

topview

2022 Sustainability Report



www.topviewcorp.com

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About This Report

Welcome to read Topview Optronics Corp.'s 2022 Sustainability Report. This report fully discloses the company's sustainable business strategies and achievements in the three dimensions of society, governance, and environment, addressing the issues that stakeholders are concerned about regarding Topview Optronics' sustainable development. The information disclosure in this report covers sustainability themes, management strategies, goals, current status, and future directions. Through open and transparent information, stakeholders can understand Topview Optronics' commitment to corporate social responsibility principles and actions.

To better respond to stakeholders' concerns, we present on the company website the latest annual achievements in various aspects of corporate social responsibility at Topview Optronics. Previous corporate social responsibility reports are also available for download or inquiry on the Topview Optronics Corporate Social Responsibility website.

Report Publication Date and Cycle:

Last Issuance Date: July 2022 | Current Issuance Date: July 2023 | Next Planned Issuance Date: July 2024

Report Scope and Boundaries

Geographical Scope : This report covers Topview Optronics' operational activities in Taiwan, including its headquarters in Taoyuan and offices in Taichung.

Time Scope : The data presented in this report spans from January 1, 2022, to December 31, 2022. Exceptions, if any, will be indicated in relevant sections.

Data Collection and Calculation

Data for the entire year of 2022 was collected based on the above report scope, and the formulas for indicators and data calculations are provided in the respective section notes.

Financial performance data, such as figures related to income and expenses, have been verified by Ernst & Young, a certified public accounting firm, and are presented in New Taiwan Dollars following generally accepted accounting principles (extracted from the annual report). Social, environmental, and quality performance data were compiled internally by relevant departments. Environmental performance data follows internationally recognized indicators, and any estimations will be clearly noted in the relevant sections.

Feedback and Contact Information

If you have any suggestions or inquiries, we welcome you to contact us. Topview Optronics highly values feedback from all stakeholders and looks forward to more interaction and communication. Contact information is as follows:

E-mail: csr@topviewcorp.com 公司網站 : <http://www.topviewcorp.com>

Cover Story



"Topview" focuses on corporate sustainability, developing green intelligent security surveillance products, consistently addressing climate change issues, actively promoting energy conservation and carbon reduction to reduce various impacts, and emphasizing social well-being. With integrity management and effective corporate governance integrated into various aspects of operations, we fulfill our corporate social responsibility with a responsible attitude, safeguarding the rights and interests of all stakeholders and creating greater value through communication.

Policies and Measures Verified by Internal and External Verification

This report adheres to the Global Reporting Initiative (GRI) Standards, Sustainability Accounting Standards Board (SASB) Standards, Task Force on Climate-related Financial Disclosures (TCFD), ISO 26000, and the "Operation Measures for Listed Companies to Prepare and File Corporate Social Responsibility Reports" required by government authorities. It also aligns with the United Nations Sustainable Development Goals (SDGs) to enhance the content of the report.

The report's content is compiled and written by the Design Verification and Quality System Department of our company. Any omissions are supplemented and confirmed by respective department managers to comply with GRI Standards (GRI Standards) and AA1000 Stakeholder Engagement Standard: 2015 (SES-2015) and AA1000 Accountability Principles: 2018 (AA1000AP-2018). Each performance indicator is reviewed by department managers and reported to management representatives at the semi-annual management review meeting. Internal audits are conducted by relevant personnel to ensure data disclosure quality. Financial-related information is based on publicly audited information verified by accountants, while greenhouse gas emissions data is disclosed based on internal checks.



Topview Optronics CSR Website:
<https://www.topviewcorp.com/posts/en/csr/>

Message from the Chairman

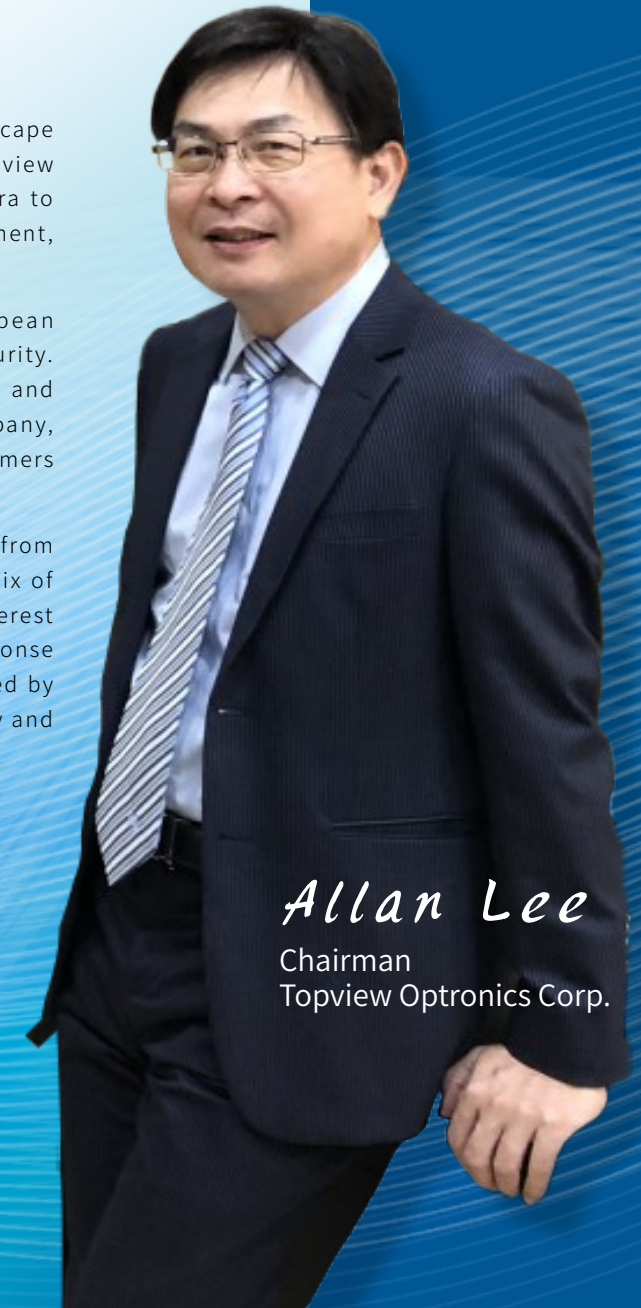
To all partners concerned about Topview

As we gradually move towards the post-pandemic era in 2022, we find ourselves adapting to the new normal amidst the changing landscape of reopened global markets and the evolving international political and economic situations. However, what remains constant is Topview Optronics' unwavering determination to contribute to the world and Taiwan over the past two decades. From the analog imaging era to digital IP and into the era of the Internet of Things, we have continuously strengthened ourselves, investing in our growth and development, ensuring that we continue to thrive in the ever-flowing river of time.

Amidst the continuing impact of the United States' National Defense Authorization Act (NDAA) and the responses from European governments, both defense and civilian enterprises are rapidly heightening their awareness of information security and national security. This has also driven a "decentralization" trend in the global security industry. In terms of supply chains, technological developments, and more, our European and American clients have made clear choices and decisions. As a professional design and manufacturing company, we remain steadfast in our commitment to serve existing customers' needs while also striving to meet the demands of potential customers affected by international political and economic influences. We approach our service with unwavering loyalty and humility.

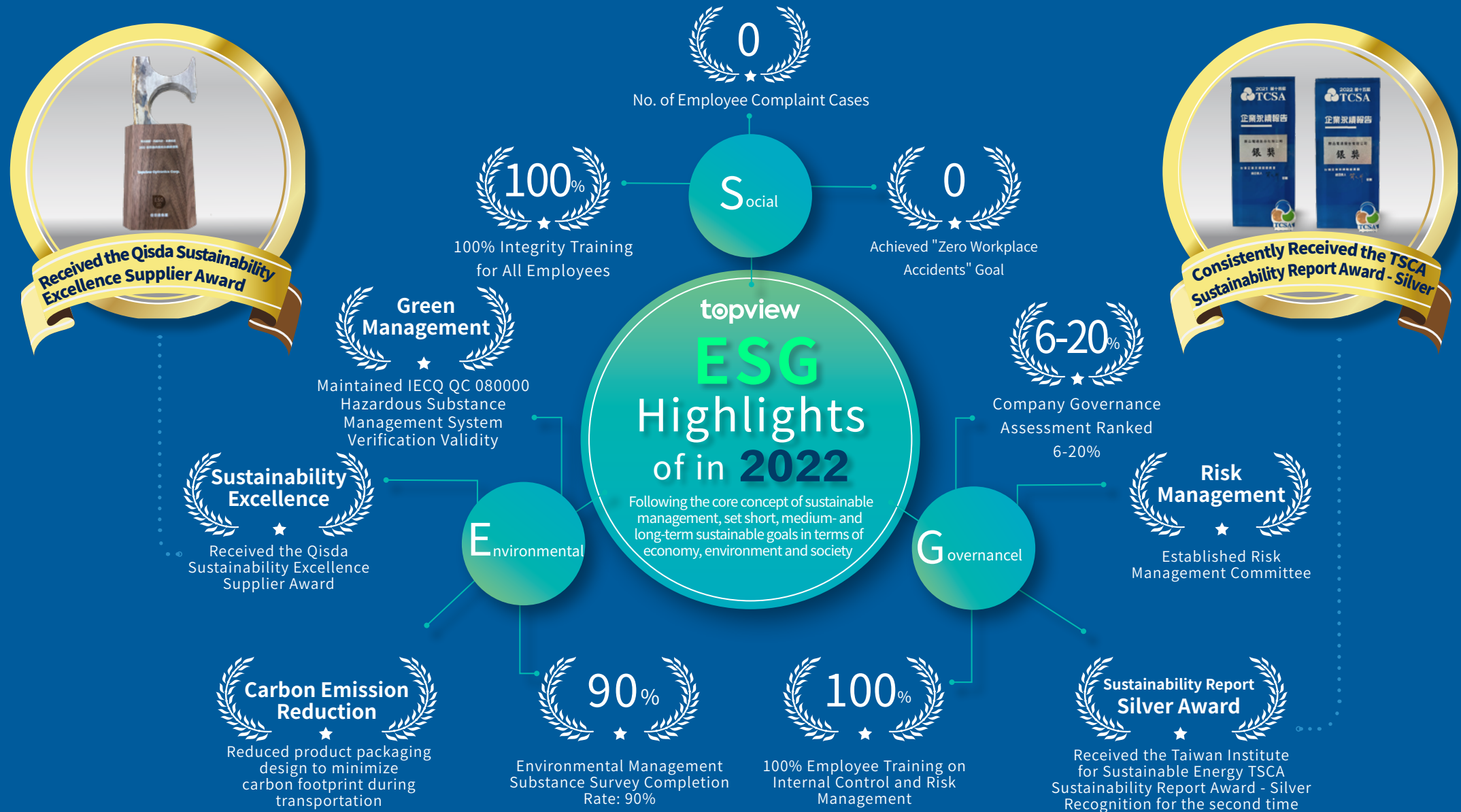
As we entered the second half of the year, the shortage of materials and transportation challenges began to ease, and we also benefited from the shift in orders, which contributed to our positive business performance. Currently, the global economic environment remains a mix of "grey rhinos" and "black swans." We are operating amidst factors such as the Russia-Ukraine conflict, energy shortages, inflation, interest rate hikes, and other adverse situations. Additionally, we deeply feel the impact of climate change on humanity and the world. In response to climate change-related issues, we actively comply with the "Corporate Governance 3.0 - Sustainable Development Blueprint" initiated by regulatory authorities. Besides proactively disclosing ESG-related information, we regularly report progress on greenhouse gas inventory and verification to the board for monitoring progress. In the short term, carbon reduction efforts focus on completing the greenhouse gas inventory and third-party verification, while the medium to long term involves two phases: "reduce carbon first, then low carbon."

Looking ahead to the new year, as we anticipate the ongoing risks of economic recession in Europe and America, our future operations will face greater challenges. However, we will continue to adhere to ESG principles and integrate them into our operational strategies. We will not only pay attention to stakeholders and advocate for sustainable development but also innovate technological developments and strengthen our competitive advantages by leveraging both internal and external resources. Concurrently, we will optimize human resource allocation and enhance corporate governance to drive development, create more niches, and collectively forge a better future for the economy, society, and environment.







Allan Lee

Chairman
Topview Optronics Corp.



Topview Optronics Sustainable Business

In the face of a challenging business environment, the company continues to uphold the spirit and commitment of corporate citizenship, integrating organizational resources and efforts from the three major aspects of "Corporate Governance," "Environment," and "Society" to establish appropriate short-term, medium-term, and long-term development plans as our sustainability focus. As a global player, sustainable development needs to originate from core values and align with the United Nations Sustainable Development Goals (SDGs). Therefore, we have integrated the SDGs into our organizational culture and set relevant goals within our operational plans, formulating measurable and time-bound targets to execute corresponding sustainable actions.

<div>Short, Medium, and Long-term Sustainable Development Management</div> <div>Performance Indicators and 2022 Achievements</div> <div>Sustainability Focus</div> <div>Decreasing Energy and Resource Sustainability Impact on the Environment</div> <div>United Nations Sustainable Development Goals</div> <div>SDGs Corresponding Indicators</div> <div><div></div><div></div><div></div><div></div></div>	Action Focus	Performance Indicators	2022		2023		2025
			Targets	Achievements	Targets	Achievements	Medium & Long-term Goals
	Green Products	Product Energy-Saving Design	Compared with products of the same specification 5% reduction in consumption <small>(compared to products with equivalent specifications in the market)</small>	-12.4% did not meet the target <small>see Chapter 3.1 for details</small>	Compared with products of the same specification 3% reduction in consumption <small>(compared to products with equivalent specifications in the market)</small>		Cumulative reduction of 5% <small>(compared to products with equivalent specifications in the market)</small>
			Simplify product packaging materials (not cumulative)	Up to standard	Simplify and reduce the volume of product packaging materials (not cumulative)		Complete product range implementation
		Product Complies with HSF Requirements	0 customer complaints related to HSF each month <small>(yearly result, not cumulative)</small>	Up to standard 0 complaints per month	0 customer complaints related to HSF each month		0 customer complaints related to HSF each month
	Green Operations	Reduction in electricity costs	1% lower than the previous year <small>(Base year 2021)</small>	Up to standard	Set goals not exceeding those set in 2021		5%
		Increase in resource recycling rate compared to waste	5%	Up to standard averaging 8.9%	9%		Cumulatively reached 15%
SDGs and Company Relevance		Green manufacturing is the cornerstone of the company's sustainable management. The company is committed to becoming an environmentally-friendly enterprise, implementing daily energy and resource management, waste management, and product improvements from the design stage to minimize harmful impacts on the environment.					

<div>Short, Medium, and Long-term Sustainable Development Management</div> <div>Performance Indicators and 2022 Achievements</div> <div>Sustainability Focus</div> <div>Happiness at the workplace and social Participation</div> <div>United Nations Sustainable Development Goals</div> <div>SDGs Corresponding Indicators</div> <div><div>4 QUALITY EDUCATION</div><div>8 DECENT WORK AND ECONOMIC GROWTH</div></div>						
	Action Focus	Performance Indicators	2022		2023	2025
			Targets	Achievements	Targets Achievements	Medium & Long-term Goals
	Talent Cultivation and Healthy Development	Training Execution Rate%	70 % (yearly result, not cumulative)	Target achieved	Above 70 %	Achieving over 85 %
		Reduce the number of occupational accidents/incidents.	0 incidents per month. (yearly result, not cumulative)	Target achieved 0 complaints per month	Reduce the number of occupational accidents 0 incidents per month.	0 incidents per month.
SDGs and Company Relevance		Providing employees with a safe and healthy working environment and safeguarding their rights are the foundations of sustainable business operations. By fostering a culture of continuous learning and knowledge creation, we empower employees to become the team's greatest competitive advantage, creating a win-win situation.				

<p>Short, Medium, and Long-term Sustainable Development Management</p> <p>Performance Indicators and 2022 Achievements</p> <p>Sustainability Focus</p> <p>Economic Governance and Value Chain Management</p>  <p>United Nations Sustainable Development Goals</p> <p>SDGs Corresponding Indicators</p> <div>   </div>	Action Focus	Performance Indicators	2022		2023	2025
			Targets	Achievements	Targets Achievements	Medium & Long-term Goals
	Sustainable supply chain	New Supplier Environmental, Safety, and Health Written Survey(%)	90 % (yearly result, not cumulative)	Target achieved 90 %	90 %	Completed environmental, safety, and health assessment of suppliers, achieving 85 % or higher
SDGs and Company Relevance			Topview Corporation is committed to integrating the concept of sustainable development into various aspects of our company's operations. In our procurement process, we not only consider economic benefits but also take into account environmental and social impacts. Leveraging our influence, we lead our suppliers in continuous improvement across various dimensions, including technology, quality, delivery, environmental protection, safety, and health, to build a sustainable supply chain.			

Action Focus	Performance Indicators	2022		2023	2025
		Targets	Achievements	Targets Achievements	Medium & Long-term Goals
<div>Short, Medium, and Long-term Sustainable Development Management</div> <div>Performance Indicators and 2022 Achievements</div> <div>Sustainability Focus</div> <div>Economic Governance and Value Chain Management</div> <div>United Nations Sustainable Development Goals</div> <div>SDGs Corresponding Indicators</div> <div></div>	Corporate Governance Evaluation (%)	Top 6-20% (Current year achievement, not cumulative)	Target achieved 100%	0 Maintain 6-20%	Achieve sustainable management.
	SDGs and Company Relevance	Committed to enhancing corporate governance, continuously improving operations and profitability, in order to align with the interests of stakeholders.			
	Percentage of Integrity Behavior Training for All Employees(%)	100% (Current year achievement, not cumulative)	Target achieved 100%	100%	100% annually
Financial Performance	SDGs and Company Relevance	To avoid damage to the company's reputation and operations due to corruption and bribery.			
	Customer Satisfaction Survey Results	85 points (Current year achievement, not cumulative)	Not achieved. 78 points. Refer to Chapter 3.2 for details.	85 points.	Target achieved 90%
	SDGs and Company Relevance	Strengthening global sustainable development partnerships and committing to providing customers with satisfactory products and services.			



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Chapter 1

Enterprise Sustainable Development Blueprint

- 1.1 Company Profile. P9
- 1.2 Stakeholder Engagement and Materiality Analysis. P12



1

Enterprise Sustainable Development Blueprint

Business Philosophy

『Happiness-Centric Enterprise』

- Upholding the spirit of prioritizing employee well-being to foster an organizational atmosphere.
- Sharing profits with employees, aligning company performance with individual achievements.
- Encouraging employees to innovate and explore new markets and ventures.

『Integrity-Centric Enterprise』

- Integrity is an essential work attitude and guiding principle for all colleagues.
- Coexisting and prospering with suppliers and partners.
- Commitment to serving customers and safeguarding their interests.

『Eternal Enterprise』

- Learning from century-old businesses in Europe and America.
- Continuously accumulating research and development capabilities to establish competitive advantages.
- Practicing corporate social responsibility and pursuing sustainable business operations for the company's enduring success.



Topview Optronics Corporation Stock Symbol 6556

Date of Establishment 1994

Headquarters Address 10 DaCheng Rd., Taoyuan Dist., Taoyuan City, 33068, Taiwan. (Headquarters / Factory)

Other Operating Locations

1. R&D Center: 10F, No. 375, Wuquan Road, North District, Taichung City
2. MESSOA TECHNOLOGIES INC. : No. 10, Dacheng Road, Taoyuan District, Taoyuan City 33068, Taiwan
3. MEASSOA USA: 13611 12TH ST., UNIT B, CHINO, CA 91710 U.S.A

Registered Capital 4 億

Number of Employees 400

Company Website <https://www.topviewcorp.com/>

Corporate Sustainability Area Website <https://www.topviewcorp.com/posts/tw/csr/>

Main Products

1. Medium and high-end network surveillance cameras
2. Surveillance camera IP Camera application function (Application FW) customization
3. Surveillance Camera Speed Dome Accessories
4. EMS/OEM/ODM/JDM design, OEM production of safety monitoring system products



Operational Performance

A strong operational performance serves as the foundation for sustainable business growth. Despite the challenges posed by the pandemic and global situations, with the concerted efforts of all employees, the individual operating revenue for the fiscal year 2022 increased by 12.59% compared to 2021. Moreover, the net profit for the current year increased by 122.11% compared to the previous year, resulting in an after-tax basic earnings per share (EPS) of 9.91 NTD. Detailed information on the company's operational performance and financials can be found on:

Our official website: https://www.topviewcorp.com/posts/en/investor_relations/

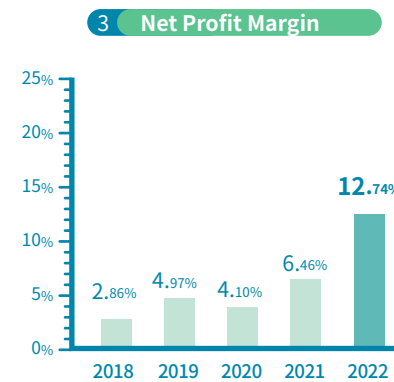
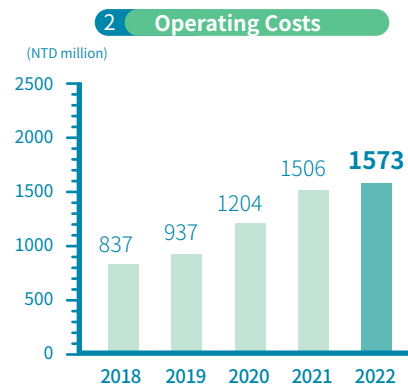
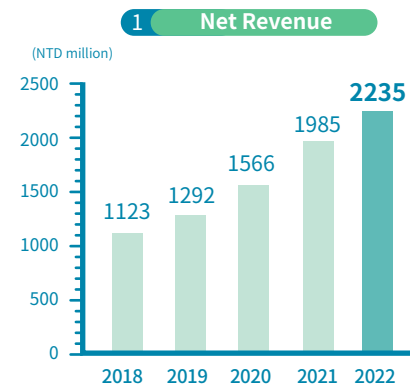
Public Information Observation System: https://mops.twse.com.tw/mops/web/t57sb01_q1 for relevant inquiries.



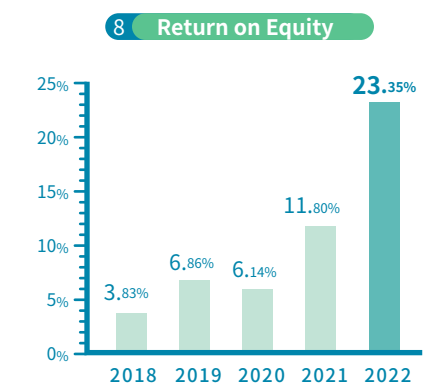
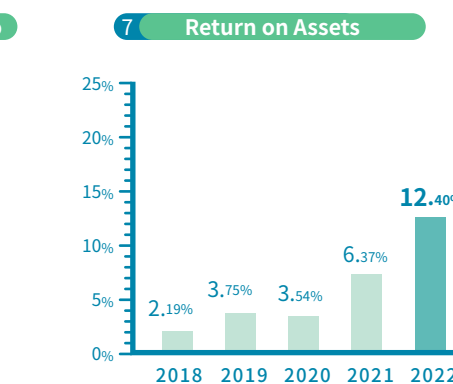
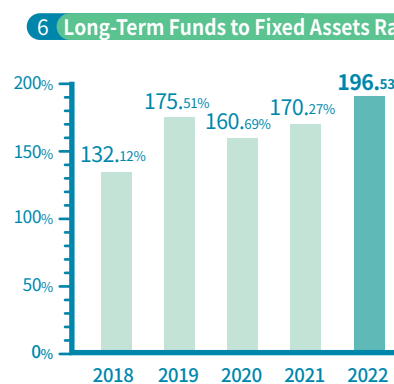
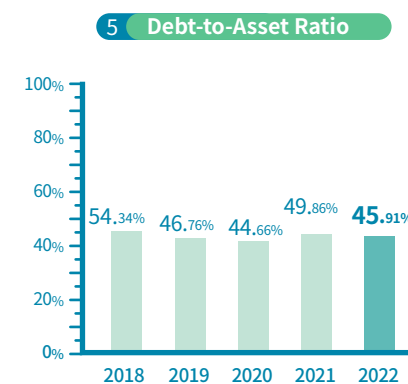
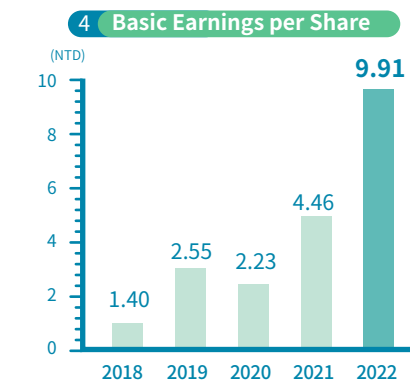
Topview Website



Public Information Observation Station



Annual	2018	2019	2020	2021	2022
1 Net Revenue (in NTD millions)	1123	1292	1566	1985	2235
2 Operating Costs (in NTD millions)	837	937	1204	1506	1573
3 Net Profit Margin	2.86%	4.97%	4.10%	6.46%	12.74%
4 Basic Earnings per Share (in NTD)	1.40	2.55	2.23	4.46	9.91
5 Debt-to-Asset Ratio	54.34%	46.76%	44.66%	49.86%	45.91%
6 Long-Term Funding to Fixed Assets Ratio	132.12%	175.51%	160.69%	170.27%	196.53%
7 Return on Assets (ROA)	2.19%	3.75%	3.54%	6.37%	12.40%
8 Return on Equity (ROE)	3.83%	6.86%	6.14%	11.80%	23.35%



Introduction of Development History

1994~2022

Topco Technologies Corporation was founded and later passed the related safety regulation certificates including CE, FCC, UL, etc. Meanwhile, the purchase orders placed by T Company from Japan was successfully contracted and helped facilitating technology required for markets in North America.

Delivery of ODM products for T Company from Japan, which earns Topview the 1st leader for mass production of 2.2 mega pixels surveillance camera in Taiwan.

Obtained the order placed by S Company from German, and initiated developing both the vandal-proof dome and day-night surveillance cameras.

SMT line earns the recognition of unleaded production by the S Company, Japan.

Notes, the electronic operating system, was newly introduced.

The ERP-TITOP system was introduced.

The world first one pioneering the rollout of colorful and defog traffic surveillance camera.

Obtained the ODM order placed by Digital China in Mainland China.

The 2nd SMT line was newly added.

Start
topview

1994

Passed the ISO 9001 Certification.

1999

Delivery of ODM products for T Company from Japan, which earns Topview the 1st leader for mass production of 3.3 mega pixels surveillance camera in Taiwan.

2000

1st leader for mass production of 3.3 mega pixels surveillance camera in Taiwan. Obtained the ODM order placed by S Company from Japan, and initiated founding manufacturing plant of Kunshan, China.

2001

The 1st one who passed the Green Partner certificate by S Company, Japan. Jointly developed IP cameras with the T Company from Japan, and passed the ISO certificate concurrently. The 1st SMT line was newly implemented.

2002

2003

2004

The U-line was introduced for small-volume, large variety production.

2005

2006

Obtained the order placed by the well-known H Company from America.

2007

Officially renamed to Topview Optronics Corporation.

Obtained the ODM order placed by Haier Group from China.

Obtained the ODM order placed by the B Company from German.

2009

2010

2011

Obtained the ODM order placed by the famous P Company from America. The acquisition of brandnew Taoyuan manufacturing plant in December.

2012

The 3rd SMT line was newly added.

Jun. RBA NON-VAP verification
Sep. Passed IECQ QC080000 verification
Oct. Won TCSA Sustainability Report

Joined Qisda Group in August.
Passed ISO 45001 certification in September.

Oct. Topview is listed on Taipei emerging stock exchange. (Code:6556), Topview CSR practice win the silver medal from EcoVadis Sustainability ratings and scorecards.

The Taoyuan factory has implemented the Shop floor and eRMA management systems.

In August, the initial public offering of stocks was successfully carried out.

In November, the first Audit Committee and the first Compensation Committee were established.

2022

In June 2022, the company obtained ISO 9001/14001 certification for the 2015 edition.
In November, it was awarded the TCSA Sustainability Report Silver Award.
In December, the company received the Qisda Supplier Sustainability Excellence Award and the J-Brand Customer Supplier Execution Excellence Award.

2021

2020

Add the third SMT production line

2019

Transition to 2015 version of ISO 9001 and ISO 14001.

2018

2017

Topview was listed on the Emerging Stock Board in January.
Participated in the ISC WEST 2016 and debuted 8M BOX camera built in next generation compression technology H.265 in April.

Debuted first generation Intelligent Video Analytics in November.

2016

2015

The entire production lines were integrated into Taoyuan manufacturing plant and launched in full operation.
Shop Floor Control system and eRMA system were introduced in Taoyuan manufacturing plant.

