



聯亞光電工業股份有限公司  
LandMark Optoelectronics Corporation

# 2023 SUSTAINABILITY REPORT



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## About this Report

This report is the 6th Sustainability Report ("CSR Report" has been renamed as "Sustainability Report" since 2021 onwards) published by LandMark Optoelectronics Corporation (hereinafter referred to as LandMark or the Company), and by publishing this report, we explain to the stakeholders the Company's approach to management and actions in relation to the Company's performance on Corporate Governance, Social and Environmental Issues, as well as the material topics.

### ■ Report Disclosure Period and Scope

This report disclosed information for the period from January 1, 2023 to December 31, 2023, and the disclosed information was obtained from the Company's own statistics and surveys, and was presented using internationally recognized methods of calculating indicators. The source of financial data is based on individual financial statements certified by CPAs and expressed in New Taiwan dollars. The Company has no subsidiaries, and the performance results in this report are presented for each of the Company's factories in Taiwan.

### ■ Basis of Preparation and Verification

This report is a voluntary publication of non-financial information of the Company. It was prepared in accordance with the GRI Standards 2021 (GRI Standards 2021) issued by the Global Reporting Initiative (GRI), and the GRI Standards Content Index is provided in the Appendix of this report to facilitate cross-referencing of the contents of each chapter.

### ■ Management System

Relevant management systems include: ISO 9001 Quality Management System, ISO 14001 Environmental Management System, ISO 45001 Occupational Safety and Health Management System, IECQ QC 080000 Hazardous Substance Management System, and IATF 16949 Compliance Certificate, and the first and second plants of our company have been verified by third party organizations.

### ■ Publication Frequency

LandMark will publish a sustainability report on a regular annual basis, which will be announced in an electronic version on the Company's website.

Current Publication Date: August 31, 2024

Previous Publication Date: June, 30, 2023

Next Publication Date: August, 31, 2025

### ■ Feedback and Contact Information

We sincerely welcome all stakeholders to keep in touch with us, and to provide us with valuable feedback and suggestions through the following contact methods.

LandMark Corporate Sustainability and Nomination Committee

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Tel : +886-6-5058999 #2407

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Website : <http://www.lmoc.com.tw/>

## **Letter from the Chairman**

According to the National Oceanic and Atmospheric Administration's (NOAA) 2023 Global Climate Report, 2023 will be the hottest year on record of the world, with the impact of extreme high temperatures on the global economy becoming more and more apparent. The demand for carbon reduction from governments and the international supply chain continues to grow; and the demand and the expectations of corporate stakeholders for ESG continue to increase. These external drivers are urging companies to take more sustainable actions, and sustainability is a goal that responsible companies must strive to fulfill.

LandMark has set clear long-term goals for sustainable management. On the environmental front, we will strive to achieve net-zero emissions by 2050; on the social front, we have always been committed to taking care of our employees, creating a happy and healthy workplace, and at the same time, deepening our links with the community and investing in social care activities; and on the corporate governance front, we are striving to build up a coherent and consistent corporate governance structure, with a view to safeguarding the rights of shareholders and taking into account the interests of other stakeholders..

While focusing on long-term goals, we also endeavor to track short-term targets. In regard to the environment, LandMark has implemented multiple energy saving and waste reduction projects in 2023, resulting in an electricity saving of 3.92%, which regards as a reduction of approximately 376,247 kilograms of CO<sub>2</sub>e emissions; and in terms of water resources management, approximately 13.65 million liters of water were saved, with a water saving ratio of approximately 28.05%. At this stage, the Company has planned to introduce AI intelligent manufacturing management processes to optimize manufacturing management processes and enhance production efficiency, and at the same time, promote various greenhouse gas emission reduction measures to help the company continue to move towards the goal of net-zero transformation.

