses on our own business operations, and the board of directors authorizes the chairman to engage in hedging activities up to the company's net position. Any derivative product operations required for hedging purposes are carried out with caution in accordance with our company's procedures for acquiring or disposing of assets.

Loan of funds to others and endorsement guarantee:

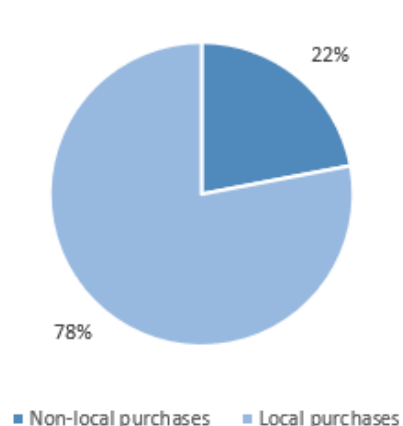
Our company's procedures for lending funds to others and endorsing and guaranteeing transactions are carefully executed in accordance with the "endorsing and guaranteeing procedures" and "lending funds to others procedures" established by our company.

2.7 Supply Chain Management

Auras Supplier the selection criteria include: 1) good business condition, legal qualifications, and a sound financial system, with a requirement for good financial condition and no record of bad credit; 2) Sign a non hazardous substance guarantee with our company and submit an ICP testing report for the supplied products; 3) Enterprises that have obtained ISO9001, QC080000, or GP green partner certification will be given priority consideration; 4) Although not certified for environmental protection, there are relevant system operators within the company; 5) Registered capital requirements: heat pipe/Fan/Stamped Parts/Aluminum extruded parts/Suppliers of die-casting parts/plastic parts/copper pipes must have a registered capital of at least RMB 1 million, while other suppliers must have a registered capital of at least RMB 500000; 6) Number of employees: heat pipe/Fan/Stamped Parts/Aluminum extruded parts/The number of employees for die-casting parts/plastic parts/copper pipe suppliers must be at least 50, and for other suppliers, it must be at least 20; 7) There must be no record of any violations of laws and regulations. Supplier development evaluation and assessment workflow diagram:



Proportion of total Procurement



Evaluation Project	Frequency	Assessment Method	Responsible Unit
monthly assessment	Month	Conduct statistical evaluation based on the quality, delivery date, service and other conditions of the month	QC, GSM
quarterly assessment	Quarter	Every quarter, the monthly evaluations of the quality assurance and purchasing departments are summarized into quarterly evaluations covering five major items: quality, delivery, service, technology, and cost.	GSM
annual assessment	Year	Conduct QPA, QSA and HSF audits every year	QC

2.7.1 Policy and Management

Auras Technology emphasize the importance of establishing a sustainable supply chain and standardize various procedures for supplier management through relevant systems such as corporate social responsibility risk assessment. At the same time, suppliers are required to sign "Integrity Commitment Letter", "Confidentiality Agreement", "Environmental and Social Responsibility Commitment Letter", "Conflict Mineral Investigation Form", in order to understand and control labor rights, environmental protection, ethical standards, safety and health risk management and other projects in the supply chain, reduce operational risks and costs for themselves and suppliers, and work together towards a stable and sustainable future.

As an important partner for sustainable development, performance indicators that suppliers are concerned about include not only quality, cost, delivery time, and technology, but also labor rights and energy conservation carbon reduction in supply chain management. The commitments and performance related to corporate social responsibility, such as environmental protection, safety and health, and business ethics, are also necessary indicators that we are concerned about. Therefore, Auras collaborate with suppliers to promote the practical application of corporate social responsibility issues in daily management, implement risk management and sustainable business plans, and jointly pursue sustainable business operations and growth, constructing Co prosperity to create a sustainable supply chain.

Therefore, when selecting suppliers, we often adopt a partnership mindset. In addition to conducting audits on quality management, design management, and supplier management, we also adopt the requirements of the Responsible Business Alliance (RBA) Code of Conduct to evaluate new suppliers. The responsible units examine the management systems and implementation level of suppliers in governance, environment, and society aspects, confirm the sustainable development status of suppliers and whether they can commit to it together with Auras establish long-term partnerships.

The Kunshan factory in China has obtained the RBA silver certificate, and the Thai factory is also actively obtaining the RBA certificate.



Supply Chain Management	Percentage %
Ratio of suppliers passing "RBA"	93%
Ratio of suppliers signing the "Conflict Minerals Commitment"	94%
Ratio of suppliers signing the "Integrity Commitment"	91%
Ratio of suppliers signing "Confidentiality Agreement"	92%

At the same time, strengthen the advocacy of corporate social responsibility and business ethics for suppliers, and take appropriate measures to ensure that suppliers comply with legal requirements in environmental, health and safety, and labor issues. In addition to ensuring compliance with local minimum wage requirements, it is required that their employees have appropriate salary levels, and suppliers must commit to achieving the highest ethical and ethical standards in their business.

As for qualified suppliers for our continuous transactions, in order to enhance the overall competitiveness of the supply chain, in addition to regular/irregular supplier audits, and incorporating factors such as supplier quality, price cost, service level, environmental protection, work safety, and technology into the evaluation project to ensure their quality level, we also assist suppliers in exploring the causes of supply anomalies and provide necessary guidance in a timely manner. At the same time, we also reward suppliers with excellent performance, let Auras supply maintains the chain at its best competitiveness.

Our company has stipulated in the contract with suppliers that manufacturers should fulfill their social and environmental protection responsibilities, in order to strengthen the responsibilities that suppliers should bear. In the transaction contract between our company and suppliers, it is stipulated that if the supplier violates their corporate social responsibility policy and has a significant impact on the environment and society, and our company determines that the violation is clear, our company may terminate the contract and demand that the supplier fulfill their independent management of social responsibility.

Purchase Non Conflicting Raw Materials

Auras in order to fulfill the responsibility of corporate citizens, conflict mineral management is carried out in accordance with Rule 13p-1 of the U.S. Securities and Exchange Act of 1934, promulgated by the U.S. Securities and Exchange Commission (SEC). Mineral procurement sources do not come from high-risk conflict areas, and a new supplier evaluation system is introduced. When selecting new suppliers, the requirement of not containing conflict minerals from conflict areas is adopted. Existing suppliers actively investigate and confirm specific materials, and are required to sign a consent form or provide a declaration to prohibit conflict minerals from conflict areas. The due diligence investigation method is implemented in the supply chain, and through annual supplier audits, the upstream smelters of suppliers are checked to see if they are using conflict minerals from conflict areas. Mineral resources, while adopting supply chain material trace control methods, reconfirm that conflict minerals from conflict areas have not been used, establish a risk management process for responsible mineral procurement, and regularly conduct responsible mineral audits on suppliers/subcontractors.

Auras also asks our new suppliers required to comply with and support internationally recognized human rights norms, in addition to requiring them to provide a Conflict Minerals Reporting Template (CMRT) for review during new supplier recognition, requiring them to fill out a Conflict Minerals Commitment Form, and explicitly incorporating this requirement into the supplier contract. In addition, we also look forward to suppliers cooperate with Auras inviting their upstream supply chain to support and comply with conflict minerals policies.



Green and Common Prosperity

3.1 Environmental Sustainability

3.2 Greenhouse Gas Reduction Management

3.3 Environmental Material Flow Information

3.4 Pollution Prevention and Control to Reduce Environmental Impact



3.1 Environmental Sustainability

In view of the current global situation, severe issues such as climate change, extreme climate anomalies, excessive resource consumption, and energy shortages have all become important topics for enterprises, Auras Technology adhering to the concept of sustainable development, fulfilling corporate citizenship responsibilities, continuously developing green products, actively investing in waste reduction and pollution prevention, and pursuing the best utilization efficiency of energy, water, and other resources; Furthermore, through supply chain management, we work together with industry partners to control environmental risks, reduce environmental impacts, and jointly protect the Earth.

To achieve a balance between environmental protection and corporate sustainability, Auras is proactive invest in environmental protection plans, such as Hazardous Substance Free (HSF) and Lead Free Processes that comply with RoHS.

Auras deeply profound recognizing the impact of enterprises on the environment, and continuously striving for a win-win situation between the environment and the enterprise.

In order to maintain the continuous operation of our company and protect the information operation process of our important business, the ISO 27001 management system will be introduced in 2022. Improve asset security system; When the company's operational activities are affected by major disasters, human damage, or equipment failures, we can effectively implement contingency measures to reduce the damage to an acceptable range and ensure that the information

operation process can be rebuilt and restored within the established time. Therefore, we refer to the standard specifications of ISO 27001 and based on this, establish an Information Security Management System.

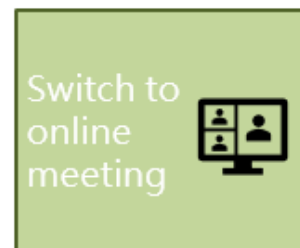
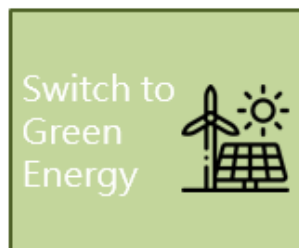
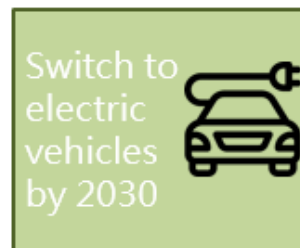
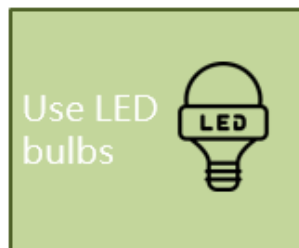


	Taiwan HQ	Factories in China				Thailand
		Guangzhou	Kunshan	Chongqing	Hefei	
ISO 9001:2015 ORGANIZATION	V	V	V	V	V	V
Manufactured by IECQ QC 080000 Certified Plant		V	V	V		V
IATF 16949:2016 COMPANY		V	V			
ISO 27001 Information Security Management Certified	V					

3.1.1 Implement Green Management

Auras Technology stays energy saving and carbon reducing. We hope that through practical measures implemented, all employees can take actions and start from small areas, such as using more water-saving and power-saving equipment in the process, and printing documents as much as possible collecting double sided printing, set next to the copier recycling box for recycling. The reuse of paper and the use of electronic invoices by companies and encouraging employees to use electronic means to transmit official documents or letters can significantly reduce paper consumption. In addition, the office sets the air conditioning temperature at 26 degrees Celsius in summer, uses energy-saving LED and T5 lighting fixtures for lighting, and cultivates the good habit of turning off lights easily and saving energy, in order to slow down global warming.

