Chapter Two Sustainability Value

I. Management Philosophy and Sustainable Development Policy

(GRI 2-23)(GRI 2-24)

Management Philosophy

Everlight is guided by the philosophy of "pursuing progress and innovation, promoting human dignity, and enhancing human welfare" as its sustainable business ideology.

Sustainable Development Policy

Since the Honorary Chairman established our management philosophy, corporate social responsibility and sustainable development have been our focal points. Due to the nature of the specialty chemicals industry, environmental protection and pollution prevention are daily priorities.

In November 2022, the Board of Directors discussed and established Everlight's sustainable development goals, which are to "fulfill our global citizenship responsibilities and participate in protecting the planet."

Everlight ESG Policy

Through our specific actions ("Better Chemistry"), we aim to positively and significantly contribute to the economy, the environment, and society ("Better Life"). Based on these goals, we have established teams for sustainable environment, social responsibility, and corporate governance to perform their respective duties and will continually assist Everlight in the long term to move towards the industry of a high-tech chemical enterprise that contributes to humanity.

We recognize that the chemical industry must minimize its negative impacts and respond to the net-zero emissions target by 2050. We have set a 25% reduction target in 2030, referencing the reduction targets proposed by the National Development Council at the end of 2022. We conducted climate change-related financial disclosures to plan various carbon reduction plans to address climate change.

Sustainable Environment
Environmental Management
Green Chemistry
Zero Carbon Economy

ESG Policy

Social Responsibility
Hapiness Enterprise
Community Engagement
Contribution to Society

Corporate Governance
Business Integrity
Shareholder Interests
Organizational Resilience

Sustainable Development Goals: Fulfill our responsibilities as global citizens and participate in protecting the earth

II. ESG Implementation Organization (GRI 2-14)

In response to corporate governance regulations, as of January 4, 2022, the previously established "Corporate Social Responsibility Committee" was renamed as the "Sustainable Development Committee" (referred to as the ESG Committee). This change was made to enhance the promotion of Everlight's corporate social responsibilities affairs. The highest governing body at Everlight is the Board of Directors, which has authorized the Chairman to serve as the Chairman of the Sustainable Development Committee, coordinates the company′s sustainable development directions and goals, and gradually realizing the vision of "becoming a high-tech chemical enterprise group that contributes to humanity."

The Sustainable Development Committee oversees several groups, including the Governance Group, Environmental Group, and Social Group, and senior executives at the level of "factory/department head" (or above) are appointed as leaders of each group. The organization and responsibilities of the Sustainable Development Committee are illustrated in the diagram below.
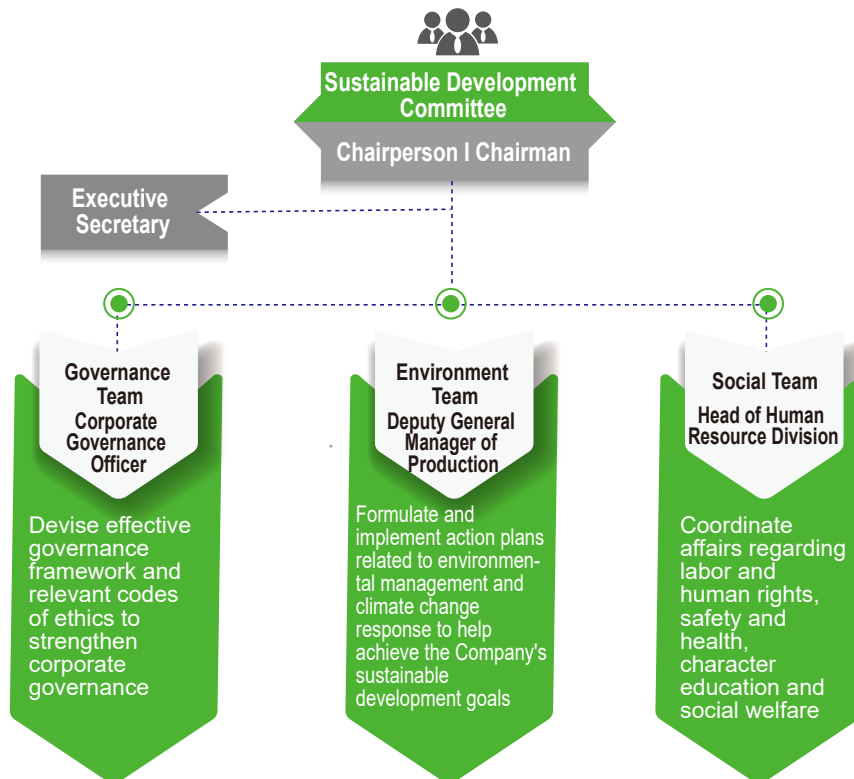
The Sustainable Development Committee holds two meetings annually. The team leaders and Executive Secretary report on the ESG work plans, management performance, and goal achievement status. The Committee's Executive Secretary reports to the Board of Directors at least once a year on the annual work plans and execution results. The most recent report to the Board of Directors was made on August 10, 2023, covering the execution status of the 2022 ESG tasks, improvement outcomes, an internal self-assessment by Everlight's managers of the ranking of the material topics for 2024, progress on carbon auditing and carbon reduction projects, and important initiatives such as the 2023 ESG information collection platform and participation in biodiversity ect.. Additionally, to continually enhance our ESG actions and information disclosures, and to effectively respond to the "2021 GRI Standard," legal regulations, and supervisory authorities demands, we are committed to advancing in the direction of "Enhancing ESG." and comply with the requirements of IFRS S1 and S2.