In regard to social front, LandMark' policy of providing employees with a childcare allowance for children aged 0-6 has been implemented for three years. We hope to create a workplace environment that allows employees to have peace of mind when they are pregnant and raise their children, and by 2023 the rate of reinstatement of employees who stayed behind to raise their babies will be as high as 100%. Talent is the foundation of the Company's sustainable growth. We attach great importance to the cultivation of talent and provide a talent development blueprint and training system, as well as a diversified and practical training system to improve employees' professional abilities and assist them in their career and development. In 2023, the Company was awarded the "Badge of Accredited Healthy Workplace" by Health

Promotion Administration of the Ministry of Health and Welfare, and the "Happy Enterprise Silver Award 2023" from 1111 Job Bank.

In regard to social participation, LandMark organizes the "LandMark ♥ Sharing" campaigns every year. We continue to cooperate with social welfare organizations to take care of the disadvantaged, smallholdings in the remote villages, and children, and hope to share our resources to more places in need through ongoing programs. In 2023, we cooperated with elementary school in the remote villages of Tainan to launch the "Guarded by love, we grow as one" Children's Day Gift Collection Activity, to accompany children in the remote villages in a happy Children's Day. We will organize the "End the year with warmth, uplift with love" campaign to help disadvantaged children in the remote areas of Tainan and overseas through donations and collection of materials (such as second-hand clothing).

In regard to sustainable governance, LandMark has followed the government's "Corporate Governance 3.0 Sustainable Development Road Map) and continue to improve various corporate governance systems, taking into account shareholders' rights and interests as well as corporate social responsibility. Thanks to the efforts of all staff, LandMark has been ranked among the top 5% of listed companies in the Corporate Governance Assessment for six consecutive years (5th to 10th) in 2023. This honor recognizes our past efforts and urges us to continue to improve in the future and move towards the goal of sustainable development.

The management of a company is an important task and a long way to go, LandMark will maintain a proactive and steady attitude in setting sustainable growth targets and continue to promote various sustainable development efforts. Also maintain smooth communication with stakeholders, create a friendly and happy workplace for our employees, and strive to reduce greenhouse gas emissions, and optimize energy and manage resources more efficiently. Looking forward to becoming a benchmark enterprise for the sustainable development of the industry and the society, and to work together with our employees, customers, investors, suppliers, and other stakeholders. We will move toward a future of mutual prosperity and goodwill.



*Ching-Yi Chang*

Chairman and Chairperson of  
Corporate Sustainability and  
Nomination Committee





## Awards and Recognitions

- Ranked in the TOP 5% of TPEX-listed companies in 2023 (the 10th) Corporate Governance Evaluation.
- 2023 Happiness Cooperation Silver Award from 1111 Job Bank.
- Obtained the national certification of Talent Quality Management System (TTQS).
- Selected as a constituent of TPEX 200 Index for four consecutive years.
- Selected as a constituent of TPEX Compensation Index for the eight consecutive years.








## Implementation of the UN SDGs in 2023

The Company's 2023 practice SDGs results are as follow:

SDGs	SDGs Targets	Performance in 2023	Corresponding Chapter
	1.1 No Poverty 1.4 Equal rights to economic resources	<ul style="list-style-type: none"> <li>■ To help the disadvantaged children in remote area of Tainan through donations and materials donations.</li> <li>■ Initiated Children's Day Gift collection to spread warmth and love to disadvantaged children in the remote areas of Tainan.</li> <li>■ Initiated second-hand clothing collection event to bring new life to old clothes and keep the love alive.</li> <li>■ For employees with children aged 0-6, a monthly child care allowance of \$3000 per child will be provided, with a total of 124 recipients of child care allowance in 2023.</li> </ul>	3.4 Compensation and Welfare 3.6 Social Welfare
	3.4 Disease prevention and treatment 3.d National and global health risks management	<ul style="list-style-type: none"> <li>■ Employees are provided with health checkups once a year, after which they are managed and tracked according to the health grading system.</li> <li>■ Organized 12 on-site physicians' consultation services, providing health counseling and taking care of the physical and mental health of employees.</li> <li>■ 0 cases of occupational injuries and occupational diseases.</li> </ul>	3.5 Occupational Health and Safety
	4.4 Technical and vocational skills training 4.5 Equal access to all levels of educations 4.7 Education of sustainable development	<ul style="list-style-type: none"> <li>■ New staff functional training completion rate of 100%.</li> <li>■ Obtained the national certification of Talent Development Quality Management System (TTQS).</li> <li>■ The average training hours for all employees was 16.6 hours.</li> </ul>	3.3 Talent Cultivation and Development
	5.a Equitable resources rights 5.1 End all forms of discrimination against all women and girls	<ul style="list-style-type: none"> <li>■ In 2023, the consultation rate and the improvement rate of targets pf maternal health protection will reach 100%.</li> <li>■ All factories are equipped with breastfeeding rooms, which are well-equipped to create a mother-friendly workplace.</li> </ul>	3.5 Occupational Health and Safety



