

**iEi**® Integration Corp.

# 2023

## Sustainability Report

[www.ieiworld.com](http://www.ieiworld.com)





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# About the Report

The 2023 IEI Sustainability Report discloses the Company's planning and implementation regarding social responsibility and sustainable development, providing stakeholders with a comprehensive understanding of IEI's specific achievements in sustainability. For financial analysis, operational performance, and other related information, please refer to the annual report. All financial data is sourced from audited financial statements, which can be accessed through the "[Shareholder Information](#)" section on the IEI official website.

## Scope of Disclosure:

### IEI Integration Corp.

- Headquarters: No. 29, Zhongxing Rd, Xizhi Dist, New Taipei City
- Qidu Factory: 3rd & 5th Floors, No. 22, Gongjian North Rd, Qidu Dist, Keelung City

### BriteMED Technology Inc.

- Headquarters: 3rd Floor, No. 306 & No. 306-3, Sec 1, Datong Rd, Xizhi Dist, New Taipei City
- Manufacturing Factories: 3rd & 13th Floors, No. 306 & No. 306-3, Sec 1, Datong Rd, Xizhi Dist, New Taipei City

### Armorlink SH Corp. and its subsidiaries

- No. 515, Shenfu Rd, Xinzhuang Industrial Park, Minhang Dist, Shanghai

## Compilation Principles:

The content and information in this report are disclosed in accordance with the GRI Standards: 2021. A reference index aligning the report's content with the GRI Standards: 2021 is provided at the end of the report.

## Reporting Period and Issuance Cycle:

This report marks IEI Integration Corp.'s first independently compiled Sustainability Report for the year 2023. The information and statements presented cover the Company's performance in environmental, social responsibility, and corporate governance (including economic) aspects during the period from January 1, 2023, to December 31, 2023.

## Feedback:

We sincerely welcome any suggestions regarding this report or IEI's sustainable development. Please feel free to contact us.

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# Message from the Management

In 2023, amid the global economic slowdown, inflation, and persistent geopolitical conflicts, which resulted in market volatility and weakened demand, IEI successfully maintained its strong industry position through the collective efforts of its employees. The Company achieved outstanding results, with annual group revenue of NT\$7.578 billion and an EPS of \$7.83.

In 2023, beyond stable profitability, we have demonstrated concrete achievements in the area of sustainable development:

## Governance

IEI formally established a Board-level Sustainable Development Committee, marking a new chapter in sustainable governance and demonstrating the Company's strong commitment to sustainable development. This initiative unites and leverages the collective efforts of the team to implement systematic actions across environmental, governance, and social issues. The Company's website has enhanced its Stakeholder and ESG sections, offering real-time, comprehensive public information and ensuring effective communication channels with all stakeholders. Through stakeholder surveys, the Company actively collects and responds to specific feedback and information.

## Environmental

Completed its first greenhouse gas inventory and verification, while simultaneously extending the initiative to its subsidiaries in Taiwan and China.

In response to carbon reduction goals, IEI has developed phased project actions, including product carbon footprint assessments, energy management systems, and electricity usage management, moving concretely toward achieving its carbon reduction targets.

Initiatives have been launched to assess environmental issues within the supplier, including conducting surveys on the current implementation status of suppliers' greenhouse gas inventories. Simultaneously, IEI is communicating its future development policy direction to suppliers.

## Social

The employee performance management system has been optimized to align the Company's operational strategy goals with individual employee performance objectives and skill development, creating a win-win scenario for both talent retention and employee career growth. A patent bonus program has been developed to recognize and reward employees for their innovative contributions to the Company.

Corporate learning initiatives have been launched for management personnel, including knowledge resource sharing from Harvard Business Review and book clubs.

Employee welfare: The Company has increased subsidies for heart health checkups, offered

legal seminars on "Understanding and Preventing Workplace Misconduct," and organized health promotion lectures for employees. IEI continues to engage in social welfare activities and has expanded its participation in material donation initiatives.

After consistent efforts over the years, IEI has developed concrete strategies and directions for sustainability. These include various carbon reduction and energy-saving initiatives in its operational environment, such as low-power, high-efficiency green product designs, packaging designs aimed at reducing plastic use and increasing recyclability, and circular economy concepts. Furthermore, energy reduction solutions have been actively implemented across various sites. Critical issues such as information security, green patents, and intellectual property management, which are essential to both operations and products, are also being proactively addressed.

On the continuous journey toward sustainability, IEI is committed to ongoing improvement and evolution. We are confident that our team, with a focus on efficiency, precision, and stability, will work together to achieve our sustainability goals and realize IEI's sustainable value.

Chairman of IEI

**Meiji Chang**







# About IEI

IEI Integration Corp. was established in 1997 and is headquartered in New Taipei City, Taiwan. The Company is listed on the Taiwan Stock Exchange (Taidex: 3022). IEI focuses on advanced computing technologies and is dedicated to digital transformation, providing solutions in edge artificial intelligence (Edge AI), digital healthcare, and network communications, leading various industries toward a smarter and more interconnected future.

## Diversified Products and Services

IEI offers a wide range of products, including industrial computers, medical-grade computers, advanced networking equipment, e-paper displays and management platforms, intelligent management software, and AI accelerators. These products are designed with a focus on environmental sustainability and green energy, balancing technology and environmental protection. Our products and services are available globally, providing comprehensive hardware, software services, and integrated smart city solutions to system integrators and OEM/ODM clients.

## Trusted Digital Transformation Solutions Partner

IEI's digital transformation solutions cater to the needs of various vertical markets, including smart manufacturing, telecommunications, transportation, smart cities, digital healthcare, and energy and power. These solutions not only help customers enhance operational efficiency and reduce costs but also enable higher levels of automation and intelligence. By providing robust hardware solutions and efficient software-hardware integration, IEI empowers industries to quickly adapt to rapidly changing market demands.

## Future Outlook

Looking ahead, IEI will continue to focus on technological innovation and market expansion, offering more intelligent and high-performance solutions. The Company aims to drive digital transformation, helping global customers achieve greater success in the smart era.



## Global Key Locations and Distribution Network of IEI:

IEI, with 27 years of history, operates its headquarters in Xizhi, Taiwan. The Company's strategic operational bases are located in Asia and North America, with its employee distributed across key global locations in Taiwan, Mainland China, and the United States. This includes three major manufacturing centers, two R&D Centers, and three logistics hubs. With collaboration between the Taiwan-based operational and R&D headquarters and professional teams across overseas locations, IEI continues its steady growth, demonstrating strong operational performance. IEI has also established a comprehensive global distribution network, spanning 65 countries across Europe, the Americas, and Asia. Its closely-knit distributor partners provide customers worldwide with timely, integrated, and comprehensive services.

- R&D Center
- Manufacturing Centers
- Logistics Centers
- Distribution Locations

### 2 R&D Centers

### 3 Manufacturing Centers

### 3 Logistics Centers

Taiwan, Mainland China, United States



#### California/ United States

- Manufacturing Center
- Logistics Center
- Repair Services



#### Kunshan\*

- Manufacturing Center
- Repair Services

\*Group's Investee Company



#### Shanghai

- R&D Center
- Manufacturing Center
- Logistics Center
- Repair Services



#### Qidu/Taiwan

- Manufacturing Center
- Logistics Center
- Repair Services



#### New Taipei City/ Taiwan

- R&D Center
- Manufacturing Center (BriteMED)
- Logistics Center
- Repair Services



## Key Products and Services

IEI organizes its business into three main categories: "Edge Computing and Embedded System Solutions," "Network Communication Application Infrastructure Products," and "Medical Application Products." Leveraging its strong foundation in industrial automation, IEI integrates AI, communication, cybersecurity, virtualization computing, and remote management technologies to develop market-driven products and provide optimal system integration solutions.

### Edge Computing and Embedded System Solutions

Continuously enhance its edge computing and embedded system board integration solutions, with a focus on cloud AIoT infrastructure, smart manufacturing, automotive applications, green energy solutions, and various intelligent vertical applications. We are committed to delivering high-performance, low-power edge computing solutions that enable businesses to achieve real-time data processing and decision-making.

### Network Communication Infrastructure Solutions

IEI's network communication solutions are widely utilized in networking and cybersecurity fields, including applications such as Next-Generation Firewall (NGFW), WAN optimization, Unified Threat Management (UTM), Application Delivery Controllers (ADC), and 5G/SD-WAN. These products are powered by leading processors from Intel®, AMD®, and Marvell®, offering a full spectrum of performance options to meet the demands of various projects. Our PUZZLE series products are highly scalable and flexible, making them ideal for a wide range of network security scenarios, including enterprise networks, cloud infrastructure, and small-to-medium-sized business network infrastructures.

### Digital Healthcare Platform Solutions

Provided comprehensive medical solutions that focus on accelerating the digital transformation in the healthcare sector. Our product portfolio includes smart nursing terminals, mobile nursing workstations, AI-powered medical edge computing solutions, and data collection terminals designed to enhance patient satisfaction and create a better working environment for healthcare professionals. By integrating cutting-edge technology, IEI has developed high-quality, reliable products such as medical cart computers, all-in-one medical panel PCs, AI medical computers, DC UPS medical power supplies, and mobile medical displays. IEI also offers professional ODM/OEM services tailored to meet the specific needs of the healthcare industry, driving the digital transformation and innovative development of the medical sector.





## Industry Association Memberships

IEI has continuously applied for and obtained several international standard certifications, including ISO 9001, ISO 13485, ISO 27001, ISO 28000, ISO 45001, and ISO 14001. In recent years, we have actively expanded into the digital healthcare sector. In addition to becoming a member of the U.S. Food and Drug Administration (FDA) and supporting the Taiwan Intelligent HealthCare Association, we have also joined the Hsinchu Biomedical Science Park Incubation Center, Small and Medium Enterprise Administration of the Ministry of Economic Affairs. Furthermore, we participate in the SDVoE Alliance, where we introduce innovative video transmission and processing solutions for medical, industrial, and professional audiovisual applications.

Adhering to the business philosophy of "Driving Technological Innovation for a Fully Automated World," IEI actively participates in international associations to promote technological advancement and industry collaboration. We have established manufacturing facilities in Taiwan and China, alongside a global marketing network. IEI consistently launches new products and actively explores emerging markets.

## Our certifications and memberships include:

Name of the Association	Form of Participation
<b>SDVoE Alliance</b>	Alliance Membership
<b>GS1 Taiwan</b>	Membership/E-Level Supplier
<b>PCI-SIG</b>	Annual Member
<b>Food and Drug Administration</b>	FDA Registration Listing
<b>Taiwan Intelligent HealthCare Association</b>	Permanent Group Member
<b>Hsinchu Biomedical Science Park Incubation Center, Small and Medium Enterprise Administration of the Ministry of Economic Affairs</b>	Incubation Service Member





# 1.

## Sustainable Governance

- 1.1 Sustainable Development Committee
- 1.2 Stakeholder Engagement
- 1.3 Materiality Assessment



## 1.

## Sustainable Governance

## 1.1 Sustainable Development Committee

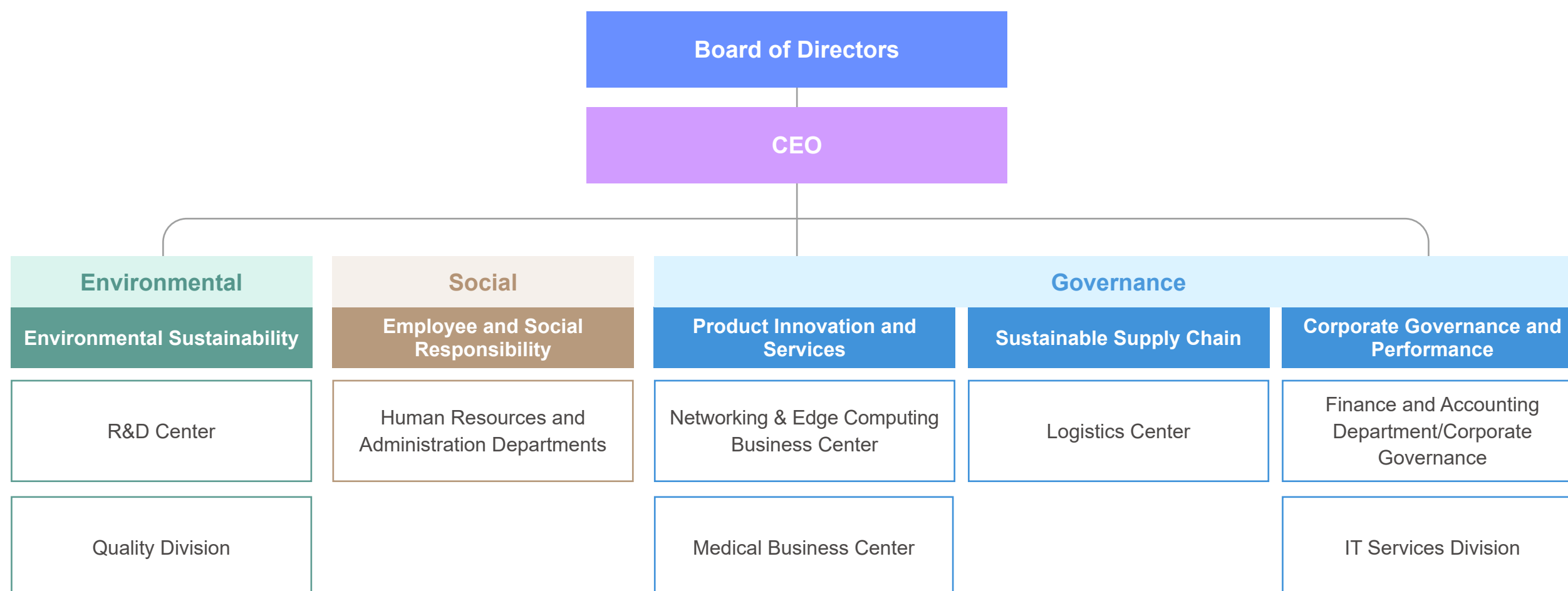
IEI officially established the Board-level Functional Sustainable Development Committee on November 3, 2023, to strengthen the Group's ongoing ESG efforts and achieve tangible results. The "ESG Sustainable Development Committee" is chaired by the CEO, who also serves as the convener, with senior executives from various departments serving as ex-officio members. The committee is responsible for promoting and executing sustainability-related matters, regularly reporting to the Board of Directors. This ensures the implementation of corporate governance, social responsibility, and environmental initiatives, while meeting stakeholder expectations and advancing towards the goal of sustainable development.

## IEI Sustainable Development Committee Organizational Structure

Highest Governance Body: Board of Directors

Chairman of the Committee: CEO

Committee Members: Vice President of Networking & Edge Computing Business Center; Vice President of Medical Business Center; Vice President of R&D Center and Quality Division; Vice President of Logistics Center; Manager of Human Resources and Administration Departments; Manager of Finance and Accounting Department/Corporate Governance Officer; Vice President of IT Services Division





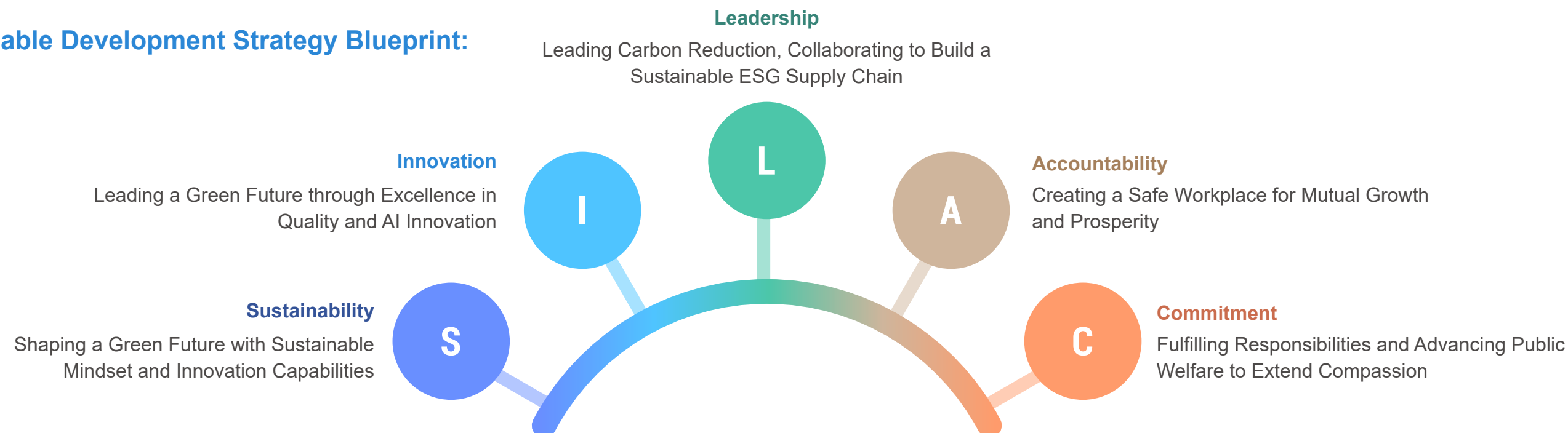
## Operation and Implementation of the Sustainable Development Committee

IEI has established a Sustainable Development Committee to align with the Company's sustainability themes and strategic direction. The committee has formed five working groups, focusing on the following areas: Product Innovation and Services, Sustainable Supply Chain, Environmental Sustainability, Employee and Social Responsibility, and Corporate Governance and Performance. Each working group addresses specific topics within its domain. The committee members develop relevant themes and assign members to the working groups, ensuring continuous progress through a top-down implementation mechanism. The working groups are responsible for convening relevant departments based on their assigned themes, with the goal of fostering an internal ESG culture and awareness through cross-departmental communication and discussions. The Company aims to achieve its group-wide sustainability objectives through vertical, horizontal, and cross-company initiatives within the Group. The Sustainable Development Committee holds at least two meetings annually, with additional meetings convened as needed. The committee regularly reports its sustainability implementation outcomes and future work plans to the Board of Directors. The Board oversees and manages the Company's sustainability performance through periodic reports. This includes the formulation of the Company's sustainability direction, strategic objectives, management policies, or implementation guidelines, as well as tracking and reviewing the effectiveness of implementation efforts. The Board must evaluate the potential outcomes of various development policies, regularly review the progress of strategies and plans, and, when necessary, instruct the Sustainable Development Committee to make adjustments.

### Committee Member List and Academic/Professional Backgrounds:

Committee	Position	Name	Major Academic	Professional BackgroundRole in Sustainability Impact Management
Convener	CEO	Jordan Jiang	Arizona State Univ. Ph.D. in IE CEO of IEI	The CEO serves as the Chairperson of IEI's ESG Committee, responsible for overseeing and making strategic decisions to ensure the effective implementation of sustainability initiatives.
Committee Member	Vice President	Sofia Chang	Yuan-Ze University, Department of Industrial Engineering IT Services Division of IEI	Responsible for managing the Company's overall information systems operations, establishes the Company's information security development strategy, oversees the implementation of related protection plans and management mechanisms, and coordinates resource planning and allocation to ensure information security and efficient operations.
Committee Member	Vice President	Kenny Jan	Department of Electrical Engineering, National Taiwan Ocean University Medical Business Center of IEI	Leads the development strategy for the medical product market, overseeing and ensuring that both internal and external impact management response mechanisms are properly established and effectively managed, thereby ensuring the sustainable development of the medical product market.
Committee Member	Vice President	Henry Du	Department of Engineering Science, National Cheng Kung University R&D Center of IEI	Oversees and manages the Company's product development direction, as well as the establishment of quality and environmental systems, ensuring compliance with regulatory requirements, environmental standards, and customer expectations.
Committee Member	Vice President	Elaine Kuo	Department of Business Administration, National Taipei University Logistics Center of IEI	Drives sustainable supply chain initiatives based on sustainability strategy requirements, conducts comprehensive evaluations of overall supply risks according to various sustainability indicators, and monitors the effectiveness of supplier management strategy implementation.
Committee Member	Vice President	Y.T. Lee	Institute of Computer Science and Information Engineering, National Chung Cheng University/EMBA, National Taiwan University Networking & Edge Computing Business Center of IEI	Formulates product and innovation development strategies for networking and edge computing to align with market trends and enhance team value. Simultaneously manages customer and service operations effectively to seize opportunities while reasonably controlling risks.
Committee Member	Manager	Emily Chen	MBA Program, University of Illinois Urbana-Champaign Head of Human Resources of IEI	Responsible for the planning, implementation, and review of human resource development strategies and related policies, including analysis and adjustments to ensure a stable human capital foundation while simultaneously enhancing both employee and corporate value.
Committee Member	Manager	Iris Wei	Department of Accounting, Fu Jen Catholic University Chief Financial and Accounting Officer/Corporate Governance Officer of IEI	Analyzes the impact of stakeholder concerns and international issues on the Company's sustainability governance, plans management systems that comply with regulatory requirements and industry development trends, and establishes processes for regular review and continuous improvement.

## Sustainable Development Strategy Blueprint:



### S Sustainable Win-Win

Corporate performance is no longer solely focused on profitability. The Company's development strategy and direction now incorporate sustainability thinking, not only considering the external environmental factors but also taking a holistic approach to the product lifecycle, the collective influence of the upstream and downstream supply chain, and the indispensable role of employees who create value for the Company. Furthermore, by exerting a positive impact and contribution to society, the corporate value of IEI will be elevated, positioning the Company as an ideal partner for its clients.

The world is facing the severe challenge of global warming caused by climate change, which will critically test the survival of humanity. IEI will continue to promote and establish systems related to environmental sustainability, aiming to reduce carbon emissions and environmental impact generated during its operations. Simultaneously, the Company is moving towards the development of low-carbon, energy-efficient green products. From the design and R&D stages, the Company aims to enhance the sustainability of raw materials, targeting the use of circular economy materials and adopting modular development to reduce carbon emissions during the manufacturing process.

### I Dual Drive for Intelligent Green Solutions

The core competitiveness of IEI lies in its excellent product and service quality. In addition to continuously advancing the development of low-carbon, energy-efficient green products, the Company is committed to aligning with the future trend of AI-enabled products. Leveraging its existing hardware capabilities and integrating software and innovation, IEI aims to provide more comprehensive and high-quality products and services. At the same time, the Company will implement the use of green materials in product development and design, adhering to regulatory requirements to achieve the goal of reducing the carbon footprint of its products.