2014

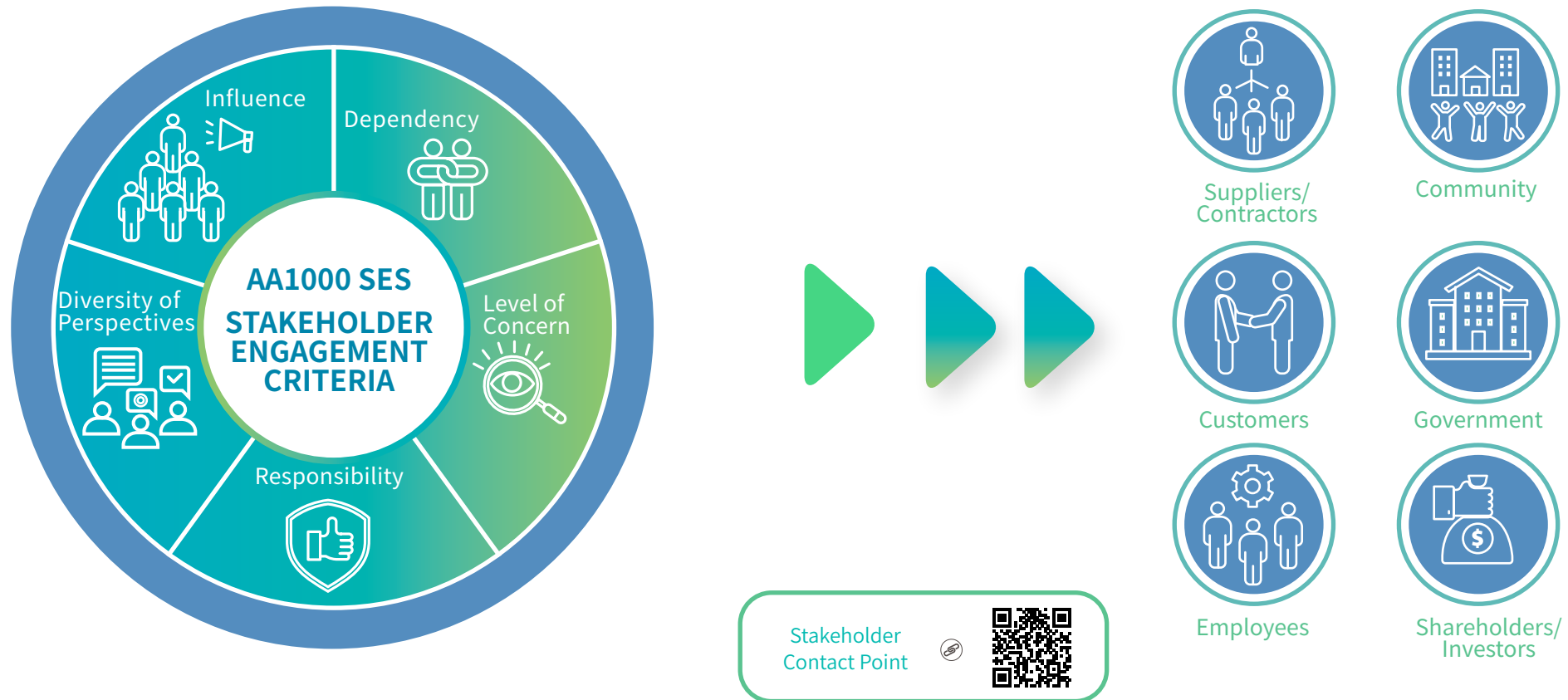
2013

1.2 Stakeholder Engagement and Materiality Analysis

Identification of Stakeholders

Gaining the trust and support of stakeholders is the driving force behind the sustainable development of our company, Topview Optronics Corp. To ensure a representative set of stakeholders, we utilize the five dimensions of the AA1000 Stakeholder Engagement Standard: "Dependency," "Influence," "Level of Concern," "Responsibility," and "Diversity of Perspectives" to assess and identify six categories of stakeholder groups. These groups include employees, customers, suppliers/contractors, investors (shareholders), government, and the community.

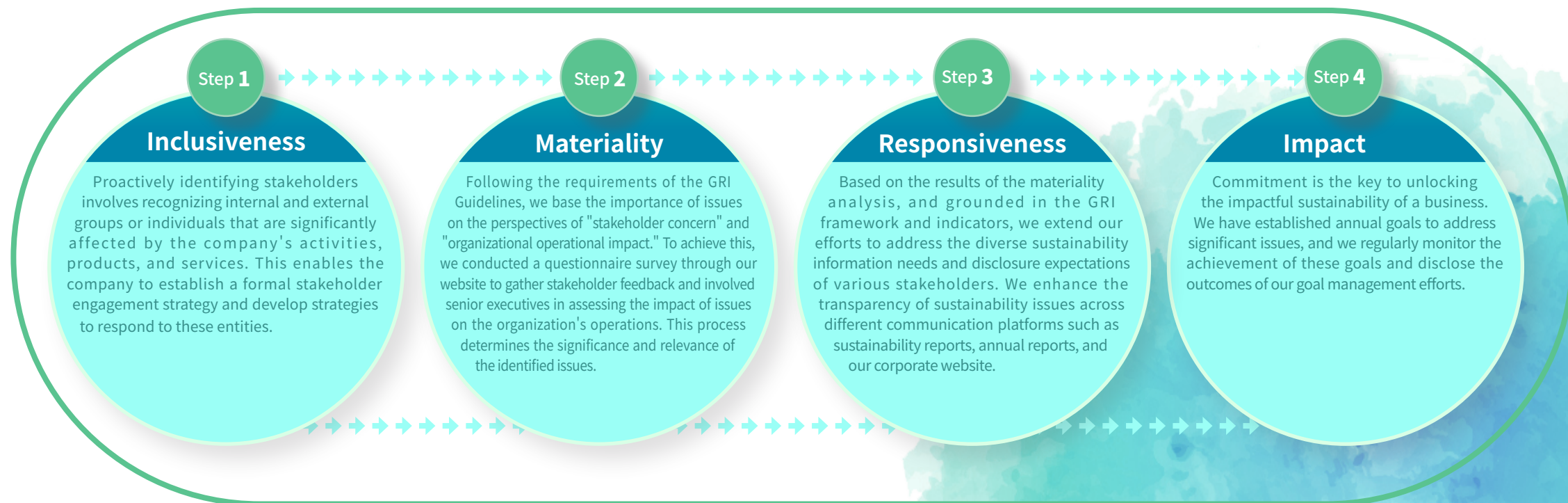
Annually, we supplement this approach with a relevance assessment to review stakeholder questionnaire responses. We examine the issues that stakeholders are concerned about, the effectiveness of communication, the implementation process, and the outcomes of communication. We then report these findings to the board of directors.



Major theme identification and analysis

To ensure that the content of the disclosed sustainability report aligns with the expectations and needs of stakeholders and achieves effective communication of sustainable information, our company has developed a materiality analysis framework based on the GRI Standards, AA 1000 SES Stakeholder Engagement Standard, and AA 1000 AP Accountability Standard. This framework aims to identify significant sustainability issues and understand which issues are of primary concern to stakeholders and could have a substantial impact on the company's operations. It serves as a foundational reference for compiling the report and facilitating effective communication with stakeholders.

The materiality analysis is not only applied to the compilation of non-financial reports but also serves as a reference for the company in formulating long-term sustainability goals and strategies. Through stakeholder feedback, we gauge their level of concern regarding sustainability issues for Topview Optronics Corp. In assessing the operational impact of sustainability issues, we have ultimately identified eight major issues. These issues will serve as the company's priority agenda for driving corporate sustainability and establishing long-term sustainability management objectives.




Stakeholder's communication channels

Enterprises seeking sustainable development must understand the ideas of stakeholders. The issues concerned by each stakeholder group have a certain degree of impact on the sustainable development of Topview. Based on the definition of stakeholders, Topview identified the main stakeholders and summarized six main stakeholder groups: employees, customers, investors, suppliers, communities and government units.

In addition to maintaining interaction with stakeholders in various forms for daily business, Topview also has an external communication mailbox csr@topviewcorp.com on the official website, which is the most basic communication channel between stakeholders and the company. This communication mailbox is managed by special personnel, and mail is distributed to the responsible unit for processing according to the category. In addition, for the main concerns of stakeholders, the CSR report summarizes the information to provide stakeholders for reference.





Stakeholders

Current Employee

Responding Chapter

CH 4.2 Employee Profile
CH 4.3 Salary
CH 4.4 Talent Cultivation and Development

CH 4.5 Employee Benefits
CH 4.6 Occupational Health and Safety
CH 4.7 Social Care and Participation

Meaning of Interest Party for Organization

Employees are the most valuable assets of the company. By enhancing their morale and improving their professional knowledge and skills, we aim to boost the company's competitiveness and achieve mutual growth and prosperity in tandem with the sustainable development of the company.

Focus Topic

Labor relations, salaries, talent cultivation and development, welfare activities, and occupational health and safety.

Negotiation Result

- 1.In 2022, the total training hours at Topview Electronics reached 1960 hours, with a total of 1129 participants. The average training hours per employee in 2022 was 1.74 hours.
- 2.The Welfare Committee was reappointed for a new 2-year term.
- 3.Four labor meetings were held quarterly in 2022.
- 4.Performance reviews with employees were conducted twice in 2022.
- 5.Health check-ups were organized in 2022.

Communication Channel	Frequency
Educational Training	According to educational training plan
HR Email address HR@topviewcorp.com	Irregularly
Welfare Committee	Irregularly
Labor-Management Meetings	Quarterly
Health Check-up	Once every 2 years
Performance Review Meetings	Twice a year



Stakeholders

Investors - Shareholders

Responding Chapter

CH 1.1 Company Overview
CH 1.2 Stakeholder Engagement and Materiality Analysis

Meaning of Interest Party for Organization

Proactively communicate the company's operations and financial status to shareholders, safeguarding their interests.

Focus Topic

Corporate governance, financial performance updates, and operational status.

Negotiation Result

- Board of Directors and Audit Committee Reports (5 times)
- Shareholders' Meetings (1 time)
- Corporate Briefing Sessions (1 time)
- Public Information Observation System (Irregular)
- Spokesperson System (Irregular)
- Company Website and Investor Relations Email (Irregular)
- Financial and Business-related information is disclosed irregularly through announcements or press releases and is also available on the company's official website.

Communication Channel

Frequency

Financial Statements	Irregularly
Company Official Website	Irregularly
Investor Conference	Once every 3 years
Shareholders' Meeting	Once a year
Annual Report Publication Corporate Sustainability Report	Once a year
Public Information Observation Station	Irregularly
Shareholder Inbox: pr@topviewcorp.com	Irregularly



Stakeholders

Customers - Brand Customers

Responding Chapter

CH 3.1 Green Products and Carbon Reduction Design
CH 3.2 Customer Service and Product Quality
CH 3.3 Value Chain Management

Meaning of Interest Party for Organization

Listening to customer needs and assisting them in problem-solving to enhance customer satisfaction is the company's top priority.

Focus Topic

Quality service, product safety, green product design, carbon reduction, customer privacy protection, and product liability compliance.

Negotiation Result

The average customer satisfaction score for the year 2022 was **78**

Communication Channel

Frequency

Customer Audit	Irregularly
Customer Satisfaction Survey	Once a year
Business Correspondence Window	Irregularly
Senior Executives / Sales Personnel Interviews and Meetings	Irregularly
Sales Email: sales.camera@topviewcorp.com	Irregularly



Stakeholders

Suppliers/Contractors

Responding Chapter

CH 2.3 Integrity and Fair Trade Practices CH 3.3 Value Chain Management
CH 3.1 Green Products and Carbon Reduction Design

Meaning of Interest Party for Organization

Sustainable supply chain management has always been a continuous goal as it enables the provision of products and services to customers through the collaboration of suppliers and contractors.

Focus Topic

Anti-corruption, fair trade, risk management, prohibition of hazardous substances, and conflict minerals.

Negotiation Result

- 1.New supplier environmental, safety, and health management questionnaire survey completion rate reached **100%**.
- 2.Annual supplier audit completion rate achieved **100%**.

Communication Channel Frequency

Supplier survey	Irregularly
Procurement contact window	Irregularly
Complaint mailbox	Irregularly
Supplier EC platform	Irregularly
On-site audit	Annual evaluation once per year



Stakeholders

Government Agencies

Responding Chapter

Sustainability Report CH 2.2 Corporate Governance
CH 4 Employee Care and Social Engagement
CH 5 Environmental Sustainability and Carbon Management

Meaning of Interest Party for Organization

Compliance with government regulations is the minimum requirement for business operations. TopView Corporation has established relevant management systems and undergoes audits by internal and external verification units to ensure the compliance of our business practices.

Focus Topic

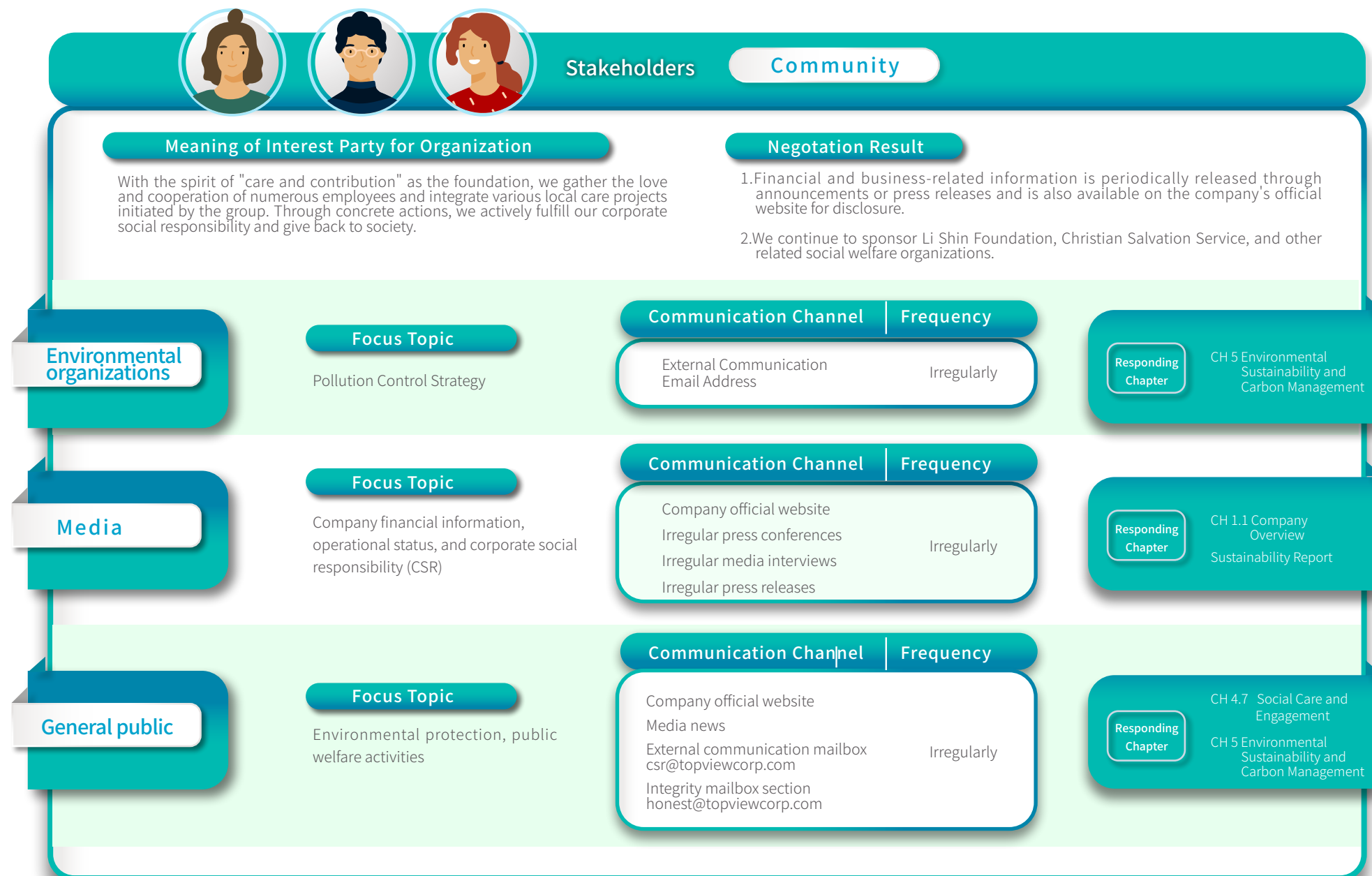
Legal compliance, environmental protection, labor rights, and corporate governance.

Negotiation Result

For issues related to environmental health and safety, human resources, and others, there are approximately 10 communication instances per year (including spot checks, visits, written communications, and labor inspections).

Communication Channel Frequency

Spot check	Irregularly
Site visit	Irregularly
Correspondence	Irregularly
Labor inspection	Irregularly



Identification of significant topics

1 Integrating ESG-related issues:



based on the GRI's Sustainability Reporting Standards with 33 main topics, SASB's Electronic Manufacturing Services and Original Design Manufacturing Standards, and domestic and international industry trends in sustainable development.

2 Major Issue Survey



- ◆ Setting up an online questionnaire on the company's website, with a total of 63 responses collected.
- ◆ Investigating the concerns of different stakeholder groups regarding various ESG issues.

3 Identification of Major Issues



- ◆ Conducting discussions, assessments, and judgments based on the two dimensions of "stakeholder concern" and "company impact" for each ESG issue to identify 8 major issues.

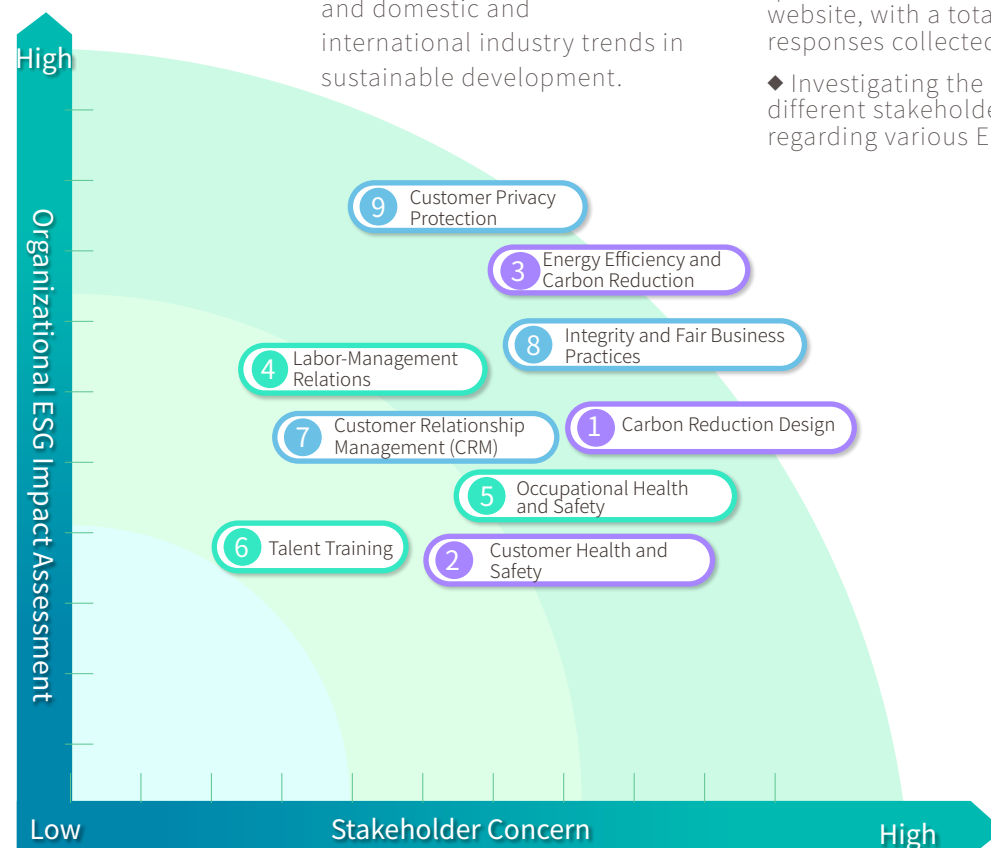
4 Management and Disclosure of Major Themes



- ◆ Adequate disclosure of information on the 8 major issues and their implementation is provided in corresponding chapters of this report to respond to different stakeholders.

- ◆ Starting from 2022, comprehensive indicators of SASB's Electronic Manufacturing Services and Original Design Manufacturing Standards are voluntarily disclosed.

[Please refer to Appendix Two: SASB Standards.](#)



Materiality Matrix Chart

Environment

- 1 Carbon Reduction Design
- 2 Customer Health and Safety
- 3 Energy Efficiency and Carbon Reduction

Social

- 4 Labor-Management Relations
- 5 Occupational Health and Safety
- 6 Talent Training










Governance

- 7 Customer Relationship Management (CRM)
- 8 Integrity and Fair Business Practices
- 9 Customer Privacy Protection

Major Theme Management

Based on the assessment of the impact of stakeholders' concerns on the company, the following 8 major themes are identified through cross-analysis as having significant impact on the company.

● Direct Impact ○ Indirect Impact

item ESG	Aspect	Major Theme	Significance to Topview	Impact Boundaries				GRI Standard Correspondence	SDGs Correspondence	Correspondence of Objectives and Management Policies with Chapters
				Inside the organization	Outside the organization					
					Customers	Investors/Shareholders	Supplier/Contractor			
E	1	Customer Health and Safety	Topview Optronics Corp. is committed to implementing various management systems to design and manufacture products that comply with regulations and meet customer health and safety requirements.	●	●		●	GRI-416-1 GRI-416-2	  	3.1 Green products and carbon reduction design.
	2	Energy Efficiency and Carbon Reduction	Energy efficiency and carbon reduction have become highly prioritized global and governmental concerns. To reduce energy resource consumption and greenhouse gas emissions, the company needs to propose relevant strategies to maintain competitiveness.	●	●	◎	◎	GRI-302-1 GRI-302-4 GRI-302-5 GRI-305-1 GRI-305-2 GRI-305-5		3.1 Green products and carbon reduction design. 5.2 Energy management.
	3	Carbon Reduction Design	Starting from the design phase, the evaluation of products/parts' environmental impact and risks throughout their lifecycle is conducted. Parts are ensured to meet regulatory requirements in their design phase, and packaging improvements are made to reduce carbon emissions and environmental impact, aligning with the concept of green products.	●	●		◎	topview specific		3.1 Green products and carbon reduction design.
S	4	Labor-Management Relations	To maintain a healthy labor-management relationship, the company has established smooth communication channels to keep colleagues informed about company updates. Encouraging everyone to provide suggestions for overall company operations and development offers valuable input for decision-makers.	●	◎	◎	●	GRI-409-1	  	4.1 Labor-Management
	5	Occupational Health and Safety	Through the Environmental Health and Safety Management Committee, occupational health and safety matters are promoted, ensuring that every employee can complete their tasks safely and adhere to safety and health requirements.	●	◎	◎	◎	GRI-403-1~10		4.6 Occupational Health and
G	6	Customer Relationship Management	Customer demands drive the growth of the company. Topview Optronics Corp. prioritizes enhancing customer satisfaction, dedicating itself to delivering the best service and excellent quality to customers in order to improve business performance and core competitiveness.	●	●	●	●	GRI-417-1 GRI-417-2	  	3.2 Customer Service and Product
	7	Integrity and Fair Business Practices	To prevent incidents of dishonesty that could harm partners' trust, lower employee morale, and lead to business losses, Topview Optronics Corp. has established relevant regulations to ensure the highest code of conduct for all members engaged in business activities.	●	●	●		topview specific		2.3 Integrity and Fair Business
	8	Customer Privacy Protection	Customer privacy breaches can result in reduced loyalty and satisfaction, negative impacts on business and reputation, and even serious consequences like lawsuits. Therefore, it is essential to ensure the respect and protection of customer privacy.	●	●	●		GRI-418-1		3.2 Customer Service and Product



topview

Chapter 2

Integrity Management and Strategic Layout

2.1 Product Innovation and Service Scope	P21
2.2 Corporate Governance	P25
2.3 Integrity and Fair Trade Practices	P28
2.4 Information Security Management	P30
2.5 Risk Management	P31

2

Integrity Governance and Strategic Positioning

2.1 Product Innovation and Service Scope

Business Model

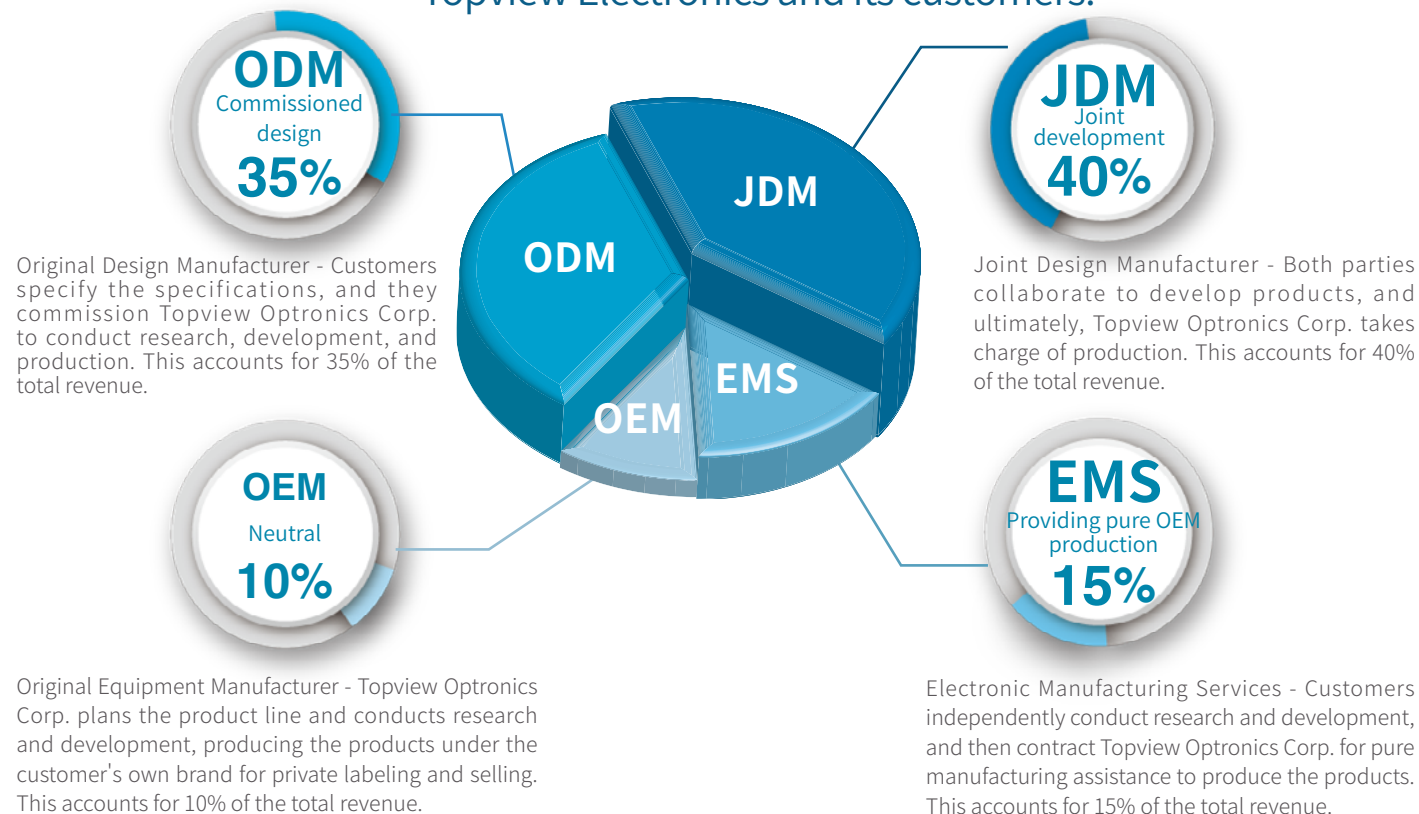
Topview Optronics Corp.'s greatest competitive advantage lies in its diverse and extensive product offerings, adopting a strategy of small quantities with high diversity to create niche markets. The company actively invests in research and development and integrates with system integrators, aiming to become a key provider of products and technologies in the Internet of Things (IoT) industry based on 5G and AIoT, thus enabling diverse smart applications for its customers.

Products designed and produced under the ODM/JDM axes make up 70% of the overall revenue. These products consistently act as the driving force behind top-tier brands in the industry, showcasing Topview Optronics Corp.'s powerful hardware and software research and development capabilities. It serves as a strong pillar that the company can take pride in. Additionally, by providing flexible customization services and platform integration capabilities, the cooperation with first-line brands in the JDM aspect is showing a growing trend.

The driving force behind the security and control brand factory-Topview Optronics Corp. TopView

Topview Optronics Corp., the driving force behind leading security control brands, has been dedicated to the research and development as well as manufacturing of mid-to-high-end security control products since its inception. With over two decades of accumulated experience in R&D and manufacturing, the company has pioneered a unique and highly customized development approach in the security control industry, providing tailor-made hardware and software design solutions for frontline and second-line brand customers worldwide. Building long-term alliances with first-line brand customers in Europe, America, and Japan, Topview Optronics Corp. has established clear business models and market competitiveness differentiation. Internally, the company continues to undergo digital transformation to systematize and digitize manufacturing management, ensuring design quality. This success has enabled its clients to maintain relative competitive advantages in the face of the surge of Chinese products entering the global market, leading to mutual growth and win-win situations.

The proportion of operating models in cooperation between Topview Electronics and its customers.



Industry Trend - Current Status of the Security Control Industry

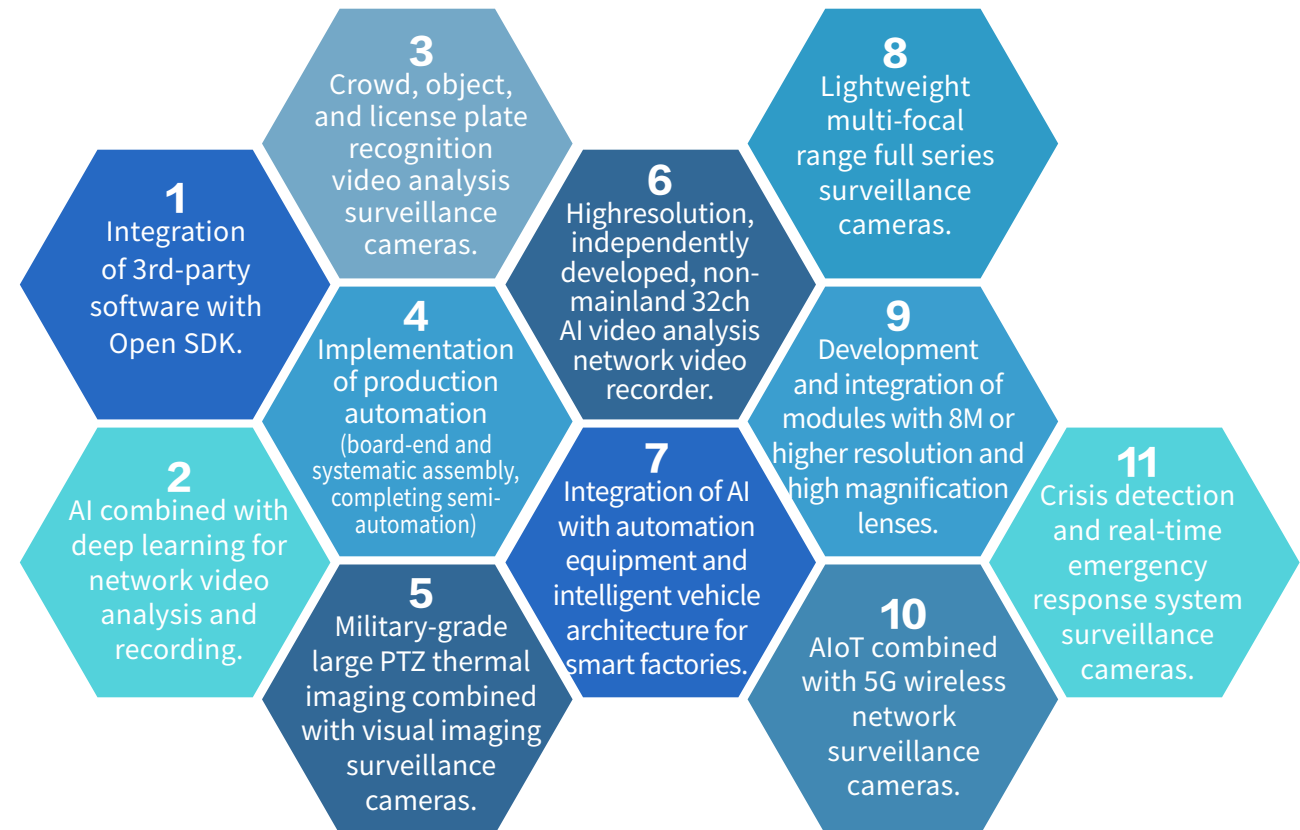
With the rise of the Internet of Things (IoT), the application of video surveillance in the security control industry is expanding rapidly. Numerous market research reports indicate that the video surveillance market is projected to achieve a compound annual growth rate of 16.56% from 2015 to 2022. Reports also suggest that network cameras (IP Cameras) are the main driving force behind the overall industry growth. The continuous development, concretization, and commercialization of IoT also bring new opportunities to the security control industry.