SDGs	SDGs Targets	Performance in 2023	Corresponding Chapter
	8.2 Technological upgrading and innovation 8.5 Equal pay for work of equal value 8.8 Protect labor rights	<ul style="list-style-type: none"> <li>■ R&amp;D investment expenses amounted to \$290 million, an increase of 8.6% over the previous year.</li> <li>■ The average salary of full-time non-managerial employees is NT\$793 thousand.</li> <li>■ Follow RBA regulations, prohibits child labor and protects workers' rights.</li> </ul>	2.3 Economic Performance 3.1 Human Rights Management 3.4 Compensation and Welfare
	12.5 Wastes management 12.8 Sustainability information disclosure 12.a Sustainable patterns of consumption and production	<ul style="list-style-type: none"> <li>■ Continuously publish sustainability reports to improve the quality of information disclosure.</li> <li>■ Implemented several energy saving programs, with an overall electricity saving rate of 3.92%, regarding as a carbon reduction of approximately 376,247 kilograms of CO<sub>2</sub>e.</li> <li>■ Implemented a number of water conservation programs, with an overall water saving rate of 28.05% and a total water saving of about 13.65 million liters.</li> <li>■ Complies with EU RoHS and REACH international regulations on the use of hazardous substances.</li> <li>■ The percentage of hazardous that can be recycled is 49.33%.</li> </ul>	4.3 Energy Management 4.4 Water Resources Management 4.5 Waste Management
	13.1 Adaptive capacity to climate-related hazards 13.2 Integrate climate change measures	<ul style="list-style-type: none"> <li>■ In accordance with the Task Force on Climate-related Financial Disclosures (TCFD), incorporate climate change risks into operational decisions, identify and manage risks, and continuously monitor and control them.</li> <li>■ Conducted the 2023 greenhouse gas inventory in accordance with the international standard ISO14064-1.</li> </ul>	4.1 Climate Change 4.2 Greenhouse Gas Management
	16.6 Development effective, accountable and transparent institutions at all levels 16.b Non-discriminatory laws and policies	<ul style="list-style-type: none"> <li>■ Ranked in the top 5% of TPEx-listed companies in corporate governance evaluation for six consecutive years.</li> <li>■ Completed the internal performance evaluation for the Board of Directors.</li> <li>■ Addition of a female board member.</li> <li>■ 100% attendance rate of Directors' participation in the Board of Directors, the Remuneration Committee and the Audit Committee, with excellent attendance.</li> <li>■ No violation for laws and regulations related to social, environmental and economic issues.</li> </ul>	2.2 Corporate Governance 2.4 Compliance with laws and regulations
	17.16 Multi-Collaborating and counselling	<ul style="list-style-type: none"> <li>■ Completed 100% daily assessment of important supplier management.</li> <li>■ Major suppliers signed the "Supplier Social Responsibility Commitment" and the percentage of signing reached 100%.</li> </ul>	2.6 Supply Chain Management