### L Leading with Green Initiatives

In response to the global trend of reducing carbon emissions across supply chains, IEI will leverage its influence to drive suppliers at all levels toward sustainable business practices under ESG principles, fostering a more environmentally friendly future together.

### A Responsibility First

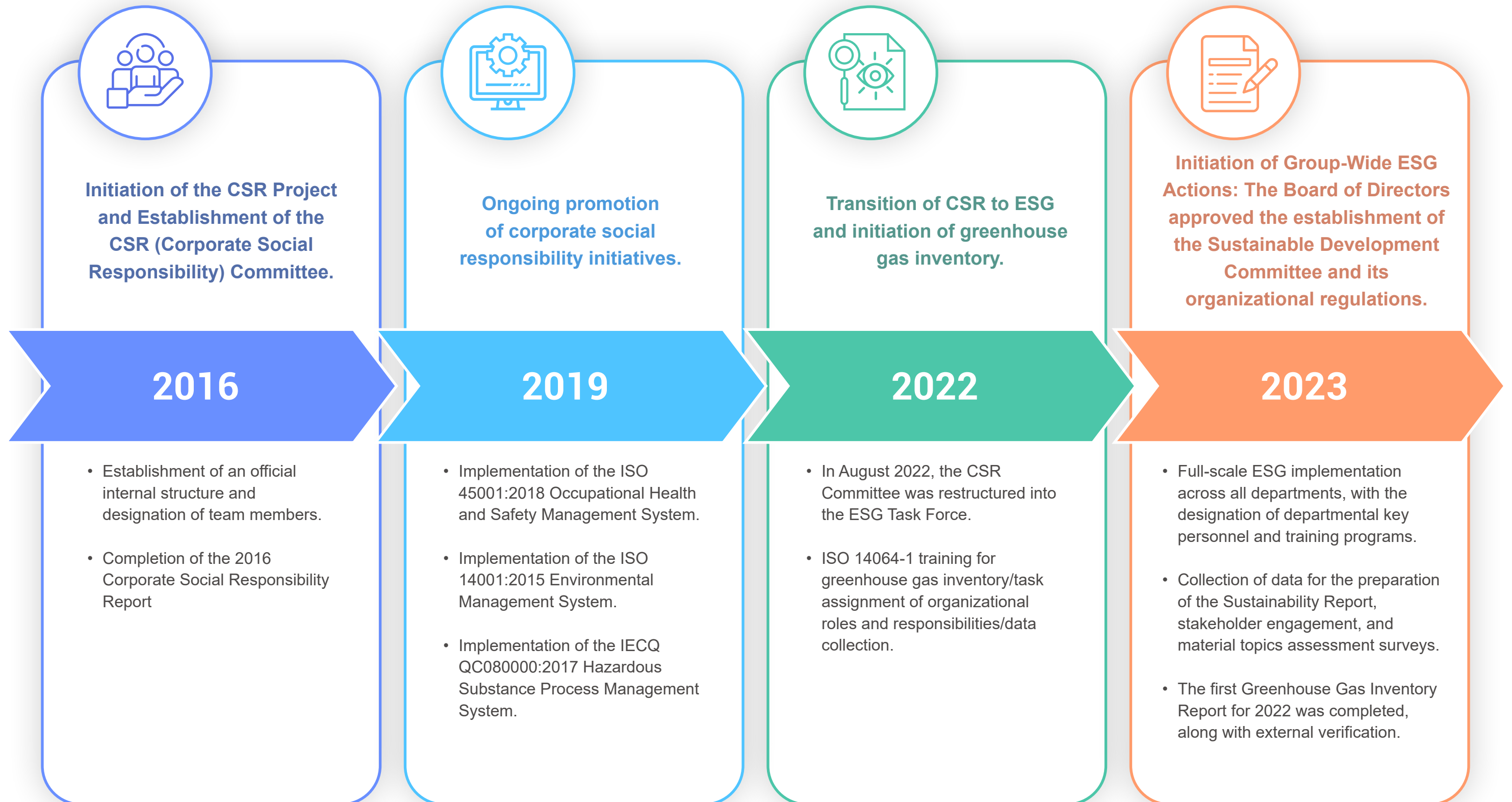
Corporate social responsibility is not to be overlooked. IEI remains actively engaged in various social welfare activities, not only fulfilling its societal contributions with sincerity but also integrating these efforts into its core business operations, making social welfare a key focus of the Company.

### C Co-creation for Mutual Prosperity

Providing employees with a secure and stable work environment is a mission that IEI firmly upholds. By fostering a culture that motivates employees to progress alongside the Company, the organization seeks to achieve mutual benefits by sharing profits with employees, thereby creating greater social value.



## Sustainable Development Implementation Timeline:





## 1.2 Stakeholder Engagement

IEI places great importance on its relationships with stakeholders and values their feedback. The Company maintains open communication and interaction with stakeholders across all business operations. Accordingly, IEI has identified five key stakeholder groups: shareholders, suppliers, employees, customers, and communities/non-profit organizations. We strive to comprehensively address and respond to the needs and expectations of our stakeholders. To effectively respond to the issues of concern for key stakeholders, IEI has established a diverse communication mechanism to ensure that stakeholder expectations are met.

The ESG Sustainable Development Committee of IEI discusses stakeholders encountered through operational activities and interactions, following the GRI 2021 Sustainability Reporting Standards. The committee applies a management process of identifying, investigating, and analyzing material topics. Therefore, IEI primarily uses surveys to collect material issues from stakeholders and responds to the issues of greatest concern to key stakeholders.

### IEI Stakeholder Communication Channels:

 <b>Shareholders</b>	Responsible Department	Communication Method/ Frequency	Outcomes of Communication	Key Discussion Topics
	• Corporate Governance Unit	• Annual Meeting of shareholders/ Every year	• One shareholders' meeting held in 2023	-
	• Spokesperson/Deputy Spokesperson	• Institutional Investor Conferences/At least twice per year	• 3 investor conferences held in 2023	-
 <b>Employees</b>	Responsible Department	Communication Method/ Frequency	Outcomes of Communication	Key Discussion Topics
	• Human Resources and Administration Departments	• Internal Website Promotion and Activities		
	• Internal Grievance Channels	• Labor-Management Meetings/ Quarterly • Occupational Safety and Health Committee/Quarterly	• 4 labor-management meetings held in 2023 • 4 Occupational Safety and Health Committee meetings held in 2023	<ul style="list-style-type: none"> <li>Enhanced Benefits and Subsidy Programs: These include employee health check subsidies, maternity benefits, employee travel allowances, and family day activities.</li> <li>Adjustments to employee travel expense limits and departmental dining allowances to align with changes in the cost of living.</li> </ul>

#### Significance of Stakeholders to IEI:

The long-term support and trust of shareholders are the driving forces behind IEI's steady growth. Strengthening relationships with shareholders and investors enhances the Company's visibility and value in the capital market.

#### Significance of Stakeholders to IEI:

Employees are a crucial foundation for promoting sustainable business practices. IEI offers a competitive environment and an inclusive workplace to attract talented individuals to grow and innovate together with the Company.





## Customers

### Significance of Stakeholders to IEI:

Customers are vital to IEI's market operations and product development, with their needs serving as a driving force for the Company's continuous growth. By prioritizing customer requirements and adhering to the philosophy of maintaining close cooperative relationships that are mutually beneficial, the Company is committed to the ongoing enhancement of its products, technologies, and services.

Responsible Department	Communication Method/ Frequency	Outcomes of Communication	Key Discussion Topics
<ul style="list-style-type: none"> <li>Business Departments</li> <li>Customer Technical Services Department</li> </ul>	<ul style="list-style-type: none"> <li>Regular Meetings with Customers/Ad-hoc</li> <li>Customer Satisfaction Survey/Annually</li> <li>Company Website and Business Contact Email</li> </ul>	<ul style="list-style-type: none"> <li>In 2023, the overall customer satisfaction score was 81%, reflecting a 6% increase compared to 2022.</li> </ul>	<ul style="list-style-type: none"> <li>Company Carbon Emission Reduction Policies, Commitments, and Goals</li> <li>Sustainable Development related Policies and Management</li> <li>Sustainable Supply Chain Management</li> </ul>



## Suppliers

### Significance of Stakeholders to IEI:

Collaboration with suppliers is an essential element for the Company to deliver high-quality products and services and is a key aspect of fulfilling its sustainability responsibilities. The promotion of a sustainable supply chain will be a focal point in IEI's future planning, fostering long-term, close partnerships with suppliers to grow together toward sustainability goals.

Responsible Department	Communication Method/ Frequency	Outcomes of Communication	Key Discussion Topics
<ul style="list-style-type: none"> <li>Global Supply Chain Management Headquarters</li> </ul>	<ul style="list-style-type: none"> <li>Collab TRADE Collaborative Service Platform</li> <li>Supplier Conference/Annually</li> </ul>	<ul style="list-style-type: none"> <li>From March 6 to March 10, 2023, the Annual Supplier Conference was held.</li> <li>Direct material suppliers are evaluated quarterly based on delivery timeliness, quality, and collaboration.</li> <li>Qualified suppliers undergo annual assessment procedures based on their transaction records, which include surveys or on-site inspections. This ensures that suppliers' performance in areas such as quality, environmental management, occupational safety and health, hazardous substance management, and compliance with the RBA framework and supply chain security management meets IEI's requirements.</li> </ul>	-



## Community/ Non-Profit Organizations

### Significance of Stakeholders to IEI:

IEI embodies the spirit of "taking from society and giving back to society." The Company maintains amicable relationships with local communities, public welfare organizations, and various groups, committing to giving back to the local area.

Responsible Department	Communication Method/ Frequency	Outcomes of Communication	Key Discussion Topics
<ul style="list-style-type: none"> <li>Human Resources and Administration Departments</li> </ul>	<ul style="list-style-type: none"> <li>Inquiries About Local Community Group Activities/Ad-Hoc</li> </ul>	<ul style="list-style-type: none"> <li>Material Donations Responded to: 429 Participants Participation in Handmade Crafts for Seniors Living Alone: 11 Participants</li> </ul>	-
	<ul style="list-style-type: none"> <li>Community Management Meetings/Ad-Hoc</li> </ul>		-

## 1.3 Materiality Assessment

### Identification of IEI's Sustainability Topics

#### International Initiatives

GRI

SDGs

RBA

SASB

#### Stakeholder Feedback

5 key stakeholders of IEI

#### Business Strategy

IEI's Internal Business Objectives

### Governance and Economic Issues

- Customer Service
- Business Integrity
- Sustainable Supply Chain
- Tax Management
- Information Security
- Quality Management
- Economic Impact

### Environmental Issues

- Energy Management
- Water Stewardship
- Biodiversity
- Climate Strategy
- Product Responsibility
- Waste Management

### Social Issues

- Talent Attraction and Retention
- Occupational Health and Safety
- Product Responsibility
- Diversity and Inclusion
- Human Capital Development
- Social Impact
- Human Rights

### Sustainability Issues Collection

Change brings impact. IEI focuses on international sustainability trends and standards, including the GRI Standards, United Nations Sustainable Development Goals (SDGs), Responsible Business Alliance (RBA), Sustainability Accounting Standards Board (SASB), and relevant international sustainability evaluations. The Company also references industry peers' sustainability issue disclosure frameworks. Each year, a survey is conducted to identify and assess sustainability topics relevant to IEI. Ultimately, a total of 20 sustainability issues related to the Company's operations are compiled.

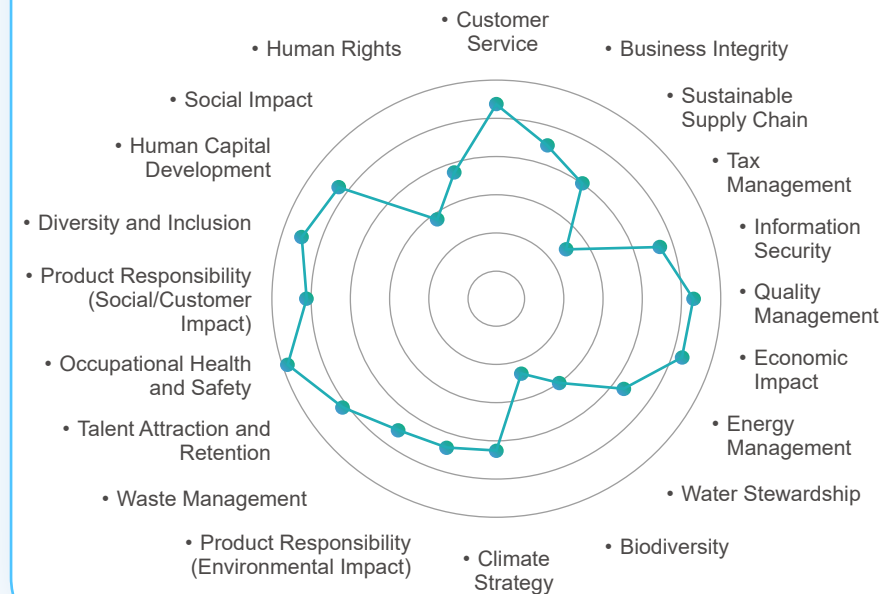




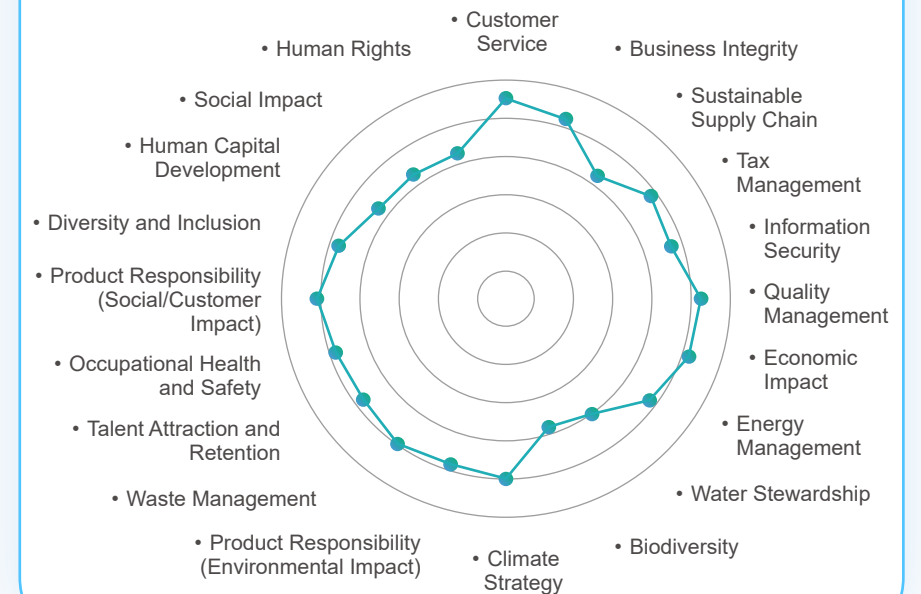
## Stakeholder Engagement Survey

The opinions of stakeholders are crucial for IEI's advancement of sustainable development. To this end, the Company will distribute a sustainability-related questionnaire to key stakeholders through the appropriate departments. This initiative aims to gather data on the various issues of concern to these stakeholders and to understand their level of interest in different sustainability topics.

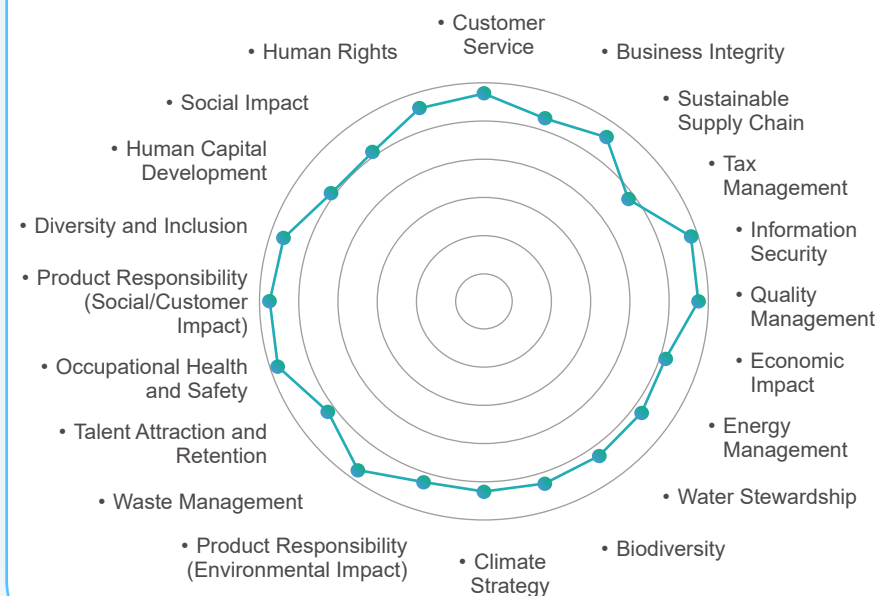
### Community/ Non-Profit Organizations' Concerns



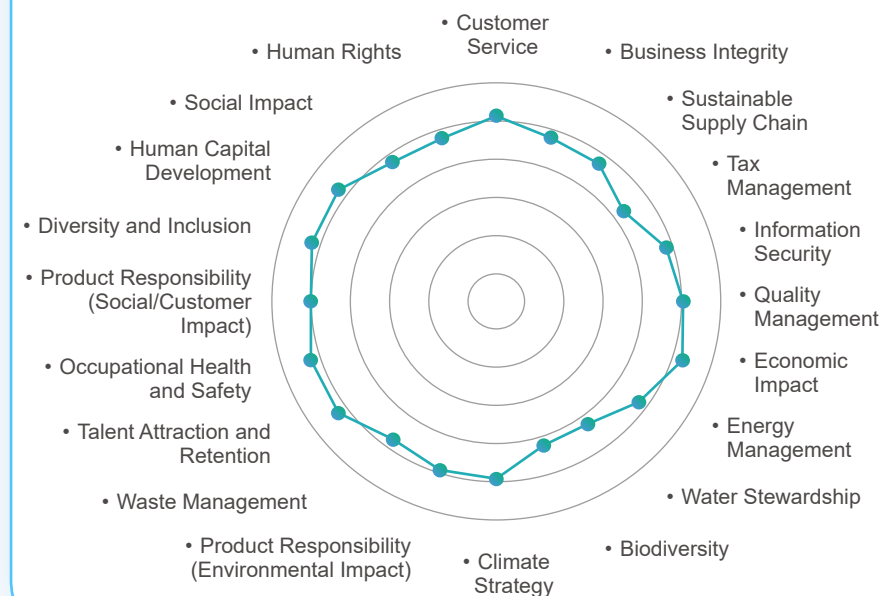
### Shareholders' Concerns



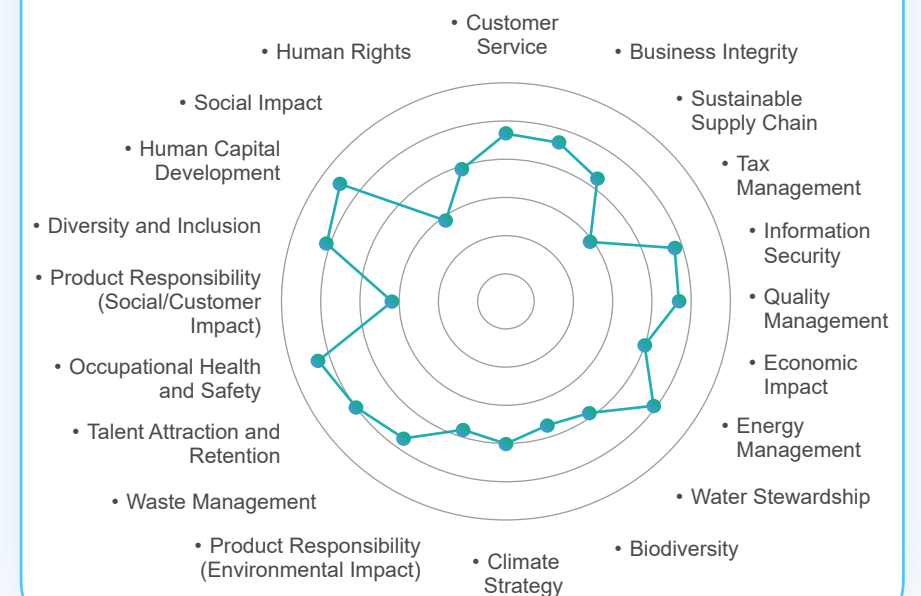
### Customers' Concerns



### Employees' Concerns



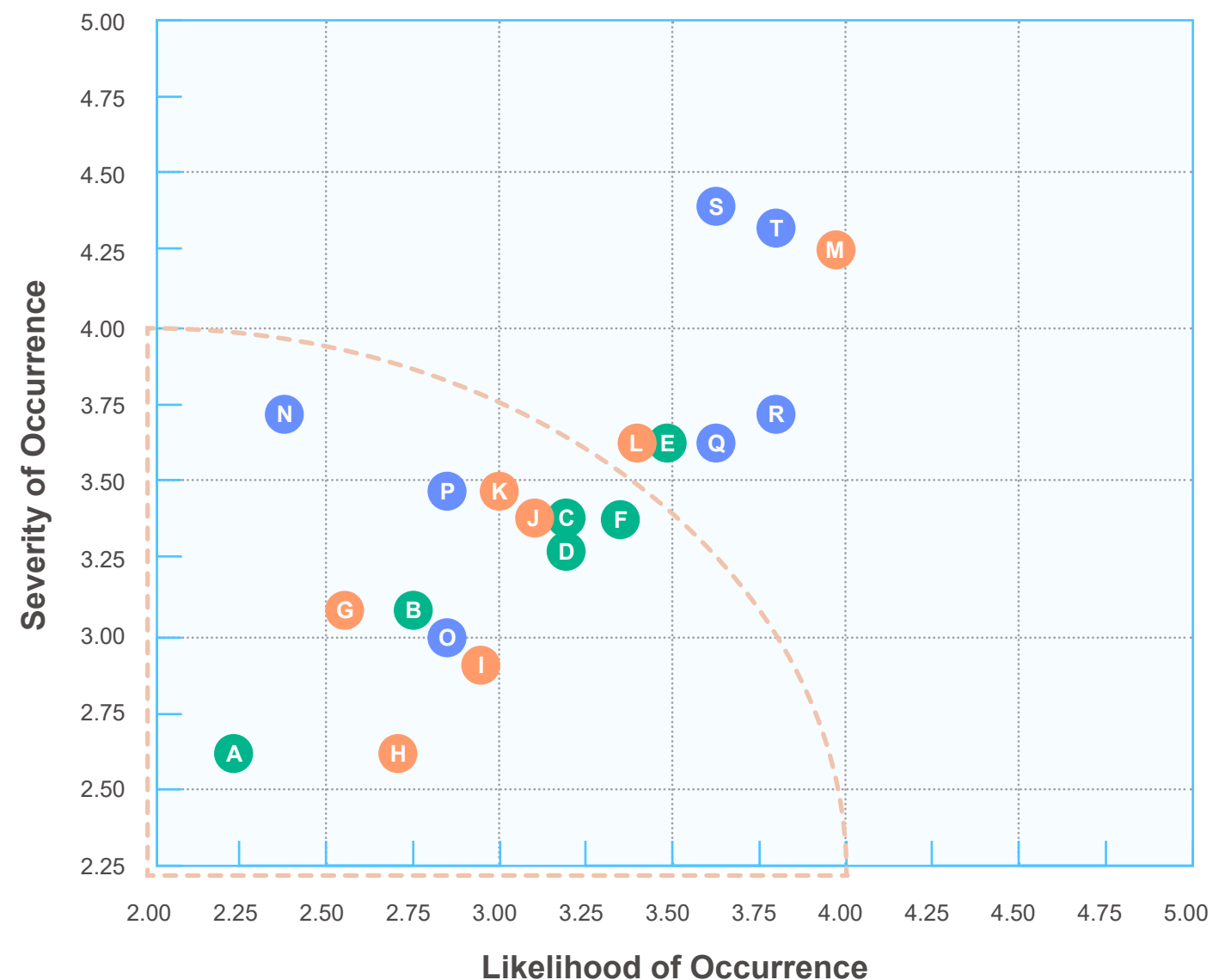
### Suppliers' Concerns



## Sustainability Issue Analysis

IEI invited 13 senior executives to conduct a two-dimensional analysis based on "Severity of Occurrence" and "Likelihood of Occurrence." This analysis assesses the positive and negative impacts of various sustainability issues. When evaluating the impact level, any issue that presents actual or potential human rights risks will be rated with the highest severity score. Additionally, the Company considers the degree of concern expressed by stakeholders regarding each issue, which will serve as an evaluation tool for IEI's ongoing review of the impact levels of sustainability topics.