As a result, various governments have actively promoted the integration of IoT concepts into numerous sectors, including industry, government, and academia. Major multinational corporations have also increased their investments in research and development related to artificial intelligence and IoT technologies.

AI Intelligent Analysis

In response to customer demands, Topview Optronics Corp. began developing a series of image analysis technologies as early as 2016 to meet market needs. Since then, continuous improvement has been made to make surveillance management more convenient and automated. The intelligent analysis provides image management, search, and analysis functions, including object behavior detection, target recognition in images, and other methods, allowing for the expansion of image content applications based on customer requirements.

In line with the rapid development of AI technology in recent years and its relevant applications in the security control field, Topview Optronics Corp. has actively invested in the development of AI-related technologies. The company aims to not only expand the application scope of surveillance products but also to be a driving force for future industry growth through intelligent analysis capabilities.



H.265 High-Quality Video Compression Solution

Topview Optronics Corp. has developed the Enhanced H.265 compression technology, which further improves compression efficiency. The combination of high-quality images and efficient compression technology has enabled Topview Optronics Corp. to master the key to the digital security control field, allowing customers to significantly reduce their bandwidth and storage space requirements.

Diverse Product Line

Topview Optronics Corp. utilizes DSP components and raw materials from well-known manufacturers in Taiwan, the United States, and Japan. Through centralized procurement, strengthened negotiations, reduced inventory risks, and semi-automated production processes, the company delivers the most efficient, highest quality, and cost-effective products to its customers. Leveraging these favorable competitive conditions and a diverse product line, Topview Optronics Corp. has earned the trust and favor of its customers.

Special Application Cameras

As a professional security control product manufacturer, Topview Optronics Corp. not only focuses on high-definition and high-quality network cameras as its main products but also develops specialized cameras tailored to different application environments based on customer needs. This comprehensive approach allows the company to fully meet the diverse requirements of its customers.

Fisheye

Ideal for panoramic applications, a single fisheye camera can replace the monitoring range of four traditional cameras, reducing installation costs and improving on-site monitoring efficiency.

PTZ

Offers a clear 360 ° rotating field of view, minimizing blind spots in monitoring and reducing the number of required cameras. Whether it's a full field of view from 90° tilt to -20°, or 4K high-definition, it provides flexible configuration for various settings.

Discreet

Covert design with a separate camera lens and body, making the camera lens more compact for discreet surveillance without compromising security functionalities.

LPR

Using Topview Optronics Corp.'s unique algorithm, LPR products can capture clear license plate images even under fast-moving vehicle conditions, providing customers with accurate and useful license plate information for further applications.

Specialty

To meet the ever-changing application scenarios, Topview Optronics Corp. continuously develops cameras with special designs or functions. For instance, onboard cameras for use on moving vehicles or corner cameras for high-security locations such as prisons, ensuring customers have better and more suitable products for different special application environments.



Future Product Planning

Topview Optronics Corp.'s R&D team upholds the spirit of continuous innovation and excellence. Building upon its rich product line, the company incorporates advanced DSP components and processes from Taiwan and the United States, along with mature software development capabilities, to continuously enhance product performance and diversity. This enables customers to apply our products in various settings.

In terms of future security control product development, the company aims to not only improve existing security cameras and intelligent image analysis and IoT integration but also invest in related security solution products. These may include Network Video Recorders (NVRs), Video Management Software (VMS), and intelligent access control management systems. Providing a comprehensive and diverse product selection for downstream system integrators to meet the demand for one-stop shopping services for customers.

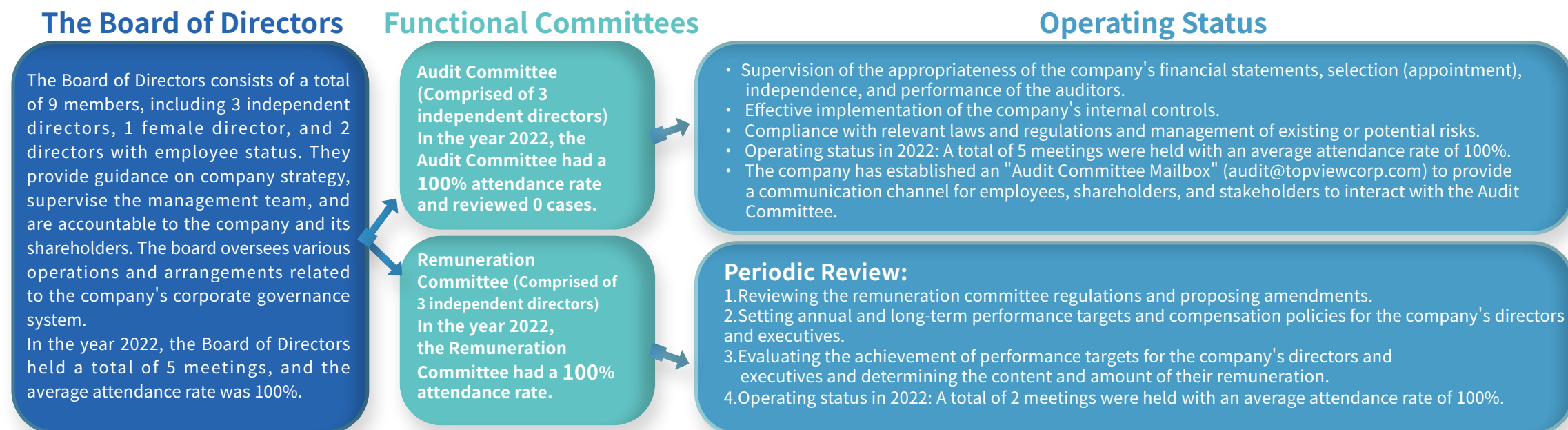
Sustainable Application Cases



2.2 Corporate Governance

Topview Optronics Corp. adheres to the best practices of corporate governance for listed companies and establishes an effective governance framework to ensure sound corporate governance. The company has formulated the "Corporate Governance Best Practices," "Corporate Social Responsibility Code," "Integrity Management Code," and "Code of Ethics for Directors and Managers," among other relevant regulations, as resolved by the Board of Directors. The Corporate Sustainable Development Committee is authorized to propose and execute corporate social responsibility policies, systems, or relevant management guidelines and implementation plans, with the goal of maintaining corporate governance evaluation in the top 6-20%. The committee also reports the company's annual sustainable performance and integrity management execution to the Board of Directors, fostering communication on relevant issues with the directors. In the event of any negative impact on stakeholders, the responsible unit will report the matter and the measures taken to the Board of Directors.

Note: On June 13, 112 (2023), after approval in the shareholders' meeting, the name will be changed to "Sustainable Development Best Practices."



Note: For detailed member information, please refer to the company's website.

Board of Directors

The Board of Directors is the highest governing body of the company, responsible for carrying out relevant duties in accordance with government laws and the company's charter. Its functions include overseeing the company's operational performance, preventing conflicts of interest, and exercising authority over shareholder resolutions. The focus of corporate governance lies with the Board of Directors, and their effective functioning and substantial guidance and oversight are essential. To achieve the ideal goal of corporate governance, the Board of Directors should collectively possess various abilities, such as operational judgment, accounting and financial analysis skills, management capabilities, crisis management skills, industry knowledge, international market perspectives, leadership, and decision-making abilities.

Policy and Implementation of Board Diversity

The nomination and selection of members of the Board of Directors follow the provisions of the company's charter, adopting a candidate nomination system. Apart from evaluating the qualifications and experiences of each candidate, the company also adheres to the "Regulations Governing the Election of Directors" and the "Corporate Governance Best Practice Principles" to ensure the diversity and independence of board members. The Board of Directors consists of 9 members, including 3 independent directors, 1 female director, and 2 directors with an employee background (comprising 33%, 11%, and 22% of the total board members, respectively). The independent directors possess expertise and practical experience in finance, law, optics, and other professional fields, demonstrating the spirit of professional diversification and effective division of responsibilities within the Board of Directors.

Director Training

The company encourages both newly appointed and reappointed directors, including independent directors, to continuously enrich their knowledge and achieve the following objectives:

1. Enhancing the professional expertise and legal literacy of the company's directors.
2. Assisting directors in cultivating outstanding qualities and decision-making abilities.
3. Guiding directors to strengthen their experience exchange and interactive discussions.
4. Promoting active and effective implementation of the company's corporate governance system by directors.

In 2022, the director training rate reached **100%**, with a total of **82** hours of participation.

Board and Committee Performance Evaluation

In order to implement effective corporate governance and enhance the functionality of our company's board, we conducted performance evaluations in accordance with the "Board and Committee Performance Evaluation Guidelines." The evaluation covered both the overall board and the functional committees. The self-assessment results for the Board and Committees in 2022 were rated as "Excellent," demonstrating the strong functionality and operational efficiency of our company's board and committees.

In 2022, the Compensation Committee held 2 meetings with an average attendance rate of **100%**

Title	Name	Actual Attendance Count	Actual Attendance Rate	Remarks
Independent Director	蔡信章	2	100%	None
Independent Director	蘇英卿	2	100%	None
Independent Director	林楷濱	1	100%	June 8, 2022: Comprehensive Director Election - Attendance 1 time (pre-election)
Independent Director	蕭金廷	1	100%	June 8, 2022: Comprehensive Director Election - Attendance 1 time (post-election)

Note: Detailed information about the committee members can be found on the company's website.

Evaluation Criteria	Board and Board Member Performance Evaluation	Audit Committee Performance Evaluation	Performance Evaluation of Functional Committee (Compensation Committee)
Assessment Content	<div>• Understanding of Company Goals and Mission</div> <div>• Involvement in Company Operations</div> <div>• Internal Relationship Management and Communication</div> <div>• Enhancing the Quality of Board Decisions</div> <div>• Composition and Structure of the Board</div> <div>• Recognition of Director Responsibilities</div> <div>• Director Selection, Expertise, and Continuous Education</div> <div>• Internal Control</div>	<div>• Level of Participation in Company Operations</div> <div>• Understanding of Audit Committee Responsibilities</div> <div>• Enhancing Decision Quality of Audit Committee</div> <div>• Composition and Member Selection of Audit Committee</div> <div>• Internal Controls</div>	<div>• Level of Engagement in Company Operations</div> <div>• Understanding of Compensation Committee Responsibilities</div> <div>• Enhancing the Quality of Compensation Committee Decisions</div> <div>• Composition and Member Selection of Compensation Committee</div>
Total Score / Rating	98 / Excellen	98 /Excellen	93 / Excellen

Total Score/Grade Explanation:

(1) Achieving a score of 90 or above is classified as "Excellent."

(2) Achieving a score of 80 or above but below 90 is classified as "Good."

(3) Achieving a score of 70 or above but below 80 is classified as "Standard."

(4) Achieving a score of 70 is classified as "Needs Improvement."

According to the company's "Board of Directors' Performance Evaluation Guidelines," the performance of the board of directors is evaluated by an external professional independent organization or a team of external experts and scholars at least once every three years. The most recent external evaluation of the board of directors' performance was conducted on September 23, 2022, by the "Chinese Corporate Governance Association." The evaluation report was obtained on October 4, 2022. The evaluation results were reported to the board of directors on November 2, 2022.

Remuneration Committee

(As indicated in the chart on the left)

The Compensation Committee is composed of three independent directors with professional qualifications. Its responsibilities include:

- 1.Regularly reviewing the regulations of the Compensation Committee and proposing amendments if necessary.
- 2.Formulating and periodically reviewing the company's annual and long-term performance goals, compensation policies, systems, standards, and structure for directors and executives.
- 3.Conducting regular evaluations of the achievement of performance goals for directors and executives anddetermining the content and amount of their compensation.

information is disclosed on the Topview official website

Website Links

Investor Relations

Board Performance Assessment

Board Members

Functional Committees

Functional Committee Performance Assessment Results

Compensation Committee Charter

A total of 5 Audit Committee meetings were held in 2022 The average attendance rate was approximately 100%

Attendance of Committee Members is as follows:

Title	Name	Actual Attendance Count	Actual Attendance Rate	Remarks
Independent Director	蔡信章 CAI,XIN-JHANG	5	100%	None
Independent Director	蘇英卿 SU,YING-QING	5	100%	None
Independent Director	林楷濱 LIN,KAI-BIN	2	100%	There should be 2 attendances on June 8, 2022 for the comprehensive director election (before the election)
Independent Director	蕭金廷 SHAO,JIN-TING	3	100%	There should be 3 attendances on June 8, 2022 for the comprehensive director election (after the election)

Note: Detailed member information can be referred to on the company's website.

Risk Management Committee

Risk Management Committee To ensure the sustainable operation of the company and address potential risks that may affect the company's business objectives, Topview Optronics Corp. established the Risk Management Committee at the end of 2021. In 2022, the committee formulated the "Risk Management Policy," which was approved by the board of directors as the highest guiding principle for the company's risk management. The committee reports on the implementation status of risk management to the board of directors. For more details, please refer to Section 2.5 Risk Management.



Sustainability Development Committee

Sustainability Development Committee Topview Optronics Corp. fulfills its corporate citizenship responsibilities through the Sustainability Development Committee, which serves as a cross-departmental communication and management platform. Operating from top to bottom, the committee is led by its chairperson, and various organizational members conduct risk assessments related to environmental, social, or corporate governance issues concerning the company's operations. They formulate relevant risk management policies to execute sustainable initiatives and track the effectiveness of medium and long-term objectives, driving the company towards positive development. The committee members come from different departments, including Human Resources, Environment and Safety, Finance and Accounting, Procurement, Quality Assurance, Information Technology, Research and Development, and Product. The committee is primarily responsible for promoting corporate sustainability and publishing annual reports. The Quality Management System is responsible for coordination, and committee members participate in periodic training to understand international trends and regulations, regularly reporting the results of their efforts to the board of directors.

Audit Committee

To strengthen corporate governance, Topview Optronics Corp. has established an Audit Committee, consisting of all independent directors as required by laws and regulations. The committee holds meetings at least once per quarter and may convene additional meetings as necessary. The annual focus of the Audit Committee includes overseeing the appropriateness of the expression of the company's financial statements, the appointment and independence of the certified public accountants, the effectiveness of the company's internal controls, compliance with relevant laws and regulations, and the management of existing or potential risks. The Audit Committee operates in accordance with the "Audit Committee Charter" established by the company and has set up an "Audit Committee Mailbox" audit@topviewcorp.com to establish communication channels between employees, shareholders, stakeholders, and the Audit Committee.



Internal Audit and Internal Control Mechanism

The company has designed appropriate internal control mechanisms for various operational processes that may involve potential corruption, regulatory compliance, and operational risks in business activities. The Human Resources department is responsible for training, while the Audit department ensures the implementation and establishment of related mechanisms, aiming to reduce the risk of corruption, non-compliance with regulations, and operational risks.



The Internal Audit department of the company submits audit reports every quarter, including significant findings related to internal control management, to the Audit Committee for review. Independent directors and the Internal Audit supervisor engage in communication regarding important findings in internal control management. Additionally, communication with auditors on governance matters related to the audit or review of the company's consolidated financial statements (including individual financial statements for the year) is carried out. Relevant communication details are disclosed on the company's website under "Communication with Independent Directors."

To enhance the independence and functions of the audit unit, an Audit Department under the Board of Directors is established, and the Chief Auditor submits audit reports to each Independent Director on a monthly basis. The Chief Auditor also provides quarterly audit business reports to the Audit Committee, including information about improvements made on identified deficiencies. In 2022, no significant cases of corruption were identified.

information is disclosed on the Topview official website

Website Links



Investor Relations



Risk Management Policy and Procedures



2022 Risk Management Operations



Audit Committee Charter



Audit Committee Email



Communication with Independent Directors

2.3 Integrity and Fair Trade

Based on the company's business philosophy of "Professionalism, Integrity, and Loyalty," integrity is a fundamental work attitude, value, and principle that all colleagues at Topview Optronics Corp. must possess. During their employment with the company, employees are required to comply with laws, regulations, and work rules. They must refrain from using their positions to benefit themselves or others and must not accept any form of favor or benefit from vendors (such as bribery, extortion, gifts, entertainment, etc.). Additionally, employees are strictly prohibited from engaging in any actions that could harm the company's reputation and interests, including money laundering, corruption, fraud, intellectual property infringement, and unfair trade practices.

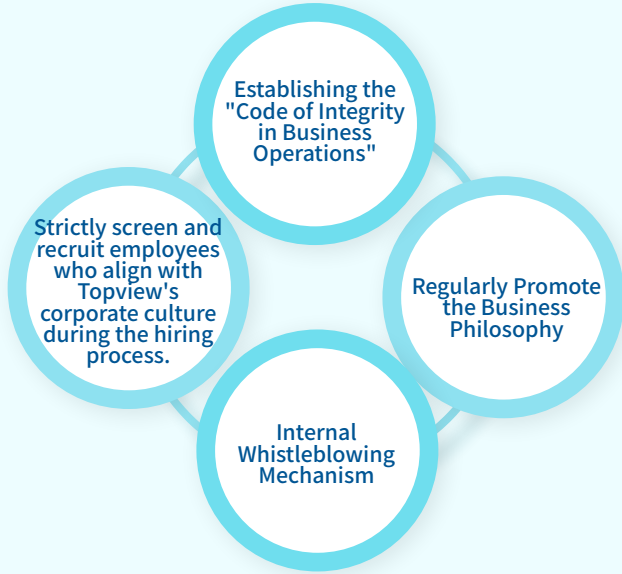
0 Corruption Incidents

Integrity Behavior Education and Training100%

Approach to Major Theme Management

Major	Stakeholders	2022 Management Goals	2022 Goal Achievement Status	2023 Management Goals
Code of Conduct	Customers Suppliers Community Employees	Code of Integrity Educational Training (Company-wide Training)	100%	Code of Conduct Educational Training (Company-wide Training)
	Responsibilities	Resources	Actions	Assessment
	Human Resources	Cross-departmental collaboration to execute projects	1. Conduct online training on the Code of Conduct annually. 2. Establish a code of conduct and publish it on the internal website.	Present achievements in management meetings

Topview Optronics Corp. has clearly defined the relevant content in the "Code of Ethics and Integrity," and through strict internal operational procedures and periodic audits by the audit unit, the probability of confidential document leaks, information security issues, or corruption risks has been minimized. Additionally, Topview Optronics Corp. has conducted integrity behavior advocacy for each operational location, and the training completion rate for all units reached 100%, effectively conveying the core concept of "integrity and honesty." This ensures that all operations and personnel in the company fully understand and comply with the legal regulations that need to be followed.



Topview Optronics Corp. has always upheld the core values and corporate responsibilities of "pursuing excellence, teamwork, innovation capability, integrity and honesty, proactivity, and quality orientation." The company is committed to establishing a positive and honest corporate culture, adhering to ethical business practices, refraining from accepting improper benefits, and avoiding conflicts of interest. In 2022, the company did not have any incidents violating laws and regulations in the social and economic sectors, nor engaged in any anti-competitive or anti-monopoly behaviors. Topview Optronics Corp. will continue its efforts to maintain integrity within the company.

The company has clearly defined the relevant content in the "Code of Ethics and Integrity" and "Code of Conduct," and through strict internal operational procedures and periodic audits by the audit unit, the probability of confidential document leaks, information security issues, or corruption risks has been minimized. This ensures that all operations and personnel in the company fully comply with legal regulations. Topview Optronics Corp. has established a governance organization and implemented internal control mechanisms to ensure that all employees follow laws, regulations, and work rules during their employment. The company is committed to prohibiting any corrupt, bribery, or extortionate behavior, and upholds legal and moral principles to protect the company's assets, interests, and corporate image.

Every employee of Topview Optronics Corp. has a responsibility to uphold the highest ethical standards to safeguard the company's reputation. If any employee becomes aware of any unlawful or violation of work rules by others, they may report it to their department supervisor, human resources manager, or provide feedback through the integrity mailbox: honest@topviewcorp.com

Fair Trade and Anti-Monopoly

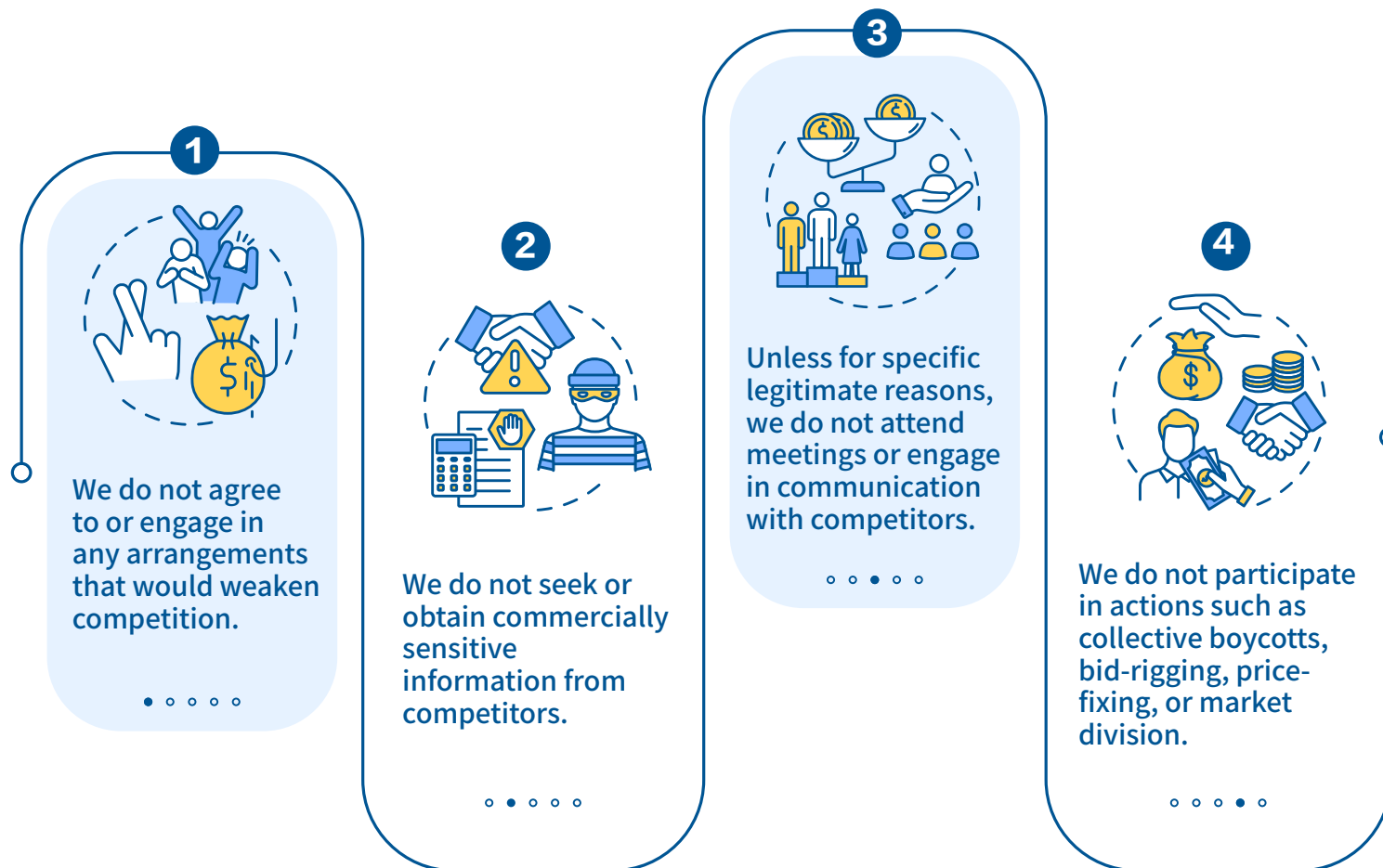
"Pursuit of Excellence, Team Collaboration, Innovation Capability, Integrity and Honesty, Proactive Positivity, Quality Orientation" It has always been the core spirit and corporate responsibility upheld by Topview Optronics Corp.

The core value of "integrity and honesty" is deeply embedded in the company's strong internal management and business ethics framework.

In line with the principles of integrity, transparency, and responsibility, our company has established policies rooted in integrity and built a robust framework for corporate governance and risk management. These efforts are aimed at creating a sustainable business environment.

Topview Optronics Corp. mandates that all employees adhere to all laws and company regulations during their tenure. Employees are prohibited from using their positions for personal or others' gain, engaging in actions that harm the company's reputation or interests, and disclosing business confidentialities to third parties. Compliance with the Fair Trade Act of the Republic of China is emphasized, ensuring fair, open, and legitimate industry competition. Any involvement in colluding on fixed prices, market division, customer allocation, bid rigging, agreements, monopolies, or joint boycotts of suppliers or customers with competitors is strictly forbidden.

Topview Optronics Corp.'s specific anti-monopoly practices are as follows:



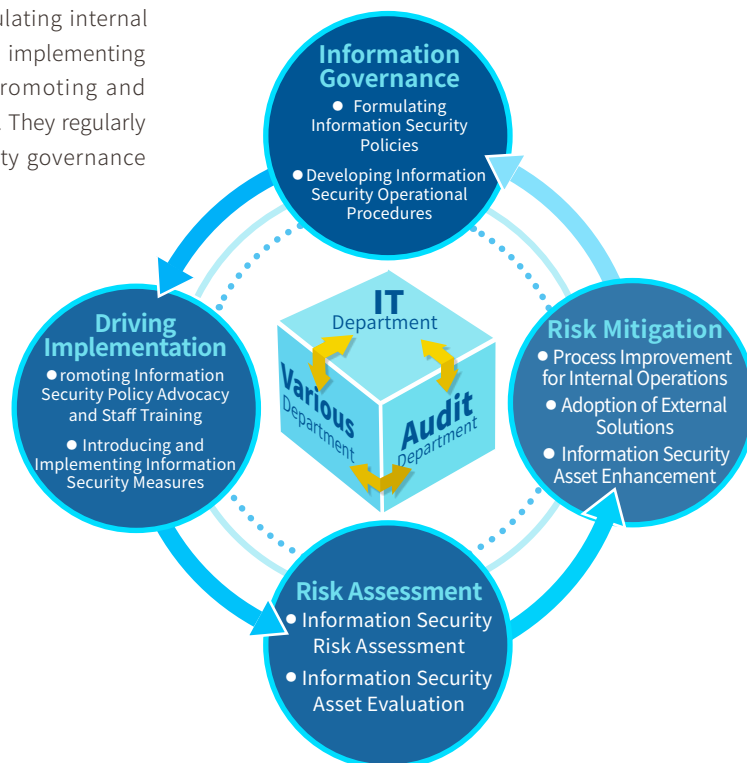
Topview Optronics Corp. has never been involved in any illegal activities mentioned above, and we will continue to make efforts to uphold the integrity of our company in the future.

2.4 Information Security

To ensure the confidentiality, integrity, availability, and legality of information assets (including hardware, software, data, documents, and personnel related to information processing) and to prevent deliberate or accidental threats from internal or external sources, Topview Optronics Corp. has established relevant information security management practices. The company has developed internal operational guidelines in accordance with the provisions of Article 9 of the "Guidelines for Establishing Internal Control Systems for Development and Implementation," to address the risks posed by emerging information technology applications and environmental changes in the context of information security.

1. The responsible unit for information security within the company is the Information Department, which includes one Information Manager and several professional IT staff members. They are responsible for formulating internal information security policies, planning and implementing information security operations, and promoting and implementing information security policies. They regularly report the company's information security governance

2. The Audit Department serves as the supervisory unit for information security oversight. It consists of one Supervisor and several dedicated staff members responsible for overseeing the implementation of internal information security measures. If any deficiencies are found during audits, they promptly request the relevant unit to propose improvement plans and concrete actions. They also regularly monitor the effectiveness of these improvements to mitigate internal information security risks.



Information Security Education and Awareness

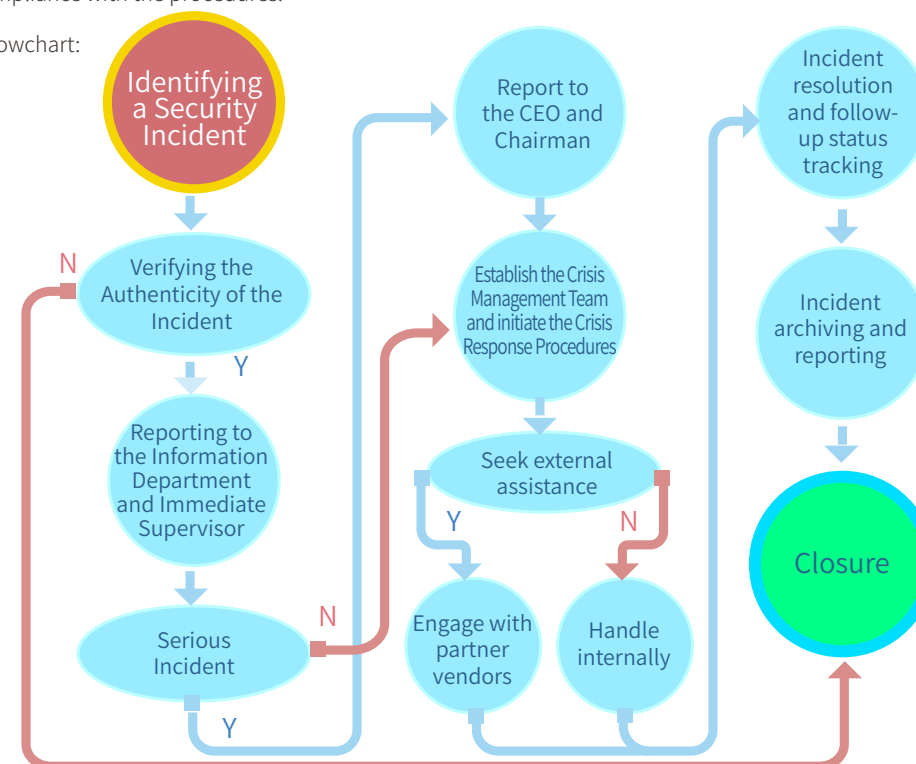
1. Supply Chain: The company requires third-party service providers and vendors to sign contracts that mandate compliance with confidentiality and network security regulations.