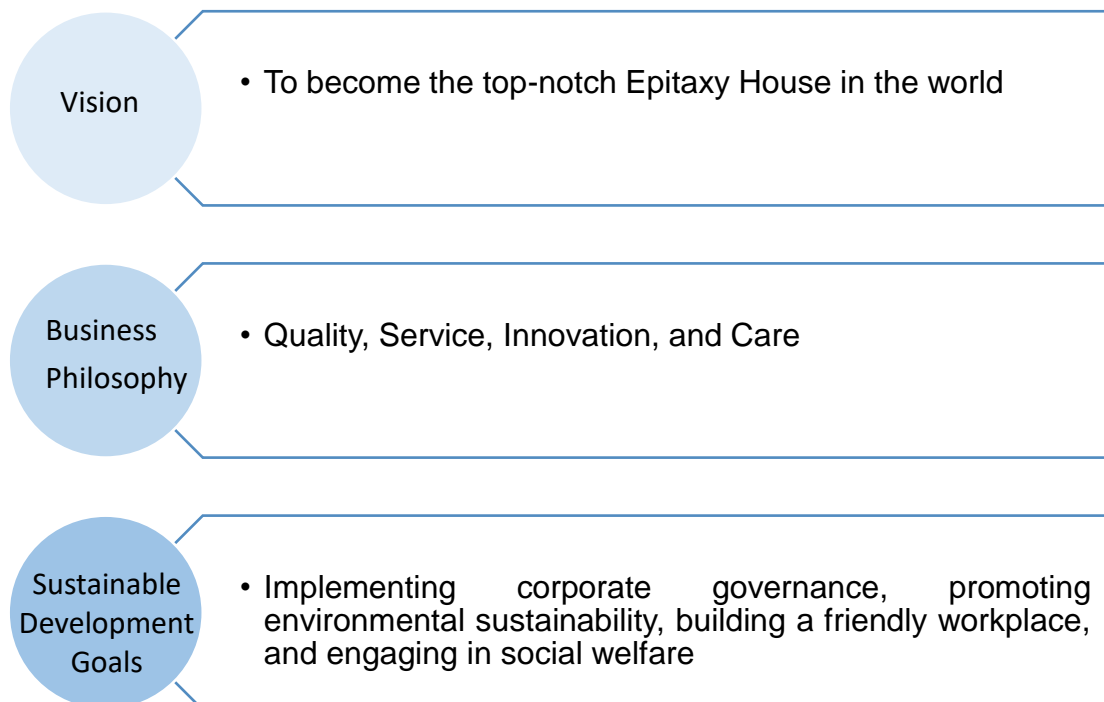


# **1. Sustainability Development**

## **1.1 Commitment to Sustainable Management**

## **1.2 Stakeholders and Material Topics**

## 1.1 Commitment to Sustainable Management

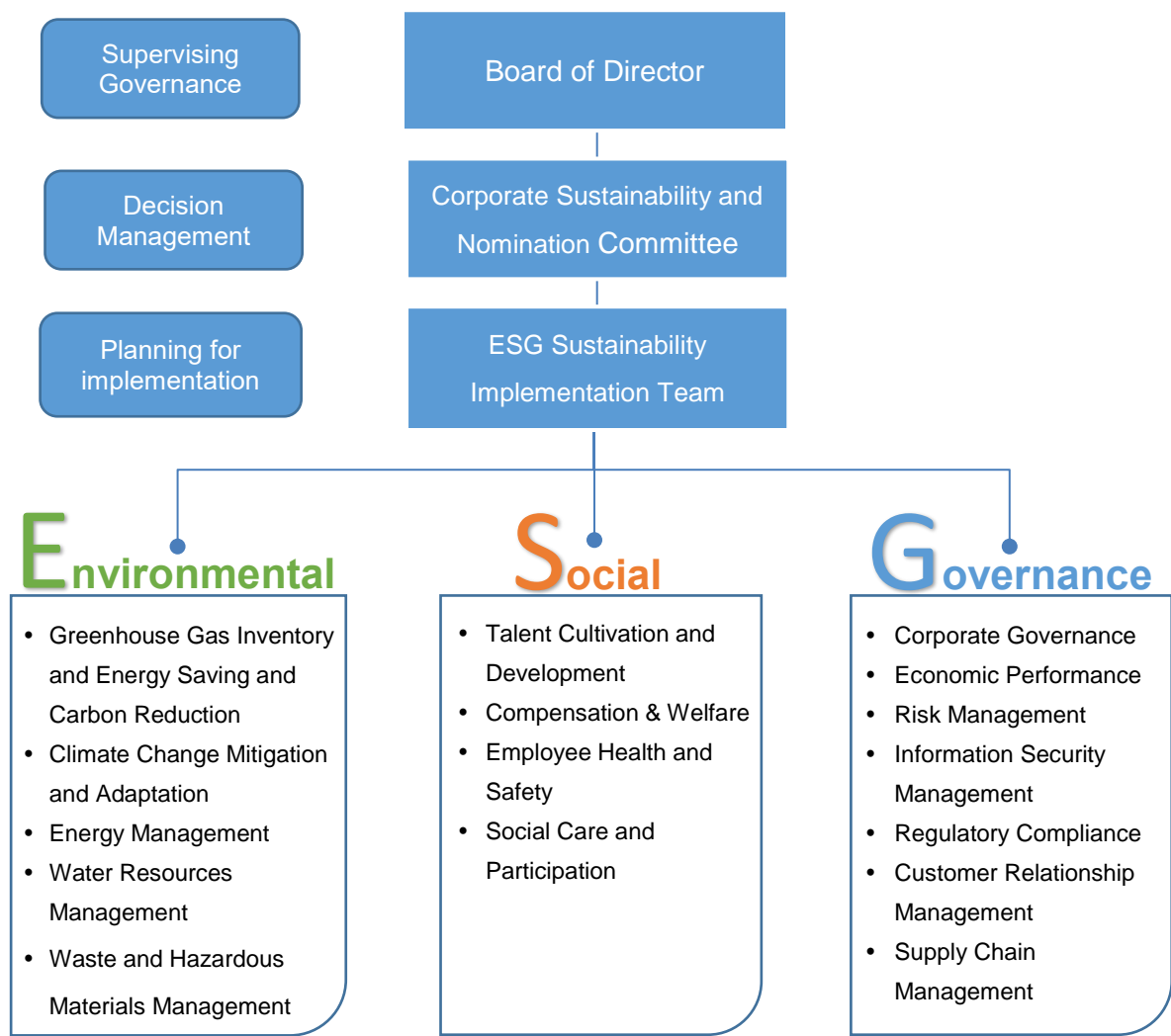


### • Sustainability Policy and Commitment

- To pursue corporate sustainability and emphasize management in economic, environmental, and social aspects.
- To consider risks while creating the best profits for customers, shareholders, employees, and relevant stakeholders.
- To observe relevant regulations and fulfill international criteria and standards.
- To strengthen partnership to realize value of the chain collaborative businesses.
- To reduce the impact on the environment, mitigate climate change, and maintain a balanced eco-system.
- To respect and protect human right by valuing equality, multiple development, and labor rights.
- To offer a friendly workplace by cultivating talents and creating a healthy and safe work environment.
- To participate in philanthropic activities and devote for social welfare.

• Sustainable Governance Framework

LandMark's sustainability governance framework is based on the Corporate Sustainability and Nomination Committee as the highest decision-making and management unit, with the Chairman of the Board of Directors serving as the convener. Under the Committee, an ESG Sustainability Implementation Team has been established, consisting of an Environmental Team, a Social Team, and a Governance Team, with the heads of each department and their designated representatives as members. The Committee meets at least once a quarter to review the results of sustainability implementation and to formulate future work plans. Regularly report to the Board of Directors on the implementation of plans and results and prepare the Company's Sustainability Report, and ensure that all material topics identified are covered, to implement the Sustainability Policy.



## 1.2 Stakeholders and Material Topics

Based on operational characteristics and input provided through various departments of the Company, the Company has identified five types of significant stakeholders based on the five aspects of the AA1000 Stakeholder Engagement Standard (SES): Dependence, Responsibility, Tension, Influence, and Diverse Perspectives, which are: shareholders and investors, employees, customers, suppliers/contractors, and government.