Sustainability Issue Impact Analysis Chart



### Environmental Dimension

- A Biodiversity
- B Water Stewardship
- C Climate Strategy
- D Waste Management
- E Energy Management
- F Product Responsibility (Environmental Impact)

### Social Dimension

- G Human Rights
- H Diversity and Inclusion
- I Social Impact
- J Occupational Health and Safety
- K Product Responsibility (Social/Customer Impact)
- L Human Capital Development
- M Talent Attraction and Retention

### Governance and Economic Dimension

- N Business Integrity
- O Economic Impact
- P Tax Management
- Q Customer Service
- R Sustainable Supply Chain
- S Information Security
- T Quality Management

As illustrated in the chart above, the prioritization of issues is determined by multiplying the scores of Likelihood of Occurrence and Severity of Occurrence. This evaluation also takes into account the Company's core development strategies. Following discussions with the members of the Sustainable Development Committee, seven material topics have been identified, which will be disclosed in this report.



## Disclosure of Material Topics

We refer to the GRI Universal Standards, specifically GRI 1 Foundation and GRI 3 Material Topics Standard, to assess the economic, environmental, social, and human rights impacts and impact boundaries of significant issues. These impacts may simultaneously present positive, negative, actual, and potential effects, influencing both the internal and external dimensions of the Company. We recognize that these impacts or effects may evolve over time as the Company's activities, business relationships, and environmental context develop. Therefore, we will continuously assess the environmental landscape and identify their impacts..

Dimensions	Material Topics	GRI Standards	Significance for IEI
Environmental Dimension	Energy Management	<ul style="list-style-type: none"> <li>GRI302 Energy</li> </ul>	In the context of today's tightening energy supply and rising awareness of carbon reduction, energy management has become an essential aspect that businesses cannot afford to overlook. IEI's energy usage is primarily focused on electricity consumption. Strengthening electricity management and usage not only reduces carbon emissions and enhances the corporate image but also helps to lower operational costs and increase competitiveness. Moreover, assessing and promoting the use of renewable energy and improving energy efficiency is a concrete commitment to our social responsibility. This aligns with international sustainability standards and regulatory requirements, ensuring that the Company maintains a leading position in future energy transitions.
	Talent Attraction and Retention	<ul style="list-style-type: none"> <li>GRI402 Labor/Management Relations</li> <li>GRI401 Employment</li> <li>GRI404 Training and Education</li> <li>GRI405 Diversity and Equal Opportunity</li> <li>GRI202 Market Presence</li> </ul>	Talent is the most valuable asset of the Company. IEI offers competitive market salaries and a diverse benefits system, adhering to a corporate culture of innovation, enthusiasm, and integrity. We promote a diverse and inclusive work environment, aiming to attract and retain exceptional talent, thereby enabling both employees and the Company to grow and progress together.
Social Dimension	Human Capital Development	<ul style="list-style-type: none"> <li>GRI404 Training and Education</li> </ul>	A robust employee training and development system fosters the growth of professional skills and the accumulation of personal experiences, enhancing the Company's productivity and enabling a swift response to market changes and challenges. IEI is committed to providing a conducive work environment for talent to realize their potential. In alignment with the Company's operational strategy and employees' individual career development, we plan annual training programs that include onboarding education, professional skills training, management competencies, internal technical exchanges, knowledge sharing, and health promotion seminars. We aim for our colleagues and the Company to grow together, thereby enhancing organizational competitiveness.
	Information Security	<ul style="list-style-type: none"> <li>GRI418 Customer Privacy</li> </ul>	Information security has become a critical indicator of sustainable business operations. It is not merely a mechanism for preventing cyberattacks; rather, the widespread awareness of information security within the organization and effective risk management are essential under an operational model that increasingly relies on information systems. Furthermore, as IEI integrates cloud services and undergoes technological transformation, ensuring information security will be an indispensable component in enhancing the Company's competitiveness.
Economic Dimension	Quality Management	<ul style="list-style-type: none"> <li>GRI416 Customer Health and Safety</li> </ul>	Comprehensive quality management across all stages, from research and development, procurement to product manufacturing, ensures compliance with regulations and meets customer expectations. By implementing management systems, we continuously optimize our quality management model and risk management mechanisms, aiming for sustainable quality management goals.
	Customer Service	<ul style="list-style-type: none"> <li>GRI416 Customer Health and Safety</li> </ul>	Quality management plays a crucial role in the Company's sustainable development. Providing customers with high-quality services is one of IEI's competitive advantages. We are committed to continuously enhancing our professional technical services to improve customer satisfaction, effectively and concretely responding to customer and market demands, and creating value through IEI's products and services.
	Sustainable Supply Chain	<ul style="list-style-type: none"> <li>GRI308 Supplier Environmental Assessment</li> <li>GRI414 Supplier Social Assessment</li> </ul>	As a benchmark client in the industry, IEI not only pursues profit but also recognizes its responsibility and obligation to share supply chain sustainability responsibilities with its supplier partners. In addition to meeting essential requirements such as competitive quality, technology, delivery times, and costs, IEI will increasingly focus on governance, environmental, and social aspects of suppliers. This approach aims to engage suppliers as important partners in promoting sustainable development within the value chain.



# 1 Energy Management

## Material Topic Management Policy

<b>Impact Descriptions</b>	Electricity usage and electricity pricing directly impact the Company's operational costs. Carbon emissions generated from electricity consumption will also become one of the costs associated with product sales in the future, affecting the Company's operational performance and outcomes. Additionally, electricity usage influences greenhouse gas emissions and the carbon footprint of products, making it a key focus for corporate image and the promotion of green products.
<b>Impact Parties</b>	Impacts on the Company's operational costs and corporate image.
<b>Scope of Impact</b>	Overall operations of IEI
<b>Impact Time Frame</b>	Company operational period
<b>Policy</b>	Established and implemented an effective environmental management system in accordance with ISO 14001, continuously implementing energy-saving measures and optimizing energy usage management to achieve IEI's specific reduction targets.
<b>Commitment</b>	To effectively manage energy usage and enhance performance, we will reduce operational costs and greenhouse gas emissions through the optimization and management of energy consumption, thereby achieving our environmental sustainability goals.
<b>Objectives and Targets</b>	Established reduction targets and conduct regular reviews, aiming for a 3% annual decrease in electricity consumption intensity.
<b>Responsibility</b>	Human Resources and Administration Departments (General Affairs) Manager
<b>Action Plan</b>	Energy-saving Measures: Equipment upgrades prioritize energy efficiency. The main central air conditioning system is dynamically adjusted based on weather conditions and monitored continuously for operational status. All lighting fixtures are replaced with LED lights. Regular inspections of electricity usage on each floor are conducted. Electricity Management: Regular analysis and review of electricity bills are conducted. Investigations of major energy-consuming equipment are carried out to facilitate future electricity management. We plan to implement the ISO 50001 Energy Management System.
<b>Action Plan Monitoring Methods</b>	Internal company energy-saving awareness campaigns/Ad-hoc inspections/Systematization of electricity billing information
<b>Performance Measurement Results (Note)</b>	Regular quarterly/annual reviews of electricity consumption In 2023, IEI's electricity consumption increased by 3.04% compared to 2022, primarily due to the increased use of testing equipment. The Company will conduct an assessment of major energy-consuming equipment and develop energy-saving and management plans accordingly.
<b>Stakeholder Participation</b>	Internally promoting energy-saving habits among employees includes turning off unnecessary power sources or air conditioning, switching off lights during lunch breaks, and conducting ad-hoc inspections by administrative staff.

Note: Data source is solely from the parent company, IEI.



# 2 Talent Attraction and Retention

## Material Topic Management Policy

Material Topics

<b>Impact Descriptions</b>	The inability to attract suitable talent or a shortage of human resources can hinder project operations and limit business development, potentially leading to decreased operational efficiency or an increased frequency of errors due to staffing shortages, resulting in additional operational costs or losses. Conversely, having the right talent allows operations to function effectively, and retaining employees contributes to operational stability and project development, supporting consistent growth and profitability.
<b>Impact Parties</b>	Direct impacts on company employees.
<b>Scope of Impact</b>	Overall operations of IEI
<b>Impact Time</b>	FrameOperational period (short-term)
<b>Policy</b>	Salary Management Policy, Employee Performance Evaluation Policy, Personnel Transfer and Promotion Assessment Management Policy, and Education and Training Subsidy and Retention Policy.
<b>Commitment</b>	IEI is dedicated to cultivating exceptional talent within the industry by providing employees with ongoing learning and development opportunities to enhance their professional skills and achieve their occupational goals. We are committed to offering a stable and secure workplace, competitive salaries, and a diverse benefits system, with the expectation that our employees will grow alongside the Company.
<b>Objectives and Targets</b>	Personnel Recruitment Fulfillment Rate: Above 75%; Annual Employee Turnover Rate: Below 15%
<b>Responsibility</b>	Human Resources and Administration Departments (HR) Manager
<b>Action Plan</b>	<ol style="list-style-type: none"> <li>1. Enhancing Recruitment Channel Diversity: This includes online platforms, campus recruitment, and expanding collaborations with external recruitment agencies. We also encourage employee referrals and provide referral bonuses. The number of recruitment agency partnerships has increased from two to three, facilitating faster recruitment of key talents and mid-to-senior-level positions.</li> <li>2. By leveraging job banks, campus recruitment, social media, and dedicated talent acquisition sections on our corporate website, we enhance our brand visibility and job opportunities, thereby attracting diverse talent from various sectors.</li> <li>3. Maintain a robust and timely recruitment process, regularly analyzing employee turnover reasons and implementing improvements based on our findings.</li> <li>4. Each year, we participate in industry remuneration and benefits surveys to understand market salary levels, which serve as a reference for internal salary adjustments, ensuring our employees' compensation remains competitive.</li> <li>5. Increased employee benefits, such as providing subsidies for gastrointestinal/endoscopic examinations and full reimbursement for flu vaccinations.</li> </ol>
<b>Action Plan Monitoring Methods</b>	Regular quarterly review meetings are held to assess the achievement of various human resource indicators.
<b>Performance Measurement Results (Note)</b>	In 2023, the employee vacancy fulfillment rate was 86.42%, and the annual employee turnover rate was 10.68%.
<b>Stakeholder Participation</b>	Among the new hires in 2023, three were referred by internal employees, all of whom have been employed for over six months and are still with the Company.

Note: Data source is solely from the parent company, IEI.





## 3. Information Security

### Material Topic Management Policy

<b>Impact Descriptions</b>	Failures or damage to information hardware infrastructure, maintenance or control of system data, improper transmission, or data breaches caused by intentional or unintentional actions of personnel may lead to misuse or disruption of information or product services. These issues can affect the Company's internal operations or external parties (such as customers or suppliers), potentially resulting in significant losses.
<b>Impacted Parties</b>	Customers, Suppliers, Employees
<b>Scope of Impact</b>	Company operational period
<b>Impact Time Frame</b>	Operational period
<b>Policy</b>	Complying with information security regulations and the ISO 27001 international standard safeguards the Company's business continuity and effectively reduces the risks of information asset theft, misuse, leakage, or destruction due to human error, hacker attacks, or natural disasters. This ensures the protection of the interests of shareholders and customers.
<b>Commitment</b>	While continuously undergoing digital transformation, it is essential to ensure the security of the Company's information assets, mitigating various threats and reducing potential risks.
<b>Objectives and Targets</b>	Established a robust information security management system to reduce risks and ensure compliance. Enhanced response and recovery capabilities to strengthen system resilience. Continuously monitor the information security status and implement improvements. Promoted information security governance and raise risk awareness.
<b>Responsibility</b>	Vice President of IT Services Division
<b>Action Plan</b>	Implementation and audit verification of ISO 27001 information security management. Off-site backup and disaster recovery drills for critical application systems. Continuous deployment of endpoint security protection. Ongoing vulnerability scanning and remediation. Collaborative defense with the CSIRT across subsidiaries. Information security training for new employees. Annual information security education and training. Monthly information security awareness campaigns. Ad-hoc phishing email simulations for social engineering awareness.
<b>Action Plan Monitoring Methods</b>	Regular monitoring and statistical data analysis.
<b>Performance Measurement Results (Note)</b>	Completion of ISO 27001 audit and certification, adjustments, and implementation of IDC data center and Qidu backup mechanisms, with timely remediation of security vulnerabilities preventing any disaster events. Regular information security awareness campaigns, including warnings about phishing emails and best practices for cloud data sharing. Information security training: covering new employee onboarding with information security guidelines, ISO 27001 personnel security training, application system security awareness, IT basics such as switch management, and software supply chain security risk management practices.
<b>Stakeholder Participation</b>	New employee and annual training programs communicate the Company's information security policies and regulations, while internal ad-hoc announcements are used to promote security awareness and related operational guidelines.



## 4. Quality Management

### Material Topic Management Policy

<b>Impact Descriptions</b>	The planning of green products that meet quality standards and align with market environmental impact requirements aims to attract more distributors, system integrators, and ODM customers with similar demands, thereby enhancing market competitiveness. Conversely, a lack of effective quality management and compliance with relevant standards or regulations may lead to resource waste, negatively impact customer perception, brand reputation, or company image, and result in decreased business efficiency or loss of revenue.
<b>Impacted Parties</b>	Executing Employees, Supply Chain to Customers
<b>Scope of Impact</b>	The Company's internal processes encompass product research and development, procurement, manufacturing, as well as external logistics, customers, and end users.
<b>Impact Time Frame</b>	In the short term, the Company needs to allocate resources to improve product qualification rates, enhance employee training, and optimize supplier management policies. In the medium to long term, it is essential to implement comprehensive quality management, continuously improve the quality of products and services, and drive research and development innovation to enhance customer satisfaction, corporate image, and market position.
<b>Policy</b>	Established a comprehensive quality management policy that balances supply chain quality and customer orientation. Enhanced employees' quality awareness through ongoing training. Ensure regulatory compliance and promote environmental sustainability principles.
<b>Commitment</b>	Continuously improving product quality while meeting customer demands and achieving sustainability.
<b>Objectives and Targets</b>	Strictly control and improve product qualification rates, with a production yield of $\geq 97\%$ and OQC defect rate of $\leq 0.15\%$ Strengthen supply chain quality management and ensure compliance with HSF regulations, with IQC rejection rate of $\leq 0.3\%$ and a 100% delivery HSF compliance rate from suppliers. Effectively implement supplier evaluation standards, including supplier quality agreement requirements and training, and complete annual supplier assessments on schedule.
<b>Responsibility</b>	Vice President of Quality Management Division
<b>Action Plan</b>	Continuously optimize quality control processes and upgrade inspection equipment or automate production lines. Enhance supply chain quality management, implement supplier evaluation classification and grading, and conduct annual assessments and reporting.
<b>Action Plan Monitoring Methods</b>	Quality data monitoring, regular quality reporting, and indicator management. Supplier evaluation classification, grading, and execution of annual assessments with reporting. Collection, review, analysis, and improvement of KPI achievement status.
<b>Performance Measurement Results (Note)</b>	In 2023, the production line's monthly average yield was 97.09%, the OQC defect rate was 0.0146%, the IQC rejection rate was 0.0075%, and the suppliers' HSF delivery compliance rate was 100%, all meeting the target values.
<b>Stakeholder Participation</b>	Annual customer satisfaction surveys (including quality metrics) and annual supplier conferences to promote the Company's quality policies.

Note: Data source is solely from the parent company, IEI.



## 5. Customer Service

### Material Topic Management Policy

<b>Impact Descriptions</b>	Improper handling of customer service may lead to a loss of customer trust, damage to brand reputation, and even legal disputes or penalties, which could result in direct or indirect financial losses. On the other hand, effective customer service management enhances market outreach, strengthens relationships with upstream and downstream partners, and improves operational efficiency and customer satisfaction.
<b>Impacted Parties</b>	Customers and all personnel related to customer service.
<b>Scope of Impact</b>	Internal operations of the Company and external market reputation.
<b>Impact Time Frame</b>	In the short term, there may be a decline in customer satisfaction, low employee morale, and associated repair costs. In the medium to long term, this can lead to customer attrition, diminished brand trust, and an overall negative impact on corporate value.
<b>Policy</b>	Clear service standards and response time frames; training and development for customer service personnel; a systematic customer feedback mechanism for ongoing service quality improvement.
<b>Commitment</b>	Allowed the Company to build a solid foundation of trust, enhance customer and employee satisfaction, ensure a competitive advantage in the market, and promote the long-term stability and development of overall business operations.
<b>Objectives and Targets</b>	Established a clear set of processes and guidelines to effectively manage material topics arising in customer service, safeguarding customer rights and maintaining the Company's reputation. The overall customer satisfaction target is set at ≥75%.
<b>Responsibility</b>	Vice President of the Networking & Edge Computing Business Center, Vice President of the Medical Business Center
<b>Action Plan</b>	Established standardized processes and response times for customer service. Regularly assess service performance using quantitative indicators such as KPIs, including customer satisfaction and problem resolution time. Additionally, implement a mechanism for responding to unexpected events.
<b>Action Plan Monitoring Methods</b>	Annual Customer Satisfaction Survey; Customer Churn Rate; Customer Questionnaire Survey, Interviews, and Feedback Information Collection and Analysis; Internal Audit Review.
<b>Performance Measurement Results (Note)</b>	The overall customer satisfaction rate for the year 2023 is 81%.
<b>Stakeholder Participation</b>	Regular or ad-hoc meetings, annual customer satisfaction surveys, customer questionnaires, feedback comments from social media platforms, and communication through business and customer service channels/email, etc.

Note: Data source is solely from the parent company, IEI.



## 6. Sustainable Supply Chain

### Material Topic Management Policy

#### Material Topics

<b>Impact Descriptions</b>	The Company's raw material procurement and manufacturing processes must incorporate environmental impact and social responsibility considerations to ensure that its products and corporate image align with current sustainability trends. This approach is essential to maintaining and enhancing product competitiveness in the market.
<b>Impacted Parties</b>	IEI and its supplier partners.
<b>Scope of Impact</b>	Overall operations
<b>Impact Time Frame</b>	Operating period
<b>Policy</b>	Established a "Supplier Commitment to Corporate Social Responsibility Guidelines" to foster a sustainable management culture among suppliers.
<b>Commitment</b>	Enhanced procurement performance, establish partnerships to cultivate safety awareness, and collectively assume corporate social responsibility within the workplace.
<b>Objectives and Targets</b>	The target for local supplier procurement is set at 60%. We will continue to promote sustainability issues within the value chain, integrating suppliers' social responsibility into supplier evaluations and implementing systematic management to increase the signing rate of social responsibility commitments among suppliers.
<b>Responsibility</b>	Vice President of the Logistics Center
<b>Action Plan</b>	The short-term goal for 2024 is to complete the revision of the ESG "Supplier Commitment to Compliance with Corporate Social Responsibility Guidelines" and incorporate this commitment into the criteria for new supplier evaluations. The medium- to long-term goal is to establish a comprehensive Corporate Social Responsibility assessment framework year by year. Based on the audit results, a communication platform with suppliers (GSCM) will be established. For any identified shortcomings, relevant professionals from the Group will be commissioned to provide recommendations and assist in planning improvements.
<b>Action Plan Monitoring Methods</b>	Regularly conduct supplier evaluations and assessments, followed by discussions and adjustments based on the results. Additionally, hold ad-hoc supplier engagement meetings to discuss and share on various topics.
<b>Performance Measurement Results</b>	The "Supplier Commitment to Corporate Social Responsibility Guidelines" has been signed in writing, with a completion rate of 97% among suppliers by the end of 2023. Moving forward, suppliers who cannot improve and grow together will be phased out based on audit results to enhance compliance rates.
<b>Stakeholder Participation</b>	The Logistics Center and Quality Division of IEI, in collaboration with our supplier partners, jointly participated in the annual Supplier Conference and Sustainability Sharing Forum.