Strategies to reduce emissions

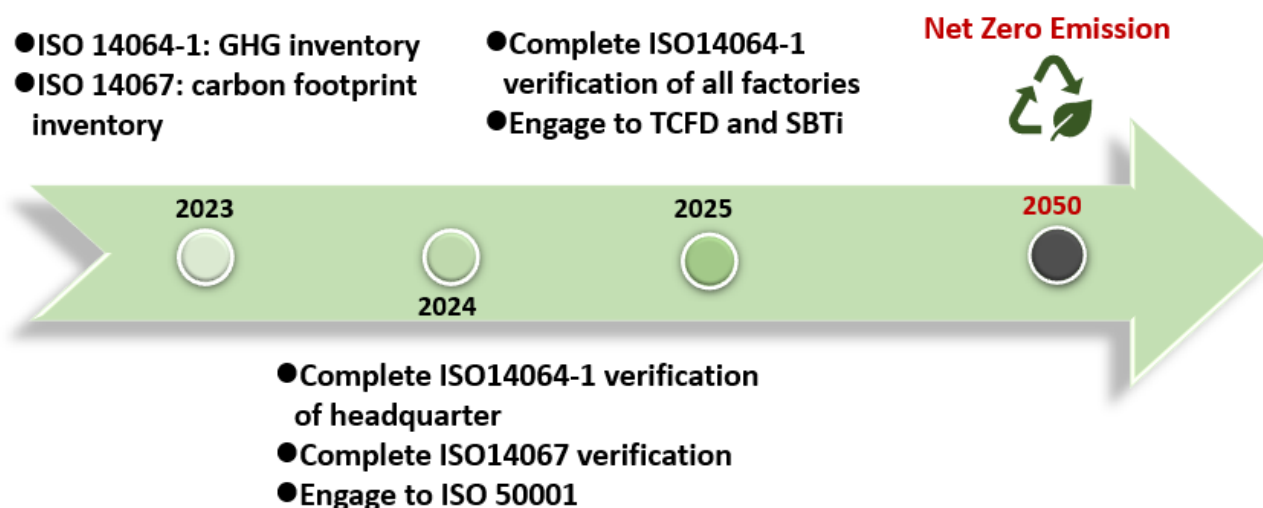


Energy saving and carbon reduction measures of Auras in 2022:

Reduction Methods	Target	Achievements in 2022
Switch to LED light bulbs in headquarter	45,408 kwh/year	Taiwan HQ
Using renewable energy (Purchasing green electricity certificate)	3,878,094 kwh/year	Guangzhou Factory Kunshan Factory
Recycling of water	45,000 ton/year	Guangzhou Factory
Replacing traditional air compressor with variable frequency air compressor	160,000 kwh/year	Guangzhou Factory

3.2 Greenhouse Gas Reduction Management

In recent years, countries around the world have established a consensus on greenhouse gas emission control, so companies must also have the ability to reduce greenhouse gas emissions together, Auras Technology is based on caring about global climate change and fulfilling corporate citizenship responsibilities. We have collaborated with Taipei University of Science and Technology for a three-year plan to introduce ISO 14064 greenhouse gas emissions, ISO 14067 product carbon footprint, and ISO 50001 energy management system, in order to facilitate effective implementation in the future carbon reduction improvement and effectively manage greenhouse gas emissions, further enhancing the good green image of enterprises.



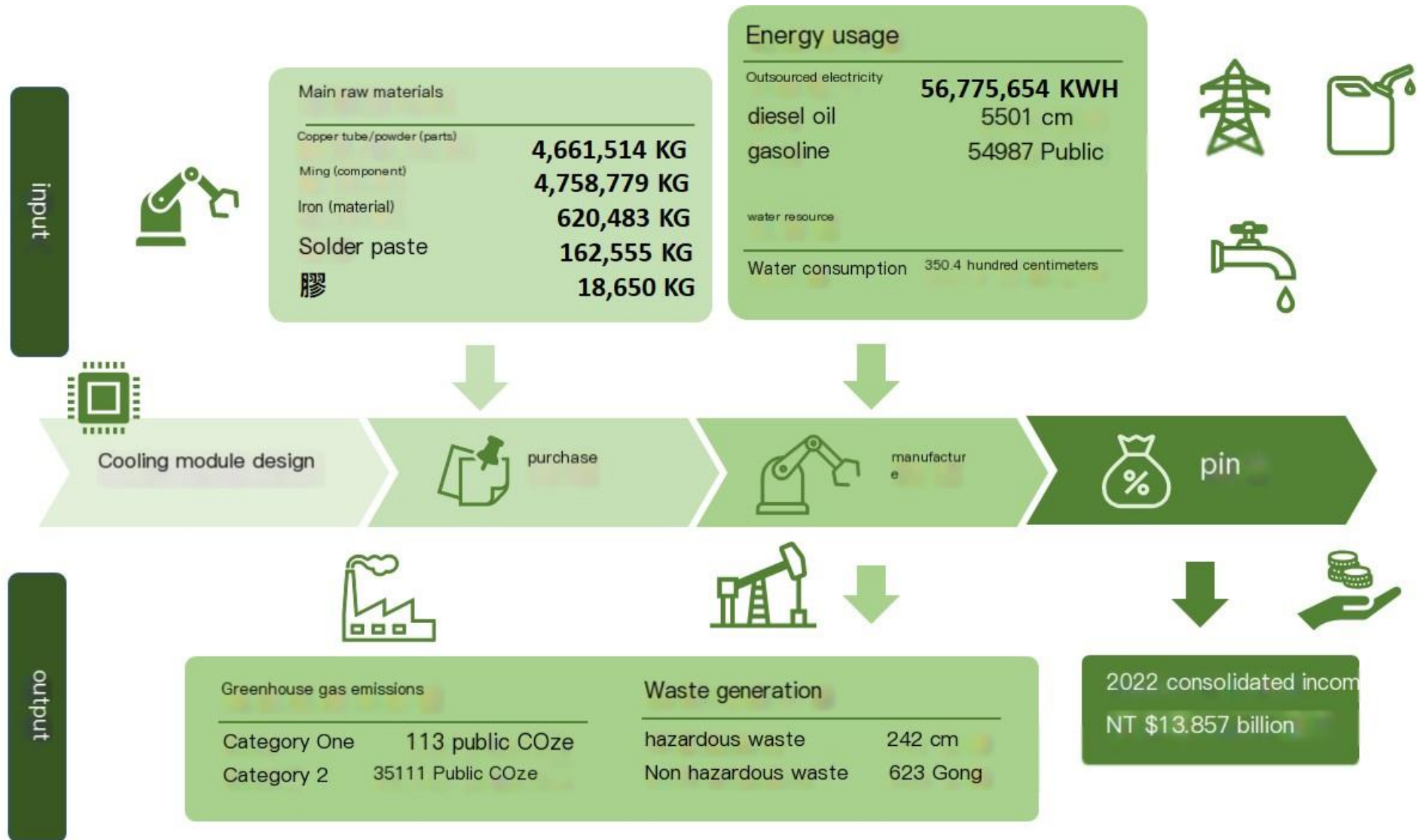
Greenhouse gas emissions in the past three years, category 1 (Carbon emissions from official vehicles quantity), category 2 (based on electricity bills, monthly carbon emissions from electricity consumption), Taiwan headquarters mainly serves as sales, research and development centers, while production of heat dissipation modules is mainly carried out in four factories in mainland China (Kunshan, Chongqing, Guangzhou, Hefei) and Thailand; The total emissions in 2022 decreased by 11% compared to 2021.

According to Taiwan 2050 Net zero emissions pathways and strategies, in order to effectively promote climate related management and measures, Auras Technology sets 2023 as our base year and our goal is to reach net zero emissions in 2050.



Note: Carbon emission data does not include the Thai factory area

3.3 Environmental Material Flow Information



3.4 Pollution Prevention and Control to Reduce Environmental Impact

In order to effectively deal with environmental impacts such as exhaust gas, waste water, and harmful substances generated during the operation of the process, pollution prevention facilities are set up to control air pollution and waste water (sewage) Proper disposal, waste resource utilization, and waste reduction measures will be taken to continuously develop towards environmental friendliness.

Waste Management

The Taiwan headquarters office fully implements garbage classification, kitchen waste recycling, and resource recycling, and reduces the impact on the environment by classifying and recycling the daily waste generated by the office. Due to the fact that the Taiwan headquarters is mainly a research and marketing center, only general household waste is generated during the operation of the office area, and no manufacturing waste is generated. Therefore, a professional cleaning company is entrusted to deliver the waste to the landfill and incineration plant; As for the recyclable part, it will be handed over to the cleaning company for assistance in recycling, sorting or processing.