2. New employees receive basic information security training upon joining the company. Additionally, the company regularly conducts email social engineering exercises to educate employees about email-related information security knowledge. This helps reduce the risk of employees clicking on malicious emails. Moreover, company-wide online information security education courses are conducted to enhance employees' awareness of information security and ensure that information security principles are integrated into their daily operations. The IT department sends reminders through emails every six months to reinforce these principles.

Information Security Incident Notification Procedure

The company's information security notification procedures are as follows, and the notification and handling of information security incidents are carried out in compliance with the procedures.

Flowchart:



2.5 Risk Management

The rapidly changing global economic, climate, political, and financial environments have increased operational risks for the company. These risks range from potential financial losses to severe disruptions that could jeopardize the company's ongoing operations. To mitigate the impact of various risks, Topview Optronics Corp. adopted the "Risk Management Policy and Procedures" in November 2022, which was approved by the Board of Directors. The key components of the policy include risk management policy, risk management organization, risk management process, risk categories, and mechanisms. These components effectively control the risks arising from business activities, and the company provides an annual report to the Board of Directors on the risk management performance for the current year.



Risk and Opportunity Analysis and Management

Topview Optronics Corp. conducts risk and opportunity analysis and management based on the concerns of various stakeholders and the functions within the organization. By identifying and assessing risks and opportunities, the company aims to proactively prepare for potential losses and take appropriate measures to respond to emerging situations. The risk and opportunity assessment conducted in 2022 covered all factory locations. For information related to climate change risks, [please refer to section 5.6 Climate Change Risks and Opportunities.](#)

Risk Category	Operational status	Accountable Unit
Financial Risk	1. Exchange Rate Risk: Regularly review assets and liabilities affected by exchange rate fluctuations and make appropriate adjustments. Utilize forward foreign exchange contracts within policy limits to manage the risk arising from foreign exchange volatility. 2. Credit Risk: Conduct periodic meetings to review customer business conditions or analyze customer financial statements. If any issues with a customer are identified, recommend suspending shipments or reducing credit exposure. 3. Inflation Risk: Timely adjust purchase and sales prices to cope with the impact of inflation on raw material prices.	Finance and Accounting Business Operations
Operational, Strategic, and Market Risks	1. The business units regularly report strategic issues to the board, including fluctuations in political, economic, and industry trends that indirectly impact cost and profitability due to regulatory requirements. Through recommendations and oversight from board members, the strategic risks are reduced. 2. Weekly CRM meetings are held to review the status of various projects, monitor changes and dynamics in competitors, markets, industries, and customers, and adjust or formulate business operation strategies accordingly.	Business Operations Project Department
Raw Material Price and Supply Chain Risk.	1. Assessing the risk of critical component shortages due to geopolitical issues, the company mitigates the risk by diversifying procurement sources to different regions. 2. In response to the impact of global shipping, the company proactively confirms the demand from user units and prepares materials and production equipment in advance. This ensures that raw materials and production equipment inventory and logistics management remain normal. Additionally, with procurement from different regions, timely feedback is provided to user units for proactive measures.	Procurement
Occupational Safety Risk.	1. Maintain the effectiveness of ISO 45001 certification and take corrective actions based on audit results. 2. Review and develop improvement plans for occupational safety issues and recommendations identified during holiday inspections. 3. Implement the annual occupational safety and health education training plan, including the entire plant's emergency evacuation drill, etc.	General Affairs
Information Security Risk	1. Continuously replace outdated equipment that does not meet modern cybersecurity requirements. 2. Employ advanced encryption techniques to enhance the protection of sensitive data during transportation. 3. Implement cybersecurity training to enhance the general workforce's cybersecurity literacy.	IT
Human Resources Risk	1. Risk of significant increase in labor costs: Regularly review the impact of labor costs on operations and make necessary adjustments to company policies and regulations. 2. Risk of insufficient manpower supply: Utilize job banks and professional recruitment agencies for talent acquisition and implement retention incentives for existing employees. 3. Risk of employee turnover: Proactively manage and arrange work handovers before employees depart and monitor the turnover rate to ensure it remains within a reasonable range.	HR
Climate Change and Environmental Risk	1. Through the TCFD (Task Force on Climate-related Financial Disclosures) sharing organized by the group, understand potential risks of climate change, identify possible opportunities, conduct financial impact analysis, and outline response measures. (Refer to Section 5.6 for detailed explanation) 2. Participate in the group's monthly meetings to stay informed about climate change-related policies and response measures. 3. Implement regular environmental, safety, and health audits to assess compliance with occupational safety and health and environmental regulations and implement corrective actions. 4. Execute an annual environmental, safety, and health education and training plan to enhance employees' skills and knowledge of environmental and safety regulations. 5. Conduct periodic environmental, safety, and health audits on an ad-hoc basis.	All
R&D Risk	Require all employees to sign a confidentiality agreement to ensure the protection of trade secrets and intellectual property rights.	R&D
Other	Adjust preventive measures in response to changes in the epidemic situation, including provisions of epidemic prevention supplies, daily body temperature checks, enhanced environmental disinfection and cleaning, remote work and dining management, etc.	General Affairs & All



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Chapter 3

Innovation Breakthrough and Value Chain Management

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3 Innovation Breakthrough and Value Chain Management

3.1 Green Products and Carbon Reduction Design

Environmental sustainability is a long-standing goal of Topview Optronics Corp. In our efforts to promote environmental protection, we strive to comply with local environmental regulations in our day-to-day operations, aiming to minimize our environmental impact. When it comes to product design, we incorporate the concept of green design. We not only ensure that our products comply with national laws and regulations and align with international trends but also focus on the environmental impact of our products after they are manufactured.



- 1.Promoting ESG Trends Reporting.
- 2.Sharing Case Studies on Carbon Emission Reduction Management.
- 3.Providing Education and Training on Hazardous Substances Management System Requirements.



- Engaging with Customers:
- 1.Increasing Material Sharing Efficiency to Minimize Environmental Impact from Subsequent Material Waste.
 - 2.Implementing Lightweight Packaging Design to Reduce Carbon Emissions Generated from Transportation.



1. Mandating Suppliers to Sign the "Environmental Substance Management Specification."
2. Prohibiting the Use of Hazardous Substances and Raw Materials from Conflict Minerals.
- 3.Enhancing Supplier Guidance to Minimize Material Reprocessing. Refer to Section 3.3 for Supplier Partner Guidance.

Non-Toxic Products

Since the announcement of the RoHS and REACH directives by the European Union, Topview Optronics Corp. has been actively engaged in the management of hazardous substances. For chemical substances that could potentially affect environmental safety in our products, Topview Optronics Corp. has developed the "<Environmental Substance Management Specification>" in accordance with the EU RoHS, REACH directives, international regulations, and customer requirements. We also follow the requirements of the IECQ QC080000 Hazardous Substance Management System and carry out related management activities, including regular internal audits, to ensure the implementation and ongoing execution of the procedures.

All products of Topview Optronics Corp. comply with the EU RoHS Directive (2011/65/EU) requirements, and there have been no instances of returns due to RoHS violations since their shipment. Additionally, in line with the European Union's new chemical policy, REACH, which officially came into effect on June 1, 2007, Topview Optronics Corp. maintains awareness of the presence of Substances of Very High Concern (SVHCs) in its products to ensure compliance with the spirit of REACH. We also regularly gather information on major international environmental regulations to stay up-to-date with the latest global environmental trends. Through the EC system, we disseminate updates on regulatory changes, allowing our suppliers to promptly access and update the information.

Energy-saving design and packaging material optimization

In the green wave of energy conservation and carbon reduction, Topview Optronics Corp. is actively engaged in energy-saving design for its products, aiming to reduce unnecessary energy waste and decrease carbon emissions. Through a combination of hardware design and software control, the company ensures that its products achieve optimal energy distribution under reasonable usage scenarios. However, after several years of design improvements, it has become evident that achieving significant breakthroughs in energy-saving is challenging. Consequently, the company has shifted its focus to optimizing product packaging.

Green design, carbon emission

Management Approach for Significant Topics

Major Topics	Stakeholders	2022 Management Goals	2022 Goal Achievement Status	2023 Management Goals
Packaging material optimization	Customer Shareholder	Full product range Introduction of packaging simplification	Achieve standard	Continuously optimize product lightweight design
	Responsibilities	Resources	Actions	Assessment
	Research and Development Design Validation	1. Continuous communication between the project product and the customer leads to design improvements in packaging optimization carried out by the R&D unit. 1. External audit units carry out safety verification for packaging materials.	Simplification and reduction of product packaging materials and volume. Discontinuation of including optical discs with shipped products. The Quick Installation Guide has been simplified from booklet binding to single-sheet printing.	Project meetings are held to regularly report on the progress of execution

Product safety labeling

In terms of product labeling, all products of Topview Optronics Corp. are labeled with safety compliance information on the product body, internal/external packaging, or user manuals in accordance with relevant regulations. In addition, product user manuals provide information on safe usage, maintenance methods, and precautions to ensure that users can use Topview Optronics' products safely and correctly. There were no violations of product safety regulations in 2022.

Product liability insurance and usage safety

Products manufactured by Topview Optronics Corp. comply with international standards and customer procurement requirements. We design products that meet safety regulations and provide detailed instructions in the product installation and user manuals. This ensures that users select safe products and use them correctly. Additionally, to safeguard the rights of end-users, we have obtained product liability insurance, extending protective measures to the ultimate consumers.

Recyclable

Topview Optronics Corp. adopts a Business-to-Business (B to B) model for its products. From the packaging stage, the company considers the ease of disassembly and recyclability of the products, following the requirements of the WEEE directive (Waste Electrical and Electronic Equipment). The design is aimed at ensuring that the products can be easily recycled. Additionally, the quick installation manual includes a reminder to consumers not to dispose of the products arbitrarily after use. Instead, consumers are encouraged to use local recycling systems for electronic waste disposal, thereby reducing the environmental impact.

Product Safety

Topview Optronics Corp. ensures the safety of consumers by obtaining product safety certifications according to the regulations of each sales region or country before launching products for sale. These certifications include but are not limited to FCC certification for the United States, CE marking for compliance with European Union safety standards, EMC (Electromagnetic Compatibility) certification, LVD (Low Voltage Directive) certification, C-tick certification for Australia, UL certification, China RoHS, WEEE (Waste Electrical and Electronic Equipment), and others. By meeting these rigorous safety standards, the company prioritizes consumer safety and compliance with relevant product safety regulations in various markets.



Product SafetyThe number of pieces that do not meet the regulations is 0

Approach to Major Theme Management

Major topic	Stakeholders	2022 Management Goals	2022 Goal Achievement Status	2023 Management Goals
product Safety	Customers	Number of Non-compliance Cases with Safety Regulations: 0	Achieve standard	Number of Non-compliance Cases with Safety Regulations: 0
	Responsibilities	Resources	Actions	Assessment
	Safety Compliance Unit	Dedicated personnel and cooperating external laboratories are responsible for verifying regulatory compliance.	Products are only introduced to the market for sale after obtaining product safety certifications in accordance with the regulations of the sales region or country.	<div>1. Products are only introduced to the market for sale after being assessed for compliance by third-party verification agencies.</div> <div>2. Relevant design reviews are conducted during the product development stages.</div> <div>3. Regular discussions on international regulations pertaining to product safety standards are held during project meetings.</div> <div>4. Timely notifications of regulatory updates are provided to relevant personnel, including customers, to ensure regulatory compliance.</div>



3.2 Customer Service and Product Quality

Topview Optronics Corp consistently places the enhancement of customer satisfaction as the foremost consideration in our customer service. Guided by our consistent quality policy of "Quality First, On-Time Delivery, and Exceptional Service," we actively strive to elevate the quality of our service to customers, ensuring their needs are met. Through customer satisfaction surveys, regular meetings, technical support, and after-sales services, we aim to make our customers' products more competitive in the global market.

Customer Relationship Management

The average customer satisfaction in 2022 was 78 points

Approach to Major Theme Management

Major topic	Stakeholders	2022 Management Goals	2022 Goal Achievement Status	2023 Management Goals
Customer Relationship Management	Customers	Customer satisfaction score of 85 points	Customer satisfaction score: 78 (Not meeting the target)	Customer satisfaction score of 85 points
	Responsibilities	Resources	Actions	Assessment
	Business / Customer Service	Collaborating across departments to address	1. Conduct customer satisfaction surveys. 2. Share customer feedback results with relevant departments and request them to propose improvement solutions.	Provide performance indicator reports and reviews during management review meetings and business meetings.

1. Adjust the structure of satisfaction survey questionnaires

In early 2022, the Sales Department decided to expand the scope of the survey and encourage each customer to provide suggestions on the company's products and services, aiming to listen more closely to customer voices. Simultaneously, optimization was done to the content of the survey by eliminating redundant, overly specific, or less relevant questions, with a focus on gauging customer satisfaction in sales, R&D and project management, quality management, and overall company services.

While the results of the 2022 customer satisfaction survey did not meet the initially set management goals, the adjusted survey content received largely positive feedback and recognition from the customers. Topview Optronics Corp. highly values the feedback and valuable suggestions from each customer. The Sales Department will compile this feedback and convey it to relevant internal departments and top-level management as a basis for self-assessment. Relevant improvement measures will be devised (refer to Section 3 for improvements and reviews) with the aim of providing customers with better products and services in the upcoming year.

2. Survey Process

Survey Process Topview Optronics Corp. conducts the customer satisfaction survey once a year and analyzes various indicators. The results are reviewed during the annual management review meeting. Responsible units propose improvement strategies and take related actions to continuously enhance customer satisfaction.

Customer Satisfaction Survey Results for the Years 2016 to 2022

年度	2016	2017	2018	2019	2020	2021	2022
年度總滿意度	79%	79%	86%	86%	88%	85%	78%

3.Improvements and Reviews

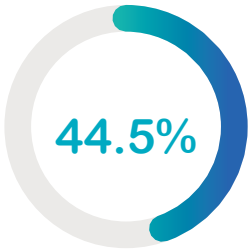
Analysis and summary of the unsatisfactory customer satisfaction in 2022 are as follows

Reasons	Root Cause Analysis	Improvement Measures
Lower Than Expected Response Rate	<p>1. Respondents were not the responsible personnel for each functional category, and they skipped questions they couldn't express opinions on. The new version of the questionnaire contained more specific and detailed questions, unlike the previous version, which allowed for more generalized responses on behalf of the respondents.</p> <p>2. The customer service department did not internally transfer the questionnaire to the respective departments for assistance with filling it out.</p>	<p>1. Further optimize the questionnaire collection mechanism.</p> <p>2. When sending out questionnaire invitations, have the sales team provide key instructions for questionnaire completion to help customers focus on important aspects.</p>
Product Delivery Schedule	<p>1.Due to semiconductor shortages and container supply issues, the product delivery time has been extended.</p> <p>During the period from May to July 2022, there was a major outbreak of Covid-19 domestically. In order to prevent production line shutdowns, necessary adjustments were made to ensure compliance with the epidemic prevention measures. However, this indirectly led to a tight labor situation on the production line, which also impacted the shipment schedule to some extent</p>	<ul style="list-style-type: none">• The sales department will continue to communicate with customers, procurement, and production units to enhance decision-making accuracy based on the company's years of experience and analysis of international situations and data.• Long-term improvements in delivery schedules will be pursued through ongoing communication with customers, exploring solutions such as Spot buy and material replacement.• The factory has been gradually implementing relevant automation in production, which will help increase production capacity and alleviate labor issues. (Refer to Chapter 5.1 - Intelligent Manufacturing Factory for more details)."

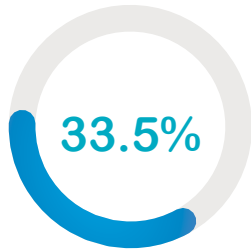
Customer complaint handling

In 2022, there were a total of 9 customer complaints, with 44.5% related to production processes, 33.5% attributed to design issues, and 22% associated with abnormal materials from suppliers. All of these issues have been addressed and resolved.

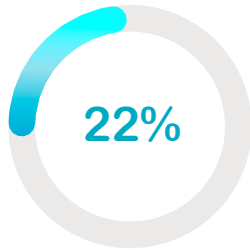
Regarding customer complaints raised, Topview Optronics Corp. strives to promptly understand and gather relevant information, providing customers with resolution strategies. Upon determining whether it is a customer complaint or feedback, the company activates the subsequent anomaly handling process following internal procedures. This involves conducting further investigations and horizontal deployment to track improvements based on the analysis results. Appropriate corrective measures are proposed, and the Quality Assurance department consolidates the entire investigation results to issue quality bulletins, preventing the recurrence of similar issues. Regular statistical analysis of customer complaint data is also conducted.



Production Process



Manufacturing Process



Supplier Materials

Customer Privacy Protection

While conducting business activities, Topview Optronics Corp. respects and protects customer privacy rights and intellectual property. Both Topview Optronics Corp. and its customers sign confidentiality agreements to safeguard sensitive customer information and ensure that confidentiality measures are well-implemented during business interactions. The company promotes internal awareness to educate employees about the importance of information security.

Additionally, access to confidential documents is restricted, and apart from relevant personnel, only individuals with explicit approval from their immediate supervisors are granted partial access. This proactive approach helps prevent unauthorized copying and leakage of data. In 2021, there were no reported incidents of data loss, leaks, or threats, and no complaints from regulatory authorities regarding customer data mishandling.

Number of Complaints Regarding Data Loss in 2022: 0
Approach to Major Theme Management

Major topic	Stakeholders	2022 Management Goals	2022 Goal Achievement Status	2023 Management Goals
Customer Privacy Protection	CustomersSuppliers Employees	0 Complaints of Data Loss	Achieve standard	0 Complaints of Data Loss
	Responsibilities	Resources	Actions	Assessment
	Sales, Product Projects, Customer Service, Information	Integrating with the information management system to restrict system access and control document retrieval permissions.	1 .Advocacy and Training 2. Setting Permissions at the Source of Information System 3. Provide regular updates on GDPR progress during the monthly group meetings and parallel implementation within the company.	Annually review whether any relevant incidents have occurred at the end of the year.

Product Safety

All products of Topview Optronics Corp. are launched for sale only after obtaining product safety certifications according to the regulations of the sales region or country, ensuring the personal safety of consumers. Certifications include but are not limited to FCC certification for the United States, CE conformity marking for the European Union, EMC (Electromagnetic Compatibility), LVD (Low Voltage Directive), Australian C-tick, UL certification, China RoHS, and WEEE (Waste Electrical and Electronic Equipment).

Product quality

Topview Optronics Corp. follows the quality policy of "Quality First, On-Time Delivery, and Excellent Service". We continuously educate our employees to understand and support this policy. Through appropriate channels, we communicate this policy to ensure that all relevant parties fully comprehend our company's commitment and responsibility towards quality management.

From product design and manufacturing to shipping, each stage follows the prescribed procedures of the New Product Development Management. This ensures that the operations at each stage serve as the basis for quality control in design projects, aligning our products with market requirements and customer needs. Through the PDCA management cycle, we verify the implementation of various improvement activities.



3.3 Value chain management

To pursue sustainability and mutual growth, Topview Optronics Corp. establishes supply chain management guidelines for raw materials and outsourced processing suppliers. These guidelines include new supplier evaluations, annual supplier assessments, and supplier guidance. Based on the company's product development needs and procurement strategy, the evaluation assesses whether suppliers' technical capabilities, production capacity, innovation, quality, and service management meet Topview Optronics Corp.'s requirements. For new supplier evaluations, a assessment team composed of procurement, quality assurance, and R&D units conducts evaluations, issuing questionnaires on various supplier capabilities. The assessment team then confirms the final evaluation results. Only suppliers that pass the evaluation become qualified suppliers for Topview Optronics Corp.

Supplier sustainability management.

To achieve the company's ultimate goal of sustainable business, Topview Optronics Corp. adheres to ethical and legal regulations, respects and cares for employees, ensures safety and health, and embraces green and sustainable development in supplier management. Suppliers are expected to meet the following requirements in terms of their economic, environmental, and social aspects:

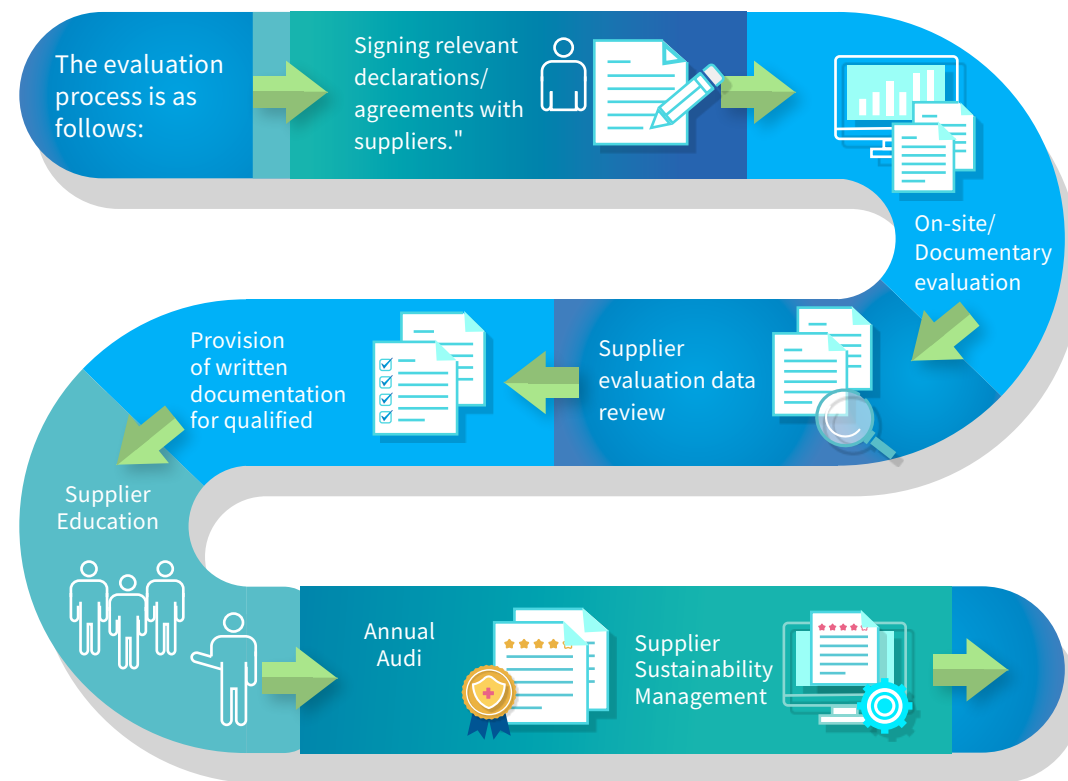


Annual supplier audit

The primary task of procurement with its suppliers is to ensure that the costs of the purchased items align with the company's objectives. In addition to inquiries, comparisons, and negotiations, various approaches such as long-term procurement, periodic procurement, sporadic long-term procurement, etc., must be implemented to achieve cost reduction and enhanced efficiency. Suppliers with assessed credibility and a history of good transaction quality can engage in discussions and sign long-term trade agreements.

New Supplier Audit

The procurement department collects information from capable or interested suppliers and requires them to complete the "Supplier Environmental, Health, and Safety Management Questionnaire Survey" along with relevant documentation for further review and assessment in the subsequent evaluation phase. For suppliers engaging in their first transaction, a new supplier assessment is conducted before they can become an approved supplier of Topview Optronics Corp.



Supplier Commitment Declaration

Topview Optronics Corp. requires all qualified suppliers, excluding customer-designated vendors and non-transactional suppliers, to sign relevant documents and undergo routine monitoring and control.

1.

Environmental Management Substance Quality Assurance Certificate

regarding the management of hazardous substances. It aims to achieve effective control over the use of various hazardous substances in our products, preventing the entry or utilization of materials containing harmful substances and ensuring compliance with relevant international regulations.



2.

Integrity Commitment

1. We pledge never to engage in any improper means or falsify transaction prices or fabricated transaction data for personal gain.
2. We commit to refrain from embezzlement, theft, or misappropriation of assets.
3. We vow not to seek any improper or illegal personal gains. "Improper gains" include but are not limited to kickbacks, commissions, profit-sharing, shares (or undisclosed shares), or inappropriate gifts or entertainment.



3.

Conflict minerals

The Responsible Business Alliance (RBA) and the Global e-Sustainability Initiative (GeSI) have mandated their member organizations to implement responsible sourcing practices to ensure that their metal procurement processes align with social and environmental responsibilities. Topview Optronics Corp. is committed to and supports not purchasing conflict minerals for its production. The company maintains continuous communication with suppliers and requires them to sign the "Environmental Substance Assurance Certificate." Prohibiting the use of conflict minerals by suppliers is a key criterion for their selection. Gradually, suppliers are requested to assist in tracing the origin of metal materials in components and to comply with the prohibition of conflict minerals from conflict regions.

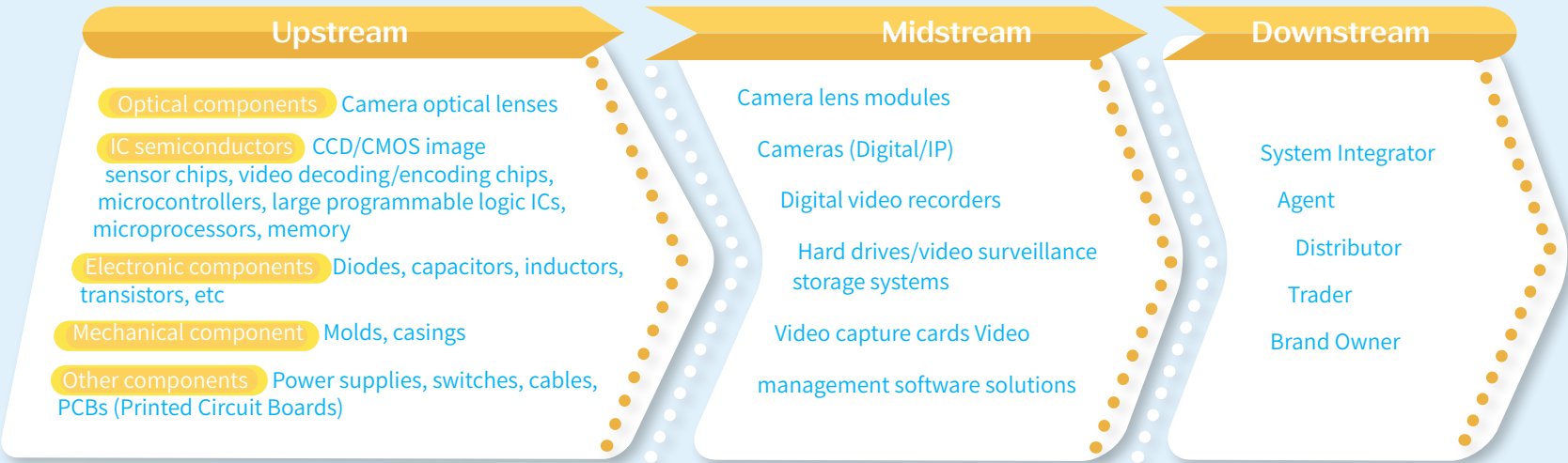
Supplier Risk Management

Topview Optronics Corp carefully conducts supplier risk assessments for existing qualified suppliers through regular and ad hoc investigations into their operations and financial status, while also monitoring high-risk groups. This proactive approach aims to prevent unforeseen closures that might impact shipments or lead to disputes. For current qualified suppliers, regular risk assessments are conducted, focusing on supplier chain risks. Periodic investigations into employee rights, child labor, financial status, and the origin of raw materials from conflict mineral regions are carried out to evaluate the suppliers' resilience.

Raw Material Risk Management

In 2022, the impact of pandemic control measures caused labor shortages, and the escalating carbon reduction initiatives affected the increased demand for raw materials in the renewable energy industry. These factors have intensified the instability in the supply of raw materials. To avoid material shortages, disruptions, and supply instability affecting product lead times, and potentially damaging the company's reputation and revenue, key raw material risk management is conducted based on procurement attributes: single sourcing, high technological barriers, price volatility, components susceptible to supplier labor and capacity influences, etc.

The interconnections among the industry's upstream, midstream, and downstream sectors are as shown in the table below: (Note: As an AI language model, I can't generate tables directly, but I can help with further information or answer specific questions regarding the content you've provided.)



Emergency Response

In accordance with the Group's risk management procedures, whenever a significant event occurs, major risk assessments are also conducted for suppliers. Special events such as the outbreak of COVID-19, lockdowns due to pandemics, container shortages and price hikes in shipping, severe shortages of semiconductors and other materials, foreign exchange losses, and other exceptional situations are all subject to relevant investigations and assessments concerning suppliers in the affected regions. Appropriate communication and contingency plans are developed with suppliers to ensure that Topview Optronics Corp. can adopt the most suitable preventive measures in the supply chain, avoiding any operational hazards that could impact stakeholders' interests.

Supplier Communication and Management

Topview Optronics Corp requires suppliers to upload Environmental Substance Declaration and raw material testing reports on the EC platform, which are then reviewed by relevant departments. Through this platform, international environmental regulations and related information are disseminated via the EC system to promptly inform suppliers of regulatory changes and updates.

Supply Chain Partner Assistance

Stamping components have the highest proportion of material rejections in all incoming batches of raw materials, and the environmental impact of scrapped materials due to abnormality is significant. Therefore, based on the core principles of Continuous Improvement Program (CIP), starting from 2022, we have initiated specialized assistance projects for the stamping plant. These projects aim to assist suppliers in improving processing processes, molds and inspection tools, increasing detection rates, and other aspects to enhance product yield.



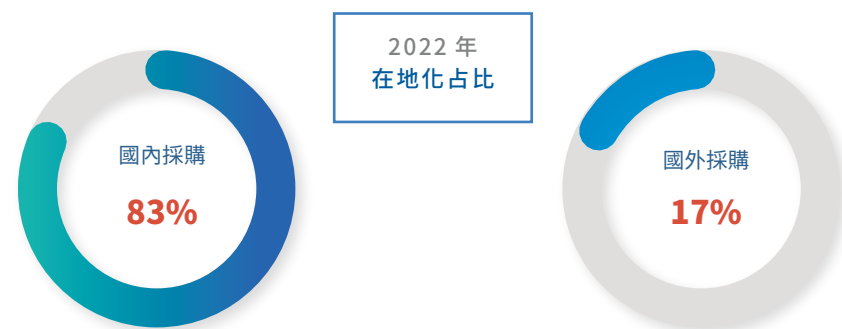
Local Procurement

Topview Optronics Corp. is committed to integrating the concept of sustainable development into various aspects of its operations. In the procurement process, apart from considering economic benefits, environmental and social impacts are also taken into account. Suppliers are encouraged to adopt best practices in environmental, health and safety, human rights and labor policies, and business ethics.

At the same time, to promote local socio-economic development and reduce greenhouse gas emissions generated from transportation, local procurement is a primary consideration for Topview Optronics Corp. when seeking partners. Considering the reduction of carbon emissions from raw material transportation, delivery speed, and supply chain clustering, local procurement is given priority in the raw material sourcing strategy.