# 7 Human Capital Development

## Material Topic Management Policy

### Material Topics

<b>Impact Descriptions</b>	The integrity of the employee education and training system, as well as the investment of resources, is crucial to the operational capabilities of the Company. If the outcomes of the training programs are inadequate, it may adversely affect the Company's innovative growth and, consequently, its operational performance. Conversely, effective education and training can motivate employees to innovate, thereby enhancing operational performance.
<b>Impacted Parties</b>	Direct impacts on company employees.
<b>Scope of Impact</b>	Overall operations of IEI
<b>Impact Time Frame</b>	Operational period (short-term)
<b>Policy</b>	Education and training control procedures, education and training subsidies, and retention policies.
<b>Commitment</b>	IEI provided ongoing professional training and development opportunities to ensure employees are equipped with the latest skills and knowledge. The Company has also implemented an online learning platform to expand access to learning resources, fostering a culture of continuous learning within the organization. This approach encourages employees to engage in lifelong learning, promoting mutual growth between the employees and the Company.
<b>Objectives and Targets (Note)</b>	The average number of training hours per employee per year is 8 hours, and the execution rate of the annual training plan exceeds 50%.
<b>Responsibility</b>	Human Resources and Administration Departments (HR) Manager
<b>Action Plan</b>	<p><b>New Employee Training:</b> The program enables new employees to gain an in-depth understanding of the Company's development history, corporate commitments, and organizational culture, helping them effectively adapt to the work environment. It also incorporates occupational safety and health, as well as information security content, ensuring new employees are familiar with relevant systems and policies, thereby enhancing their knowledge related to corporate operations.</p> <p><b>Professional Skills Training:</b> Training is tailored to the specific job requirements of each department, providing relevant professional knowledge to enhance employees' competencies and foster their professional growth.</p> <p><b>Knowledge Sharing and Study Groups:</b> Through learning new knowledge from internal and external sources, technical exchange sessions, and health promotion seminars, employees are encouraged to engage in continuous learning at work. Starting in 2023, the Harvard Business Review online learning platform was introduced, providing management courses as a learning resource for supervisors. Additionally, two study group sessions were organized to facilitate practical experience exchange and peer learning.</p>
<b>Action Plan Monitoring Methods</b>	Training hours and performance are regularly tracked on a quarterly basis, while the execution rate of the annual training plan is evaluated annually.
<b>Performance Measurement Results (Note)</b>	In 2023, the average training hours per employee amounted to 11.16 hours, achieving the set target. The execution rate of the annual training program was 53.27%, also meeting the established goal.
<b>Stakeholder Participation</b>	Employees participated in training courses based on the annual training plan or through individual training requests.

Note: Data is sourced solely from the parent company, IEI. The average training hours do not include employee self-study hours.

# 2.

## Corporate Governance and Performance

- 2.1 Governance Structure and Operations
- 2.2 Business Integrity and Anti-Corruption
- 2.3 Business Results and Financial Performance
- 2.4 Sustainable Supply Chain
- 2.5 Information Security



## 2.

# Corporate Governance and Performance

## 2.1 Governance Structure and Operations

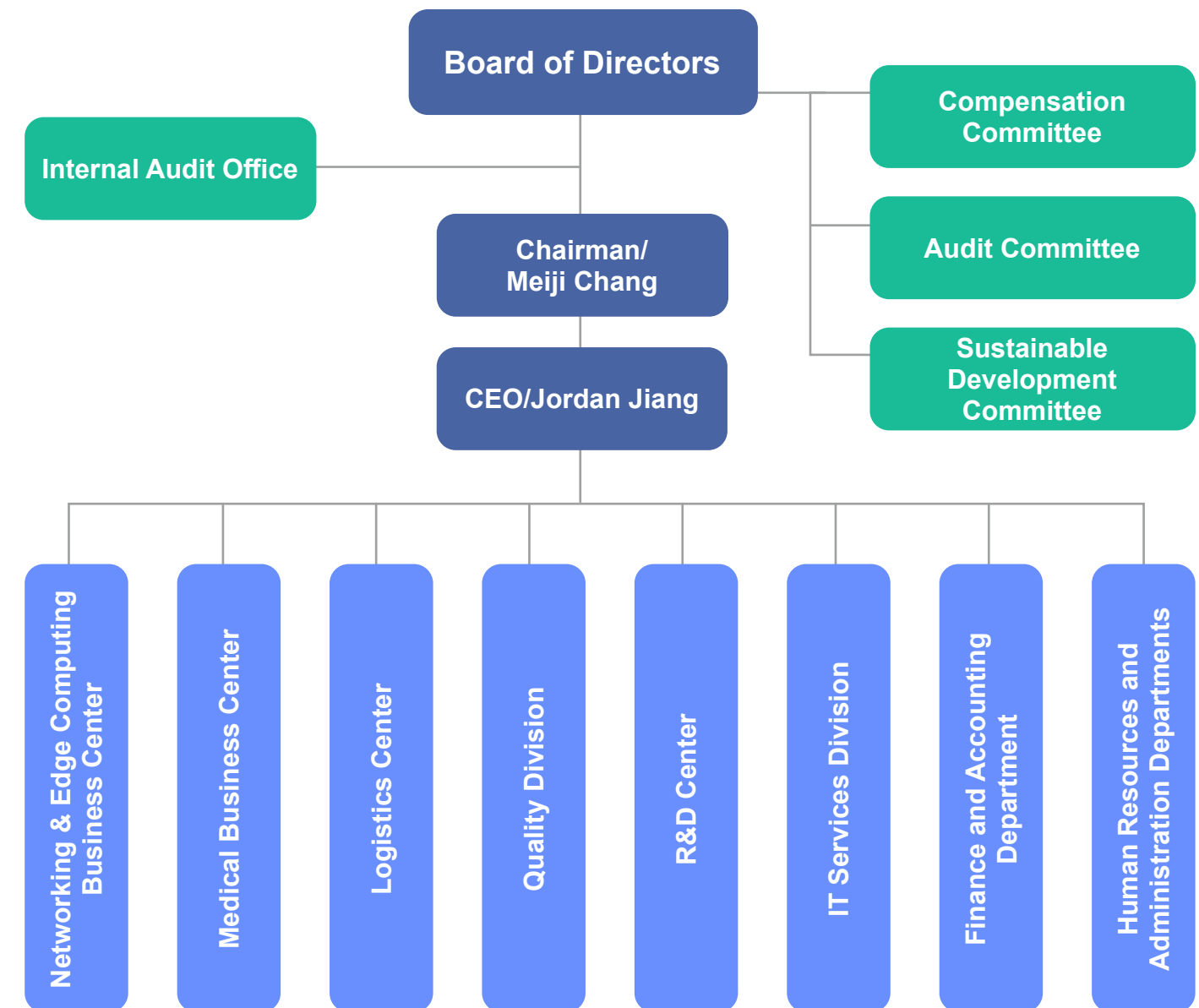
The Board of Directors serves as the highest governance body and the central decision-making authority, responsible for corporate operations, management, and oversight to safeguard the rights and interests of shareholders and all stakeholders. In November 2022, the Board approved the establishment of a Chief Corporate Governance Officer, appointing the head of finance and accounting to concurrently fulfill this role to ensure the effective implementation of corporate governance practices.

The IEI Board of Directors consists of seven members, including four directors and three independent directors. The election of directors (including independent directors) follows a candidate nomination system. After the Board reviews and confirms that the candidates meet the necessary qualifications, the list of nominees is submitted to the shareholders' meeting, where shareholders select the directors from the list.

### Avoidance of conflict of interest

All positions concurrently held by IEI directors in other companies are approved by the shareholders' meeting at the time of their election. For specific details on concurrent positions, please refer to page 10 of the annual report. IEI's directors uphold a high standard of self-discipline. For any agenda items presented to the Board in which a director or the legal entity they represent has a conflict of interest, the director is required to disclose the key aspects of the conflict at the meeting. If the conflict is deemed potentially harmful to IEI's interests, the director must abstain from participating in the discussion and voting, and must also refrain from acting as a proxy for other directors in exercising their voting rights.

For details on the directors' recusal from conflict of interest-related resolutions in 2023, please refer to pages 21-22 of the annual report.



### Board Performance Evaluation

The annual performance evaluations of the Board of Directors and functional committees are conducted regularly. In 2023, the performance evaluation results for the Board of Directors ranged between 4 (Excellent) and 5 (Outstanding). The directors largely expressed strong agreement with the operation of the various assessment indicators, evaluating the overall functioning of the Board of Directors and functional committees as effective, in alignment with corporate governance requirements. This has successfully strengthened the Board's functions and safeguarded shareholder interests.



## Diversity of the Board of Directors

The composition of the Board of Directors includes, but is not limited to, diversity in gender, age, nationality, culture, professional background, expertise, and industry experience. The specific management objectives and the status of their achievement are as follows:

Management Objectives	Achievement Status
The number of directors who are also company executives should not exceed one-third of the total board seats.	1 director serves as the CEO, which does not exceed one-third.
The Board of Directors must include at least one female director.	1 female director.
Independent directors must occupy more than one-third of the total board seats.	3 independent directors, accounting for 43% of all board seats.
More than half of the independent directors should not have served more than three consecutive terms.	All independent directors have not yet reached three consecutive terms.
Adequate diversity of professional knowledge and skills.	Possess expertise in industry knowledge, operational judgment and management, financial analysis, and decision-making experience. (For complete information, please refer to the Company's website, specifically the corporate governance section regarding the diversity policy and its implementation for board members, or see pages 10-14 of the annual report.)



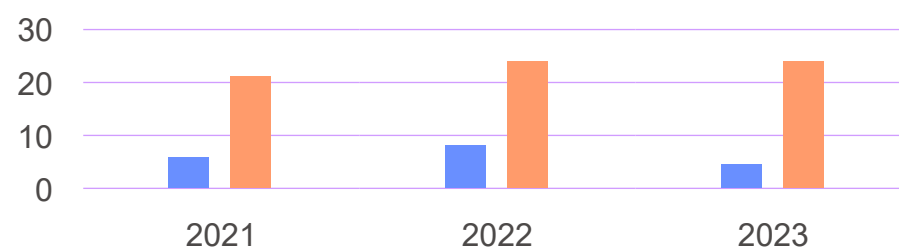
## Governance Systems and Regulations

IEI Integration Corp. is a publicly listed company that has established relevant internal control systems and management measures in accordance with the corporate governance requirements set forth by the Financial Supervisory Commission and the Stock Exchange. Recognizing the importance of implementing corporate governance principles across the entire group, future governance-related regulations and measures will adopt a group management approach. These will take into consideration the regulatory requirements of various operational regions, including Taiwan, Mainland China, and the United States, to further integrate or amend the systems. For details regarding the corporate governance regulations, please refer to the official website.

## ESG Training for Directors

Over the past three years, the Company's directors have shown a strong commitment to ESG issues and have continuously engaged in relevant training courses. On average, directors participated in approximately 23 hours of ESG training each year during this period.

### • ESG Training for Directors in the Past Three Years



Participants	6	8	5
Total Hours	21	24	24

Title	Name	Date of Continuing Education	Course Name	Training Hours
Director	Jordan Jiang	2023/11/30	Latest "Sustainable Development Action Plan" and Practical Analysis of the Impact of Net-Zero Carbon Emissions on Financial Reporting	6
Director	Jack Liou	2023/10/06	Latest "Sustainable Development Action Plan" and Practical Analysis of the Impact of Net-Zero Carbon Emissions on Financial Reporting	6
		2023/06/09	2023 Insider Trading Prevention Awareness Seminar	3
Independent Director	Ho In-Chyuan	2023/07/26	Trends and Regulations in ESG Information Disclosure Related to the "Sustainable Development Action Plan for Listed Companies"	3
Independent Director	Lo Wen-Pao	2023/09/28	Latest Policy Developments and Internal Control Management Practices related to "ESG Sustainability" and "Self-Prepared Financial Reporting"	6

## Functional Committees

In order to enhance supervisory responsibilities and strengthen management mechanisms, IEI has established various functional committees within its Board of Directors.

Functional Committees	Responsibilities and Functions	Committee Composition	Actual Implementation Status
<b>Compensation Committee</b> (Established on December 8, 2011)	Establishing and reviewing the compensation policies, systems, standards, and structures for directors and executives. Regularly assessing the performance targets achieved by directors and executives, and determining the content and amounts of their individual compensation packages.	All Independent Directors	In 2023, two meetings were convened, achieving a 100% attendance rate among the committee members.
<b>Audit Committee</b> (Established on June 16, 2017)	Supervising and ensuring <ul style="list-style-type: none"> <li>The fair presentation of the Company's financial statements</li> <li>The selection, dismissal, independence, and performance of CPA</li> <li>The effective implementation of internal controls</li> <li>The Company's compliance with relevant laws and regulations</li> <li>The management of existing or potential risks to the Company</li> </ul>	All Independent Directors	In 2023, five meetings were convened, achieving a 100% attendance rate among the committee members.
<b>Sustainable Development Committee</b> (Established on November 3, 2023)	<ul style="list-style-type: none"> <li>Formulating the Company's sustainable development direction and strategic objectives</li> <li>Establishing and reviewing management policies, guidelines, targets, and specific implementation plans related to sustainable development</li> <li>Integrating the participation of various departments in sustainable development matters, coordinating management, and supervising the execution of project plans by working groups</li> <li>Tracking and reviewing the implementation and effectiveness of sustainable development initiatives, with regular annual reports to the Board of Directors</li> </ul>	CEO and Senior Executives	Established in 2023 and reported to the Board of Directors on the progress of sustainable development initiatives and annual planning.

## Integration of Remuneration Policy and Performance

The remuneration for directors and executives is executed in accordance with the "Performance Evaluation Method for the Board of Directors," "Salary Management Guidelines" and "Employee Performance Management Guidelines." The compensation for directors of IEI is determined based on the annual self-assessment of the board and individual evaluations of each director. This process takes into account their level of participation in the Company's operations and the value of their contributions, and is benchmarked against industry standards. Executive compensation is based on the performance evaluation results executed under the "Employee Performance Management Guidelines." These performance indicators primarily focus on the outcomes of annual operational objectives, including achievement rates, profitability, growth rates, and operational efficiency, supplemented by weight adjustments. The annual performance evaluation encompasses both quantitative performance indicator assessments and qualitative results. After linking these results to performance evaluations, individual salary and compensation details and amounts are determined. The remuneration for directors and executives is assessed and reviewed by the Compensation Committee and submitted to the Board of Directors for approval before implementation.



## 2.2 Business Integrity and Anti-Corruption

To ensure the implementation of business integrity, IEI has established the "Ethical Corporate Management Best Practice Principles" and the "Procedures for Ethical Management and Guidelines for Conduct," both of which have been approved by the Board of Directors. The "Corporate Governance and Performance" task force under the Sustainable Development Committee, along with the Corporate Governance Department, is responsible for promoting the business integrity policies and preventive measures, as well as the enforcement of anti-corruption and anti-bribery initiatives. These departments are required to report to the Board of Directors at least once a year on the progress of these efforts.

In addition to regularly promoting the concept of business integrity practices and conducting internal training activities, the Corporate Governance Department also prevents unethical behavior through the audit mechanisms of the internal audit unit and the Company's grievance channels. The Company policy clearly stipulates that all employees are prohibited from accepting kickbacks to prevent any personal interests from compromising the Company's interests. Furthermore, to ensure the effective implementation of business integrity practices, the Company has established a robust accounting system and internal control mechanisms. Compliance with these systems is regularly audited by internal auditors to ensure adherence.

Before establishing a business relationship, the Company conducts an assessment of the counterpart's legal compliance and checks for any history of unethical behavior. This ensures that their business practices are fair, transparent, and free from any involvement in bribery.

### Implementation of Business Integrity and Anti-Corruption Training Programs

- At IEI, company policies, procedures, and the prohibition of unethical behavior are communicated during new employee onboarding. Additionally, internal training sessions on business integrity practices are held at least once a year. Management also promotes the prevention of unethical behavior and the prohibition of insider trading on the Company's internal website at least twice a year. This initiative aims to foster a unified belief among all employees, ensuring compliance with relevant laws and regulations to uphold business integrity practices.
- In Mainland China, anti-corruption training is appropriately conducted for employees at all levels. These sessions emphasize the consequences of corruption and the associated legal responsibilities while explaining specific anti-corruption measures and providing information on employee reporting hotlines to eliminate any potential corruption cases.

#### Implementation Status of Anti-Corruption Personnel Training Courses

Taiwan Region				
Course Name	Number of Sessions	Participants	Total Hours	Percentage of Employees Trained
Training Overview on "Procedures for Ethical Management and Guidelines for Conduct" and "Internal Procedures for Handling Material Information"	1	361	361	87.41%

Mainland China Region				
Course Name	Number of Sessions	Participants	Total Hours	Percentage of Employees Trained
Code of Ethics and Conduct	12	612	279	83.15%

Note: The above statistics reflect regular training sessions for current employees. New employees receive this training during their onboarding. The subsidiary BriteMED was not included in the 2023 training schedule, so the training coverage rate did not reach 100%.

According to the above statistics, the Company provided occupational ethics and integrity training to over 80% of its employees. Through a comprehensive training program, we ensure that employees are equipped with the necessary knowledge and skills to prevent corrupt practices, thereby maintaining corporate integrity and transparency. In 2023, there were no incidents of unethical conduct or corruption violations.



## 2.3 Business Results and Financial Performance

IEI's core operations focus on three major sectors: edge computing, networking, and healthcare, serving a diverse range of vertical market applications across global regions. In 2023, consolidated revenue reached NT\$7.578 billion, with steady contributions from the Asian and American markets. Net profit after tax amounted to NT\$1.382 billion, and earnings per share stood at NT\$7.83, reflecting outstanding operational performance. Looking ahead, in addition to deepening its presence in existing product areas and strengthening product functionality and services, IEI will actively pursue strategic alliances with business partners to expand opportunities and enhance value. Concurrently, the Company will implement and optimize digital operational management to improve operational efficiency and maximize cost-effectiveness, laying a solid foundation for sustainable operations and development.

### Main Products and Technical Services

IEI possesses robust research and development capabilities and technological innovation. Driven by growth in diversified product development, we not only offer environmentally friendly, high-value-added products but have also focused in recent years on transforming into a comprehensive solutions provider to better meet the needs of our customers and consumers.

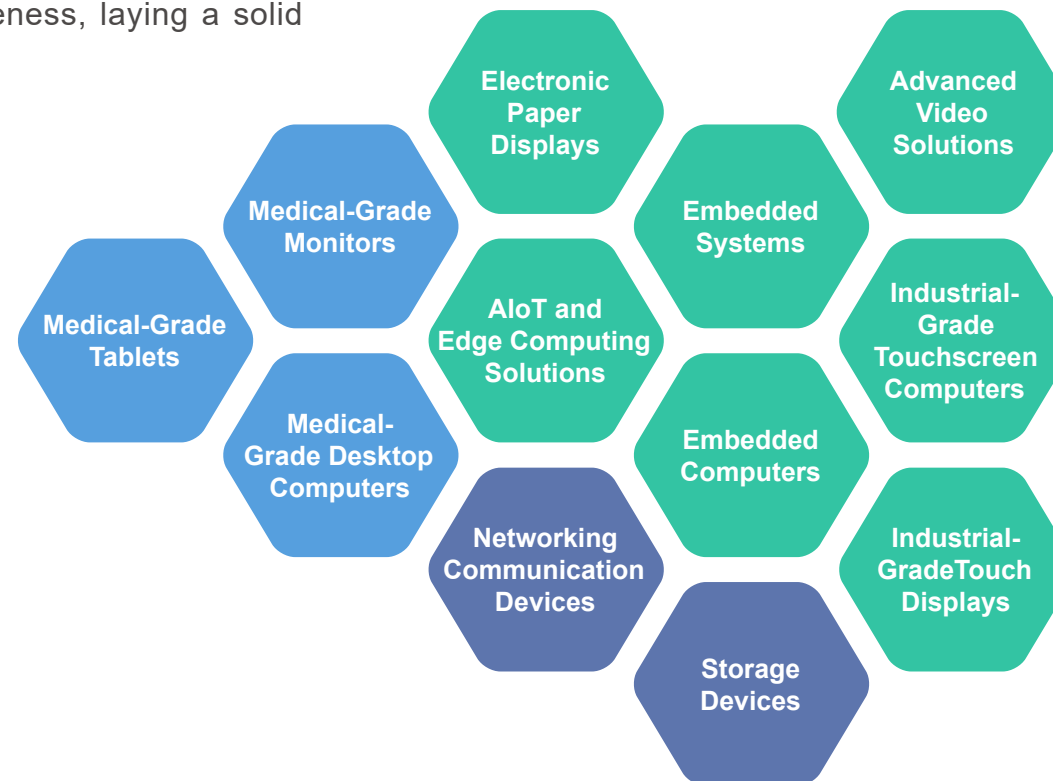


Table 2.3.1 2023 Annual Group Consolidated Revenue Overview by Product Category

Unit: NT\$1,000

Product Category	Domestic Sales	Export Sales	Total
Industrial Computer Products	104,331	4,630,284	4,734,615
Industrial Computer Peripherals and Components	262,921	2,165,662	2,428,583
Others	10,226	404,369	414,595
<b>Total</b>	<b>\$377,478</b>	<b>\$7,200,315</b>	<b>\$7,577,793</b>

Table 2.3.2 Financial Performance for the Past Three Years

Unit: NT\$1,000

Item	2023	2022	2021
Net Operating Revenue	7,577,793	7,942,415	6,243,509
Gross Profit	2,804,406	2,878,511	2,092,342
Operating Profit	1,155,829	1,317,699	720,923
Net Profit Before Tax	1,744,715	1,902,411	1,038,708
Net Profit After Tax	1,382,156	1,491,332	865,580
Earnings Per Share (NT\$)	<u>\$7.83</u>	<u>\$8.45</u>	<u>\$4.90</u>

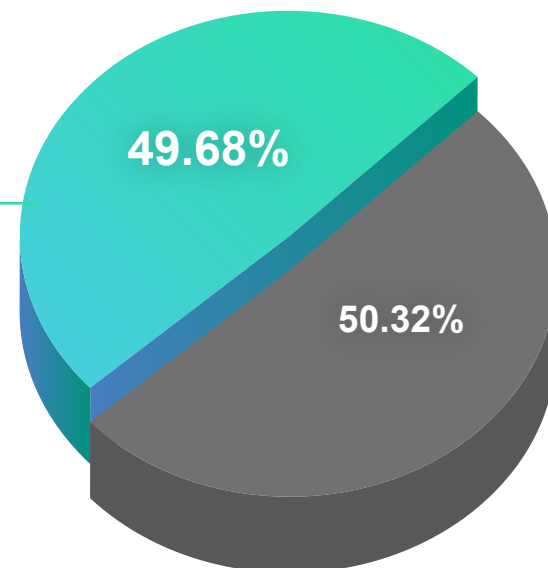
## 2.4 Sustainable Supply Chain

### Local Procurement

Suppliers are important partners in IEI's commitment to sustainability. To reduce supply chain risks and costs, the Group's procurement policy actively collaborates with local suppliers. This approach not only shortens lead times and reduces transportation risks but also decreases carbon emissions from long-distance transport and creates local employment opportunities. IEI primarily sources its procurement operations from Taiwan and Mainland China. Except for specialized or designated components, local procurement is the preferred option. The statistics for local procurement in 2023 are as follows, with a target of achieving over 60% local procurement in 2024.