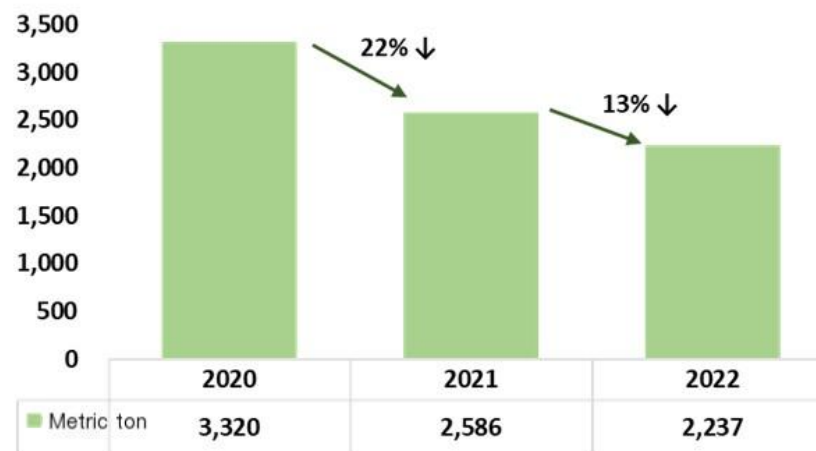
Water Management



The company has been paying attention to the issue of energy conservation and environmental protection of water resources for a long time. In terms of water-saving plans, it starts with fully implementing daily water conservation, and maximizes the benefits of available water resources. Although the Taiwan headquarters does not have plans for waste water recycling or rainwater recovery, it strengthens internal advocacy and advocates for the concept of water conservation. The total water consumption of the

Taiwan headquarters in 2022 was 2237 metric tons, which is a continuous decrease from the total water consumption of 2586 metric tons last year, with an annual decrease of about 13% in 2022.

In the past 3 years, the water consumption of Taiwan headquarters

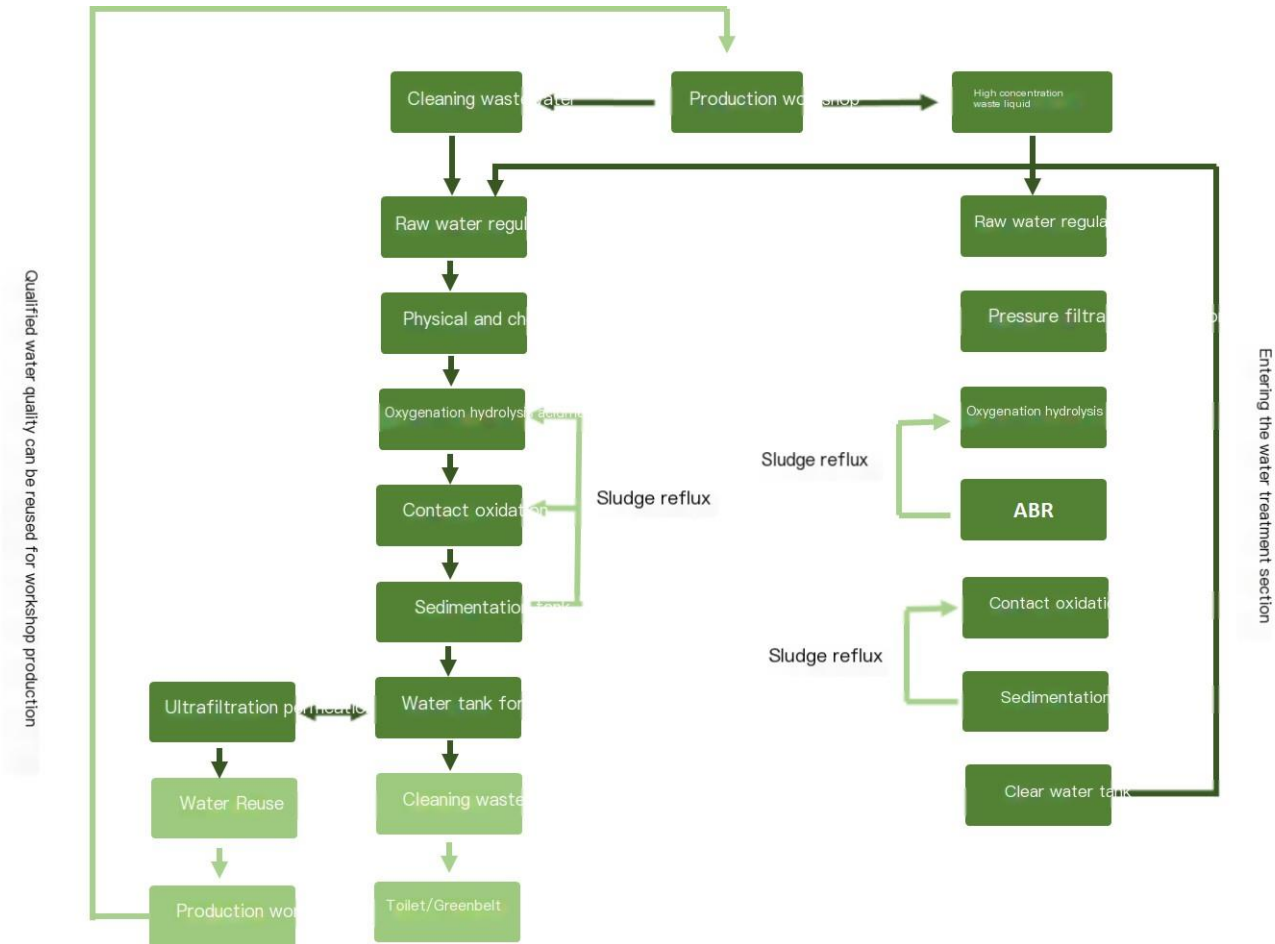


Compliance with Environmental Protection Regulations

In 2022, Auras Technology there are no violations of environmental protection regulations.

Auras factory area is mainly distributed in mainland China, including Guangzhou, Chongqing, Kunshan, Hefei, and Thailand. The industrial waste water generated during the production process is directed to the sewage treatment station for treatment. The waste water is treated by physical and chemical precipitation, contact oxidation sludge re-flux, etc., and then the treated and recycled water is used in the factory watering of internal green plants or for toilet use, some of the water that meets the standards will be reused for workshop production, achieving zero discharge of industrial waste water; If it is a high concentration waste liquid, it will be carried out first pressure filtration separation. After treatment, it enters the waste water treatment.

The company continuously improves waste water reuse technology to improve the efficiency of water resource utilization, save water consumption, and contribute to the earth.





Friendly Workplace

4.1 Global Talent

4.2 Talent Recruitment

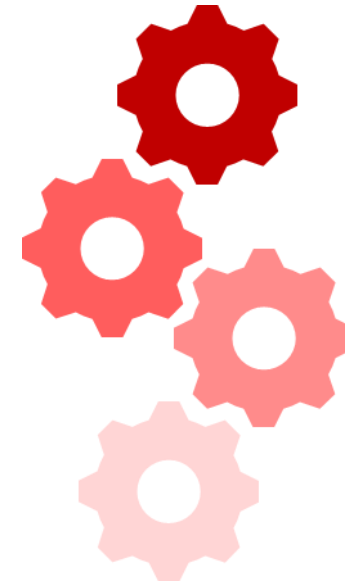
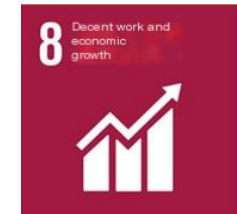
4.3 Talent Cultivation

4.4 Benefits and Rights

4.5 Health Care

4.6 Workplace Safety

4.7 Social Public Welfare Participation



4.1 Global Talent

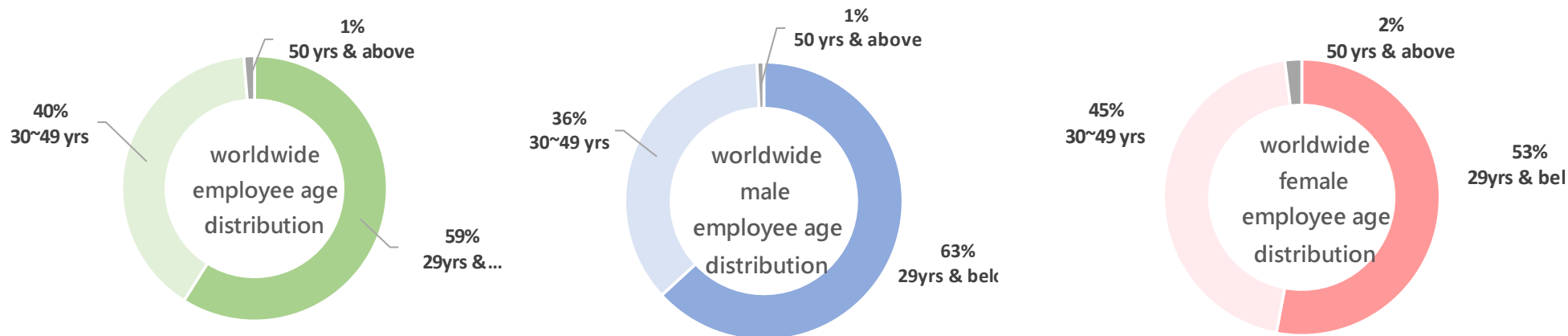
Auras Technology has adhered to an innovative and forward-looking corporate culture, implemented humanized management, and established good labor management relationships with employees for many years. The company follows national laws and regulations such as the Labor Standards Law and the Gender Equality Law to hire employees, adhering to the principles of openness and fairness, and not based on personal race, religion, skin color, nationality, age, gender, sexual orientation, appearance, facial features, marital status, physical and mental disabilities Political stance or other factors may result in differential treatment or discrimination, and the implementation of fair and just employment, salary and benefits, training and promotion opportunities shall be treated equally. Auras is committed to create a friendly work environment with equal employment, no discrimination or harassment.

