



2023

**ATEN INTERNATIONAL
SUSTAINABILITY REPORT**

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Independent Assurance Opinion Statement

About the "ATEN Sustainability Report"



We appreciate your review of the 13th edition of the Sustainability Report of ATEN International Co., Ltd.

Since 2012, ATEN International Co., Ltd. (hereinafter "ATEN") has interacted and communicated with all stakeholders through the Sustainability Report every year in order to convey information related to the non-operating activities of ATEN to society. We look forward to improving society, the environment and governance through our power as an enterprise in order to achieve the objective of sustainability. At the same time, we also hope to receive feedback and comments from all stakeholders, allowing us to utilize our power as an enterprise and drive everyone forward on the road to sustainability.

Integration of "Sustainable Development" and "Corporate Core Value"

ICAN: "Integrity", "Caring", "Ambition", and "Novelty". "ICAN" are the core values of ATEN, and such core values are not only implemented in all operational decisions of the Company, but also applied to the promotion of corporate sustainable development. We will take continuous action to bring positive results to all stakeholders, thereby achieving the goal of sustainable development.



2011



2012



2013



2014



2015



2016



2017



2018



2019



2020



2021



2022

About the “ATEN Sustainability Report”



Reporting Period and Scope

The information disclosed in this Report includes ATEN International Co., Ltd.'s concepts and actions in the aspects of “corporate governance”, “environmental protection”, and “social participation” during the period from January 1, 2023, to December 31, 2023. The content of this Report mainly covers the corporate headquarters in Taiwan, ATEN International Co., Ltd., and the financial statement information is derived from the consolidated statements.

Report Drafting Principle

This Report has been prepared in line with the trend of increasing global attention to sustainable development, in response to the Taiwan Stock Exchange's promotion of enhanced disclosure of sustainable development information of publicly listed companies, and in accordance with the latest version of the Global Reporting Initiative Standards (GRI Standards) proposed by the Global Reporting Initiative (GRI), with the Company's best efforts in comprehensive disclosure. Each year, the Company publishes Chinese and English versions of the Report on the Company's website.

Verification

The content of this year's Report has been verified by the British Standards Institution (BSI), a third-party certification institution, according to AA1000AS v3 Type 1 Moderate level assurance and the GRI Standards. For the Independent Assurance Statement, please refer to the Appendix of this Report.

● In order to protect the environment and cherish natural resources, this Report is published in electronic format only on ATEN's Chinese and English website.

Report Publication

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Message from Management



In 2023, when the global situation was uncertain, ATEN still demonstrated a high level of agility and resilience, and adopted measures such as proactive capacity optimization, diversified channels, diversified products, and diversified market sales strategies to actively face external challenges and achieve a number of proud achievements! 2023 was an award-winning year for ATEN. We received good news about our product R&D, won three international leading awards, including the German Red Dot Design Award for our new three-phase power distribution unit and full-channel IP KVM manager series, the German iF Design Award for the new generation of ATEN Management Platform, and the Japanese Good Design Award for our brand new flagship video wall processor (VW series). In addition, main products from our professional AV, AI and green energy product lines won the 32nd Taiwan Excellence Award. Winning awards not only highlights our strong R&D strength and product innovation capabilities, but also creates brand new value for Taiwan's technology industry.

ATEN has long invested in talent cultivation and development, actively promoted a balance between employees' families and work, and regarded talent as the foundation of the Company's sustainable operations. As a result, we have become a consistent winner of ESG sustainability and talent awards at home and abroad. In 2023, the Company was selected as an excellent company for "Family-Friendly and Workplace Equality Measures" by the New Taipei City Government, and won three major awards from CommonWealth Magazine - the "Excellence in Corporate Social Responsibility Award", the "CommonWealth Talent Sustainability Award", and the "Family Friendly Workplace Award". ATEN was even selected as one of the winners of the 2023 HR Asia Best Companies to Work For in Asia and received the Most Caring Company Awards in 2023. As a listed company in Taiwan, ATEN continues to maintain excellent corporate governance performance. In 2024, the Company was ranked among the top 5% in the Mid- and Small-Cap category in the "10th Corporate Governance Evaluation" as the best-performing listed company in such category, demonstrating ATEN's outstanding corporate governance capabilities. These honors are the best proof of ATEN's continuous efforts to forge closer connections with employees and customers through corporate sustainability and innovation.

Through the four major aspects of "corporate governance", "environmental protection", "corporate commitment", and "social participation", we gradually fulfill our corporate social responsibilities together with our employees, society, the environment, and all stakeholders to demonstrate our sustainable management capabilities and expand our corporate influence. ATEN is also actively facing the challenge of climate change. With achieving net-zero emissions by 2050 as the target, we expect to reduce carbon emissions by 50% in the Taiwan headquarters and the Xizhi production site by 2030, so that this good cycle can continue to expand.

Looking into the future, we will continue to maintain the spirit of innovation and provide customers with products and services with better quality. We will also uphold our ESG and DEI visions for corporate sustainability, and continue to practice ATEN's core values and work hard for a brighter future with the aim of giving back to the environment and society!



Chairman and President

A handwritten signature in black ink, appearing to be "S. S. S. S. S.", positioned below the title.

Ch1



Implementation of Sustainable Development

- 1.1 Systematized Sustainable Development Operation
- 1.2 Sustainable Development Committee
- 1.3 Identification of Stakeholders
- 1.4 Communication with Stakeholders
- 1.5 Management of Material Topics

Implementation of Sustainable Development



In 2012, ATEN established the “ATEN Corporate Social Responsibility Management Committee” under the supervision of the Board of Directors, in order to promote work related to corporate social responsibility and sustainable development. In 2022, the “ATEN Corporate Social Responsibility Management Committee” was renamed the “ATEN Sustainable Development Committee”, with directors and independent directors acting as the committee members in order to establish sustainable development policies and plans. Accordingly, through various aspects such as “corporate governance”, “environmental protection”, “corporate commitment” and “social participation”, we gradually fulfill our corporate social responsibilities together with our employees, society, the environment, and all stakeholders, thereby expanding our sustainable management capabilities in order to attract more interested parties to contribute their efforts to the pursuit of a sustainable and better life.

In 2016, the United Nations officially launched the 17 Sustainable Development Goals (SDGs), and in 2017, ATEN reviewed internal factors related to sustainable development, corporate capabilities, and levels of concern of stakeholders about CSR issues, etc. The Company decided to actively respond to 10 of the SDGs, namely “Zero hunger”, “Good health and well-being”, “Quality education”, “Gender equality”, “Decent work and economic growth”, “Climate action”, “Life below water”, “Life on land”, “Peace, justice & strong institutions”, and “Partnerships for the goals”. Furthermore, ATEN continues to examine the correlation of the other 7 SDGs with ATEN and their feasibility in order to keep up with the world and achieve sustainable development.



※This form is translated and prepared by the CSROne Sustainability Reporting Platform

Implementation of Sustainable Development



1.1 Systematized Sustainable Development Operation

After 2012, ATEN consecutively approved six internal regulations (as described below) related to sustainable development in the Board of Directors' meetings. In addition to satisfying the basic requirements of the securities exchange for publicly



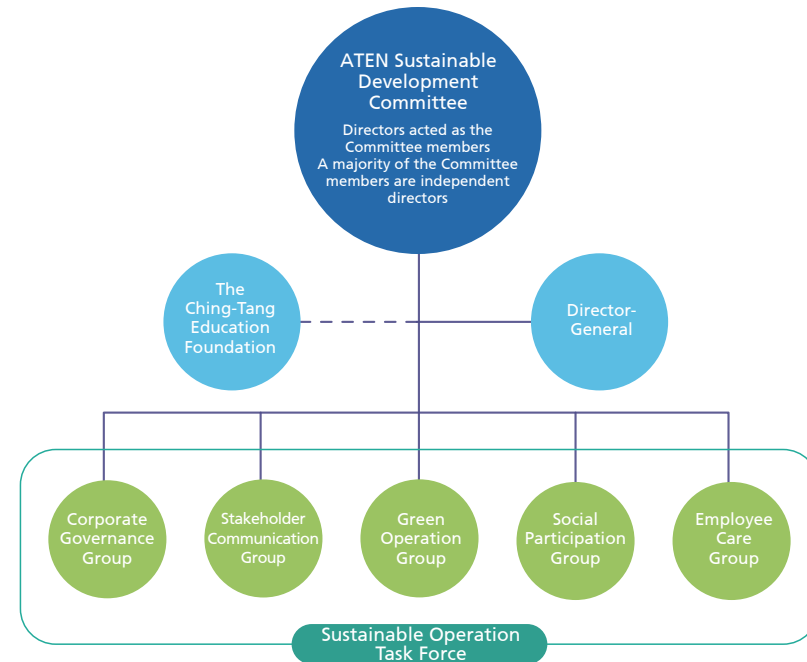
listed companies, we also understand that proper organizational design and systematized operations can help promote sustainable development-related affairs more effectively and better incorporate them into the corporate culture.

In addition to systems and regulations, the Company also integrates sustainable development with the corporate core values of ATEN (ICAN: "Integrity", "Caring", "Ambition", and "Novelty") to establish reward regulations, such as: "Sun Metal" and "Volunteer Points", to encourage employees to also respond to various social participation concepts and activities promoted by the Company at work, as well as to treat this as their individual social responsibility.

1.2 Sustainable Development Committee

The ATEN Sustainable Development Committee is the highest internal sustainable development organization of ATEN. Directors act as committee members; the majority of the committee members are independent directors.

"ATEN Sustainable Development Committee" Organizational Structure



Implementation of Sustainable Development



The Sustainable Operation Task Force has been established under the Committee for the promotion of relevant activities, with one Director-General appointed. The Director-General is responsible for managing the affairs of the Committee and integrating the annual plans of each task force for execution. The Director-General convenes a Sustainable Operation Task Force meeting every month in order to discuss issues of “corporate governance”, “corporate commitment”, “social participation”, and “environmental protection” and follow up on execution progress. The Director-General also periodically presents reports to the Sustainable Development Committee and executes important decisions regarding sustainable development policies and directions resolved during Committee meetings. In addition, the annual goals in various aspects of sustainable development resolved during Committee meetings and their achievement are periodically reported to the Board of Directors.

Committee Organization and Mission Description



Implementation of Sustainable Development



1.3 Identification of Stakeholders

ATEN defines stakeholders as individuals, groups, or organizations that may affect ATEN or be affected by ATEN. The stakeholders of ATEN include customers, shareholders, employees, suppliers, community organizations, the media, and government agencies. Through diverse communication channels, we understand the issues of concern of stakeholders, and discuss the material topics accordingly, as well as establish relevant management policies and execution plans in order to respond to the needs and expectations of the stakeholders.



1.4 Communication with Stakeholders

We highly value communication with our stakeholders. In addition to establishing a Stakeholders Section on the Company's website (<http://www.aten.com/tw/zh/aten-info/csr/page-stakeholders/>), we also clearly indicate the contact methods for different types of stakeholders on the website. Moreover, we have established questionnaire survey forms so that stakeholders can express their concern about a total of 20 issues on the economy, society, and the environment that we selected, and they can also submit different opinions to the Company for reference.

› Stakeholders' Section

| Stakeholder | Contact Us |
|-------------------------|---|
| Customers | Online Customer Service https://www.aten.com/global/en/ (12 languages) |
| Community organizations | Ms. Kao, President's Office Email: csr@aten.com |
| Shareholders | Ms. Hsu, Investor Relationship and Capital Market Department Email: ir@aten.com.tw |
| Media | Ms. Lee, Assistant Manager, Corporate Marketing Department Email: pr@aten.com.tw |
| Other stakeholders | Mr. Ho, Manager, President's Office Email: atencorp@aten.com |

Implementation of Sustainable Development



›Issues of Concern of Stakeholders and Company Communication Methods

| Stakeholder | Issue of Concern | Communication Channel | Communication Frequency |
|--------------|---|---|-------------------------|
| Customers | <ul style="list-style-type: none"> Product price Product and service responsibility Customer partnership Technology research and development Raw material use and recycled materials | Customer satisfaction survey | Annually |
| | | e-support platform | Constantly |
| | | Partner Center section | Constantly |
| | | Customer service line | Constantly |
| | | Agent conference | Annually |
| Shareholders | <ul style="list-style-type: none"> Operational performance Profit Investment planning Corporate governance Enterprise sustainability | Convening regular (extraordinary) shareholders' meetings | Annually |
| | | Investor conference | Quarterly |
| | | Financial statements | Quarterly |
| | | Annual reports | Annually |
| | | Spokesman system | Constantly |
| | | Establishing an investor relations department | Constantly |
| | | Announcements on the Company's website | Constantly |
| | | Corporate governance evaluation | Annually |
| | | ir@aten.com.tw | Constantly |
| Employees | <ul style="list-style-type: none"> Salary and benefits Labor-management relationships Talent cultivation Occupational health and safety Diversity and equal opportunity | Employee Benefit Committee | Constantly |
| | | Human Resource e-School | Constantly |
| | | Labor-management meetings | Quarterly |
| | | Occupational Safety and Health Committee meetings | Quarterly |
| | | Improvement proposal system | Constantly |
| | | Employee suggestion channels, such as the employee complaint direct line at 3333 and the complaint filing email address at emap@aten.com.tw | Irregularly |
| | | Company announcements | Constantly |

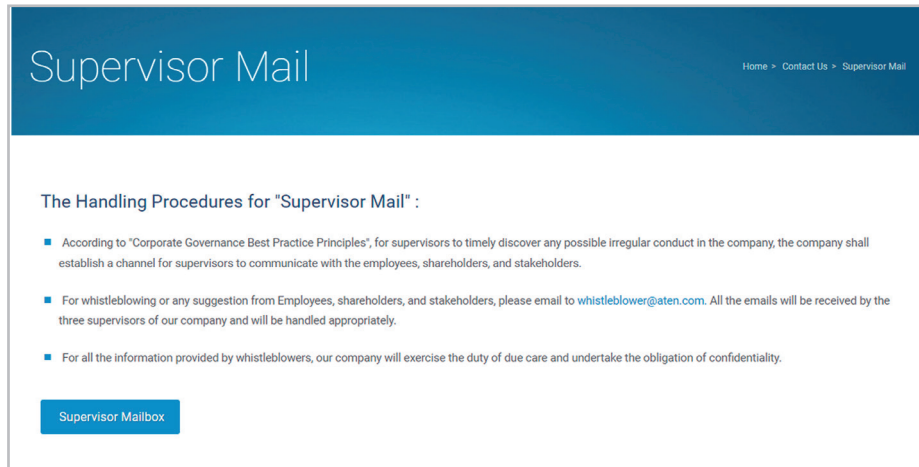
| Stakeholder | Issue of Concern | Communication Channel | Communication Frequency |
|-------------------------|---|---|-------------------------|
| Suppliers | <ul style="list-style-type: none"> Purchasing price Agreed terms Green product management Raw material use and recycled materials | Regular quality inspection | Monthly |
| | | External Contact Form | Irregularly |
| Community organizations | <ul style="list-style-type: none"> Greenhouse gas management Water and resource management Environmental safety Social welfare and giving back to society | Company website | Constantly |
| | | Sustainability Report | Annually |
| | | Ching-Tang Education Foundation | Constantly |
| | | Employee Benefit Committee | Constantly |
| | | csr@aten.com | Constantly |
| Media | <ul style="list-style-type: none"> Operational performance Recruitment Investment planning Corporate governance Social welfare | Press releases | Constantly |
| | | Press conferences | Irregularly |
| | | Interviews | Irregularly |
| Government agencies | <ul style="list-style-type: none"> Legal compliance Environmental safety Payment of taxes and duties Policy compliance | Briefings held by competent authorities | Irregularly |
| | | Corporate governance evaluation | Annually |
| | | Issued letters or directives | Constantly |
| | | Government agency websites | Constantly |

Implementation of Sustainable Development



› Whistleblowing Mailbox

According to the “Corporate Governance Best-Practice Principles” and relevant regulations of the Company, to help independent directors timely discover possible flaws in the Company and to establish communication channels for our employees, shareholders, other stakeholders, and supervisors, the Company has established the “Whistleblowing Mailbox” on the Company’s website. In the event that any employees, shareholders, or other stakeholders has any suggestions or complaints for the Company, they may submit them to the email address at: whistleblower@aten.com All emails are received by four independent directors of the Company and appropriately processed in a timely manner. The Company is obligated to and will properly keep all information provided by whistleblowers safe and confidential.



› Sharing Experience in Promoting ESG and Sustainable Development Internally and Externally

To share our years of experience in the promotion of ESG with others, the Company has conveyed information on the Company’s ethical management, corporate governance, environmental protection, social participation, and so on through methods such as the Company’s website, internal portal website for employees, press releases, seminars, external speeches of senior managers, etc. We have also established communication channels to obtain feedback from stakeholders. In addition, the Company invites other enterprises, school teachers and students, employees’ families and friends, suppliers, etc. to promote ESG jointly with ATEN. We believe that the continuous organization of activities and spreading of information are beneficial to the establishment of long-term cooperation and interactive relationships with the stakeholders.

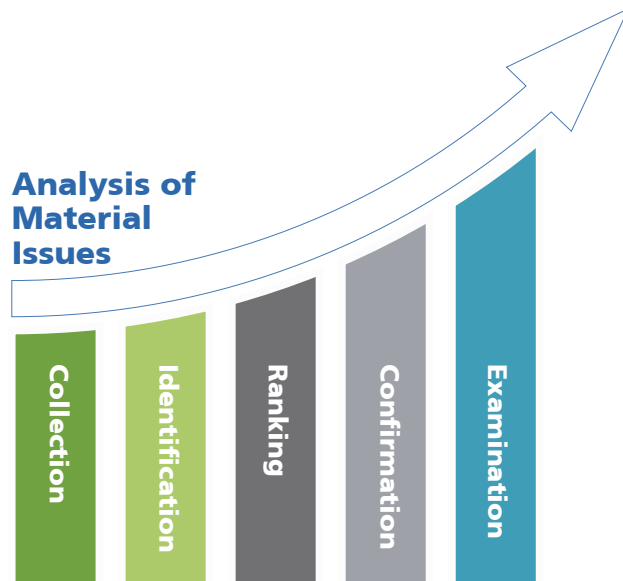
Implementation of Sustainable Development



1.5 Management of Material Topics

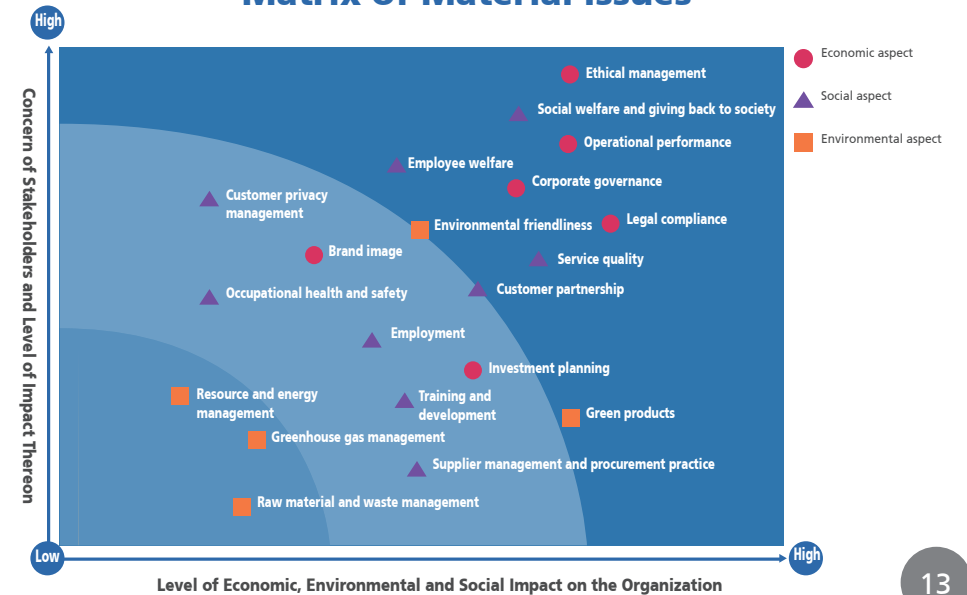
> Analysis of Material Issues

In recent years, ATEN has adopted a five-step cycle involving collection, identification, ranking, confirmation, and examination according to sustainability context, materiality, integrity, and stakeholder tolerance for the materiality analysis of stakeholders.



| | |
|-----------------------|--|
| Collection | We collected issues of concern to all stakeholders according to the routine interaction between group members and each type of stakeholders and with reference to the material issues of peers at home and abroad as well as international sustainable development trends (such as the 17 SDGs of the United Nations). |
| Identification | <ul style="list-style-type: none"> The groups sorted the collected issues of concern and prepared a list. According to the discussion at monthly group meetings, with industrial characteristics, international trends, and the development in of peers taken into account, 20 "critical ESG issues" were identified. |
| Ranking | <ul style="list-style-type: none"> According to the "Stakeholder Questionnaire Survey" completed by each type of stakeholder and the statistical analysis results, the issues were reexamined and ranked. The members of the groups performed discussion on two aspects: the level of internal and external economic, environmental, and social impact of each issue on the organization; and the level of concern of stakeholders, to develop a matrix for material issues. |
| Confirmation | The initial results were submitted to the Sustainable Development Committee for examination, and after adjustment with the senior management's opinions taken into consideration, 8 issues were concluded from the 20 critical ESG issues as the "material topics" for 2023, which are the disclosure focus of this Report. The Company's response strategies and results/performance for the issues will be explained in detail. |
| Examination | We will examine the rationality of the matrix of material issues will be examined at any time, and strengthen the communication methods with stakeholders to collect more stakeholder opinions to use them as the basis for future adjustments. |

Matrix of Material Issues



Implementation of Sustainable Development



Material Topics, Corresponding GRI Standards, and Impact Boundary

The material topics in each aspect and the corresponding GRI topics, management approaches, value chain impact boundary, and sustainable development goals are organized in the following table according to the five-step cycle for the analysis of material issues:

| No. | Aspect | Material Topic | Cause | Corresponding GRI Topic-Specific Standards | Positive and Negative Impact Description | GRI Management Approach Corresponding Chapters and Sections | Value Chain Impact Boundary | | | Corresponding SDGs |
|-----|----------------------|---|---|--|--|---|-----------------------------|-----------|-------------|--------------------|
| | | | | | | | Upstream | Midstream | Downstream | |
| 1 | Economic aspect | Ethical management and legal compliance | Ethics and legal compliance are fundamental corporate management principles concerned and expected by most stakeholders. | Self-defined material topic | (-Potential) Corruption incidents will harm the interests of the Company (-Potential) Fines for violations of laws and regulations may affect the Company's reputation | Ch3 Introduction to Corporate Governance Ch6 Introduction to Environmental Protection | • | ▼ | ◆ ★ | |
| 2 | | Corporate governance | Investors and government agencies highly value whether a company improves its implementation of corporate governance | Self-defined material topic | (+Potential) Uphold ethical management principles, comply with code of ethics and code of conduct, in order to protect the rights and interests of stakeholders (+Actual) Comply with government laws, implement corporate governance, focus on business ethics, carry out internal control, in order to ensure business continuity and fulfill corporate responsibilities with best efforts. | Ch3 Introduction to Corporate Governance | | ▼ | ◆ ★ | |
| 3 | | Operational performance | Continuing to seek profit and maintain excellent operational performance has a significant correlation to the sustainable execution of ESG | 201 Economic Performance | (+Actual) With the goal of sustainable development, continuing to seek profit and maintain excellent operational performance can maximize the interests of shareholders and stakeholders | 2.1 About ATEN 2.2 Worldwide Presence | ○ | ▼ | ◆ △ ★ | |
| 4 | Social aspect | Service quality and customer partnership | The Company concludes important issues according to the annual customer satisfaction survey and routine feedback from customers in order to continuously improve service quality. | 416 Customer Health and Safety 417 Marketing and Labeling | (+Potential) Understand customer needs through customer satisfaction surveys, and make continuous improvements to enhance the relationship between customers and the Company, in order to prevent damage to the rights and interests of customers. | Ch8 Introduction to Customer Satisfaction and Service | | | ■ | |
| 5 | | Social welfare and giving back to society | Continuous support for disadvantaged groups, education, elderly, and arts and cultural promotion is a common need in the current society. | 203 Indirect Economic Impacts | (+Potential) ATEN bears corporate social responsibilities while maintaining economic growth. Implement educational care and community development in order to seek common value | Ch5 Introduction to Active Social Participation | | ▼ | □ △ ★ | |
| 6 | | Employee welfare | Employee relationship maintenance and improvement of employee welfare are issues of significant concern of employees | 401 Employment 404 Training and Education | (+Actual) Providing remuneration and benefits superior to the industry standard can attract and retain talent, improve employee morale and satisfaction, and enhance the corporate image (+Potential) Providing systematic training that satisfies job needs can improve employees' skills swiftly, thereby increasing productivity and demonstrating the Company's value for the employees (+Potential) Managing and implementing workplace safety, health management policies, and employee assistance programs can protect the mental and life safety of employees, as well as reduce occupational safety accidents | Ch4 Introduction to Employee Care | | ▼ | ★ | |
| 7 | Environmental aspect | Environmental friendliness | Global warming and ecological environmental protection are the issues of most concern worldwide, and the world is actively seeking solutions | Self-defined material topic | (+Potential) Environmental ecology is the root of survival of humans. Only by protecting biodiversity can we ensure the ecological sustainability of the Earth. | Ch5 Introduction to Active Social Participation (community environment maintenance) | ○ | | □ △ ★ | |
| 8 | | Green products | We utilize our advantages in product design and KVM products/industry characteristics to actively promote green products in order to comply with the expectations of governments of different countries and the general public. | Self-defined material topic | (+Potential) ATEN strives to develop energy-saving products through technology innovation in order to reduce energy consumption. (+Actual) Ensure that our production processes and products comply with international regulations and the environmental protection requirements of customers in order to mitigate environmental burdens | Ch6 Introduction to Environmental Protection Ch7 Introduction to Supply Chain Management | ○ | | ■ △ ★ | |

Symbols for the level of involvement of stakeholders in the "value chain impact boundary" are classified as follows:

| Stakeholder | Customers | Shareholders | Employees | Suppliers | Community organizations | Media | Government agencies |
|--|-----------|--------------|-----------|-----------|-------------------------|-------|---------------------|
| Direct relationship | ■ | ◆ | | • | ▲ | ▼ | ★ |
| Indirect relationship (contributing impact, or impacts caused by business relationships) | □ | ◇ | | ○ | △ | ▽ | ☆ |



Enterprise Operations

- 2.1 About ATEN**
- 2.2 Worldwide Presence and Management**
- 2.3 Operational Performance**
- 2.4 Honors and Recognitions**
- 2.5 External Organization Participation**



Material Topic

Operational performance

>[Corresponding SDGs]



With the goal of sustainable development, enterprises continue to seek profit and maintain excellent operational performance to maximize the interests of shareholders and stakeholders, in order to create greater employment opportunities, drive economic growth, and improve social growth with best efforts.

>Responsible Unit

The Company's R&D Division, sales units, and Manufacturing Division

>Management Mechanism

1. Strike a balance between R&D, manufacturing and sales to generate synergy
2. Expand key industries, vertically integrate market applications, and provide diverse solutions, in order to maximize product value.
3. Improve the operational functions of existing overseas sales locations and implement matrix management; control operational risks and costs during the further development of business in local markets.

>Commitments, Actions, and Goals

| Commitment | 2023 Execution item | 2022 Execution Outcome | Future Goals and Actions |
|---------------------------------------|---|---|---|
| Global Planning and Local Development | <ol style="list-style-type: none"> 1. Establish sales subsidiaries or offices for further development of business in the overseas market in order to provide comprehensive local support services. 2. Develop new products to satisfy industrial needs. | <ol style="list-style-type: none"> 1. In 2023, we established a subsidiary in South Africa. We have a total of 25 sales locations and more than 30 showrooms around the world. 2. In 2023, we developed new products for different product lines and won three international leading awards - German iF Design Award, Red Dot Design Award, Japanese Good Design Award, and Taiwan Excellence Award | <ol style="list-style-type: none"> 1. Continue to expand new business locations and showrooms according to business needs. 2. In the future, the Company will develop high value products in the four main aspects of sound processing, information security, intelligence, and digitization, in order to increase competitiveness and enhance profitability. |

Enterprise Operations



2.1 About ATEN

> Corporate Vision

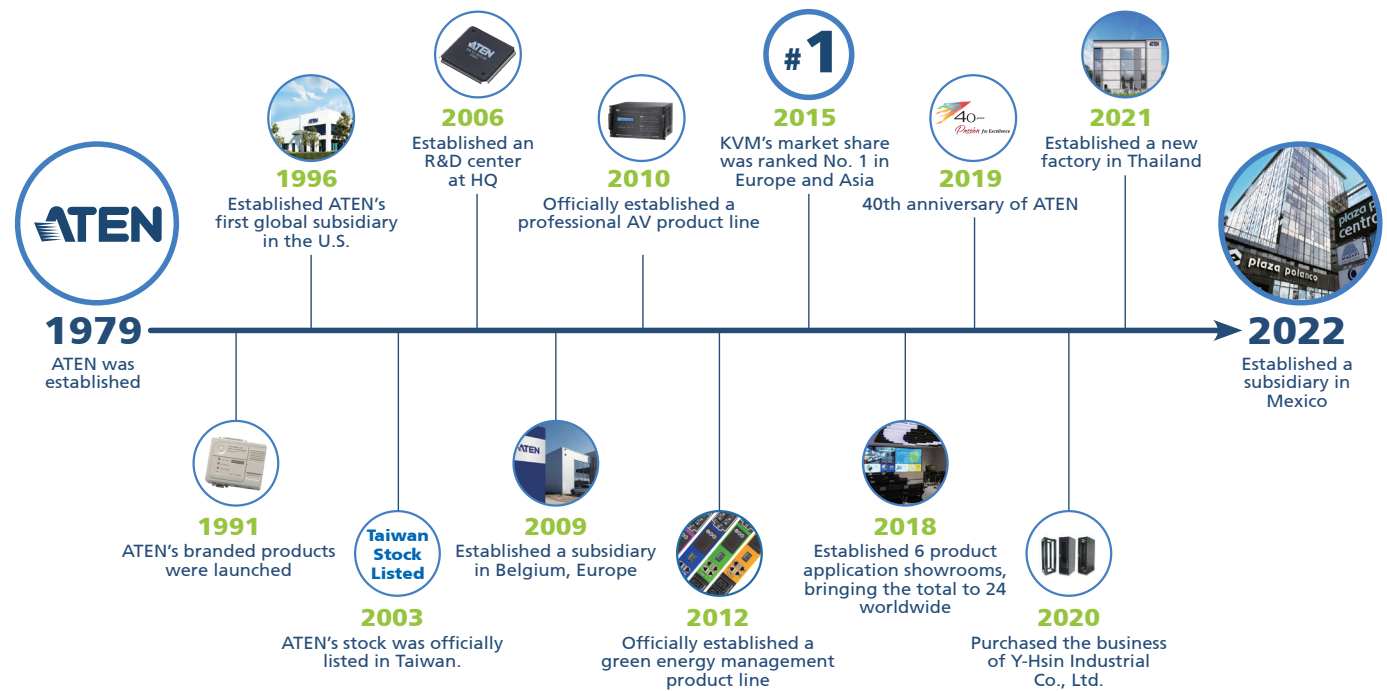
Consistently upholding our business philosophy, we are committed to achieving the beautiful vision of “Simply Better Connections”. We look forward to understanding user needs in order to provide innovative solutions capable of establishing more effective and seamless connections between people or between message transmissions. ATEN’s products and services help you closely connect to the world at any time and any place through innovative technologies for sharing and caring, thereby making work and personal life simpler and easier.