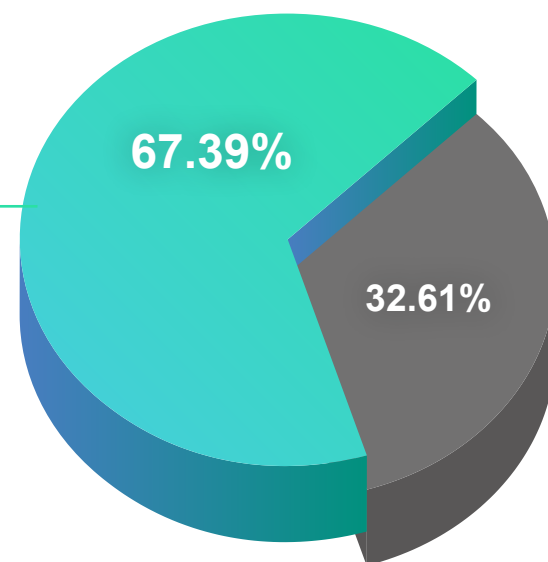
#### Taiwan Region

- Local Procurement
- Non-Local Procurement



#### Mainland China Region

- Local Procurement
- Non-Local Procurement



### Key Focus Areas and Practices for Supplier Sustainability Management



#### Local Procurement



#### Supplier Environmental Assessment



#### Supplier Greenhouse Gas Inventory



#### Supplier Sustainability Issue Engagement



## Supplier Environmental Policies and Social Responsibility

In addition to meeting the operational conditions, product manufacturing, quality, delivery time, and other fundamental criteria in accordance with IEI's quality specifications, qualified suppliers will also have their corporate social responsibility and environmental management factors integrated into the evaluation and periodic assessment criteria for new suppliers (specifically for manufacturers). The evaluation dimensions and specific content include:



### Quality and Management Systems

Priority will be given to suppliers who have obtained ISO international standard certifications, such as ISO 9001, QC080000 HSF certification, or those with well-established ESG-related systems and a good reputation.



### Hazardous Substance Restriction Policy

HSF hazardous substance management inspections include infrastructure, operational environment, management and monitoring capabilities, personnel training, regulations, and record-keeping.



### Labor and Occupational Safety and Health

- There shall be no forced labor, child labor, and prohibitions on working hours, wages, humane treatment, equality, discrimination, and harassment, as well as the right to freely associate.
- Occupational safety and protection measures encompass workplace injuries and occupational diseases, fire safety, emergency response, and hygiene in living and dining conditions.



### Environmental Management

Management of energy usage, greenhouse gas inventories, pollution prevention, energy conservation, hazardous substances, waste management, and water management.



### Corporate Ethics Management

- Responsible procurement practices include sourcing conflict-free minerals and local procurement.
- Principles of business integrity operations prohibit undue benefits, promote fair trade, ensure privacy, and support employee grievance mechanisms.

Suppliers who pass the evaluation are required to sign a written commitment in accordance with IEI's Supplier Commitment to Corporate Social Responsibility Guidelines. As of the end of 2023, the proportion of suppliers who have completed the signing process reached 97%.

To deepen the corporate social responsibility of suppliers, IEI regularly conducts audits to assess the implementation effectiveness. Before the audit, suppliers are required to self-assess using the Corporate Social Responsibility Assessment Checklist, which covers five major aspects: labor, health and safety, ethical standards, environmental management, and management systems. Suppliers are also requested to carefully review the sustainability issues they need to address, in order to enhance the overall supply chain's positive impact on society and the environment. For any issues identified during the on-site audit that require improvement, a non-compliance report will be issued, requiring suppliers to propose corrective measures, which will be monitored for compliance and serve as a basis for future evaluations.



## Supplier Greenhouse Gas Inventory

In recent years, there has been heightened global attention to greenhouse gas emissions, with countries progressively implementing relevant regulations aimed at achieving net-zero emissions by 2050. Taiwan and mainland China have also begun to accelerate regulatory processes in this area by formulating related laws and regulations. IEI has initiated an investigation and communication on greenhouse gas emissions issues with all suppliers, gradually requiring them to align with the Company's established policies and goals. IEI's specific requirements for suppliers regarding greenhouse gas emissions include not only carbon inventories at the organizational level based on ISO 14064-1 but also the gradual introduction of product carbon footprint assessment requirements. The Company hopes that, as suppliers progressively implement carbon accounting processes, they will also consider future opportunities for carbon reduction and strive to achieve emission reduction goals through various means.

In 2024, IEI plans to incorporate these related requirement indicators into its supplier evaluation system, aiming for a systematic approach that effectively meets the Company's greenhouse gas reduction targets.

According to the 2023 survey statistics, approximately 13% of suppliers have planned or completed ISO 14064-1 carbon inventories, with the expectation of achieving 100% compliance among manufacturing suppliers in the future.

Item	Taiwan (IEI and BriteMED)		Shanghai (Armorklink SH)		Total	
Total Number of Surveyed Suppliers (Note)	433	100%	413	100%	846	100%
Suppliers that have obtained ISO 14067 verification statements	0	0%	0	0%	0	0%
Suppliers that have obtained ISO 14064-1 verification statements	30	7%	25	6%	55	7%
Suppliers currently undergoing ISO 14064-1 certification	28	6%	20	5%	48	6%
Suppliers planning to undergo ISO 14064-1 certification	36	8%	36	9%	72	9%
Suppliers that have not yet started ISO 14064-1 greenhouse gas inventories but must complete certification no later than December 31, 2024	166	38%	111	27%	277	33%
Non-manufacturers, who will be required to obtain relevant data from their upstream suppliers	173	40%	221	54%	394	47%
Suppliers that did not respond	0	0%	0	0%	0	0%

Note: The total number of surveyed suppliers excludes (1) intercompany group entities, (2) customers, (3) procurement for expenses only, and (4) inactive or non-trading suppliers.

## 2.5 Information Security

### Information Security Management Framework

To enhance sustainable corporate operations, IEI established the Information Security Management Committee in November 2014, under the supervision of the CEO. The Information Security Management Committee, composed of department heads from various business units, promotes the Information Security Management System (ISMS). The committee implements management procedures in accordance with the international standard ISO/IEC 27001, including the planning, execution, review, and continuous improvement of internal information security activities. These activities and their related outcomes are verified to ensure they meet the objectives of the ISMS, ensuring effectiveness and continuous improvement. To strengthen information security intelligence sharing and enhance incident response and notification capabilities, IEI became a member of the Taiwan Computer Emergency Response Team/Coordination Center (TWCERT/CC) in November 2020.

The Information Security Management Committee convenes an annual Information Security Management Review meeting to report on the effectiveness of information security management, discuss security-related issues and strategic directions, and review the Information Security Policy. This ensures that security measures and protocols address the concerns of internal and external stakeholders and comply with governmental and legal requirements. The committee safeguards the confidentiality, integrity, and availability of business-related information, protecting it from intentional or accidental threats and disruptions from both internal and external sources.

### Information Security Management Framework for Operational Security Management

To effectively implement information security management, IEI has established a Computer Security Incident Response Team (CSIRT), covering both Taiwan and overseas subsidiaries.

The CSIRT holds routine meetings every 1-2 weeks, following the Plan-Do-Check-Act (PDCA) management cycle to review cybersecurity intelligence and information security management processes. The team regularly reports the results of these activities to the Information Protection Committee.

### Customer Asset Protection

In alignment with the implementation of the ISO 9001 Quality Management System, IEI strictly adheres to a series of control procedures for customer assets, including the management of intellectual property rights, customer personal data, and the handling, storage, use, and maintenance of customer property. In the event of any loss, damage, or unusable condition of customer assets, the project manager will immediately notify the customer and collaborate to develop a response plan, ensuring comprehensive protection of customer assets.

### ISO 27001 Threat and Vulnerability Assessment

To ensure the protection of information assets with critical security requirements, a Threat and Vulnerability Assessment is conducted for each type of asset listed in the information asset inventory. The assessment is structured based on the following six asset categories:

#### Personnel Category:

(People/PE) Includes risks arising from intentional or unintentional actions of personnel, as well as improper human resource management.

#### Software Category:

(Software/SW) Includes risks arising from improper system design, maintenance, or operation.

#### Hardware Category:

(Hardware/HW) Includes risks arising from failures or damage to hardware facilities, as well as potential risks from transmission media failures.

#### Information Category:

(Data/DA) Includes risks of data leakage or misuse resulting from improper storage, access control, documentation, maintenance, and transmission of digital information stored on media such as hard drives, tapes, and optical disks, without adhering to confidentiality controls.

#### Service Category:

Includes risks associated with service disruptions or interruptions.

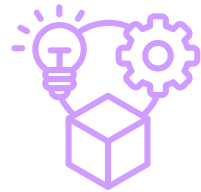
#### Building and Protection Category:

Includes risks arising from failures in the security controls of restricted areas or insufficient protection.



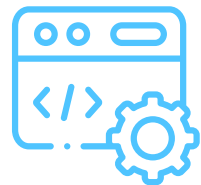
## Product Responsibility and Information Security & Personal Privacy

IEI ensures the effective protection of information security and personal privacy throughout the product planning, software development, review and improvement, and product RMA processes. Through stringent regulations and comprehensive measures, we are committed to excellence at every stage, providing our customers with secure and reliable products and services.



### Product Planning

- The design planning principle is to minimize the collection of personal data, and no unnecessary personal data shall be collected.
- In cases where the collection of personal data is necessary, a retention period must be established, and data must be securely destroyed upon expiration.
- Sensitive personal data fields should be displayed in a partially masked format, such as: p\*\*\*\*\*d.



### Software Development

- Careful use of third-party open-source software is essential, and the latest versions should be incorporated into development whenever possible to ensure personal data security.
- Conduct scans of third-party software to ensure that basic software security vulnerabilities are addressed.
- If it is necessary to retain user personal data, ensure that the information input by users is stored in a secure, encrypted format.
- Regular information security training sessions for internal developers should be conducted, along with periodic updates to tools and processes related to personal data protection.
- Customer data should not be uploaded to external servers without obtaining explicit consent from the customer.
- Ensure the security of the developed source code to prevent data breaches that could pose information security risks.



### Review and Improvement

- Internal operating procedures should be established every six months to review compliance with the established regulations.



### Product RMA

- Factory Reset Procedures: Ensure that the organization has established appropriate procedures and processes to restore the product to its factory settings.
- Clear Instructions: When communicating with customers, clearly inform them that the product will be restored to factory settings. Provide explicit instructions, including any warnings regarding potential impacts on customer data.
- Customer Data Backup: Remind customers to back up important data before returning the product. Ensure they understand that all data stored on the product will be deleted during the factory reset process.
- Secure Data Deletion: Upon receiving the product, securely delete any data stored on the device before initiating the factory reset. This can be accomplished using specific software tools or reset functionalities.
- Factory Reset: Follow the product's user manual or relevant instructions to restore it to factory settings, which may require accessing the settings menu or using specific button combinations.
- Verification of Reset: After completing the factory reset, verify that the product has successfully returned to its factory settings. Ensure that all functions and settings have been reset to their default values.
- Reconfiguration and Testing: After the factory reset, reconfigure the product as per the customer's requirements and conduct testing to ensure it operates correctly.



# 3.

## Happy Workplace

- 3.1 Workforce Structure and Diverse Employment
- 3.2 Talent Recruitment and Retention
- 3.3 Workforce Development and Employee Benefits
- 3.4 Occupational Safety, Health, and Health Promotion



## 3. Happy Workplace

### 3.1 Workforce Structure and Diverse Employment

IEI is committed to creating local employment opportunities by actively attracting and incorporating diverse talent from the local community. We ensure that all employees not only have the opportunity to utilize their professional skills but also enjoy stable wage protections. Employee salaries are reasonably set in compliance with local regulations. Our goal is to provide employees with an environment that promotes work-life balance, allowing them to work with dignity while fully enjoying the sense of achievement from their work and a high quality of life. Based on IEI's operational locations, the following company statistics apply: "Taiwan region" includes IEI and BriteMED, while the "Mainland China region" includes Armorlink and its subsidiaries. Unless otherwise specified, "local" refers to New Taipei City in the Taiwan region and Shanghai in the Mainland China region.

#### Proportion of local residents employed as senior executives in 2023:

Taiwan Region	
Item	Number and Proportion of Local Residents
Total number of senior executives	13
Number of local residents employed as senior executives	9
Proportion of senior executives who are local residents	69%
Mainland China Region	
Item	Number and Proportion of Local Residents
Total number of senior executives	10
Number of local residents employed as senior executives	1
Proportion of senior executives who are local residents	10%

Note: "Senior executives" refers to Associate Vice President and above, while "local residents" are defined based on whether the executive's registered domicile is in the same county/city or province as the Company's registered location.



## Gender and Age Distribution of Employees at the End of 2023:

At IEI's main operational locations in Taiwan and Mainland China, the gender distribution of employees is as follows: female employees account for approximately 43%, while male employees make up around 57%, indicating a relatively balanced distribution.

### Taiwan Region

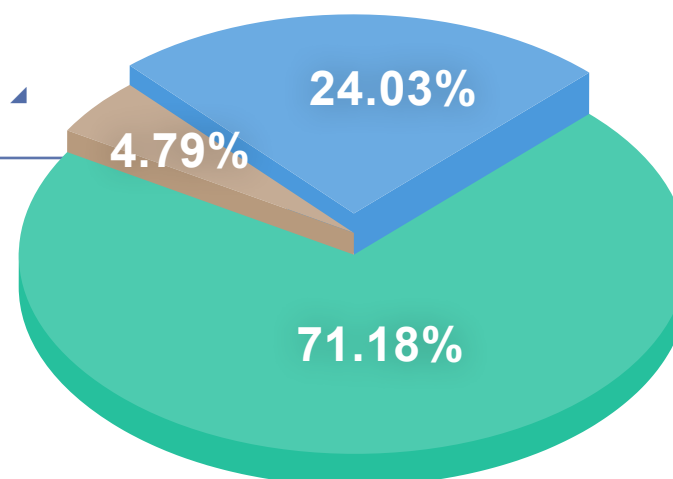
	Female			Male			Total
	30 years old and below	31 ~ 50 years old	51 years old and above	30 years old and below	31 ~ 50 years old	51 years old and above	
Full-time	33	118	13	47	236	26	473
Part-time	0	0	0	0	0	2	2

### Mainland China Region

	Female			Male			Total
	30 years old and below	31 ~ 50 years old	51 years old and above	30 years old and below	31 ~ 50 years old	51 years old and above	
Full-time	84	258	9	119	242	8	720
Part-time	4	5	0	4	3	0	16

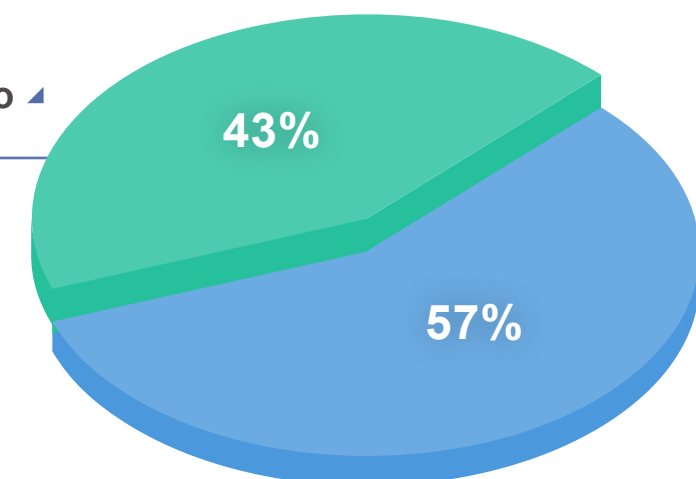
### Employee Age Distribution

- 30 years old and below
- 31 ~ 50 years old
- 51 years old and above



### Employee Gender Ratio

- Male
- Female





## Gender and Age Distribution of Non-Employee Workers at the End of 2023:

Non-employee workers primarily include contracted security personnel and dispatched labor.

Gender	Male	Female
Age	Number of People	Number of People
30 years old and below	3	2
31 ~ 50 years old	3	3
51 years old and above	3	0

Note: The above statistical data does not include companies in the Mainland China region.

## Employee Job Classification Structure for the Past Three Years:

The job classification structure of employees at IEI's main operational locations in Taiwan and Mainland China has not seen significant changes among managerial personnel over the past three years. As of the end of 2023, managerial personnel represent approximately 16.21% of the total employee in Taiwan and about 14.95% in Mainland China.

Taiwan Region						Mainland China Region					
			2021	2022	2023				2021	2022	2023
Managerial Personnel Section Manager and Above	Male	30 years old and below	0	0	0	Managerial Personnel Section Manager and Above	Male	30 years old and below	6	5	4
		31 ~ 50 years old	50	48	45			31 ~ 50 years old	61	61	67
		51 years old and above	6	10	12			51 years old and above	3	4	4
	Female	30 years old and below	0	0	1		Female	30 years old and below	2	0	0
		31 ~ 50 years old	18	14	14			31 ~ 50 years old	34	35	34
		51 years old and above	3	5	5			51 years old and above	0	1	1
Total Managerial Personnel			77	77	77	Total Managerial Personnel			106	106	110
Non-Managerial Personnel	Male	30 years old and below	31	40	47	Non-Managerial Personnel	Male	30 years old and below	161	175	119
		31 ~ 50 years old	176	174	191			31 ~ 50 years old	186	185	178
		51 years old and above	13	17	16			51 years old and above	4	4	4
	Female	30 years old and below	16	27	32		Female	30 years old and below	151	135	88
		31 ~ 50 years old	92	93	104			31 ~ 50 years old	251	257	229
		51 years old and above	4	8	8			51 years old and above	5	8	8
Total Non-Managerial Personnel			332	359	398	Total Non-Managerial Personnel			758	764	626

## Diversity in Employee Hiring Over the Past Three Years:

To promote equal employment opportunities and rights for individuals with disabilities, Taiwan has exceeded the legal requirements for the employment of persons with disabilities.

Taiwan Region						Mainland China Region					
			2021	2022	2023				2021	2022	2023
Individuals with Disabilities	Male	30 years old and below	1	1	1	Individuals with Disabilities	Male	30 years old and below	-	-	-
		31 ~ 50 years old	-	-	-			31 ~ 50 years old	2	4	4
		51 years old and above	2	2	2			51 years old and above	-	-	-
	Female	30 years old and below	-	-	-		Female	30 years old and below	-	-	-
		31 ~ 50 years old	-	-	-			31 ~ 50 years old	1	1	2
		51 years old and above	-	-	-			51 years old and above	-	-	-
New Immigrants	Male	Regardless of Age	-	-	1	New Immigrants	Male	Regardless of Age	-	-	-
	Female	Regardless of Age	2	1	1		Female	Regardless of Age	-	-	-
Migrant Workers	Male	Regardless of Age	6	5	7	Migrant Workers	Male	Regardless of Age	-	-	-
	Female	Regardless of Age	-	-	13		Female	Regardless of Age	-	-	-
Indigenous Peoples	Male	Regardless of Age	-	-	-	Indigenous Peoples	Male	Regardless of Age	-	-	-
	Female	Regardless of Age	-	-	-		Female	Regardless of Age	-	-	-
Foreign Nationals	Male	Regardless of Age	6	6	7	Foreign Nationals	Male	Regardless of Age	-	-	-
	Female	Regardless of Age	2	1	-		Female	Regardless of Age	-	-	-

## Remuneration Standards:

IEI's employee remuneration is governed by the "Remuneration Management Regulations," which include base salary, allowances, bonuses, and other forms of remuneration. The Company's articles of association explicitly outline its employee remuneration policies to recognize and reward employees for their efforts in the workplace and to reflect operational results in employee rewards.

## Average Salary and Local Wage Levels in 2023:

Comparing the average employee salaries with local wage levels, the average salary in Taiwan is higher than the local average. In contrast, the average salary in the Mainland China region is lower than the average salary level in Shanghai due to the high proportion of direct personnel among employees.

For a comparison of the average salary of grassroots personnel in Mainland China, please refer to the "Average Standard Salary Levels for Grassroots Personnel."

Taiwan Region		Mainland China Region	
Item	Proportion	Item	Proportion
Ratio of Company Employee Average Salary to Local Average Salary (Note)	1.65	Ratio of Company Employee Average Salary to Local Average Salary (Note)	0.67

Note 1: Average Employee Salary: This refers to full-time employees employed in 2023 (excluding part-time employees and foreign migrant workers in Taiwan).

The total annual salary is calculated, including regular wages, bonuses, and non-recurring compensation such as employee profit sharing.

Note 2: Local Average Salary: In the Taiwan region, this is based on the average salary for all of Taiwan in 2022, while in the Mainland China region, it refers to the average salary in Shanghai.

## Gender Remuneration Ratio by Employee Category for the Past Three Years:

Taiwan Region							Mainland China Region						
2023			2022		2021		2023			2022		2021	
	Male	Female	Male	Female	Male	Female		Male	Female	Male	Female	Male	Female
Management Positions	1.17	1	1.14	1	1.07	1	Management Positions	1.08	1	1.48	1	1.20	1
Non-Management Positions	1.24	1	1.28	1	1.22	1	Non-Management Positions	1.18	1	1.15	1	1.38	1
Grassroots Personnel	1.20	1	1.03	1	1.05	1	Grassroots Personnel	1.15	1	1.10	1	1.12	1

Note 1: Grassroots personnel refer to non-managerial staff in manufacturing units, while management positions involve supervisors with managerial responsibilities.

Note 2: Remuneration includes base salary, meal allowances, work-related allowances, position allowances, on-call allowances, bonuses for the three major festivals, employee profit sharing, performance bonuses, operational bonuses, and long-service bonuses.