In response to the requirements of the Financial Supervisory Commission, starting from 2023, the sustainability report will be reviewed and approved by the Board of Directors before being issued.

III. Stakeholders and Material Topics

Identification of material topics (GRI 3-1, 3-2, 3-3)

We refer to material topics identification process of the latest version of the GRI standards (2021) to evaluate the impacts of the environment, economy, people/human rights and other issues on Everlight and manage them based on actual and potential impacts.

Impact management mechanism (GRI 2-12, 2-13)

In terms of impact management on material topics, the Board of Directors is the highest governance body responsible for supervision and decision-making. Everlight has also established a risk management committee and an audit committee to prevent and improve potential or actual risks. After compiling various possible topics, the ESG Committee conducts impact assessment and topic ranking with the heads of departments through questionnaires and interviews.

Communicate key significant incidents (GRI 2-16)

Everlight defines the threshold of key significant incidents (such as the amount of property losses and casualties, etc.) in accordance with the standards set by the Risk Management Committee. The executive secretary of the Risk Management Committee, on May 11, 2023 and December 14, 2023, and the executive secretary of the ESG Committee, on August 10, 2023, will report to the Board of Directors on various risk management results in 2023. No key significant incidents occurred in 2023.

Process for determining material topics (GRI 3-1, 3-2, 3-3) (GRI 2-12, 2-20, 2-29)

We take the following four steps to identify material topics and assess impact significance:

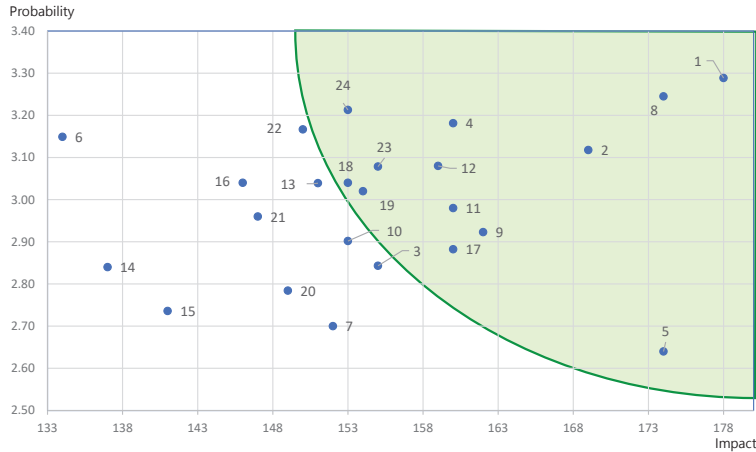| Step 1	Step 2	Step 3	Step 4
Understand the organization's context Stakeholder identify and compile a list of ESG issues	**Identify actual and potential impacts** Impact assessment of material topics completed by internal management team	**Assess the significance of impacts** Identify six material topics and define KPIs to align with SDGs indicators	**Determine material topics for reporting** Determine material topics with relevant performance indicators for reporting
• Stakeholder Identification • Source of potential material topics • Survey on stakeholder concerns	• Assess the impact of Everlight's operational activities on the economy, environment and human/ human rights • Assess the impact of various topics on Everlight's operations	• Identify material topics • Classify six material topics according to the United Nations Sustainable Development Goals (SDGs)	• Determine material topics, management approaches and performance indicators for reporting.