> Key Milestones



ATEN International Co., Ltd.

Established in 1979. ATEN was headquartered in Xizhi District, New Taipei City, Taiwan, and is a publicly listed company traded on the Taiwan Stock Exchange (Stock Code: 6277)



Enterprise Operations



› Diverse Product Portfolio

Since our establishment in 1979, we have promoted our business with the brand of “ATEN” in the global market. ATEN is committed to providing various types of connection, control and management-related products. ATEN is currently a leading global supplier of information technology (IT) and professional audiovisual (AV) equipment connection management solutions. ATEN provides integrated solutions for KVM multi-computer switches, professional AV products, USB and handheld device peripherals, energy intelligent power distribution units, and so on. Our diverse product portfolio can achieve easy control and connection for different types of electronic equipment and is widely applied in different fields, including enterprises, government agencies, education, medical care, manufacturing, transportation, broadcasting, and media.

In addition to the core B2B product lines, in ATEN has in recent years actively developed consumer products for personal applications, including various USB and handheld peripheral solutions, and has launched gaming, online teaching, and commercial live streaming products in response to the entirely new business opportunities generated by personal consumption economy and the post-pandemic era, thereby bringing customers a greater connection and sharing experience.

Our KVM multi-computer switches, professional AV product, energy intelligent power distribution units, and USB and handheld device peripherals have their own development history and industry positions and their sales channels and target customers also differ, which is exactly what makes ATEN unique. ATEN integrates diverse product lines into featured solutions and develops unique business models, thereby increasing revenue.

The Company will continue to maintain stable business operations and increase the flexibility of allocating production capacity based on the Company’s extensive years of development and solid foundation. In the future, the Company will invest more R&D resources in developing high value products in the four main aspects of sound processing, information security, intelligence, and digitization in order to increase competitiveness and enhance profitability.





› New Products and Services Planned for Development

| | |
|---|--|
| 1 | Research and development of high performance KVM matrix systems, which are used for the integration of KVM equipment management for control room application. |
| 2 | New generation of fully digital and full-channel multi-computer KVM managers, particularly for the applications of remote centralized management of servers in server rooms, remote access of control rooms, high-tech production line remote management, etc. |
| 3 | Research and development of a series of secure KVM multi-computer switches, compliant with the PP PSD (Protection Profile for Peripheral Sharing Device), an international standard established exclusively for KVM. |
| 4 | Technical integration and application of consumer electronics in computer desktop applications and game console peripherals. |
| 5 | Integration and application of audio and video signal connection management products. |
| 6 | Smart environmental control systems |
| 7 | Integration and application of electricity and green energy. |
| 8 | OEM services for AI text-to-speech (TTS) and training |
| 9 | Industrial computers for AI edge computing |

For relevant details, please refer to the 2023 Annual Report of the Company.



› New Product Introduction: Video Wall Image Processor

ATEN's video wall image processor series is a modular design solution that helps users grasp the environmental status in real time. Its advanced multi-window function enables seamless switching and supports up to 16 different windows at the same time to provide secure and reliable all-round monitoring, ensuring that the image from every important perspective in the environment stays in focus and shows every detail clearly. This flagship image processor is designed exclusively for mission-critical environments such as central control rooms, transportation centers, disaster response centers, and situation rooms. It aims to provide a smart workspace for users to receive real-time information to prevent emergency incidents. The outstanding real-time situational insight capabilities of ATEN's video wall image processor series help commanders make quick and correct decisions in emergency situations.

ATEN's video wall image processor series excels in scalability and flexibility and supports up to 36 input sources and 20 output displays. The series' redundant design on CPU control boards and power modules greatly improves system reliability, which is especially important in mission-critical environments, thereby enhancing the safety and reliability of public transportation systems. In addition, considering the needs of integration of signal sources with different interfaces, this series can flexibly and quickly integrate multiple signal sources, such as 4K HDMI board cards and stream decoder cards. To improve efficiency, ATEN's video wall image processor series also provides remote video control technology. Even if the commander is not in the control room, all key information can be accessed remotely through the visualization panel to help them make quick decisions and efficiently allocate resources.



Enterprise Operations



› Brand Management

Interbrand, a world-leading brand consultancy, announced that ATEN was one of the winners of the “Best Taiwan Global Brands” in 2023. This was the sixth consecutive year for ATEN to receive the award. For ATEN’s brand value, Interbrand indicated that ATEN has deeply integrated AI application technology into products and solutions in line with the trend of industrial AI transformation to branch out into the AI TTS market and that ATEN has launched a brand new AI TTS service, AI Voice, to not only broaden the brand’s business development path, but also strengthen its AV product line, demonstrating the flexibility and resilience of the brand strategy. In terms of marketing, over the past year, ATEN has been committed to establishing emotional connections and interactions with customers through social media, fully implementing our core corporate value of “ICAN” and attaining remarkable achievements in brand interactivity and connection.

Since our establishment, we have integrated all our products and services and used one single brand “ATEN” for global sales and marketing. Presently, the channel partners of the Company have expanded worldwide to reach more than 100 countries. Aside from the “commitment to building our own brand”, the key factors to the successful brand management of ATEN include the improvement of service quality and brand value. To achieve this, we have in recent years adopted the Customer to Business (C2B) business model to strengthen customer impressions of our product and service value. We also provide full support to our distributor, system integrator (SI), and value-added reseller (VAR) partners, such as: offering professional solution guides for the main target application markets, establishing a strong pre-sales support system, providing a clear and incentive loyalty program, providing complete and convenient online product training programs, and organizing effective product seminars and road shows. This increases customers’ willingness to work with ATEN in promoting products, thereby enhancing ATEN’s brand power.

In addition, to continuously build up the brand image and brand assets of ATEN in target customers worldwide, we continue to establish standardized, organized and systematic corporate management strategies, marketing strategies and visual communication designs, so that ATEN can have a consistent corporate identity on the global market.



Enterprise Operations



› Competitive Advantages

1. Having an outstanding R&D team for continuous technology breakthroughs and R&D innovation to gain advantages as a market leader.
2. Providing comprehensive remote management solutions with complete high-end, mid-range, and low-range product lines and having the capability of customized small-volume and large-variety production, thereby satisfying the needs of different customers (markets).
3. Equipped with international sales and marketing professionals as well as global planning with complete localized distribution channels in order to establish fast market response mechanisms.
4. Having our own brands, offering products with high quality and reliability, remarkable customer experience, and overall services widely recognized in the market.
5. Conducting worldwide patent planning to protect intellectual property rights from infringement.
6. Having a leading position in the market as a leading supplier of KVM products.
7. Using integrated AV meets IT solutions to meet the needs of global IT management and professional AV markets.



Global Distribution of Granted Patents

› Innovative Core Technology R&D and Integration Advantages

ATEN has approximately 300 R&D engineers in Taiwan, China, and Canada. With an outstanding R&D team, the Company continues to achieve technology breakthroughs and R&D innovation. The legal protection of design patents and intellectual property rights elevates the market entrance barrier. With the advantages of R&D capacity for innovative core technologies and technological integration, we integrate and apply the core technologies of remote server management and digital AV processing to various product lines, supplemented by an emphasis on user experience design. By doing so, we can further discover the implicit needs of customers to create a world-class brand.

› Global Patent Planning

ATEN has always valued “Innovative R&D” and it is also the development core that ATEN is proud of. In addition, we have applied patented technologies to ATEN’s products in order to not only promote high market production value, but also achieve successful projects for numerous customers worldwide, establishing a solid foundation for ATEN in the development of patented technologies. As of 2023, the Company has been granted more than 600 patents. The Company actively invests in and maintains important technology R&D outcomes, which is also an effective guarantee for continuous business growth in the future.



ATEN Patent Wall



› Factors Conducive to Long-Term Development:

1. With more than ten years of development of the KVM product line, ATEN's brand reputation has been built up in the global market.
2. We have received numerous awards, consolidating our position as an international brand and strengthening brand recognition.
3. We improve our global sales system in all main regions and our localization service strategies in order to establish an advantageous cornerstone for future revenue growth.
4. The Company focuses on niche markets and continues to diversify the application of products, expand from IT architecture management solutions to professional AV products, green energy power management solutions and USB peripherals, in order to lay the foundation for revenue and profit growth.
5. We are equipped with outstanding R&D and production technology teams with extensive experience.
6. Our core technologies include chip design, hardware, monitoring software/firmware, image network communication, and other high-end technologies, and we have filed patent applications to protect our intellectual property rights.
7. We uphold the management philosophy of integrity.
8. We continue to improve our sustainable ESG influence and enhance the Company's positive image.
9. ATEN has established harmonious partnerships with suppliers and customers with stable quality.
10. The Company continuously cultivates and introduces outstanding talent.
11. We have a sound financial structure.
12. We have put new production sites into operation and introduced automated equipment to increase the flexibility of adjusting production capacity.

› Factors Negative to Long-term Development:

1. Different regions have different economic growth, and there are geopolitical risks.
2. Violent fluctuations in exchange rates of various countries may affect revenue and profit.
3. New competitors enter the market.
4. Consumers lack product knowledge.
5. Counterfeit and illegal products disturb the market.
6. There is a shortage of IC component materials.
7. Declining birth rates and the evolution of work values affect talent recruitment and retention.

› Response Strategies and Opportunities:

1. The global planning strategy of ATEN is not affected by one single country and market fluctuations, such that the system risk can be reduced. On the other hand, introducing products in diverse industries and application fields can distribute the risks of the business cycle of individual industries and optimize production and sales management, thereby reducing the chance of idle inventory.
2. The financial and strategic divisions pay attention to the exchange rate fluctuations of each currency for payments received at any time and analysis market price trends in order to adjust product prices in a timely manner. In addition, the operation of financial tools can effectively mitigate the risk of export exchange losses.
3. In response to the trend of increasing competitors in mid-range and low-range KVM markets, we will utilize our product development and research capabilities to create product differentiation, provide customization services, and improve product quality and customer experience. Our advantages of product repair efficiency and customer service quality can clearly distinct the Company from price-cutting competitors. In addition, we will also enhance our solution planning capability to create added value, such that the Company is able to avoid price competition.
4. The establishment of product application showrooms in all major cities worldwide and the introduction of successful examples in various industries and other marketing and promotion techniques allow potential customers, such as system integrators, enterprise users, government agencies, and general consumers to further understand the Company's products and application scenarios, as well as promote various benefits of ATEN's product series, including high energy efficiency, environmental protection, and saving space, as well as higher performance.
5. We will strengthen counterfeit product inspection and infringement defense actions, and implement thorough measures to protect the sales rights of patented products.
6. As countries around the world have lifted border control and epidemic control measures, cross-region customer visits and sales activities have resumed progressively. During this period, ATEN have utilized remote communication and online marketing channels to overcome obstacles and achieve direct communication with customers. In addition, with diverse sales methods, we have developed sales strategies different from traditional single sales channels.
7. With the progressive mitigation of supply chain shortages, ATEN has continued to implement agile design revision, provide alternative products or solutions to customers, and make optimal adjustments according to the production capacities of global production sites and logistics, so that the impact of stockouts can be minimized.
8. The Company continues to offer superior benefits and growth opportunities to attract outstanding talent. At the same time, we value the needs of employees, create a good working environment, and provide career development opportunities to retain outstanding talent.



2.2 Worldwide Presence and Management

In regard to “sales,” “R&D,” and “manufacturing”, three aspects that are most critical to corporate operations, ATEN sufficiently utilizes global resources in order to gain optimal benefits.

› Sales

ATEN develops new global sites in a stable manner. Through the establishment of sales subsidiaries or offices, the Company is able to further develop business in the overseas market in order to provide comprehensive local support services and establish direct communication channels, thereby winning customers’ trust and expanding business to emerging markets with potential. With regard to local sales locations, including subsidiaries and product application showrooms, ATEN established a subsidiary in South Africa in 2023. We have a total of 25 sales locations and more than 30 showrooms around the world. In addition to the existing regional sales channels, we are also actively expand business to the tender market in line with the “From Distribution to System Integration” marketing strategy. Furthermore, in view of changes in consumption styles due to the development of network technology and the impact of the pandemic, ATEN is actively planning diverse sales channels for the e-commerce market in order to grasp the opportunities of reaching potential customers and increasing sales, meeting the consumer needs of different channels.

From Distribution to System Integration:

To avoid fierce competition in low-range products, the Company has gradually moved toward high-end products. For the sales channels of high-end products, we do not use the simple distribution model in the past, but actively adopts the sales strategy of “From Distribution to System Integration”, in order to seek collaboration with local system integrators (SI) worldwide to manage and shorten channels.

› R&D

In terms of R&D, in addition to the Taipei headquarters and Tainan R&D center in Taiwan, the Company also has two overseas R&D offices in Canada and Wuhan, China. With the expertise of R&D talent from different countries, a total of approximately 300 R&D engineers of the Company can provide sufficient R&D capacity for new product development and patent protection.

› Manufacturing

With regard to manufacturing, ATEN has established production sites in Taiwan, China and Thailand. The production capacities are adjusted flexibly in order to enhance the flexibility and capability of the global supply of products. Furthermore, through the adjustment and control of the production capacities of different production sites, risks and impacts are reduced to a minimum. Production lines are adjusted appropriately according to needs in order to obtain optimal benefits in terms of quality, cost and efficiency.

ATEN’s active global planning strategy has not only laid the foundation for high gross margin, but also established long-term competitive advantages for future revenue growth.



Global Presence

Global Planning and Local Development

- Headquarters
- Subsidiary
- R&D Center
- Factory
- Service & Repair Center



America



Asia-Pacific / Oceania Region



Europe / Africa

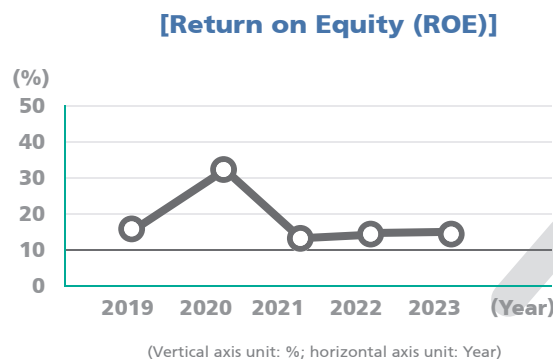
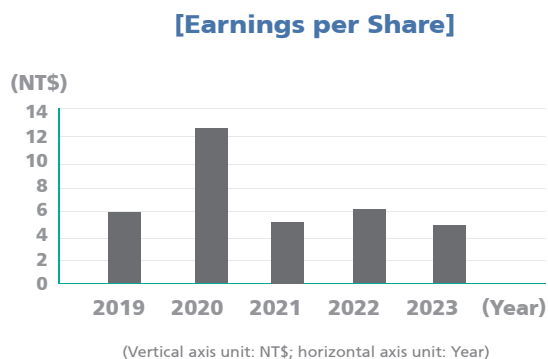
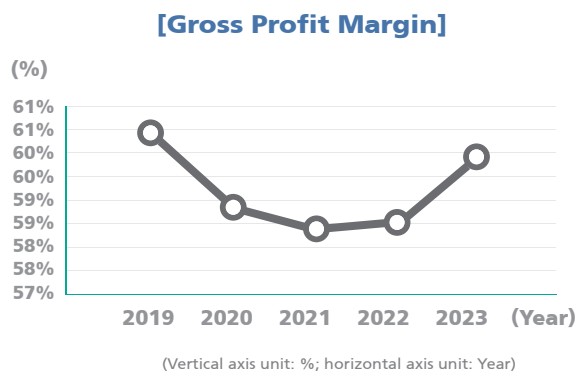
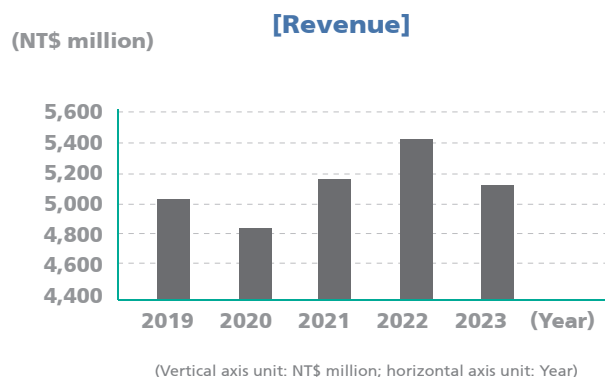


2.3 Operational Performance

In 2023, as the global economy was affected by cyclical factors such as inflation and interest rate hikes, which limited the end demand, the speed of industrial destocking was not as fast as expected, leading to challenges facing the annual growth momentum. The consolidated revenue in 2023 was NT\$5.156 billion, a decrease of 5% YoY; the consolidated gross profit margin was 59.9%; the operating net profit was NT\$788 million, the net income after tax of the current period was NT\$572 million, and the earnings per share was NT\$4.73.

Through the optimization of production allocation and the promotion of diverse sales channels and product sales strategies, we aim to increase revenue and profit performance and create further corporate value.

Please refer to the 2023 Annual Report of the Company for detailed operating information.

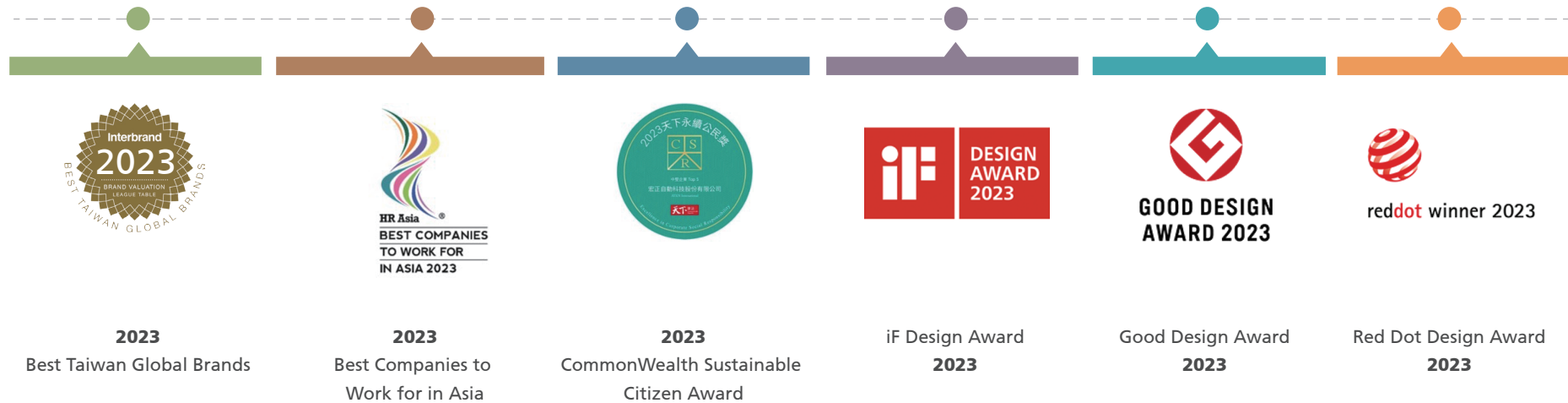




2.4 Honors and Recognitions (2023)

Over the past years, in terms of products, design, company management, corporate social responsibility, etc., the Company has received a variety of awards in various fields.

2023





2.5 External Organization Participation

Through participation in various domestic and international associations related to industrial development, we seek to further strengthen our ties with the industry and become exposed to the latest technologies. By doing these, we are able to not only enhance the competitiveness of our products and exert our influence in the industry, but also increase opportunities for forming strategic alliances, catalyzing growth of the Company's operations.

| Association Name | |
|---------------------------------------|--|
| Audinate | GS1 Taiwan |
| AVIXA | The Institute of Internal Auditors-Chinese Taiwan |
| Bluetooth SIG | Taiwan Electrical and Electronic Manufacturers' Association |
| Digital Content Protection LLC (HDCP) | Taipei Computer Association |
| HDBaseT Alliance | Industry Liaison Office National Taiwan University |
| HDMI Licensing, LLC | Chinese International Economic Cooperation Association, Taiwan |
| USB Implementers Forum | Taiwan Chief Information Security Officer Alliance |
| VCCI | Taiwan CERT/CSIRT Alliance |
| VESA | |

Ch3



Corporate Governance

- 3.1 Corporate Governance Structure**
- 3.2 Board of Directors**
- 3.3 Functional Committees**
- 3.4 Risk Management**
- 3.5 Shareholder Rights and Interests**
- 3.6 Ethics and Integrity**




Corporate Governance



Material Topic

Corporate governance, ethical management, and legal compliance

>[Corresponding SDGs]

| | |
|--|---|
|  <p>4 QUALITY EDUCATION</p> | <p>“Integrity” is one of the core values of ATEN. Each year, the Company organizes integrity-related seminars or courses, and they are also included as essential courses for new employees in order to ensure that all employees are able to understand and comply with the code of conduct for integrity. In addition, for key divisions such as the Auditing Office, Financial and Accounting Department, Investor Relationship and Capital Market Department, and directors, internal or external courses related to corporate governance are arranged annually to allow them to understand the Company’s determination to implement ethical management and the consequences of ethical violations.</p> <p>Corresponding SDG Target: 4.7</p> |
|  <p>5 GENDER EQUALITY</p> | <p>The board members of ATEN consist of professionals equipped with various professional knowledge and skills, and female directors account for 10% of the board members in response to SDG 5 (Gender equality) of the 17 Sustainable Developmental Goals of the United Nations. The aforementioned diversity policy also demonstrates that ATEN is persistently pursuing the long-term goal of sustainable operations.</p> <p>Corresponding SDG Target: 5.5</p> |
|  <p>16 PEACE, JUSTICE AND STRONG INSTITUTIONS</p> | <p>Of the four major corporate core values, the first one is “Integrity”. Regardless of the stakeholders, the Company always adopts the principle of honesty and trust while implementing transparent corporate governance. With the approval of the Board of Directors, the Company has established regulations such as the “Ethical Corporate Management Best Practice Principles”, “Code of Ethical Conduct”, and “Procedures for Ethical Management and Guidelines for Conduct” for compliance by directors and employees. In addition, the Company has also set up various email addresses to serve as channels for different stakeholders to submit complaints in the hope of establishing fair and just interactions between the Company and the stakeholders.</p> <p>Corresponding SDGs Targets: 16.5, 16.6, 16.7</p> |

Corporate Governance



› Responsible Unit

Board of Directors of the Company

› Management Mechanism

The Board of Directors of the Company is the highest governance body and highest decision-making center. The Board also supervises the overall operational management of the Company.

› Commitments, Actions, and Goals

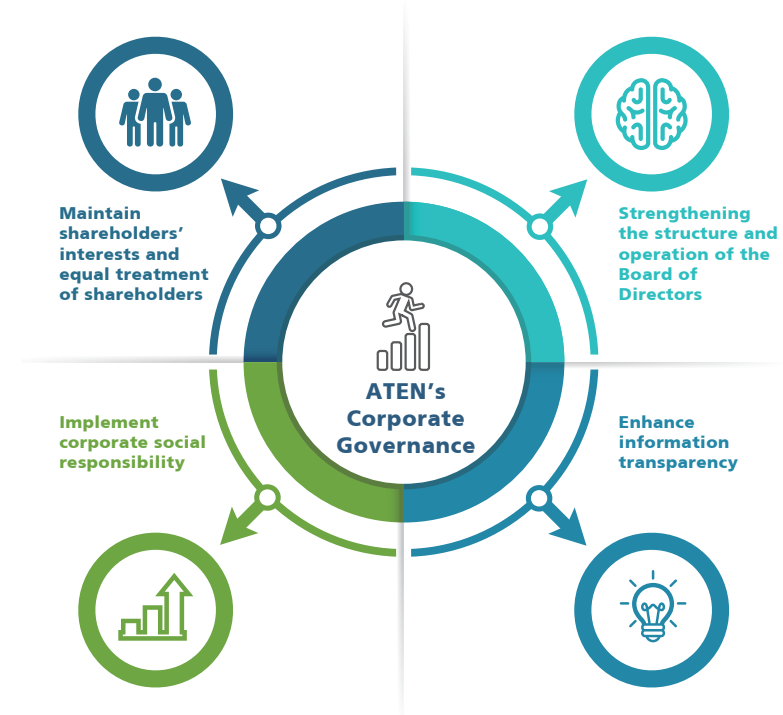
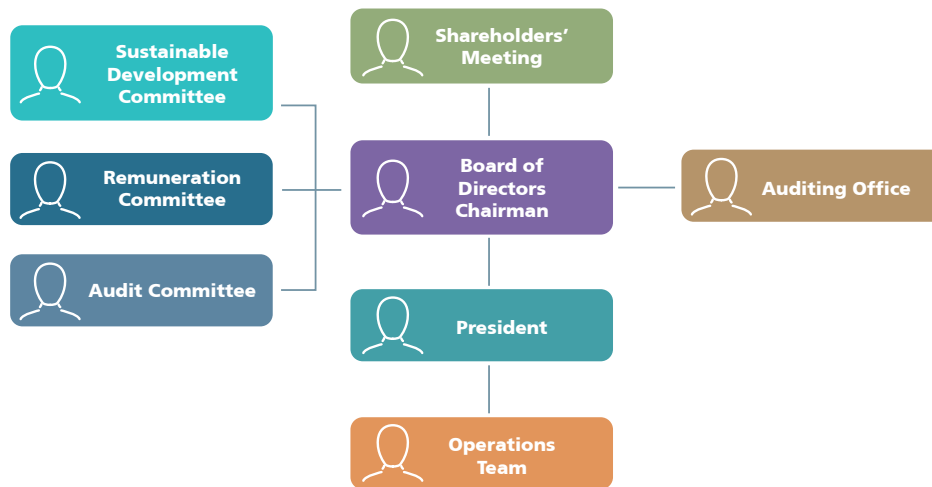
| Commitment | 2023 Execution item | 2023 Execution Outcome | Future Goals and Actions |
|---|--|--|---|
| <ul style="list-style-type: none"> > Protection of shareholders' rights and interests > Enhancement of information transparency | <ol style="list-style-type: none"> 1. Provide Chinese and English versions of shareholders' meeting information for shareholders to understand the financial and non-financial information of the Company 2. Organize investor conferences. 3. Publish the 2022 revenue announcement calendar | <ol style="list-style-type: none"> 1. We published the Chinese version of shareholders' meeting information early, including the meeting handbook (regulations specify that the meeting handbook shall be provided 21 days before a shareholders' meeting, while the Company voluntarily provided the meeting handbook 30 days before the shareholders' meeting), annual report (regulations specify that the annual report shall be submitted seven days before a shareholders' meeting, while the Company voluntarily provided the annual report 18 days before the shareholders' meeting); voluntarily prepared and provided the English version of shareholders' meeting information, including English versions of the meeting notice, meeting handbook, meeting minutes, and annual report 2. The Company organizes or participates in investor conferences quarterly. In 2023, the Company organized 4 online investor conferences 3. The 2023 revenue announcement calendar was released on the Company's website 4. English versions of the Annual Consolidated and Parent Company Only Financial Statements were disclosed | <ol style="list-style-type: none"> 1. Provide the English version of interim financial statements 2. Provide more detailed English information on the Company's website to allow investors to have a better understanding of the financial and non-financial information of the Company, including the operation of functional committees and the communication of independent directors and the chief internal auditor with CPAs |
| Strengthening the structure and operation of the Board of Directors | <ol style="list-style-type: none"> 1. Diversity policy for the Board of Directors 2. Strengthen the operation of the Board of Directors | <ol style="list-style-type: none"> 1. The Board of Directors' internal performance evaluation was completed in January 2023 and was reported at the Board of Directors' meeting on March 14, 2023 2. We improved our risk management mechanism and established the Sustainable Development Committee. On November 7, 2023, the Sustainable Development Committee reported the status of risk management to the Board of Directors. 3. An information security risk management report was given at the Board of Directors meeting on November 7, 2023. | <ol style="list-style-type: none"> 1. In order to strengthen corporate governance, we expect to add one more female director to the Board of Directors in the future. |

Corporate Governance



3.1 Corporate Governance Structure

ATEN ensures the Company's compliance with all regulations through rigorous internal audit and internal control mechanisms, and requires the management, overseas subsidiaries, and all employees to repeatedly examine the Company's compliance with regulations and the execution of the internal control system through regular internal control self-evaluations and irregular internal control audits. Once any deficiencies or abnormalities in the internal control system is detected, they will be reported immediately and be addressed and closely monitored by relevant departments until they are completely corrected and all laws and regulations are complied with. After the Auditing Office has collected the review reports of all departments, the chief auditor makes a regular report on audit activities to the Audit Committee and attend board meetings to present the report. To improve the operational performance of the Board of Directors, the Company has established the "Audit Committee", "Remuneration Committee", and "Sustainable Development Committee" under the Board of Directors to be in charge of the establishment of relevant policies and systems and the review of their promotion and implementation in order to enhance the operation of the Board and assist the Board to fulfill its supervisory responsibility. The committees regularly report the implementation status and resolutions to the Board of Directors. Regarding risk assessment, various objectives are determined first, which are then linked to the Company's units at different levels, with consideration of the appropriateness of the objectives of the Company. The Company adopts appropriate policies and procedures according to risk assessment results in order to control risks within the acceptable range. The Sustainable Development Committee assists the Board of Directors in performing risk management operations and establishing risk management policies. The Committee reports the implementation of risk management to the Board of Directors annually.





3.2 Board of Directors

The Board of Directors is the highest governance body of the Company. According to the Articles of Incorporation of the Company, the Board of Directors shall consist of seven to 10 directors. ATEN's Board of Directors was re-elected during the 2023 ordinary shareholders' meeting. Of the 10 director seats, there are six seats for directors and four seats for independent directors. Their term of office is three years. The election of directors fully adopts the candidate nomination system, and the election of directors of the Company shall consider the overall composition of the Board of Directors. All board members are required to possess the knowledge, skills and competencies necessary to perform their duties. The qualifications and election of independent directors shall comply with the "Regulations Governing Appointment of Independent Directors and Compliance Matters for Public Companies". The duties of the Board of Directors include the assessment of the Company's operation strategies and important business and financial affairs in order to ensure the appropriateness of the Company's financial statements and maximize the rights and interests of shareholders.

The Board of Directors meets at least once a quarter. In 2023, a total of seven board meetings were held, with an average attendance rate of 95.71%. The attendance of directors and important board resolutions in 2023 are as follows. During the operation of the Board of Directors, in the event that there is a conflict of interest and directors are required to recuse themselves, Article 16 of the "Rules of Procedures for Board of Directors Meetings" of the Company shall apply: "If a director or a juristic person that the director represents is an interested party in relation to an agenda item, the director shall state the important aspects of the interested party relationship at the respective meeting. When the relationship is likely to prejudice the interest of the Company, the director shall not participate in discussion or voting on that agenda item and shall recuse themselves from the discussion or the voting on the item, and shall not exercise voting rights as proxy for another director." Please refer to the 2023 Annual Report for such recusals. The Chairman of the Company concurrently acts as the President. To enhance corporate governance, the Company arranges continuing education courses for directors annually to effectively exercise their functions and authorities. In the future, the Company also plans to add one additional independent director to have a total of four independent directors. A majority of directors do not concurrently serve as employees or managerial officers to further enhance the supervisory function of the Board of Directors and comply with the regulations governing recusal for conflicts of interest. Please refer to the 2023 Annual Report for relevant details.