Note 3: Remuneration statistics are based on data for employees actively employed at the end of the year.

## Entry Level Wage at Main Operational Locations for the Past Three Years:

Average Standard Salary of Grassroots Personnel/Local Minimum Wage

Taiwan Region						Mainland China Region					
2023		2022		2021		2023		2022		2021	
Male	Female	Male	Female	Male	Female	Male	Female	Male	Female	Male	Female
1.26	1.16	1.32	1.27	1.39	1.34	2.78	2.37	2.24	2.11	2.47	2.18

Note 1: Grassroots personnel refer to non-managerial staff in manufacturing units.

Note 2: The standard salary is based on data for employees actively employed at the end of the year, including base salary, work-related allowances, and on-call allowances.

Note 3: The minimum wage in the Taiwan region is NT\$26,400 for 2023, NT\$25,250 for 2022, and NT\$24,000 for 2021.

Note 4: The minimum wage in the Mainland China region is RMB\$2,690 for 2023, RMB\$2,590 for 2022, and RMB\$2,590 for 2021.



## 3.2 Talent Recruitment and Retention

IEI is committed to maintaining a stable and balanced workforce. In 2023, the employee turnover rate significantly decreased compared to the previous two years. Moving forward, the Company will continue to focus on sustaining workforce stability and fostering appropriate talent cultivation and development. The turnover rates for employees in Taiwan and Mainland China in 2023 were 11.6% and 38.6%, respectively.

### Hiring Status of New Employees for the Past Three Years:

#### Taiwan Region

Year	2021				2022				2023			
Gender	Male		Female		Male		Female		Male		Female	
Age/Item	Number of People	New Hire Rate	Number of People	New Hire Rate	Number of People	New Hire Rate	Number of People	New Hire Rate	Number of People	New Hire Rate	Number of People	New Hire Rate
30 years old and below	14	3.4%	4	1.0%	15	3.4%	17	3.9%	21	4.4%	14	2.9%
31 ~ 50 years old	19	4.6%	8	2.0%	46	10.6%	20	4.6%	33	6.9%	18	3.8%
51 years old and above	1	0.2%	0	0.0%	0	0.0%	0	0.0%	0	0.0%	0	0.0%
Total Number of New Hires	34		12		61		37		54		32	
Total Number of Employees	409				436				475			
Total New Hire Rate (%)	11.2%				22.5%				18.1%			

#### Mainland China Region

Year	2021				2022				2023			
Gender	Male		Female		Male		Female		Male		Female	
Age/Item	Number of People	New Hire Rate	Number of People	New Hire Rate	Number of People	New Hire Rate	Number of People	New Hire Rate	Number of People	New Hire Rate	Number of People	New Hire Rate
30 years old and below	112	13.0%	85	9.8%	85	9.8%	63	7.2%	20	2.7%	16	2.2%
31 ~ 50 years old	51	5.9%	65	7.5%	30	3.4%	60	6.9%	20	2.7%	18	2.4%
51 years old and above	0	0.0%	0	0.0%	0	0.0%	0	0.0%	0	0.0%	0	0.0%
Total Number of New Hires	163		150		115		123		40		34	
Total Number of Employees	864				870				736			
Total New Hire Rate (%)	36.2%				27.4%				10.1%			

## Employee Turnover Status for the Past Three Years:

### Taiwan Region

Year	2021				2022				2023			
Gender	Male		Female		Male		Female		Male		Female	
Age/Item	Number of People	Turnover Rate	Number of People	Turnover Rate	Number of People	Turnover Rate	Number of People	Turnover Rate	Number of People	Turnover Rate	Number of People	Turnover Rate
30 years old and below	20	4.9%	13	3.2%	9	2.1%	7	1.6%	9	1.9%	4	0.8%
31 ~ 50 years old	73	17.8%	27	6.6%	56	12.8%	25	5.7%	25	5.3%	13	2.7%
51 years old and above	8	2.0%	3	0.7%	0	0.0%	1	0.2%	4	0.8%	0	0.0%
Total Number of Departures	101		43		65		33		38		17	
Total Number of Employees	409				436				475			
Total Turnover Rate (%)	35.2%				22.5%				11.6%			

### Mainland China Region

Year	2021				2022				2023			
Gender	Male		Female		Male		Female		Male		Female	
Age/Item	Number of People	Turnover Rate	Number of People	Turnover Rate	Number of People	Turnover Rate	Number of People	Turnover Rate	Number of People	Turnover Rate	Number of People	Turnover Rate
30 years old and below	219	25.3%	187	21.6%	185	21.3%	173	19.9%	93	12.6%	69	9.4%
31 ~ 50 years old	94	10.9%	148	17.1%	70	8.0%	160	18.4%	43	5.8%	77	10.5%
51 years old and above	1	0.1%	0	0.0%	0	0.0%	0	0.0%	1	0.1%	1	0.1%
Total Number of Departures	314		335		255		333		137		147	
Total Number of Employees	864				870				736			
Total Turnover Rate (%)	75.1%				67.6%				38.6%			

## Status of Unpaid Parental Leave and Return to Work for the Past Three Years:

Region	Taiwan Region			Mainland China Region
Year	2021	2022	2023	2021 ~ 2023
Number of Unpaid Parental Leave Applications	1	4	2	0
Number of Employees Who Returned to Work After Leave	1	3	0	0
Number of Employees Who Departed After Leave	0	1	1	0
Number of Employees Still on Leave as of Year-End	0	0	1	0

### 3.3 Workforce Development and Employee Benefits

#### Employee Training

IEI has established an education and training center with a comprehensive training system that formulates annual training plans and objectives. This includes training for new hires, professional technical training, and the cultivation and enhancement of managerial competencies. The center also hosts periodic knowledge-sharing sessions and book clubs, encouraging employees to actively share their insights and propose new ideas. Through continuous internal and external training programs, IEI aims to absorb new knowledge, improve employee skills, and strengthen leadership capabilities.

In 2023, the total training hours for employees amounted to 34,930 hours, with each employee receiving an average of approximately 29 hours of training.

#### Average Training Hours by Job Category in 2023

Region	Job Category	Training Hours	Total Number of Employees	Average Training Hours per Employee
Taiwan Region	Research and Development Personnel	2,134	200	11
	Sales and Marketing	1,022	99	10
	Administrative and Support Staff	1,311	89	15
	Manufacturing Unit	1,586	88	18
	Total	6,052	476	13
Mainland China Region	Research and Development Personnel	3,524	110	32
	Sales and Marketing	594	114	5
	Administrative and Support Staff	3,654	141	26
	Manufacturing Unit	21,106	371	57
	Total	28,878	736	39
Total	Research and Development Personnel	5,658	310	18
	Sales and Marketing	1,616	213	8
	Administrative and Support Staff	4,965	230	22
	Manufacturing Unit	22,692	459	49
	Total	34,930	1,212	29

#### Comprehensive Training Programs

To achieve the goals of continuous growth and sustainable operations, we offer a diverse range of internal training courses and incorporate the latest external topics. Additionally, we provide financial support for employees to attend professional training courses organized by external professional organizations, addressing the shared growth needs of employees and the Company. In 2023, the training programs conducted for different employee categories are outlined in the table below.

Region	Course Category	Training Hours
Taiwan Region	Professional Knowledge and Career Development	2,927
	ISO Standards	2,515
	Integrity and Ethical Standards and Anti-Corruption	395
	Occupational Health and Safety	215
	Total	6,052
Mainland China Region	Professional Knowledge and Career Development	13,293
	ISO Standards	5,287
	Integrity and Ethical Standards and Anti-Corruption	612
	Occupational Health and Safety	9,687
	Total	28,878
Total	Professional Knowledge and Career Development	16,220
	ISO Standards	7,802
	Integrity and Ethical Standards and Anti-Corruption	1,007
	Occupational Health and Safety	9,902
	Total	34,930



## Labor-Management Negotiation and Communication

The Company has established clear working regulations that outline the relevant aspects of the labor contract between the Company and its employees, including working hours, leave requests, wages, rewards and penalties, benefits, and health and safety. These important management policies are thoroughly explained during the pre-employment training for new employees to ensure their understanding and agreement with the relevant standards. The Company provides reasonable compensation based on the job content and position level of employees, with individual salary negotiations submitted for approval by the CEO, and confirmation is signed on the first day of employment. Regular labor-management meetings are held quarterly, allowing representatives from both labor and management to engage in two-way communication. Employees and their representatives can openly communicate and express their opinions and concerns regarding working conditions and management practices with the management team. The Human Resources Department designates specific personnel as contact points for employee feedback or inquiries, ensuring smooth communication channels with employees.

## Employee Care and Benefits

IEI has established an Employee Welfare Committee in accordance with legal requirements to manage employee benefit matters. This includes distributing electronic vouchers during significant holidays, providing financial assistance for marriage, childbirth, bereavement, and illness, organizing domestic and international travel, hosting annual year-end banquets, and subsidizing club activities along with discounts from designated vendors. In addition to the government-mandated labor and health insurance, the Company also provides group insurance for employees, which includes life insurance, accident insurance, medical insurance for accidents, hospitalization medical insurance, and cancer medical insurance. These measures enhance employee benefits and foster a harmonious and healthy working environment.

### Boxing Aerobics Club

Through the combination of aerobic exercises and boxing movements, members can not only engage in physical training in a relaxed and enjoyable atmosphere but also promote interaction and communication among colleagues, enhancing team cohesion. The Company provides a subsidy for club fees each quarter to ensure the ongoing operation of the club, allowing employees to maintain a healthy and happy lifestyle amidst their busy work schedules.

### Annual Employee Travel

Every year, diverse domestic and international travel itineraries are arranged for employees, allowing them to experience different cultures and scenic beauty. This not only enriches employees' life experiences but also fosters team cohesion. These travel activities are not just part of employee benefits; they serve as recognition and rewards for employees' hard work. The Company hopes that every employee can gather enjoyable and beautiful memories during their travels.

### 2023 Year-End Party





## Employee Health Care and Promotion Measures

### Employee Health Check-ups

Comprehensive health check-ups are essential for the early detection of potential health issues. IEI regularly arranges health examinations for its employees and provides individual explanations and consultation services by physicians upon receiving the health check-up reports.

In 2023, a total of 433 employees in the Taiwan region participated in the health check-up program.

For employees with abnormal health check-up results or those assessed to have specific high-risk factors, the Company recommends and arranges professional consultation services with physicians. Additionally, the Company offers subsidies for special health examination items, which currently include screenings for colonoscopy and cardiac assessments. Each year, employees are provided with free health check-ups, which exceed regulatory requirements and include ultrasound examinations and cancer screenings. Furthermore, additional subsidies are provided for colonoscopy and cardiac assessments.



### The 4 Key Highlights of IEI's Comprehensive Health Workplace

1. Free Influenza Vaccination Service: The Company provides employees with free influenza vaccinations to enhance their health protection, prevent the spread of the influenza virus, and reduce the number of sick leave days due to influenza-related illnesses.
2. Monthly Physician On-Site Services and Health Consultations: Each month, the Company offers a three-hour on-site consultation with a physician, providing employees with health consultations and educational health information.
3. Maternal Health and Work Suitability Assessments: Arrangements are made for female employees who are pregnant or have given birth within the past year to undergo health hazard assessments related to maternity and recommendations for work suitability, along with health consultations from physicians.
4. IEI Massage Station: Every week from Monday to Thursday, the Company hires visually impaired individuals to provide massage services for employees.



### 3.4 Occupational Safety, Health, and Health Promotion

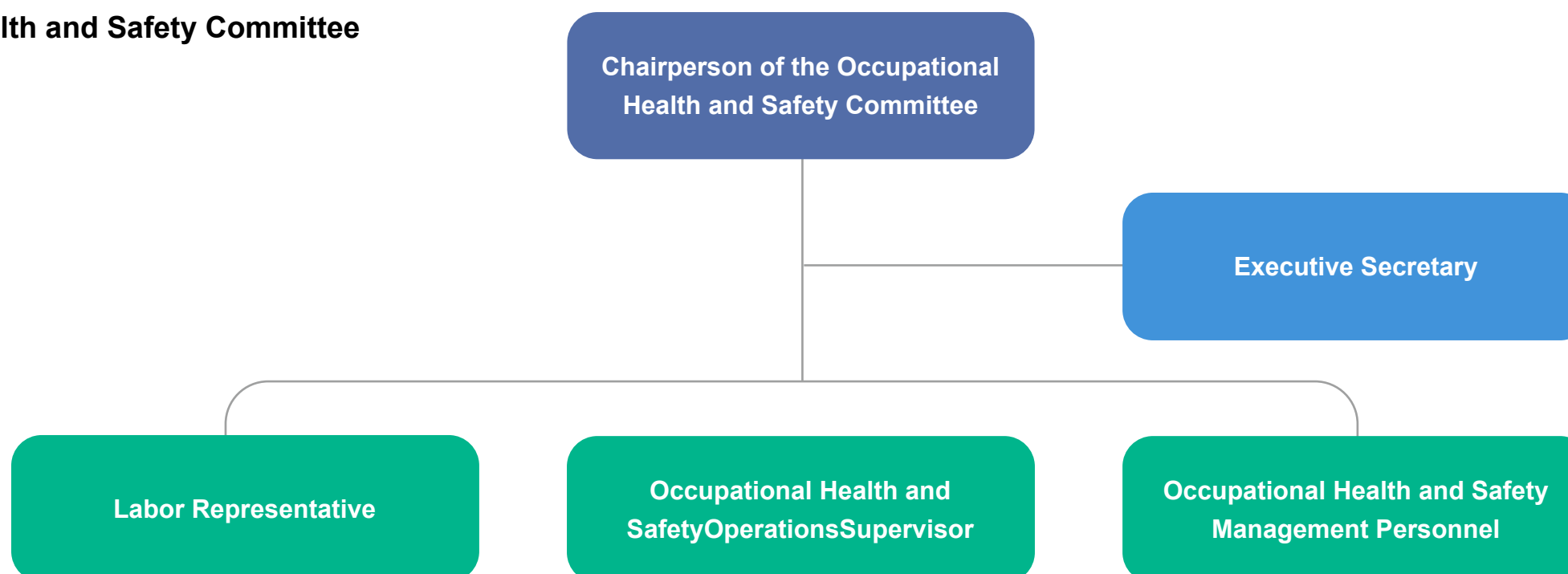
In advanced countries around the world, there is a unified definition of a safe and healthy work environment: workers have the right to a safe workplace, and employers are obligated to provide a healthy and safe working environment within feasible limits. Workers have the right to express their concerns regarding their rights. Based on this principle, IEI is dedicated to creating a safe, friendly, and healthy workplace, which is a shared goal for all employees.

IEI implemented the ISO 45001 Occupational Health and Safety Management System in 2019. The scope of application includes employees and external workers (such as visitors, contractors, and suppliers) who enter IEI's workplaces due to the nature of their work. We identify and assess hazards in the workplace to implement prevention and improvement measures. Additionally, we enforce employee health protection programs, striving to create a safe, friendly, and healthy working environment.

#### Establishment of the Occupational Health and Safety Committee

In accordance with legal regulations, representatives of both labor and management are appointed to establish an Occupational Health and Safety Committee. The committee convenes quarterly to report on the implementation of occupational health and safety plans and routine matters. Additionally, it discusses relevant issues and makes resolutions, providing a platform for communication and exchange of opinions between labor and management.

#### • IEI Occupational Health and Safety Committee



#### Significant Discussions or Resolutions in 2023

Due to the easing of COVID-19 pandemic restrictions, related preventive measures have gradually been relaxed, such as the cancellation of prior registration requirements for external visitors. In response to the relaxed regulations on mask-wearing, in-person meetings will be held instead of video conferences as needed.

#### Labor Inspection Audit Improvement Actions:

- Each floor must implement regular inspections of first aid kits to ensure the availability of their contents.
- Based on health checkup results, specific promotional activities will be implemented to address obesity-related issues, such as triglyceride levels, in order to prevent the occurrence of metabolic syndrome.
- The system for reporting contracted on-site physicians will be maintained for reference.
- Vacancies for dedicated personnel in occupational safety and health management are to be filled.

#### Improvements for Non-Conformities Identified in External Audits of ISO 45001:

- Implementation of occupational health and safety management measures for contractors.
- Specific measures for employee health care and promotion.
- Control measures to address noise levels in the burn room that exceed established standards.



## Work Environment and Occupational Safety

### Hazard Identification, Protection, and Risk Control Measures

The hazard identification process encompasses work environments, machinery/equipment/tools, chemicals, and operational qualifications. Potential hazards within employees' workspaces are identified and assessed to determine critical hazards, which then serve as the basis for developing improvement and protection measures. These measures include engineering controls, management controls, and reinforcement of personal protective equipment.

The risk assessment criteria classify hazards with a risk level of moderate (Level 3) or below. For these, existing control measures are strengthened or audited periodically, focusing on operational control, maintenance, supervision, training, signage/warnings, and personal protective equipment. For high-risk or critical operations (Level 4 and above), specific control methods are established to eliminate or replace the occupational health and safety risks. The control measures are then re-evaluated post-implementation to ensure the risk is reduced to moderate levels or below.

In Taiwan's Qidu Factory, a high-risk hazard was identified in the HI-POT testing process, where products undergo high-voltage testing at 1.5kV. Any accidental leakage could result in electric shock to workers. To mitigate this risk, IEI has implemented engineering controls, including the use of insulators and insurance mechanisms, as well as enhanced training and awareness for personnel through management controls.

### Work Environment Monitoring

Every six months, a qualified professional contractor is engaged to conduct work environment monitoring. This includes monitoring chemical factors (such as ethanol, isopropanol, carbon dioxide, etc.) and physical factors (such as noise, lighting, etc.). If any abnormalities are detected based on the monitoring results, the Occupational Health and Safety department promptly notifies the relevant units to develop corrective measures. For example, in the burn room area, which is classified as a high-noise zone, personnel access is controlled, and personal protective equipment is provided to prevent employees from prolonged exposure to high noise levels.

### Contractor Work Safety Management

External contractors are required to sign a Contractor Safety and Health Commitment, ensuring they are informed of and comply with the Company's safety regulations. For hazardous operations, contractors must submit a work permit application in advance to ensure the safety of all personnel involved in the project.

## Occupational Injury Management

Necessary protective measures are implemented for high-risk operations to prevent accidents or harm to employee health. During onboarding training, new employees receive education on occupational health and safety concepts, as well as preventive measures, to minimize the risk of accidents. In addition, potential hazards from abnormal workloads or ergonomic factors are assessed annually through employee health checks. This investigation helps to identify possible risks and implement necessary preventive actions early, such as radiation exposure checks and musculoskeletal disorder assessments. The results of the 2023 employee health checks showed no abnormalities or significant cases of occupational injury.

## Occupational Accidents and Safety Incidents

In 2023, no occupational accidents or safety incidents occurred involving employees or non-employees.



## Occupational Health and Safety Education and Training

IEI has designated dedicated occupational health and safety personnel and operational staff in accordance with legal requirements and actual operational needs, ensuring they are certified and receive regular training.

The occupational health and safety personnel training courses and hours for 2023 are as follows:

Personnel Allocation	Allocation	Gender	Certification Date	Most Recent Retraining Record	Retraining Requirements	Training Certificate Expiration
Occupational Health and Safety Management Personnel	1	Female	2000/11/19	2022/11/14	Every 2 years, 12 hours	2024/11
Occupational Health and Safety Operations Supervisor	2	Male	2016/10/27	2023/4/28	Every 2 years, 6 hours	2025/4/28
		Male	2018/01/26	2022/2/25	Every 2 years, 6 hours	2024/2/25
Fire Safety Manager	2	Male	2012/05/22	110/8/26	Every 3 years, 6 hours	2024/08/25
		Male	2019/03/20	2022/3/10	Every 3 years, 6 hours	2025/03/20
First Aid Personnel	7	Male	2016/11/01	2022/9/16	Every 3 years, 3 hours	2025/9/16
		Male	2019/09/27	2022/9/16	Every 3 years, 3 hours	2025/9/16
		Male	2016/11/01	2022/9/16	Every 3 years, 3 hours	2025/9/16
		Male	2016/12/09	2022/12/5	Every 3 years, 3 hours	2025/12/5
		Male	2016/12/09	2022/10/6	Every 3 years, 3 hours	2025/10/6
		Male	2020/07/11	2023/9/26	Every 3 years, 3 hours	2026/9/26
		Male	2023/11/7	2023/11/6	Initial Training: 16 Hours	2026/11/7
Organic Solvent Operations Supervisor	1	Female	2019/07/22	2022/12/15	Every 3 years, 6 hours	2025/7
Ionizing Radiation	2	Male	2021/04/29	2023/7/27	Annually, 3 Hours	2024/7/21
		Male	2021/06/25	2023/7/21	Annually, 3 Hours	2024/7/21

## Internal Occupational Health and Safety Education and Training

New employees receive pre-employment occupational health and safety training to help them understand the Company's Occupational Health and Safety Management System policies, types of occupational hazards, and preventive measures. Additionally, for employees at the Qidu Factory, annual occupational health and safety training sessions are conducted to reinforce awareness of workplace safety and health practices.





# 4.

## Sustainable Environment

- 4.1 Environmental Impact
- 4.2 Energy Management
- 4.3 Greenhouse Gas Emissions
- 4.4 Waste Management
- 4.5 Green Products and Innovative Services





# 4. Sustainable Environment

## 4.1 Environmental Impact

### Significant Environmental Considerations

Through the ISO 14001 Environmental Management System, systematic management is implemented to address the environmental impacts of operational activities and products. According to the 2023 environmental assessment results, the primary considerations include greenhouse gas emissions from energy (electricity) usage, air pollution caused by the emission of harmful gases during the product manufacturing process (such as tin smoke and spray painting), waste or environmental contamination from the use of chemicals or hazardous substances in raw materials, manufacturing processes, or firefighting facilities, as well as wastewater generated from production and operations.