Topview Optronics Corp.'s supply chain mainly includes electronic component suppliers, packaging material manufacturers, assembly manufacturers, and outsourcing facilities, among others, with local procurement being emphasized for mechanical materials and packaging materials. In 2022, approximately 323 suppliers collaborated with Topview Optronics Corp., of which 83% were local suppliers. This not only helps in reducing carbon dioxide emissions from long-distance transportation but also aligns with the company's goal of fostering symbiotic growth within the local industries.

2022	Domestic Procurement	Foreign Procurement	Total Procurement
Net Purchases	1,031,659,920	394,075,629	1,425,735,549
Number of Suppliers	268	55	323
Percentage	83%	17%	100%



Implementation Plan

Common packaging protection types include: Bubble bags, honeycomb dividers, Tray tray foam shells, cross dividers, PE plastic bags (0.02, 0.06, 0.08mm). Improvement recommendations are provided based on the type of components to achieve transportation protection while adopting cost-effective solutions, avoiding increased costs due to failures.

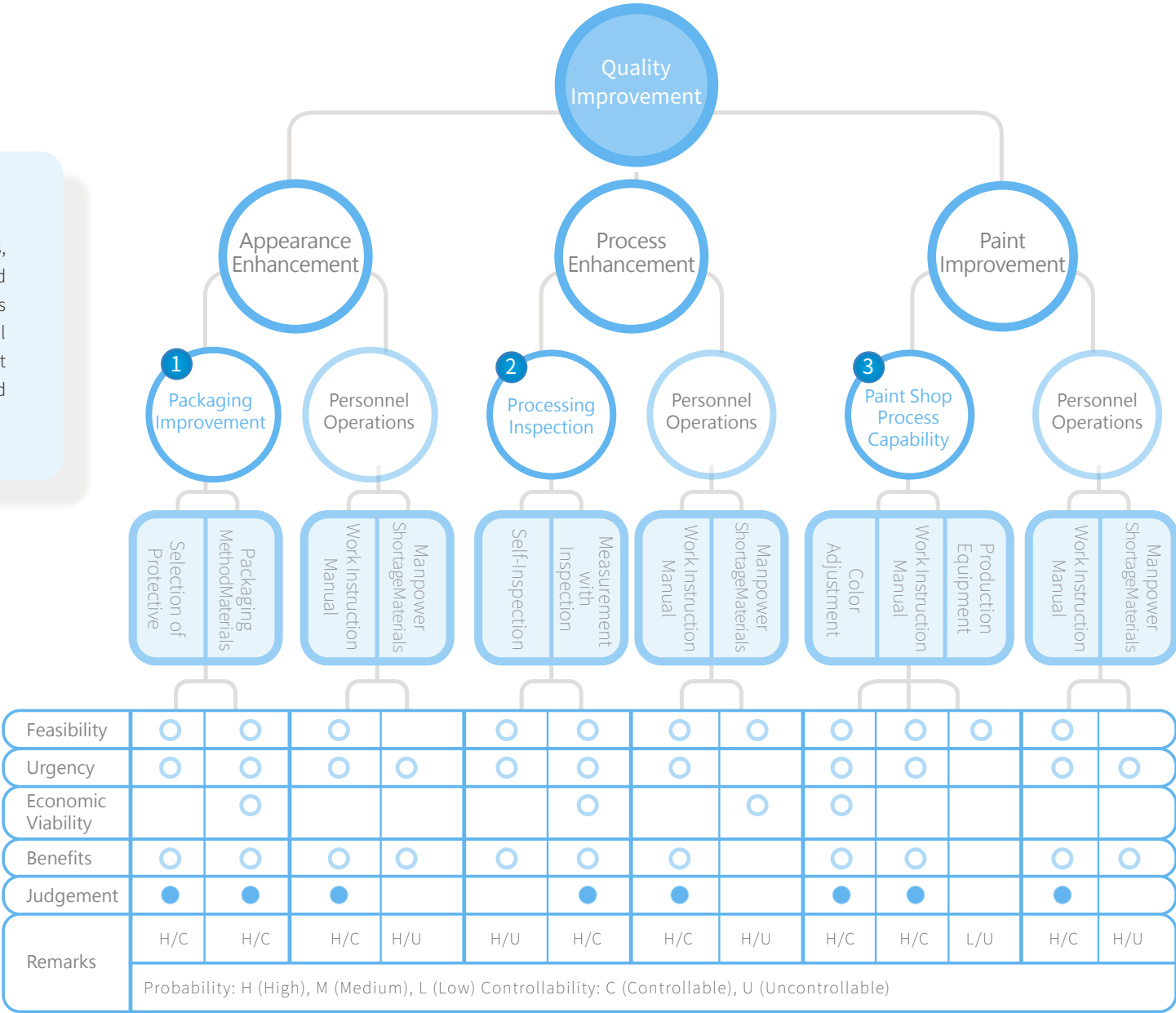


Execution Results



Coaching Effectiveness

Following discussions between the internal coaching team and suppliers, feasible, urgent, and high-benefit improvement projects were identified and prioritized for implementation. One by one, these improvement projects were carried out, effectively reducing scrap costs and environmental hazards. Since the start of the project redirection earlier this year, the defect rate of incoming die-cast components has significantly decreased compared to the first half of the year.





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Chapter 4 Employee Care and Social Engagement

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4

Employee Care and Community Engagement

To maintain a good labor-management relationship, the company has established effective communication channels within the organization, enabling employees to stay informed about company updates and encouraging them to provide suggestions for overall operations and development, which are taken into consideration by decision-makers. A well-established communication system not only fosters a positive labor-management relationship but also allows the company to understand the needs and concerns of employees, facilitating quick and effective responses to address issues and provide a better workplace environment.

Through labor-management meetings, representatives from both labor and management communicate and make decisions on labor-related matters. Topview Optronics Corp. is a modern enterprise that values "work-life balance," emphasizing care for each other and mutual growth. The company aims to extend this philosophy to every employee and the broader community.

4.1 Labor-Management Relations

Topview Optronics Corp. adheres to the relevant labor laws in Taiwan and is guided by the principles of international human rights conventions to develop communication mechanisms and labor conditions. To maintain a positive labor-management relationship, the company has established effective communication channels within the organization, enabling employees to stay informed about company updates and encouraging them to provide suggestions for overall operations and development, which are taken into consideration by decision-makers. Through the convening of labor-management meetings, representatives from both labor and management engage in communication and make decisions on labor-related matters. A sound and harmonious labor-management relationship is the foundation for sustainable development, allowing the company to understand the needs and concerns of employees and provide them with a more conducive workplace environment.



Human Rights and Non-Discrimination

Topview Optronics Corp. declares its commitment to safeguarding the rights of employees, ensuring compliance with local regulations and meeting the needs of stakeholders in human rights management. The company strictly prohibits child labor and practices equal treatment of all employees. It unequivocally rejects any form of forced labor, including human trafficking and modern-day slavery. The company actively promotes awareness of these principles within the organization.

Labor rights and human rights have always been a focal point of concern for Topview Optronics Corp. After implementing the Responsible Business Alliance (RBA) Code of Conduct (NON-VAP Verification), the company proactively declared its commitment to protecting employee rights and established multiple channels of communication. An internal "Communication Management Procedure" has been put in place, providing employees with a means to report any incidents of sexual harassment or improper treatment directly to the Human Resources department. The company ensures the confidentiality of whistleblowers' identities.

External stakeholders with concerns on this matter can utilize the HR mailbox on the company's official website to file complaints, and responses are handled by the HR department. In the year 2022, the company received no related complaints or grievances concerning labor rights or human rights issues.



Labor Relations

Establishing open communication channels and fostering good relationships

Approach to Major Theme Management

Major topic	Stakeholders	2022 Management Goals	2022 Goal Achievement Status	2023 Management Goals
Labor-Management Relations	employees	Regular Labor-Management Meetings for Information Dissemination	Achieve standard	Regular labor-management meetings are held to disseminate relevant information.
	<div>Responsibilities</div> <div>Human Resources</div> <div>Environmental Safety and General Affairs</div>	<div>Resources</div> <div>1. Welfare Committee Meetings</div> <div>2. Labor-Management Meetings</div> <div>3. Human Rights Policy Advocacy</div>	<div>Actions</div> <div>Provide employees with diverse communication channels to ensure real-time access to company information.</div>	<div>Assessment</div> <div>Labor-management meetings are convened quarterly, and relevant information is posted on the company's website and bulletin board.</div>

Talent Recruitment and Employment

To maintain a stable workforce, Topview Optronics Corp. adheres to a fair, transparent, just, and efficient selection system with the goal of attracting and retaining outstanding and qualified talents. The company aims to strengthen its organizational capacity, promote diversity, and ensure equal opportunities for all, without any discrimination based on race, color, age, sexual orientation, ethnicity, disability, pregnancy, religion, political affiliation, union membership, or marital status in the recruitment process. The company complies with relevant regulations, treats all candidates equally, and strictly adheres to the prohibition of child labor in accordance with the Labor Standards Act. Additionally, the company complies with the Responsible Business Alliance (RBA) Code of Conduct.

Employment Freedom

The company prohibits the employment of forced labor and child labor, ensuring that all employment is voluntary. It is committed to maintaining and protecting gender work equality and personal dignity of employees. Employees have the right to leave their jobs freely within reasonable notice periods.

Freedom of Association

Topview Optronics Corp. respects the employees' right to freely associate and form unions in accordance with the law. The company establishes channels of communication with employees in compliance with legal requirements. Employees or their representatives should be able to openly communicate with management and share their thoughts and concerns regarding work conditions and management practices without fear of discrimination, retaliation, threats, or harassment.

External Migrant Worker Care and Welfare Effectiveness

In response to global manufacturing layout and customer demands, Topview Optronics Corp. has been employing external migrant workers in its Taiwan plant since 2019 to meet the labor needs. The company places great importance on the care and welfare of these external migrant workers, and the relevant explanations are as follows:

Issues	Projects	Outcomes
Labor Relations	Foreign Migrant Worker Management Guidelines	Optimizing Migrant Worker Management Matters
	Dormitory Human Rights Management	Free access to and from dormitories; no withholding or custodianship of passports and documents.
Care and Support	Providing a Native-Language Environment	Company policies and regulations, labor contracts, hazard signage, training materials, promotional campaigns, health consultation, etc., are all translated into their native language.
	Regular Care and Outreach	Company complaint mailbox, employee suggestion box, dormitory feedback box, migrant worker affairs counter, agency company hotline, Line group, epidemic prevention care.

Employee Communication and Complaint Channels

To ensure instant awareness among all employees about the company, Topview Optronics Corp. has established an EIP Employee Portal. This portal provides crucial personnel announcements, new employee guidance, an HR section, and information on various welfare measures by the Welfare Committee. This facilitates swift comprehension of company policies and application procedures for new colleagues and employees. External stakeholders with concerns regarding labor rights and human rights matters at Topview Optronics Corp. can raise these concerns through the company spokesperson. Following this, internal functional teams and stakeholders engage in communication and responses.

Since its inception, Topview Optronics Corp. has placed great emphasis on maintaining harmonious labor-management relationships and has provided various channels for employees to express their opinions. Employees can communicate their feedback through direct supervisors, HR managers, employee suggestion boxes, or participate in forums and discussions. In the event of encountering any incidents of sexual harassment or inappropriate treatment, employees can follow the "Whistleblowing and Complaint Handling Procedures," "Guidelines for the Prevention and Handling of Sexual Harassment," or the Workplace Violence Prevention Program to raise their concerns within the company.

The company encourages open expression of opinions by employees, with the understanding that they should disclose their identity to facilitate communication and investigation. Reasonable preventive and protective measures will be taken to ensure the quality of investigations and to prevent any unfair retaliation or treatment against those who come forward. Up to this point, the company has not experienced any incidents of identity-based discrimination, mistreatment, or sexual harassment, nor has it received any external complaints or grievances. External stakeholders with concerns about labor rights and human rights at Topview Optronics Corp. can address them through the company's spokesperson.

The HR department closely monitors changes and updates in government regulations to ensure that the company's policies related to wages, leave, working hours, and other relevant aspects comply with national legal requirements. As of 2022, the company has not been involved in any significant penalties or legal violations.

4.2 Employee Profile

Employee Profile Human Resources Policy: Topview's Core Values

"Employment Philosophy": Demonstrating problem-solving abilities, maintaining a proactive work attitude, and embracing a spirit of continuous growth.

"Work Principles": Having innovative ideas, effective execution capabilities, ambitious aspirations, a strong sense of responsibility, a sense of belonging.

"Attitude Towards Others": Possessing sincerity, positive thinking, and trustworthiness.

In our human resources policy, we uphold the concept of sharing and mutual benefit with all colleagues, and we put this principle into practice in our business activities and the daily actions of each individual. Through this virtuous cycle, we aim to attract, retain, nurture, and motivate outstanding talents. While our current efforts might not be sufficient, we are progressing towards this goal in the future.

Recruitment and proper allocation of personnel based on reasonable assessment of manpower needs, ensuring that the right people are in the right positions, allowing each individual to leverage their strengths, are important aspects. Employees are the company's greatest assets, and capable individuals contribute wholeheartedly to the company, thereby enhancing performance and generating profits. In response to operational conditions, our current manpower needs have become stable, yet considering the long-term development of the company, we continuously introduce exceptional external talents. We also provide opportunities for internal staff to advance and transfer. Recognizing this, Topview Optronics Corp. consistently invests in employee development, compensation and benefits planning, and creating a high-quality work environment to attract and retain talent.

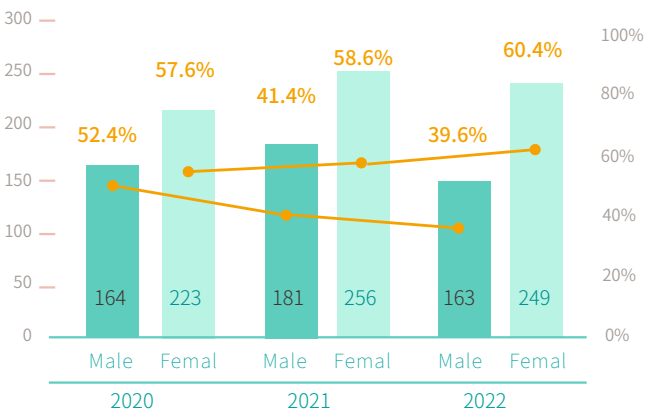
Employment Principles

Topview Optronics Corp. publicly recruits and selects candidates based on the actual business needs. We are committed to developing diverse channels and projects for the recruitment of direct personnel, following the principle of matching talents to suitable positions and giving internal candidates priority over external ones. We do not discriminate based on factors such as race, religion, skin color, nationality, gender, etc., and we strictly prohibit the employment of child labor.

Employment of Persons with Disabilities

For individuals with disabilities, we provide equal job opportunities and adhere to the provisions of Article 38 of the Disability Rights Protection Act. We actively seek to employ individuals with disabilities who possess employable capabilities. Topview Optronics Corp. aims to promote employment opportunities for people with disabilities and creates suitable work environments to fulfill our corporate social responsibility.

Gender-wise	2020		2021		2022	
	Male	Female	Male	Female	Male	Female
Total number of employee	164	223	181	256	163	249
Number of employees with disabilities	3	3	3	4	3	3



Human Resources Mobility Status

The table below illustrates the human resources mobility status of Topview Optronics Corp. for the years 2021 and 2022. New employees are primarily hired based on the talent required for the company's operations. In addition to positions needed for business expansion, the current human resources policy encourages opportunities for reemployment of women, social individuals, and aims to increase youth employment opportunities.

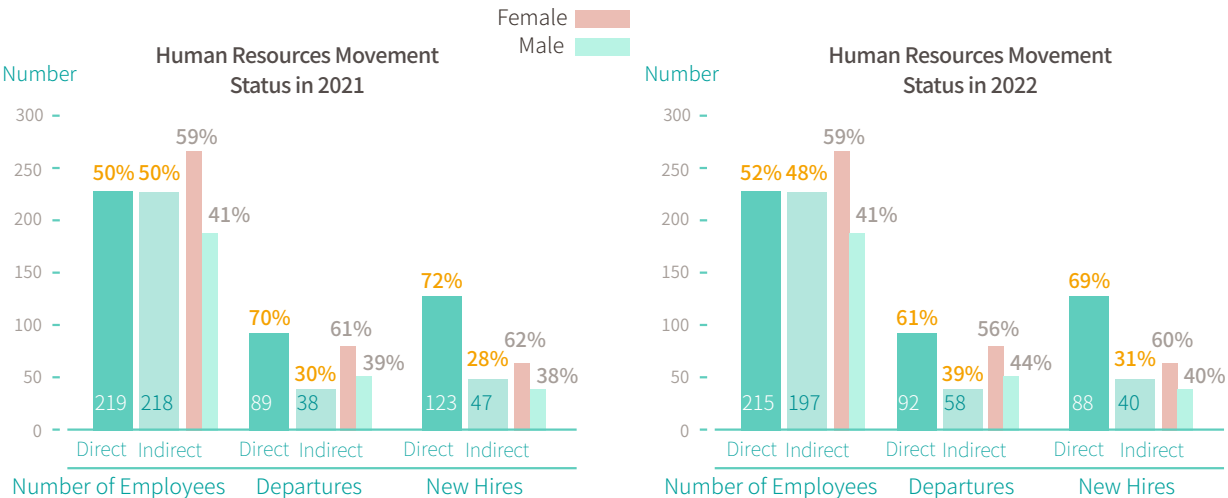
When employees submit resignation applications, the company gains insight into their reasons for leaving and endeavors to offer appropriate retention measures. As observed from the table, the departure rate for female frontline employees is higher, primarily due to family care responsibilities. On the other hand, the departure rate for indirect employees is relatively lower, indicating a more stable workforce.

The majority of departures occur among frontline direct employees, primarily due to the nature of their employment having inherently lower stability. Furthermore, the Taoyuan Industrial Zone, where a significant portion of the manufacturing occurs, is subject to higher attrition factors. The number of new hires in 2022 is slightly lower than in 2021, and the departure count in 2022 is slightly higher. However, considering the overall turnover rate, it is lower in 2022 (65.5%) compared to 2021 (72.1%).

With the fluctuating impact of the pandemic and global inflation, the employment market has undergone significant changes. Starting the year with structural labor shortages and transitioning to a more conservative market due to global economic slowdown at year-end, recruiting in 2022 remained challenging. Despite this, Topview Optronics Corp. has experienced continuous business growth, resulting in an ongoing need to expand the workforce. Furthermore, some employees still left due to personal factors such as family or career considerations.

The analysis of human resources mobility status is depicted in the chart below:

Year	Number	Job Category	Number	Percentage	Gender	Number	Percentage
2021	Number of Employees	Direct	219	50%	Female	256	59%
		Indirect	218	50%	Male	181	41%
		Total	437			437	
	Departures	Direct	89	70%	Female	77	61%
		Indirect	38	30%	Male	50	39%
		Total	127			127	
	New Hires	Direct	123	72%	Female	106	62%
		Indirect	47	28%	Male	64	38%
		Total	170			170	
2022	Number of Employees	Direct	215	52%	Female	249	60%
		Indirect	197	48%	Male	163	40%
		Total	412			412	
	Departures	Direct	92	61%	Female	84	56%
		Indirect	58	39%	Male	66	44%
		Total	150			150	
	New Hires	Direct	88	69%	Female	77	60%
		Indirect	40	31%	Male	51	40%
		Total	128			128	



Stable Workforce Structure

Topview Optronics Corp.'s organizational operations have entered a stable phase, but due to the manpower needs in response to order structures, the company began hiring foreign employees starting from 2019. Although the company experienced brief impacts from the pandemic in 2020, Topview Optronics Corp. remains highly committed to deepening its roots in Taiwan and recognizing the importance of employing local talents. The company continues to increase employment opportunities in Taiwan. Fortunately, after 2020, with the collective efforts of the company's employees, the company achieved remarkable operational growth. As of the end of 2022, the total number of employees at Topview Optronics Corp. has increased to nearly 412, and the workforce structure breakdown is as follows:

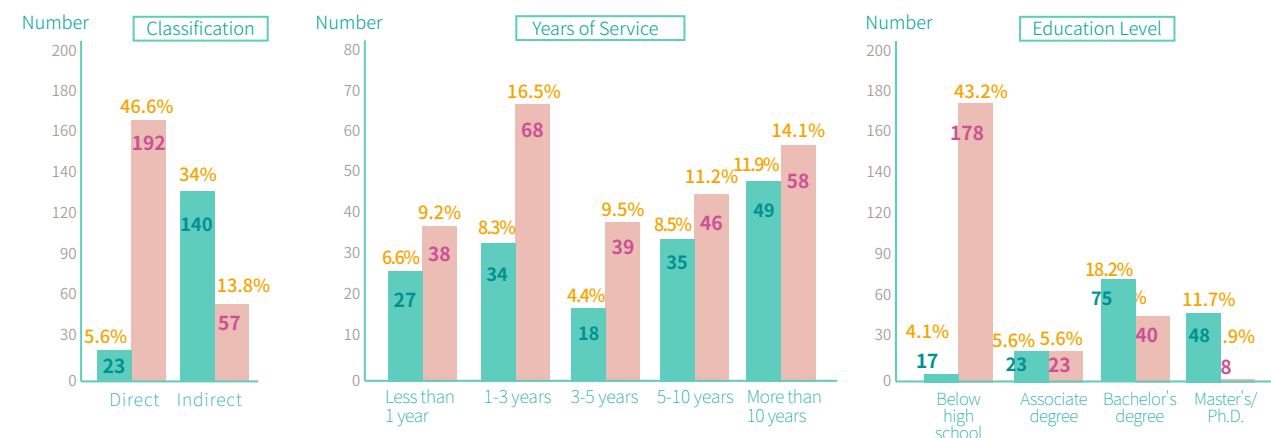
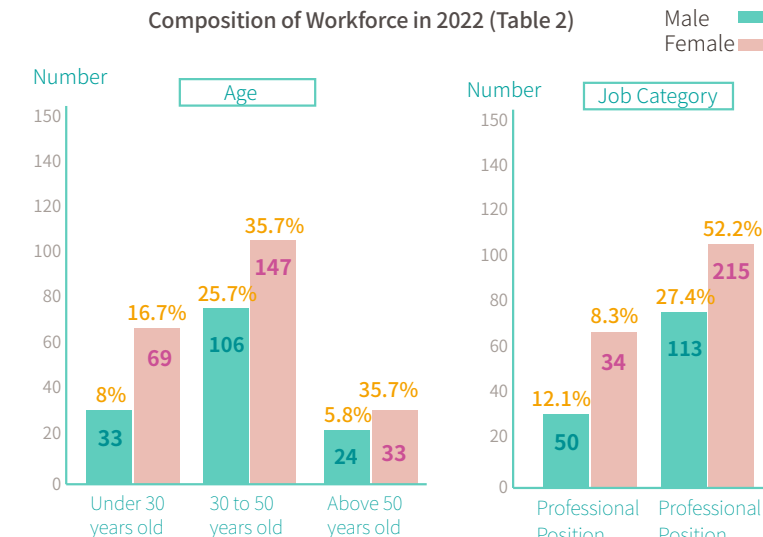
Composition of Workforce in 2022

Employee distribution		Male		Female		Total	Percentage
		Number	Percentage	Number	Percentage		
Age	Under 30 years old	33	8.0%	69	16.7%	102	24.8%
	30 to 50 years old	106	25.7%	147	35.7%	253	61.4%
	Above 50 years old	24	5.8%	33	8.0%	57	13.8%
Job Category	Management Position	50	12.1%	34	8.3%	84	20.4%
	Professional Position	113	27.4%	215	52.2%	328	79.6%
Classification	Direct	23	5.6%	192	46.6%	215	52.2%
	Indirect	140	34.0%	57	13.8%	197	47.8%
Years of Service	Less than 1 year	27	6.6%	38	9.2%	65	15.8%
	1-3 years	34	8.3%	68	16.5%	102	24.8%
	3-5 years	18	4.4%	39	9.5%	57	13.8%
	5-10 years	35	8.5%	46	11.2%	81	19.7%
	More than 10 years	49	11.9%	58	14.1%	107	26.0%
Education Level	Below high school	17	4.1%	178	43.2%	195	47.3%
	Associate degree	23	5.6%	23	5.6%	46	11.2%
	Bachelor's degree	75	18.2%	40	9.7%	115	27.9%
	Master's/Ph.D.	48	11.7%	8	1.9%	56	13.6%
Subtotal		163	39.6%	249	60.4%	412	100%

Workforce Structure Breakdown

As of the end of 2022, the total number of employees at Topview Optronics Corp. is 412. From the workforce structure composition of 2022, it is evident that female employees account for 60.4% of the total, while male employees make up 39.6%. Apart from the production unit, where the higher proportion of female employees is due to the nature of direct employment, gender distribution in other units is balanced. Direct and indirect employees constitute 52.2% and 47.8% of the total workforce, respectively. In recent years, the company has not only strengthened its research and development capabilities but also emphasized the quality of production, resulting in an even distribution of indirect and direct manpower. Managers make up 20.4% of the total employee count, and the management structure is optimized to achieve the best organizational efficiency. The company's workforce mainly consists of individuals between the ages of 30 and 50, representing the prime working age with developmental potential. The condition of indirect employees is relatively stable, leading to a well-balanced distribution of tenure. New hires with less than one year of service contribute to the organizational growth. There has been a gradual improvement in workforce qualifications, with university and graduate degree holders accounting for approximately 41.5%. To attract local talent, the workforce is distributed between the Taoyuan factory and the Taichung office.

Composition of Workforce in 2022 (Table 2)



4.3 Salary

Topview Optronics Corp.'s salary strategy is based on the industry's competitive environment, company performance, and market trends, providing a competitive overall compensation package, including base salary, bonuses, and dividends. Salary adjustments are made according to the job hierarchy and salary standards, taking into account factors such as education, work experience, individual development potential, professional capabilities, and performance, without being influenced by gender, race, nationality, age, or any other personal factors

Salary and Benefits

Topview Optronics Corp. adheres to legal regulations in all salary and benefits measures, including minimum wage, paid leave, and legally mandated benefits. These measures are regularly reviewed and adjusted to attract and retain outstanding talents. In terms of benefits, the company provides group insurance plans and organizes various activities, both domestic and overseas, such as gatherings, subsidized club events, etc., to enhance camaraderie and enrich the leisure life of its employees.

One of Topview Optronics Corp.'s business philosophies is "Employees as Shareholders," which is realized through the implementation of employee stock ownership plans and dividend distribution. The company values its human capital and believes in sharing profits with employees. It provides a generous employee dividend system that combines company performance and individual achievements, ensuring competitiveness in the talent market and demonstrating Topview Optronics Corp.'s sincere commitment to valuing and retaining talent.

Performance Management

The company conducts regular performance evaluations each year, based on job performance goals, job capabilities, work attitudes, and other relevant criteria. The performance assessment is carried out fairly and reasonably according to the standards outlined in the performance evaluation form. The company also sets and implements individual performance goals for each department and employee based on key performance indicators. Performance evaluations are conducted semi-annually, considering the achievement of job objectives and work behavior and attitudes, to identify areas where employees may need guidance and support to improve work efficiency. The company ensures a proper link between operational profitability and performance evaluations, providing appropriate feedback to employees. Outstanding performers may be rewarded with salary adjustments or promotions

Direct Employee Bonuses

To motivate employees and improve production efficiency, relevant production performance bonuses are provided to direct employees. Employees with excellent performance receive fair and reasonable compensation and benefits, which not only incentivize them but also enhance yield rates and productivity.

Retirement System

Topview Optronics Corp. has established a retirement system in accordance with legal regulations to ensure that employees are entitled to retirement benefits in the future. This includes those who fall under the retirement system specified in the "Labor Standards Act." For such employees, their retirement preparation funds are estimated and deposited into the old retirement fund account. Additionally, for those covered under the "Labor Pension Act," monthly contributions of 6% are made to the employees' individual retirement pension accounts based on the applicable retirement pension levels for each qualifying employee.

Working Conditions

Topview Optronics Corp. recognizes that human resources are the company's assets and places importance on maintaining a balance between work and life for employees to enhance productivity. Therefore, the company is committed to providing a high-quality working environment, including healthy and safe workplace facilities. It also regularly reviews labor conditions to ensure compliance with legal requirements and adopts a people-oriented management approach with the flexibility to make timely adjustments.

Overtime and Working Hours Management

The company has established a work time, vacation, and overtime management mechanism in accordance with labor regulations. Overtime pay is calculated or compensatory time off is provided when employees provide labor outside regular working hours due to work needs, following the requirements of the law. The company regularly reviews and controls working hours. With the exception of emergency or special operational situations, employees are entitled to at least one day of rest per seven working days as a standard practice.

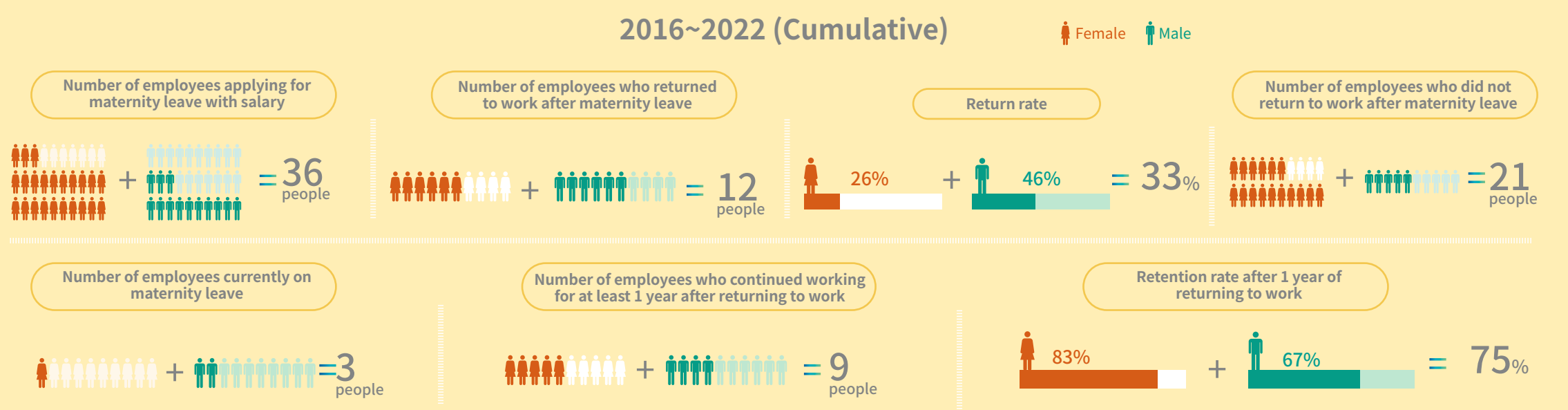


Maternity Leave

In consideration of the future competitiveness of our nation, our company recognizes the importance of supporting employees with childcare and breastfeeding needs as an undeniable social responsibility. Following the regulations in Taiwan, we provide maternity leave, and employees can apply for childcare leave with salary suspension under the "Gender Equality in Employment Act" and "Implementation Measures for Maternity Leave with Salary Suspension."