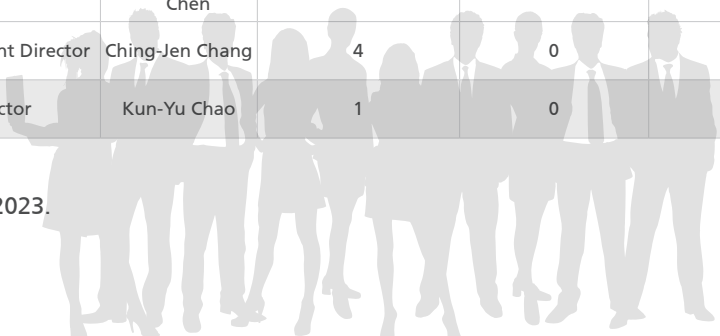
2023 Attendance of the Board of Directors

| Title | Name | Number of Actual Attendances | Number of Proxy Attendances | Actual Attendance Rate (%) |
|---------------|--------------|------------------------------|-----------------------------|----------------------------|
| Chairman | Kevin Chen | 7 | 0 | 100 |
| Vice Chairman | Steven Chen | 7 | 0 | 100 |
| Director | Yung-Ta Lin | 7 | 0 | 100 |
| Director | Shiu-Ta Liao | 7 | 0 | 100 |
| Director | Se-Se Chen | 7 | 0 | 100 |
| Director | Chen-Lin Kuo | 7 | 0 | 100 |

| Title | Name | Number of Actual Attendances | Number of Proxy Attendances | Actual Attendance Rate (%) |
|----------------------|-----------------|------------------------------|-----------------------------|----------------------------|
| Independent Director | Wei-Jen Chu | 6 | 0 | 86 |
| Independent Director | Chung-Jen Chen | 7 | 0 | 100 |
| Independent Director | Chun-Chung Chen | 7 | 0 | 100 |
| Independent Director | Ching-Jen Chang | 4 | 0 | 100 |
| Director | Kun-Yu Chao | 1 | 0 | 33 |

Notes: *1: Independent Director Ching-Jen Chang took office on June 15, 2023.

*2: Director Kun-Yu Chao stepped down upon completion of his term of office on June 15, 2023.





Board Composition Diversity:

Article 20 of the “Corporate Governance Best-Practice Principles” of the Company specifies that the composition of the Board of Directors shall be diverse, and directors shall have different professional backgrounds, genders, or fields of work. All members shall also have different professional backgrounds in finance, accounting, industry knowledge, etc. The Company’s current Board of Directors consists of 10 directors, including six directors and four independent directors, with independent directors accounting for 40%. For other information, please refer to the table below and the “Corporate Governance Report” chapter of the 2023 Annual Report. Among the board members, except for Chairman Kevin Chen and Vice Chairman Steven Chen having a relationship within the second degree of kinship, no directors have spousal relationships or relationships within the second degree of kinship.

| Name of Director | Gender | Age | Diverse Background | | | | |
|------------------|--------|-------|--------------------|---------------------|---------------------|-------------------------|----------------------|
| | | | Industry Knowledge | Industry Experience | Business Management | Accounting and Auditing | Commerce and Finance |
| Kevin Chen | Male | 61-70 | V | V | V | | |
| Steven Chen | Male | 61-70 | V | V | V | | |
| Yung-Ta Lin | Male | 51-60 | V | V | V | | |
| Se-Se Chen | Female | 71-80 | V | | V | | |
| Shiu-Ta Liao | Male | 71-80 | V | | V | | |

| Name of Director | Gender | Age | Diverse Background | | | | |
|------------------|--------|-------|--------------------|---------------------|---------------------|-------------------------|----------------------|
| | | | Industry Knowledge | Industry Experience | Business Management | Accounting and Auditing | Commerce and Finance |
| Chen-Lin Kuo | Male | 81-90 | V | | V | V | |
| Wei-Jen Chu | Male | 71-80 | V | | V | V | |
| Chung-Jen Chen | Male | 51-60 | V | | V | | V |
| Chun-Chung Chen | Male | 51-60 | V | | V | | V |
| Ching-Jen Chang | Male | 61-70 | V | | V | V | |

Enhancement of the Board of Directors’ Corporate Governance

To enhance corporate governance, respect the interests of customers, communities, employees, shareholders and other stakeholders, and achieve the vision of corporate sustainable operation, the Company approved the establishment of the position of Chief Corporate Governance Officer through the resolution of the board meeting on May 5, 2020. On March 14, 2023, the appointment of Chief Financial and Accounting Officer and Senior Assistant Vice President Ching-Wei Tien to act as Chief Corporate Governance Officer was approved, who is in charge of corporate governance-related affairs. The main responsibilities of corporate governance personnel is to protect the rights and interests of shareholders, treat them fairly, provide information necessary for directors to execute their duties, assist with legal compliance, organize Audit Committee meetings, Board of Directors’ meetings and shareholders’ meetings according to the law (in 2023, a total of seven board meetings, five Audit Committee meetings, and one ordinary shareholders’ meeting were convened), apply for company registration and registration changes, prepare meeting minutes for Board of Directors’ meetings and shareholders’ meetings, organize continuing education courses for directors (a total of two courses were planned in 2023), and hold investor conferences (a total of four online investor conferences were organized in 2023). In addition to announcing financial information, the Chief Corporate Governance Officer also helps investors understand non-financial information and establishes diverse communication channels with investors.

The Company encourages directors to participate in relevant continuing education courses organized by professional institutions, and also actively arranges professionals to provide lectures on relevant topics after board meetings. The number of continuing education hours of all directors in 2023 reached the threshold specified in Article 4 of the “Directions for the Implementation of Continuing Education for Directors and Supervisors of TWSE Listed and TPEX Listed Companies”. Successors during their term of office received at least six hours of continuing education annually, and the number of total continuing education hours was 90. The attendance and continuing education status of directors are disclosed on the MOPS for reference by all stakeholders. For the continuing education courses and hours for directors, please refer to the “Corporate Governance Report” chapter of the 2023 Annual Report.



› Performance Evaluation of the Board of Directors

The Board of Directors of the Company approved the “Rules for Performance Evaluation of the Board of Directors” on May 5, 2021, specifying that the Board of Directors shall conduct the performance evaluation of the Board of Directors at least once every year, and the performance evaluation shall also be conducted by a professional independent external institution or external expert/scholar team once every three years. For the internal performance evaluation for the current year shall be performed according to the Rules at the end of each fiscal year. The Board of Directors’ internal performance evaluation was completed in January 2024 and was reported at the Board of Directors’ meeting on February 29, 2024. The Company submitted an external assessment report on November 9, 2022, and the report was presented to the Board of Directors on March 14, 2023. Relevant descriptions are as follows:

1. Internal performance evaluation of the Board of Directors:

The Company’s 2023 performance evaluation of the Board of Directors was organized through a self-evaluation questionnaire survey, and 10 directors completed relevant written self-evaluations. The evaluation results are summarized as follows:

Self-evaluation on the operational performance of the Board of Directors: The performance evaluation indicators for the Board of Directors included 5 main aspects with a total of 45 indicators. The evaluation results were between Excellent (5) and Good (4), indicating that the Board of Directors fulfilled its responsibility of guiding and supervising the Company’s strategies, significant business activities, and risk management and established an appropriate internal control system, and that the overall operation was sound and compliant with the requirements of corporate governance.

Self-evaluation on the performance of board members: The performance evaluation indicators for board members included 6 main aspects with a total of 23 indicators, and the evaluation results were between Excellent (5) and Good (4), indicating that the directors thought highly of the operational efficiency and performance of each indicator.

2. External performance evaluation of the Board of Directors:

At the end of 2022, the Company commissioned an external institution, Taiwan Corporate Governance Association, to conduct performance evaluation of the Board of Directors for the period from September 1, 2022, to August 31, 2023. The institution assigned two evaluation experts to perform evaluation with respect to 8 main aspects covering the Board of Directors’ composition, guidance, authorization, supervision, communication, self-discipline, internal control, and risk management, with 20 indicators, through questionnaires and on-site visits in order to evaluate the performance of the Board of Directors. The institution and evaluation experts had no business dealings with the Company and were independent. The evaluation report was submitted on November 9, 2022. The Company has used the evaluation results as a reference for continuous future improvement of the functions of the Board of Directors in order to continuously improve and optimize its discussion quality. Please refer to the “Corporate Governance Report” chapter of the 2023 Annual Report and the Company’s website for relevant details.

<https://www.aten.com/tw/zh/aten-info/investor-relations/corporate-governance/board-of-directors/>

Remuneration Policy for Directors and Senior Management

- › 1. The compensation of directors of the Company includes transportation allowance and earnings distributed as remuneration to directors. The transportation allowance is paid according to the industry standard. The distribution of earnings as remuneration to directors shall comply with Article 24 of the Articles of Incorporation of the Company: If there is any remaining amount after the income before tax prior to the deduction of remuneration to employees and to directors is reserved and used to make up for accumulated losses, the Company shall appropriate 10 to 16% thereof as remuneration to employees and no less than 2% thereof as remuneration to directors. The appropriation shall subsequently be reviewed by the Remuneration Committee and approved by the Board of Directors. Regarding the compensation payment policy, the Company’s “Regulations for Calculation and Distribution of Directors’ Remuneration” and “Regulations for Performance Evaluation of the Board of Directors” are used as the evaluation basis, and directors are paid based on the level of their directors’ participation in the operation of the Company, their understanding of the Company’s objectives and project tasks, the value of their contributions, their awareness of their responsibilities, their professionalism and continuing education, and their board meeting attendance rate, with consideration of the industry standard.
2. The Company’s managerial officers:
 - 2.1 The compensation payment standard for managerial officers of the Company is established according to the human resource development strategy and managerial officer remuneration policy of the Company, with consideration of the practice of the corporate core values, leadership and management abilities, and ESG sustainable development strategies
 - 2.2 Compensation payment structure: Fixed salary, bonus for three festivals, business performance bonus, employee dividend, annual salary adjustment, benefits for managerial officers, etc.
 - 2.3 Fixed salary is determined according to the academic background, skills and experience (educational background, relevant work experience, professional competence, job grades and responsibilities, special licenses, etc.) related to the competencies of managerial officers.
 - 2.4 Variable remuneration is calculated based on relevant formulas from performance evaluation regulations. Bonuses and rewards are distributed according to the group evaluation score of employees’ respective departments, personal performance evaluation score, annual goal achievement rate, and contribution to the overall operation of the Company.
 - 2.5 The Company participates in the relevant domestic and foreign industry salary and benefit market surveys every year, and the evaluation data of the survey reports along with the Company’s annual remuneration (fixed/variable remuneration) principles and regulations established based on the market and industry standards are submitted to the Remuneration Committee for review and approval, and then they are presented to the Board of Directors for approval to become effective for implementation.



3.3 Functional Committees

To improve the operational performance of the Board of Directors, the Company has established the “Audit Committee”, “Remuneration Committee”, and “Sustainable Development Committee” under the Board of Directors to be in charge of the establishment of relevant policies and systems and the review of their promotion and implementation in order to enhance the operation of the Board and assist the Board to fulfill its supervisory responsibility. The committees regularly report the implementation status and resolutions to the Board of Directors. The committee members are summarized in the following table:

| Title | Audit Committee | Remuneration Committee | Sustainable Development Committee |
|--|-----------------|------------------------|-----------------------------------|
| Wei-Jen Chu, Independent Director | O | O | V |
| Chung-Jen Chen, Independent Director | V | V | V |
| Chun-Chung Chen, Independent Director | V | V | V |
| Ching-Jen Chang, Independent Director | V | | V |
| Yung-Ta Lin, Director/ Senior Vice President | | | O |
| Chen-En Ko, Committee Member | | V | |
| Yen-Jung Li, Committee Member | | V | |

› Audit Committee

The Board of Directors appointed 4 independent directors to be the members of the Audit Committee on June 16, 2020. Their responsibilities include: Review of financial statements: The Board of Directors prepared the Company’s 2022 and 2023 Q2 business reports, financial statements, and earnings distribution proposal. The aforementioned financial statements have been audited and reviewed by KPMG retained by the Company, and audit and review reports have been issued. The aforementioned business reports, financial statements, and earnings distribution proposal have been reviewed and determined to be proper by the Audit Committee. Evaluation of the effectiveness of the internal control system: The Audit Committee evaluates the effectiveness of the Company’s policies and procedures for the internal control system and reviews the periodic reports of the Company’s audit department, CPAs, management.

In 2023, 5 Audit Committee meetings were convened. The attendance of the committee members is as follows:

| Title | Name | Number of Actual Attendances | Number of Proxy Attendances | Actual Attendance Rate (%) |
|---------------------------------|-----------------|------------------------------|-----------------------------|----------------------------|
| Independent Director (Convener) | Wei-Jen Chu | 5 | 0 | 100 |
| Independent Director | Chung-Jen Chen | 5 | 0 | 100 |
| Independent Director | Chun-Chung Chen | 5 | 0 | 100 |
| Independent Director | Ching-Jen Chang | 2 | 0 | 100 |

Corporate Governance



› Remuneration Committee

The Board of Directors appointed members of the Remuneration Committee on July 10, 2020. A total of 5 members were appointed, including 3 independent directors and 2 committee members. Their duties include the establishment and periodical review of annual and long-term performance goals and remuneration policies, systems, standards, and structures for directors and managerial officers, as well as regular evaluation of their performance goal achievement and the determination of their individual remuneration content and amount.

The compensation of directors includes transportation allowance and earnings distributed as remuneration. The transportation allowance is based on the general industry standard. For the distribution of earnings, the Company's Articles of Incorporation shall apply, and the Remuneration Committee shall make a proposal and submit it to the shareholders' meeting for approval of payment. The distribution of earnings shall consider relevant indicators such as operational performance and ESG sustainable development strategies. The remuneration of managerial officers includes salary, bonuses, and earnings distributed as employee dividends, and the payment standard is governed by the Regulations for Salaries of Employees of the Company. The function of the Remuneration Committee is to assess the remuneration policy and system for directors and managerial officers from a professional and objective perspective and propose recommendations to the Board of Directors as reference for the decision-making of the Board of Directors. For the member attendance rate and proposals adopted, please refer to the "Corporate Governance Report" chapter of the 2023 Annual Report.

In 2023, the ratio of the President's total annual remuneration to the median of the total annual remuneration of other employees was 17.21 times, and the YoY change in the median total annual remuneration ratio was -2.04 times.

› Sustainable Development Committee

The Company renamed the "ATEN Corporate Social Responsibility Management Committee" "Sustainable Development Committee" in 2022, and directors and independent directors serve as the committee members to establish sustainable development policies and plans. The Sustainable Operation Task Force has been established under the Sustainable Development Committee to monthly discuss and plan the execution of tasks resolved by the Committee, including on issues such as net-zero emissions, environmental protection actions, green energy and greenhouse gas inventory, stakeholder communication, social participation and volunteer activities. Regular reports are submitted to the Sustainable Development Committee and the Board of Directors annually.

The Sustainable Development Committee convened 1 meeting in 2023. The attendance of the committee members is as follows:

| Title | Name | Number of Actual Attendances | Number of Proxy Attendances | Actual Attendance Rate (%) |
|----------------------|-----------------|------------------------------|-----------------------------|----------------------------|
| Director (Convener) | Yung-Ta Lin | 1 | 0 | 100 |
| Independent Director | Wei-Jen Chu | 1 | 0 | 100 |
| Independent Director | Chung-Jen Chen | 1 | 0 | 100 |
| Independent Director | Chun-Chung Chen | 1 | 0 | 100 |
| Independent Director | Ching-Jen Chang | 1 | 0 | 100 |



› Scope of Responsibilities of the Sustainable Development Committee:

1. Establishment of sustainable development policies of the Company.
2. Establishment of sustainable development plans of the Company.
3. Reviewing and following up on sustainable development implementation and performance of the Company, making revisions, and submitting regular reports to the Board of Directors.
4. Monitoring topics of concern of all stakeholders, including shareholders, customers, suppliers, employees, government agencies, communities, and the media, and supervising communication plans.
5. Other matters resolved by the Board of Directors to be assigned to the Committee.

With regard to the 2023 sustainable development and risk management status, a annual risk management report was submitted at the Sustainable Development Committee meeting held on November 3, 2023 and at the Board of Directors' meeting held on November 7, 2023, in order to explain the risk management implementation status and progress, including the types of risks faced by the Company, risk management focus, and risk assessment. All units responsible for managing the various types of risks have adopted appropriate response measures for the risks faced, and risk management procedures and their execution results have been properly recorded. Furthermore, the sustainable development risk management policy and procedure as well as the Sustainable Development Committee Organizational Charter have been approved. After the Board of Directors reviewed the report submitted by the Sustainable Operation Task Force, it provided support for the current implementation status and future sustainable development promotion direction. In addition, for the topics of net-zero emissions, environmental protection actions, green energy and greenhouse gas inventory, stakeholder communication, social participation and volunteer activities, etc., the Board of Directors also proposed future goals, established strategies, and provided various types of recommendations.

The 2023 stakeholder communication status has been reported at the Board of Directors' meeting held on November 7, 2023.

3.4 Risk Management

› Risk Management Policies and Procedures

The Company's risk management policies are to establish and maintain an effective risk management framework, shape a risk management culture, and, through risk identification, ensure that risks that may be faced during operation can be controlled within the acceptable range, thereby protecting the interests of stakeholders.

The Company's risk management procedures are established in accordance with the Company's policies, internal control system, and other operational regulations and involve risk identification, risk measurement, risk monitoring, risk response, and risk reporting, and implement appropriate measures are implemented, in order to ensure the effective management of relevant operational risks.

› Scope of Risk Management

The scope of risk management of the Company includes but is not limited to operational risk, market risk, financial risk, environmental risk, climate change risk, information security risk, and other risks that may cause material losses to the Company. The Task Force performs risk management for issues within its scope of management, and continues to monitor the development of international and domestic risk management in order to identify emerging risks.



› Risk Management Organizational Structure

The risk management organizational structure of the Company includes the Board of Directors, Sustainable Development Committee, and Auditing Office.

1. The Board of Directors is the highest directing body for risk management of the Company to ensure the effective operation of the risk management mechanism.
2. The Sustainable Development Committee assists the Board of Directors in performing risk management operations and establishing risk management policies. The Committee reports the implementation of risk management to the Board of Directors annually. The Sustainable Operation Task Force (hereafter referred to as the “Task Force”) has been established under the Sustainable Development Committee to assist the Sustainable Development Committee to perform its risk management-related tasks, including submission of risk management reports, integration and coordination of common risk management issues across departments, and promotion and communication of important risk management matters.
3. The Auditing Office is subordinate to the Board of Directors. It assists the Board of Directors in checking and reviewing the effectiveness and reasonableness of the internal control system and makes regular reports on audit implementation results to the Audit Committee and the Board of Directors.

› Operation Status

The Company explained the risk management implementation status during the Sustainable Development Committee meeting held on November 3, 2023, and the Board of Directors’ meeting held on November 7, 2023. The annual risk management report (risk management implementation status and progress) includes the types of risks faced by the Company, risk management focus, and risk assessment. All units responsible for the management of the various types of risks have adopted appropriate response measures for the risks faced, and risk management procedures and their execution results have been properly recorded. In 2023, the number of trainees was 378 for a total of 440 hours to enhance the operational risk awareness and understanding of employees.

› Risk Response Description

| Risk Item | Response Description |
|---------------------------|--|
| Financial risk | <p>(1) Interest rate risk: The Company has always maintained a sound financial structure. We have appointed dedicated personnel to maintain close interaction with banks, and effectively used various financial tools to reduce the risk of interest rate changes. The change of net interest income and expenses for the most recent two years was still within 5.5% of the net income after tax of the Company. Therefore, interest rate changes had no material impact on the Company.</p> <p>(2) Exchange rate risk: The Company controls the timing for receiving payments for sales of goods and making payments for the purchase of goods to get the best exchange rates, and sets targets for exchange rate costs. The Company also engages in pre-sale forward exchange transactions for hedging, maintains close contact with banks, and collects exchange rate-related information, in order to properly grasp exchange rate trends and prevent or reduce the risk of exchange rate fluctuations.</p> |
| Operational risk | <p>(1) Legal compliance: In accordance with the relevant operational regulations of ATEN, the Auditing Office assists the Board of Directors in checking and reviewing the effectiveness and reasonableness of the internal control system and makes regular reports on audit implementation results to the Audit Committee and the Board of Directors.</p> <p>(2) Intellectual property management: The Company’s intellectual property rights regulations include the Patent Management Regulations, Patent Contest Implementation and Reward Regulations, Patent Labeling Management Regulations, Trademark Management Regulations, and Intellectual Property Right Reward Regulations. For relevant management measures, please refer to the description of the intellectual property management plan on the Company’s website: https://www.aten.com/tw/zh/aten-info/investor-relations/corporate-governance/intellectual-property-management/</p> |
| Information security risk | <p>(1) The Company obtained ISO 27001 information security certification in 2022; the validity period of the certificate is from October 2, 2022 to October 2, 2025. For relevant information security risk control measures and response strategies, please refer to the description of the information security risk management plan on the Company’s website: https://www.aten.com/tw/zh/aten-info/investor-relations/corporate-governance/information-security-risk-management/</p> |



3.5 Shareholder Rights and Interests

Shareholders' meetings are divided into ordinary and extraordinary shareholders' meetings. The ordinary shareholder's meeting is held once annually and is convened by the Board of Directors within 6 months after the end of each fiscal year in accordance with the law. The extraordinary shareholders' meeting is convened whenever necessary according to relevant laws. The ordinary shareholders' meeting is held every year in order to report on the Company's operational and financial position. Investors may submit written proposals to ATEN for the ordinary shareholders' meeting. Before notifying shareholders of the date of the meeting, ATEN will notify the submitting shareholders of the results of their submitted proposals and list the proposals compliant with regulatory requirements in the meeting notice. In case of a shareholder's proposal not being included in the shareholders' meeting agenda, the Board of Directors shall explain the reason for not including such proposal in the agenda.

The Company upholds the corporate core values of "Integrity", "Caring", "Ambition", and "Novelty" to care for all stakeholders. In addition to employees, customers, suppliers, and community organizations, the Company also values the interests of shareholders. Regarding the recent dividend payment policy of ATEN, some of the earnings are preserved in accordance with regulatory requirements, and the rest of them are distributed to shareholders to allow them to enjoy the profit of the Company.

An amendment to the Company's Articles of Incorporation was approved by the shareholders' meeting in 2019. According to the amended Articles of Incorporation, earnings shall be distributed on a quarterly basis, and if the earnings is to be distributed in cash, the distribution can be performed only after being approved by a resolution of the Board of Directors. On May 5, 2023, and February 29, 2024, the Board of Directors approved the distribution of dividends for the 2nd quarter and the 4th quarter of 2023. For the 2nd quarter, a dividend of NT\$2.1 per share was distributed on January 5, 2024; for the 4th quarter, a dividend of NT\$2.2 per share is expected to be distributed in the second half of 2024. For the entirety of 2023, a total cash dividend of NT\$4.3 per share is distributed, with the payout ratio reaching 91%.

| | 2021 | 2022 | 2023 |
|-----------------------------|------|------|------|
| Earnings per share (NT\$)* | 5.33 | 6.11 | 4.73 |
| Shareholder dividend (NT\$) | 5.2 | 5.7 | 5.5 |
| Cash dividend (NT\$) | 5.2 | 5.7 | 4.3 |
| Stock dividend (NT\$) | 0 | 0 | 0 |
| Dividend payout ratio | 98% | 93% | 91% |

ATEN upholds the principle of adequate information disclosure for TWSE/TPEX listed companies. The Company not only discloses information on the Market Observation Post System as required by laws and regulations, but also places different types of operational and financial information in the Company's annual reports and official website so as to enable investors to obtain an in-depth understanding of the Company's business operations. Additionally, the Company has also set up a spokesperson system and an investor relationship department to address the suggestions of shareholders. Shareholders can provide various opinions through the email address at ir@aten.com.tw. Relevant contact information is also disclosed on the Company's website for stakeholders' reference.



3.6 Ethics and Integrity

In March 2022, the Board of Directors approved the renaming of the “Corporate Social Responsibility Best-Practice Principles” to the “Sustainable Development Best-Practice Principles”. In order to enhance sustainable development, the Sustainable Development Best-Practice Principles are incorporated into the management and operations of the Company.

To establish a corporate culture of ethical management and ensure sound development, the Company’s Board of Directors has approved the establishment of the “Ethical Corporate Management Best Practice Principles” and “Procedures for Ethical Management and Guidelines for Conduct”. The ethical management policies, practices, and the commitments of the Board of Directors and management to active implementation of operational policies are also specified in these principles and procedures. These principles and procedures also specify prevention plans for unethical conduct, relevant operating procedures, and punishment for violations, and prohibit the giving or accepting of bribes and the provision of illegal political donations by the Company and directors, managerial officers and employees. The Company designated the President’s Office as the dedicated unit to perform ethical management promotion and execute operations according to the “Procedures for Ethical Management and Guidelines for Conduct” to fully promote ethical management and report the execution status to the Board of Directors once per year. The execution of ethical management promotion along with the operation of sustainable development in 2023 was reported to the Board of Directors on November 7, 2023. In accordance with the “Corporate Governance Best-Practice Principles” and “Procedures for Ethical Management and Guidelines for Conduct”, the Company has set up various email addresses on the Company’s website as complaint channels for different stakeholders, such as the “Whistleblowing Mailbox whistleblower@aten.com” which allows independent directors to discover any possible flaws in the Company in a timely manner and serves as a communication channel for employees, shareholders, and other stakeholders with the independent directors. The four independent directors receive emails sent to the mailbox and handle them in a proper and timely manner. In addition, to provide a communication channel for different stakeholders to communicate with the Company, the Company has set up an email address at atencorp@aten.com, with the President’s Office in charge of receiving various comments on the Company from all walks of life.

In 2023, the Company was neither listed as an illegal employer by the Labor Affairs Department for violating the Labor Standards Act and related regulations nor subject to penalties exceeding NT\$1 million for major violations of social and economic laws. In addition, the Company did not receive any complaints involving infringements of customer privacy or ethical conduct violations.

Ch4



Employee Care

- 4.1 Viewing Employees as Important Assets**
- 4.2 Comprehensive Occupational Competency Training**
- 4.3 Friendly Workplace and Healthy Life**

Employee Care



Material Topic

Employee welfare

› Significance of Material Topics to ATEN and ATEN’s Key Contribution to the SDGs

We hope to achieve the growth of the Company and the development of employees at the same time and make them complementary to each other while creating a friendly workplace that ensures employees’ physical and mental health as well as work-life balance.

| | |
|--|--|
| | <p>Each year, the Company participates in the industrial salary survey to ensure that the remuneration and benefits offered by the Company remain competitive in the talent market. With the performance reward system encouraging achievements, the Company hopes to grow together with employees to jointly promote employment and economic growth. [Corresponding SDG Target: 8.5]</p> |
| | <p>The Company emphasizes particularly on the physical and mental health of employees. We have nutritionists monitor daily meals, have physicians provide on-site services every week, and have employees receive a health examination annually. For any issues at work or in life (legal counseling, management counseling, and psychological counseling), employees can also call the EAP direct line for consultation. [Corresponding to SDG Target: 3.8]</p> |
| | <p>We welcome fresh graduates. Regardless of new or existing employees, all employees can receive systematic and planned training through physical and online learning (e-learning). Through ATEN Private Learning School internal instructor platform, internal knowledge can be exchanged and shared more effectively. [Corresponding SDG Target: 4.4]</p> |

› Responsible Unit

ATEN Sustainable Development Committee – Employee Care Group

Employee Care



› Management Mechanism

1. A personal development plan and a performance management system that put the right person in the right position, in conjunction with an extremely competitive reward design.
2. A strategy-focused training mechanism for learning with practice. We welcome fresh graduates to join our bullpen project for training.
3. Creating a friendly workplace for new employees and providing benefits superior to those required by law, along with employee relationship projects and events.

› ATEN International Co., Ltd. Human Rights Policy

ATEN International Co., Ltd. complies with the local laws of countries where our global business locations are located, follows internationally-recognized human rights standards such as the International Bill of Human Rights, International Labour Organization - Declaration on Fundamental Principles and Rights at Work, and Ten Principles of the United Nations Global Compact, engages in actions consistent with the RBA Code of Conduct, and treats with dignity and respects all employees, contract and temporary personnel, interns, etc.

We implement the ATEN Human Rights Policy in accordance with the following implementation guidelines.

› Our Implementation Guidelines

- Provide a safe and healthy working environment.
- Prohibit all discrimination based on region, race, ethnicity or personal background, social status, ancestry, religion, physical disability, gender, sexual orientation, pregnancy, marital status, occupational union membership, appearance, age or political leanings. Everyone has the right to enjoy equal protection without any discrimination.
- Never provide wages and insurance inferior to the minimum requirements specified by local laws to employees.
- Prohibit child labor.
- Prohibit forced labor.
- Establish an environment with proper communication and build an open management model.
- Assist employees in maintaining physical and mental health as well as work-life balance.
- Periodically review and assess relevant systems and actions.