The management policies addressing significant environmental considerations are as follows:

Activities or Services	Environmental Considerations and Impacts	Impact Classification	Management Approaches
Daily Operations and Production	Energy consumption of equipment and computer operations, air conditioning, lighting, and heating	EnergyAtmospheric Pollution	Energy analysis and monitoring, replacement of energy-saving equipment/energy-saving lighting tubes, and energy conservation advocacy
Daily Operations and Production	Electrical faults leading to fire hazards	Emergency Incidents	Regular fire safety inspections and disaster preparedness drills are conducted, with the provision of fire safety personnel in accordance with legal requirements and periodic training is carried out.
Emergency Power Generation Equipment	Emergency Generator Heavy Oil Leakage	Waste Oil Leakage and Environmental Pollution	Installation of liquid containment dikes, with ad-hoc inspections of power generation equipment conditions.
Manufacturing ProductionSMD/DIP/Test Packaging/PCB Repair	Solder Fume Emissions from Reflow Oven Heating/PCB Soldering Process or Soldering Iron Use During Other Processes or Repairs Gas Emissions from Conformal Coating Spray Application	Hazardous Gases Atmospheric Pollution	Personnel are required to wear masks, and exhaust ducts are utilized for gas emissions. Annual environmental testing is conducted by third-party vendors to ensure compliance with legal regulations.
Raw Material Procurement and Product Manufacturing	Exceedance of Regulated Levels for Controlled Substances in Raw Materials Pollution during the Production Process	Environmental Pollution Atmospheric Pollution	<ul style="list-style-type: none"> <li>Clearly identify customer requirements and align with clients' expectations regarding "environmentally managed substances," ensuring compliance with environmental product trends.</li> <li>Explicitly communicate RoHS control requirements to suppliers and sign a restricted substances guarantee.</li> <li>Conduct RoHS testing on raw materials before they are received into inventory to ensure compliance.</li> <li>Perform RoHS monitoring on semi-finished and finished products during the production process to ensure no pollution risks arise during manufacturing.</li> <li>Adopt lead-free processes, and ensure all components in the product BOM use lead-free RoHS-compliant materials, in accordance with domestic and international RoHS regulations. In cases of specific customer requirements, differentiate material part numbers and implement process identification starting from the BOM stage.</li> </ul>
Hazardous Chemical Use and Waste Disposal Leading to Environmental Pollution	Improper Storage or Leakage of Chemicals and Chemical Waste Disposal	Disaster Events Atmospheric Pollution Soil Pollution	Properly store chemicals and implement preventive measures to avoid spills, leaks, and evaporation. Remove ignition sources from chemical storage areas, and implement fire isolation, temperature control, lightning protection, and install explosion-proof lighting. <ul style="list-style-type: none"> <li>Classify and recycle hazardous chemical waste accordingly.</li> </ul>
Production and Canteen	Exhaust emissions generated during production and canteen operations.	EnergyAtmospheric Pollution	Annually monitor exhaust emission points and verify compliance to ensure safe and reliable air pollution control, preventing secondary pollution.

## 4.2 Energy Management

### Significant Environmental Considerations

IEI has implemented the ISO 14001:2015 Environmental Management System, focusing on energy conservation and the efficient use and management of resources, with a commitment to reducing the environmental impact of the Company's operations. The primary energy source used within the Company is electricity. In 2023, electricity consumption increased compared to 2022, primarily due to the expansion of production capacity in Taiwan and the addition of R&D testing equipment, resulting in an approximate 3% increase in electricity usage. In 2024, the Company has begun planning to adjust air conditioning configurations according to the needs of each office area and replace outdated, energy-intensive equipment to achieve the goal of reducing electricity consumption.

	2023	2022
Indirect Energy - Electricity Usage	3,466,746 kWh	3,364,759 kWh
	12,480.286 GJ	12,113.132 GJ
Individual Revenue (NT\$1 Million)	4,966.520	5,238.806
Energy Intensity (GJ/NT\$1 Million in revenue)	2.51	2.31

Note: The above data includes only the figures from the headquarters in Xizhi and the Qidu Factory.

## 4.3 Greenhouse Gas Emissions

IEI launched the ISO 14064-1 greenhouse gas inventory initiative in 2022, covering the Taiwan region (IEI and BriteMED) as well as Armorlink SH (including its subsidiaries), to establish a baseline for subsequent reduction targets and actions.

### Greenhouse Gas Inventory Data for the Last Two Years:

#### Taiwan Region (IEI and BriteMED) Emissions Unit: CO<sub>2</sub>e

Category		2022	2023	Change (%)
Category 1	Stationary Emissions	0.5425	0.4536	-16.3871%
	Mobile Emissions	4.4487	5.7213	28.6061%
	Process Emissions	0	0	0.0000%
	Fugitive Emissions	152.5113	188.1742	23.3838%
Category 2		1,782.9715	1,810.7659	1.5589%
Category 3		1,729.2872	1,541.2168	-10.8756%
Category 4		420.1330	501.7732	19.4320%
Total		4,089.8942	4,048.1050	-1.0218%

#### Mainland China Region (Armorlink SH and its subsidiaries) Emissions Unit: CO<sub>2</sub>e

Category	2022	2023	Change (%)
Category 1	494.07	556.61	12.66%
Category 2	3,128.20	2,892.61	-7.53%
Category 3	279.80	307.73	9.98%
Total	3,902.07	3,756.96	-3.72%

## Greenhouse Gas Reduction Targets and Actions:

To continuously implement comprehensive carbon reduction initiatives, each department is required to submit a carbon reduction plan based on the results of the inventory assessment.

An analysis of electricity consumption will be conducted, focusing on monitoring and managing major energy-consuming equipment and sources. Plans are underway to implement the ISO 50001 Energy Management System.

### 4.4 Waste Management

According to IEI's "Waste Management Procedures," industrial waste is stored and managed in designated areas in compliance with regulations. It is entrusted to a waste disposal company recognized by environmental protection authorities for processing and is reported in accordance with legal requirements. Additionally, for municipal waste, efforts are made to encourage waste separation and recycling to minimize environmental impact.

#### Waste Treatment Methods:

	Category	Main Items	Collection Method	Final Treatment Method
Municipal Waste	Recyclable Waste	Cardboard box/Magazines/ Paper	Collected by specialized vendors	Recycled and reused
		PET Bottles/Plastic Containers	Collected by specialized vendors	Recycled and reused
		Iron and Aluminum Cans/ Metal Containers	Collected by specialized vendors	Recycled and reused
		Batteries/Toner Cartridges, etc.	Collected by specialized vendors	Recycled and reused
	Non-Recyclable Waste	Office Municipal Waste	Collected by qualified vendors	Incineration
Industrial Waste	General Industrial Waste	Waste Electronic Components/Waste Packaging Materials/ Styrofoam, etc.	Collected by qualified vendors or recycled	Incineration or recycled and reused
	Hazardous Industrial Waste	Waste Printed Circuit Boards/Non-Hazardous Metal or Metal Waste Mixture/Waste Plastic Mixture, etc.	Collected by qualified vendors	Incineration or recycled and reused

#### The total weight of industrial waste disposal for the year 2023:

##### Taiwan Region

Waste Name	Weight (Tons)
Waste Plastic Mixture	0.036
Other Single Non-Hazardous Metal or Metal Waste Mixture	0.475
Waste Wires and Cables	0.021
Waste Electronic Components, Scrap Materials, and Defective Products	0.167
Waste Printed Circuit Boards with Components	0.280
<b>Total</b>	<b>0.979</b>

##### Mainland China Region

Waste Name	Weight (Tons)
Waste Packaging Materials	0.259
Waste Printed Circuit Boards	0.200
Waste Mercury-containing Fluorescent Lamps	0.063
Waste Activated Carbon	0.500
Oil-Water Mixture	1.704
<b>Total</b>	<b>2.726</b>



## 4.5 Green Products and Innovative Services

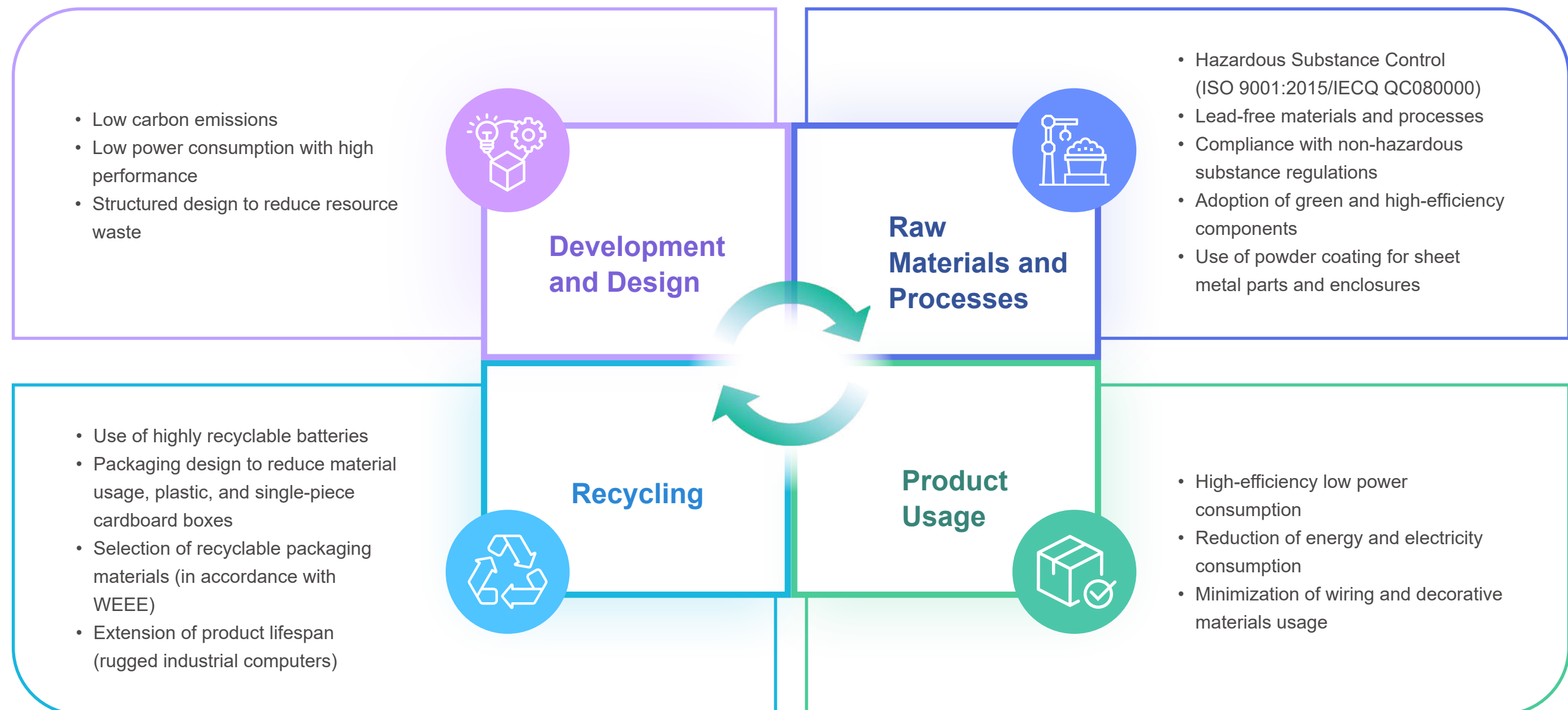
IEI closely monitors international regulatory requirements for green products and implements compliance verification processes to ensure that products meet relevant standards from the initial stages of design and development. Additionally, comprehensive testing activities are conducted to carry out a series of rigorous validations for the products.

Due to the stringent product design and development procedures and the execution of complete verification activities, there were no complaints in the year 2023 related to harm to customer health. This reflects IEI's strong commitment to the health and safety of its customers.

### Marketing and Product and Service Information Labeling

IEI markets its products in key overseas regions. Therefore, in addition to complying with Taiwan's product labeling regulations, we also adhere to international legal standards and environmental certification requirements of various countries. Relevant information and labeling are disclosed on the products or in the user manuals, and we consistently follow the prescribed labeling methods for all applicable symbols. For detailed examples of product labeling, please refer to our [official website](#).

### IEI Green Product Management

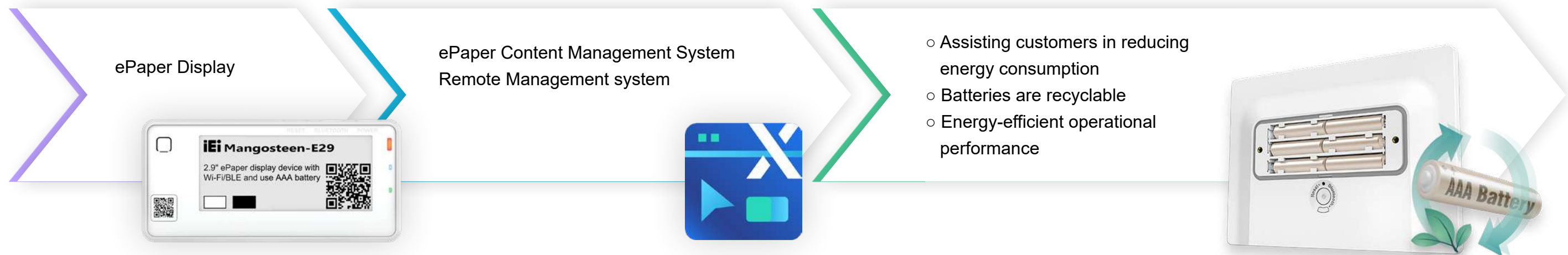


## Compliance with Green Product Regulations

IEI has established internal [management standards](#) to meet the regulatory requirements concerning environmentally relevant substances and conducts regular assessments. Additionally, we have implemented the IECQ QC080000 hazardous substance management system. The selection of materials for IEI products is tailored to comply with the following relevant environmental regulations based on different sales regions:

- RoHS Directive
- REACH SVHC (Substances of Very High Concern) Regulatory Requirements
- Product Recycling Directive WEEE, PPW
- Battery Directive 2013/56/EU, 2023/1542/EU
- French Hormone Disruptor Regulation (EDCs)
- French Packaging Mineral Oil Regulation
- Toxic Substances Control Act (TSCA)
- California Proposition 65 (CP65)

## Examples of Promoting Green Products and Innovative Services:



### E-Paper Display

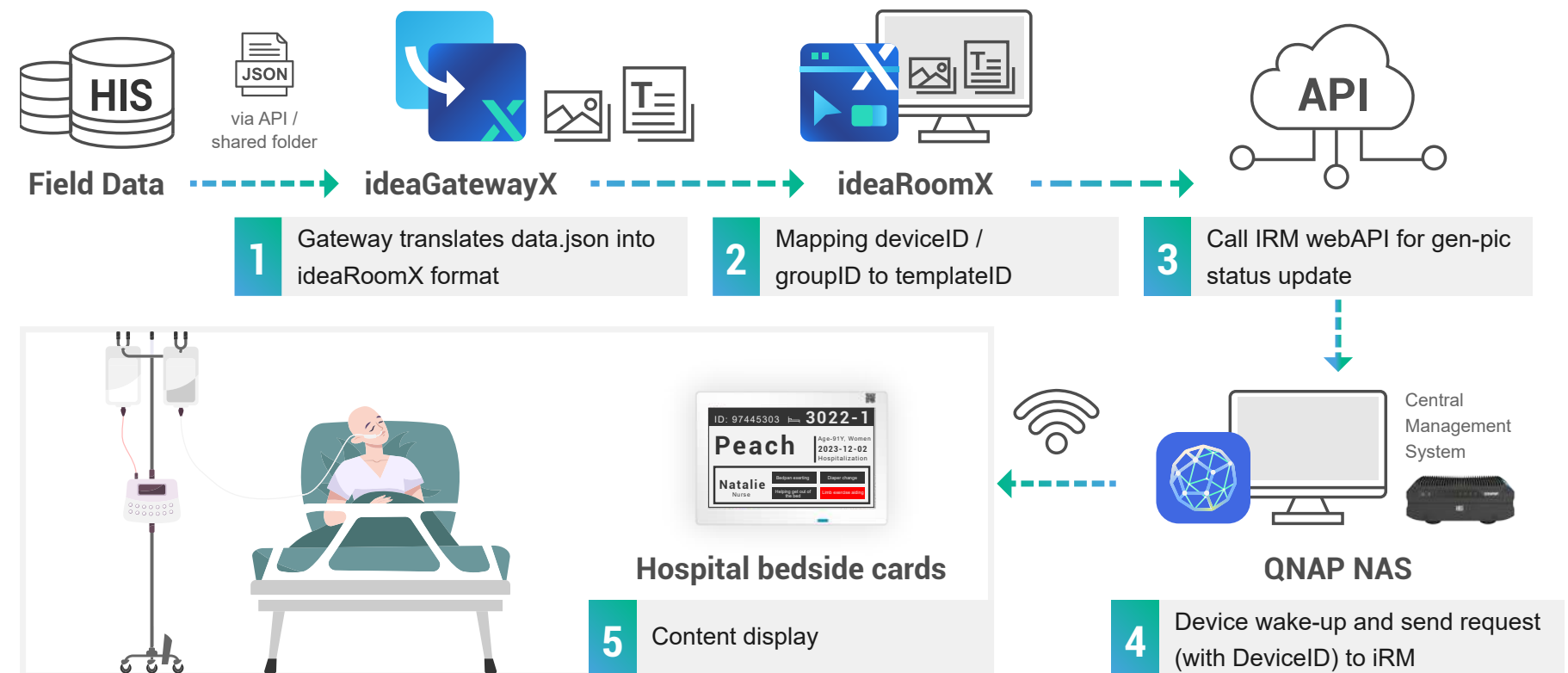
IEI has developed a series of wireless electronic paper displays that utilize rechargeable, easily recyclable, and readily available standard AAA battery designs. This approach mitigates battery pollution issues associated with products that contain built-in lithium-ion rechargeable batteries, which are challenging to recycle. As a result, customers can reduce carbon emissions without contributing to excessive battery heavy metal pollution.

### E-Paper Content Management System

The wireless electronic paper control platform includes electronic paper displays, the iRM Remote Management System, the ideaRoomX Content Management System, and the ideaGateway API gateway. By integrating with customer application systems such as factory MES, hospital HIS, and office systems through the ideaGateway, it enables fully automated data transfer, graphic processing, and image distribution. This automated electronic paper control platform effectively reduces the cumbersome tasks of managing display content for customer personnel while enhancing communication efficiency among staff through energy-saving display channels.

## Remote Management system

IEI has developed the iRM Remote Management System for the registration management, status management, group management, and image distribution of electronic paper displays. The iRM communicates wirelessly with the electronic paper displays via API and integrates with the electronic paper content management system, ideaRoomX. This combination enables customers to automate the management of the status and display content for hundreds of electronic paper display terminals.



## Edge Computing Products and Applications

### • Small AI Inference Engine

AI Inference Accelerator: Designed in co-design with AI models, this hardware shortens the inference time of AI models, reduces energy consumption, and requires less thermal management.

AI Inference Accelerator Card: This card assists customers in achieving high-performance, low-power, and well-ventilated AI inference capabilities with suitable interfaces.

### • Virtualized Edge Industrial Computer

Virtualization technology conserves energy and space, effectively integrates distributed resources, and reduces the constraints between hardware and software, facilitating management and enhancing availability. This significantly improves performance and operational efficiency.

Utilizing next-generation hybrid-core chips enhances overall computing power and energy efficiency, combining high performance with energy-saving characteristics.

### • High-Performance ARM System

Devices based on ARM architecture meet high-performance and low-power requirements, thereby reducing energy consumption and carbon footprint.

The application of ARM technology supports sustainable development, such as in smart grid and green energy solutions, optimizing energy use and facilitating the integration of renewable energy sources.

### • ARM AI Innovative Applications

ARM processors are utilized in smart manufacturing and home environments, employing intelligent control mechanisms and data analytics feedback to reduce energy consumption and eliminate unnecessary waste.

## Edge Computing

- High Performance
- Low Power Consumption
- Reduced Energy Consumption



## Green Packaging Design:

### Packaging Design

- Reduce the quantity of packaging materials, such as using single-piece cardboard packaging.
- Control the volume-to-weight ratio of packaging materials and promote reduction in usage.

### Material Selection

- Reduce plastic use by replacing EPE with paper folding structures.
- Prioritize the use of recyclable paper materials.

### Packaging Usage Efficiency (Recyclability)

- Comply with WEEE regulations.
- Increase the proportion of recyclable or reusable packaging materials.