Step	Content	Description
Understand the Organization's Context	Stakeholder identify and compile a list of ESG issues	**Stakeholder Identification:** In 2022, Everlight followed the five principles of the AA1000 Stakeholder Engagement Standard (SES) to identify eight categories of main stakeholders. These include customers/brand owners, shareholders/investors, employees, suppliers/contractors, local communities, government agencies, financial institutions, and external public associations. Considering there were no significant changes in the overall environment and industrial chain in 2023, we continued to engage with these stakeholder groups for subsequent collaboration processes. **Source of potential material topics** We refered to international ESG trends, GRI standards, SASB chemical industry standards and TCFD guidelines for climate-related financial disclosures, international rating agency requirements, and the Financial Supervisory Commission's requirements for corporate governance evaluation to select 24 sustainability topics. These topics are: 1. Product Strategy and R&D Innovation, 2. Customer Relationship Management, 3. Digital Transformation and Development, 4. Product Responsibility, 5. Greenhouse Gas and Energy Management, 6. Information Security Management, 7. Corporate Governance and Integrity, 8. Occupational Health and Safety, 9. Risk Management, 10. Chemical Safety, 11. Climate Change Mitigation and Adaptation, 12. Community Engagement and Communication, 13. Handling and Response of Significant incidents, 14. Talent Attraction and Development, 15. Diversity and Inclusion in the Workplace, 16. Employee Welfare and Care, 17. Operational Performance, 18. Air Pollution Emission Management, 19. Sustainable Development Strategy, 20. Labor Rights and Employment Relations, 21. Waste Management, 22. Regulatory Compliance, 23. Water Resource Management, 24. Supply Chain Management. **Survey on stakeholder concerns** To understand stakeholders' assessments of various issues, we conducted surveys among the eight categories of stakeholders, sending invitations through various channels and online questionnaires. A total of 185 questionnaires were distributed, and 113 were returned, achieving a response rate of 61.08%.
Identify Actual and Potential Impacts	Impact Assessment of Material Topics Completed by Internal Management Team	**Assess the Impact of Everlight's Operational Activities on the Economy, Environment and Human/Human Rights** For the identified sustainability issues, we conducted interviews with the heads of departments and distributed 40 survey questionnaires to assess the actual positive and negative impacts of these issues for 2023, as well as the extent of involvement and the probability of occurrence for each issue. In addition to understanding the negative impacts and probabilities of occurrence, we also conducted follow-up due diligence based on the topics to determine if current performance indicators and approaches are needed to be adjusted and improved. (For a detailed assessment of both positive and negative impacts, see the diagram below).
Assess the significance of impacts	Identify Six Material Topics and define KPIs to align with SDGs Indicators	**Identify Material Topics** Based on stakeholders' concerns and the impact of various topics on Everlight's operations, a material topic matrix was completed. After assessing the actual and potential impacts and probabilities of occurrence in 2023, six material topics were selected for management and disclosure, including: 1. Organizational Resilience (including handling and response of significant incidents, digital transformation and development) 2. Talent Attraction and Development 3. Water Resource Management 4. Pollution Prevention 5. Product Strategy and R&D Innovation 6. Climate Change Response - Mitigation and Adaptation These six material topics are defined to align with the United Nations Sustainable Development Goals (SDGs): SDG #6: Clean Water and Sanitation SDG #7: Affordable and Clean Energy SDG #8: Decent Work and Economic Growth SDG #9: Industry, Innovation and Infrastructure SDG #12: Responsible Consumption and Production SDG #13: Climate Action.

| Step	Content	Description
Determine Material Topics for Reporting	Determine Material Topics with relevant performance indicators for Reporting	**Determine Material Topics, Management Approaches and Performance Indicators for Reporting** Settle Performance Indicators: Continuing from the sustainability management objectives in 2022. After re-evaluating and cross-referencing them based on Everlight's sustainability strategy and stakeholder feedback, we have established 15 performance indicators for 2023.

Code of Topics

1. Product Strategy and R&D Innovation
2. Customer Relationship Management
3. Digital Transformation and Development
4. Product Responsibility
5. Handling and Response of Significant Incidents
6. Greenhouse Gas and Energy Management
7. Information Security Management
8. Corporate Governance and Integrity Management
9. Occupational Health and Safety
10. Talent Attraction and Development
11. Risk Management
12. Chemical Safety
13. Climate Change Mitigation and Adaptation
14. Community Engagement and Communication
15. Diversity and Inclusion in the Workplace
16. Employee Welfare and Care
17. Operational Performance
18. Air Pollution Emission Management
19. Sustainable Development Strategy
20. Labor Rights and Employment Relations
21. Waste Management
22. Regulatory Compliance
23. Water Resource Management
24. Supply Chain Management