Employee Care



› Commitments, Actions, and Goals

| Commitment | 2023 Execution item | 2023 Execution Outcome | Future Goals and Actions |
|--|--|--|--|
| The Company grows as employees develop | In 2023, ATEN's [Mentor - Freshmen Mentor Plan] continued to serve as the main focus of the orientation of new employees, and the ATENer/ Mentor guidance system was introduced. In addition, though the systematic Human Resource e-School platform, a 30/60/90-day learning program has been implemented to help new employees get started quickly and understand the functions of their respective departments, allowing them to effectively communicate job duties and necessary assistance at work with their supervisors and mentors periodically. | In 2023, a total of 110 new employees were hired; 24 of them resigned in the same year (reason: Most of the resigned employees in 2023 were the direct operators and operators who were foreign migrant workers of the Manufacturing Division returning to their own countries after expiration of their employment contracts). In 2023, a total of 86 new employees were successfully retained. The new hire retention rate was 78.18%. | Continue to enhance the quality of the implementation of the mentor program, including the design of new employee 90-day training program content and mentor guiding techniques, with the aim of increasing the retention rate for the first year of new hires to above 80%. |
| | [Trend Seminars] [Project Seminars] | The project learning design launched by the Human Resource Division in 2023 was mainly used to design project seminars related to annual industrial development and technology trends for the R&D Division and Global Marketing Division (Product Development Center, Marketing and Promotion Center). In 2023, ATEN collaborated with the Institute for Information Industry to organize trend seminars quarterly, such as "Planning and Analysis of the Development of the Electronic Information Industry on the Way to Net-Zero Carbon Emissions", "Industrial Computer Industry Development and Smart Manufacturing Application Trends", "Metaverse Development and Application Analysis", and "Development Trend of the Electric Vehicle Industry on the Way to Zero Carbon Emissions". We organized trend seminars to share the latest and most appropriate models for markets, technology, trends, channels, marketing, brand management and promotion, etc. as well as industrial case studies. The satisfaction score reached 92. | Continue to organize product development consensus camps at global business locations according to the needs of the organization and the expansion of overseas sites, in order to cultivate a greater number of product development, brand promotion and marketing sales talent and train them to be the backbone of different business sites around the world. |
| | "Human Resource e-School" Introduce a brand-new large-scale learning and development system | In 2023, ATEN purchased and introduced a large-scale learning development and training platform that integrates four functional systems: employee competency, employee learning and development map, learning management, and multi-language training materials. The visual design of critical information enables a combination of employee learning and development and the corporate education and training system with the organization's operational goals. | Launch a series of online professional courses for talent development in 2024, including on mid-level and senior leadership and management. The aim is to assist the organization in structurally launching and managing short-term, medium-term, and long-term talent development projects according to the goals, from training planning, execution, auditing, and obtaining results, to the application of e-learning, and to help the organization cultivate and develop the required talent, thereby enhancing the Company's operational effectiveness. |
| | [ATEN Private Learning School & Human Resource e-School] The benefits of "physical courses" spread through "digital courses". | In 2023, as the Covid-19 pandemic gradually eased, the Company progressively resumed internal and external in-person training. Our internal lecturers for ATEN Private Learning School designed a number of digital learning courses with extensive content in order to lay a sustainable foundation for internal knowledge inheritance. In 2023, we offered seven internal lecturer courses, with an overall average satisfaction score of 90.27, a total of 1,073 participants, and a total of 532.4 training hours. | Continue to select outstanding internal instructors for internal knowledge and experience sharing as well as to further pass on knowledge and experience digitally. We aim to launch 10 digital learning courses. In 2024, the Company will continue to enhance the teaching and presentation skills of internal instructors in order to better pass on internal professional knowledge. |
| | [Comprehensive Occupational Competency Training] | According to jobs, the Company organized courses on management competencies, professional competencies, core competencies, and self-growth, etc., with a total of 681 courses launched. The total number of participants was 13,925 and the total accumulated number of training hours was 21,380.46 hours. | Enhance self-directed learning with a brand-new large-scale learning and development system: Provide extensive digital learning resources (e-learning) and encourage adaptive learning by employees as needed at work. |

Employee Care



› Commitments, Actions, and Goals

| Commitment | 2023 Execution item | 2023 Execution Outcome | Future Goals and Actions |
|---|--|---|---|
| A friendly workplace that ensures physical and mental health as well as work-life balance | [Health Seminars] | The Human Resource Division and Occupational Safety and Health Office worked together to invite physicians from major medical centers to the Company to provide lectures on health-related topics, and organized occupational safety and health hazard prevention lectures for all employees. In 2022, a total of 5 seminars were held, with 442 participants and an average satisfaction score of 96.3. In 2023, the Human Resource Division continued to plan and design a healthy weight loss contest, and held three seminars, with a total of 337 participants, and the average satisfaction score was 96.3. | Continue to promote and encourage employees to participate in health seminars and sports contests. |
| | [Employee Relationship: Physical and Mental Balance] [Core Value Seminars: Caring] | Professional psychotherapists and psychologists of the [Employee Assistance Program (EAP)] were invited to provide a seminar for employees: This is not terrifying! It just needs greater understanding. A total of 177 employees participated in the seminar, with an average satisfaction score of 95. | Continue organizing seminars related to physical and mental balance and mental health, providing a proper consultation channel for employees with respect to their work, family, physiological and mental self-regulation. |
| | [Occupational Safety and Health] | As the COVID-19 pandemic gradually eased in 2023, the Occupational Safety and Health Office acted as the organizer with the Human Resource Division as the co-organizer to invite physicians from major medical centers and fire brigades to the Company to provide relevant seminars. In 2023, a total of 32 seminars on occupational safety and health hazard prevention were organized for all employees, with a total of 2,992 participants and an average satisfaction score of 95.6. | In view of national regulatory requirements and the safety protection of workers in the working environment, in 2024, the Occupational Safety and Health Office and Human Resource Division will continue to plan and arrange relevant and advanced courses to enhance occupational safety and worker safety. |
| | Selected as one of the winners of [HR Asia Best Companies to Work For in Asia] | In 2019, we stood out from 186 competing companies and were selected as one of the winners of "HR Asia Best Companies to Work For in Asia". In 2023, we stood out again from 233 competing companies and were selected as a winner of the same award for the fourth time. We were also recognized by "WeCare (Jury Award)" for the second time. According to the results of the anonymous questionnaire survey for employees, the scores that ATEN received for multiple items were higher than the industry average scores. In the anonymous questionnaire survey conducted for employees in 2023, ATEN's scores, especially for "employee care", "employees' spontaneous work motivation", "diversity, equality, and inclusion", "employee team awareness and team spirit", and "digital transformation", were higher than the industry average scores. | Continue to keep our corporate commitment to our employees. In May 2024, ATEN was nominated for [HR Asia Best Companies to Work For in Asia 2024] for the fifth time. The result will be announced in June. |
| | Selected as an excellent company for "Family-Friendly and Workplace Equality Measures" by the New Taipei City Government | In September 2023, the Company was selected as an excellent company for "Family-Friendly and Workplace Equality Measures" again by the New Taipei City Government | Continue to promote a friendly workplace and work equality program |
| | Received the Award of Excellence in the "Middle-aged and Elderly-Friendly Workplace Certification" from the Labor Affairs Department, New Taipei City Government | In June 2023, we won the Award of Excellence, the highest award of the "Middle-aged and Elderly-Friendly Workplace Certification (valid for three years)" of the Labor Affairs Department, New Taipei City Government. | Continue to promote middle-aged job redesign and older adult-friendly workplace programs. |
| | Won the Excellence in Corporate Social Responsibility Award for the 15th time | In 2023, ATEN won the Excellence in Corporate Social Responsibility Award for the 15th time (5th among medium-sized enterprises). The Company won second place in the "Corporate Commitment" category. | Continue to promote CSR, ESG, and DEI programs to achieve corporate sustainability. |
| | Selected as a winner of the first "CommonWealth Talent Sustainability Award" | Won second place in the "CommonWealth Talent Sustainability Award" | Continue to promote talent cultivation programs |
| | Selected as a winner of the first "Family Friendly Workplace Award" | Won second place in the "Family Friendly Workplace Award" | Continue to promote friendly workplace programs |

Employee Care



4.1 Viewing Employees as Important Assets

ATEN has always viewed employees as important assets, and also believes that high quality products and services come from the happiest employees. With the corporate spirit of "Caring", the Company provides equal treatment and employment opportunities; with the corporate philosophy of "Novelty", the Company offers equal performance-based rewards; with the corporate principle of "Integrity", the Company ensures stable business operations; with the corporate culture of "Ambition", the Company builds strong resilience and passion.

> 4.1.1 Human Resource and Structure

As of December 31, 2023, ATEN had a total of 727 employees in Taiwan, including full-time employees (there were no part-time employees) (724) and fixed-term contract employees (three) (male employees accounted for 54%; female employees accounted for 46%). Among these employees, there were 112 senior management (male supervisors accounted for 78%; female supervisors accounted for 22%), and 490 indirect professionals, 125 direct technicians, with an average age of 41.19, average years of services of 9.15 years, and employees with an educational background above college and university accounted for 84.3%. In addition, there were 12 employees with disabilities, which was 1.71 times higher than the regulatory threshold (seven).

| Employee Type | Age | Number of Male Employees | Number of Female Employees | Total | Percentage |
|--------------------------|-----------------|--------------------------|----------------------------|-------|------------|
| Direct employees | <30 years old | 2 | 31 | 33 | 4.54% |
| | 31-50 years old | 8 | 75 | 83 | 11.42% |
| | >51 years old | 2 | 13 | 15 | 2.06% |
| Total direct employees | | 12 | 119 | 131 | 18.02% |
| Indirect employees | <30 years old | 46 | 38 | 84 | 11.55% |
| | 31-50 years old | 284 | 151 | 435 | 59.84% |
| | >51 years old | 48 | 29 | 77 | 10.59% |
| Total indirect employees | | 378 | 218 | 596 | 81.98% |
| Total | | 390 | 337 | 727 | 100% |

(Direct employees: Employees engaging in manufacturing tasks; indirect personnel: Employees engaging in tasks for assisting with production)

> 4.1.2 Equal Employment and Care

The talent recruitment channels of the Company include online recruitment, newspapers, magazines, the media, school recruitment, human resource agencies, job fairs, internal employee referrals, and internal employee transfer. Based on the three main principles of "fair employment, non-discrimination, and equal opportunity", the Company recruited a total of 110 new employees in 2023, among which were 53 female employees accounting for 48.18% and 57 male employees accounting for 51.82%; 15 direct employees accounting for 13.6% and 95 indirect employees accounting for 86.4%. In the same year, 108 employees left the Company, among which were 53 female employees accounting for 49.1% and 55 male employees accounting for 50.9% (most of them were foreign migrant workers on the production line returning to their own countries after expiration of their employment contracts). The annual turnover rate was 14.9% and the monthly average turnover rate was 1.2%. From the data over the past three years, the monthly average turnover rate was between 1% and 2%.

| Employee Type | Age | Number of Male Employees | Number of Female Employees | Total | Percentage |
|--------------------|--|--------------------------|----------------------------|-------|------------|
| New employees | <30 years old | 17 | 16 | 33 | 30.0% |
| | 31-50 years old | 36 | 36 | 72 | 65.5% |
| | >51 years old | 4 | 1 | 5 | 4.5% |
| | Percentage | 51.8% | 48.2% | -- | -- |
| New hire rate | (Number of new employees of the year/Number of active employees as of December 31, 2023) = 15.1% (Most of the new employees were foreign migrant workers on the production line) | | | | |
| Resigned employees | <30 years old | 13 | 14 | 27 | 25.0% |
| | 31-50 years old | 36 | 35 | 71 | 65.7% |
| | >51 years old | 6 | 4 | 10 | 9.3% |
| | Percentage | 50.9% | 49.1% | - | -- |
| Turnover rate | (Number of resigned employees of the Year/Number of active employees as of December 31, 2023) = 14.9% (Most of the resigned employees were foreign migrant workers on the production line returning to their own countries after expiration of their employment contracts). Monthly turnover rate = Annual turnover rate / 12 = 1.2% | | | | |

(Calculation of the percentage of new employees and resigned employees in each category: Number of new or resigned employees of the category / Total number of employees of the category)

In 2023, the total number of employees of ATEN was 727 (male full-time employees: 390, female full-time employees: 337). There were a total of six non-employee workers (male non-employee workers: three, female non-employee workers: three) who were security and cleaning personnel with non-fixed term contracts (employed by external service companies with non-fixed term contracts).

Employee Care

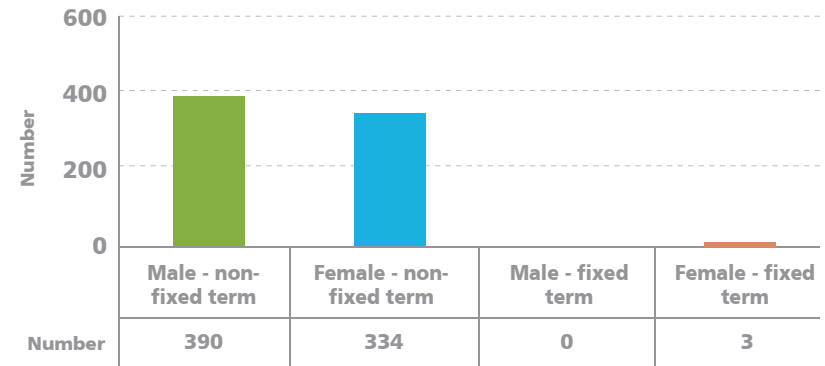


[Workforce Composition]



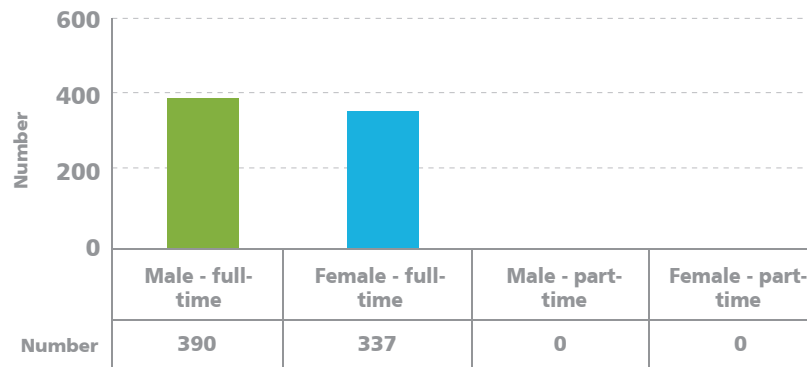
Classification according to contract type: Male - non-fixed term contracts: 390 people; female - non-fixed term contracts: 334 people; female - fixed term contracts: three people.

[Contract Type]



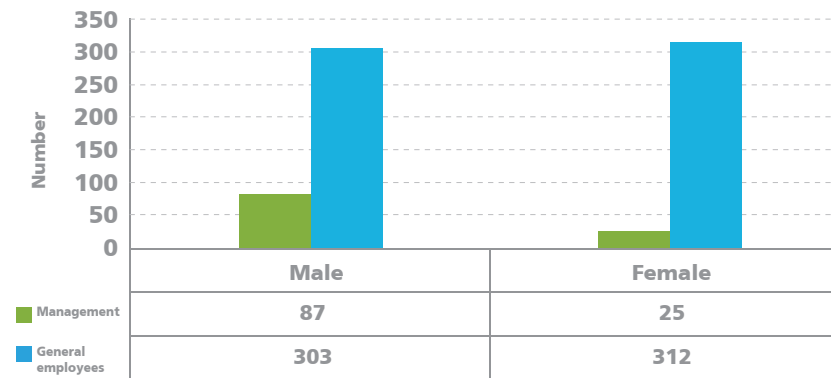
Classification according to employment type: Male - full-time: 390 people; female - full-time: 337 people; there were no part-time personnel.

[Employment Type]



Classification according to position type: Male management: 87 people, male general employees: 303 people; female management: 25 people, female general employees: 312 people.

[Position Type]



Employee Care



We encourage employees to have children and offer a childbirth subsidy of NT\$120,000 (distributed in 12 monthly installments) for each birth to employees, which is the highest among enterprises in the same industry. The total amount of subsidies distributed in 2023 was NT\$2.34 million. The Company provides warm and comfortable breastfeeding (milk collection) rooms and has also signed a contract with a well-known kindergarten chain to allow employees to work with peace of mind and have access to child care conveniently. We even offer pregnancy checkup accompaniment and paternity leave (8 days) to male employees, and employee paternity checkup leave (8 days), which are superior to those specified in the Labor Standards Act. We have also provided additional workplace-friendly welfare measures and child education subsidies: an education subsidy of NT\$10,000 per year for the children of employees between the ages of 3 and 6 (exclusive) (NT\$5,000 each for the first and second semesters); maternity leave increased to 10 weeks; assisted reproduction subsidies (NT\$30,000 for in vitro fertilization and NT\$10,000 for intrauterine insemination); and three days of paid menstrual leave each year. Employees who have served for more than three months are entitled to two days of early annual leave for “serving more than six months but less than one year”.

In addition, ATEN is the first in the industry to introduce a substitute allowance (NT\$10,000 per month) for unpaid paternal leave/maternity leave, which is pioneering in the industry in Taiwan and was praised by the jury of the Family Friendly Workplace Award as “the most innovative” design.

Moreover, the Company also makes pension contributions as required by law, and also provides a complete insurance plan to cover dependents and parents in group insurance, in order to provide comprehensive protection and care to employees and their dependents.

| Item Description | Number of Male Employees | Number of Female Employees | Total |
|--|--------------------------|----------------------------|-------|
| Number of employees entitled to unpaid maternity leave in 2023 | 37 | 27 | 64 |
| Number of employees applying for unpaid maternity leave in 2023 | 1 | 4 | 5 |
| Number of employees expected to return to work after unpaid maternity leave in 2023 (A) | 2 | 4 | 6 |
| Number of employees actually returning to work after unpaid maternity leave in 2023 (B) | 2 | 4 | 6 |
| Reinstatement rate (B/A) | 100% | 100% | 100% |
| Number of employees returning to work after unpaid maternity leave in 2022 (C) | 1 | 3 | 4 |
| Number of employees who returned to work after unpaid maternity leave in 2022 and were still active after one year (D) | 1 | 3 | 4 |
| Retention rate (D/C) | 100% | 100% | 100% |

(Calculation standard: Number of employees eligible to unpaid maternity leave up to December 31, 2023. Applications for maternity leave (27 female employees) + applications for paternity leave (37 male employees) 2020/01/01~2023/12/31. New employees with children less than 3 years old when reporting for work are excluded from the calculation.)

On September 6, 2023, ATEN was elected as an excellent company for “Family-Friendly and Workplace Equality Measures” by the New Taipei City Government and was presented with the award by the mayor of New Taipei City.

Pension System:

ATEN has established a pension system in accordance with the “Labor Standards Act”, and has set up the Labor Retirement Reserve Fund Supervisory Committee as required by law. According to the statement of account for the first quarter of 2024 issued by the Bank of Taiwan, as of 2024/03/31, the contributions made to the pension reserve fund under the old pension system amounted to approximately NT\$113 million (sufficient).

>4.1.3 Periodic Evaluation and Communication

The Company periodically performs two performance evaluations annually, and provides a communication platform for face-to-face discussion of job performance between supervisors and employees and the establishment of future development plans. Evaluation results are used as a reference for future position changes, salary adjustment, and bonus issuance. In addition, to strengthen the Company’s determination to promote CSR internally in a top-down matter, the Company encourages employees to participate in CSR activities, and the CSR participation level is particularly included in performance evaluation indicators. The number of male/female and direct/indirect employees actually receiving a performance evaluation in 2022 is as follows. Except for new employees not completing their probation period, employees on unpaid leave and migrant workers, all employees participated in the mid-term and final performance evaluations. The completion rate for the first half of the year was 87.96% and the completion rate for the second half of the year was 87.60% (calculated as the actual number of employees evaluated/total number of employees).

| 2023 | Gender | Direct employees | Indirect employees | Total | As a percentage of total employees |
|--|--------|------------------|--------------------|--------|------------------------------------|
| First half of the year | Male | 11 | 363 | 374 | 51.16% |
| | Female | 52 | 217 | 269 | 36.80% |
| As a percentage of total employees (Total number of employees of first half of the year: 731) | | 8.62% | 79.34% | 87.96% | --- |
| Second half of the year | Male | 11 | 363 | 374 | 50.95% |
| | Female | 51 | 218 | 269 | 36.65% |
| As a percentage of total employees (Total number of employees in the second half of the year: 734) | | 8.45% | 79.16% | 87.60% | --- |

In addition, to promote workplace harmony, the Company also convenes a labor-management meeting every quarter in order to discuss issues related to workers’ rights and interests, and the meeting minutes are updated on Human Resource e-School. The Company also additionally set up the paid position of Employee Welfare Committee Director-General to be responsible for the handling of employee welfare-related matters. Since 2017, the Company has established a workplace sexual harassment complaint line at #3333 and a dedicated email address at emap@aten.com.tw. In case of any workplace bullying behavior, employees can file complaints via the direct line or email address.

Employee Care



› 4.1.4 Organization Communication

Action Background:

As a multinational enterprise, ATEN has 25 business locations worldwide and 1,652 employees from 38 countries. Most of our employees are in a cross-department, cross-border or cross-culture corporate environment every day. Accordingly, proper and healthy communication actions are essential to the establishment of a sound corporate culture.

Corresponding Action Plans:

- (1) Convention of quarterly labor-management meetings
- (2) Employee assistant programs (EAPs) (expanded to include employees' parents, children, and spouses)
- (3) Employee satisfaction survey
- (4) Employee dedication survey
- (5) Signing of the Employee Code of Conduct
- (6) Convention of management meetings
- (7) Organization of employee education and training and health seminars
- (8) Employee relationship activities
- (9) Proposal of improvement activities
- (10) Internal communication and announcements (including in writing and via email)

Outcomes Achieved:

The employee dedication survey received high recognition from employees, and the Company was selected as a winner of the "HR Asia Best Companies to Work For in Asia" four times. This award is an evaluation survey organized for enterprise employers in Asia. After evaluation by the review committee formed by industry experts and government representatives based on indicators such as corporate reports and online anonymous employee questionnaire surveys, outstanding enterprise employers in different sectors are selected through a comprehensive evaluation system. ATEN's scores, especially for "employee care", "employees' spontaneous work motivation", "diversity, equality, and inclusion", "employee team awareness and team spirit", and "digital transformation", were higher than the industry average scores. For many items of the evaluation indicators, the Company's scores surpassed the industry's overall performance.





4.2 Comprehensive Occupational Competency Training

In 2023, the total number of hours of education and training organized by ATEN in Taiwan reached up to 21,380.46, and the average number of training hours per employee was 29.41. The total number of training hours for professional skills was 9430.06, accounting for 44.1% of the total training hours of the entire year, and the number of professional skills courses reached 441, accounting for 64.75% of the total number of courses throughout the year. This demonstrates that the Company emphasizes greatly the cultivation of professional skills, and that the Company often shares and passes on experience and knowledge through internal training.

In 2023, the “TWI Entry-Level Supervisor Training” and “Cross-Generational Leadership” courses were launched to improve supervisors' management and leadership capabilities. To cope with the organization's future challenges and ensure all-round development of employees, the “Cross-Departmental Collaboration and Conflict Management” course was designed. We also provided diverse courses and seminars on professional trends and self-growth, including the “Problem Analysis and Solution”, “Project Management Practice”, “Practical Business Presentation Training”, “Upward Communication”, “Planning and Analysis of the Development of the Electronic Information Industry on the Way to Net-Zero Carbon Emissions”, “Industrial Computer Industry Development and Smart Manufacturing Application Trends”, “Metaverse Development and Application Analysis”, and “Development Trend of the Electric Vehicle Industry on the Way to Zero Carbon Emissions” courses. Through three-party connection, employees of subsidiaries in the Asia-Pacific region could participate in these courses for simultaneous learning in order to cultivate their professional competencies and provide the latest industry news and technology development trends.

Comprehensive and extensive education and training and talent cultivation system: ATEN was recognized by the “HR Asia Best Companies to Work For in Asia” in 2019, 2021, 2022, and 2023, and won the jury award “WeCare Most Caring Companies Award” in 2022 and 2023. According to the results of the anonymous questionnaire survey for employees, the scores that ATEN received for multiple items were higher than the industry average scores. In the anonymous questionnaire survey conducted for employees in 2023, ATEN's scores, especially for “employee care”, “employees' spontaneous work motivation”, “diversity, equality, and inclusion”, “employee team awareness and team spirit”, and “digital transformation”, were higher than the industry average scores. For many items of the evaluation indicators, the Company's scores surpassed the industry's overall performance.



Employee Care



| Training Type | Number of Courses | Total Number of Trainees | Total Training Hours |
|---------------------------|-------------------|--------------------------|----------------------|
| Management competencies | 6 | 164 | 751.5 |
| Professional competencies | 441 | 5091 | 9430.06 |
| Core competencies | 46 | 4078 | 5319 |
| Self-growth | 4 | 357 | 605.5 |
| Orientation | 44 | 345 | 845.62 |
| Digital courses | 140 | 3890 | 4428.78 |
| Total | 681 | 13925 | 21380.46 |

| Employee Type | Total Training Hours | Number | Average Training Hours |
|--------------------|----------------------|--------|------------------------|
| Direct employees | 2503.04 | 125 | 20.02 |
| Indirect employees | 18877.42 | 602 | 31.36 |
| Total | 21380.46 | 727 | 29.41 |

| Employee Type | Total Training Hours | Number | Average Training Hours |
|------------------|----------------------|--------|------------------------|
| Male employees | 12463.07 | 390 | 31.96 |
| Female employees | 8917.39 | 337 | 26.46 |
| Total | 21380.46 | 727 | 29.41 |

4.2.1 Mentor - Freshmen Mentor Plan for New Employees and New Skills

The "ATENer, Freshmen Monopoly" launched in 2018 helps new employees explore current internal processes/systems/forms of the Company and the point of contact of each service. In 2019, ATEN enhanced the leadership of mentors and supervisors through training courses on the four main steps of "Listening, Speaking, Reading, and Writing" to instill the concept of "Right Central Idea and Right Interaction" into the mentors and supervisors, and encouraged them to think from perspective of employees and recall their times when they were fresh graduates in order to understand the new employees' difficulties, thereby enhancing the leadership communication and management skills of the mentors and supervisors.

In 2020, to assist new employees in quickly adapting to the organization, mentors and supervisors developed 30/60/90-day professional skills training courses exclusively for them, including environment introduction, product structure, professional and technical courses, etc. In addition, mentors conduct interviews with new employees once per month to understand their learning progress and adaption to their jobs in order to promptly resolve the problems they face during learning. Throughout the process, mentors help new employees focus on work, clarify issues, and seek optimal solutions together. Division supervisors show their care for new employees from time to time and conduct face-to-face interviews

after a probation period of 90 days from their first day of employment to follow up on their learning condition and together determine their job direction and duties. In 2022, in addition to implementing a systematic platform for implementing the 30/60/90-day learning plan for new employees, we required all new employees reporting for duty to complete the required e-learning courses, including on the Company's introduction and core values, personnel regulations and welfare system, internal control system, quality and environmental system, legal affairs and patents, intellectual property protection, information security, labor safety and health, asset management, purchase and requisition system, and welfare committee introduction. The "New Employee Adaptability Questionnaire" survey was also introduced. If we find that the physical and mental stress index of employees exceeds the standard level, they will be transferred to a cooperating third-party professional psychological consultation company for EAPs.

In 2023, ATEN purchased and introduced a large-scale learning development and training platform that integrates four functional systems: employee competency, employee learning and development map, learning management, and multi-language training materials. The visual design of critical information enables a combination of employee learning and development and the corporate education and training system with the organization's operational goals. We have improved our learning platform and education and training system with the aim to assist the organization in structurally launching and managing short-term, medium-term, and long-term talent development projects according to the goals, from training planning, execution, auditing, and obtaining results, to the application of e-learning, and to help the organization cultivate and develop the required talent, thereby enhancing the Company's operational effectiveness.



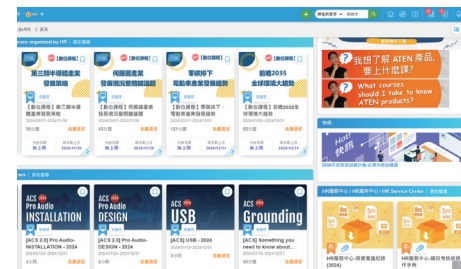
Employee Care



> 4.2.2 Dual Platform for Passing on Knowledge

The "ATEN Private Learning School" is an exclusive platform for ATEN's internal instructors and takes three principles as its objectives: circulating and spreading internal knowledge, creating a learning organization culture, and building ATEN's internal instructor team. In 2022, due to the continuous impact of the COVID-19 pandemic, a number of internal and external in-person training courses were canceled due to the epidemic control measures implemented. Nevertheless, our internal instructors for the ATEN Private Learning School adopted small-class teaching, laying a sustainable foundation for internal knowledge inheritance. In 2023, we offered seven internal lecturer courses, with an average satisfaction score of 90.27, a total of 1,073 participants, and a total of 532.4 training hours. Since the launch of the ATEN Private Learning School, the total accumulated number of participants has reached 5,221, with a total of 5,843.72 training hours.

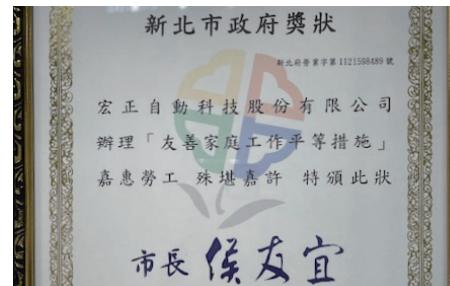
The "Human Resource e-School" online learning platform records the learning and development of each employee at ATEN. All types of internal and external training, physical courses, digital courses, and learning resources and records are saved on this platform to provide complete learning history and human resource development records. In addition, through broad transmission by the online learning platform, we integrate the ACS (ATEN-Certified Specialist) professional product training course hosted by the Global Customer Service Division to help employees in the headquarter and overseas subsidiaries learn the knowledge of our four main product lines (KVM/Pro AV/PDU/Control System). Since the launch of the course in 2018, the number of trainees of the course has reached 9,308, and the overall satisfaction score of the course was 95.27.



4.3 Friendly Workplace and Healthy Life

After obtaining the Taiwan iSports Certification in 2018, ATEN received such honor again in 2021 in line with the slogan of "iSports Enterprise with Non-stop Employee Energy".

The Company has always valued employees' health, including by establishing a comprehensive fitness center with a billiard area, a reading area, a weight training area, a fitness training area, an aerobics classroom, and a separate sauna and changing room for males and females. In addition, through diverse clubs, such as the volunteer club, yoga club, aerobic boxing club, jogging club, after-work recreation sports club, basketball club, and fitness club, we hope to achieve work-life balance for employees. In the future, the Company will continue to encourage employee to exercise regularly and fulfill the corporate social responsibility (CSR) of employee care.

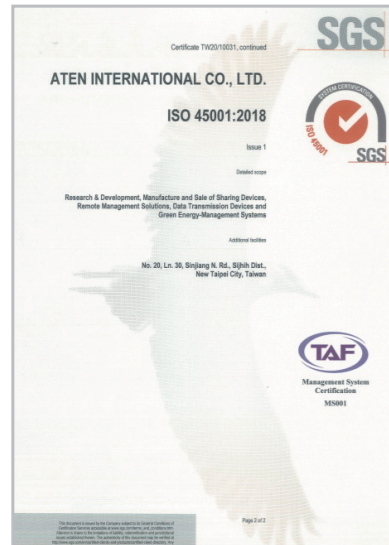


Employee Care



4.3.1 Safe and Secure Workplace

We have formulated the "Occupational Safety and Health Committee Charter" in accordance with the "Occupational Safety and Health Management Regulations", and convene Occupational Safety and Health Committee meetings every quarter to review various indicators. We have also continued to address potential or possible safety issues with the PDCA method. In 2023, the Company passed an ISO 45001 Occupational Safety and Health Management System verification audit. The Committee currently has 11 members, of which six are labor representatives, accounting for 55%. During Committee meetings, the Occupational Safety and Health Office reports safety and health management matters to the members to ensure that all employees can work in a healthy and safe environment.



| Occupational Accident Type | Gender (Male) | Gender (Female) | Number of Times | Number of Days Lost | Total Working Days (D) | Total Working Hours (H) |
|---|--|-----------------|-----------------|---------------------|------------------------|-------------------------|
| Accidents at work | 0 | 5 | 4 | 5 | 180,819 | 1,446,552 |
| Traffic accidents during commutes | 5 | 3 | 8 | 19 | 180,819 | 1,446,552 |
| Occupational accident rate per thousand workers | Number of workers receiving occupational disaster insurance compensation throughout the year: 0 / Annual average number of workers covered by labor insurance × 1,000‰ = 0 | | | | | |
| Disabling injury frequency rate (FR) | (Total number of injuries and deaths/Total number of working hours of all employees) 10 ⁶ (in million working hours) = 3.45 | | | | | |
| Disabling injury severity rate (SR) | (Total number of days lost/Total number of working hours of all employees) 10 ⁹ (in million working hours) = 3 | | | | | |

(Traffic accidents during commutes are not included in disabling injury statistics: According to the "Application Form for Occupational Safety and Health Management System Performance Review", the reported occupational accident statistics shall not include traffic accidents during commutes. However, traffic accidents due to the performance of duties shall be included in the statistics.)

Presently, there have been no cases of internal employees suffering from occupational diseases and dying from work-related causes. In addition, for external vendors, contractors, and security and cleaning personnel, there have been no cases of occupational injuries and deaths from work-related causes.

Absence rate (calculated in hours/gender) is calculated as follows:

| Gender | Number | Total Annual Working Hours | Work-related Injury Leave | Menstrual Leave | Sick Leave | Sick Leave (Hospitalization) | Total Absence Hours | Absence Rate |
|--------|--------|----------------------------|---------------------------|-----------------|------------|------------------------------|---------------------|--------------|
| Female | 337 | 668,608 | 488.4 | 3,297.0 | 10,923.5 | 1,480.3 | 16,189.2 | 2.42% |
| Male | 390 | 773,760 | 248 | 0 | 6,198.3 | 0 | 6,446.3 | 0.83% |
| Total | 727 | 1,442,368 | 736.4 | 3,297.0 | 17,121.8 | 1,480.3 | 22,635.5 | 1.57% |

Employee Care



4.3.2 Employee Activities

In 2023, for the commendation of senior employees, the theme of "Alice in ATEN" was adopted to design a special commendation event for senior employees with 5 to 40 years of service from all teams.