#### Single-piece cardboard box.



#### Paper folding structures replacing EPE.





# 5.

## Climate Change-Related Disclosures

- 5.1 Response to the Impacts of Climate Change
- 5.2 Risks Encountered
- 5.3 Financial Expenditures Arising from Regulatory Compliance and Policy Changes in Response to Climate Change



## 5.

# Climate Change-Related Disclosures

## 5.1 Response to the Impacts of Climate Change

IEI adheres to the TCFD (Task Force on Climate-related Financial Disclosures) framework for disclosing financial risks related to climate change. The framework followed is outlined as follows:

Core Factors	Strategies or Actions	Actual Implementation Status
Governance	<p>On November 3, 2023, the Board of Directors approved the establishment of a Sustainable Development Committee responsible for promoting sustainability-related affairs. This committee serves as the highest organization for managing climate change risks at IEI, with a mandate to report on climate change-related issues to the Board on a regular annual basis.</p>	<ul style="list-style-type: none"><li>• In July 2023, the senior management of IEI incorporated climate change issues as one of the key items in the risk assessment across all departments, continuously monitoring and paying attention to developments related to climate change. They are also formulating relevant operational goals and plans.</li><li>• In 2024, plans are in place to explicitly include climate change and risk management within the organizational regulations of the Sustainable Development Committee, continually strengthening the Company's governance regarding climate change in accordance with the TCFD framework.</li></ul>
Strategy	<p>Incorporate climate change themes into the risk and opportunity assessment, with each department conducting its own identification of climate change risks and opportunities. For cross-departmental issues, further discussions are held to highlight the risks and opportunities that require focused attention.</p>	<ul style="list-style-type: none"><li>• Closely monitor the progress and trends of domestic and international environmental regulations to identify the short, medium, and long-term risks and opportunities faced by the Company's operations, industry, or products. This enables early planning and adjustments to the corresponding development direction.</li><li>• In response to climate change-related regulatory requirements, while simultaneously raising the entry thresholds for the supply chain, leverage this potential opportunity and advantage by utilizing the existing materials management system to proactively deploy compliance verification mechanisms. This enhances supply chain control efficiency and creates product competitiveness.</li><li>• Regularly assess the financial impacts that various risks and opportunities may have and formulate preventive or corrective measures for significant issues.</li><li>• Continuously promote energy-saving initiatives to strengthen the Company's efforts in environmental improvement. This can be complemented by evaluating investments in energy storage equipment or the adoption of alternative or green energy sources.</li></ul>
Risk Management	<p>Based on the climate change risk and opportunity items, analyze the potential positive and negative impacts and consequences, and assess their degree of correlation and significance. For those assessed as high risk, corresponding risk prevention or management mechanisms should be formulated, along with the establishment of management indicators and other measures.</p>	<ul style="list-style-type: none"><li>• Each department implements actions in accordance with the risk management policy, simultaneously integrating the promotion of various ESG projects. This includes establishing an appropriate climate change action mechanism and regularly reviewing the implementation status.</li><li>• Continuously manage electricity and water conservation, with future plans to introduce an energy management system to analyze major energy consumption and monitor usage. This will further facilitate the planning of energy-saving and carbon reduction initiatives, while also allowing for assessments of investments in energy storage equipment or the adoption of alternative or green energy sources.</li><li>• For relevant risk items, please refer to section 5.2, "Risks Encountered."</li></ul>
Indicators and Objectives	<p>Conduct annual greenhouse gas inventories and verifications. Implement additional carbon emissions-related management systems, such as product carbon footprint and energy management systems.</p>	<ul style="list-style-type: none"><li>• In 2023, IEI, BriteMED, and Armorlink SH (including subsidiaries) successfully completed their first ISO 14064-1 greenhouse gas inventory and verification for the year 2022. The results of the 2023 inventory have been finalized, and external verification is currently in progress.</li><li>• Plans are underway to implement ISO 14067 for product carbon footprint and ISO 50001 for energy management systems. In the future, management indicators and objectives will be established for the relevant matters.</li></ul>



## 5.2 Risks Encountered

Category	Item		Impact on IEI
Physical Risk	Immediacy	Extreme Climate	<ul style="list-style-type: none"> <li>In recent years, the frequency of extreme weather events attributed to climate change has been on the rise, potentially leading to damage to building facilities, equipment, information security, transportation, and personnel safety, resulting in operational disruptions.</li> <li>The risk of losses due to extreme weather events has increased, leading to property damage.</li> <li>Operational interruptions or equipment damage can result in property losses and contractual risks.</li> </ul>
		Extreme Temperatures	<ul style="list-style-type: none"> <li>The increasing number of extreme high and low-temperature days each year leads to higher energy consumption in office and operational environments, resulting in equipment damage and disruptions in operations, as well as property loss.</li> <li>Increased in employee illness rates, jeopardizing employee health and impacting the Group's continued operations.</li> </ul>
	Long-Term	The global average temperature continues to rise.	<ul style="list-style-type: none"> <li>The global average temperature continues to rise.</li> <li>The issue of reducing carbon emissions is gaining momentum.</li> <li>Changes in biodiversity are increasing the likelihood of pandemics.</li> </ul>
Transition Risks	Policies and Regulations	International conventions or initiatives.	<ul style="list-style-type: none"> <li>Due to the requirements of international conventions or initiatives, such as the TCFD (Task Force on Climate-related Financial Disclosures), the Group must establish relevant climate change risk management and response measures.</li> </ul>
	Policies and Regulations	Updates to national laws and regulations.	<ul style="list-style-type: none"> <li>The establishment of relevant environmental protection laws and policies in Taiwan, such as mandatory greenhouse gas emission disclosures and the implementation of energy management topics.</li> <li>The imposition of carbon taxes or carbon fees may increase operational costs.</li> </ul>
	Market/Reputation	Changes in customer behavior/Increasing public awareness and demand for environmental protection.	<ul style="list-style-type: none"> <li>Failure to meet stakeholder expectations may impact the Company's reputation and trustworthiness.</li> </ul>

## 5.3 Financial Expenditures Arising from Regulatory Compliance and Policy Changes in Response to Climate Change

Unit: NT\$1,000

In response to climate change-related regulations and policies, IEI has planned to implement relevant ISO systems and internal response mechanisms. To facilitate the implementation of these policies or management mechanisms, the Company has also designated personnel from relevant departments or seed members to undergo internal and external training. In 2023, IEI (the parent company) reported a total expenditure of approximately NT\$1,458,000 for consultancy guidance, verification fees, training costs, and internal manpower investment, which accounts for about 0.03% of the Company's revenue. This expenditure has not yet caused a significant financial impact on IEI.

Item	Expenditure Amount
ISO 14064-1 Consultancy Fees	293
ISO 14064-1 Verification Fees	231
ESG Report Consultancy Fees	380
External Training Costs	20
Estimated Labor Investment	534
Total	\$1,458

Note: The amounts listed in the above table only include those of the parent company, IEI.

# 6.

## Social Responsibility

6.1

Public Welfare Participation and Donations





## 6. Social Responsibility

### 6.1 Public Welfare Participation and Donations

IEI has consistently collaborated with community charitable organizations over the years and encourages all employees to participate in various related activities. In 2023, we explored different approaches and channels to engage more actively in charity efforts and give back to society.

The outcomes of these activities are as follows:

Time	Activity Name	Number of Participants	Description of Specific Outcomes
2023/03/08 ~ 2023/03/11	Donation of Old Shoes	8	A total of three boxes of supplies were collected and donated to underprivileged children and local residents in impoverished regions of Africa.
2023/03/10 2023/12/07	Donate Blood, Share Love	27	In March and December, two blood donation events took place, with a total of 20 participants contributing to the cause. BriteMED responded to the two blood donation events in December, with 7 participants.
2023/05/09 ~ 2023/05/31	Huashan Foundation - Dragon Boat Festival Handmade Charity Volunteering	11	A total of 11 colleagues participated in making handmade key pouches and scented sachets, which were delivered to elderly individuals living alone, supported by the Huashan Foundation.
2023/8/8	Employee Charity Blood Donation	47	Employees of the Armorlink Group actively participated in a blood donation campaign, with 24 individuals donating 200 ml of blood and 23 individuals donating 400 ml. Together, we donate a portion of our warmth and extend our love.
2023/08/11 ~ 2023/08/21	Collection of Stationery and Used Books	10	A total of one box of stationery was collected for donation to the Paramitas Foundation, and one box of used books was gathered for the SPBOOK.
2023/08/25 ~ 2023/09/13	Mid-Autumn Festival Charity Mooncakes	391	The Company ordered charity mooncakes from the St. Coletta Catholic Training Center for Special Needs to distribute to all employees. Among them, 69 employees chose to donate their mooncakes to underprivileged children.
2023/11/30 ~ 2023/12/15	Christmas Supplies Collection for Orphanages	20	A total of 20 employees participated in the event, collecting a variety of food items, daily necessities, and cleaning supplies for donation to the Chinese Childrenhome & Shelter Association, Holy World Children's Home, and the Bethany Children's Home.





# Appendix 1

## Group ISO Certification Information

The Group has progressively obtained international certification systems. This not only ensures the functionality and performance of our products and services but also enables us to consistently produce uniform and stable products and services under a robust management framework.

### ISO Certification Information for the Group

Certification Categories	IEI (Taiwan Region)	Armorlink SH and its subsidiaries (Mainland China Region)	BriteMED
ISO 9001	ISO9001:2015 Validity Period 2022/1/11 ~ 2025/1/10	ISO 9001:2015 Validity Period 2023/11/30 ~ 2027/1/1	-
ISO13485	ISO 13485:2016 Validity Period 2021/12/17 ~ 2024/12/17	ISO 13485:2016 Validity Period 2023/12/6 ~ 2026/12/5	ISO13485:2016 Validity Period 2023/9/16 ~ 2026/9/16
ISO 27001	ISO 27001:2013 Validity Period 2023/5/14 ~ 2025/10/31	-	-
ISO 45001	ISO 45001:2018 Validity Period 2022/8/29 ~ 2025/8/28	ISO 45001:2018 Validity Period 2022/10/26 ~ 2025/3/11	-
ISO 14001	ISO 14001:2015 Validity Period 2012/12/2 ~ 2025/9/11	ISO 14001:2015 Validity Period 2023/12/4 ~ 2027/1/1	-
QC 080000	IECQ QC 080000:2017 Validity Period 2022/10/04 ~ 2025/10/03	IECQ QC 080000:2017 Validity Period 2022/3/23 ~ 2025/4/22	-
ESD S20.20	-	ESD S20.20:2021 Validity Period 2023/11/24 ~ 2024/12/13	-
ISO 28000	ISO 28000:2007 Validity Period 2022/8/25 ~ 2025/8/25	-	-
ISO14064-1	ISO 14064-1:2018 Greenhouse Gas Inventory Verification Statement for 2022	ISO 14064-1:2018 Greenhouse Gas Inventory Verification Statement for 2022	ISO 14064-1:2018 (Combined Verification with IEI) Greenhouse Gas Inventory Verification Statement for 2022

# Appendix 1

## Group ISO Certification Information

## ISO Certificates for Taiwan Region



## ISO Certificates for Mainland China Region





# Appendix 2

## GRI Index

### GRI Usage Statement

#### Declaration

IEI reports in accordance with GRI standards for the period from January 1, 2023, to December 31, 2023.

#### GRI Used:

GRI 1: Foundation 2021

#### Applicable GRI Sector Standards:

None

### GRI 2: 2021 General Disclosures

Indicators	Disclosure Items	Report Section Reference	Page Number	Explanation
Organization and Reporting Practices				
2-1	Organizational details	-	About IEI	3-6
2-2	Entities included in the organization's sustainability reporting	-	About the Report	1
2-3	Reporting period, frequency and contact point	-	About the Report	1
2-4	Restatements of information	-	-	
2-5	External assurance	-	-	
Activities and Workers				
2-6	Activities, value chain and other business relationships	-	About IEI	3-6
2-7	Employees	3.1	Workforce Structure and Diverse Employment	34-38
2-8	Workers who are not employees	3.1	Workforce Structure and Diverse Employment	36
Governance				
2-9	Governance structure and composition	2.1	Governance Structure and Operations	23-25
2-10	Nomination and selection of the highest governance body	2.1	Governance Structure and Operations	23-25
2-11	Chair of the highest governance body	2.1	Governance Structure and Operations	23-25
2-12	Role of the highest governance body in overseeing the management of impacts	1	Sustainable Governance	8-9
		2.1	Governance Structure and Operations	23-25
2-13	Delegation of responsibility for managing impacts	1.3	Sustainable Material Topic Management Policy	18-21
2-14	Role of the highest governance body in sustainability reporting	2.1	Governance Structure and Operations	23-25
2-15	Conflict of Interest	2.1	Governance Structure and Operations	23-25
2-16	Communication of critical concerns	2.1	Governance Structure and Operations	23-25

Indicators	Disclosure Items	Report Section Reference		Page Number	Explanation
2-17	Collective knowledge of the highest governance body	2.1	Governance Structure and Operations	23-25	
2-18	Evaluation of the performance of the highest governance body	2.1	Governance Structure and Operations	23-25	
2-19	Remuneration policies	2.1	Governance Structure and Operations	23-25	
2-20	Process to determine remuneration	2.1	Governance Structure and Operations	23-25	
2-21	Annual total compensation ratio	Annual Total Compensation Ratio: 524.76% Change Rate of Total Annual Salary Compensation: 58.39%			
Strategy, Policy, and Practices					
2-22	Statement on sustainable development strategy	1.1	Sustainable Development Strategy Blueprint	10	
2-23	Policy Commitments (Responsible Business Practices, Respect for Human Rights)	2.2	Business Integrity and Anti-Corruption	26	
2-24	Embedding policy commitments	2.2	Business Integrity and Anti-Corruption	26	
2-25	Processes to remediate negative impacts	1.3	Sustainable Material Topic Management Policy	18-21	
		2.2	Business Integrity and Anti-Corruption	26	
2-26	Mechanisms for seeking advice and raising concerns	2.2	Business Integrity and Anti-Corruption	26	
2-27	Compliance with laws and regulations	2.2	Business Integrity and Anti-Corruption	26	
2-28	Membership associations	-	About IEI	3-6	
Stakeholder Engagement					
2-29	Approach to stakeholder engagement	1.2	Stakeholder Engagement	12-13	
2-30	Collective bargaining agreements	3.3	Workforce Development and Employee Benefits	41-43	





# Appendix 2

## GRI Index

### GRI 3: 2021 Material Topics

Indicators	Disclosure Items	Corresponding Chapters of the Report		Page Number	Explanation
3-1	Process to determine material topics	1.3	Materiality Assessment	14-16	
3-2	List of material topics	1.3	Disclosure of Material Topics	17	
Material topics 1: Sustainable Supply Chain					
3-3	Management of material topics	1.3	Material Topic Management Policy	20	
204-1	Proportion of spending on local suppliers	2.4	Sustainable Supply Chain	28	
308-1	New suppliers that were screened using environmental criteria	2.4	Sustainable Supply Chain	29	
308-2	Negative environmental impacts in the supply chain and actions taken	2.4	Sustainable Supply Chain	28-30	
Material topics 2: Energy Management					
3-3	Management of material topics	1.3	Material Topic Management Policy	18	
302-1	Energy consumption within the organization	4.2	Energy Management	49	
302-3	Energy intensity	4.2	Energy Management	49	
302-4	Reduction of energy consumption	4.2	Energy Management	49	
Material topics 3: Information Security					
3-3	Management of material topics	1.3	Material Topic Management Policy	19	
-	Custom Topic: Cybersecurity Incidents	2.5	Information Security	31-32	No cybersecurity incidents resulting in losses occurred in 2023.
Material topics 4: Quality Management					
3-3	Management of material topics	1.3	Material Topic Management Policy	19	
416-2	Incidents of non-compliance concerning the health and safety impacts of products and services	4.5	Green Products and Innovative Services	51-54	No incidents of non-compliance with health and safety regulations for products and services in 2023.
Material topics 5: Human Capital Development					
3-3	Management of material topics	1.3	Material Topic Management Policy	21	
404-1	Average hours of training per year per employee	3.3	Workforce Development and Employee Benefits	41	
Material topics 6: Talent Attraction and Retention					

Indicators	Disclosure Items	Corresponding Chapters of the Report		Page Number	Explanation
3-3	Management of material topics	1.3	Material Topic Management Policy	18	
401-1	New employee hires and employee turnover	3.2	Talent Recruitment and Retention	39-40	
401-2	Benefits provided to full-time employees that are not provided to temporary or part-time employees	3.3	Workforce Development and Employee Benefits	41-43	
401-3	Parental leave	3.3	Workforce Development and Employee Benefits	41-43	
405-1	Diversity of governance bodies and employees	2.1	Governance Structure and Operations	24	
		3.1	Workforce Structure and Diverse Employment	34-38	
405-2	Ratio of basic salary and remuneration of women to men	3.1	Workforce Structure and Diverse Employment	38	
Material topics 7: Customer Service					
3-3	Management of material topics	1.3	Material Topic Management Policy	20	
418-1	Substantiated complaints concerning breaches of customer privacy and losses of customer data	2.5	Information Security	31-32	No complaints regarding customer privacy breaches or loss of customer data in 2023.

### GRI Voluntary Disclosure Topics and Indicators

Indicators	Disclosure Items	Corresponding Chapters of the Report		Page Number	Explanation
GRI 200: Economic Topics					
GRI 201: Economic Performance 2016					
201-1	Direct economic value generated and distributed	2.3	Business Results and Financial Performance	27	
201-2	Financial implications and other risks and opportunities due to climate change	5	Climate Change-Related Disclosures (TCFD)	56-57	
GRI 202: Market Presence 2016					
202-1	Ratios of standard entry level wage by gender compared to local minimum wage	3.1	Workforce Structure and Diverse Employment	37-38	
202-2	Proportion of senior management hired from the local community	3.1	Workforce Structure and Diverse Employment	34	



# Appendix 2

## GRI Index

### GRI 3: 2021 Material Topics

Indicators	Disclosure Items	Corresponding Chapters of the Report		Page Number	Explanation
3-1	Process to determine material topics	1.3	Materiality Assessment	14-16	
3-2	List of material topics	1.3	Disclosure of Material Topics	17	
Material topics 1: Sustainable Supply Chain					
3-3	Management of material topics	1.3	Material Topic Management Policy	20	
204-1	Proportion of spending on local suppliers	2.4	Sustainable Supply Chain	28	
308-1	New suppliers that were screened using environmental criteria	2.4	Sustainable Supply Chain	29	
308-2	Negative environmental impacts in the supply chain and actions taken	2.4	Sustainable Supply Chain	28-30	
Material topics 2: Energy Management					
3-3	Management of material topics	1.3	Material Topic Management Policy	18	
302-1	Energy consumption within the organization	4.2	Energy Management	49	
302-3	Energy intensity	4.2	Energy Management	49	
302-4	Reduction of energy consumption	4.2	Energy Management	49	
Material topics 3: Information Security					
3-3	Management of material topics	1.3	Material Topic Management Policy	19	
-	Custom Topic: Cybersecurity Incidents	2.5	Information Security	31-32	No cybersecurity incidents resulting in losses occurred in 2023.
Material topics 4: Quality Management					
3-3	Management of material topics	1.3	Material Topic Management Policy	19	
416-2	Incidents of non-compliance concerning the health and safety impacts of products and services	4.5	Green Products and Innovative Services	51-54	No incidents of non-compliance with health and safety regulations for products and services in 2023.
Material topics 5: Human Capital Development					
3-3	Management of material topics	1.3	Material Topic Management Policy	21	
404-1	Average hours of training per year per employee	3.3	Workforce Development and Employee Benefits	41	

Indicators	Disclosure Items	Corresponding Chapters of the Report		Page Number	Explanation
Material topics 6: TalentAttraction and Retention					
3-3	Management of material topics	1.3	Material Topic Management Policy	18	
401-1	New employee hires and employee turnover	3.2	Talent Recruitment and Retention	39-40	
401-2	Benefits provided to full-time employees that are not provided to temporary orpart-time employees	3.3	Workforce Development and Employee Benefits	41-43	
401-3	Parental leave	3.3	Workforce Development and Employee Benefits	41-43	
405-1	Diversity of governance bodies and employees	2.1	Governance Structure and Operations	24	
		3.1	Workforce Structure and Diverse Employment	34-38	
405-2	Ratio of basic salary and remuneration of women to men	3.1	Workforce Structure and Diverse Employment	38	
Material topics 7: Customer Service					
3-3	Management of material topics	1.3	Material Topic Management Policy	20	
418-1	Substantiated complaints concerning breaches of customer privacy and losses of customer data	2.5	Information Security	31-32	No complaints regarding customer privacy breaches or loss of customer data in 2023.

### GRI Voluntary Disclosure Topics and Indicators

Indicators	Disclosure Items	Corresponding Chapters of the Report		Page Number	Explanation
GRI 200: Economic Topics					
GRI 201: Economic Performance 2016					
201-1	Direct economic value generated and distributed	2.3	Business Results and Financial Performance	27	
201-2	Financial implications and other risks and opportunities due to climate change	5	Climate Change-Related Disclosures (TCFD)	56-57	
GRI 202: Market Presence 2016					
202-1	Ratios of standard entry level wage by gender compared to local minimum wage	3.1	Workforce Structure and Diverse Employment	37-38	



# Appendix 2

## GRI Index

Indicators	Disclosure Items	Corresponding Chapters of the Report		Page Number	Explanation
202-2	Proportion of senior management hired from the local community	3.1	Workforce Structure and Diverse Employment	34	
GRI 205: Anti-Corruption 2016					
205-2	Communication and training about anti-corruption policies and procedures	2.2	Business Integrity and Anti-Corruption	26	
205-3	Confirmed incidents of corruption and actions taken	2.2	Business Integrity and Anti-Corruption	26	No incidents of corruption occurred in 2023.
GRI 300: Environmental Topics					
GRI 305: Emissions 2016					
305-1	Direct (Scope 1) GHG emissions	4.3	Greenhouse Gas Emissions	49-50	
305-2	Energy indirect (Scope 2) GHG emissions	4.3	Greenhouse Gas Emissions	49-50	
305-3	Other indirect (Scope 3) GHG emissions	4.3	Greenhouse Gas Emissions	49-50	
305-5	Reduction of GHG emissions	4.3	Greenhouse Gas Emissions	49-50	
GRI 306: Waste 2020					
306-1	Waste generation and significant waste-related impacts	4.4	Waste Management	50	
306-2	Management of significant waste-related impacts	4.4	Waste Management	50	
306-3	Waste generated	4.4	Waste Management	50	
306-4	Waste diverted from disposal	4.4	Waste Management	50	
306-5	Waste directed to disposal	4.4	Waste Management	50	
GRI 400: Social Issues					
GRI 402: Labor/Management Relations 2016					
402-1	Minimum notice periods regarding operational changes	-	-		In the event of significant operational changes, IEI complies with local laws to provide advance notice and communication.
GRI 403: Occupational Health and Safety					
403-1	Occupational health and safety management system	3.4	Occupational Safety, Health, and Health Promotion	44-46	
403-2	Hazard identification, risk assessment, and incident investigation	3.4	Occupational Safety, Health, and Health Promotion	44-46	

Indicators	Disclosure Items	Corresponding Chapters of the Report		Page Number	Explanation
403-3	Occupational health services	3.4	Occupational Safety, Health, and Health Promotion	44-46	
403-4	Worker participation, consultation, and communication on occupational health and safety	3.4	Occupational Safety, Health, and Health Promotion	44-46	
403-5	Worker training on occupational health and safety	3.4	Occupational Safety, Health, and Health Promotion	44-46	
403-6	Promotion of worker health	3.4	Occupational Safety, Health, and Health Promotion	44-46	
403-7	Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	3.4	Occupational Safety, Health, and Health Promotion	44-46	
403-8	Workers covered by an occupational health and safety management system	3.4	Occupational Safety, Health, and Health Promotion	44-46	
403-9	Work-related injuries	3.4	Occupational Safety, Health, and Health Promotion	44-46	
GRI 406: Non-discrimination 2016					
406-1	Incidents of discrimination and corrective actions taken				No incidents of discrimination occurred in 2023.
GRI 409: Forced and Compulsory Labor 2016					
409-1	Operations and suppliers at significant risk for incidents of forced or compulsory labor	2.4	Sustainable Supply Chain	28-29	
GRI 417: Marketing and Labeling 2016					
417-1	Requirements for product and service information and labeling	4.5	Green Products and Innovative Services	51	
417-2	Incidents of non-compliance concerning product and service information and labeling	4.5	Green Products and Innovative Services	51	No incidents of non-compliance with product and service information and labeling regulations in 2023.
417-3	Incidents of non-compliance concerning marketing communications	4.5	Green Products and Innovative Services	51	No incidents of non-compliance with marketing communication regulations occurred in 2023.