From 2016 to 2022, a total of 36 employees have applied for maternity leave, and currently, there are 3 employees on maternity leave. The retention rate of employees returning to work after maternity leave for one year as of 2022 is 75% (as shown in the table below).

Duration	Statistical items	Female	Male	Subtotal
2016~2022 (Cumulative)	Number of employees applying for maternity leave with salary suspension	23	13	36
	Number of employees who returned to work after maternity leave	6	6	12
	Number of employees who continued working for at least 1 year after returning to work	5	4	9
	Number of employees currently on maternity leave	1	2	3
	Number of employees who did not return to work after maternity leave	16	5	21
	Return rate	26%	46%	33%
	Retention rate after 1 year of returning to work	83%	67%	75%

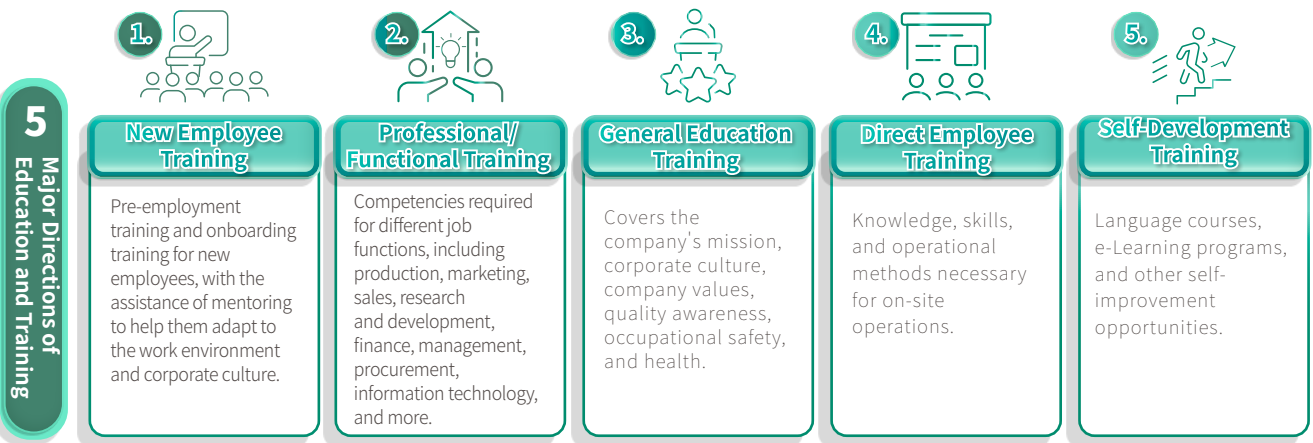


4.4 Talent Development

Topview Optronics Corp. places great importance on nurturing and developing its employees, believing that continuous cultivation of outstanding talents is essential to strengthen the competitive foundation and create a pool of high-quality human resources. The company dedicates significant resources to meet the human resource needs of the company's development and the specialized requirements of various functional units, offering comprehensive training programs to effectively develop human resources and enhance the quality of work among employees, ultimately achieving the company's business objectives. The company has also successfully passed the evaluation of the Talent Development Quality Management System (TTQS) conducted by the Workforce Development Agency, Ministry of Labor.

Training Content

The training at Topview Optronics Corp. is divided into five main directions, including New Employee Education and Training, Professional/Functional Training, General Education Training, Direct Employee Training, and Self-Development Training. We have established a comprehensive training system to help new employees quickly integrate into the organizational team. Upon joining the company, new employees receive education and training specifically designed for them. Each department provides a three-month work-learning and training program, allowing new employees to quickly understand the company's operational environment and become proficient in their roles, thus shortening the adaptation period. We offer competency-based courses to ensure that each employee possesses the necessary professional skills and knowledge required for their position, and we encourage employees to proactively share knowledge, achieving the goal of learning and experience transfer. The five major training contents are as follows:



Environmental, Safety, and Health-related Education and Training

To enhance employees' knowledge of work safety and health, Topview Optronics Corp. conducts safety and health education and training. Each year, training sessions are provided for new employees, current staff, emergency response, fire safety, and off-site specialized training to ensure personnel safety and minimize disaster losses. The statistics for Environmental, Safety, and Health education and training are shown in the following table, with a total of 209 participants and 90.5 hours of training.

Course Names	Number of Courses	Participants	Hours	Categor
First Aid Personnel Training	1	3	22	External Training
On-the-job Education and Training for Occupational Safety and Health Management Staff	1	1	12	External Training
Occupational Safety and Health Education and Training (New Employees)	15	109	45	Internal Training
Workplace Fire and First Aid Education and Training	2	69	7.5	Internal Training
Occupational Safety and Health Education and Training	1	27	4	Internal Training
Total	20	209	90.5	

Total Number of Environmental, Safety, and Health Education and Training (Internal and External)



Total Number of Courses
20/sessions



Total number of attendees
209/people



Total training hours
90.5/hr



SUSTAINABILITY REPORT 2022

In the year 2022, our educational training focused on improving new employee training, labor safety, emergency response, and policy advocacy (such as occupational safety and health, environment, quality, human rights, integrity, etc.). Additionally, in response to sustainability issues, we conducted training for relevant seed participants to facilitate their implementation within the company.

Item	Category		Internal Training	External Training	Total
Class hours	Indirect	Male	543	369	912
		Female	307	72	379
	Direct	Male	106	21	127
		Female	542	0	542
	Total		1498	462	1960
Training hours	Indirect	Male	423	17	440
		Female	206	12	218
	Direct	Male	81	2	83
		Female	388	0	388
	Total		1098	31	1129



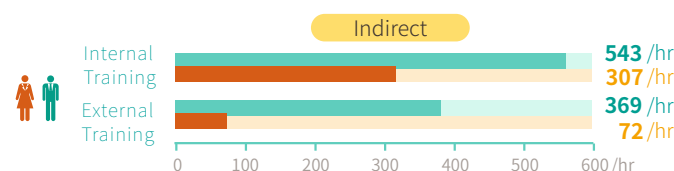
Class hours



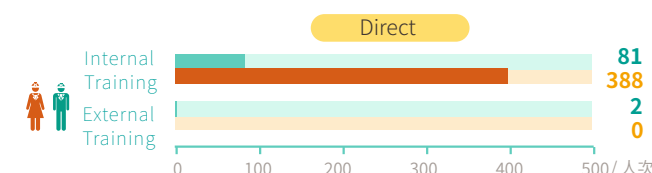
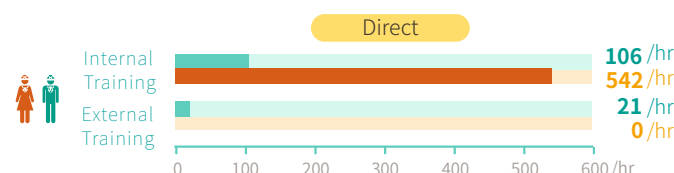
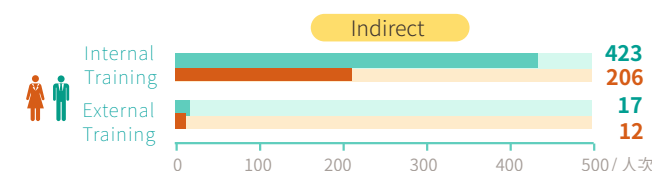
Female



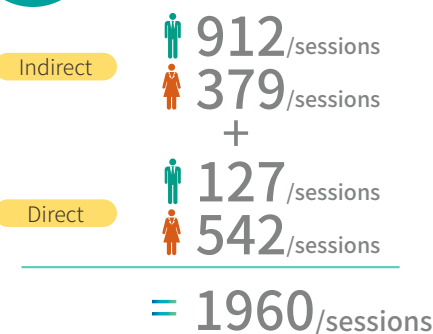
Male



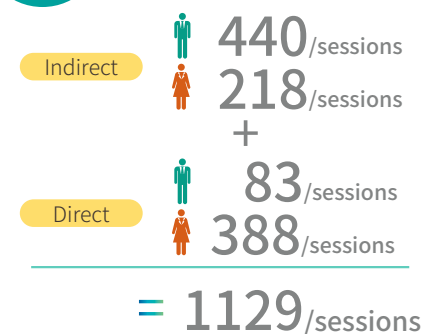
Training hours



Total Hours of Classes



Total Number of Attendees



Internal Training



Total Hours of Classes
1498/hr



Total Number of Attendees
1098/人

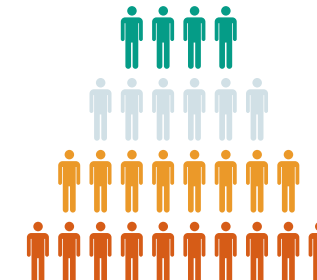
External Training



Total Hours of Classes
462/hr



Total Number of Attendees
31人



4.5 Employee Benefits

Topview Optronics Corp. upholds the concept of creating a happy workplace and designs a diverse range of employee benefits to provide all our team members with a high-quality work environment and a culture of well-being and health.



Online Series of Activities

In response to the COVID-19 pandemic and to avoid the risk of cluster infections, we are committed to complying with government epidemic prevention policies while still providing our employees with opportunities to engage in activities under appropriate conditions. The Employee Welfare Committee of the Group has collaborated with relevant affiliated companies to launch a series of online activities, such as the "K-Brother Singing Club" and the "Online Sports Meet," etc. Employees can enjoy exciting performances, participate in the Top 10 Popular Vote, or join team competitions through online channels. We aim to gradually organize small-scale employee welfare activities while adhering to epidemic prevention guidelines.

Million Dollar Lucky Draw

As part of our annual Spring Banquet event, we usually offer generous prizes to reward our employees for their hard work throughout the year. Due to the impact of COVID-19, we have transformed the traditional lucky draw into an "Online Million Dollar Lucky Draw" where all eligible employees have a 100% chance of winning. The total prize money amounts to one million dollars, ensuring that our employees' welfare remains unaffected by the pandemic.



Online Public Prize Draw with a Prize of **1 Million NT Dollars**



Social Club Activities

To foster communication and boost team morale, Topview Optronics Corp. has established various social clubs, such as the Running Club, Board Game Club, Badminton Club, Softball Club, and more. We provide financial support and venue assistance to encourage employees to form their own clubs. These social clubs aim to promote work-life balance and create a healthy and happy work environment for our employees.



4.6 Occupational Health and Safety

Topview Optronics Corp. is committed to providing a safe and healthy working environment for its employees. In line with our "Occupational Health and Safety Policy," we focus on the following

"Eliminating hazards and risks, complying with safety regulations, involving employee consultations, and continuously improving."

To implement this policy, Topview Optronics Corp. has established a Safety and Health Committee under the Environmental and General Affairs Department in accordance with the "Occupational Safety and Health Management Regulations." The committee comprises representatives from both labor and management, and it holds regular labor safety and health meetings on a quarterly basis.

In 2022, a total of four meetings were held, during which significant decisions were made regarding health and safety matters. These decisions included initiatives such as the presence of on-site medical personnel, epidemic prevention measures for contractors, environmental hygiene within and around the factory premises, commuting safety awareness, electrical management, and safety measures for contractors entering the premises. All these requirements were communicated to our employees through official announcements.



workplace Zero Accidents, 0 incidents per month

Approach to Major Theme Management

Major topic	Stakeholders	2022 Management Goals	2022 Goal Achievement Status	2023 Management Goals
Occupational Accident Management	employees	Reducing Occupational Accident Cases to 0 per Month	0 cases, Achieving the target	0 cases
	Responsibilities	Resources	Actions	Assessment
	Environmental Health and Safety (EHS) Affairs	1.Cross-departmental collaboration for project execution. 2.External audit unit conducting verification.	1. Maintaining the validity of the ISO 45001:2018 Occupational Health and Safety Management System certificate annually. 2. Conducting relevant educational and training programs.	1. Conducting quarterly labor safety and health meetings and disseminating relevant information. 2.Providing outcome reports during management review meetings.

Topview Optronics Corp. has implemented the ISO 45001 Occupational Health and Safety Management System to manage risks through risk assessment, disaster prevention, and environmental monitoring. The company conducts various activities to reduce occupational health and safety risks for employees and contractors. The related activities are as follows:

Occupational Health and Safety Activities

1. Occupational Safety and Health Inspection

To ensure the safety of employees and the factory premises, and to prevent personnel injuries and property damage, each department at Topview Optronics Corp. complies with government regulations and company operating standards. In addition to conducting automatic and self-checks, the factory's safety and health management personnel also perform routine occupational safety inspections. Furthermore, cross-site safety and health inspections are implemented across different locations, involving safety and health management unit personnel and environmental safety personnel. Through these cross-check activities, awareness of safety and health management is enhanced among the personnel.

1-1 Occupational Accident Statistics, Analysis, and Safety Promotion

Occupational Accident Statistics, Analysis, and Safety Promotion: In 2022, there were no significant occupational accidents reported. The main reported accidents were related to commuting accidents during the journey to and from work. To address this, the HR department conducted special traffic safety promotions and provided traffic safety information in the EIP-HR zone to help employees develop proper and safe driving habits. In 2022, the total working hours for employees exceeded 80 million hours. The number of fatalities due to occupational injuries, fatalities caused by severe occupational illnesses, the number of recordable occupational illnesses, and near-miss accidents were all zero. The recordable occupational accident rate for 2022 was 1.20, meeting the target for the recordable occupational accident rate set for the year.

Year	Total Work Hours	Number of Minor Injuries	Number of Disabling Injuries	Severe Occupational	Recordable Occupational
2021	810,624	1	0	0	1.23
2022	832,384	1	0	0	1.20

1-2 Accident Investigation Process

Topview Optronics Corp. has established an accident investigation procedure for incidents involving disabling injuries, non-disabling injuries, and near-miss events that occur during various operations within the factory. The purpose of this procedure is to record, investigate, and analyze these incidents, in order to identify the root causes and take appropriate measures to prevent similar accidents or near-miss events from recurring. By implementing a comprehensive accident investigation process, the

Accident Investigation and Review :

The supervisor of the department where the accident occurred is responsible for overseeing all relevant handling procedures and conducting the analysis and attribution of the accident.

Improvement Tracking:

Upon approval by the General Manager, the accident investigation report will be publicly announced, and improvement measures will be tracked and followed up.

Occupational Health and Safety Training

Occupational Health and Safety Training: To enhance employees' knowledge of workplace health and safety, Topview Optronics Corp. conducts regular safety and health training sessions. These trainings not only comply with safety and health regulations but also instill a safety-oriented mindset among employees, aiming to minimize occupational hazards and strive towards zero work-

2-1 Newly hired employees and existing staff undergo safety and health training

In order to enhance the awareness of radiation operation safety among our staff, we arrange periodic retraining for personnel in compliance with legal requirements. Additionally, we reinforce safety and protective awareness through ISO 45001 audits.

2-2 Non-Ionizing Radiation Training

To enhance the safety awareness of employees involved in non-ionizing radiation operations, regular retraining is scheduled in compliance with regulations. ISO 45001 audits are conducted to reinforce employees' safety and protection awareness.

2-2 Fire Emergency Response

The company holds two full-scale fire drills every year. Prior to the drills, the Environmental Health and Safety Department gathers members of the fire self-defense team from various functional units for education and training. This ensures that team members are aware of their roles and responsibilities during emergencies. In 2022, the company conducted an unannounced fire drill to simulate real-life situations, reinforcing employees' vigilance in case of disasters and reducing safety risks and losses. After each fire drill, the Environmental Health and Safety Department conducts relevant reviews and evaluations to improve the emergency response.



Fire Drill



Safe Work



3-1 Hazard Identification and Risk Assessment

To prevent occupational accidents, Topview Optronics Corp. requires personnel to use protective equipment correctly to ensure their safety during operations. Regular hazard identification and risk assessment are conducted for operational processes, and unacceptable risks are controlled. Continuous improvement of operational management and preventive mechanisms is emphasized, including safety assessments prior to acquiring machinery and enhanced safety measures. To ensure the safe operation of electrical equipment at the work site, warning devices are installed on machines as a secondary safety measure.

3-2 Chemical Management



Our company does not utilize highly toxic chemicals. In our processes, we only use substances like ethanol (alcohol) and soldering flux. The chemicals used on-site are managed, labeled, and stored according to the procedures outlined by the Globally Harmonized System (GHS) for the classification and labeling of chemicals.

3-3 Work Environment Monitoring



In accordance with the actual operational hazards and regulatory requirements, we regularly engage monitoring agencies to conduct work environment assessments. This helps us understand the presence of hazardous factors in the work environment. Based on monitoring results, we implement improvements at the work sites to mitigate the occurrence of occupational diseases. In 2022, noise, illumination, carbon dioxide, and organic solvent monitoring results all complied with legal requirements.

Divert Evacuation - Office Personnel

Off-site Assembly - Member Roll Call

General Manager's Environmental Health



Employee Health Care

Health examination

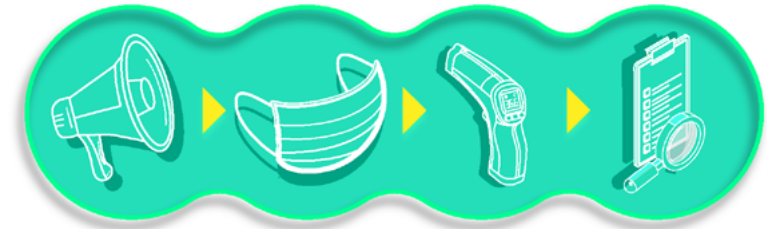
Topview Optronics Corp. conducts annual health examinations organized by the Administration Department's Environment, Health, and General Affairs Division. The examinations are carried out every two years, which exceeds the regulatory requirement for examination frequency. Qualified medical institutions for labor health checks are commissioned to conduct the examinations on-site, with examination items surpassing regulatory standards. Certified medical personnel perform the annual health checks, and based on the abnormality ratio, annual trends, and population trends of employees, assessments are made to identify areas for improvement. Urgent matters are prioritized, and individual needs of employees are understood through periodic health care follow-ups, providing comprehensive health care. For employees engaged in high-risk tasks requiring special health examinations, individual consultations are arranged with doctors to discuss their personal health checks and provide detailed explanations regarding their dietary habits and lifestyle.

In addition to common occupational health protection measures such as preventing musculoskeletal disorders caused by repetitive tasks, preventing diseases related to abnormal workloads, preventing incidents of unlawful attacks during work, and providing maternity health protection, the company's nurse also conducts preliminary assessments based on health examination reports. High-risk groups and pregnant employees requiring maternity protection during pre-pregnancy, pregnancy, and post-pregnancy periods are identified for

health management interviews and job suitability assessments. These individuals are then arranged to have face-to-face discussions with occupational health physicians to provide health and hygiene education and to receive ongoing health management and follow-up care from the company nurse.

Epidemic prevention publicity

While the pandemic is gradually being lifted, Topview Optronics Corp. continues to maintain the same pace by holding regular weekly epidemic prevention meetings and making rolling adjustments based on the situation. The Human Resources department also periodically conducts epidemic prevention health care and policy advocacy internally



4.7 Social Care and Participation

1.Charitable activities

Caring for the Vulnerable and Restarting

Topview Optronics Corp. calls on all employees to participate in public welfare and contribute to causes they care about. Since 2016, the company has been sponsoring the LeYin Foundation, and our colleagues have actively participated in related activities, such as donating receipts and spare change. Through these small actions, the collective compassion of our employees is channeled to help vulnerable women and children in society. We hope that through charitable donations, we can offer assistance and bring opportunities for life-changing experiences to these vulnerable groups.

Accompanying families in need through the storm

Many economically disadvantaged families in society face sudden and unforeseen hardships that push them into desperate situations. Especially in recent years, the impact of the pandemic not only endangers human lives but also leads to a significant reduction in donations for social welfare organizations. Recognizing the impact of the pandemic on the broader community, Topview Optronics Corp. has taken the initiative to regularly sponsor the "1919 Love Walk - Emergency Family Assistance Program" initiated by the Chinese Christian Relief Association and the Ciyun Love and Mercy Foundation in New Taipei City. Through these sponsorships, we aim to extend warmth and support from the wider community to vulnerable families who are hit even harder by the pandemic.

2.Public welfare implementation effect

Topview Optronics Corp. believes in measuring the "non-financial" feedback and returns obtained from investing in philanthropic activities. By supporting charitable organizations, we aim to spread positive energy throughout every corner of society. Our goal is to ensure that every dollar invested can generate higher social returns and make a positive impact on the community.

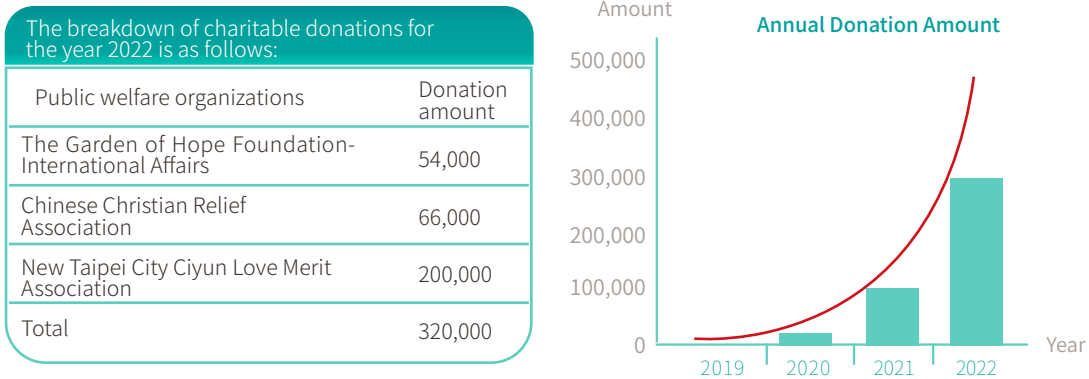


3.Cultural Activities

Encouraging employees to participate in the "Sustainable Environment in a Friendly Land" initiative, the company promotes experiencing agricultural labor in rural communities. Through organized activities, employees have the opportunity to step onto the land and truly feel the simplicity and natural spirit of farming. This initiative aims to spread the values of "Eating Local, Eating Seasonal, and Caring for the Community" and continue the propagation of sustainable living.



The effectiveness of the company and all employees in responding to public welfare has also been improving year by year. The statistics of public welfare donations from 2019 to 2022 are as follows:





topview

Chapter 5 Environmental Sustainability and Carbon Management

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5 Environmental Sustainability Management

5.1 Smart Factory and Carbon Management

Topview Optronics Corp. is engaged in the research, development, assembly, and EMS contract manufacturing of monitoring equipment. As society increasingly emphasizes corporate social responsibility, the adoption of smart factory technologies enables the manufacturing industry to better track production quality. By standardizing processes, not only are unnecessary operational steps eliminated, but production efficiency is also improved. Increasing production capacity has always been a goal pursued by our manufacturing team, and while ensuring quality, streamlining operational processes allows for a rapid overall enhancement in production efficiency. Topview Optronics Corp. has initiated a series of transformative actions:

Manufacturing Execution System (MES System)

In order to drive lean production, the manufacturing department has initiated efforts to streamline and standardize processes. The implementation of the Shop Floor Control System enables more efficient production scheduling at each workstation. Through the system, comprehensive records of product testing results are captured, facilitating subsequent data analysis and optimization of the testing process. By generating valuable reports, overall operational efficiency is enhanced.

【 檢驗紀錄 】			
#	檢驗結果	檢驗時間	檢驗日期
01. ADP1	P	2022-11-03 18:01:02	
02. ADP2	P	2022-11-03 18:15:46	
03. AL1	P	2022-11-03 18:30:13	
04. AL2	P	2022-11-03 18:44:50	
05. Burn In	P	2022-11-03 18:45:04	
06. Burn Out	P	2022-11-03 18:49:07	
07. PQCI	P	2022-11-04 13:44:03	
08. PQCI	P	2022-11-23 14:57:31	
09. P12	P	2022-11-23 14:57:39	
10. P12	P	2022-11-23 16:26:03	

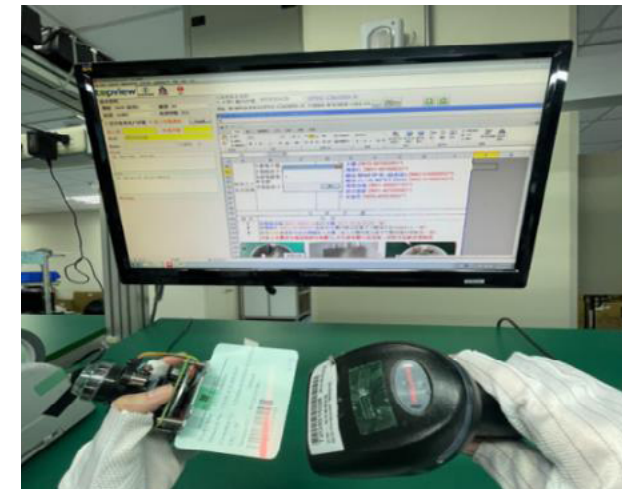
Topview Optronics Corp. is engaged in the research, development, and assembly of monitoring equipment. Since its establishment, the company has never violated any environmental regulations. To achieve its sustainability vision, the company integrates abundant technical expertise and resources to enhance production efficiency through process improvements while ensuring product quality and yield.

We are committed to implementing the concept of "environmental sustainability" within our organization. Moreover, we align with international standards by establishing the ISO 14001 environmental management system, integrating relevant management protocols. This enables our company to follow the PDCA cycle on both operational and administrative fronts, fulfilling our commitment to actions promoting environmental sustainability.

paperless

Since the implementation of the electronic approval system, Topview Optronics Corp. has expanded its scope to encompass various cross-functional documents, such as engineering changes, ISO procedural documents, and administrative forms. Additionally, the company has introduced the Manufacturing Execution System (MES System) on the production lines to closely monitor the daily production scheduling progress of each line.

Using barcode scanning actions, the online personnel can automatically access the required Standard Operating Procedures (SOP) for each station through the system. The MES system is utilized for document management on the production lines, accelerating operational efficiency, mitigating the risk of using incorrect document versions, and, at the same time, achieving the objective of paperless management in the factory.



SUSTAINABILITY REPORT 2022

[Smart Factories](#)
[Energy Management](#)
[Greenhouse Gas Management](#)
[Water Resource Management](#)
[Waste Management](#)
[Climate Change Risks and Opportunities](#)

Auto Optical Inspection

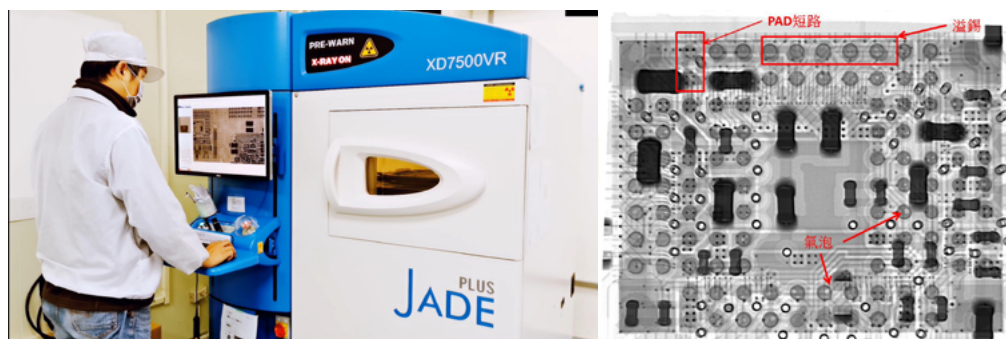
The AOI inspection equipment, combined with multiple lenses, angles, and software-based detection algorithms, is more effective in detecting common abnormalities in the SMT (Surface Mount Technology) process compared to traditional manual visual inspection. These abnormalities include wrong components, wrong polarity, lead lift, lead defects, and others. Additionally, the AOI system provides real-time feedback to the pre-SMT process, facilitating the identification of abnormal causes. This not only improves product quality and yield but also meets the production capacity requirements.



X-Ray Equipment

In the quality control process of the SMT (Surface Mount Technology) manufacturing, the most challenging issues are BGA (Ball Grid Array) short circuits and voids or cold soldering on the substrates. Conventional methods such as manual component removal (layer-by-layer approach) or trial and error (trial and error method) are not only time-consuming but also inefficient.

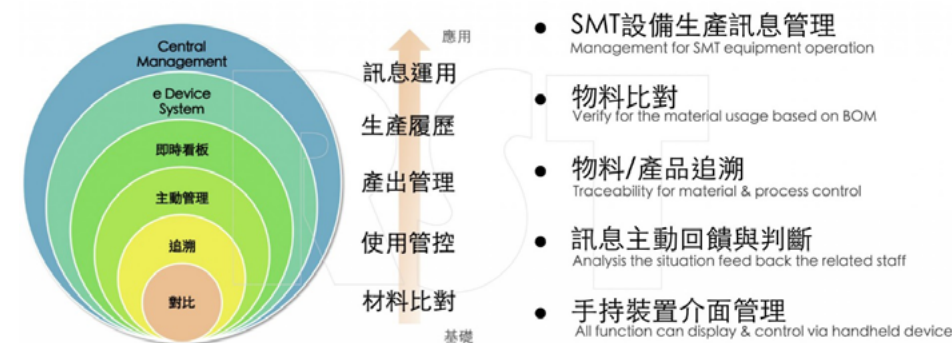
X-Ray equipment, on the other hand, is a non-destructive testing method that utilizes penetrating inspection and automated analysis to rapidly identify the root causes of production abnormalities. Once identified, engineers can promptly adjust relevant process parameters and implement appropriate countermeasures in collaboration with relevant departments. This significantly improves the quality and yield of the SMT manufacturing process.



SMT Material Error Prevention System

Topview Optronics Corp. operates in a low-volume, high-variety production environment, which entails frequent line changes and replenishment operations. In the SMT process, manual verification based on paper documents was the standard practice, relying heavily on human inspection. As the SMT process serves as a crucial station in the manufacturing plant, errors due to personnel fatigue can lead to increased rework costs, reduced production capacity, and even customer complaints and claims that can affect the company's reputation.

Therefore, establishing a robust SMT Material Error Prevention System becomes exceptionally important. With the implementation of the SMT Material Error Prevention System, an upgrade to scanning and reading SMD reel barcode information is introduced. This allows for offline material verification and integration with the material station, providing error prevention reminders. As a result, it effectively reduces the time and mental stress associated with personnel changes and material replenishment tasks.