In the third quarter, the Human Resource Division planned and held the 1st "Rescue in the Apocalypse - ATEN Escape Room Contest". Through this cross-departmental team competition, employees could learn about the Company's development history and the essence of ATEN's product lines in an intense and exciting contest. This activity integrating education with entertainment was well-received. The Global Human Resource Division and Occupational Safety and Health Office worked together to invite physicians and psychotherapists from major medical centers to the Company to provide lectures on health-related topics, and organized occupational safety and health hazard prevention lectures for all employees. In 2023, the Occupational Safety and Health Office held 32 lectures, including: "Pay Attention to Your Health Examination Report: Understanding the Messages of the Body", "AED Education and Training", "Common Skin Problems", "Vision Care for Office Workers", "Heart Care", "What is Osteoarthritis", "Pilates Exercise," "How to Care for a Child with Allergies at Home", and "What is Atopic Dermatitis". A total of 2,992 employees participated in these lectures, with an average satisfaction score of 95.6. In addition, a full-time Director General of the Welfare Committee has been appointed to plan and implement various welfare activities with "Energy, Passion, and Enthusiasm" as the theme, including monthly birthday meals, domestic company trips, Christmas party/Lunar New Year's party, and bonuses for marriage and funeral / childbirth / birthday / three festivals. In addition to the various benefits provided by the Welfare Committee, unlike other companies, for 45 years since the Company's establishment, the Chairman has always presented birthday gifts in person along with a greeting card with his personal signature to each employee on his/her birthday every month. All of these heartwarming actions provide a sense



of warmth to all employees. In addition, they also make a great impression and memory to new employees receiving their birthday gifts for the first time.

EAP/Employee Assistance Program

We take care of not only employees, but also their families. It has been 11 years since we first introduced an employee assistance program (EAP) in the Company. Starting from 2018, our EAP has been expanded to include employees' immediate first-degree relatives and spouses. The purpose is to help employees and their relatives gain access to counseling from professional experts through the "EAP" as a counseling channel for them to overcome problems encountered at work or in life, thereby allowing the employees to live with peace of mind and focus on work. If the problems encountered cannot be overcome through telephone counseling, employees can also use the face-to-face counseling service provided by the "EAP". In 2023, telephone consultation services were provided a total of 33 times (excluding face-to-face counseling).

讓心情諮詢美麗
員工諮詢EAPs

週一至週五 10:00-24:00
0800-299-988
tiphappy@tip.org.tw

由專業心理師與您一起評估問題與煩惱

| | | |
|----------------------|----------------------|----------------------|
| 法律諮詢 | 管理諮詢 | 心理諮詢 |
| 買賣糾紛 車禍和解 財產繼承 | 團隊領導 人員管理 同仁關懷 | 家庭婚姻 親子教養 人際關係 |

員工諮詢三步驟

- 1 電話或mail確認問題與煩惱
- 2 提供適切的建議或安排專業顧問諮詢
- 3 滿意度調查與會談追蹤紀錄

全球人資中心
員工關係專案

幸福企業 · 友善職場 · 與自己有約

Ch5



Active Social Participation

- 5.1 Education Care and Cultural Asset Promotion**
- 5.2 Activities for Older Adults and Care for the Disadvantaged**
- 5.3 Community Environment Maintenance**

Active Social Participation







Material Topic

Social welfare and giving back to society, environmental friendliness

› Significance of Active Social Participation to ATEN and ATEN's Key Contribution to the SDGs

The purpose of the existence and development of a company should be not only to seek investment profits for shareholders or promote national economic prosperity and growth, but also to pursue greater values, such as giving back what is taken from society and utilizing the company's organizational and financial capabilities to seek "common goods" for the environment and the disadvantaged often overlooked by society in various aspects and depths.

According to the Sustainable Development Best-Practice Principles of the Company: "The Company shall assess the impact of the Company's operations on the community, and shall appropriately employ local people at business locations of the Company in order to increase community recognition. In addition, with equity investments, business activities, donations, corporate volunteer services, or other professional welfare services, the Company shall invest resources in organizations solving social or environmental issues through business models, or participate in public organizations for community development and community education, relevant activities of charity and welfare organizations and government agencies, in order to promote community development." Regarding the performance and aspects of ATEN's social participation, through years of implementation, we have progressively developed a systematic and organized way of social participation. Through collaboration with the public sector, schools, welfare organizations, and social enterprises, the Company expects to gather bigger and wider support in order to bring the most appropriate care to our society and environment as well as the greatest warmth to people we care.

| | | |
|--|--|---|
|  |  | During the implementation of education care and community relationship establishment, care and emergency support for students in poverty, the elderly, and disadvantaged families can directly and indirectly achieve the two goals of "Zero hunger" and "Quality education". [Corresponding to SDG Targets: 2.1, 4.5] |
|  |  | The community environment maintenance actions of beach cleaning, mountain cleaning, recovery of butterfly gardens, support for farms, etc. have demonstrated our concept and implementation of the improvement of the two issues of "marine ecology" and "terrestrial ecology". [Corresponding to SDG Targets: 14.1, 14.2, 15.1, 15.5, 15.8] |

› Responsible Unit

ATEN Sustainable Development Committee - Social Participation Group, Ching-Tang Education Foundation, ATEN Volunteer Club.

› Management Mechanism

Through monthly discussion meetings held by the ESG Task Force formed by all functional department representatives under the "ATEN Sustainable Development Committee", issues related to social participation are planned and discussed, and the execution progress is tracked. All charity donations of the Company shall be proposed to ESG Task Force meetings for discussion according to the "Procedures for Ethical Management and Guidelines for Conduct" and then reported to the Chairman for approval. Such rigorous management mechanisms can ensure that the use of resources is subject to sufficient discussion and the authorization of the highest supervisor in order to achieve the most effective arrangement and allocation.

In addition, together with the "Ching-Tang Education Foundation" and "ATEN Volunteer Club", we have planned various donations and participation in public welfare activities according to ATEN's social participation policy. With the integration of tripartite efforts and resources, care and support are provided to different social issues.

Active Social Participation



› Commitments, Actions, and Goals

| Commitment | 2023 Execution Outcome | 2024-2025 Goals |
|--|---|---|
| <p>Education and care and intangible cultural asset promotion</p> | <p>In 2023, the budget invested in this issue jointly by “ATEN”, “Ching-Tang Education Foundation”, and management was NT\$2.1 million. The execution status and benefits are briefly described below.</p> <ul style="list-style-type: none"> • 2023 Xizhi District Graduate Scholastic Achievement Award: 101 students benefited. • 2023 Xizhi District Family Support Fund: 200 students benefited. • 2023 Xizhi District Student Scholarship: 247 students benefited. • 2023 Xizhi District Volunteer Thank-You Ceremony: 250 volunteers benefited. • 2023 Xizhi District Anti-drug Campaign for the Youth: over 1,000 students benefited. • Donation of teaching screens to Xiufeng Elementary School. <p>Intangible cultural asset promotion:</p> <ul style="list-style-type: none"> • Sponsorship for the Aurora Percussion Group’s activities. • Donation of a subscription to Global Kids Junior Monthly to 100 schools and hospitals in New Taipei City. • Sponsorship for the Qingshan Elementary and Junior High School Badminton Team’s activities. • Sponsorship for the Tianmu Cup Youth Basketball Invitational. | <ol style="list-style-type: none"> 1. Continue to invest a budget of over NT\$2 million in education care and intangible cultural asset promotion annually. 2. Help children in Xizhi and other areas to gain access to fairer education and learning resources in a from-near-to-far way. 3. Continue to support cultural and arts activities in Taiwan to facilitate the preservation of intangible cultural assets. |
| <p>Elderly activities, care for the disadvantaged, and community environment maintenance</p> | <p>In 2023, the Company donated over NT\$1.12 million for activities for older adults, care for the underprivileged, and community environment maintenance. The volunteer club collected physical supplies from employees on the three main festivals, and the donations made to disadvantaged groups amounted to approximately NT\$550,000.</p> <p>In 2023, the ATEN Volunteer Club organized 22 volunteer activities with the engagement of employees and the participation of external stakeholders, and the number of participants reached 1,458.</p> <p>The execution of relevant activities is summarized as follows:</p> <p>[Statistics on the ATEN Volunteer Club’s Activities over the Years]</p> <p>Elderly activities and care for the disadvantaged:</p> <ul style="list-style-type: none"> • Sponsorship for the Senior Boccia Sports Event. 12 employees from ATEN volunteered at the event. • Donation of warm winter supplies. 260 employees donated 505 sets of supplies. • Two sessions for raising charity food boxes held by the World Peace Association. More than 30 employees participated in the sessions. • Donation of supplies for the Dragon Boat Festival and Moon Festival. A total of 339 employees donated 979 sets of supplies. • Selection as an Outstanding Corporate Volunteer Team in New Taipei City and participation in the event on Volunteer Day with the New Taipei City Government. • Purchase of products from the Eden Social Welfare Foundation or other ESG products as birthday gifts for employees. • Monthly meal-to-meal event, with 351 participants. • Three volunteer service sessions held by Asia Best Healthcare Nursing Home, with a total of 49 volunteers. • Donation of NT\$50,000 to the Genesis Social Welfare Foundation to organize the Hiking Together event, with a total of 77 participants. • Two sessions of blood donation, with 63 participants. <p>Community environment maintenance:</p> <ul style="list-style-type: none"> • 2 sessions of butterfly habitat conservation, with 51 participants. • Four beach cleanup activities at Fulong Beach, with 131 participants picking up 302.5 kilograms of garbage. • 2 sessions of field adoption for the My One Acre of Farm platform, with 95 participants. | <ol style="list-style-type: none"> 1. Continue to invest a budget of more than NT\$1 million and labor power in issues related to older adults, care for the disadvantaged, and community environment maintenance. 2. Organize no less than 20 volunteer activities. 3. Continue to invite external stakeholders to participate in volunteer activities organized by ATEN. 4. Expand the participation of overseas subsidiaries in order to allow ATEN to implement ESG in every corner of the world. |

Active Social Participation



5.1 Education Care and Cultural Asset Promotion

Education is an essential part of social advancement and economic development. ATEN's contribution to social welfare started with care for education. As economic inequality increases and social issues emerge continuously, there are children who need help in both rural and urban areas. We hope that when they face family environment issues or encounter emergencies, they still have sufficient ability and courage to continue to learn and grow without moral and behavioral deviation. In addition, the Company also encourages the preservation of intangible cultural assets in response to the UNESCO's call, and supports activities related to traditional folk skills and arts, culture, and literature, etc. unique to Taiwan, in order to permanently preserve the unique cultural assets of this land.

Of the 17 Sustainable Development Goals (SDGs), ATEN has listed SDG 4 "Quality education" as a long-term ESG strategy and taken "ensuring inclusive and equitable quality education and promoting lifelong learning opportunities for all" as the objective.

> Donation of A Subscription to Commonwealth "Global Kids Junior Monthly" to 100 Elementary Schools in New Taipei City

Since 2014, to encourage reading, ATEN has supported the transmission of "Global Kids Junior Monthly" journals by Global Views - Commonwealth Publishing Group to create a shared knowledge platform for 2,678 elementary schools nationwide. This was the eighth year for the Company to donate a 2-year subscription to "Global Kids Junior Monthly" to elementary schools with relatively small numbers of classes in New Taipei City in the hope of providing assistance for small-sized schools that have relatively few resources. This journal has become a source of extensive and diverse knowledge covering different subjects including English, math, history, geography, science, culture, and arts for lower grade elementary students. Its use of mandarin phonetic symbols and illustrations helps children grow up happily and develop the habit of reading. For the past nine years, our care and love have spread to 25 townships and districts and 100 schools and hospitals in New Taipei City, moving the hearts of tens of thousands of people through 1,200 journals.



Active Social Participation



› Donation of Teaching Screens to Xiufeng Elementary School

Due to the COVID-19 pandemic, schools cooperated with the Education Department's remote online teaching policy. To maintain the normal learning activities of students and reduce the impact of the pandemic on their learning, Xiufeng Elementary School made a request for teaching screens. To improve the hardware of the school, ATEN purchased and donated professional screen equipment to Xiufeng Elementary School in order to continue the cultivation and education of students.

› Sponsorship for the Tianmu Elementary School Basketball Team's Activities

ATEN has obtained a Taiwan iSports Badge from the Sports Administration, Ministry of Education. To demonstrate our spirit as an iSports enterprise, we not only promote exercise internally, but also encourage employees to actively develop their interest in sports. In addition, we also worked with Tianmu Elementary School in Shihlin District, Taipei City to sponsor the ATEN Tianmu Cup Youth Basketball Invitational, showing our long-term investment and enthusiasm for youth sports.



› Sponsorship for the Qingshan Elementary and Junior High School Badminton Team's Training Activities

The New Taipei City Qingshan Elementary and Junior High School Badminton Team was formed in 2014 as a sports development project for the school. The school is also a key badminton development school in New Taipei City. There are currently more than 70 members on the team. To promote badminton activities and enable the students in Xizhi and nearby areas to participate in official badminton events, ATEN and Qingshan Elementary and Junior High School jointly organized the 3rd ATEN-Qingshan Cup Qixing District Badminton Invitational. In addition to financial sponsorship, the event was also broadcasted live using live streaming equipment, allowing more students to enjoy the fun of badminton. We hope to have more students start playing badminton in Xizhi District.



› Donation to Public Schools at All Levels in Xizhi District for the Graduate Scholastic Achievement Award

To encourage graduates who are about to enter another learning stage to keep learning and strive for good performance, the "Ching-Tang Education Foundation" presents the "Scholastic Achievement Award" before the graduation season each year, awarding coupons and award certificates to outstanding graduating students selected from 15 public elementary schools, junior high schools, and senior high schools in Xizhi District. The schools also publicly praise the award recipients during their graduation ceremonies. [Number of Students Benefiting: 101]

Active Social Participation



> Volunteer Thank-You Ceremony for Public Schools in Xizhi District

To demonstrate its appreciation to volunteers servicing 15 public schools at all levels in Xizhi District for a long time with their own time and effort in order to allow school education to be promoted smoothly and protect students' safety, the Ching-Tang Education Foundation organizes a thank-you ceremony at the end of each year. Volunteers from schools as well as teachers and principals are invited to cheer each other up in the hope that such education care efforts can continue in the future. We also hope to encourage more volunteers with passion to join us for the protection of children. [Number of Volunteers Benefiting: 250]



Issuance of the 2023 Ching-Tang Education Foundation Scholarship and Family Support Fund

In view of increasing economic inequality in society, as well as the fact that medium- and low-income families often have tight education budgets for their children, and that in case of unexpected accidents and incidents, the next generation's right to education will be affected, the Ching-Tang Education Foundation provides a "Scholarship" and "Family Support Fund" to students who are in financial hardship and have family emergencies from 15 public elementary schools, junior high schools, and senior high schools in Xizhi District in the hope of providing them with economic support, encouraging students in financial hardship to study hard, thereby contributing to society. [Number of Students Benefiting: 447]



Sponsorship for Anti-drug Theater Play by Paper Windmill Theatre

According to a survey by the Ministry of Health and Welfare, there are nearly 10,000 underage drug addicts in Taiwan; the average age of drug initiation of these children is 14.8 years old. To prevent drug abuse in children, the "Ching-Tang Education Foundation" has worked with "Paper Windmill Theatre" since 2015 to organize an anti-drug stage theater play titled "Saving Faust" at the gym of Xizhi Xiufeng Senior High School for junior high graduates in Xizhi and Jinshan Wanli Districts. This is an anti-drug stage play tailored for teenagers. It uses language

and trends that are popular in this generation to smoothly balance jokes and seriousness in a way that instills the idea of anti-drug abuse in students in order to warn them of the danger of drugs. [Number of Volunteers Benefiting: 1000]



Active Social Participation



5.2 Activities for Older Adults and Care for the Disadvantaged

With the upcoming era of the aging society with fewer children, we can imagine that the number of elderly people living alone and requiring assistance and company will continue to increase. As economic growth slows down, in a low-income environment with insufficient demographic dividends, disadvantaged groups needing assistance will continue to exist in society. "Caring" is one of the corporate core values of ATEN. The Company also adheres to this value while fulfilling corporate social responsibility. We hope to provide timely care and necessary assistance to groups requiring assistance and care in society. The members of ATEN's ESG Task Force constantly maintain contact with the public sector, disadvantaged groups, social welfare groups, and care institutions for older adults, etc. in the hope of providing assistance and care for older adults, people with disabilities, economically strained families, and other disadvantaged groups through corporate volunteers and corporate financial supports and resources. This can also contribute to the achievement of the three SDGs of "No poverty", "Zero hunger", and "Good health and well-being" step by step.

> Volunteers for Asia Best Healthcare Nursing Home

Since 2016, ATEN has worked with Asia Best Healthcare Nursing Home to organize three to four volunteer activities for older adults every year. Volunteers take advantage of the paid volunteer leave provided by the Company to help out at Asia Best Healthcare Nursing Home. They also provide care visits and rehabilitation games to improve the physical fitness and vitality of older adults, hoping to leave a good memory for them by spending a short time with them. [Number of Participating Volunteers: 49]



> Monthly Meal-to-Meal Event

Vegetative patients cannot move or chew and can only take in liquid meals made from rice, eggs, vegetables and meat, with high protein added for nutrition, through nasogastric tubes in order to maintain their physical health. Patients in a vegetative state require six meals a day, meaning that the meal cost can be high. As ATEN provides one afternoon snack for employees every month, the volunteer club initiates a meal-to-meal event and donates NT\$100 per employee to the Genesis Social Welfare Foundation. The event is well-received among employees, and nearly 50 employees participate in the event every month. [Number of Donating Employees: 351]

> Blood Donation Activity

Donating a bag of blood can save a life! Employees of ATEN actively participated in two blood donation activities organized at the Xiwan Plant, with a total of 63 participants, helping prevent the life of people in need from being threatened by the shortage of blood. [Number of Participating Volunteers: 63]



Active Social Participation



World Peace Organization's Charity Food Box

For many starving children, celebrating festivals does not make them happy. When school is closed for winter break, children are always worried about when they will have their next meal. To address their worries about having no food to eat during winter and summer vacations, the Company invites employees to donate food supplies suitable for children at least six months before the expiration date in response to the World Peace Organization's call, including milk powder, oatmeal, high-fiber biscuits, noodles, and canned foods, to help children from poor and disadvantaged families, so that they can have a new year full of hope and not go hungry during winter break. After the event was launched, it has received enthusiastic responses from colleagues. ATEN is planning a biannual supply-raising event, hoping to help more children in hunger.



ATEN's Year-end Donation of Charity Goods to Deliver Warmth

ATEN has for a long time cared for disadvantaged groups, in particular for older adults living alone. At Lunar New Year's Eve, the ATEN Volunteer Club initiated the "ATEN and HCCH's Delivery of Chicken Soup to Older Adults Living Alone" event and worked with Heng Chun Christian Hospital. With enthusiastic donations and participation by Director Tung of the volunteer club and employees of ATEN, 505 older adults living alone in Taiwan received chicken soup for Lunar New Year, keeping them physically and mentally warm during Lunar New Year. [Number of Donating Employees: 260]

Volunteers for the Senior Boccia Sports Event

Boccia is an official Paralympic sport. The sport suitable for people with disabilities has been promoted to older adults in recent years. To implement the concept of ESG, the Company started to participate in the preparation works for the Asia Open of the Boccia International Sports Federation (BISFed) organized by the "Boccia Taiwan Sports Federation" in 2018. In addition to financial sponsorship, the Company also provided ATEN's professional technology and equipment to assist with the live broadcast of the competition. The Company looks forward to combining this sport with elderly activity projects and has received positive feedback from the elderly. In 2023, the "Boccia Taiwan Sports Federation" organized the ninth "Senior Boccia Sports Event", and ATEN sponsored the games held in Taipei and invited employees to serve as event volunteers in the venue, completing this sports event together with older adults. [Number of Participating Volunteers: 12]

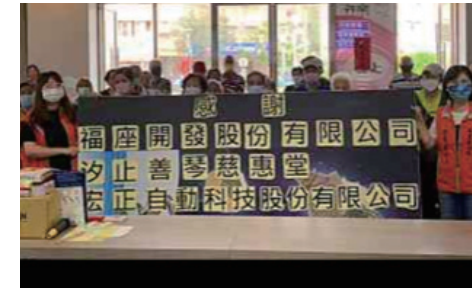


Active Social Participation



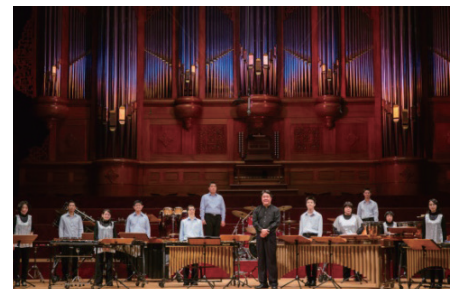
› Moon Cake Donation for Dragon Boat Festival and Moon Festival

Before each festival, the ATEN Volunteer Club always launch a donation activity to invite employees to care for the disadvantaged. For Lunar New Year, the club purchases festival goods to allow the disadvantaged to enjoy a warm Lunar New Year. For the Dragon Boat Festival, Moon Festival, and Lunar New Year, hundreds of employees of ATEN participated in each event and also actively invited their friends and families to participate in the raising of supplies and goods. ATEN's employees teamed up with the Xizhi and Wanli District Offices of New Taipei City to send care and love to the elderly living alone, high-risk families and rehabilitation centers requiring assistance in the districts. [Number of People Benefiting: More than 1,300]



Sponsorship for the Aurora Percussion Group

The "Aurora Percussion Group" was founded in 2004 by the Vice Director of the Ju Percussion Group, Hong-Chi Ho (Teacher Ho) with members with different disabilities, including visual disability, hearing disability, physical disability, mental disability, and autism. The purpose is to allow people with different disabilities to broaden their world and enter society through continuous practice and cooperation with group members, such that they are able to develop confidence and receive applause on the stage with their own efforts. For over a decade, the group has provided hope to a great number of families, which has a positive educational significance to society. With the passionate leadership of Teacher Ho and the hard work of the group members, Aurora successfully made its way to the highest musical stage in Taiwan at the end of 2015—the National Concert Hall. Their outstanding performance has also brought the group numerous invitations from different charity organizations and companies, not only enabling the group team members to come into contact with people, but also further spreading the positive energy of their persistent efforts to society. Over the past years, ATEN has sponsored the Aurora Percussion Group for rental expenses to provide the most solid support, such that Aurora is able to practice without worries. We will continue to further spread its philosophy from this group in order to allow more people with disabilities to find their position in the musical field and find themselves again, as well as to allow their families and the world to see their power to start a new life.



Active Social Participation



5.3 Community Environment Maintenance

> Fulong Beach Cleanup Activity

Since 2012, ATEN has adopted a 360-meter beach in front of the Fulong Dongxing Temple in Gongliao District, New Taipei City, from the Northeast and Yilan Coast National Scenic Area Administrative Office, Tourism Administration, MOTC. We have continuously fulfilled our commitment to the environmental protection of the Earth for ten years. During the beach cleanup performed at least once quarterly, we exert our influence and invite instructors from the Society of Wilderness to guide volunteers through beach cleaning using proper methods. We further hope to manage the sources of waste and reduce waste at the source and promote environmental protection concepts on how to reduce the impact of people's life on the environment. In the past, the Company organized family days and other events on the beach adopted in order to allow employees to understand ocean pollution and other relevant issues. To actively expand our influence, we invited members and friends of the Xizhi Qingshan Elementary and Junior High School Badminton Team supported by the Company to a beach cleanup, giving them an understanding of the cause of increasing ocean pollution and how to mitigate ocean pollution through practical actions. During the activity, the students raised questions and participated actively. As the activity received great feedback, we expect to also invite their family members to such an activity. In 2023, ATEN organized at least one beach cleanup activity every quarter. A total of 131 volunteers were invited, picking up 302.5 kilograms of garbage. [Number of Participating Volunteers: 131]



> My One Acre of Farm: Field Adoption

Paddy fields have multiple values to the society in Taiwan. They not only provide food, but also conserve groundwater, prevent land subsidence, regulate climate, and beautify village landscape. Paddy fields using non-toxic farming can become temporary shelters for waterfowl and aquatic animals and increase biodiversity. Since 2017, the Company has adopted the paddy fields of rice farmers in Yilan through contract farming for seven years. To give employees and their families the opportunity to be closer to the land and experience farming, as well as to contribute to the paddy fields we adopted, the Company invites employees to the fields every year to experience seeding and harvesting with the rice farmers. In addition to enjoying hands-on experiences, employees have the opportunity to ride on a seeding machine and a harvester to experience the efficiency of mechanized farming. Through the seeding and harvesting experience activities, we look forward to achieving the multiple ESG-related purposes of environmental knowledge education, care for land, and promotion of employee relationships. During the activity combined with explanation, parent-child sessions, and local cuisine, everyone is able to get closer to land and enjoy the beauty of earth. The Company has given the rice harvested as a gift to employees before the Moon Festival, which is well-received among the participating employees and their families. [Number of Participating Volunteers: 95]



Active Social Participation



› Butterfly Habitat Conservation: Tree Planting and Weed Removal to Ensure a Sustainable Home for Butterflies

The Jiannan Butterfly Garden and Jiannan Butterfly Trail in Neihu, Taipei City are one of the few butterfly conservation zones in the urban area of Taipei City, and their rich butterfly ecological resources have made them become the best places for ecological education in the Yangmingshan system in Greater Taipei.

The ATEN Volunteer Club has cooperated with the “Butterfly Conservation Society of Taiwan” for 11 years. In addition to providing sponsorship and donations, we organize butterfly habitat conservation activities annually. Led by the volunteers of the society, ATEN’s volunteers and their families remove hazardous invasive plants, plant nectariferous plants, maintain the flagstone trail, and insert plant introduction boards on weekends. Through the explanations of society volunteers, participants can learn about different butterfly species and the ecological environment necessary for the growth of butterflies, as well as gain knowledge of how invasive plants such as mile-a-minute weed cause severe damage to nectariferous plants in the habitat. Ecological environmental conservation is a sustainable task. A lot of employees bring their children to participate in volunteer activities in the Jiannan Butterfly Garden to not only enhance the parent-child relationship, but also gain rich butterfly ecology and environmental protection knowledge. Consequently, we are able to educate our next generation about environmental protection, continuing to exert greater efforts in environmental sustainability. [Number of Participating Volunteers: 51]



› Syin-Lu – Hiking Together Event

To support people with mental disabilities in stepping out of their homes, coming into contact with society, and learning mutual understanding and respect, thereby creating a friendly and inclusive living environment, the Company has supported the “Syin-Lu Welfare Foundation” for years, and co-organized the 10th “Hiking Together” event with the foundation to call on the general public and people with disabilities to participate in the hiking event together.

Through the organization of experience events and seminars, employees are able to further understand the Syin-Lu Foundation and know how to get along with people with intellectual disabilities in a friendly manner, building a friendly environment for them. The Company’s volunteer club and jogging club jointly supported the event and called on the participation of employees. A total of 77 employees and their families and friends signed up for the event. In addition, we also donated NT\$50,000 to demonstrate our care and support for disadvantaged groups. [Number of Participants: 77]



Ch6



Environmental Commitment

- 6.1 Commitment to Environmental Sustainability**
- 6.2 Commitment to Green and Sustainable Products**
- 6.3 Climate Change Response and Risk Management Assessment**
- 6.4 Environmental Sustainability Management**
- 6.5 Greenhouse Gas Inventory Management**

Environmental Commitment



Material Topic

Environmental friendliness, green products

› Significance of Environmental Protection to ATEN and ATEN’s Key Contribution to the SDGs

Climate change impacts the life of mankind and the global ecological environment, which is an important issue taken seriously by the international community. To cope with climate change, countries are facing the dilemma between economic growth and environmental sustainability, which is indeed a tough challenge. In addition to the continuous monitoring of climate change trends and compliance with environmental protection laws of the government, ATEN also tracks the preparedness and response actions of various countries to this issue while continuing to put efforts in energy saving and carbon reduction and taking active eco-friendly actions. In the continuous pursuit of a balance between ecological environment protection and sustainable development, ATEN seeks to utilize technology innovation to develop energy-saving products, and through quality improvement, reduction of manufacturing costs, shortening of production line processes, increase product competitiveness, thereby strengthening our ability to cope with climate change and expanding the influence of ATEN. By doing so, the Company can lead the creation of a green supply chain together with suppliers to reduce the climate risk and impact faced by corporate operations.

| | |
|--|--|
| | <p>Adopt sustainable consumption and production patterns to greatly reduce the generation of waste through prevention, emissions reduction, recycling, and reuse. [Corresponding to SDG Targets: 12.4, 2.5]</p> |
| | <p>Take urgent action to combat climate change and its impacts, and enhance education and propaganda on climate change mitigation and adaptation, as well as the reduction and early warning of impacts, etc. to improve the ability of personnel and institutions in this regard. [Corresponding to SDG Target: 13.3]</p> |
| | <p>Protect, restore, and promote sustainable use of territorial ecosystems, sustainably manage forests, combat desertification, and halt and reverse land deterioration, and halt biodiversity loss. [Corresponding to SDG Targets: 15.1, 15.2, 15.4]</p> |

Environmental Commitment



› Responsible Unit

ATEN Sustainable Development Committee - Green Operation Group

› Management Mechanism

1. Passing ISO 14001: 2015 environmental management system certification.
2. Passing ISO 14064-1:2018 greenhouse gas external verification, tracking greenhouse gas emissions.
3. Conveying environmental knowledge through seminars and activities.

› Commitments, Actions, and Goals

| Commitment | 2023 Execution item | 2023 Execution Outcome | Future Goals and Actions |
|---|--|---|--|
| Greenhouse gas verification | Conduct ISO 14064-1 greenhouse gas external verification | We passed 2022 & 2023 ISO 14064-1 external verification. | <p>Through review, we set the following carbon reduction and energy saving goals:</p> <ol style="list-style-type: none"> 1. Reduce electricity intensity by 1% from the previous year. 2. Reduce carbon emissions from water usage per employee by 1% from the previous year. 3. Reduce fixation points by 20% with the simplified structure and easy-to-disassemble design. 4. Maintain the percentage of lightweight materials used at 10%. 5. Reduce power consumption by 5% for higher product energy efficiency. |
| Energy use monitoring, implementation of energy saving and carbon reduction | Monitor energy risks and promote as well as implement energy-saving and carbon reduction projects. | <ol style="list-style-type: none"> 1. In 2023, the power consumption intensity was 5.70 (power consumption in thousand kWh/ average number of employees). 2. In 2023, the carbon emissions from water usage per employee was 3.48 (total average water consumption per employee (cubic meter) * carbon emissions from water usage per employee (kgCO2e)). | |
| Compliance with environmental protection laws | Pay attention to RoHS and REACH regulation updates and conduct conflict minerals reporting | <ol style="list-style-type: none"> 1. Continue to update the requirements for suppliers' compliance with requirements for the 235 REACH SVHC items. 2. Continue to update the RMI_CMRT 6.31 "Conflict Minerals Reporting Template". | |
| Green product design | Design lightweight products with maximum performance | <ol style="list-style-type: none"> 1. Simplified structure and easy-to-disassemble design: The EA1640 bracket uses locking hook structures to replace fixation structures, reducing the number of fixation points by 100%. (A mounting plate originally needed 4 fixation structures, all of which are now replaced with snap-fit structures). 2. Use of lightweight materials: The front panel of UC3430 & UC3310 & VP2420 uses a lightweight material (AL), which can reduce the weight of the front panel by up to 66.5%. (The front panel originally weighed 242g. With the use of the light material (AL), the front panel now weighs 81g, reduced by 161g). 3. Product energy efficiency: UC3310 & VP2420 reduce the use of fans and adopt heat sinks + thermal paste for cooling, reducing the output power consumption of the host by about 10.3% & 10.94%, respectively. (UC3310:17W → 15.25W, a decrease of 10.3%) (VP2420:16W → 14.25W, a decrease of 10.94%). | |

Environmental Commitment



6.1 Commitment to Environmental Sustainability

As a leader in global digital information sharing, ATEN upholds “simplification and technology sharing” as the brand’s core spirit, values care for “culture and land”, and focuses on the philosophy of “creating emotional links between people and the environment as well as between people and the world”. In response to industry trends and climate change issues, ATEN utilizes technological R&D capabilities and green product design to take eco-friendly actions in order to continuously develop products capable of reducing energy and resource consumption, in the hope of utilizing innovative thinking and technologies to go green, save energy, protect the environment, and promote the overall well-being of mankind.