As of the end of 2022, Auras has 4904 employees in global, with a gender ratio of 59.9:40.1; Divided by region, the number of people in Taiwan occupy 4.89%, China's population region occupy 93.1%, other regions (Thailand and the United States) occupy 2.04%.



Gender	Labor-employer relationship	Taiwan	China				Thailand	US	Total
			Kunshan	Guangzhou	Chongqing	Hefei			
♀	General employee	76	385	386	197	57	73	0	1,174
	Dispatched employee	0		631	161	0	0	0	792
	Total	76	385	1,017	358	57	73	0	1,966
♂	General employee	164	749	564	252	34	24	3	1,790
	Dispatched employee	0		859	289	0	0	0	1,148
	Total	164	749	1,423	541	34	24	3	2,938
♀♂	General employee	240	1,134	950	449	91	97	3	2,964
	Dispatched employee	0	0	1,490	450	0	0	0	1,940
	Total	240	1,134	2,440	899	91	97	3	4,904

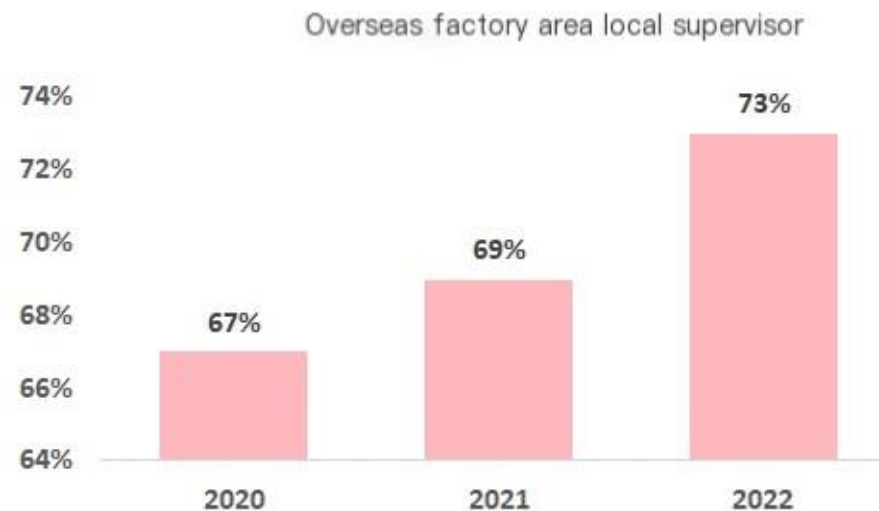
4.1.1 Age distribution of employees



4.1.2 Recruitment of local talents

in order to accelerate Auras to achieve development goals and showcase the core values of the enterprise, the company adopts the utilization of local talents as a tailored management system to settings four factories are located in China (Kunshan, Guangzhou, Chongqing, Hefei), serving as production hubs; In response to customer needs, a Thai factory was established in 2020. We not only assign Taiwanese supervisors to impart management experience, but also strive to cultivate local talents, hoping to have a positive impact on the local area. In the past three years, the proportion of local supervisors in overseas factories has reached an average of over 69%.

From the perspective of overseas production bases, Auras in the proportion of local colleagues holding supervisory positions is increasing year by year, and in 2022, it continues to rise to 73% of supervisory positions held by local colleagues.



4.1.3 Auras Human Rights Policies

To fulfill corporate social responsibility and safeguard the basic human rights of all colleagues, customers, and stakeholders, Auras Technology adhere to international human rights conventions such as the Universal Declaration of Human Rights, the Global Covenant, and the International Labor Organization Convention of the United Nations, eliminate any human rights violations, and ensure that both inside and outside the company all members can obtain this policy is formulated for fair and dignified treatment.

The company recognizes and voluntarily adheres to internationally recognized human rights standards such as the United Nations Universal Declaration of Human Rights, the United Nations Global Covenant, the United Nations Guiding Principles on Enterprise and Human Rights, and the United Nations International labor Organization, and passes the Auras Technology the "Human Rights Management Policy of a Limited Liability Company" respects the guarantees set forth in human rights conventions and is published on the company's website; Prohibition of any form of discrimination, prohibition of forced labor and child labor not hindering employee freedom of association; In the environmental aspect, we are committed to improving employee safety and health, following regulations to improve environmental safety and hygiene, ensuring employee safety and effectively reducing occupational disaster risks.

A graphic titled "Human Rights Management Policy" enclosed in a red border. It features three red dots in the top right corner and a red pencil icon on the right side. The policy is listed as a bulleted list.

Human Rights Management Policy

- Provide a safe and healthy work environment.
- Help employees maintain physical and mental health and work-life balance.
- Implement the policies of high salary, high development and high care "Three Highs" policy.
- Forced labor is prohibited and local government labor laws are strictly followed.
- Contracts with suppliers include human rights clauses and on-site audits are implemented.

In addition, we adhere to the four principles of communication, protection, correction, and supervision to safeguard the rights of stakeholders and build construct Auras enterprise the foundation of ethics. Auras is proactive advocating for the protection of labor rights, in addition to announcing labor and human rights protection statements and prohibiting workplace discrimination and harassment on internal and external company websites, actively incorporating labor and human rights related issues into the corporate ethics training courses for new employees, in order to build construct Auras enterprise. The foundation of ethics. There have also been no incidents of human rights violations in 2022.

4.1.4 Employee Salary Remuneration

Auras Technology establish an overall salary policy and framework, as well as performance reward methods, based on comprehensive assessment and assessment of education, work experience, and job responsibilities, in order to attract, motivate, reward, and retain outstanding talents; The employee safety and company standard rules that do not differ based on gender and comply with corporate responsibility ensure the rationality and fairness of employee salary structure, thereby motivating employees and creating better performance. According to Article 27 of the company's articles of association, if there is any profit during the year (Before tax deducting the benefits from the distribution of employee and director remuneration, it should be warn 3% to 15% is employee compensation, which is distributed by the board of directors in the form of stocks or cash. The distribution targets include employees of subsidiary companies who meet certain conditions. Our company participates in market salary surveys every year, adjusting salaries based on market salary levels, economic trends, and individual performance to maintain overall salary competitiveness.



Taiwan HQ	Male	Female
Ratio of standard salary to local minimum salary for grassroots employees of different genders	1.325	1.325

Our company values employee rights and benefits, shares profits with employees, maintains a good working environment, and

provides comprehensive physical and mental care for all ethnic groups:

- (1)Auras is committed to provide employment opportunities for individuals with physical and mental disabilities, meet the statutory employment requirements every year, and tailor suitable job positions and environmental facilities.
- (2) Foreign colleagues have implemented projects in breeding, employment, cultural integration, and health and safety.
- (3) Implement female empowerment in a friendly workplace, allowing colleagues of all genders to work with peace of mind.

Working Environment



- Comply with national labor laws and regulations, internationally recognized labor standards and other applicable industry and international conventions, and continuously improve employee working conditions and welfare.
- Reasonably arrange employees' working hours, rest and vacation time. Provide employees with safe and hygienic working and living conditions.
- Provide employees with an equal and fair working environment and reasonable wages and benefits.
- Promote employee sports and balanced physical and mental development, encourage employees to set up diverse clubs, and actively promote colleagues to join clubs.
- Establish smooth communication channels and hold regular labor-management meetings to ensure the rights and interests of both parties.
- Fully protect the privacy rights of customers and all stakeholders, establish a complete information security management mechanism and follow strict control regulations and protective measures.



Project	Descriptions	Target	Achievement in 2022
Working hour	<ul style="list-style-type: none"> ● Working hours are consistent with 40 hours per week ● At least one day off every seven days 	<ul style="list-style-type: none"> ● Number of missing items in a timeout series: 0 items ● Losses suffered due to labor disputes: 0 cases 	100%
non-discrimination	Recruitment announcements and advertisements do not indicate total number of discrimination disputes	Recruitment announcements and recruitment advertisements are non-discriminatory and there are no incidents of discrimination	100%
sexual harassment	Sexual Harassment Complaint Cases	Sexual harassment complaints: 0 cases	100%
youth labor	<ul style="list-style-type: none"> ● No child labor below the minimum employment age is employed ● Young workers do not engage in work that may endanger their health or safety, including night duty or overtime work 	<ul style="list-style-type: none"> ● Rate of child labor (under 15 years old): 0% ● The proportion of young workers (under 18 years old) working in hazardous positions: 0% <p>* Hazardous positions refer to work that endangers health or safety, including night duty or overtime work</p>	100%