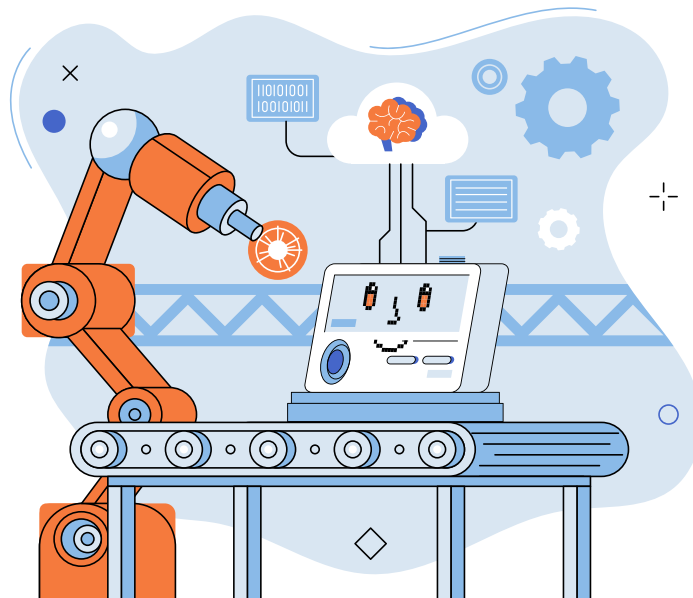


Automated Production Testing Program

As lens functionalities become increasingly complex, and resolution specifications continue to rise, the task of inspecting image quality has evolved from manual human judgment to algorithm-based software determination. This shift not only significantly reduces the risk of human error or misjudgment but also allows for real-time uploading of testing yield and results to the system.

The data uploaded to the system can serve as a valuable source of improvement for the research and development department during new product development and trial production reviews. Additionally, it provides continuous improvement insights for process engineers after mass production.

With the adoption of an automated production testing program, the inspection of image quality is efficiently managed, empowering the company with enhanced capabilities for product development and process improvement.



Establishment of Smart Factory Production Blueprint

Topview Optronics Corp. continues to outline a three-year plan for smart production, focusing on reviewing current processes and implementing improvements based on standardization, modularization, automation, and digitization. Various aspects of enhancement are being initiated, including logistics and warehouse optimization, automated packaging planning, testing process automation, and human-machine collaboration projects. These endeavors aim to continuously refine and optimize the overall production flow, reducing external processing on the production line and minimizing ineffective handling, thereby effectively improving factory space utilization and production capacity.

By leveraging more efficient space utilization and implementing automation in the processes, overall efficiency is constantly enhanced, indirectly leading to reduced space utilization, air conditioning, and power consumption in the factory. This effectively lowers and controls greenhouse gas emissions, aligning with the company's commitment to sustainable development.

The smart factory production blueprint endeavors to create a more streamlined, environmentally friendly, and sustainable manufacturing ecosystem for Topview Optronics Corp.

5.2 Energy Management

The main source of electricity for our company is Taiwan Power Company, which actively promotes green energy in Taiwan. In line with government policies, Topview Optronics Corp. supports these initiatives. According to Taiwan Power Company's ESG report published in 2021, renewable energy (generation + purchased) accounted for approximately 6.4% of the total energy supply, with the proportion of renewable energy steadily increasing over the years.

Topview Optronics Corp.'s energy consumption includes electricity usage in the office, as well as gasoline and diesel. The usage amounts of various energy sources for the years 2018 to 2022 are shown in the table below, with purchased electricity being the most significant energy consumption item.

Energy Usage Records from 2018 to 2022 - Taoyuan Plant

Energy Source	Scope of Use	2018	2019	2020	2021	2022
Purchased Electricity (KWH)	Office equipment, machinery equipment, air conditioning, lighting, etc.	1,885,600	2,123,200	2,422,000	3,271,200	3,122,600
Purchased Electricity (GJ)		6877.1	7643.5	8719.2	11776.3	11241.3
Gasoline (L)	Government vehicles	2896	3267	4358	5127	6500
Diesel (L)	Emergency generator	52	50	50	60	250

Note 1: 1 kilowatt-hour (kWh) of electricity = 3.6 megajoules (MJ)

Energy Usage Records from 2018 to 2022 -Taichung office

Energy Source	Scope of Use	2018	2019	2020	2021	2022
Purchased Electricity (KWH)	Office equipment, air conditioning, lighting	951,722	961,721	163,844	161,721	222,881
Purchased Electricity (GJ)		3426.2	3462.2	589.8	582.2	802.3

Note 1: 1 kilowatt-hour (kWh) of electricity = 3.6 megajoules (MJ)

Note 2: The increase in electricity consumption in 2022 for the Taichung office is attributed to the addition of the new office space.

Carbon Reduction Performance

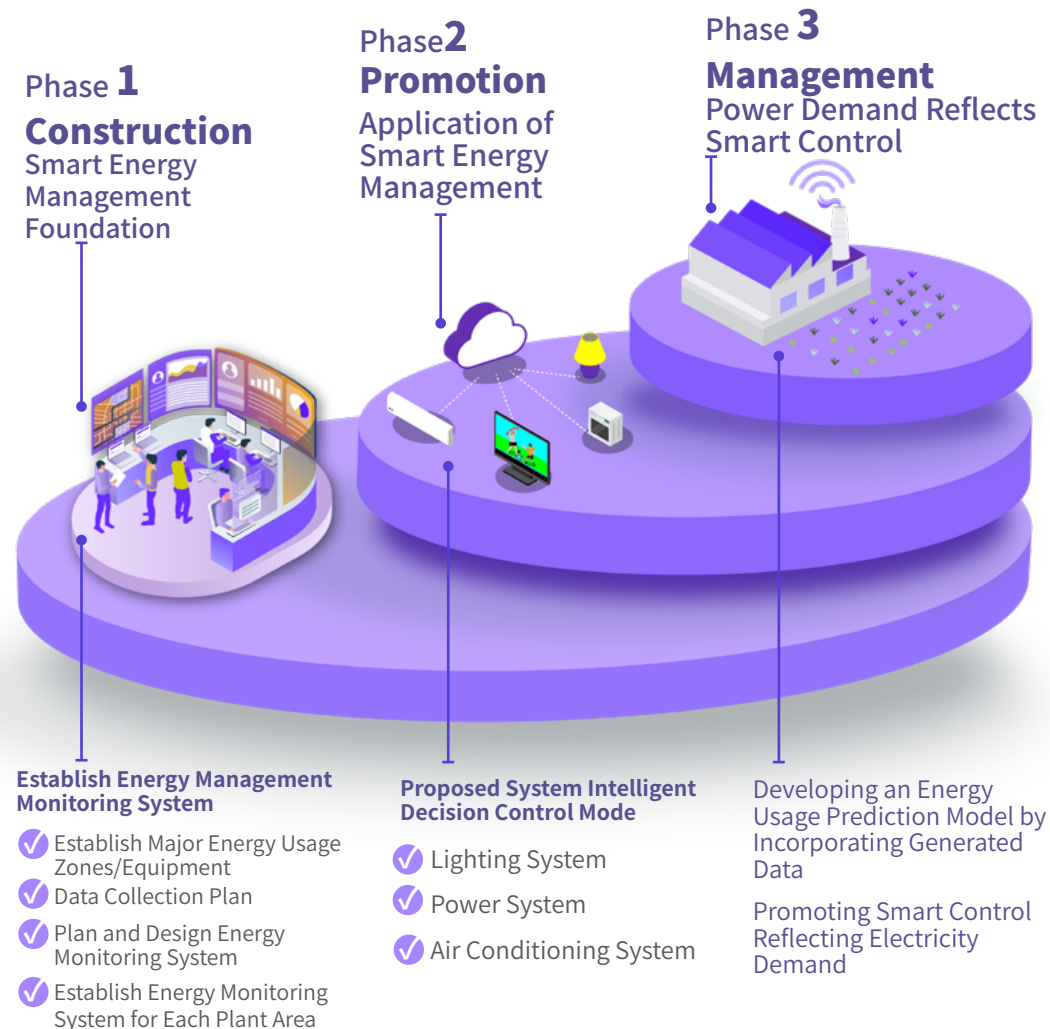
In 2022, the implementation of the smart factory initiative effectively improved factory space utilization and production capacity, resulting in overall efficiency gains and indirectly reducing the consumption of space and electricity for air conditioning in the plant. As a result, the electricity consumption decreased compared to the previous year, leading to a reduction of approximately 70.243 (CO2e) in carbon emissions (refer to section 5.3 Greenhouse Gas Management). However, in the Taichung office, electricity usage increased due to the expansion of office facilities to accommodate business growth. To meet the requirements of sustainable development, the company will continue to focus on electricity management and optimization.

Smart Electricity Management Management Approach for Key Themes

Major topic	Stakeholders	2022 Management Goals	2022 Goal Achievement Status	2023 Management Goals
Energy Conservation and Carbon Reduction	Government Customers Shareholders	Electricity Consumption Maintained within Targets	Achievements	Keeping electricity consumption within the target
	Responsibilities	Resources	Actions	Assessment
	Environmental Safety and General Affairs	Cross-Department Collaboration in Project Execution.	1.Continuously replacing T8 light fixtures with LED light fixtures. 2.Implementation of measures related to smart factories, such as phased establishment of energy management and monitoring systems: activating only specific compressors or air conditioning units during low power demand based on predefined parameters to achieve energy-saving effects. 3.Employee awareness campaign promoting turning off lights during lunch breaks and after work hours. 4.Regular maintenance of air conditioning equipment to ensure operational efficiency.	1.Conduct monthly electricity consumption statistics. 2.Provide progress reports during plant meetings.

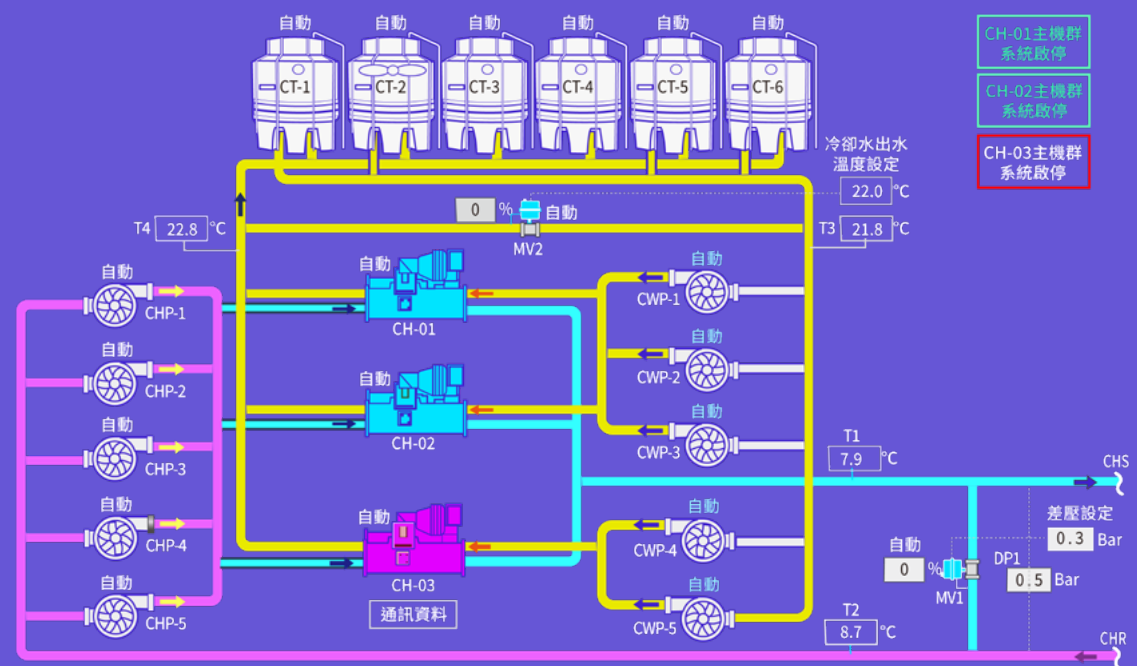
Smart Energy Management

Topview Optronics Corp. recognizes the future challenges of sustainable energy and is proactive in preparing for them. In addition to promoting daily energy-saving practices, the company is also gradually implementing a smart energy management monitoring system. Please refer to the details provided in section 5.1, where the Smart Factory Production Blueprint is established.



Carbon Reduction Performance

In addition to the ongoing replacement of T8 light fixtures with LED light fixtures, the Taoyuan factory experienced an increase in electricity consumption due to a significant growth in orders in 2021, leading to the addition of production lines starting from the second half of 2020. While pursuing economic growth, Topview Optronics Corp. remains committed to sustainability. During the expansion of the Taoyuan plant, the concept of energy management was taken into consideration, and a smart energy management monitoring system was gradually implemented. This system activates specific compressors or air conditioning units only when electricity demand is below set parameters, effectively achieving energy-saving results. The Taichung office achieved energy-saving and carbon reduction effects through the implementation of measures such as central air conditioning and lighting systems. The electricity consumption was reduced compared to the same period last year, leading to a significant decrease of 6.35 metric tons of greenhouse gas emissions (CO₂e) per year. Topview Optronics Corp. continues to strike a balance between economic growth and sustainable development, actively implementing energy-saving measures and reducing carbon emissions throughout its operations.



5.3 Greenhouse Gas Management

The Era of Carbon Pricing is Approaching

The issue of greenhouse gases has always been one of the sustainable concerns of Topview Optronics Corp. In recent years, with the escalating global climate abnormalities and the advent of the carbon pricing era, climate change issues have continued to gain attention. Both governments and private enterprises have started focusing on carbon emissions-related topics. Given the global trend towards net-zero emissions and the carbon border adjustment mechanisms in Europe and the United States, the transition to achieving net-zero emissions has evolved from being just an environmental issue to becoming an economic issue that impacts industry's international competitiveness. As a result, companies are now dedicating efforts to energy conservation and carbon reduction activities, as reducing carbon emissions not only contributes to society but also helps lower operational costs by improving energy efficiency.

Since 2014, Topview Optronics Corp. has voluntarily taken on the responsibility and obligation of corporate efforts against global warming. It has initiated voluntary Greenhouse Gas (GHG) inventories, as these inventories form the foundation for quantifying emission reductions. The purpose is to accurately understand the company's greenhouse gas emissions and assess feasible strategies to reduce them, with the goal of achieving a reduction in greenhouse gas emissions.



Greenhouse Gas Inventory

In accordance with the requirements of the "Sustainable Development Pathway for Listed Companies," Topview Optronics Corp. has been implementing greenhouse gas inventories and disclosure verification in four phases starting from 2023. Progress reports have already been submitted to the board of directors quarterly since the fourth quarter of 2022.

The greenhouse gas inventory results for the year 2022 are presented in the following table. The disclosed data primarily focuses on direct emissions (Scope 1) and indirect emissions (Scope 2), revealing that the emissions caused by purchased electricity constitute more than 90% of the company's overall emissions.

Greenhouse Gas Emissions from 2019 to 2022

Category	Emission Source		2019		2020		2021		2022	
			Greenhouse Gas Emissions (Metric Tons CO2e)		Greenhouse Gas Emissions (Metric Tons CO2e)		Greenhouse Gas Emissions (Metric Tons CO2e)		Greenhouse Gas Emissions (Metric Tons CO2e)	
		Plant	Taoyuan	Taichung	Taoyuan	Taichung	Taoyuan	Taichung	Taoyuan	Taichung
Scope 1	Direct Emissions	Diesel	N/A	N/A	N/A	N/A	N/A	N/A	0.65	N/A
		Gasoline	7.52	N/A	9.99	N/A	7.52	N/A	15.321	N/A
		Refrigerant Fill	N/A	N/A	N/A	N/A	N/A	N/A	59.584	N/A
		Septic tank	N/A	N/A	N/A	N/A	N/A	N/A	64.65	10.38
		Total	7.52	N/A	9.99	N/A	7.52	N/A	140.21	10.38
Scope 2	Indirect Emissions	Purchased Electricity	1108.310	103.259	1264.28	85.53	1659.646	81.97	1589.403	113.446
Total			1115.83	103.259	1274.27	85.53	1667.17	81.97	1729.61	123.827

Note 1: Operating under the Operational Control Approach, information for Scope 1 and Scope 2 covers all plant sites.

Note 2: For Scope 1, only mobile source gasoline emissions were previously reported. Starting from 2022, in response to the disclosure and verification schedule required by publicly listed companies for greenhouse gas inventory, voluntary disclosure and verification are conducted in accordance with ISO 14064-1, with an aim to obtain a verification statement by 2027.

Note 3: For Scope 2, the emission factor for electricity is based on the value of 0.502 kg CO2e per kWh as announced by the Energy Bureau, Ministry of Economic Affairs in 2021.

Note 4: Global Warming Potential (GWP) values are referenced from the IPCC Sixth Assessment Report published in 2021.

Note 5: Greenhouse gas emission factors are based on the Administrative Emission Factor Management Table 6.0.4 issued by the Environmental Protection Administration, Executive Yuan.

Please note that the above text is a translation and might require further refinement based on context and specific terminology conventions.

5.4 Water Resources Management

Water Resources from Medium to Low-Risk Areas

Topview Optronics Corp. currently utilizes water resources provided by third-party water companies, which is primarily tap water. The factory locations have been assessed using the WWF Global Water Risk Assessment tool and are identified as being in areas with medium to low water resource stress risk.

Link to WWF Global Water Risk Assessment Tool : <https://waterriskfilter.org/explore/countryprofiles>

The products produced by Topview Optronics Corp. do not require water in the manufacturing process, and the water usage is mainly for daily living purposes. All water currently used is sourced from the public water supply, and no groundwater extraction is involved. Despite the convenience of accessing water resources, the company consistently reminds its employees to value and conserve water resources. In addition to reminders through slogans in daily life, the company strengthens water conservation awareness during environmental and health days to encourage employees to develop water-saving habits from their daily activities and make it a part of their lifestyle.

In 2020 and 2021, due to the pandemic, there was an increase in water consumption in public areas for cleaning and disinfection purposes. However, with adjustments in epidemic prevention measures and water conservation promotion, the water consumption in public areas significantly decreased in 2022 compared to the peak period during the pandemic.

Water Resource Usage Record for Taoyuan Plant (2018-2022)

Water Resource Categories	Usage Scope	2018	2019	2020	2021	2022
Tap Water (cubic meters m3)	Domestic Use	7730	8068	141560	174805	8748
Groundwater (cubic meters m3)	Not Used	Not Used	Not Used	Not Used	Not Used	Not Used
Total Water Withdrawal (million liters)		7.730	8.068	141.560	174.805	8.748

Note: The Taichung office is located in a general commercial building, and water resource usage is limited to domestic use. The water consumption data is centrally managed by the building management office and is therefore not included in the calculation.

Water Conservation Plan

Water Conservation Plan To reduce water resource consumption, Topview Optronics Corp. has replaced the toilets and faucets inside the factory with water-efficient toilets and faucets that have obtained the water-saving certification from the Water Resources Agency, Ministry of Economic Affairs. This measure effectively reduces water resource usage.

Wastewater Management

Wastewater Management During the product manufacturing process, Topview Optronics Corp. does not generate any industrial wastewater. Only domestic sewage is produced. Domestic sewage is managed in compliance with the regulations of the Guishan Industrial Zone, Taoyuan. It is directed to the wastewater treatment plant for proper treatment, ensuring that there is no secondary pollution to rivers or land. The personnel at the wastewater treatment plant conduct random and unannounced sampling of domestic sewage for testing on a yearly basis, and all test results meet the required standards.

Results of Domestic Wastewater Analysis

Operating Sites	Wastewater Discharge Standards	Testing Criteria
Taoyuan Plant	Wastewater Treatment Plant Effluent Quality Standards for Guishan Industrial Zone Service Center	Water Temperature, pH, BOD, COD, SS, Boron, Fluoride, Copper, Zinc, Nickel



5.5 Waste Management

Water Conservation Plan To reduce water resource consumption, Topview Optronics Corp. has replaced the toilets and faucets inside the factory with water-efficient toilets and faucets that have obtained the water-saving certification from the Water Resources Agency, Ministry of Economic Affairs. This measure effectively reduces water resource usage.

Wastewater Management During the product manufacturing process, Topview Optronics Corp. does not generate any industrial wastewater. Only domestic sewage is produced. Domestic sewage is managed in compliance with the regulations of the Guishan Industrial Zone, Taoyuan. It is directed to the wastewater treatment plant for proper treatment, ensuring that there is no secondary pollution to rivers or land. The personnel at the wastewater treatment plant conduct random and unannounced sampling of domestic sewage for testing on a yearly basis, and all test results

Waste Generation Records (2015-2022) - Taoyuan Plant

Waste Categories	Waste Composition	2015	2016	2017	2018	2019	2020	2021	2022
General Waste (kg)	Domestic Waste	23930	50823	51064	48564	47580	42918	42673	44102
Industrial Waste (kg)	Including waste cardboard boxes, IC trays, plastic waste, packaging waste, mixed metal scraps, etc.	505	646	5133	6304	3834.5	4350	4114	4335

Note: Business waste generated at the Taoyuan Plant is categorized and stored according to relevant regulations for proper recycling.

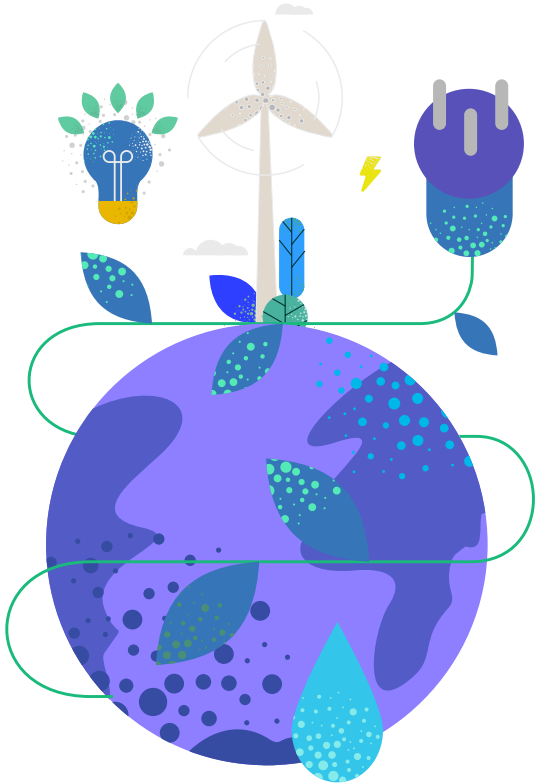
Waste Transportation and Management

All types of waste generated by Topview Optronics Corp. are entrusted to qualified and professional waste management companies for recycling or proper disposal. Each year, during the contract renewal process, the validity of their waste handling permits is confirmed. Topview Optronics Corp. also conducts periodic on-site inspections to ensure that all waste is being properly handled.

General waste: Professional and qualified waste management companies are responsible for the transportation and disposal. For the Taoyuan Plant, waste is transported to the Lucao Chemical Plant in Chiayi for incineration. Business waste: Qualified waste management companies are responsible for centralized collection and recycling.

Waste Reduction

Topview Optronics Corp. continues to promote waste reduction activities and implements resource recycling and classification at the source. For example, proper resource classification training is provided to cleaning personnel, and employees are encouraged to participate in garbage sorting. In recent years, the company has been actively promoting the principle of "source reduction and resource recycling" in line with the concept of sustainable resource management. With continuous efforts to educate employees on correct waste sorting, the proportion of waste in the resource recycling stream has been decreasing year by year. This reflects the growing integration of environmental awareness into the daily habits of our employees.



5.6 Climate Change Risks and Opportunities

In response to United Nations Sustainable Development Goal (SDG) 13 - Climate Action, Topview Optronics Corp. has initiated the collection of decision-relevant and forward-looking financial impact information to facilitate the company's transition towards a low-carbon economy. Following the framework of the Task Force on Climate-related Financial Disclosures (TCFD), the company is outlining its current practices in climate change governance, strategies, risk management, metrics, and targets, which constitute the four core elements.

5.6.1 TCFD Management Framework at Topview Optronics Corp.

Following the recommendations of the Task Force on Climate-related Financial Disclosures (TCFD), Topview Optronics Corp. is disclosing its approach in the areas of governance, strategy, risk management, metrics, and targets. The main strategies and actions are as follows:

Governance

- "Sustainable Development Promotion Team": The team is supervised by the Chairman and General Manager, with department representatives from all operational units serving as committee members. The respective unit managers are responsible for the operation of the committee. The team members regularly organize courses and training to align with international and regulatory trends, ensuring that the management level stays up-to-date with the latest developments, and they report the relevant execution results to the Board of Directors.
- "Board of Directors": Reviews the execution results of sustainable management strategies, major action plans, risk management policies, greenhouse gas inventory, etc.

Strategy

- Risk: Each unit defines risk assessment and identification based on the "Risk Management Operation Procedure," understanding risk factors related to policies and regulations, technology, market, reputation, and extreme weather events. Short-term (within 3 years), medium-term (3-5 years), and long-term (5-10 years) risk controls are conducted, and they are integrated into the operational management framework of each unit.
- Opportunity: Each business and company unit assesses potential opportunities and identifies market, product/service, and resource efficiency opportunities to develop new businesses and services. Short-term (within 3 years), medium-term (3-5 years), and long-term (5-10 years) opportunity controls are carried out, and they are integrated into the company's operational processes.

Risk Management

- The various functional units within the risk management organization identify and assess risks and opportunities based on their functional characteristics and operational processes, and then manage them accordingly.
- The Board of Directors and the Audit Committee are the ultimate decision-makers for risk assessment and control.
- Based on the probability and severity (impact) of short-term, medium-term, and long-term physical and transitional risks, they are scored and evaluated. Projects with high occurrence frequency and severity will be discussed across departments, and relevant management measures will be formulated. [For more details, please refer to section 5.6.2 on climate-related risk and opportunity identification.](#)

Indicators and Objectives

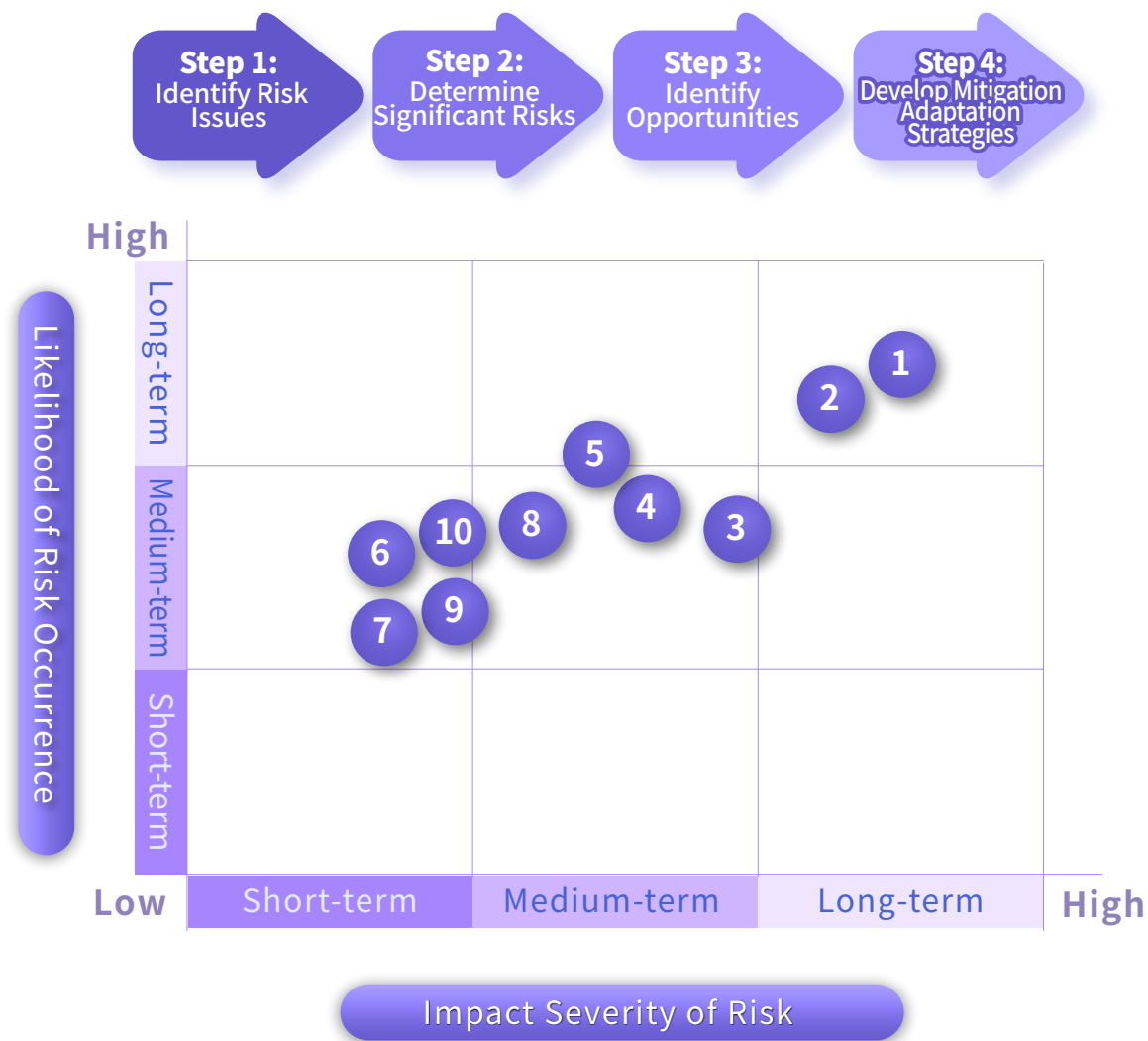
- Establish relevant management indicators, including:
- Greenhouse Gas Inventory Indicator: Disclose greenhouse gas carbon emissions (Scope 1 and Scope 2), [please refer to section 5.3 Greenhouse Gas Management for details.](#)
 - please refer to section 5.3 Greenhouse Gas Management for details.
 - Energy-saving Target: Targeting a 1% reduction in electricity consumption by 2021.

5.6.1 Climate Risk and Opportunity Identification

Topview Optronics Corp. references TCFD reports and sustainability-related disclosures from advanced domestic and international enterprises to assess the significance of climate-related risks. By considering the probability and impact of risks occurring in the short, medium, and long term, the company has identified four major risk issues.

- 1 Calculation and third-party verification of carbon emissions disclosure, along with associated costs.
- 2 Domestic greenhouse gas emission pricing (carbon fee) and carbon tax revenue generation.
- 3 Uncertainty regarding new regulations such as international carbon trading, carbon tax, etc.
- 4 Product substitution by low-carbon advanced technologies.
- 5 Increasing demand for renewable energy on the international level.
- 6 Growing awareness of sustainable consumption.
- 7 Increased costs related to sustainable procurement.
- 8 Heightened attention from stakeholders.
- 9 Changes in rainfall patterns and extreme climate events (typhoons, heavy rains, floods, etc.).
- 10 Rising average temperatures (heatwaves, water scarcity, increased electricity consumption) and sea-level rise (water-related disasters).