Global climate change has stimulated ATEN to embed environmental sustainability into the Company’s DNA. We are committed to responsive actions for climate change, and we will continue to implement environmental consideration analysis and environmental management solution control with respect to energy management, water resource management, pollution prevention, supplier environmental protection performance, green products, chemical substance management, compliance with environmental protection laws, and external environmental impact and risk control, etc. and actively establish and implement effective mitigation and adaptation strategies. Through the systematic management and monitoring of energy and resources and periodic reviews by senior management, the Company will make continuous improvements and move toward our reduction targets.



Environmental Commitment



› Environmental Sustainability Management Policy

Our environmental policy is our mission and philosophy for social responsibility and environmental protection. During the process of protecting the overall ecological environment and ensuring sustainable development, in addition to striving for technological improvements and breakthroughs, we also adopt a rigorous attitude to actively promote an environmental management system and relevant activities, implement pollution prevention, create an excellent working environment, protect the physiological and mental health of employees, and fulfill our legal responsibilities, social obligations, and the corporate responsibility of environmental protection. In addition, we use the following commitments as the highest directives for the Company's environmental management decision-making:

1. Compliance with environmental protection laws:

Conduct audits as required by environmental protection regulations, comply with the environmental protection regulations and requirements of competent authorities.

2. Utilization of resources and creativity:

Make good use of available resources, reduce waste, and minimize pollution to the environment and energy consumption.

3. Continuous green production:

Regularly carry out inspections and audits to ensure the implementation of the environmental policy and continued effectiveness of the improvements made to protect the green global village.



› Energy Sustainability Management Policy

To fulfill corporate social responsibility, the Company is dedicated to energy saving and carbon reduction, and perform environmental pollution prevention, design green products, and make continuous improvements in compliance with relevant laws in order to achieve the effect and goal of energy conservation. With our commitment to environmental protection, our practices for continuously implementing environmental friendliness are as follows:

1. Periodic review of goals:

Periodically convene management review meetings to review energy usage.

2. Improvement of equipment efficiency:

Periodically perform service and maintenance and seek more effective energy efficiency improvement methods.

3. Purchase of energy-saving products:

Give priority to products with the Energy Label or ENERGY STAR label, energy-saving facilities, etc.

4. Improvement of employee awareness:

Promote and communicate the concept of energy conservation to all employees.



› Green and Sustainable Product Policy

In the face of the threats of environmental hazardous substances to the Earth and human health, global consumers and all governments take seriously and pay attention to the development of such issue. Accordingly, ATEN actively promotes green supply chain management in order to provide customers with green products without hazardous substances, which is a goal and commitment we continue to work on.

Environmental Commitment



› Social Responsibility Code of Conduct

Environmental protection: The Company complies with national environmental protection laws, and our environmental management measures are as follows:

1. Energy consumption reduction and management:

The energy used by ATEN is mainly supplied by Taipower. In the past, the Company adopted the method of process control to reduce energy consumption from waiting during processes. In recent years, we have increased the promotion of energy conservation for process equipment, and continued to introduce air conditioning efficiency improvement and process optimization management solutions. Through the continuous promotion of various energy-saving measures and management solutions, we expect to reduce energy consumption and the impact on the environment.

2. Greenhouse gas management:

The Company is committed to reducing energy consumption and greenhouse gas emissions, and has established an internal inventory mechanism according to the ISO 14064-1 international standard. We have actively performed greenhouse gas emission inventory and continued to invest in energy-saving plans and energy utilization improvements to reduce the impact on the overall environment, thereby achieving the objective of reducing carbon dioxide emissions.

3. Water resource conservation and management:

In addition to the implementation of internal water conservation measures at the Company, ATEN has also installed faucets with the "Water Conservation Mark" in all the Company's hand-washing facilities. To promote the efficient use of water, we have continuously implemented water-conservation measures, educated employees about the concept of water conservation, and posted "Save Water" slogans in areas with faucets as a reminder for the employees, thereby reducing the consumption of water resources.

4. Raw material use management:

We work together with our upstream and downstream supply chain partners to jointly strive to minimize the impact on the environment in producing products and reduce resource use and pollutants caused by the products. We are committed to increasing the efficiency of raw material usage and reducing the amount of materials used for packaging and shipping.

5. Management of hazardous chemicals and the concentration of hazardous substances in the operating environment

The Company strictly complies with laws related to occupational safety and health and environmental protection in order to prevent any major impacts on safety, health, and the environment during operations, so that we can ensure the compliant purchase, use, storage and labeling of hazardous chemicals. Furthermore, the Company also annually commissions professional qualified contractors to monitor the concentration of hazardous substances in the air in the operating environment.

6. Waste recycling and disposal:

The production process of the Company mainly involves the assembly of electronic products and generates non-hazardous industrial waste such as tin dross, waste plastic, and mixed hardware, which are recycled by professional qualified disposal companies and then manufactured into various products for use in other industries.

7. Exhaust emissions management

After company vehicles enter the public parking lot, they should be turned off as soon as possible in order to reduce exhaust emissions. In addition, ventilation equipment and exhaust fans have been installed at the parking lot for better air circulation. Furthermore, company vehicles are required to be maintained periodically and inspected according to the regulations of the motor vehicles office to check whether their exhaust meets the standards. The processes of ATEN involve no emissions from stationary air pollution sources and no emission of nitrogen oxides (NO_x), sulfides (SO_x), and other air pollutants. In addition, the Company's products do not use any ozone-depleting substances (ODS).

8. Provision of eco-products and services

With regard to the Company's practices for providing eco-products and services, we utilize technological R&D capabilities and green product design to reduce the heat generation of product through select materials, lightweight design, and performance maximization, as well as to reduce equipment size and save energy through design research and development.

9. End of product life

The Company adopts simplified product structures and easy-to-disassemble designs that allow for product recycling, as well as eco-friendly materials. In addition, we also bear our recycling responsibility as a manufacturer in order to reduce the negative impact on environmental ecology.

Environmental Commitment



6.2 Commitment to Green and Sustainable Products

Regarding the protection of the ecological environment and implementation of corporate green responsibility, in addition to ensuring that products and operations comply with the international WEEE Directive and regulatory environmental protection requirements, ATEN believes that proper source management is the primary element in mitigating environmental impact. We are committed to adopting a design facilitating recycling and environmental protection from the sourcing of raw materials from the green supply chain to the final disposal of products, and all our products marketed in the market comply with the regulatory environmental protection requirements of countries. For products marketed in the EU, we also bear our recycling responsibility as a manufacturer, and implement various preventive green management measures, in order to reduce the negative impact of product design, production and use on environmental ecology.



By taking practical actions such as developing eco-friendly products, we convey the green concepts of ecological protection and care for the Earth through the green design, green purchase, green production, and green education management platform in the hope of jointly achieving the green commitment with employees and suppliers.

> Management Measures for Hazardous Substance-Free Products

To fulfill our responsibility as a global citizen, we integrate our corporate core values with management guidelines as follows:

- 1. Integrity:** Purchase green raw materials, implement green production.
- 2. Caring:** Promote environmental protection education, strengthen environmental protection awareness for all employees and suppliers, and strive for the achievement of goals, in order to facilitate the Company's sustainable operation.
- 3. Ambition:** Comply with environmental protection regulations and customer requirements, become customers' best green product partner.
- 4. Novelty:** Design green products and ensure that products have no hazardous substances.

> Compliance with International Product Environmental Regulations

To ensure that our production processes and products comply with international regulations and customers' environmental protection requirements, ATEN continues to pay attention to changes in international environmental protection directives. By updating the control standards for the restricted use of hazardous substances from time to time and establishing the "Hazardous Substance Restricted Use Management" project, we clearly specify hazardous substance usage standards for products and environmental protection-related control requirements in order to ensure that all products comply with various requirements in line with ATEN's commitment to corporate social responsibility.

Environmental Commitment



6.3 Climate Change Response and Risk Management Assessment

Climate change impacts the life of mankind and the global ecological environment, which is an important environmental issue taken seriously by the international community. ATEN believes that the Company is certainly affected by climate change, and shall also actively bear the responsibility to mitigate the impact. The “Environmental Sustainability, Energy Sustainability, and Green and Sustainable Product Management Policy” approved by the Chairman declares that it is the Company’s responsibility to cope with climate change to achieve sustainable operation.

Through active participation in various domestic environmental sustainability activities and understanding environmental issues of concern to government agencies, investors, customers, the general public, and other stakeholders, we have identified the risks and opportunities of various material environmental protection issues. In the future, the Company will pay continuous attention to climate change trends and the response actions adopted by the Taiwanese government, comply with the environmental protection regulations of the government, actively adopt eco-friendly actions, and jointly establish a green supply chain with suppliers, thereby reducing the climate risks and impacts of the Company’s operations.



› Task Force on Climate-Related Financial Disclosures (TCFD)

Presently, climate change is the most important issue, which not only brings environmental problems, but also is a common social issue for humankind. In 2022, ATEN analyzed the possible financial impact of climate change and disclosed future response strategies according to the Recommendations of the Task Force on Climate-Related Financial Disclosures (hereinafter referred to as “TCFD”).

Governance

ATEN continues to monitor domestic and foreign issues related to sustainable development and climate change and formulate specific sustainability plans. The ESG Task Force established under the “Sustainable Development Committee” assesses risks associated with climate change, develops relevant policies and mitigation plans, and submits reports periodically to the “Sustainable Development Committee”, the highest organization for ATEN’s sustainable development management.

Strategy

ATEN’s ESG Task Force assesses the impact of the possible risks and opportunities associated with climate change on the Company’s business and finance according to the time of occurrence and level of impact based on a 10-year period. In addition, the Company also actively seizes the opportunities associated with greenhouse gas emissions, and take possible impacts on the environment into consideration during product design, in order to reduce carbon emissions in each stage. With regard to the operations of the Company, we have continued to improve energy use efficiency and installed solar panels at available plant spaces for power generation in order to further increase the utilization of renewable energy.

Risk Management

According to the TCFD framework, the ESG Task Force has identified climate risks and compiled a risk list through discussion, and submitted them to the Sustainable Development Committee for continuous monitoring and management.

Environmental Commitment



Transition Risk

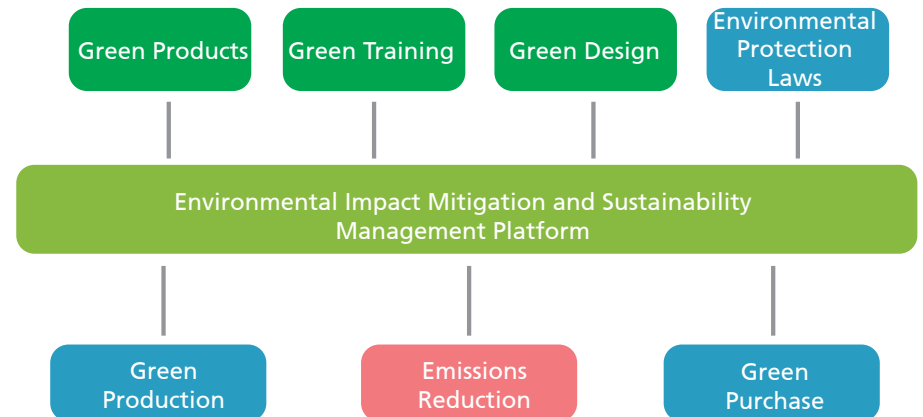
| Type | Item | Risk Description |
|-----------------|--|--|
| Transition risk | Carbon tax/renewable energy | Since the law specifies that companies shall be charged for greenhouse gas emissions generated during their business operations, and additional expenses will be incurred for the use of renewable energy to reduce greenhouse gas emissions, the Company will actively increase energy use efficiency and install solar PV at the Company's plants in order to reduce the amount of purchased renewable energy. |
| Transition risk | Stakeholders' requirements | The Company's failure to take proper action on the premise of sustainable development can affect the corporate image, and stakeholders may become unwilling to cooperate with the Company, and the business performance of the Company may be affected. |
| Transition risk | Low-carbon alternatives for existing products and services | In view of the international target of net-zero carbon emissions, customers have started to pay attention to low energy consumption, etc. when choosing products. Failure to provide products with relatively low carbon emissions will potentially affect business performance. |
| Physical risk | Floods | With the concern of heavy rainfalls and rising sea levels due to extreme climate, our business locations will face the risk of floods that may cause interruptions of operations and related financial losses. |
| Physical risk | Increase of average temperature | Due to the increase of average temperature caused by extreme climate, our business locations will consume greater amounts of electricity for air conditioning, which may lead to financial impacts. |

Indicators and Targets

Key climate indicators tracked by ATEN include: energy, carbon emissions, and water resources. In addition, the Company continues to assess the possible environmental impacts and performance of each stage of product life cycles in order to continuously improve all aspects of operations and business and make a concrete contribution to environmental sustainability.

› Mitigation of Environmental Impacts

To effectively mitigate environmental impacts, in addition to the active implementation of energy-saving and carbon reduction measures, ATEN also pays continuous attention to various environmental issues and closely monitors global climate change trends and environmental impacts. Through the "Environmental Impact Mitigation and Sustainability Management Platform", the Company periodically identifies relevant risks of climate change, and adopts energy-saving and carbon reduction actions to mitigate climate change and environmental impacts. We carry out continuous monitoring and analysis, implement policies, establish various standard procedures, and perform periodic environmental audits and reviews, etc. according to the annual plan in order to achieve various goals for energy saving and carbon reduction as well as reduce the impact on the environment and climate.





6.4 Environmental Sustainability Management

ATEN periodically identifies climate change-related risks according to the "Environmental Impact Mitigation and Sustainability Management Platform". For environmental change caused by extreme climate and critical factors that may affect operations, we have established internal operation response standards and adopted the P-D-C-A cycle for normalized management in order to achieve the environmental protection goals of energy saving and carbon reduction.



› Environmental Management System Achievement

ATEN introduced the ISO 14001 environmental management system in 2006 and obtained the ISO 14001:2015 environment management system certification in November 2017; the certificate is valid from November 12, 2023, to November 12, 2026.

We have started implementing greenhouse gas inventory since 2010, and we have also established an internal inventory mechanism according to the ISO 14064-1:2018 greenhouse gas inventory standard to actively perform voluntary greenhouse gas emissions inventory, environmental management, and related eco-friendly activities. We continue to adopt energy-saving plans and improve energy utilization in order to reduce the impact on the overall environmental, implement pollution prevention, and improve environmental performance and employees' awareness of environmental protection. Through the participation of all employees and the commitment of the Company, we expect to achieve the goals of environmental protection and corporate sustainable development.

Environmental Commitment



► Resource Management Achievement

According to our energy monitoring and inventory results, the energy used by ATEN is mainly supplied by Taipower. In the past, the Company adopted the method of process control to reduce energy consumption from in-process waiting. In recent years, we have increased the promotion of energy conservation for process equipment, and continued to introduce air conditioning efficiency improvement and process optimization management solutions. Through the continuous promotion of various energy-saving measures and management solutions, we expect to reduce energy consumption and the impact on the environment.

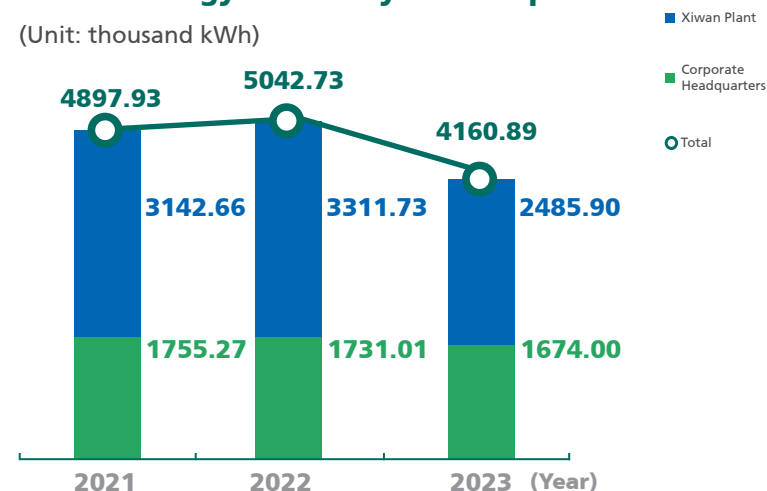
| Strategy and Goal | |
|---------------------------|--|
| Climate change mitigation | Promote various energy-saving measures and management solutions with our best efforts, reduce energy consumption and the impact on the environment. |
| Climate change adaptation | <ol style="list-style-type: none"> 1. Establish process control methods, reduce energy consumption generated due to in-process waiting. 2. Promote the energy efficiency of process equipment, introduce power-saving equipment (T5 and LED lighting fixtures). 3. Improve efficiency management solutions (air conditioning energy saving). <ul style="list-style-type: none"> - Increase cooling water temperature, reduce energy consumption for cooling water production. - Reset host start and stop time to turn on at a later time and turn off at an earlier time. |
| Achievements in 2023 | <ol style="list-style-type: none"> 1. The total power consumption in 2023 was 4,160.89 thousand kWh (equivalent to 14,979.187 million joules). The Company will continue to monitor the improvement of management solutions. 2. The power consumption intensity in 2023 was 5.70 (power consumption in thousand kWh/average number of employees), an increase from the previous year, which was mainly due to the improvement of air conditioning efficiency management. 3. The greenhouse gas emission carbon emission intensity in 2023 was 0.64, a decrease from the previous year (tCO2e/year/revenue in the parent company only financial statements (NT\$ million)). 4. The total water consumption in 2023 was 16,277.02 cubic meters (equivalent to 16.2770 million liters), a decrease of 10.76% from the previous year. The Company will continue to promote water conservation measures and promote the concept of water conservation to all employees. 5. The carbon emissions from water usage per employee in 2023 were 3.48, a decrease of 15.12% from the previous year (total average water consumption (cubic meter) per employee * carbon emissions from water usage per employee (kgCO2e)). 6. The total water consumption intensity in 2023 was 4.84, an increase of 1.46% from the previous year (total water consumption (cubic meter) / revenue in the parent company only financial statements (NT\$ million)). 7. The gasoline consumption of company vehicles was 1,411.5 L (equivalent to 46.06458 million joules). |

Note 1: Energy consumption was calculated based on the electricity bills from Taipower (no renewable energy was used in 2023)

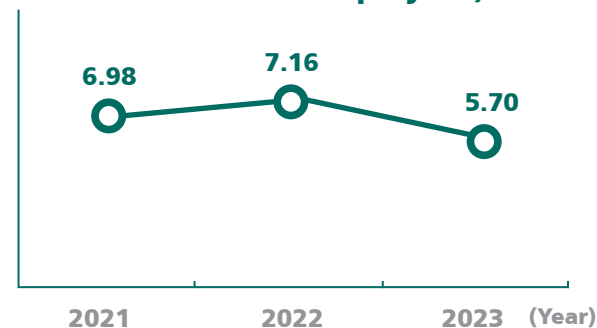
- 2: 1 kWh of electrical energy = 1 kW x 1 hour = 1,000 W x 3,600 seconds = 3.6 x 10⁶ joules
- 3: 1 cubic meter of water = 1,000 L = 0.001 million liters
- 4: 1 L of stationary diesel = 8,400 Kcal/L calories
- 5: 1 L of mobile gasoline = 7,800 Kcal/L calories
- 6: 1 calorie = 4.18400 joules

Headquarters/Xiwan Plant's Non-renewable Energy Electricity Consumption

(Unit: thousand kWh)



Energy Intensity (power consumption in thousand kWh/number of employees)



Note: Energy intensity is the ratio of the power consumed internally to the number of employees

Environmental Commitment



During ATEN's operations and production, although there is no need to use process water, the Company is aware that climate change and global warming are causing an increasing shortage of water resources, which is another important environmental impact that will be faced by humankind in addition to the current need for energy conservation and carbon emissions reduction. The water withdrawn by the headquarters and Xiwan Plant is from a third-party water company, and it is mainly used for the cooling water tower, cafeteria, domestic cleaning and toilet use. The total water withdrawal of the headquarters and Xiwan Plant is 16.27 million liters.

To protect water resources and achieve corporate sustainable operations, in addition to keeping ourselves informed of water shortage and implementing water-saving measures internally, we have replaced all faucets in all the Company's hand-washing facilities with those with the "Water Conservation Mark". To promote the efficient use of water, we have continuously implemented water-conservation measures and educated employees about the concept of water conservation.

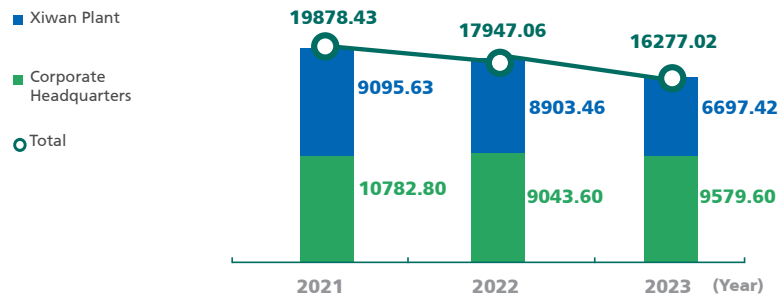
Water-Stressed Region Assessment:

To further understand the water stress and water usage risk of each plant, ATEN has utilized the water risk assessment tool developed by the World Resources Institute (WRI) along with indicators related to the distribution of water resources in Taiwan, such as water source stability and regional supply-demand ratio, for an assessment of the Xizhi area. According to the assessment result, the Company's plants are not in a high water risk region, and they are identified to be at a low risk level.

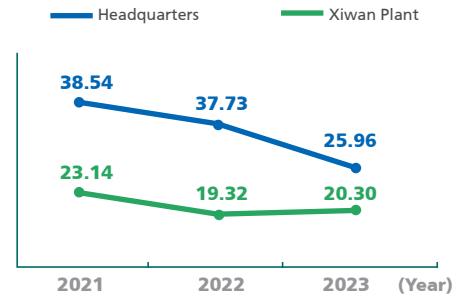
| Taiwan - Xizhi Area (Assessment Item) | WRI Water Shortage Level | Water Source Stability | Regional Supply-Demand Ratio | Overall Risk Assessment |
|---------------------------------------|--------------------------|------------------------|------------------------------|-------------------------|
| Risk level (high, medium, low) | Low | Low | Low | Low |

Water withdrawal source: Xinshan Reservoir and Feitsui Reservoir

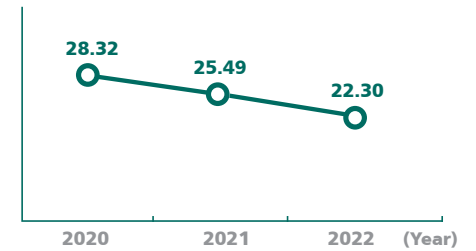
Total Water Consumption by Plant (cubic meter)



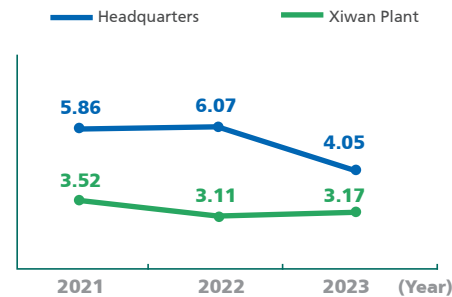
Average Water Consumption per Employee by Plant (Unit: cubic meter)



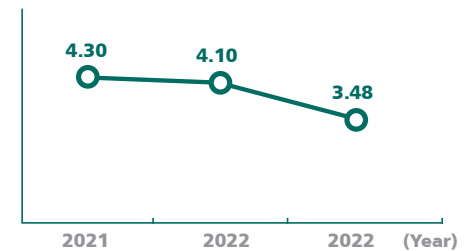
Total Average Water Consumption per Employee (Unit: cubic meter)



CO2 Emissions Equivalent from Water Usage per Employee by Plant



Total Average CO2 Emissions Equivalent from Water Usage per Employee



Note 1: Carbon emissions were calculated based on the CO2 emissions equivalent for each cubic meter of water consumption provided by Taiwan Water Corporation in 2021, with the latest value of 0.156 kgCO2/cubic meter

Note 2: Third-party water includes tap water and reclaimed water; the tap water is supplied by the local water company, comes from surface water, and is fresh water ($\leq 1,000$ mg/L total dissolved solids).

Environmental Commitment



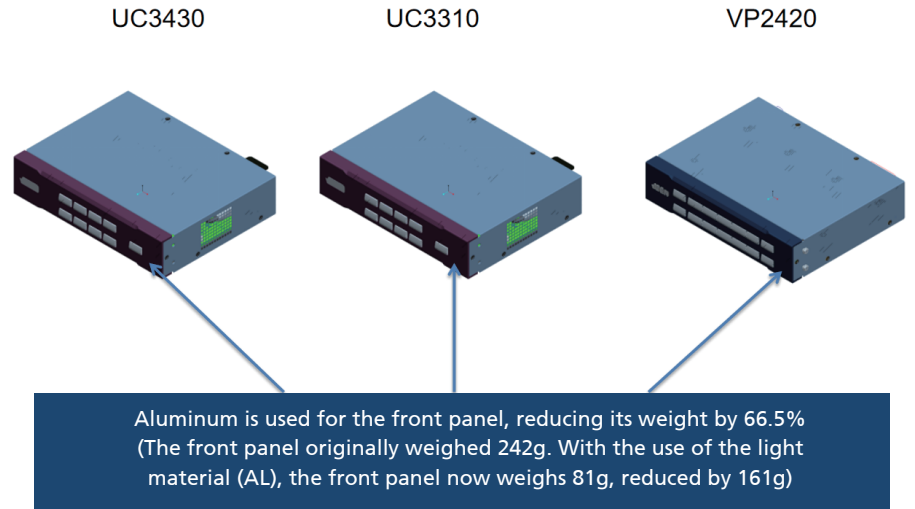
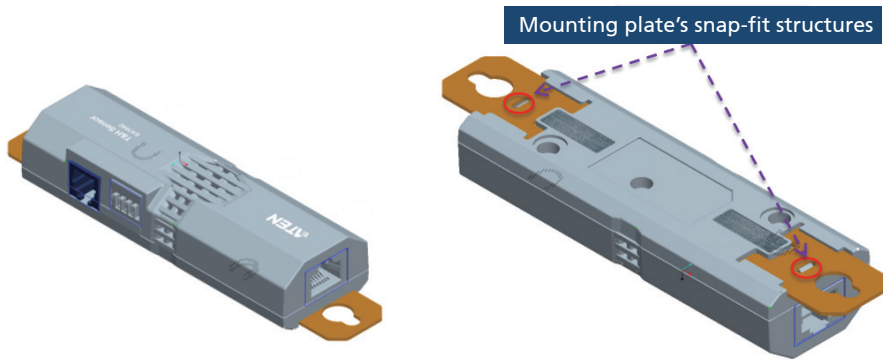
>6.4.3 Green Product Design

As a global leader in digital information sharing, ATEN has long developed various novel electronic information products. With core technologies as the foundation, ATEN utilizes technological R&D capabilities and green product design to take eco-friendly actions and continuously improve energy and resource efficiency in order to improve product energy efficiency, enhance product quality, reduce manufacturing costs, and shorten production line and process time, and achieve other green product goals.

Our green design focuses on “Lightweight Products with Maximum Performance”. The four aspects of our products include simplified structures and easy-to-disassemble designs, material selection, energy consumption, and environmental impact, which are also our commitments to environmental protection.

* Simplified Structure and Easy-to-disassemble Design

The EA1640 bracket uses locking hook structures to replace fixation structures, reducing fixation points by 100%. (A mounting plate originally needed 4 fixation structures, all of which are now replaced with snap-fit structures).

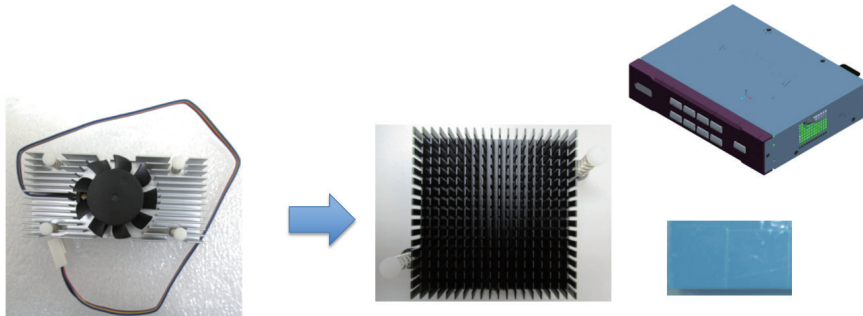


Environmental Commitment



* Product Energy Efficiency

UC3310 & VP2420 reduce the use of fans and adopt heat sinks + thermal paste for cooling, reducing the output power consumption of the host by about 10.3% & 10.94%, respectively.



Replacing the fan module with a heat sink + thermal paste reduces the output power consumption of the host by 10.3% & 10.94%
 UC3310 (17W → 15.25W_10.3%)
 VP2420 (16W → 14.25W_10.94%)

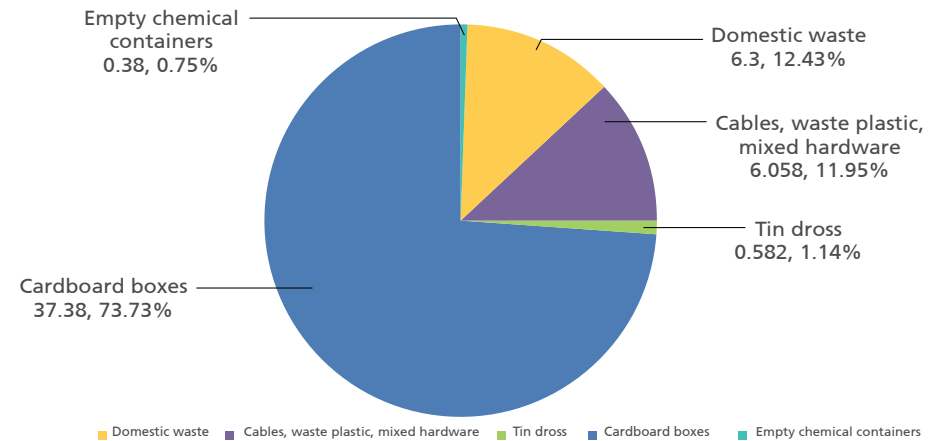
>Waste Management

Waste recycling management is the priority for the green production of ATEN. With a production model mainly relying on the assembly of electronic products, to ensure sustainable resource use and proper waste treatment, we continue to promote reduction from the source and plant waste recycling. The Company prioritizes in-house reuse to sufficiently circulate raw materials and postpone their disposal, followed by recycling conducted through material collection where tin dross is collected directly by the supplier and exchanged for tin rods of equivalent weight. In addition, for cardboard boxes, we dispose of them by selling them for recycling. As for the recovery of non-hazardous industrial waste and process waste such as cables, waste plastic, and mixed hardware, a professional and qualified contractor is commissioned every year for collection and recycling, and the waste is then manufactured into various products for use in other industries.

Flammable industrial waste (C-0301) that is waste liquid with a flash point of less than 60 (excluding alcohol waste with ethanol volume concentration less than 24%) is collected and cleaned by a professional and qualified contractor for treatment.