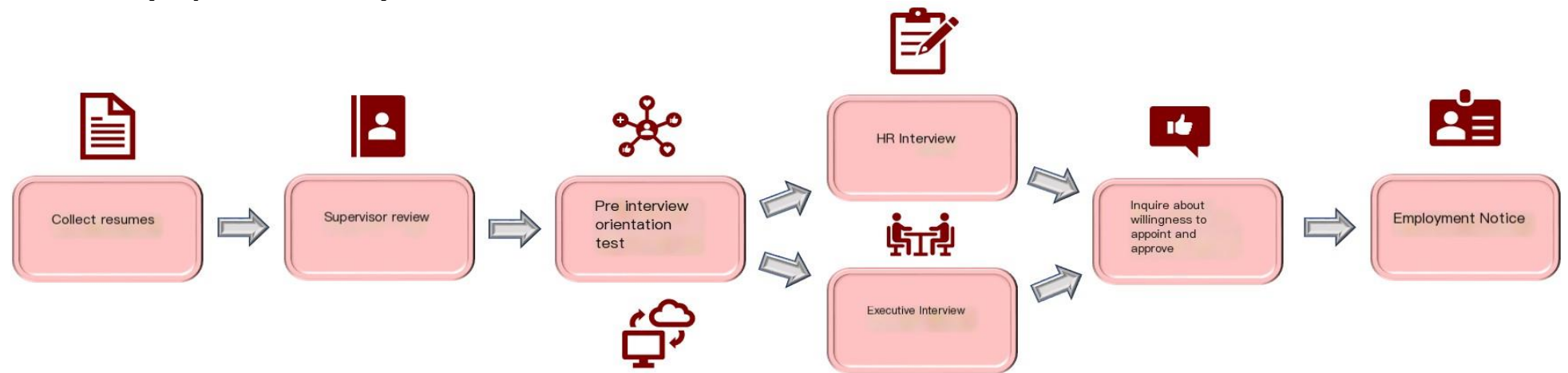
4.1.5 Workplace Equity

To maintain an equal and safe workplace environment, Auras treats all workers equally in employment, salary and remuneration, employment opportunities, rewards and punishments, and the work process, without discrimination based on any personal circumstances (such as race, gender, sexual orientation, age, physical and mental disabilities, etc.), Auras strictly prohibit any form of sexual harassment and intimidation, and publish the "Code of Conduct for Employees" on official and internal websites, as well as guidelines for sexual harassment prevention, appeal, and investigation, as well as guidelines for sexual harassment prevention, appeal, and punishment. Employees can use the telephone hotline (02-8990-1653 # 202) or fax (02-8990-4129), or mail to Richard_Wu@auras.com.tw appeal, if it involves gender discrimination or sexual harassment, Auras establish a "Complaint and Evaluation Committee for the Prevention and Control of Sexual Harassment" in accordance with the law, conduct fair and rigorous investigations and evaluations of relevant cases, and strictly protect the privacy of victims and assist investigators from coercion during the process; If an employee's violation is found to be true after investigation, punishment will be imposed based on the investigation results and the standards of employee rewards and punishments, ensuring equal rights in the workplace. There were no sexual harassment cases at Auras domestic and overseas locations in 2022. Auras will continue to promote sexual harassment prevention, complaints and disciplinary norms through various channels.

4.2 Talent Recruitment

Auras growth relies on the continuous contribution of employees, and in order to strengthen growth momentum, the company actively hires professional talents at all levels. Auras Only talent is useful and appropriate based on this, applicants of different races, genders, ages, religions, nationalities, or political positions are treated equally and recruited through an open and fair selection process. In terms of substantive approach, Auras in accordance with government regulations and the Code of Conduct for the Electronic Industry Citizen Alliance, in order to protect the personal information of applicants and avoid employment discrimination, management measures related to employee appointment have been formulated and implemented. The information collected during the interview stage mainly focuses on job related content.

Auras values the diversity of employees, through various online recruitment channels (such as 104 Human Resources Bank and Headhunter Company), actively seeks talents from all over the world, including mainland China, Thailand and other countries, which are the company's recruitment priorities.



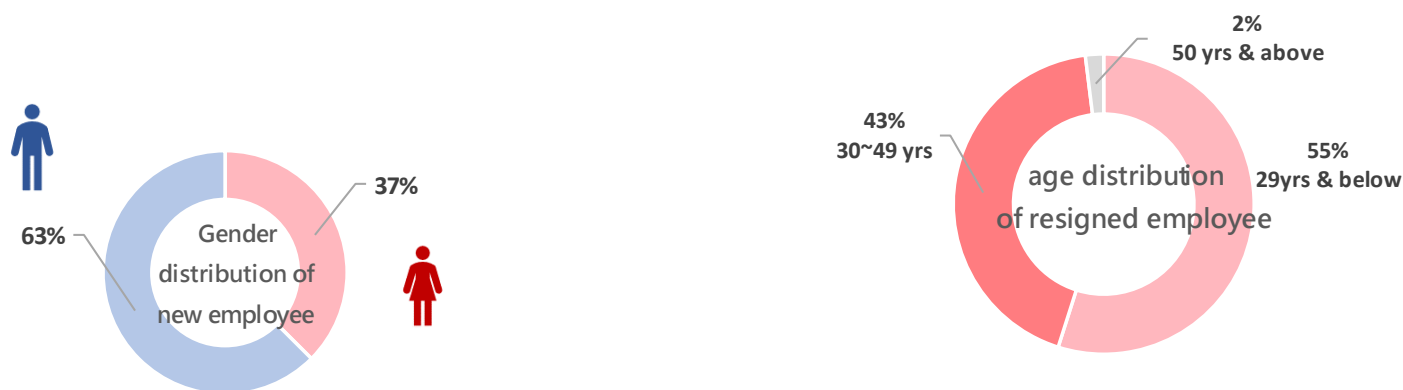
During the recruitment process, open and transparent job vacancies are announced to eliminate information gaps and provide fair screening opportunities for all talents. Functional evaluations are conducted by individual employers and professional personnel to jointly select suitable talents; Encourage employees to develop their careers through comprehensive new student training, promotion management, and employee welfare systems developing the strength to cultivate the sustainable growth of enterprises. For colleagues who are transferred to other units or regions, the company will conduct complete previous communication, provide education and training, and provide allowances and subsidies depending on the workplace to protect the rights and interests of employees. After Auras appointing a new employee, on the day of registration, an environmental introduction will be provided to

the new employee, accompanied by new colleagues to various departments for introduction. Each unit needs to assign counselors to assist the new employee in adjusting the unfamiliar environment and providing guidance and assistance in their positions.

4.3 Talent Cultivation

Auras firmly believes that only actively recruiting talents and only by retaining talents can they bring research and manufacturing energy, strengthen the company's global competitiveness, and maintain a long-term competitive advantage. We firmly believe that the success of a company is the result of the efforts of all employees. Only by recruiting ambitious individuals can we achieve great success together. Therefore, talent is the only way to employ people, and the right amount of talent is suitable for the right place Auras the main principle of making good use of people and the specific policy of enabling talents from all sides to achieve great success.

Gender distribution of new global employees in 2022, male occupy 63%, female occupy 37%; The age group distribution of new employees worldwide is mainly under 29 years old occupy 79.5%, aged 30-49 occupy 20.4%.

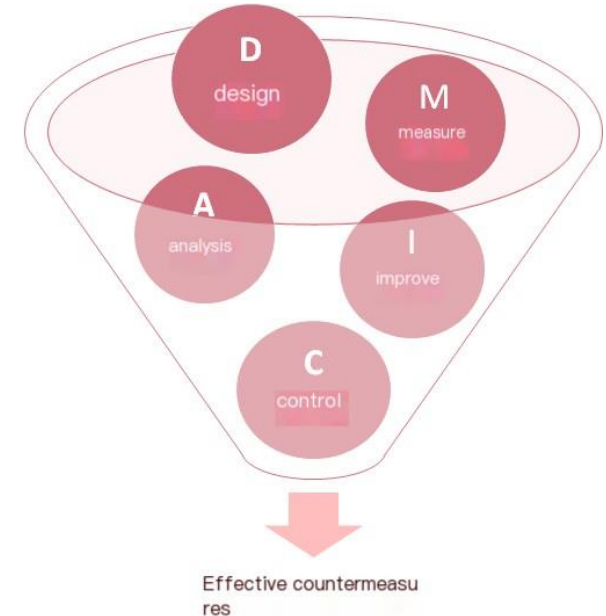


New arrivals in 2022 Employee turnover rate it is 8%, an increase of 2 percentage points from 2021. In order to reduce the turnover rate of new employees, at least one month after joining, the highest human resources supervisor will personally meet with them to care about the adjustment or difficulties related to work, environment, supervisor leadership, and the atmosphere among colleagues, in order to improve the retention rate of new employees.

Six Standard Deviations

Each Auras Technology new colleagues are required to undergo a six standard deviation education and training course in their first year, using the logic and tools related to six standard deviations, and conducting project promotion. Using the five steps of DMAIC with six standard deviations, namely Define, Measure, Analyze, Improve, and Control, through clear problem statements, complete data collection and analysis, identify the root causes of deficiencies, and then implement effective measures for improvement.

The six standard deviations not only bring considerable benefits to the project, but also help our company cultivate many excellent talents through a series of e-learning courses, physical courses, and project training. In 2022, the six standard deviation physical course Workshop was trained, with a total of 80 hours of class time, and a total of 168 people across the group received training.



Taiwan Headquarters Six Standard Deviation Education and Training

To enhance the work ability of colleagues, the group invests millions annually in organizing six standard deviation courses, provides a set of work evaluation, execution, management standards and tools, and strives for a common work execution language within the group



All talent cultivation courses, project technology implementation, and performance with six standard deviations are centrally managed in the six standard deviation project management system; And establish a project sharing mechanism in the management system, Wisdom of Auras effective inheritance; this is Auras, right Continuously optimizing the organization and practicing sustainable development is a crucial mechanism. In addition, The Six Standard Deviation Task Force holds relevant activities irregularly; By promoting the activities, we aim to deepen the concept of six standard deviations into the daily work of our colleagues.

Our company provides comprehensive functional training for supervisors and colleagues at all levels, including new employee training, professional advancement training, supervisor training, etc., to assist colleagues in continuous learning and growth through diverse learning methods, and introduce training courses related to the development of corporate ethics beliefs to cultivate key abilities of colleagues. In 2022, the education and training hours for the entire group are 352810 hours. If calculated based on the total number of people, each person will receive an average of about 72 hours of training.

Furthermore, regular performance interviews are held every year, where supervisors and employees discuss and set an annual personal development plan. Through regular reviews and feedback, employees are assisted in tailoring their best job performance Development plan, dedicated to cultivating every colleague, together with Auras Growth.