Assessment of and Negative Impacts
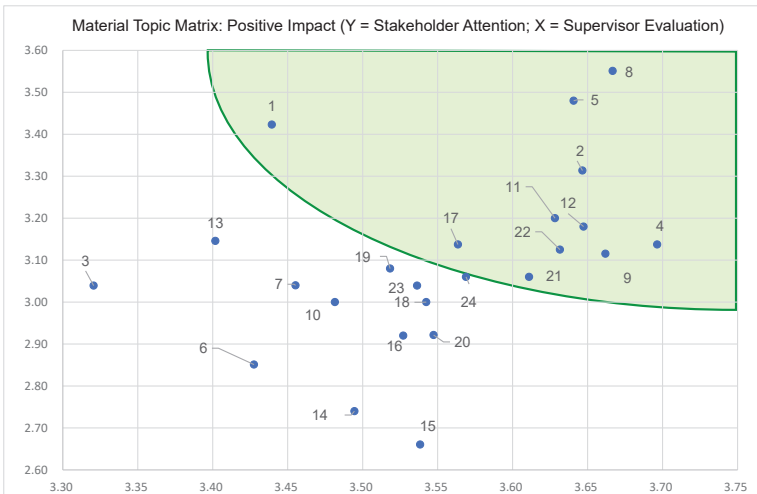

Assessment of Positive Impacts

Product strategy and R&D innovation, corporate governance and integrity management, handling and response of significant incidents, and customer relationship management were the topics that Everlight would demonstrate positive impacts and exert significant influences in 2023.
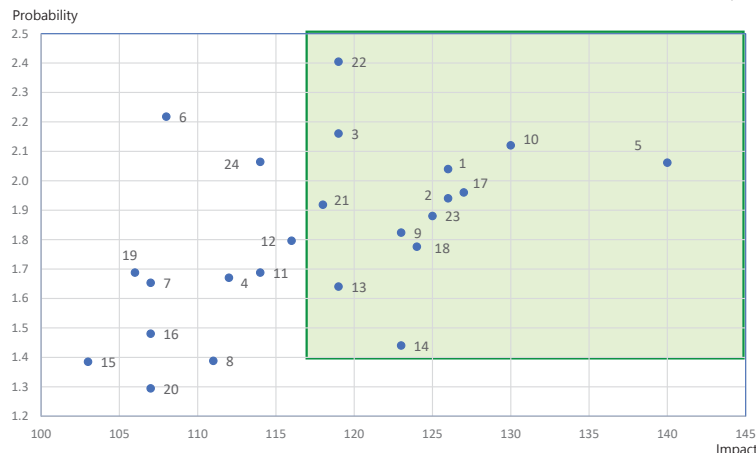

Assessment of Negative Impacts

In 2022, a fire incident took place in Everlight. Due to immediate management, no business losses occurred; however, it still resulted in negative environmental impacts and fines in 2023. Additionally, in the area of talent attraction and development, there is a need to enhance the diversity of the talent pool through various methods.

Material Topic Matrix

Material Topic Matrix: Positive Impact (Y = Stakeholder Attention; X = Supervisor Evaluation)

Priority	category	Stakeholder *Supervisor Assessment Matrix (Positive)
1	G	Corporate Governance and Integrity Management
2	G	Handling and Response of Significant
3	G	Customer Relationship Management
4	G	Product Strategy and R&D Innovation
5	G	Risk Management
6	G	Chemical Safety
7	G	Product Responsibility
8	S	Occupational Health and Safety
9	G	Regulatory Compliance
10	G	Operational Performance
11	E	Waste Management

Material Topic Matrix: Negative Impact (Y = Stakeholder Attention; X = Supervisor Evaluation)
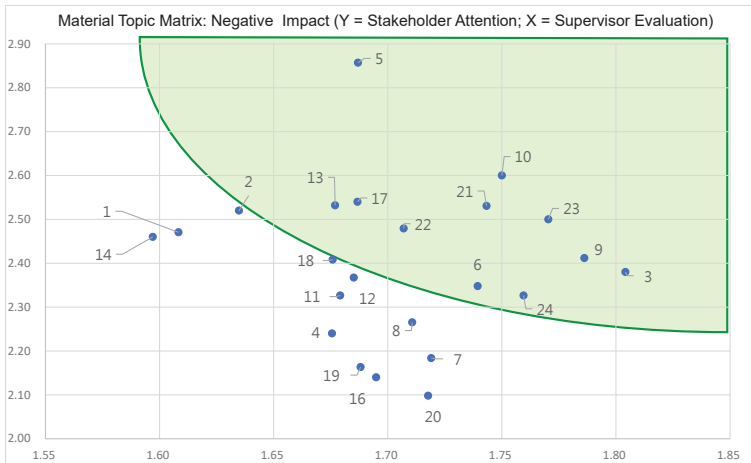
Priority	category	Stakeholder *Supervisor Assessment Matrix (Negative)
1	G	Handling and Response of Significant Incidents
2	S	Talent Attraction and Development
3	E	Water Resource Management
4	E	Waste Management
5	S	Occupational Health and Safety
6	G	Digital Transformation and Development
7	G	Operational Performance
8	E	Climate Change Mitigation and Adaptation
9	G	Regulatory Compliance
10	G	Customer Relationship Management
11	G	Supply Chain Management
12	E	Greenhouse Gas and Energy Management

After considering the results of the positive and negative impact assessments, as well as the opinions of stakeholders, the management team of Everlight has determined the ranking of material topics as follows:

List of Material Topics for 2023 [Note1] (GRI 3-2)