For industrial domestic waste from employees and general waste generated from industrial activities, the building's residents' committee commissions a professional and qualified contractor to transport such waste to the Bali Refuse Incineration Plant for disposal.

Weight (tons) and Percentage of Industrial Waste & Domestic Waste



Over the past years, ATEN has been dedicated to the reduction of waste. In addition to educating all employees about and strengthening production waste management, proper labeling for garbage sorting and education on proper garbage sorting in the plants are also our ways to implement daily management.

Environmental Commitment



› Conveying Knowledge on Environmental Friendliness

ATEN continues to promote energy conservation and carbon reduction as well as environmental protection concepts. Internally, we require all employees to receive education and training and incorporate environmental protection and environmental management into the required courses for orientation. Through the Company's internal online learning platform (e-learning), the environmental protection awareness of employees is strengthened to increase their environmental protection efforts. In addition, we have posted energy conservation and environmental protection slogans, as well as activity promotion posters, on all public bulletin boards, in toilets, elevators, and on the intranet of the Company, in order to enhance the environmental protection and energy conservation awareness of employees. This can allow employees to understand the environmental protection actions of the Company and embed the concept of environmental protection into their work and life.



Externally, we also actively promote green supply chain management by exerting our corporate influence and work with our suppliers to formulate environmental and sanitation standards, requiring our suppliers to implement waste recycling and reduction and controlling the source of environmental impacts. Through the sharing of environmental protection information, we raise the environmental awareness of our suppliers and ensure their compliance with the requirements for restricted substances.

Environmental Commitment



6.5 Greenhouse Gas Inventory Management

ATEN adopts a rigorous attitude to actively promote environmental management and relevant activities. In 2006, ATEN introduced the ISO 14001 environmental management system to ensure compliance with the government's environmental protection laws and regulations through actual actions and implement pollution prevention, improve the environmental performance and environmental protection awareness of employees. In addition, since 2010, we have started the implementation of greenhouse gas inventory, and have established an internal inventory mechanism according to the ISO 14064-1:2018 standard, in order to actively perform voluntary greenhouse emission inventory. ATEN has continuously invested in energy-saving plans and improved energy utilization to reduce the overall impact on the environment. Moreover, in 2022, we passed ISO third-party greenhouse gas verification. Through the participation of all employees and the



| Risk Considerations | |
|--|---|
| Regulatory Requirements | Other Requirements |
| <ul style="list-style-type: none"> Greenhouse Gas Reduction and Management Act Greenhouse gas inventory | <ul style="list-style-type: none"> Stakeholder requirements (including government agencies, investors, customers, employees, and the general public) Green supply chain in response to climate change |
| Response management measures in 2023 <ol style="list-style-type: none"> Greenhouse Gas Risk Monitoring Group: Monitoring the use of energy and resources, and reducing carbon emissions and the risk of environmental impacts. Implementation of energy-saving and carbon reduction projects: Increasing energy efficiency, reducing energy consumption. Promotion of data inventory. Obtaining ISO 14064-1:2018 greenhouse gas inventory certification (passing third-party verification). Conveying information on carbon reduction, greenhouse gas emissions reduction, and sharing with suppliers and disclosing greenhouse gas results. | |

> Greenhouse Gas Inventory

In compliance with the requirements of the International Organization for Standardization, ATEN has implemented (voluntary) greenhouse gas inventory since 2010 and established an internal inventory mechanism according to ISO 14064-1:2018. For seven consecutive years, our emissions have been verified by a third party, Bureau Veritas Group (BV), demonstrating the organization's measures have been effective.

ATEN (Corporate Headquarters + Xiwan Plant) Greenhouse Gas Inventory Boundary

We have defined the organizational boundary according to the ISO 14064-1:2018 standard and the organizational boundary-setting principle of the Greenhouse Gas Protocol (GHG Protocol) and adopted the operational control method to summarize facility-level greenhouse gas emissions and removals. The actual operational control scope of ATEN International Co., Ltd. for the period from January 1, 2023 to December 31, 2023, is set as the boundary.

Address:

| City | District | Road/Section | House No. | Floor |
|-----------------|----------------|------------------------------|---|-------|
| New Taipei City | Xizhi District | Section 2, Datong Road | 125,127,129,131,133,135,137,139,141,143,145,147,149 | 3F~6F |
| New Taipei City | Xizhi District | Lane 30, Xinjiang North Road | 17, 20 | - |

Summary of Identified Greenhouse Gas Emissions Sources

| Category 1 (Direct GHG emissions) | Category 2 & Category 4 (Energy indirect GHG emissions) |
|--|---|
| <ul style="list-style-type: none"> Transportation of raw materials, products, and employee transportation, etc. Carbon dioxide, methane, nitrous oxide, hydrofluorocarbons, perfluorocarbons, sulfur hexafluoride, nitrogen trifluoride, such as gasoline and diesel, and so on Fugitive greenhouse gas emissions sources: Septic tanks, refrigerants, etc. | <p>Purchased electricity/purchased energy for production (electricity and oil consumption), excluding Categories 1 and 2 greenhouse gas emissions</p> |

Note 1: The calculation of Category 1, Category 2 and greenhouse gas emissions intensity includes the following greenhouse gases:

Carbon dioxide (CO₂), methane (CH₄), nitrous oxide (N₂O), hydrofluorocarbons (HFCs), perfluorocarbons (PFCs), sulfur hexafluoride (SF₆), and nitrogen trifluoride (NF₃).

Environmental Commitment



Greenhouse Gas Inventory: Category 1 and Category 2

- Direct greenhouse gas emissions (Category 1): Carbon dioxide, methane, nitrous oxide, hydrofluorocarbons, perfluorocarbons, sulfur hexafluoride, nitrogen trifluoride, such as gasoline and diesel, etc.
- Indirect greenhouse gas emissions (Category 2): Carbon dioxide
- Indirect greenhouse gas emissions (Category 4): Carbon dioxide

Description of the Assessment Principle for Significant Indirect Greenhouse Gas Emissions Sources

The Company performs the identification of Categories 2~6 indirect greenhouse gas emissions sources according to the classification of ISO 14064-1:2018, scores the indirect emissions sources identified according to the assessment principle, and through internal discussion, determines the significant greenhouse gas emissions sources to be included in the calculation.

If a sub-category has no identifiable indirect greenhouse gas emissions sources, "None" is indicated, and subsequent scoring is not required. If the sub-category has identifiable items, scoring is performed after the greenhouse gas emissions source items are ranked sequentially. The indirect greenhouse gas emissions scoring result is obtained according to the average score of all items. Those with a score greater than the significance threshold of 350 are listed as significant indirect emissions sources, which may be included in the calculation after discussion.

The scoring items and weights include regulatory requirements: 30%, activity data or acquisition difficulty: 20%, customer requirements: 30%, and the percentage of emissions: 20%.

The significance assessment result indicates that indirect emissions from purchased electricity scored 440, and after internal discussion, it is determined that purchased electricity is a main indirect emissions source. Accordingly, electricity bills are collected for statistical analysis.

The greenhouse gas quantification principle calculates the emissions of each greenhouse gas emissions source using the "emission factor method". According to different sources of greenhouse gas emissions, the units are in weight (tons) or volume (kiloliters). For each emissions generation source, the greenhouse gas emissions are calculated using the calculation method in the "Greenhouse Gas Inventory Resignation Form 3.0.0 (Revision)" according to the respective emission factors. After emission factors are selected, according to the Global Warming Potentials (GWP) for each greenhouse gas in the Sixth Assessment Report released in 2023, all the calculation results are converted into CO2e (carbon dioxide

equivalents), and the unit is ton/year.

According to the requirements of the ISO 14064-1:2018 standard, the operational boundary of the Company covers direct greenhouse gas emissions sources (Category 1), and energy indirect greenhouse gas emissions sources (Category 2). The total greenhouse gas emissions in 2022 were 2,636.7459 tCO2e. The total emissions of each category and the emissions of the seven main greenhouse gases are shown in the following table:

Total Greenhouse Gas Emissions in 2023

- Greenhouse gas emissions inventory period: January 1, 2023 - December 31, 2023
- Total greenhouse gas emissions: Category 1 + Category 2: 2,167.5092 tCO2e, including:
 - Direct GHG emissions (Category 1): 112.0319 tCO2e
 - Energy indirect GHG emissions (Category 2): 2,055.4773 tCO2e
- Purchased energy for production-related electricity and oil consumption (Category 4): 404.8541 tCO2e

Disclosure of Greenhouse Gas Information:

ATEN adopts an open attitude to disclose ATEN's greenhouse gas emissions and environmental information on the Company's online platform. We also established a (voluntary) greenhouse gas inventory system in 2010. In addition, we also passed ISO 14064-1 certification in 2015 for the first time. Each year, we disclose the Company's greenhouse gas inventory information and continue to implement energy-saving plans and improve energy use efficiency. In 2023, we passed international third-party verification.

| Emissions Source | 2022 (Baseline Year) | 2023 |
|---|----------------------|-----------|
| Purchased electricity | 2566.7519 | 2055.4773 |
| Mobile combustion | 3.9913 | 3.3071 |
| Stationary combustion | 0.1042 | 0 |
| Non-reference fuel combustion and fugitive (refrigerants) | 8.926 | 42.9896 |
| Non-reference fuel combustion and fugitive (septic tanks) | 56.9725 | 65.7352 |
| Purchased energy for production (electricity and oil consumption) | 444.7691 | 404.8541 |
| Total | 3081.515 | 2572.3633 |

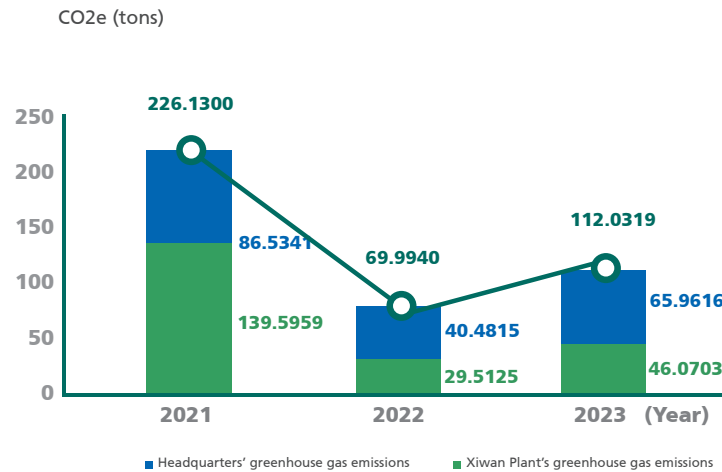
(Unit: tCO2e/year)

Environmental Commitment

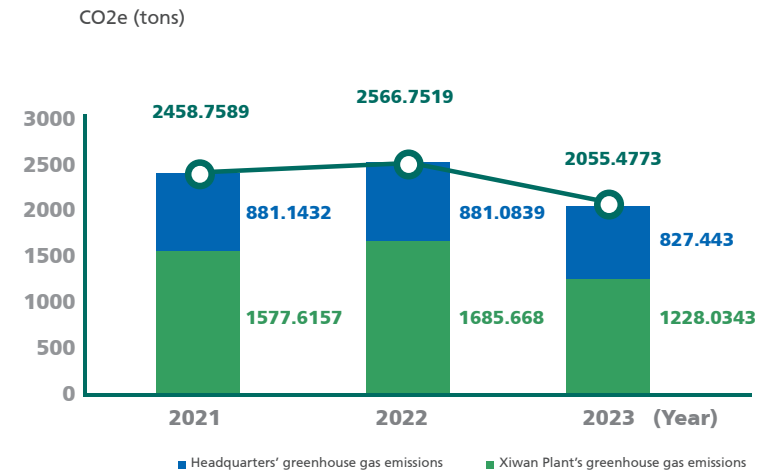


The carbon emissions of ATEN International Co., Ltd. (including the headquarters and Xiwan Plant) over the years are disclosed by Category 1 and Category 2, as shown in the following table:

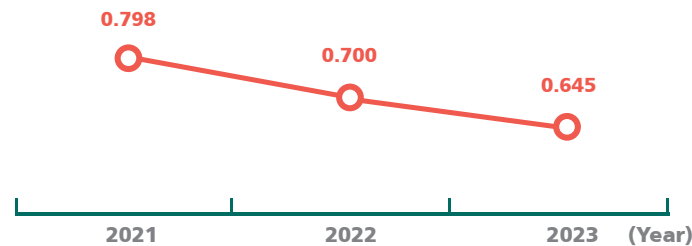
[Category 1 Greenhouse Gas Emissions]



[Category 2 Greenhouse Gas Emissions (calculated based on locations)]



[Greenhouse Gas Emissions Intensity]



Category 1 and Category 2 emissions/Revenue in individual financial statements (NT\$ million)

Ch7



Supply Chain Management

- 7.1 ATEN Supply Chain Management**
- 7.2 Sustainable Supply Chain Management Standards**
- 7.3 Supply Chain Management Performance**
- 7.4 Sustainable Supply Chain Joint Growth Plan**

Supply Chain Management



Material Topic

Supply chain management is not a material topic, and this chapter is an additional information disclosure.

> Significance of Supply Chain Management to ATEN and ATEN's Key Contribution to the SDGs

ATEN upholds the corporate core values and adopts a sustainable attitude to build new partnerships with suppliers. We clearly understand that joint cooperation with suppliers is essential to the achievement of sustainability goals. We continuously improve the social responsibility awareness of suppliers in order to gradually move towards sustainable development and achieve sustainable development goals. ATEN will continue to exert our influence to promote the Company's sustainability philosophy and practices to the supply chain.

| | |
|--|--|
| | <p>Achieve the environmentally sound management of chemicals and all wastes throughout their life cycle, and significantly reduce their release to air, water and soil in order to minimize their adverse impacts on human health and the environment. [Corresponding to SDG Target: 12.4]</p> |
| | <p>To reduce the risk of raw material supply interruption, we request suppliers to provide a safe and healthy working environment and mitigate the impact of climate change. Through an on-site evaluation mechanism, we ensure that suppliers' working environment, environmental impact source control, waste management, regulatory compliance, and greenhouse gas management, etc. are on track in order to improve their sustainability. [Corresponding to SDG Target: 13.3]</p> |
| | <p>To protect gender equality in the workplace, implement thoroughly the constitutional mandate of eliminating gender discrimination, and promote the spirit of substantial gender equality, we actively exert our influence through the supply chain. In terms of supply chain management strategy, we have established various sustainability clauses and standards, actively conveyed information to suppliers, and further incorporated relevant requirements into evaluation items, as well as applied the same to purchase. ATEN adopts corresponding management mechanisms for different types of suppliers and conducts risk identification. Through complete and continuously improving supply chain management, we look forward to fulfilling corporate social responsibility with suppliers jointly. [Corresponding to SDG Target: 5.c]</p> |

Supply Chain Management



>Green Supply, Sustainability Commitment

Regarding the protection of the ecological environment and implementation of corporate green responsibility, in addition to ensuring that products and operations comply with international regulatory environmental protection requirements, ATEN believes that proper source management is the primary element in mitigating environmental impact. We are committed to adopting a design facilitating recycling and environmental protection from the sourcing of raw materials from the green supply chain to the final disposal of products, and all our products marketed in the market comply with the regulatory environmental protection requirements of countries. For products marketed in the EU, we also bear our recycling responsibility as a manufacturer, and implement various preventive green management measures, in order to reduce the negative impact of product design, production and use on environmental ecology.

By taking practical actions such as developing eco-friendly products, we convey the green concepts of ecological protection and care for the Earth through the green design, green purchase, green production, and green education management platform in the hope of jointly achieving the green commitment with employees and supplier partners.

>Responsible Unit

ATEN Sustainable Development Committee - Green Operation Group

>Management Mechanism

| | |
|--|---|
| Corporate Sustainability (Plan) | Supplier planning and assessment |
| Risk Assessment and Control (Do) | Risk control from the source |
| Auditing and Confirmation (Check) | Auditing of corporate sustainability implementation |
| Take Action (Action) | Including improvement within time limits and termination of purchase agreements |

>Commitments, Actions, and Goals

| Commitment | 2023 Execution item | 2023 Execution Outcome | Future Goals and Actions |
|--|--|--|---|
| Implementation of a green supplier assessment system | For new supplier evaluation, the evaluation items include not only quality system management, but also suppliers' working environment safety, greenhouse gas management, respecting human rights, prohibition of child labor, conflict mineral management, and compliance with EU regulations. | In 2023, we had a total of 13 new suppliers. Five of them underwent on-site (environmental and social) evaluations, including processing vendors and critical component manufacturers. | Jointly fulfill corporate social responsibility (Responsible Business Alliance Code of Conduct) with suppliers. |
| Monthly evaluation of qualified suppliers | The quality control unit evaluates suppliers monthly according to their delivery status. | For 9 Class C and D suppliers, the External Contact Form was issued for improvement and guidance. After improvement and guidance, the suppliers were subsequently rated as Class A, B and C. | |
| Hazardous substance management, and supplier education and surveys on EU RoHS Directive & REACH regulation updates | Perform email surveys on suppliers' compliance with international regulatory environmental protection requirements based on regulatory updates from time to time. | We surveyed the existing and new suppliers for their compliance with requirements for the 235 REACH SVHC items, with a supplier response rate of 100%. | |

Supply Chain Management



7.1 ATEN Supply Chain Management

The Company's suppliers supply various types of raw materials, materials, and electronic parts, including chips, converters, connectors, PC boards, product outer casings (metal, plastic), cables, electronic parts, packaging materials, and other materials.

Seeing suppliers as partners, the Company continuously improves their awareness of social responsibility, including environmental and ethical management issues. In addition, the Company also invites suppliers to jointly support the global sustainability policy in order to gradually move towards sustainable development and achieve sustainable development goals. Furthermore, ATEN has specified corporate social responsibility and environmental safety and health evaluation items in the "Supplier Evaluation Regulations Standard Operating Procedure" in order to continuously urge suppliers to fulfill corporate social responsibility and comply with international environmental protection regulations and customer requirements. Through our influence, we convey and promote relevant concepts and practices to upstream and downstream supply chains.

7.2 Sustainable Supply Chain Management Standards

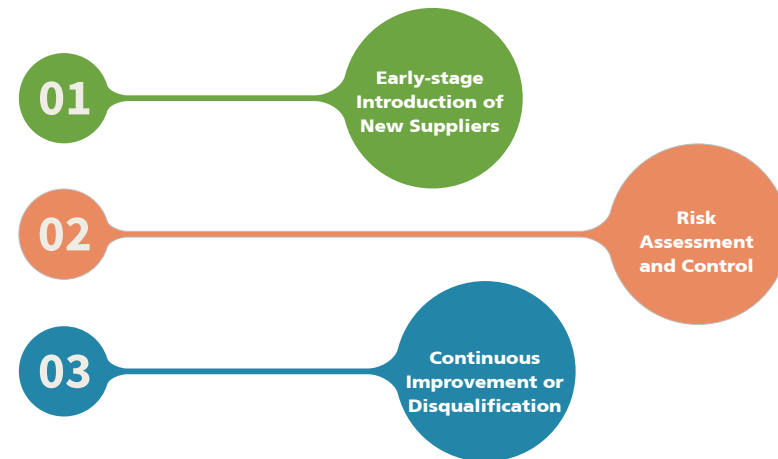
To build and strengthen suppliers' recognition of corporate social responsibility, ATEN has introduced the ISO international standard system for "energy-saving and carbon reduction" management, and used "social participation" and "gender equality" as impact factors for risk assessment in the supplier risk and assessment control mechanism. We hope that the influence of ATEN's fulfillment of corporate social responsibility can help effectively control purchase quality and costs, thereby gradually improving suppliers' performance and attention to human rights and labor conditions, health and safety, environmental protection, regulatory compliance, and business ethics.

Risk Assessment and Identification Mechanism

| Type | Regularly | Irregularly |
|------------------|--|--|
| Frequency | Monthly and semi-annually | Irregularly (on-site audits and visits) |
| Evaluation level | Class A: $90 \leq \text{Score} \leq 100$ Class B: $75 \leq \text{Score} < 90$ Class C: $60 \leq \text{Score} < 75$ Class D: $\text{Score} < 60$ | Class A: $90 \leq \text{Score} \leq 100$ Class B: $75 \leq \text{Score} < 90$ Class C: $60 \leq \text{Score} < 75$ Class D: $\text{Score} < 60$ |

> Supply Chain Management Strategy

To effectively improve suppliers' awareness of sustainability and ensure the services and products provided by them comply with the "Supply Chain Management Regulations" and requirements of ATEN, the process for our supply chain management strategy is planned as follows:



First of all, we systematically identify key suppliers from the new suppliers introduced in the earlier stage according to the industry type for further management. We then implement supplier risk and assessment control mechanisms for quality and systems, development and equipment, production and capacity, operations and services, environment and health, etc. in line with the times, hoping to jointly achieving a win-win situation with suppliers while ensuring corporate profit and fulfilling corporate social responsibility through the continuous improvement of management depth and implementation.

Supply Chain Management



7.3 Supply Chain Management Performance

ATEN strengthens the auditing of various types of suppliers with a sustainable attitude through regular and irregular on-site audits and visits in order to improve their social responsibility awareness. In addition, through on-site audits and interviews, we are able to further understand suppliers' understanding of sustainability regulations and share the corporate core values and business philosophy of ATEN, thereby assisting the suppliers in incorporating them into their corporate culture and growing together with ATEN.

| Supplier Management Performance | Execution Practice | Achievement Rate |
|---|---|------------------|
| Improving on-site evaluation and identifying suppliers' social responsibility awareness | Including "Contribution to social participation", "Gender equality and anti-sexual harassment policy", and "Energy-saving and carbon reduction and greenhouse gas inventory" in evaluation items. | 100% |
| Implementing a supplier evaluation system | Green/sustainable supplier risk assessment: Conducting on-site and written green risk assessment and evaluation for suppliers in accordance with the ISO documents of Supplier Management Procedure (QP-024) and Supplier Evaluation Regulations (QI-008), and ensuring their working environment safety, respect and dignity for employees, eco-friendly business operations, and compliance with morals and ethics. | 100% |
| New suppliers' compliance with international environmental protection laws | Update of international environmental protection laws: Directive 2011/65/EU & (EU)2015/863 RoHS 2.0 REACH SVHC 224 | 100% |
| Thorough execution of supplier operating procedures | For suppliers for which a concern of quality, environmental and corporate social responsibility violations is identified, such suppliers are requested to make improvements within a time limit, submit a written report, and receive audits and guidance from time to time. | 100% |

7.4 Sustainable Supply Chain Joint Growth Plan

In the face of the threats of environmental hazardous substances to the Earth and human health, global consumers and all governments take seriously and pay attention to the development of such issue. Accordingly, ATEN actively promotes green supply chain management, fulfills corporate green responsibility, and proactively promotes a green environmental management system. In addition to ensuring that products and operations comply with environmental protection laws, we insist on sourcing raw materials from the green supply chain in order to provide customers with green products without hazardous substances, which is a goal and commitment we continue to work on.



Supply Chain Management

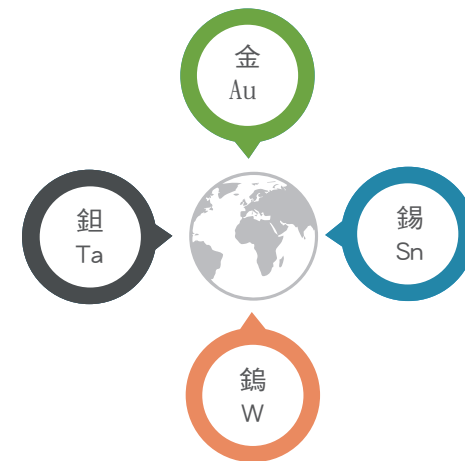


›Purchase of Non-Conflict Materials as Raw Materials

In view of the fulfillment of corporate social responsibility and international justice, ATEN adopts the “Three Nos” principle, i.e. “no support”, “no acceptance”, and “no use” of metals obtained through armed conflicts, illegal mining, and harsh working environments in the Democratic Republic of the Congo (Congo) and its surrounding countries and regions. For commonly used metals such as gold, tantalum, tungsten, and tin, we will standardize self-management according to the “GeSI Conflict Minerals Reporting Template” in the RBA Code of Conduct in order to provide a commitment to customers.

With regard to ATEN’s expectations for suppliers, the suppliers are requested to cooperate with the following:

- Perform reasonable due diligence on the supply chain in order to ensure that the materials provided by suppliers to ATEN contain no conflict materials.
- Inform us immediately if the materials provided to ATEN use conflict minerals.
- Request the supply chain to further comply with customer needs and fulfill international justice, and complete surveys according to the “GeSI Conflict Minerals Reporting Template” in the RBA Code of Conduct for an in-depth understanding of suppliers’ management of conflict minerals.



›Conveying Corporate Core Values

With regard to ATEN’s corporate core values of “Integrity”, “Caring”, “Ambition”, and “Novelty” (ICAN), through sustainable supply chain management standards and strategies, we enhance suppliers’ corporate social responsibility awareness and convey the philosophy of sustainability to suppliers, hoping that they comply with relevant management systems and codes of conduct for labor, health and safety, the environment, and ethics.

›Protection of Environmental Sustainability and Expansion of Green Influence

Suppliers are important partners of ATEN in promoting CSR. Since 2017, the Company has invited suppliers to jointly participate in our beach cleanup activities at Fulong Beach. Despite a limited number of volunteers necessary for the activities, not all our suppliers were invited. However, this idea received great feedback from the suppliers invited, making us believe that ATEN is not alone on the road of promoting CSR. We have faith that this concept will continue to spread, so that more companies, organizations, and individuals will join to protect our environment, achieving ATEN’s commitment to environmental sustainability. The beach cleanup activity in 2023 was participated in by a total of 131 people, and the total amount of waste collected was 302.5kg.

Ch8



Customer Satisfaction and Service

- 8.1 Complete Customer Service System
- 8.2 Global Customer After-Sales Service Satisfaction Survey
- 8.3 Product Knowledge Education and Training
- 8.4 Customer Health and Safety
- 8.5 Information Security and Customer Privacy Protection

Customer Satisfaction and Service



Material Topic

Service quality, customer partnership

>[Corresponding SDGs]



With the goal of sustainable development, enterprises continue to seek profit and maintain excellent operational performance to maximize the interests of shareholders and stakeholders, in order to create greater employment opportunities, drive economic growth, and improve social growth with best efforts.

> Responsible Unit

Global Customer Service Division

> Management Mechanism

Since we launched our own brand of “ATEN” in 1991, the Company has deeply been aware that global brand promotion is not easy. Successful brand promotion relies on customer satisfaction and optimal professional services. With B2B as the main business model in a competitive environment, we need to understand where our customers are, and most importantly, we need to know what they need and how these needs can be satisfied. In 2016, we selected one country each in Asia and Europe to perform a series of customer interviews for our Pro AV product line. With the assistance of a professional brand consultant, we were able to release the burden of the past and existing stereotypes to listen to the opinions of existing customers and future potential customers on our products, services, marketing, brand positioning, etc. Through data gathering and analysis, we summarized the things cared about the most by most customers into meaningful MOTs (Moment of Truth). In 2017, the Company extended the product lines to include KVM multi-computer switches. Through the understanding and discussion of different products lines on the MOTs, we adopted a customer-oriented approach, and after sufficiently understanding customer needs, customized product portfolios and service platforms with innovative value and competitiveness. In 2018, we provided complete online product knowledge technology education and training in order to use a systematic way to introduce the product technology knowledge, product specifications, and features of each product line of ATEN, as well as provide market application examples. In addition, we organized physical training on technical support for all product lines for global subsidiaries at the headquarters. Since 2023, employees of the Technical Support Departments of subsidiaries around the world have been required to complete nine KVM courses, five ProAV courses, and three levels of technical certification and training for control systems to cultivate more comprehensive and professional technical problem-solving capabilities of technical colleagues.

ATEN is committed to providing high-quality products and services, and satisfying customers is our key to success.

Customer Satisfaction and Service



Commitments, Actions, and Goals

| Commitment | 2023 Execution item | 2023 Execution Outcome | Future Goals and Actions |
|---|---|---|---|
| <ol style="list-style-type: none"> 1. "Global Customer After-Sales Service Satisfaction Survey" 2. Product knowledge education and training | <ol style="list-style-type: none"> 1. Global Customer After-Sales Service Satisfaction Survey 2. Production of online product courses and organization of in-person product courses | <ol style="list-style-type: none"> 1. In 2023, the Global Customer After-Sales Service Satisfaction Survey's completion rate reached more than 90%. 2. In 2023, the Company launched Chinese and English versions of online education and training courses on the sales, design, and installation of control system products. | <ol style="list-style-type: none"> 1. Continue to conduct the customer after-sales service satisfaction survey and use it as a reference for future improvement 2. Update online education and training courses according to the Company's product development schedule |



Global Customer Service Mission:
 Dedicated to providing excellent global services and optimal service quality and customer experience.

Customer Satisfaction and Service



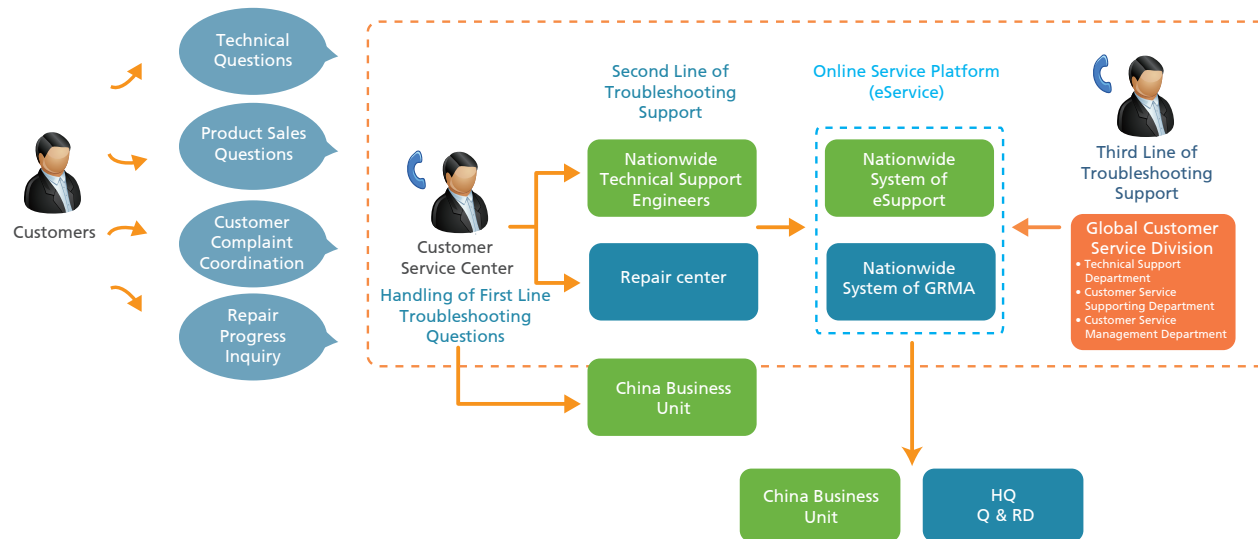
8.1 Complete Customer Service System

Under the existing policy for global marketing, the customer service network of ATEN expands to various overseas locations. We established the “Global Customer Service Division” in the headquarters to integrate all customer service resources in order to ensure timely and professional customer services and maintain sustainable customer relationships, thereby improving customer satisfaction. Specific service systems are described as follows:



> Customer Service Direct Line

To allow customers to submit requests in a timely manner and obtain support immediately, we set up a customer service line system and provided a 0800 direct line, technical direct line, etc. for professional technicians to communicate with customers directly and help solve their problems. To provide better local services for the market in China, we formed the “China Customer Service Center” in 2014 and set up the direct line at 400-810-0-810 (400-ATEN-LOVE-ATEN). In addition to an after-sales service contact, we established a professional pre-sale product consultation service in 2017. The “China Customer Service Center” is positioned as a end-user technical service and marketing platform, and has established and rigorously implemented the “Initial Inquiry Responsibility System” and “Customer Question Classification and Priority Handling” regulations in order to ensure that customer needs can be replied to and resolved within the shortest time.