Course category	Categories of trained employees	Taiwan HQ	China				Thailand	US	Total
			Kunshan	Guangzhou	Chongqing	Hefei			
Leadership management system	Supervisory level and above	456	896	560	352	8	0	0	2,272
Professional training system	Assign training based on designated functions	296	162	37,968	9,072	0	392	0	47,890
Quality ability training system	Assign training based on designated functions	0	16,334	50,232	9,072	0	338	0	75,976
Common training system	Assign training/all according to functions	3,520	41,203	43,456	9,072	0	3,832	0	101,083
New employee training	New employee	590	9,416	98,840	14,520	768	1,455	0	125,589
Total		4,862	68,011	231,056	42,088	776	6,017	0	352,810

4.4 Benefits and Rights

Auras values the company adopts competitive salary and benefits policies in all operating sites, taking into account the salary levels and overall economic indicators of peers. The salary for employee appointment is based on personal professional ability, educational experience, length of service experience, and personal performance. The salary adjustment after employment is evaluated as a whole based on personal performance, market value, and contribution. In addition to setting reasonable and competitive salary levels based on local labor market conditions, the salaries of employees in overseas regions also refer to local laws, practices in other industries, and operational performance. Long - and short-term incentive bonuses are given to encourage employees to make long-term contributions and grow together with the company. Employee salary remuneration the system does not differ or discriminate based on individual gender, race, age, religious beliefs, or political positions. The company is committed to creating harmonious labor management relations within legal norms, and thus moving towards sustainable operation.

Auras is proactive create a friendly work environment, spare no effort in caring for and taking care of colleagues, and improve their happiness index through diversified welfare measures and leisure activities, achieving the goal of "work life balance, survival and life balance". The company also provides travel allowances and encourages employees to participate in group tourism and club activities organized by the Employee Welfare Committee, allowing colleagues and family members to enjoy the fun of life together, relieve work pressure, and achieve personal physical and mental health as well as work family balance. In addition, Auras as a whole the employee welfare benefits are shown in the table below:

Competitive salary	Insurance planning	Flexible leave system	Health Care	Activities
<ul style="list-style-type: none"> ● Three festival gift ● Birthday gift ● Year-end bonuses ● Performance bonus ● Patent bonus ● Project bonus ● Employee bonus rewards 	<ul style="list-style-type: none"> ● Labor insurance ● Health insurance ● Group insurance ● Business Travel Insurance ● Spouse and children medical insurance 	<ul style="list-style-type: none"> ● Two days off every week ● Flexible working hours ● Paternity leave for male colleagues ● Family care leave ● Menstrual leave ● Compensatory leave 	<ul style="list-style-type: none"> ● Breastfeeding room established ● Health examination ● Babysitting stay system ● health lecture  	<ul style="list-style-type: none"> ● Year-end party ● Departmental gathering ● Employee travel   

Happy Workplace Spring (January-March)

Comforting colleagues for their hard work, holding a fixed dinner with whiskey and delicious pancakes at the end of the year, featuring audio and visual performances, video games, and lucky draws



The Guangzhou factory area held a "Spring Welcoming Cup" for enterprise employees at Huangpu United Street. The picture shows the group competition between Zehong Electronics and Huayin Medical, enriching the leisure life culture of employees

Kunshan factory area responding to Women's Day on March 8th, special gift of eye shadow box to female colleagues in the factory.

Celebrate the rise of international female consciousness together



Happy Workplace Summer (April-June)

The promotion of diverse customs and customs activities, together celebrating the Water Splashing Festival (4/13-4/15) in the Thai factory area, also known as Songkran actually means the Spring Equinox, celebrating the beginning of a new year and praying for a safe and smooth new year. During the traditional Water Splashing Festival (4/13-4/15), Thai people celebrate by splashing water on each other. This is because "water" represents purification and blessings in traditional Buddhist rituals, using water splashing to symbolize the elimination of misfortune and sin, beginning a pure year. "Bathing Buddha" is one of the most important activities of the Water Splashing Festival, bathing Buddha can be separated "Bathing Buddha Statue" and "Bathing Monks". Before bathing the Buddha statue, prepare flowers, candles, and incense to show respect by worshipping the Buddha and burning incense. Then, rinse the Buddha statue with fragrant purified water. "Bathing monks" are associated with Offering water style comparison similar, using fragrance sprinkle clean water lightly on the hands or on the body of a monk, and then presented to the monk clothing In addition to expressing respect and hoping to receive blessings, this ceremony also reminds people to always keep their hearts clean.



From April to May each year, the chairman leads all supervisors and colleagues at the Taiwan headquarters to participate in the road running event, and the company fully pays the registration fee; Running has many benefits. In addition to helping the brain release stress and promoting neuronal growth, it can also improve learning ability and self-control, as well as improve cardiovascular health.



Happy Workplace Autumn (July-September)

Taiwan headquarters consols colleagues for their hard work and holds a fixed gathering for Golden Three Wheat Beer and Delicious Food in mid year (August)



Under the leadership and call of the supervisor, Zehong from the Guangzhou factory area participated in the summer walking activities of Huangpu United Street, further enriched cultural and sports life, promoted the physical and mental health of employees, created a good atmosphere of unity, harmony, and civilization



Kunshan Factory Hosts Silent Basketball Friendship Tournament with Jiangsu Lucheng Team of China Lion Federation, Municipal Disabled Persons' Federation, and Surrounding Enterprises



Kunshan factory area participates in the 5th "Toyota Cup" Forklift Skills Competition in the Development Zone



Happy Workplace Winter (October-December)

Christmas Party



Thai factory area celebrates New Year activities



4.5 Health Care

In addition to regularly indicating excellent health checkups and medical institutions to assist colleagues in conducting health checks, the company also arranges for new employees to undergo checks, overseas colleagues to undergo checks, and senior supervisors to undergo checks, providing welfare health checkups that are superior to government regulations. For colleagues with abnormal health check results, long-term tracking and management will be carried out with the assistance of medical institutions, and doctor consultations will be arranged to protect the health of colleagues.

Maternal Health Protection Plan

Our company has established a maternal health protection plan in the workplace in accordance with Article 31 of the Occupational Safety and Health Law: Implementation Measures for Maternal Health Protection of Female Workers and other maternal health protection policies. To provide a safe, hygienic, healthy, and friendly workplace environment for pregnant, postpartum, and breastfeeding employees in the company's workplace, in order to ensure the physical and mental health of pregnant, postpartum, and breastfeeding female employees and achieve the goal of maternal employee health protection. Any employee of our company who has served for six months and before each child reaches the age of 3, can apply for a suspension of maternity insurance for a period of no more than two years until the child reaches the age of 3. Employees are suspended from work due to maternity insurance during this period, You can continue to participate in the original social insurance. In 2022, only one person from the Taiwan headquarters applied childcare retention and also resumed work before the end of the year.



Smooth communication channels

In order to promote harmonious and sustainable development of labor management relations, and facilitate smoother communication between labor and management, our company has established a transparent, open, and effective multi-directional communication channel to solicit valuable opinions from all employees. We have established employee complaint email addresses, including email addresses for reporting unethical behavior and email addresses for prohibiting workplace violence complaints. Understand the needs and expectations of employees, and actively respond to their concerns.

Human Security Goals

- No incidents of discrimination or related complaints occurred
- No violation of freedom of association and collective bargaining rights
- No child labor
- No incidents of forced or compulsory labor occurred
- No major labor disputes
- No delays or accumulation of employee opinions and grievances

A red outline icon of a pencil pointing towards the bottom right corner of the 'Human Security Goals' box.

During the epidemic period at the Taiwan headquarters, the company prepares rapid screening reagents for colleagues to conduct routine screening under the guidance of the government command center in good ventilation every week, maintaining a good health and safety working environment



Chongqing factory area cooperates with Jinfeng Town in epidemic prevention and control, actively participates in volunteer activities for epidemic prevention and control, volunteer projects: order maintenance, nucleic acid collection, data login, etc

Thai factory area holding health check activities to protect the health of colleagues



4.6 Workplace Safety

Our company follows the Occupational Safety and Health Law and the regulations of our clients and related organizations to establish policies, and respects the requirements of relevant interest groups for occupational safety and health, in order to build a healthy and happy workplace. With disaster prevention and disaster prevention as the core concept, using appropriate management tools, mature technology, and available resources, integrate the factory area Work safety and hygiene problem, propose effective countermeasures, continuously improve and promote occupational safety culture, strengthen the protection and management of workers, and invest resources to strengthen occupational disease prevention, in order to create a zero disaster environment. In addition, our company has also established quantitative indicators, expand occupational safety and health activity to product and related services, improving overall occupational safety and health Performance and effective risk control.

The frequency of disability injuries in 2022 is 0.17%, disabled target with a damage frequency of 0.2%; There are 2 personnel disaster plans, with 2 employees (accounting for 0.04% of the total number of employees by the end of 2022), and the goal of 0 incidents has not been achieved. After thorough review and improvement measures, the automatic inspection items, machine safety interlock component inspections, and the company's reaffirmation were immediately revised safety protection order clause, initiate supervisor care, pay attention to the physical and mental condition of colleagues, and ensure their safety during work.

Monitoring of labor working environment

The Guangzhou, Kunshan, Chongqing, and Thailand factories of the company have all obtained the certification of "15045001:2018 Occupational Health and Safety Management System"

Monitoring of labor working environment

To ensure that workers are free from the hazards of harmful substances in the workplace, provide a healthy and comfortable working environment for workers, conduct multiple annual work environment monitoring, and gradually reduce the exposure status of workers

Work safety inspection

The company has an annual work plan for occupational safety inspections, with the management department serving as the convener. The occupational safety inspection team uses the "occupational safety inspection system" to compile various inspection reports. The improvement suggestions and specific improvement situations are recorded for various units to refer to and improve online. The deficiencies are reviewed monthly at the occupational safety inspection team meeting based on the improvement suggestions

Equipment security management

The company conducts equipment classification, manages hazardous machinery and equipment in accordance with the law, and conducts detailed inspections to ensure safe operation of the equipment. In 2022, the company's hazardous machinery will undergo regular inspections in accordance with the "Hazardous Machinery and Equipment Safety Inspection Rules" to ensure the safety of equipment use

Every year, a series of workplace safety education and training courses are conducted in each factory area, such as electricity safety training courses, first aid courses, and fire drills.