2023 Material Topics	Description of Issues Covered by Material Topic	The significance of Material Topics for Everlight	Was it a Material Topic in 2022 ?	Explanation of Changes
Organizational Resilience	Generally, refers to the company's emergency response, risk management and operational continuity capabilities. In addition to the original evaluation indicators for this material topic in 2022, handling and response of significant incidents and digital transformation were also considered.	Organizational resilience is crucial for businesses. By predicting risks and taking countermeasures, companies can accelerate transformation. Moreover, through emergency response training, they can mitigate the impact of major incidents. Innovation helps establish a differentiated brand image, enhancing consumer awareness and loyalty, which enables businesses to maintain a competitive edge.	The original evaluation indicators for this material topic included turnover rate, risk management and supplier management in 2022.	Adjusted tracking indicators
Talent Attraction and Development	Due to the requirements of sustainable transformation and digital transformation development, this issue was managed independently.	Everlight values talent attraction and development, dedicating efforts to building a diverse and competitive talent pool. We emphasize talent selection and retention, creating value together. Our well-structured training and assessment systems continuously enhance employee capabilities, promoting mutual growth of the organization and its employees. This, in turn, boosts the company's social impact and fulfills corporate social responsibility.	This topic was included in organizational resilience (turnover rate) in 2022.	New material topic
Water Resource Management	The management of water withdrawal, discharge, and consumption, as well as the reuse of water resources was involved. This included preparations for potential droughts due to climate change and the management of recycled water reuse issues.	Effective use of water resources, recycling of process water, and proper wastewater treatment are among the best management practices. If water reduction measures are inadequate or if there are issues in wastewater treatment, it could lead to water pollution at the discharge end, potentially impacting the environment.	Yes	No change
Pollution Prevention	Air pollution control and waste management were Included.	Everlight strategically manages waste, actively reducing waste and increasing resource recycling to achieve waste reduction goals. Simultaneously, the company is committed to improving air pollution, creating a better living environment for people to enjoy a healthy environment.	Yes	No change
Product Strategy and R&D Innovation	In response to sustainable transformation, we extend our product responsibility from 2022, focusing on the momentum of R&D and innovation.	The formulation of strategies for customer management, product operations, and market deployment, along with the introduction of R&D technologies and innovative practices, are the core keys to the company's competitiveness.	Extended based on the 2022 product responsibility concept	New material topic, with an increased emphasis on R&D innovation.
Climate Action Mitigation and Adaptation	In response to transition risks (such as carbon taxes and carbon fees) and physical risks associated with climate change, along with corresponding adaptation strategies.	Facing the diverse and complex impacts of climate change, it is essential to implement appropriate mitigation and adaptation measures, consider lifecycle management, and identify risks and opportunities.	No	New material topic

According to various performance indicators, in addition to clearly assigning responsible units for easier management, preventive mechanisms such as existing risk management operations and appeal channels are utilized, along with subsequent internal controls and improvement plans. A procedure to remedy negative impacts is established to effectively respond to potential and unexpected impacts.

Additionally, regarding the material topics of 2022, we continue to track their performance in 2023, as detailed below:

Material Topic	KPIs	2022 Results	2023 Targets	2023 Results	Achieved Goals ?
Regulatory Compliance	Fine Incurred (in ten thousand units)	45.5	0	27.2	X
Occupational Safety & Health	Frequency-Severity Indicator (FSI)	0.01	0	Company 0.03 Whole Group 0.29	X
Pollution Prevention	Water Recovery Rate (R2) (%)	93	≧84	95	V
	Air Pollution Emission reduction rate per unit output (%)	-3	≧2	-6	X
	Waste Recycling and Utilization Rate (%)	72	≧70	71	V
	Proper Disposal Rate of Hazardous Industrial Waste (%)	100	100	100	V
	Recycling Rate of Hazardous Industrial Waste (%)	4.3	≧3.1	10.3	V
	Atom Efficiency (%)	70.9	≧69.0	71.1	V
Product Responsibility	Share of Revenue from Sustainable Products (%)	56	≧58	70	V
	Process on Establishing Process Safety Management Systems	Fulfill	Trial	Implementation and optimization	V
Customer Relations & Marketing Development	Product Quality Level (σ)	2.9	≧3.2	3.2	V
	Percentage of Sales Revenue from New Products (%)	14	≧13	15	V
	Customer Satisfaction (Score)	90	≧88	92	V
Organizational Resilience	Annual turnover rate (%)	14	≦18	14	V
	Monthly Availability Rate of Critical Information Systems and Network Services (%)	99.9	≧99.5	99.9	V
	On-time Delivery Rate (%)	85	≧85	92%	V
	Share of Med/High Risk Suppliers (%)	3	≦3	1.2	V
	Number of Improvements for BCM Med/High-Risk Events	7	6	8	V

In 2023, among the 18 performance indicators set for the material topics in 2022, three indicators failed to reach the targets. The reasons were as follows:
(1) Failure to comply with labor inspection and fire safety regulations. Improvement measures included re-implementing environmental considerations and safety and health risk assessments, as well as enhancing staff training and updating equipment to meet safety standards.
(2) Frequency-Severity Indicator (FSI) was affected by various injuries and common causes. We will revise standards, enhance training, and improve equipment, such as adding safety warning signs to increase operational safety.
(3) Air Pollution Emission Reduction Rate Per Unit Output (%) was primarily due to high demand for certain products. We will continue to carry out self- and outsourced testing, as well as ongoing equipment maintenance to reduce emissions. Our company will continually improve and ensure compliance with regulations while minimizing adverse impacts on the environment and employee health.