Climate Change Risk Matrix Chart



Identify potential risk areas

Note 4: RCP8.5 represents the worst-case scenario with continuously increasing radiative forcing beyond 8.5Wm⁻², where countries take no action to reduce emissions, resulting in high greenhouse gas emissions.

Identify potential opportunities

Opportunities	Projects	Opportunities for Future Financial Revenue Increase	Management
Products/ Services	Developing low-carbon and net-zero products.	Align with market trends to increase revenue and gross profit margin.	<ul style="list-style-type: none"> Continuously improve product energy efficiency through research and development efforts. Achieve product recycling rates that exceed WEEE regulations; ensure packaging materials meet customer sustainability procurement standards. Embrace the concept of circular economy and strengthen collaboration with the value chain to develop next-generation products with net-zero impact, using low-carbon, low-energy, and low-toxicity materials.
Resource efficiency	<ul style="list-style-type: none"> ● Implement energy-saving measures ● Enhance energy use efficiency: Introduce smart factory solutions 	Reduce production and operational costs, and increase customer procurement rates.	Continuously promoting energy-saving, carbon reduction, water conservation, and waste reduction management plans within the factory to reduce resource consumption. For more details, refer to Chapter CH 5.1 \ CH5.2 .
Market	Participating in government incentive measures.	Obtaining incentive subsidies to increase opportunities for entry.	Actively seeking government incentives and subsidies to obtain financial support.





topview

Appendix

Appendix 1: GRI Content Index Table	P76
Appendix 2: SASB Standard Comparison Table	P84
Appendix 3: ISO 26000 Comparison Table	P85
Appendix 4: SDGs Comparison Table	P87

Appendix 1: ◌ GRI Content Index

■ GRI 1

Statement of use	Publishing a sustainable report for the year 2021 in accordance with the GRI guidelines, the data and information scope covers the period from January 1, 2022, to December 31, 2022.
GRI 1 used	GRI 1: Foundation 2021
Applicable GRI Sector Standard(s)	None

■ General Standard Disclosure

STANDARD	DISCLOSURE	REPORT SECTION OR EXPLANATION	OMITTED EXPLANATION	PAGE
Organization and reporting				
2-1	Organizational details	1. 1.1 Company Overview. 2. Annual Report for the Year 2022: Special Notations.		P9 Annual Report
2-2	Entities included in the organization's sustainability reporting	1.1 Company Overview		P9
2-3	Reporting period, frequency and contact point	About This Report		P2
2-4	Restatements of information	1.1. No changes in consolidation or mergers, reporting period, business nature, and measurement methods, etc. 2. 5.3 Greenhouse Gas Management: In the past, only mobile sources of gasoline were listed under Scope 1. Starting from 2022, in response to the disclosure and verification timeline requirements for publicly listed companies' greenhouse gas inventories, voluntary inventory and disclosure are conducted in accordance with ISO 14064-1 requirements.		N/A P60
2-5	External assurance	This report has not undergone third-party verification.	14Third-party verification is expected to be completed by 2027.	N/A
Activities and workers				
2-6	Activities, value chain and other business relationships	2.1 Scope of Product Innovation and Services. 3.3 Value Chain Management.		P21 P38
2-7	Employees	4.2 Employee Profile 4.4 4.4 Talent Development		P47 P52
2-8	Workers who are not employees	4.6 Occupational Health and Safety.		P56
2-9	Governance structure and composition	2.2 Corporate Governance.		P25
2-10	Nomination and selection of the highest governance body	2.2 Corporate Governance.		P25

STANDARD	DISCLOSURE	REPORT SECTION OR EXPLANATION	OMITTED EXPLANATION	PAGE
2-11	Chair of the highest governance body	2.2 Corporate Governance.		P25
2-12	Role of the highest governance body in overseeing the management of impacts	2.2 Corporate Governance.		P25
2-13	Delegation of responsibility for managing impacts	2.2 Corporate Governance.		P25
2-14	Role of the highest governance body in sustainability reporting	2.2 Corporate Governance.		P25
2-15	Conflicts of interest	2.2 Corporate Governance.		P25
2-16	Communication of critical concerns	2.2 Corporate Governance.		P25
2-17	Collective knowledge of the highest governance body	4.1 Labor Relations.		P44
2-18	Evaluation of the performance of the highest governance body	2.2 Corporate Governance.		P25
		2.2 Corporate Governance. ESG-related management performance has not yet been included in the board's performance assessment criteria.		N/A
2-19	Remuneration policies	This committee is responsible for formulating executive compensation policies and principles, assessing the achievement of performance targets for senior executives on a regular basis, and setting compensation based on the assessment results according to the performance evaluation criteria.		Annual Report
2-20	Process to determine remuneration			Annual Report
2-21	Annual total compensation ratio	Omission of disclosure.	30The salary scale of senior executives is disclosed in the annual report.	Annual Report
	Strategy, policies and practice			P15
2-22	Statement on sustainable development strategy	Sustainable Operations of Topview. 3.3 Value Chain Management		P5 P38
2-23	Policy commitments	3.3 Value Chain Management 4.6 Occupational Health and Safety.		P38 P51
2-24	Embedding policy commitments	2.2 Corporate Governance 3.3 Value Chain Management 4.6 Occupational Health and Safety.		P25 P38 P51
2-25	Processes to remediate negative impacts	4.1 Labor Relations.	Remedy	P44
2-26	Mechanisms for seeking advice and raising concerns	2.3 Integrity and Fair Transactions.	Whistleblower system	P28
2-27	Compliance with laws and regulations	2.2 Corporate Governance. 4.6 Occupational Health and Safety. 5.Environmental Sustainability and Carbon Management.	No violation of relevant regulations in 2022	P25 P56 P63
2-28	Membership associations	Participation in domestic associations in Taiwan includes: Taiwan Institute of Sustainable Energy International associations、Open Network Video Interface Forum (ONVIF)		N/A
	Stakeholder engagement			
2-29	Approach to stakeholder engagement	1.2 Stakeholder Engagement and Materiality Analysis.		P12
2-30	Collective bargaining agreements	No signed group agreements.		N/A

■ GRI 3 Material Topics

STANDARD	DISCLOSURE	REPORT SECTION OR EXPLANATION	OMITTED EXPLANATION	PAGE
3-1	Process to determine material topics	1.2 Stakeholder Engagement and Materiality Analysis.		P12
3-2	List of material topics	1.2 Stakeholder Engagement and Materiality Analysis.		P12
3-3	Management of material topics	1.2 Stakeholder Engagement and Materiality Analysis.		P12

■ 2022 Major Themes

TOPICS	STANDARD	DISCLOSURE	REPORT SECTION OR EXPLANATION	OMITTED EXPLANATION	PAGE
Energy 2016	302-1	Energy consumption within the organization	5.2 Energy Management.		P66
	302-4	Reduction of energy consumption	5.2 Energy Management.		P66
	302-5	Reductions in energy requirements of products and services	3.1 Green Products and Carbon Reduction Design.		P33
Emissions 2016	305-1	Direct (Scope 1) GHG emissions)	5.3 Greenhouse Gas Management.		P68
	305-2	Energy indirect (Scope 2) GHG emissions)	5.3 Greenhouse Gas Management.		P68
	305-5	Reduction of GHG emissions	5.3 Greenhouse Gas Management.		P68
TOPICS	STANDARD	DISCLOSURE	REPORT SECTION OR EXPLANATION	OMITTED EXPLANATION	PAGE
Occupational Health and Safety 2018	403-1	Occupational health and safety management system	4.6 Occupational Health and Safety.		P56
	403-2	Hazard identification, risk assessment, and incident investigation	4.6 Occupational Health and Safety.		P56
	403-3	Occupational health services	4.6 Occupational Health and Safety.		P56
	403-4	Worker participation, consultation, and communication on occupational health and safety	4.1 Labor Relations.		P44
	403-5	Worker training on occupational health and safety	4.6 Occupational Health and Safety.		P56
	403-6	Promotion of worker health	4.6 Occupational Health and Safety.		P56
	403-7	Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	4.6 Occupational Health and Safety.		P56
	403-8	Workers covered by an occupational health and safety management system	4.6 Occupational Health and Safety.		P56
	403-9	Work-related injuries	4.6 Occupational Health and Safety.		P56
	403-10	Work-related ill health	4.6 Occupational Health and Safety.		P56
Forced or Compulsory Labor 2016	409-1	Operations and suppliers at significant risk for incidents of forced or compulsory labor	3.3 Value Chain Management		P37
			4.1 Labor Relations.		P41
Customer Health and Safety 2016	416-1	Assessment of the health and safety impacts of product and service categories	3.1 Green Products and Carbon Reduction Design.		P33
	416-2	Incidents of non-compliance concerning the health and safety impacts of products and servicesRequirements	3.1 Green Products and Carbon Reduction Design.		P33
Marketing and Labeling 2016	417-1	Requirements for product and service information and labeling	3.1 Green Products and Carbon Reduction Design.		P33

STANDARD		DISCLOSURE	REPORT SECTION OR EXPLANATION	OMITTED EXPLANATION	PAGE
Marketing and Labeling 2016	417-2	Incidents of non-compliance concerning product and service information and labeling	3.1 Green Products and Carbon Reduction Design		P33
Customer Privacy 2016	418-1	Number of Customer Privacy Violation/Data Loss Complaints	3.2 Customer Service and Product Quality		P35

■ GRI Content Index Table

TOPICS	STANDARD	DISCLOSURE	REPORT SECTION OR EXPLANATION	OMITTED EXPLANATION	PAGE
Economic Performance 2016	201-1	Direct economic value generated and distributed	1.1 Company Overview		P9
	201-2	Financial implications and other risks and opportunities due to climate change	5.6 Climate Change Risks and Opportunities.		P71
	201-3	Defined benefit plan obligations and other retirement plans	4.5 Employee Benefits.		P54
	201-4	Financial assistance received from government	Application for Stable Employment Plan in 2022.		N/A
Market Presence 2016	202-1	Ratios of standard entry level wage by gender compared to local minimum wage	4.2 Employee Profile.		P47
	202-2	Proportion of senior management hired from the local	4.2 Employee Profile.		P47
Indirect Economic Impacts 2016	203-1	Infrastructure investments and services supported	4.7 Social Engagement.		P61
	203-2	Significant indirect economic impacts	4.7 Social Engagement.		P61
Procurement Practices 2016	204-1	Proportion of spending on local suppliers	3.3 Value Chain Management.		P37
Anti-corruption 2016	205-1	Operations assessed for risks related to corruption	2.2 Corporate Governance.	(Not applicable, no corruption incidents will occur in 2022)	N/A
	205-2	Communication and training about anti-corruption policies and procedures	2.3 Integrity and Fair Transactions.		P28
	205-3	Confirmed incidents of corruption and actions taken	2.3 Integrity and Fair Transactions.		P28
Anti-competitive Behavior 2016	207-2	Legal actions for anti-competitive behavior, anti-trust, and monopoly practices	No relevant incidents in 2022.		N/A
Taxation 2019	207-1	Approach to tax	From the perspective of pursuing sustainable development, we adopt a balanced and prudent approach to tax management. This includes the following key points: • Compliance with local tax regulations and disclosure requirements. • Enhancing sustainable value creation for shareholders. • Implementing effective risk management. • Strengthening tax expertise through continuous talent development. • Not engaging in tax planning or tax avoidance schemes.		N/A
	207-2	tax governance, control, and risk management	The Financial Accounting Department manages tax governance for the company and subsidiaries. Tax law changes can impact operations. topview main activities are in Taiwan, subject to its tax laws. We monitor global policies and adapt strategies to manage tax risks.		N/A

TOPICS	STANDARD	DISCLOSURE	REPORT SECTION OR EXPLANATION	OMITTED EXPLANATION	PAGE
Taxation 2019	207-3	Stakeholder engagement and management of concerns related to tax	<p>From the perspective of pursuing sustainable development, we adopt a balanced and prudent policy in managing taxation. This includes the following key points:</p> <ul style="list-style-type: none"> • Adhering to local tax regulations and disclosure requirements. • Enhancing sustainable value creation for shareholders. • Implementing effective risk management. • Strengthening tax expertise through continuous talent development. • Not engaging in tax planning or tax evasion through tax havens. • Not artificially transferring profits to low-tax countries with no substantial operations. 		N/A
	207-4	Country-by-country reporting	Fails to meet the standard for disclosing country-by-country reports.	Not applicable.	N/A
Materials 2016	301-1	Materials used by weight or volume	Not applicable (not a significant topic).	Not applicable	P62
	301-2	Recycled input materials used	Not applicable	No recycled materials are used	P62
	301-3	Reclaimed products and their packaging materials	Topview's products are Original Design Manufacturer (ODM) products following a B2B model. Once the products, along with the packaging materials, are shipped to the customers, ownership is transferred to the customers. Therefore, recycling is not possible due to the ownership structure.	Not applicable	P62
Energy 2016	302-1	Energy consumption within the organization	5.3 Greenhouse Gas Management.		P68
	302-2	Energy consumption within the organization	Not applicable (not a significant topic).		N/A
	302-3	Energy intensity	5.2 Energy Management.		P66
	302-4	Reduction of energy consumption	5.3 Greenhouse Gas Management.		P68
	302-5	Reductions in energy requirements of products and services	5.3 Greenhouse Gas Management.		P33
Water and Effluents 2018	303-1	Interactions with water as a shared resource	5.4 Water Resources Management.	Not applicable.	P69
	303-2	Management of water discharge-related impacts	Not applicable (not a significant topic).	Not applicable.	N/A
	303-3	Water withdrawal	Not applicable (not a significant topic).	Not applicable.	N/A
	303-4	Water discharge	Not applicable (not a significant topic).	Not applicable.	N/A
	303-5	Water consumption	5.4 Water Resources Management.	Not applicable.	N/A
Biodiversity 2016	304-1	Land Profile within or Near Protected Areas	Neither the factory premises nor the operational sites are located within protected areas	Not applicable.	N/A
	304-2	Significant Impacts of the Organization on Biodiversity	Neither the factory premises nor the operational sites are located within protected areas	Not applicable.	N/A
	304-3	Habitats protected or restored	Neither the factory premises nor the operational sites are located within protected areas	Not applicable.	N/A
	304-4	IUCN Red List species and national conservation list species with habitats in areas affected by operations	Neither the factory premises nor the operational sites are located within protected areas		N/A

TOPICS	STANDARD	DISCLOSURE	REPORT SECTION OR EXPLANATION	OMITTED EXPLANATION	PAGE
Emissions 2016	305-1	Direct (Scope 1) GHG emissions	5.3 Greenhouse Gas Management.		P68
	305-2	Energy indirect (Scope 2) GHG emissions	5.3 Greenhouse Gas Management.		P68
	305-3	Other indirect (Scope 3) GHG emissions	5.3 Greenhouse Gas Management.	The information obtained is incomplete.	P68
	305-4	GHG emissions intensity	5.3 Greenhouse Gas Management.		P68
	305-5	Reduction of GHG emissions	5.3 Greenhouse Gas Management.		P68
	305-6	Emissions of ozone-depleting substances (ODS)	The processes and products do not involve the use of ozone-depleting substances (ODS).	Not applicable	N/A
	305-7	Nitrogen oxides (NOx), sulfur oxides (SOx), and other significant air emissions	Topview's manufacturing involves purely assembly operations. Diesel, heavy oil, or similar fuels are not used as indirect materials in the production process. Only the emergency generator in the utility equipment has minimal environmental impact, hence, measurements of SOx and NOx are not conducted.	Not applicable	N/A
Waste 2020	306-1	Waste generation and significant waste-related impacts	5.5 Waste Management.		P70
	306-2	Management of significant waste-related impacts	5.5 Waste Management.		P70
	306-3	Waste generated	5.5 Waste Management.		P70
	306-4	Waste diverted from disposal	5.5 Waste Management.		P70
	306-5	Waste directed to disposal	5.5 Waste Management.		P70
Supplier Environmental Assessment 2016	308-1	New suppliers that were screened using environmental criteria	3.3 Value Chain Management.		P38
	308-2	Negative environmental impacts in the supply chain and actions taken	3.3 Value Chain Management.		P38
Employment 2016	401-1	New employee hires and employee turnover	4.2 Employee Profile.		P47
	401-2	Benefits provided to full-time employees that are not provided to temporary or part-time employees	4.5 Employee Benefits.		P54
	401-3	Parental leave	4.2 Employee Profile.		P47
Labor Relations 2016	402-1	Minimum notice periods regarding operational changes	Before implementing significant operational changes that could potentially have a serious impact on employee rights, the company provides advance notice to employees and their representatives in accordance with relevant applicable laws or labor regulations.		N/A
Occupational Health and Safety 2018	403-1	Occupational health and safety management system	4.6 Occupational Health and Safety.		P56
	403-2	Hazard identification, risk assessment, and incident investigation	4.6 Occupational Health and Safety.		P56
	403-3	Occupational health services	4.6 Occupational Health and Safety.		P56
	403-4	Worker participation, consultation, and communication on occupational health and safety	4.1 Labor Relations.		P44
	403-5	Worker training on occupational health and safety	4.6 Occupational Health and Safety.		P56
	403-6	Promotion of worker health	4.6 Occupational Health and Safety.		P56
	403-7	Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	4.6 Occupational Health and Safety.		P56

TOPICS	STANDARD	DISCLOSURE	REPORT SECTION OR EXPLANATION	OMITTED EXPLANATION	PAGE
Occupational Health and Safety 2018	403-8	Workers covered by an occupational health and safety management system	4.6 Occupational Health and Safety.		P56
	403-9	Work-related injuries	4.6 Occupational Health and Safety.		P56
	403-10	Work-related ill health	4.6 Occupational Health and Safety.		P56
Training and Education 2016	404-1	Average hours of training per year per employee	4.4 Talent Cultivation and Development.		P52
	404-2	Programs for upgrading employee skills and transition assistance programs	4.4 Talent Cultivation and Development. For laid-off employees, the company follows the advance notice period regulations, provides job-seeking leave, and calculates severance pay according to the Labor Standards Act.		P52
	404-3	Percentage of employees receiving regular performance and career development reviews	4.3 Compensation		P50
Diversity and Equal Opportunity 2016	405-1	Diversity of governance bodies and employees	4.2 Employee Profile. 4.3 Compensation		P47
	405-2	Ratio of basic salary and remuneration of women to men	Committed to ensuring wage equality in order to retain outstanding employees, under the premise of promoting diversity, eliminating gender bias, and supporting equal opportunities.		P50
Non-discrimination 2016	406-1	Incidents of discrimination and corrective actions taken	4.1 Labor Relations.		P44
Freedom of Association and Collective Bargaining 2016	407-1	Operations and suppliers in which the right to freedom of association and collective bargaining may be at risk	3.3 Value Chain Management. 4.1 Labor Relations. No relevant incidents occurred.		P38 P44
Child Labor 2016	408-1	Operations and suppliers at significant risk for incidents of child labor	3.3 Value Chain Management.		P38
Forced or Compulsory Labor 2016	409-1	Operations and suppliers at significant risk for incidents of forced or compulsory labor	4.1 Labor Relations.		P44
Security Practices 2016	410-1	Security personnel trained in human rights policies or procedures.	Human rights-related training has not been conducted for security personnel in 2022.		N/A
Indigenous Rights 2016	411-1	Incidents of violations involving rights of indigenous peoples	4.1 Labor Relations.		P44
Local Communities 2016	412-1	Total number and proportion of operations subject to human rights review and/or impact assessment	4.1 Labor Relations.		P44
	412-2	Employees received human rights related training and ratio	4.1 Labor Relations.		P44
	412-3	Total number and percentage of significant investment agreements and contracts that contain human rights clauses or have been screened for human rights	Not applicable, no major investments have been reviewed for human rights.	Not applicable	N/A
Local Communities 2016	413-1	Operations with local community engagement, impact assessments, and development programs	4.7 Social Engagement.		P61

TOPICS	STANDARD	DISCLOSURE	REPORT SECTION OR EXPLANATION	OMITTED EXPLANATION	PAGE
	413-2	Operations with significant actual and potential negative impacts on local communities	Not applicable, as the operational locations are situated within industrial or commercial zones and do not impact the local community.	Not applicabl	N/A
Supplier Social Assessment 2016	414-1	New suppliers that were screened using social criteria	3.3 Value Chain Management.		P38
	414-2	Negative social impacts in the supply chain and actions taken	3.3 Value Chain Management.		P38
Public Policy 2016	415-1	Political contributions	No political donations.	Not applicabl	N/A
Customer Health and Safety 2016	416-1	Assessment of the health and safety impacts of product and service categories	3.1 Green Products and Carbon Reduction Design.		P33
	416-2	Incidents of non-compliance concerning the health and safety impacts of products and services	3.1 Green Products and Carbon Reduction Design.		P33
Marketing and Labeling 2016	417-1	Requirements for product and service information and labeling	3.1 Green Products and Carbon Reduction Design.		P33
	417-2	Incidents of non-compliance concerning product and service information and labeling	3.1 Green Products and Carbon Reduction Design.		P33
	417-3	Incidents of non-compliance concerning marketing communications	Not applicable, Topview is a professional contract manufacturing company that manufactures electronic products for monitor brand customers.		N/A
Customer Privacy 2016	406-1	Substantiated complaints concerning breaches of customer privacy and losses of customer data	3.2 Customer Service and Product Quality.		P35

Appendix 2: SASB Standard Comparison

TOPIC	DISCLOSE ITEM	CHARACTERISTIC	INDICATOR DESCRIPTION	DISCLOSURES	CHAPTER	PAGE
Energy Management	RT-EE-130a.1	Quantification	<ul style="list-style-type: none"> Total Energy Consumption: 1 billion joules (GJ) Percentage of Purchased Electricity (%) Percentage of Renewable Energy Usage (%) 	1.Taoyuan: 11241.3 (GJ) Taichung: 802.3 (GJ) 2. 99% 3. 0%	5.2 Energy Management 2. Not applicable 3. Not applicable	P58
Water Management	TC-ES-140a.1	Quantification	<ul style="list-style-type: none"> Total Water Intake: Thousands of cubic meters (m3) Total Water Consumption 	1. Water is not required in the product manufacturing process at Topview. The use of water resources is primarily for domestic purposes. Currently, 100% of the water used is tap water. The water intake is 8748 thousand cubic meters (m3). The company is also not located in an area with high or extremely high baseline water pressure. 2. Total Water Consumption: Water is not required in the manufacturing process, so this does not apply.	1.5.4 Water Resources Management 2.5.4 Water Resources Management	P61 P61
Waste Management	TC-ES-310a.1	Quantification	Total Hazardous Waste Quantity and its Recycling Percentage	1. In 2022, waste management was categorized into "General Waste" and "Business Waste," with a total amount of 48,437 kilograms. 2. Waste Recycling Rate: 9.8%.	5.5 Waste Management	P70
Labor Practices	TC-ES-150a.1	Quantification	<ul style="list-style-type: none"> Number of Shutdowns Total Days 	No work stoppage or strikes occurred at Topview in 2022, so this does not apply.	N/A	
Labor Conditions	TC-ES-320a.1	Quantification	For Full-time and Contract Employees <ul style="list-style-type: none"> Recordable Incident Rate Near-Miss Incident Rate 	Topview's Occupational Injury Statistics and Analysis: In 2022, there were no cases of occupational diseases or work-related fatalities. Accidents remained at 0. <ul style="list-style-type: none"> Recordable Incident Rate: 1.2 Near-Miss Incident Rate: 0 	4.6 Occupational Health and Safety	P56
Product Life Cycle Management	TC-ES-410a.1	Discussion and Analysis	Percentage of Recycled Scrap Products and Electronic Waste Weight	Topview is an internationally renowned manufacturer of surveillance monitors, serving as an ODM supplier. The company follows a B2B industrial market sales model, and after product shipment to customers, ownership is transferred to the customers. Packaging materials for products are 100% recyclable and compliant with RoHS regulations.	3.1 Green Products and Carbon Reduction Design	P33
Material Procurement	TC-ES-440a.1	Discussion and Analysis	Risk Management Related to Key Materials.	Considering supply chain security and risk diversification, Topview's major raw material suppliers each have two alternative suppliers and have passed customer certifications to reduce the risk of supply disruptions. To prevent shortages of raw materials due to significant disasters or other reasons, we also require suppliers to maintain safety stock levels and regularly review and control them to ensure a steady supply.	3.3 Value Chain Management	P38

Appendix 3: ISO 26000 Comparison

	TOPIC	CHAPTER	PAGE	NOTE
Organizational Governance	Decision-making processes and structures	Chairman's words Sustainable Operations of Topview. 2.2 Corporate Governance.	P3	
			P5	
			P25	
Human Rights	Compliance Audit	4.1 Labor Relations.	P44	
	Human Right Risk	4.1 Labor Relations.	P44	
	Solve Complaints	4 Employee Care and Social Participation	P40	
	Discrimination and Underprivileged Group	4.1 Labor Relations	P44	
		4.2 Employee Profile.	P47	
	Citizen and Political Rights	4.1 Labor Relations.	P44	
	Economic, Social and Cultural Rights	5.Environmental Sustainability and Carbon Management	P55	
		4.7 Social Engagement.	P54	
	Basic Working Right	4.1 Labor Relations.	P44	
		4.2 Employee Profile.	P47	
Labor Practice	Hiring Relationship	3.3 Value Chain Management	P38	
		4.1 Labor Relations.	P44	
		4.2 Employee Profile.	P47	
	Working Condition and Social Protection	4.2 Employee Profile.	P47	
		4.3 Compensation	P50	
		4.5 Employee Benefits.	P54	
	Social Dialogue	About this report	P2	
Environment	Work Health and Safety	4.6 Occupational Health and Safety.	P56	
	Human Resource Development and Training	4.4 Talent Cultivation and Development.	P52	
	Pollution	4.6 Occupational Health and Safety.	P56	
		5.4 Water Resources Management.	P69	
		5.5 Waste Management.	P70	
	Sustainable Resource Utilization	5.3 Greenhouse Gas Management.	P68	
		5.4 Water Resources Management.	P69	
Fair Operational Practice	Climate Change Mitigation and Adjustment	5.3 Greenhouse Gas Management. 5.6 Climate Change Risks and	P68 P71	
	atural Enviornment Protection and Recovery	5.Environmental Sustainability and Carbon Management	P63	
	Anti-Corruption	2.2 Corporate Governance.	P25	
	Responsible Political Participation	N/A	N/A	
	Fair Competition	N/A	P61	
	Promote Value Chain Social Responsibility	4.7 Social Engagement.3.3 Value Chain Management	P38	
	Respect IP Right	3.2 Customer Service and Product Quality.	P35	

TOPIC		CHAPTER	PAGE	NOTE
Consumer Issue	Fair Marketing, Information and Agreement Practices	3.1 Green Products and Carbon Reduction Design.	P33	
	Protect Consumer Health and Safety	3.1 Green Products and Carbon Reduction Design.	P33	
	Sustainable Consumption	3.1 Green Products and Carbon Reduction Design.	P33	
	Solutions for Consumer Service, Support, Complaint or Dispute	3.2 Customer Service and Product Quality.	P33	
	Consumer Data Protection and Privacy	3.2 Customer Service and Product Quality.	P33	
	Oer Necessary Service	4.7 Social Engagement.	P61	
	Education and Awareness	3.1 Green Products and Carbon Reduction Design.	P33	
Social Participation and Development	Community Participation	N/A	N/A	
	Education and Culture	4.7 Social Engagement.	P61	
	Create Employment and Technology Development	3.3 Value Chain Management .	P38	
		4.4 Talent Cultivation and Development.	P52	
		4.7 Social Engagement.	P61	
	Technology Development	4.7 Social Engagement.	P61	
	Create Wealth and Income	1.1 Company Overview.	P9	
		3.3 Value Chain Management	P38	
	Health	4.7 Social Engagement.	P61	
		4.6 Occupational Health and Safety.	P56	
	Social Investment	4.7 Social Engagement.	P61	

Appendix 4: Table of SDGs Comparison

SDGs		Actions in 2022.	Responses
	SDGs 3 Health and Well-being.	Providing employees with a safe working environment and maintaining employee health. 1.All operational environment assessment results were compliant in 2022. 2.Employee health examinations were conducted in 2022. 3.No major occupational accidents occurred in 2022.	4.6 Occupational Health and Safety.
	SDGs 4 Educational Quality.	A comprehensive training and assessment system is in place to achieve the right talent in the right positions. In 2022, the average employee training hours met the set target.	4.4 Talent Cultivation and Development.
	SDGs 8 Employment and Economic Growth.	Enhancing corporate governance, continuously improving operations and profitability to align with stakeholders' interests.	1.1 Company Overview.
	SDGs 9 Industrial and Infrastructure Innovation.	Enhancing corporate governance, continuously improving operations and profitability to align with stakeholders' interests.	2.1 Product innovation and service scope 3.1 Green Products and Carbon Reduction Design.
	SDGs 11 Sustainable Cities.	Compliance with environmental regulations, commitment to pollution prevention, and meeting customer requirements for environmental and quality standards in 2022: 1. Adopted the TCFD (Task Force on Climate-related Financial Disclosures) methodology to identify transformation and physical risks in operational processes, annually reviewing response measures, and establishing a resilient climate change culture. 2. Initiated various energy-saving and carbon reduction initiatives. 3. Achieved zero environmental violations.	3.1 Green Products and Carbon Reduction Design 5.1 Smart Factory 5.2 Energy Management 5.3 Greenhouse Gas Management 5.4 Water Resources Management 5.5 Waste Management 5.6 Climate Change Risks and Opportunities
	SDGs 12 Responsible Consumption and Production	1. Enhance raw material production efficiency and reduce scrap rate 2. Resource recycling and reuse.	3.3 Value Chain Management 5.5 Waste Management.
	SDGs 13 Climate Action.	1. Conduct risk assessment for the supply chain. Implement energy-related management and energy-saving measures, such as switching to LED light bulbs, adopting smart factory technologies, etc. 2. Implement greenhouse gas inventory and undergo verification according to the schedule required for listed companies. 3. Adopt the TCFD framework to facilitate the company's transition towards a low-carbon economy.	3.3 Value Chain Management 5.1 Smart Factory 5.2 Energy Management 5.3 Greenhouse Gas Management 5.6 Climate Change Risks and Opportunities
	SDGs 16 Peace, Justice, and Strong Institutions.	Compliance with both local and international regulations while requiring or supporting business partners to comply with regulations.	3.1 Green Products and Carbon Reduction 4.1 Labor Relations
	SDGs 17 Partnerships for the Goals	Establishing long-term and stable cooperative relationships with suppliers based on mutual assistance, trust, and mutual prosperity. 1. Completed annual supplier audit operations. 2. Achieved 100% completion rate for conflict mineral investigations. 3. Conducted specialized Continuous Improvement Projects (CIP) guidance for key suppliers.	3.3 Value Chain Management



Topview Optronics Corp.

Sustainability Report