Customer Satisfaction and Service



>Online Service Platform (eService)

Our single-portal online service platform (eService: <http://eservice.aten.com>) provides convenient, instant, comprehensive, and timely product after-sales services to customers worldwide in different languages.

The eService platform integrates the following functions:

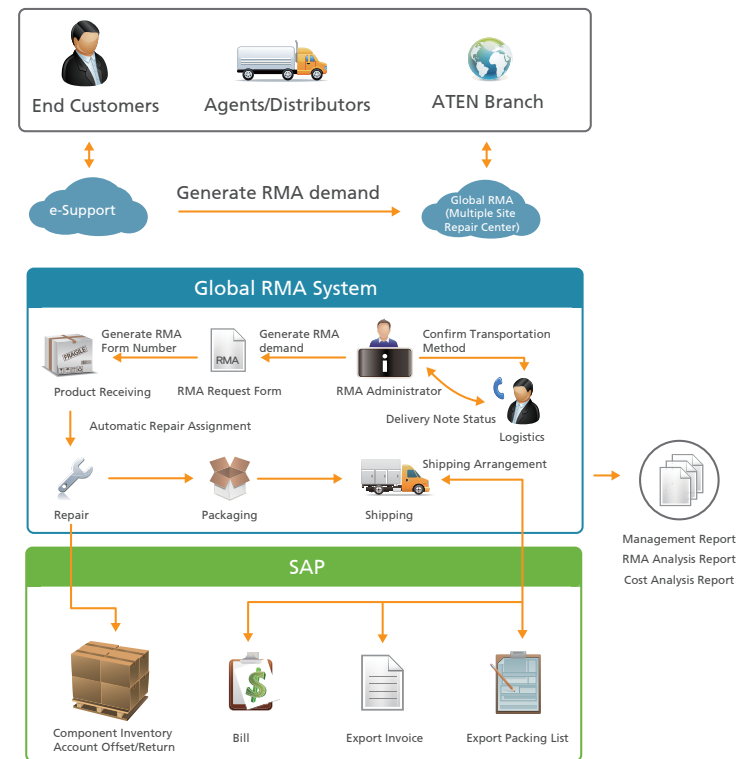
Online Technical Support Service (eSupport)

When customers worldwide are met with problems in using our products and seek support, ATEN's technical personnel can use the eSupport platform to communicate directly with the customers, effectively helping them resolve technical issues and remove obstacles, and providing all required information. Every inquiry is recorded on the eSupport platform to facilitate subsequent follow-up. Key issues are also included in FAQs (frequently asked questions) or integrated into the knowledge base for customers to query and share on the eService platform, and they are searchable through search engines. Since 2018, in addition to text FAQs, we have added tutorial videos for installation and operation FAQs on the eService platform.



Online Repair Service (Global-RMA System)

By filling out an online application form, customers can request repair services. Our professional return material authorization (RMA) personnel will receive the form and provide an RMA number and delivery address. Customers can obtain a product's warranty information and real-time repair progress and access repair history through online records. They can also complete a satisfaction survey through the link in the repair report. This complete RMA process system can integrate maintenance records from locations all over the world and generate a CFR report for the monthly material quality meeting, which is then sent to relevant units to further monitor the quality of products and propose recommendations and improvement strategies.



Customer Satisfaction and Service



Frequently Asked Questions (FAQs)

As of 2022, more than 12,000 FAQs were provided in seven languages on the eService platform for customer inquiry, among which about 3,400 FAQs were in English. In addition, the monthly average number of clicks and inquiries on the FAQ website is 30,000, which means that the service has been widely used by customers and demonstrates that many customers worldwide have improved their understanding of product operation through this service. This is the most economic method for both ATEN and customers. We will continue to do our best to provide comprehensive FAQs in order to satisfy customers' needs for self-problem solving.

Partner Center

ATEN also provides distributors partners with real-time market intelligence and product information by establishing an information sharing platform exclusively for them, so as to allow our distributor partners worldwide to utilize resources on the sharing platform to provide the most supreme service to end customers.

› Global RMA Replacement and Repair Service System Structure

Comprehensive After-sales Service and Product Warranty

To provide instant local after-sales service to customers in various regions worldwide, ATEN has set up a global customer service unit in the headquarters in Taiwan and all overseas subsidiaries, which is divided into two teams of "Technical Support" and "RMA". When customers encounter problems in using products, they can seek assistance through the customer service system, and will be promptly helped fix their problems by professional technical support engineers. If a customer's product is determined by our technical support engineers to require repair after diagnosis, the product can be immediately delivered to any of our technical support locations worldwide for inspection and repair by our RMA engineers.

ATEN's products have 2 years of warranty coverage. For A+ models, we provide 3-year warranty coverage along with quality services. In addition, strengthening after-sales service with local support is the most important direction for improving customer satisfaction and global brand promotion.



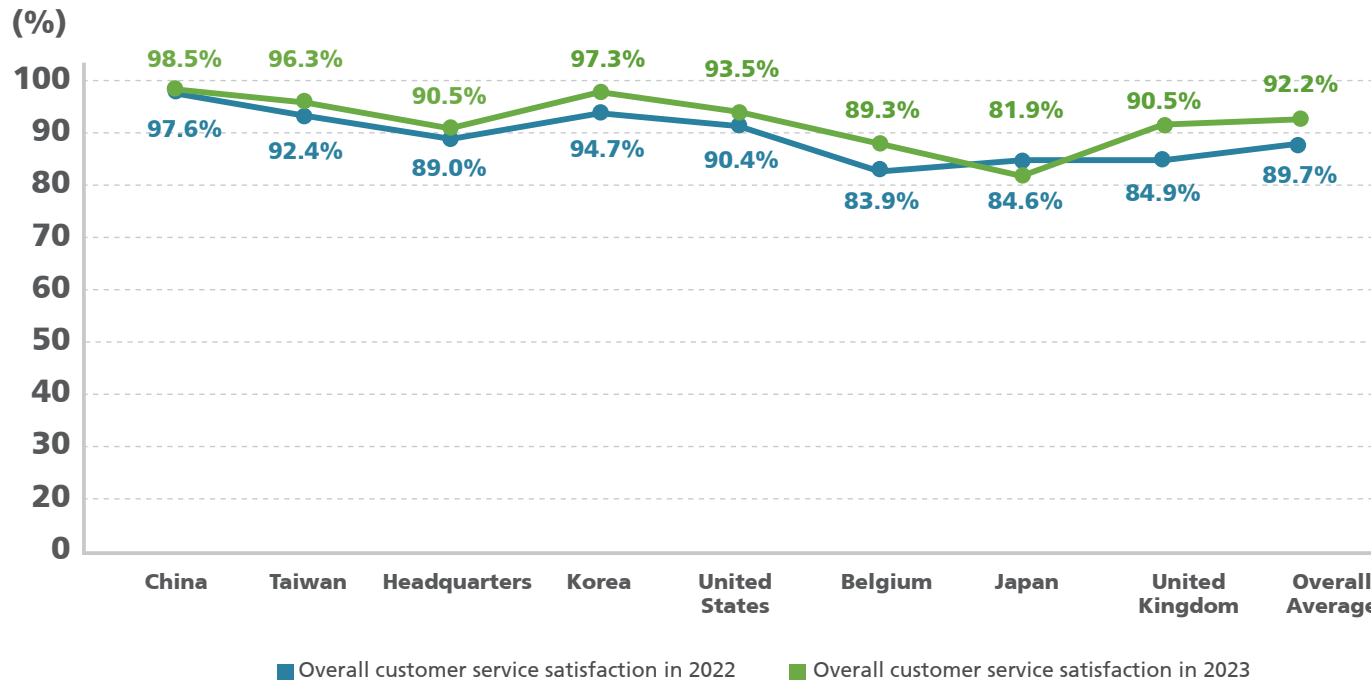
Customer Satisfaction and Service



8.2 Global Customer After-Sales Service Satisfaction Survey

The "Global Customer Service Division" periodically conducts the "Global Customer After-sales Service Satisfaction Survey" on product technical support, and uses comprehensive first-hand feedback to understand customer experience and use this as the basis for improving our services. For items not good enough, we perform in-depth analysis and establish an auditing and tracking mechanism in order to ensure that customer needs are resolved. In 2023, the overall customer service satisfaction was maintained above 90%. Customers' opinions will continue to be transformed into the driving force for our review and improvement. When satisfaction feedback is not as expected, we will do our best to understand it and require improvement immediately. In addition, ATEN has also established two-way and diverse customer communication channels, such as repair reports that come with customer satisfaction forms, all regional websites worldwide having a customer feedback section, and a corporate website that is available in more than 12 languages, as well as contact email addresses. With these channels that allow us to respond to customers' requests and support customers in the shortest time, we are able to strengthen the relationship of trust between them and ATEN and improve their loyalty and brand trust.

2023 Global Customer After-Sales Service Satisfaction Survey Statistics

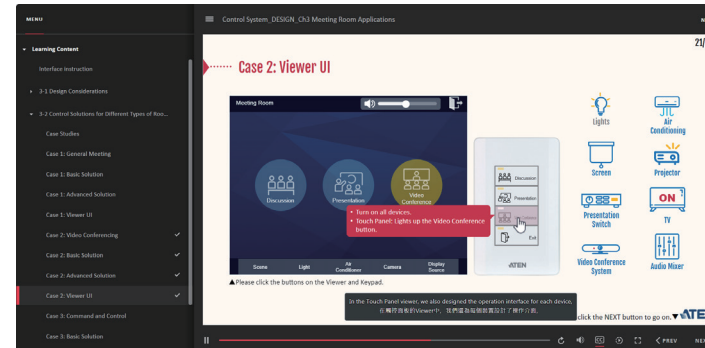
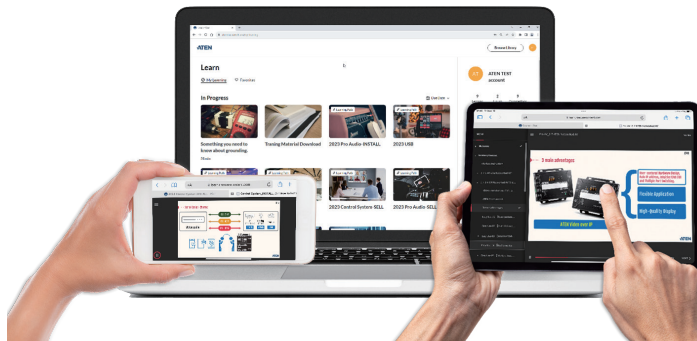


Customer Satisfaction and Service



8.3 Product Knowledge Education and Training

Starting in 2017, ATEN has provided Chinese and English versions of online education and training for each product line (ProAV/Control System/KVM/PDU/Pro Audio) for internal employees and external customers. In addition, since 2020, Korean, Japanese and Simplified Chinese versions of the online education and training have been provided. In 2022, Chinese and English versions of online education and training courses for our new ProAudio product line became available. In 2023, the Company launched Chinese and English versions of online education and training courses on the sales, design, and installation of control system products. These online training courses are designed for sales, distribution, FAE, and technical customer service personnel. On the brand-new operation interface, visual graphic teaching and a large number of interactive sessions are used to systematically introduce ATEN, product technical knowledge, product specifications and features of each product line, and application examples in the market. In addition to online product knowledge education and training, we also continue to organize numerous sessions of physical technical support training at the headquarter and subsidiaries in order to cultivate more comprehensive and professional technical problem-solving capabilities of technical colleagues.



Customer Satisfaction and Service

8.4 Customer Health and Safety

ATEN upholds the corporate principle of "Integrity" to prioritize customer considerations and needs. In addition to the provision of high value-added innovative product portfolios, we also use the provision of the most flexible, fastest, professional customer service as an important indicator in continuing to enhance the Company's competitiveness. Furthermore, with regards to the material safety, process environment, and life cycle of our products, we make sure to meet customers' requirements as well as international standards and regulations, actively implement health and safety assessment, and establish self-examination and oversight mechanisms to ensure user safety.

In 2005, ATEN established the "Hazardous Substance Restricted Use Management" project. Presently, all our products are 100% compliant with relevant global regulatory standards such as REACH and RoHS 2.0. In addition, we also ensure thorough compliance of international regulations and standards, such as ErP and WEEE, and comply with the regulations and standards announced by the European Parliament and Council, in order to provide healthy and safe products and services to customers.



8.5 Information Security and Customer Privacy Protection

ATEN values the security and privacy of customer data significantly. In 2023, there were no incidents of infringement of customer privacy or customer complaints on infringement of privacy. ATEN is a globally operating company with products sold worldwide. Regardless of the regions or countries of customers, ATEN has the responsibility to properly protect the customers' data and privacy.



As the remote working model is being applied widely at an increasing rate, the risk of information systems being attacked from external networks is also increased. Accordingly, ATEN has continued to improve the governance system and enhance defense capabilities with respect to information security. In 2022, the Company obtained ISO 27001 information security certification, and created an "internal control system" for network security, information operations, physical and environmental security control, authority access control, information asset management, password management, handling of information security incidents, vulnerability scanning, and data backup. In addition, ATEN also performs regular disaster recovery drills and reviews the security regulations, procedures and system security measures annually to ensure their appropriateness and effectiveness, continuously strengthening our information security defense capabilities.

Customer Satisfaction and Service



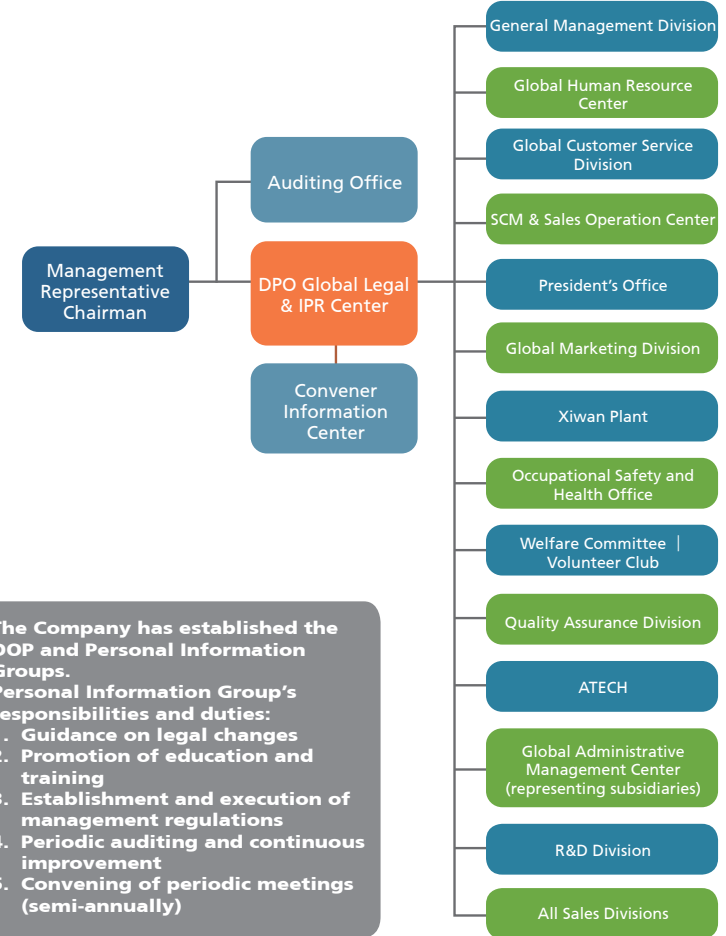
Furthermore, to ensure the security of customers' personal information and proper response and handling procedures for incidents, ATEN has established the position of Data Protection Officer (DPO) and the "Personal Information Management Promotion Group" to promote personal information management affairs throughout the Group. The "Personal Information Management Promotion Group" is responsible for routine personal information security promotion and convenes a group meeting every six months, with the responsible "departments", "Welfare Committee", and "Volunteer Club" invited to the meeting to review the execution of personal information management and discuss and share the latest privacy laws and case examples of countries worldwide.

In addition, ATEN also requests all employees of the Group to receive education and training in accordance with the "ATEN Personal Information Protection Management Policy". We have designed complete digital courses on personal information protection (such as: Introduction to the Personal Data Protection Act of the R.O.C., EU General Data Protection Regulation (GDPR), and California Consumer Privacy Act (CCPA)). Employees can complete the digital courses via the "Human Resource e-School".



With the joint effort and collaboration of all departments, in 2023, there were no incidents of infringement of customers' privacy or customer complaints on privacy infringement at ATEN. In line with international information security trends and comply with the highest requirements of privacy laws, we will continue to provide the highest level of protection for each aspect of customer information and privacy.

Personal Information Management Promotion Group – Organization Structure



The Company has established the DOP and Personal Information Groups.
Personal Information Group's responsibilities and duties:

1. Guidance on legal changes
2. Promotion of education and training
3. Establishment and execution of management regulations
4. Periodic auditing and continuous improvement
5. Convening of periodic meetings (semi-annually)

Appendix 1

Global Reporting Initiative Standards (GRI Standards) Index



The following indicators are based on the content of this Report corresponding to the GRI Standards proposed by the Global Reporting Initiative (GRI).

› GRI 2: General Disclosures 2021

| Statement of Use | ATEN has reported in accordance with the GRI Standards for the period from January 1 to December 31, 2023. | | | |
|---------------------------------|--|---|-------------|--------------------|
| GRI 1 Used | GRI 1: Foundation 2021 | | | |
| Applicable GRI Sector Standards | None | | | |
| Indicator | Disclosure Item | Chapter | Description | Page |
| 2-1 | Organizational details | About the ATEN Sustainability Report / CH 2.1 About ATEN / CH 2.2 Worldwide Presence and Management | | 3, 17, 24 |
| 2-2 | Entities included in the organization's sustainability reporting | About the "ATEN Sustainability Report" | | 3 |
| 2-3 | Reporting period, frequency and contact point | About the "ATEN Sustainability Report" | | 3 |
| 2-4 | Restatements of information | | None | |
| 2-5 | External assurance | About the "ATEN Sustainability Report" | | 3 |
| 2-6 | Activities, value chain and other business relationships | CH 2.1 About ATEN, CH 2.2 Worldwide Presence and Management, CH 2.3 Operational Performance, CH 4.1 Viewing Employees as Important Assets, CH 7 Supply Chain Management | | 17, 24, 26, 47, 86 |
| 2-7 | Employees | CH 4.1 Viewing Employees as Important Assets / CH 2.2 Worldwide Presence and Management | | 24, 47 |
| 2-8 | Workers who are not employees | CH 4.1 Viewing Employees as Important Assets | | 47 |
| 2-9 | Governance structure and composition | CH 3.1 Corporate Governance Structure / CH 1 Implementation of Sustainable Development / CH 3.2 Board of Directors | | 8, 32, 33 |
| 2-10 | Nomination and selection of the highest governance body | CH 3.2 Board of Directors | | 33 |
| 2-11 | Chair of the highest governance body | CH 3.2 Board of Directors | | 33 |
| 2-12 | Role of the highest governance body in overseeing the management of impacts | CH 1.4 Communication With Stakeholders / CH 3.2 Board of Directors | | 10, 33 |
| 2-13 | Delegation of responsibility for managing impacts | CH 1 Implementation of Sustainable Development / CH3 Corporate Governance | | 8, 29 |
| 2-14 | Role of the highest governance body in sustainability reporting | CH 1.2 Sustainable Development Committee | | 8 |
| 2-15 | Conflicts of interest | CH 3 Corporate Governance | | 29 |
| 2-16 | Communication of critical concerns | CH 3 Corporate Governance | | 29 |

Appendix 1

Global Reporting Initiative Standards (GRI Standards) Index



| Indicator | Disclosure Item | Chapter | Description | Page |
|-----------|--|---|--|-------------------------------|
| 2-17 | Collective knowledge of the highest governance body | CH 3.2 Board of Directors | | 33 |
| 2-18 | Evaluation of the performance of the highest governance body | CH 3 Corporate Governance | | 29 |
| 2-19 | Remuneration policies | CH 3 Corporate Governance | | 29 |
| 2-20 | Process to determine remuneration | CH 3 Corporate Governance | | 29 |
| 2-21 | Annual total compensation ratio | CH 3 Corporate Governance | | 29 |
| 2-22 | Statement on sustainable development strategy | Message from Management | | 5 |
| 2-23 | Policy commitments | About the "ATEN Sustainability Report" / CH 3 Corporate Governance / 2.1 About ATEN / 2.2 Worldwide Presence / CH 3 Introduction to Corporate Governance / CH 4 Introduction to Employee Care / CH 5 Introduction to Active Social Participation / CH 6 Introduction to Environmental Protection / CH 8 Introduction to Customer Satisfaction and Service | | 3, 17, 24, 31, 44, 57, 67, 92 |
| 2-24 | Embedding policy commitments | CH 4 ATEN International Co., Ltd. Human Rights Policy | | 44 |
| 2-25 | Processes to remediate negative impacts | 1.5 Management of Material Topics / 4.1 Viewing Employees as Important Assets | | 13, 47 |
| 2-26 | Mechanisms for seeking advice and raising concerns | CH 1 Communication With Stakeholders / 3.6 Ethics and Integrity | | 10, 41 |
| 2-27 | Legal compliance | CH 3 Corporate Governance / CH 6 | | 41, 67 |
| 2-28 | Membership associations | CH 2.5 External Organization Participation | | 28 |
| 2-29 | Approach to stakeholder engagement | CH 1.3 Identification of Stakeholders | | 10 |
| 2-30 | Collective bargaining agreements | | We collective bargaining in accordance with the laws, and no collective bargaining agreements have been signed | |

Appendix 1

Global Reporting Initiative Standards (GRI Standards) Index



| Indicator | Disclosure Item | Chapter | Description | Page |
|--|---|---|-------------------------------|---|
| Material Topic | | | | |
| 3-1 | Process to determine material topics | 1.5 | Management of Material Topics | 13 |
| 3-2 | List of material topics | 1.5 | Management of Material Topics | 13 |
| Material topic: Ethical management and legal compliance | | | | |
| GRI 3-3 | Management of material topics | CH 3 Introduction to Corporate Governance/CH 6 Introduction to Environmental Protection | | 31, 67 |
| Material topic: Corporate governance | | | | |
| GRI 3-3 | Management of material topics | Ch3 Introduction to Corporate Governance | | 31 |
| Material topic: Operational performance | | | | |
| GRI 3-3 | Management of material topics | 2.1 About ATEN / 2.2 Worldwide Presence | | 17, 24 |
| GRI 201: Economic Performance 2016 | | | | |
| 201-1 | Direct economic value generated and distributed | CH 2.3 Operational Performance / CH 5 Active Social Participation | | Please refer to the statement of comprehensive income in the 2023 Annual Report of the Company 26, 58 |
| 201-3 | Defined benefit plan obligations and other retirement plans | CH 4.1 Viewing Employees as Important Assets | | 47 |
| 201-4 | Financial assistance received from government | | | There were no government subsidies for the reporting year |
| Material topic: Service quality and customer partnership | | | | |
| GRI 3-3 | Management of material topics | CH 8 Introduction to Customer Satisfaction and Service | | 93 |
| GRI 416: Customer Health and Safety 2016 | | | | |
| 416-1 | Assessment of the health and safety impacts of product and service categories | 8.4 | Customer Health and Safety | 99 |
| GRI 417: Marketing and Labeling 2016 | | | | |
| 417-1 | Requirements for product and service information and labeling | | | All products of ATEN comply with relevant information and labeling requirements. Please refer to ATEN's official website for detailed product information |

Appendix 1

Global Reporting Initiative Standards (GRI Standards) Index



| Indicator | Disclosure Item | Chapter | Description | Page |
|--|--|--|-------------|--------|
| Material topic: Social welfare and giving back to society | | | | |
| GRI 3-3 | Management of material topics | CH 5 Introduction to Active Social Participation | | 56 |
| GRI 203: Indirect Economic Impacts 2016 | | | | |
| 203-1 | Infrastructure investments and services supported | CH 5 Commitments, Actions, and Goals | | 58 |
| Material topic: Employee welfare | | | | |
| GRI 3-3 | Management of material topics | CH 4 Introduction to Employee Care | | 44 |
| GRI 401: Employment 2016 | | | | |
| 401-1 | New employee hires and employee turnover | CH 4.1 Viewing Employees as Important Assets | | 47 |
| 401-2 | Benefits provided to full-time employees that are not provided to temporary or part-time employees | CH 4.1 Viewing Employees as Important Assets | | 47 |
| 401-3 | Parental leave | CH 4.1 Viewing Employees as Important Assets | | 47 |
| GRI 404: Training and Education 2016 | | | | |
| 404-1 | Average hours of training per year per employee | CH 4.2 Comprehensive Occupational Competency Training | | 51 |
| 404-3 | Percentage of employees receiving regular performance and career development reviews | CH 4.2 Comprehensive Occupational Competency Training | | 51 |
| Material topic: Environmental friendliness | | | | |
| GRI 3-3 | Management of material topics | CH 5 Introduction to Active Social Participation (community environment maintenance) | | 58 |
| Material topic: Green products | | | | |
| GRI 3-3 | Management of material topics | CH 6 Introduction to Environmental Protection / CH 7 Introduction to Supply Chain Management | | 68, 86 |

Appendix 1

Global Reporting Initiative Standards (GRI Standards) Index



› Disclosures under Other Topic Standards

| Item | GRI Specific Topic | Disclosure Item | Chapter | Description | Page |
|---|--------------------|--|---|--|--------|
| GRI 302: Energy 2016 | 302-1 | Energy consumption within the organization | CH.6.4 Environmental Sustainability Management | | 77 |
| | 302-3 | Energy intensity | CH.6.4 Environmental Sustainability Management | | 77 |
| GRI 303: Water and Effluents 2018 | 302-3 | Water withdrawal | CH.6.4 Environmental Sustainability Management | | 77 |
| GRI 305: Emissions 2016 | 305-1 | Direct (Scope 1) GHG emissions | CH 6.5 Greenhouse Gas Inventory Management | | 82 |
| | 305-2 | Energy indirect (Scope 2) GHG emissions | CH 6.5 Greenhouse Gas Inventory Management | | 82 |
| | 305-4 | GHG emissions intensity | CH 6.5 Greenhouse Gas Inventory Management | | 82 |
| GRI 306: Waste 2020 | 306-3 | Waste generated | CH.6.4 Environmental Sustainability Management | | 80 |
| GRI 308: Supplier Environmental Assessment 2016 | 308-1 | New suppliers that were screened using environmental criteria | CH 7 Supply Chain Management | | 87 |
| GRI 402: Labor/Management Relations 2016 | 402-1 | Minimum notice periods regarding operational changes | | In accordance with the relevant regulations of the Labor Standards Act | |
| GRI 405: Diversity and Equal Opportunity 2016 | 405-1 | Diversity of governance bodies and employees | 4.1.1 CH 3.2 Board of Directors Human Resource and Structure | | 33, 47 |
| GRI 414: Supplier Social Assessment 2016 | 414-1 | New suppliers that were screened using social criteria | CH 7.1 ATEN Supply Chain Management | | 88 |
| GRI 415: Public Policy 2016 | 415-1 | Political contributions | | No political contributions were made in 2023 | |
| GRI 418: Customer Privacy 2016 | 418-1 | Substantiated complaints concerning breaches of customer privacy and losses of customer data | CH8.5 Information Security and Customer Privacy Protection | | 98 |

Appendix 1

Global Reporting Initiative Standards (GRI Standards) Index



> SASB Index: Hardware

| Disclosure Topic | Metric Code | Nature | Disclosure Metric | Remarks | Corresponding Chapter |
|----------------------------------|--------------|--------------|---|---|------------------------------|
| Product Security | TC-HW-230a.1 | Qualitative | Description of approach to identifying and addressing data security risks in products | Please refer to the information security risk management plan on the Company's website https://www.aten.com/tw/zh/aten-info/investor-relations/corporate-governance/information-security-risk-management/ | |
| Employee Diversity and Inclusion | TC-HW-330a.1 | Quantitative | Percentage of gender and racial/ethnic group representation for (1) management, (2) technical staff, and (3) all other employees | Please refer to 4.1 Viewing Employees as Important Assets | CH4 Employee Care |
| Product Lifecycle Management | TC-HW-410a.1 | Quantitative | Percentage of products by revenue that contain IEC 62474 declarable substances | ATEN's products comply with the ROHS/REACH requirements; the Company has not yet performed IEC62474 declaration. | |
| | TC-HW-410a.2 | Quantitative | Percentage of eligible products, by revenue, meeting the requirements for EPEAT registration or equivalent | ATEN's products comply with local regulatory requirements; the Company has not yet applied for EPEA registration. | |
| | TC-HW-410a.3 | Quantitative | Percentage of eligible products, by revenue, meeting ENERGY STAR®. | ATEN has not applied for ENERGY STAR certification | |
| | TC-HW-410a.4 | Quantitative | Weight of end-of-life products and e-waste recovered, percentage recycled | ATEN's products comply with WEEE regulations for e-waste reduction. As it is difficult to gather information on end-of-life products recovered, only e-waste information is disclosed. | CH6 Environmental Commitment |
| Materials Sourcing | TC-HW-430a.1 | Quantitative | Percentage of Tier 1 supplier facilities audited in the RBA Validated Audit Process (VAP) or equivalent, by (a) all facilities and (b) high-risk facilities | ATEN conducts on-site and written green risk assessment and evaluation for suppliers in accordance with the Supplier Management Procedure and the Supplier Evaluation Regulations, and ensures working environment safety, respect and dignity for employees, and business operation compliance with environmental protection laws, morals, and ethics. Please refer to Chapter 7. | |
| | TC-HW-430a.2 | Quantitative | Tier 1 suppliers' (1) non-conformance rate with the RBA Validated Audit Process (VAP) or equivalent, and (2) associated corrective action rate for (a) priority non-conformances and (b) other non-conformances | ATEN conducts on-site and written green risk assessment and evaluation for suppliers in accordance with the Supplier Management Procedure and the Supplier Evaluation Regulations, and ensures working environment safety, respect and dignity for employees, and business operation compliance with environmental protection laws, morals, and ethics. Please refer to Chapter 7. | CH7. Supply Chain Management |
| Materials Sourcing | TC-HW-440a.1 | Qualitative | Description of the management of risks associated with the use of critical materials | ATEN's suppliers must fulfill their social and environmental responsibilities. • ATEN adopts the "Three Nos" principle, i.e. no support, no acceptance, and no use of metals obtained through armed conflicts, illegal mining, and harsh working environments in the Democratic Republic of the Congo (Congo) and the surrounding countries and regions, namely the so-called "conflict minerals". | CH7. Supply Chain Management |

Appendix 2

Independent Assurance Opinion Statement



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INDEPENDENT ASSURANCE OPINION STATEMENT

2023 ATEN International Sustainability Report

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

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

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

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

Scope

The scope of engagement agreed upon with ATEN International includes the followings:

1. The assurance scope is consistent with the description of 2023 ATEN International Sustainability Report.
2. The evaluation of the nature and extent of the ATEN International's adherence to AA1000 AccountAbility Principles (2018) in this report as conducted in accordance with type 1 of AA1000AS v3 sustainability assurance engagement and therefore, the information/data disclosed in the report is not verified through the verification process.

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

Opinion Statement

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

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

Methodology

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

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

Conclusions

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

Inclusivity

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

Materiality

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

Responsiveness

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

Impact

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

GRI Sustainability Reporting Standards (GRI Standards)

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

Assurance level

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

Responsibility

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

Competency and Independence

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

For and on behalf of BSI:

Peter Pu, Managing Director BSI Taiwan



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Statement No: SRA-TW-2023028

2024-07-10

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