KPIs	2023		Explanation of Main Incident Causes	Improvement Measures
	Targets	**Results**		
Fine Incurred (in ten thousand units)	0	27.2	Already explained in the Corporate Governance - Regulatory Compliance section. During a labor inspection conducted by the Taoyuan City Government Labor Inspection Office at Plant II (Electrochemical Department), A colleague was found to be using a hand-held grinding wheel to cut scrap iron without the provision of protective gear, resulting in an injury to his left arm, in violation of Article 280 of the Occupational Safety and Health Facilities Regulations. The Taoyuan City Fire Department conducted its annual inspection of hazardous materials at Plant III and found deficiencies violating Article 15 of the Fire Services Act due to the lack of exhaust equipment. The Science and Technology Bureau conducted a labor inspection at the Quanton Company and discovered that foreign colleagues were working overtime excessively.	As explained in the corporate governance section: 1. Implement environmental considerations and safety risk assessments and adjust the original risk levels accordingly. 2. Provide handheld grinder training for electrochemical engineering colleagues. 3. Switch to battery-operated handheld grinders (with lower torque) and wear cut-resistant protective gear. Plant III has completed the installation of exhaust equipment on the second floor of Building B and has comprehensively reviewed the compliance of the third plant with relevant fire safety regulations. 1. The IT department has developed new software to automatically notify the factory manager and department-level supervisors of overtime hours. The factory manager is enhancing assistance in coordinating cross-departmental task assignments. 2. Legitimate overtime hours are reported in advance to the competent authority (Bureau of Labor Affairs) for record-keeping.
Frequency-Severity Indicator (FSI)	0	Company 0.03 Whole Group 0.29	Types of Injuries: 1. Cuts and abrasions: 2 incidents. 2. Being pinched or entangled: 4 incidents. Common Causes: Defective equipment. Lack of or flawed safety and health operational standards. Insufficient personnel training and capabilities. Personnel not adhering to relevant standards.	1. Amend operational or safety operation standards. 2. Implement educational training or occupational hazard notifications. 3. Conduct safety observations or discussions. 4. Increase operational safety warning signs. 5. Implement equipment safety improvements.
Air Pollution Emission Reduction Rate Per Unit Output (%)	≧ 2	-6	The primary reason is that products with higher air pollution emission factors had a disproportionately high customer demand in 2023.	Due to the nature of our products, we have increased the frequency of activated carbon replacement in our prevention equipment. We continue to conduct self-inspections and outsourced testing, actively maintaining equipment components.

Impact assessment results of Material topics (GRI 2-12/2-13, GRI 2-25/2-26, GRI 3-3)

Based on Everlight's specific actions in 2023, the management team evaluate positive/negative impacts and the degree of stakeholders' involvement. Results are as follows:

Material Topics	Positive/Negative Impact Assessment (1-4 points) [Note1]			Magnitude [Note2]				
	Impact Level	Probability of Occurrence	Description	Shareholders	Customers	Employees	Suppliers	Community
Organizational Resilience (including handling and response of significant incidents, digital transformation and development)	P: 3.05 N: 2.40	P: 2.74 N: 2.11	**Positive:** Effectively prevents/reduces negative impacts on the economy, environment, and society. Additionally, the company is committed to digital transformation, introducing new management systems to promote economic growth and provide more development opportunities for employees. **Negative:** Neglecting digital development, failing to effectively identify risks, and poor subsequent management could not only lead to losses for the company but also hinder development or prevent the utilization of advantages from digital transformation.	●	○	●	□	○
Talent Attraction and Development	P: 2.83 N: 2.41	P: 2.90 N: 2.12	**Positive:** The company places a high priority on talent, with comprehensive development plans that stabilize employee work and productivity, enhance corporate image, and make stable contributions to the economy and society. **Negative:** If the company places less emphasis on attracting and developing talent, it can lead to high employee turnover, which hampers effective economic development and the fulfillment of social responsibilities, or damages the corporate image, thereby negatively affecting the industry's reputation.	□		●		○
Water Resource Management	P: 2.87 N: 2.31	P: 3.08 N: 1.88	**Positive:** The company practices effective water stewardship, including process water recycling, efficient water usage, and good water-saving measures. It ensures that wastewater discharge complies with regulations, effectively protecting aquatic environments. **Negative:** If the company's water reduction measures are ineffective, or if there is a failure in wastewater treatment that is not promptly addressed, it could potentially lead to pollution at the discharge points, possibly extending to coastal areas and even affecting nearby marine environments and marine ecology.			●		●
Pollution Prevention	P: 2.78 N: 2.24	P: 3.00 N: 1.85	**Air Pollution Control** **Positive:** A company conducts air pollution management and control in accordance with the law, reducing harm and negative impacts on the environment and community/colleagues. **Negative:** A company fails to properly manage air pollution, violating relevant regulations, posing a risk to the environment, or affecting the safety of the community/people.			●		●
			Waste Management **Positive:** A company has good waste management practices: waste recycling and reusing in manufacturing process, effectively supervising the compliance of waste disposal and gradually reducing the amount of waste output. This has a positive impact on the environment without causing harm to people. **Negative:** A company fails to properly manage waste, causing a burden on the environment or people in the community.			●		●
Product Strategy and R&D Innovation	P: 3.29 N: 2.33	P: 3.29 N: 2.04	**Positive:** Possessing the design and innovation capabilities to develop high-quality chemicals and services, along with rigorous health and safety management mechanisms for products and services, which earns customer trust and is environmentally friendly. **Negative:** During product R&D innovation, overtime work for R&D and various department personnel may occur, leading to increase product prices and economic burden on customers. Additionally, the inability to find suitable R&D talents may hinder the development of competitive products.	○	●	●	□	
Climate Action - Mitigation and Adaptation	P: 2.79 N: 2.20	P: 3.04 N: 1.64	**Positive:** A company develops and implements carbon reduction plans, even assists stakeholders in reducing carbon emissions, thereby contributing to climate action and mitigating climate change. **Negative:** A company either fails to develop carbon reduction plans or does not effectively implement it, leading to continued increases in carbon emissions/water consumption and resulting in adverse environmental impacts.		○	●	□	●