Thai factory area fire drill



Thailand Factory Area Electrical Safety Training Course Main First Aid Course



On December 15, 2022, a training course on electrical work safety



Taiwan headquarters conducts annual fire drills, evaluates consumer safety equipment and routes, and raises awareness of evacuation safety among colleagues



Kunshan Factory Area Development Zone Chief Engineer Chairman Zeng visited the factory area for safety production and labor protection knowledge training enterprise activities





Kunshan Factory Area Development Zone Chief Engineer Chairman Visits the Factory Area for Safety Production and Labor Protection Knowledge Training Enterprise Activities



Training on ROHS Hazardous Substance Restriction Instructions for Thai Plant Area



Kunshan Factory Area Red Cross provided first aid training upon entering the factory



Kunshan factory area during the epidemic prevention and control period, each area in the factory area individual disinfect corners daily.



4.7 Social Public Welfare Participation

According to a statistical report from relief organizations cited by the United Nations Office for Humanitarian Affairs, in the top 10 events globally related to climate anomalies in 2022, each event caused an average loss of over 3 billion US dollars. Among them, Hurricane Ian in the Caribbean Sea in September caused a total loss of over 100 billion US dollars, and this number is only for the insured part. If uninsured events are also included in the total estimate, amount of damages It can be said to be heaven price.

Climate change has made extreme weather more frequent, leading to more severe heat waves, and extreme weather has occurred frequently around us; In August 2022, Chongqing, China experienced a high temperature of 45 degrees Celsius, which is the most severe extreme in Chongqing since 1961. This is also the first time in China that there is a reliable meteorological record that 45 degrees Celsius has occurred outside of Xinjiang. The sustained high temperature caused wildfires in the mountains and forests, the supervisor and colleagues of Auras Chongqing Factory spontaneously prepared mineral water and ice, and personally sent them to the rest area of the firefighters to cheer them up.



The Chongqing factory area is constantly experiencing high temperatures and wildfires. The supervisor led his colleagues to personally send 20 boxes of mineral water and 500 pounds of ice to comfort the firefighters



In response to international and corporate social responsibility (CSR) and the Global Sustainable Development Goals (SDGs), we have participated in the fundraising program for second-hand laptop computers organized by the Foundation for Youth Care, donating 10 second-hand laptops to students from disadvantaged families, assisting impoverished families, improving educational resources in remote areas, and further providing stable opportunities for students to attend school.



Report Index Comparison Table GRI

GRI 102 General Disclosure

Project	Index	Explain	Chapter Name	Page number
Overview of Organization	102-1	Organization Name	1.1 Origin and History of Establishment	7
	102-2	Activities, Brands, Products and Services	1.1 Origin and History of Establishment	7
	102-3	Headquarters location	1.2 Company Overview	8
	102-4	Operating Site	1.2 Company Overview	8
	102-5	Ownership and Legal Forms	1.2.1Auras Organization chart	9
	102-6	Market for providing services	1.2.1Auras Organization chart	9
	102-7	Organizational scale	1.2.1Auras Organization chart	9
	102-8	Information about employees and other workers	4.1 Global Talent	49
	102-9	Describe the organization's supply chain, including the main elements related to organizational activities, major brands, products, and services	2.7 Supply Chain Management 3.3 Environmental Material Flow Information	38 45
	102-10	Any significant changes in organizational size, structure, ownership, or supply chain	In 2022, our company does not have major changes	-
	102-11	Early warning principles or policies	2.5 Risk Management	33
	102-12	List economic, environmental, and social regulations, principles, or other initiatives formulated by external parties that have been signed and recognized by the organization	4.1.3 Human rights policies	51

Project	Index	Explain	Chapter Name	Page number
Strategy	102-14	Decision maker's statement	Chairman Remark	4
	102-15	Key shocks, risks, and opportunities	2.6 Risk Management	33-37
Integrity and Ethics	102-16	Describe the values, principles, standards, and behavioral norms of the organization	1.6 Vision and Mission	16
			2.1 Sustainable Governance	18-19
Governance	102-18	Organizational governance structure	1.2.1Auras Organization chart	9
	102-19	The highest governance unit authorizes senior management and other employees to be responsible for the procedures of economic, environmental, and social themes	2.1 Sustainable Governance	18-19
	102-20	a. Does the organization appoint management levels responsible for economic, environmental, and social themes b. Does the person directly report to the highest governance unit	2.1 Sustainable Governance	18-19
	102-21	The process of consultation between stakeholders and the highest governing body on economic, environmental, and social topics	2.2.2 Identification of Stakeholders	22
	102-22	Explain the composition of the highest governing body and its committees by classification	2.4 Corporate Governance Operations	26-31
	102-23	Is the chairman of the highest governance unit also a member of the management team	Chairman Lin Yu-Shen currently serves as General Manager	-
	102-24	Nomination and selection process for the highest governing unit and its committees	2.4 Corporate Governance Operations	26
	102-25	The process for the highest governance unit to avoid and manage conflicts of interest	2.4 Corporate Governance Operations	26
102-26	The role of the highest governance unit and senior management in developing, approving, and updating the organization's purpose, values or vision, strategies, policies, and goals related	2.4 Corporate Governance Operations	26-31	

to economic, environmental, and social themes				
Project	Index	Explain	Chapter Name	Page number
Governance	102-27	Measures taken to develop and enhance the collective intelligence of the highest governance unit on economic, environmental, and social themes	2.4 Corporate Governance Operations	26
	102-28	The evaluation process of the performance of the highest governance body on economic, environmental, and social issues, and the measures taken in response to the performance evaluation of the highest governance body on economic, environmental, and social issues, should at least include changes in member and organizational behavior	2.4.1 Board members	28
	102-29	The role of the highest governance unit in identifying and managing economic, environmental, and social themes and their impacts, risks, and opportunities	2.2 Analysis of Major Issues	20-24
	102-30	The role of the highest governance unit in examining the effectiveness of an organization's risk management processes on economic, environmental, and social themes	2.6 Risk Management	33-37
	102-31	The frequency of examining economic, environmental, and social themes, their impacts, risks, and opportunities by the highest governance unit	2.2 Analysis of Major Issues	20-24
	102-32	Formally review and approve the organizational sustainability report and ensure that the report covers all major themes of the highest committee or position	2.1 Sustainable Governance	18
	102-33	Procedure for communicating key major events with the highest governing unit	2.3 Communication among Stakeholders	25
	102-34	The nature and total number of key major events communicated with the highest governance unit	2.2.1 Inventory of Sustainability Related Issues	21
	102-35	Explain the compensation policies of the highest governing unit	4.1.4 Employee Salary	52

		and senior management	Remuneration	
	102-36	The process of salary determination	2.4.4 Operation of the Salary and Remuneration Committee	31

Project	Index	Explain	Chapter Name	Page number
Governance	102-37	Stakeholder participation	2.3 Stakeholder communication and issues of concern	24
	102-38	The year of the highest paid individual in the organization in various countries with important operational bases total salary and other employees of the organization in the country (not including this salary the highest individual)Annual total salary ratio of median	Non disclosure	-
	102-39	The highest paid individual in the organization in various countries with important operational bases annual total salary the percentage increase is related to the organization's other employees in the country (excluding Including this salary Average for the highest individual Annual total salary rhe ratio of increasing the median percentage	Non disclosure	-
Stakeholder communication	102-40	List the stakeholders involved in communication within the organization	2.2 Analysis of Major Issues	20-24
	102-42	The foundation for identifying and selecting communication with stakeholders	2.2 Analysis of Major Issues	20-24
	102-43	The policy for communicating with stakeholders, including the frequency of communication based on different stakeholder groups and forms, and indicating whether any communication procedures are particularly effective prepare this report and carry out	2.2 Analysis of Major Issues 2.3 Communication among Stakeholders 2.5 Integrity management	20-24 25 32
	102-44	Key themes proposed in communication with stakeholders	2.2 Analysis of Major Issues 2.3 Communication among Stakeholders	20-24 25

Project	Index	Explain	Chapter Name	Page number
Reporting Practice	102-45	All entities included in the consolidated financial statements or equivalent documents of the organization	About the report	2-3
			1.5 Financial Performance	15
	102-46	Explain the process of defining report content and topic boundaries	About the report	2-3
	102-47	List all major themes identified in the process of defining the content of the report	2.2 Analysis of Major Issues	20-24
			2.3 Communication among Stakeholders	25
	102-48	The impact and reasons for the re editing of any information given in the previous report	About the report	2
	102-49	Compared to the previous reporting period, there have been significant changes in major themes and their boundaries	The data on waste, greenhouse gas emissions, and water resource utilization have been revised in this year's annual data table	
	102-50	During the reporting period of the provided information	About the report	2
	102-51	Date of last report	About the report	2
	102-52	Reporting cycle	About the report	2
	102-53	Contact person for issues related to the report or its content	About the report	2
	102-54	Declaration according to GRI guidelines	About the report	2
102-55	GRI Index Content	Report Index Comparison Table GRI	73-89	
102-56	External assurance/assurance	The report has not been confirmed by a third party	-	
Management policy	103-1	Explain major themes and their boundaries	2.2 Analysis of Major Issues 2.3 Communication among Stakeholders	20-24 25