Note 1: Impact Assessment Score: 1 = No impact, 2 = Slight impact, 3 = Moderate impact, 4 = High impact;
Probability Assessment Score: 1 = Highly unlikely, 2 = Occasional, 3 = Frequent, 4 = Always/Actual occurrence.
Note 2: Represents: ● Organization directly causes this impact ○ Organization (indirectly) facilitates this impact □ Organization's business relationship is directly related to this impact

Material Topics and Correspondence with SDGs

In response to the material topics identified by Everlight in 2023, and in alignment with international ESG trends and SASB Chemicals industry benchmarks, we have selected core Sustainable Development Goals (SDGs) that are responsive to Everlight's strategic development direction. We have also established specific targets and corresponding indicators, and pragmatically adjusted and defined concrete performance indicators.

Based on the corresponding SDGs outlined above, we have also established performance indicators as follows (refer to the table below).

Material Topics	SDG 6	SDG 7	SDG 8	SDG 9	SDG 12	SDG 13	KPIs	2023 Targets	2023 Results	Achieved Goals	2024 Targets	Responsible Units
Organizational Resilience (including handling and response of significant incidents, digital transformation and development)			V				Ratio of Own Capital to Total Assets	-	Individual: 73% Consolidated: 67%	-	>50%	Finance Department
				V			Monthly Availability Rate of Key Information Systems and Network Services (%)	≥99.5	99.9	V	≥99.5	IT Department
			V		V		Number of Improvements for BCM Med/High- Risk Events	6	8	V	5	Executive Secretary of the Risk Management Committee
Talent Attraction and Development			V				PR value in the 104 Employer Brand Survey	-	PR97	-	PR ≥90	HR Department
			V				Annual turnover rate (%)	≤18%	14	V	≤14%	
			V				TTQS system construction and functional training system construction completed	-	-	-	construction completed	
Water Resource Management	V						Water Recovery Rate R2 (%)	≥84	95	V	≥94	Environmental Resources Department
	V						Total Water Consumption (ML)	≤872	593.9	V	≤872	
	V						Compliance Rate of Wastewater Treatment	100	100	V	100	
Pollution Prevention					V		Emission Reduction Rate per Unit of Production (%)	≥2	-6	X	≥2	
					V		Waste Recycling and Utilization Rate (%)	≥71	71	V	≥71	
					V		Recycling Rate of Hazardous Industrial Waste (%)	≥3.1	10.3	V	≥6.3	
Product Strategy and R&D Innovation				V	V	V	Share of Revenue from Sustainable Products (%)	58%	70%	V	≥73%	Group R&D Division
				V	V	V	Percentage of Sales Revenue from New Products (%)	≥13%	15%	V	10%	
Climate Action - Mitigation and Adaptation		V				V	GHG Emission Intensity (tCO$_2$e/ million NTD in production value)	≤8.7	8.6	V	≤8.3	Environmental Resources Department

■ Communication with Stakeholders (GRI 2-16, 2-29)

Everlight communicates with various stakeholders through diverse channels and continuously seeks improvement suggestions, facilitating interaction with stakeholders. The communication status with various stakeholders in 2023 is as follows:

Feel free to share your suggestions and comments at any time

Category	The significance for Everlight	ESG Issues	Communication Channels and Frequency	Actions Taken in 2023	Our Responses
Shareholders/ Investors	Shareholders and investors play crucial roles at Everlight. As providers of capital, they have the right to company information to safeguard their interests. Their evaluations also impact stock prices, thereby influencing the company's image and position.	• Operations and Profitability • Corporate Governance • Business Policies • Investment Plans	1. Annual Report and Annual Shareholders' Meeting (once a year) 2. Corporate Website and Public Information Disclosure Platform (all year round) 3. Investor Hotline and Email (all year round) 4. Corporate Briefing Sessions (twice a year)	• Achieve communication frequency and goals. • Comply with regulatory requirements: issuing annual reports, convening shareholder meetings, and holding briefing sessions.	• Continuously establish proactive and effective communication with investors, providing them with information on the company's financial and operational status. • Continuously share updates on the company's ESG (Environmental, Social, and Governance) development and future goals with investors, and timely feedback investor opinions and expectations, such as the company's carbon reduction goals, corporate governance, etc., to the company's management, creating a good two-way communication. • The electronic notification contract for stock affairs has been completed with CHEP. Investors can get electronic notifications of dividends and rights issues on eNotice platform through the CHEP e-handheld app or email.
Customers/Brand Partners	Customers and brand partners are key to Everlight's sustainable development. Establishing highly satisfactory cooperative relationships is crucial. Under a dual-axis transformation strategy, Everlight continues to provide high-value-added products and solutions, aiming for mutual growth.	• Operations and Profitability • Green Innovation and Green Products • Environmental Responsibility • Labor Relations	1. Customer Satisfaction Survey (once a year) 2. Customer Visits or Site Audits and Certification Audits (irregular) 3. Agent Conference (once a year) 4. Corporate Website, Telephone, or Email (all year round)	• Successfully passed all customer/brand audits and verifications in 2023. • Customer satisfaction reached 92 points, exceeding the annual target (> 88 points).	• Held the annual distributor conference and arranged customer visits. • Provided various ESG supporting documents to customers and accepted on-site verification by customers. • Continuously met customer needs to create value together.
Employees	Everlight recognizes employees as vital partners in sustainable development. In addition to offering competitive compensation and benefits, the company emphasizes respect and care, fostering a friendly work environment that prioritizes the physical and mental well-being of its employees. This approach attracts top talent and enables collaboration towards achieving operational goals together.	• Operations and Profitability • Employee Welfare and Benefits • Labor Conditions • Labor Relations	1. Internal Meetings/Forums (Labor-Management Meeting, Management Meeting, Monthly Meeting, etc.) 2. Committees (Environmental Health and Safety, Catering, Sexual Harassment Prevention) 3. Interviews or Satisfaction Surveys (once a year) 4. Suggestion Box and Bulletin Board (all year round) 5. Welfare Committee (quarterly)	• Organized internal company meetings (including monthly meetings, monthly environmental health and safety committee meetings, management meetings, and quarterly labor-management meetings) to communicate important messages. • Managers also conducted biannual performance appraisal interviews to care for employees' career development and provide necessary assistance.	• Provided diverse communication channels for employees, with designated personnel handling employee feedback promptly and taking relevant actions immediately, while ensuring strict confidentiality for whistleblowing information.
Suppliers/ Contractors	Suppliers and contractors are crucial to Everlight's sustainable development, influencing aspects such as production, services, social responsibility, and reputation. By communicating and understanding their concerns, Everlight aims to mitigate risks and costs while ensuring the delivery of high-quality services.	• Supplier Management • Environmental Management • Corporate Integrity	1. Supplier Visits or Tours and Certification Audits (irregular) 2. Supplier Education and Training 3. Corporate Website/Telephone/ Email Communication (all year round)	• Conducted annual supplier questionnaire surveys based on risk level (high, medium, low), supplier category (raw materials, equipment), and collaboration relationship with suppliers (critical, major, new).	• Please refer to the Supplier Management section and Everlight's official website for the survey results.
Local Community	By actively engaging with the local community through regular communication and dialogues with community representatives, Everlight aims to reduce uncertainties and build trust. At the same time, focusing on enhancing corporate social responsibility, the company develops initiatives for social contribution to enhance its positive social impact.	• Environmental Responsibility • Social Welfare	Personal Visits (irregular) Attendance at Community Meetings Participation in Community Events	• Actively participate in community events and visits: Representatives from each plant visit local community leaders regularly (approximately once every quarter) to conduct community impact assessments. They also actively participate in or assist with community disaster prevention, donate epidemic prevention materials, adopt rivers, organize beach cleaning activities, and sponsor nearby primary and secondary schools. • Conduct satisfaction surveys in nearby communities.	• In 2023, there were a total of 87 communications between each plant and nearby communities. Communication topics included industrial safety (fire prevention), air quality, waste management, sponsorship of community activities/school clubs, safety joint defense drills, and participation in tree planting initiatives. Each unit earnestly communicated and has pragmatically addressed the relevant issues raised. • In the first quarter of 2024, each of our company's plants conducted a "Nearby Community Satisfaction Survey" for the year 2023, sampling 21 respondents, resulting in a satisfaction score of 97.7 points.
Government Agencies	By maintaining close communication with banks, Everlight not only secures funding but also obtains stable operational capital and competitive interest rates, ensuring the company's stable and robust operation.	• Corporate Governance • Environmental Responsibility • Labor Relations	1. Attendance at Seminars, Workshops, Roundtable Discussions, and Conferences 2. Submission Reviews and On-Site Audits 3. Correspondence and Telephone Communication	• Representatives from Everlight attended all government-led advocacy activities to understand the company's obligations and areas for collaboration.	• In addition to fulfilling all legal reporting requirements and cooperating with audits, we also engage in proactive telephone communication and on-site visits.
Banks	By maintaining close communication with banks, Everlight not only secures funding but also obtains stable operational capital and competitive interest rates, ensuring the company's stable and robust operation.	• Operations and Profitability • Corporate Governance	1. Personal Visits (Ad Hoc) 2. Corporate Website (Ad Hoc) 3. Telephone Communication (Ad Hoc)	• Regular participation in economic-related briefing sessions organized by banks.	• Frequent interaction and communication with banking institutions; smooth communication via phone on weekdays.
External Public Associations	Through various networking activities, Everlight actively engages with industry associations to gather market insights and sustainable development trends, collectively enhancing industry competitiveness.	• Corporate Governance • Environmental Responsibility • Employee Welfare and Protection	1. Association Websites 2. Regular Meetings 3. Attendance at Briefings/Seminars/ Workshops and Conferences 4. Correspondence and Telephone Communication	• Proactively participating in advocacy activities promoted by industry associations.	• Frequent interaction with various industry associations to maintain smooth information exchange and communication.