GRI 200 Economic Theme

Project	Index	Explain	Chapter Name	Page number
Economic performance	201-1	The direct economic value generated and allocated by the organization	1.5 Financial Performance	15
	201-2	Financial impacts and other risks and opportunities arising from climate change	nondisclosure	-
	201-3	Defining Benefit Plan Obligations and Other Retirement Plans	4.4 Benefits and Rights	59-64
market position	202-1	The ratio of standard salary to local minimum salary for grassroots personnel of different genders	4.1.4 Employee Salary Remuneration	52
	202-2	The proportion of local residents employed as high-level management	4.1.2 Recruitment of local talents	50
Indirect economy Impact	203-2	Significant indirect economic shocks	1.4 Operational and Technological Growth	13-14
Procurement Practice	204-1	The proportion of procurement expenses from local suppliers in important operating sites	2.7 Supply Chain Management	38-40
Anti-Corruption	205-1	Operational sites that have undergone corruption risk assessments	2.5 Integrity management	32
	205-2	Communication and training on anti-corruption policies and procedures	2.5 Integrity management	32
Anti competitive behavior	206-1	Legal actions against competitive behavior	2.5 Integrity management	32

GRI 300 Environmental Theme

Project	Index	Explain	Chapter Name	Page number
energy	302-1	Internal energy consumption within the organization	3.2 Greenhouse gas reduction management	44
			3.3 Environmental Material Flow Information	45
	302-4	Reduce energy consumption	3.1.1 Implement Green Management	43
	302-5	Reduce energy demand for products and services	3.2 Greenhouse Gas Reduction Management	44
Water and discharge water	303-1	The mutual influence of shared water resources	3.3 Environmental	45
	303-2	Management of impacts related to drainage	Material Flow	
	303-3	Water intake	Information	
	303-4	Drainage volume	3.4 Pollution prevention and control to reduce environmental impact	46-47
	303-5	water consumption		
discharge	305-1	Direct (Category one) Greenhouse gas emissions	3.2 Greenhouse gas reduction management	44
			3.3 Environmental Material Flow Information	45
	305-2	Indirect Energy (Category 2) Greenhouse Gas Emissions	3.2 Greenhouse gas reduction management	44
			3.3 Environmental Material Flow Information	45
305-5	Reduction of greenhouse gas emissions	3.2 Greenhouse gas	44	

reduction management

Project	Index	Explain	Chapter Name	Page number
waste	306-1	Significant impact of waste generation and waste related factors	3.3 Environmental Material Flow Information	45
	306-2	Management of significant impacts related to waste		3.4 Pollution prevention and control to reduce environmental impact
	306-3	Waste generation		
	306-4	Disposal and transfer of waste		
	306-5	Direct disposal of waste		
Compliance with environmental protection regulations	307-1	Violation of environmental regulations	No violations of environmental regulations in 2022	-
Supplier Environmental Evaluation	308-1	Using environmental standards to screen new suppliers	2.7 Supply Chain Management	38-40
	308-2	The negative impact of the supply chain on the environment and the actions taken	2.7 Supply Chain Management	38-40

GRI 400 Social Theme

Project	Index	Explain	Chapter Name	Page number
Employment Relationship	401-1	New and resigned employees	4.3 Talent cultivation	56-58
	401-2	Benefits provided to full-time employees (excluding temporary or part-time employees)	4.4 Benefits and Benefits	59-64
	401-3	Parenting leave	4.5 Health Care	65-66
work/Capital relationship	402-1	The shortest forecast period for operational changes	The notice period for major operational changes in our company is handled in accordance with local laws and regulations	-
Occupational safety health	403-1	Occupational Safety and Health Management System	4.6 Workplace Safety	67-70
	403-2	Hazard identification, risk assessment, and accident investigation	4.6 Workplace Safety	67-70
	403-3	Occupational health services	4.5 Health Care	67-70
	403-4	Participation, consultation, and communication of workers related to occupational safety and health	4.6 Workplace Safety	67-70
	403-5	Training for workers related to occupational safety and health	4.6 Workplace Safety	67-70
	403-6	Worker Health Promotion	4.5 Health Care	65-66
	403-7	Prevent and mitigate the impact of occupational safety and health directly related to business relationships	4.6 Workplace Safety	67-70
Training and Education	404-1	The average number of training hours per employee per year	4.3 Talent cultivation	56-58
	404-2	Enhancing employee functions and transitional assistance plans	4.3 Talent cultivation	56-58
Employee	405-1	Diversification of Governance Units and Employees	4.1 Global Talent	49-53

diversity and equal opportunities	405-2	The ratio of women to men to basic salary plus salary	4.1.4 Employee Salary Remuneration	52
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Project	Index	Explain	Chapter Name	Page number
Non discrimination	406-1	Discrimination incidents and improvement actions taken by organizations	4.1.3 Human rights policies	48
Freedom of Association and Groups	407-1	Operating sites or suppliers that may face risks of freedom of association and group negotiation	Suppliers have not violated freedom of association or group negotiation	-
Child labor	408-1	Major risks of using child labor in operational sites and suppliers	Suppliers have no risk of using child labor	-
Forced or Compulsory Labor	409-1	Operating sites and suppliers with significant risks of forced and compulsory labor incidents	2.7.1 Policy and Management	39
			4.1.3 Human rights policies	51
Indigenous rights	411-1	Events involving infringement of indigenous rights	There have been no incidents of infringement on indigenous rights during the reporting year	-
			4.1.3 Human rights policies	51
Supplier social evaluation	414-1	New suppliers screened using social standards	2.7 Supply Chain Management	38-40
	414-2	Negative social impacts in the supply chain and actions taken	2.7 Supply Chain Management	38-40
public policy	415-1	Political donations	Report: No political contributions for the year	-
Customer	416-1	Evaluate the impact of product and service categories on	3.4 Pollution prevention	46-47

Health and Safety	health and safety		and control to reduce environmental impact	
	416-2	Incidents of violating health and safety regulations related to products and services	Our company's research and development and manufacturing of products comply with relevant laws and regulations, and there have been no penalties for violating regulations	-

Project	Index	Explain	Chapter Name	Page number
Marketing and labeling	417-1	Requirements for product and service information and labeling	The cooling module is not labeled as a terminal product	
	417-2	Events of non-compliance with information and labeling regulations for products and services	The annual report does not violate any relevant regulations or voluntary agreements	-
	417-3	Events of non-compliance with marketing and promotion regulations	The annual report does not violate any relevant regulations or voluntary agreements	-
Customer privacy	418-1	Complaints confirmed to have infringed on customer privacy or lost customer information	There have been no actual complaints of infringement of customer privacy rights or loss of customer data during the reporting year	-
Compliance with socio-economic regulations	419-1	Violation of laws and regulations in the social and economic fields	There have been no violations of relevant laws and regulations in the social and economic fields in the report year	-

Report Indicator Comparison Table SASB

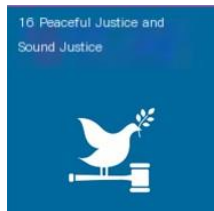
Perpetual disclosure themes and indicators

Expose the theme	Indicator code	Expose indicators	nature	Content Summary
Product Safety	TC-HW-230a.1	Explain the risk identification and management methods for product information security	Discussion and analysis	2.6 Risk Management
Employee diversity and inclusivity	TC-HW-330a.1	Gender and race percentage of global employees in (1) management, (2) technical personnel, and (3) all other employees	quantization	Following the principle of "equal treatment" and respecting personal data privacy, no collection and statistics were conducted on employee race.
product life cycle	TC-HW-410a.1	Annual revenue percentage of products that comply with IEC 62474 for declared controlled substances	quantization	Currently, there is no declaration for IEC 62474
	TC-HW-410a.2	Annual revenue percentage of products that meet the EPEAT logo or equivalent requirements	quantization	The main product is not a terminal product, and it is not possible to directly obtain the EPEAT stamp for verification of terminal electronic and electrical products.
	TC-HW-410a.3	Annual revenue percentage of products that meet Energy Star or equivalent requirements	quantization	The main product is not a terminal product, and it is not possible to directly obtain the Energy Star logo for verification of terminal electronic and electrical products.
	TC-HW-410a.4	The total recycled weight of global discarded products; and the percentage of recycled weight in total sold product weight.	quantization	3.4 Pollution prevention and control to reduce environmental impact
supply chain management	TC-HW-430a.1	First tier suppliers shall perform RBA (Validated Audit Process, VAP) or equivalent audit firms occupy the percentage of supplier categories (a) for all suppliers and (b) for high-risk suppliers	quantization	2.7.1 Policy and Management

	TC-HW-430a. 2	The first tier supplier (1) is subject to an audit process (VAP) or equivalent audit that has not passed RBA verification audit the percentage of manufacturers and (2) the improvement rate of audit results in (a) major deficiencies and (b) other deficiencies	quantization	2.7.1 Policy and Management
Material procurement	TC-HW-440a. 1	Explain the risk management of using critical materials	Discussion and analysis	Establish a conflict free mineral policy in accordance with OECD due diligence procedures, requiring suppliers to jointly prioritize, comply with, and submit relevant information, and regularly monitor and ensure the implementation of the conflict free mineral policy.

Activity Indicators

Indicator code	Expose indicators	Nature	Content Summary
TC-HW-000.A	Units produced by product category	quantization	The total production in 2022 is 114186 thousand individual cooling module.
TC-HW-000.A	Production facility area	quantization	The total floor area of the production facilities is 112500 square meters
TC-HW-000.A	Production percentage of owned facilities	quantization	The percentage of heat dissipation modules produced in our company's own facilities for the year 2022 is 100% (calculated using the factory input cost method),Excluding outsourcing OEM



Harmony and Earth Coexist