### Communication with the main stakeholders

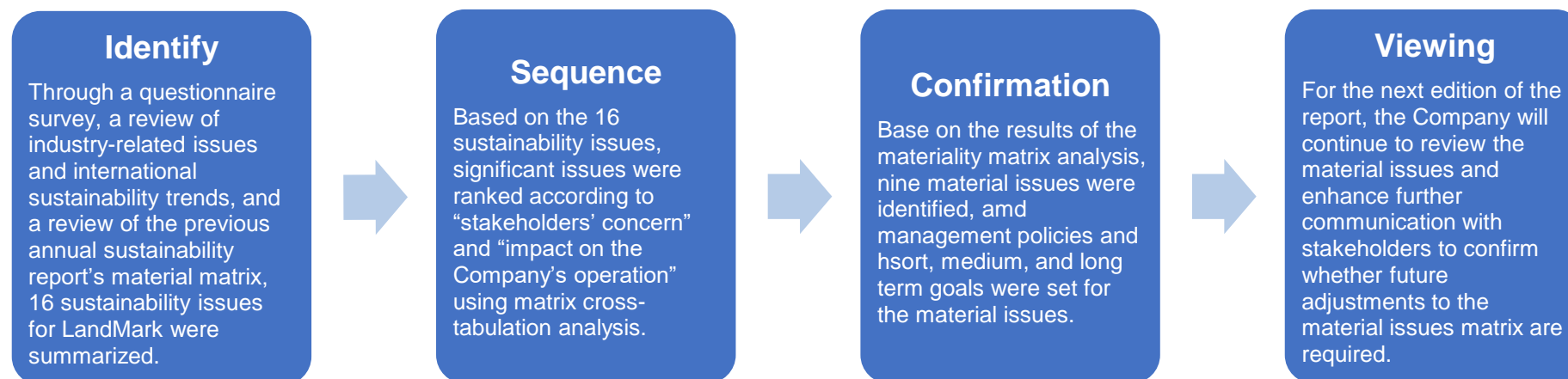
Stakeholders	Issues of Concern	Communication Channels/ Frequency	Communication Practice Statistic	Chapter to Respond
<b>Shareholders and Investors</b>	Corporate governance Economic performance Shareholders participation Risk management	<ul style="list-style-type: none"> <li>● Shareholders' meeting/ annually</li> <li>● Investor conference/ at least once a quarter</li> <li>● Financial Statements/ quarterly, annually</li> <li>● Company website/ irregularly</li> <li>● Investors Relation Mailbox/ irregularly</li> <li>● Email: <a href="mailto:investor@lmoc.com.tw">investor@lmoc.com.tw</a></li> </ul>	<ul style="list-style-type: none"> <li>● Ranked in the top 5% of TPEX-listed companies in corporate governance evaluation for six consecutive years</li> <li>● The participation rate of shareholders' meetings in 2023 was 53.55% (79.67% of presented shareholders participated electronically)</li> <li>● Hold over 50 telephone/on-site conferences for domestic and foreign investors</li> <li>● Held 4 quarterly corporate briefing sessions</li> <li>● ESG report issued in the fifth year</li> </ul>	2.2 Corporate Governance 2.3 Economic Performance 2.7 Risk Management

Stakeholders	Issues of Concern	Communication Channels/ Frequency	Communication Practice Statistic	Chapter to Respond
<b>Employees</b>	Economic performance Labor relations and equality Employee benefits Talent cultivation and development Occupational health and safety	<ul style="list-style-type: none"> <li>● Labor-management meeting/ quarterly</li> <li>● Staff welfare committee meeting/ quarterly</li> <li>● “HR Cares About You” system/ irregularly</li> <li>● Bulletin board and Suggestion box/ irregularly</li> <li>● Sexual harassment complaints direct line and email/ irregularly</li> <li>● Email: <a href="mailto:lmoc_hr@lmoc.com.tw">lmoc_hr@lmoc.com.tw</a></li> </ul>	<ul style="list-style-type: none"> <li>● Offered monthly childcare allowance of NT\$3,000 for employees who raised 0 to 6-year-old children, total 124 recipients of child care subsidy in 2023.</li> <li>● Quarterly social activities allowance for each department</li> <li>● The average salary of full-time non-managerial employees is NT\$793 thousand in 2023</li> <li>● 2023 Happiness Cooperation Silver Award from 1111 Job Bank.</li> <li>● Obtained of Talent Development Quality Management System (TTQS) national certification</li> </ul>	2.3 Economic Performance 3.3 Talent Cultivation and Development 3.4 Compensation and Welfare 3.5 Occupational Health and Safety
<b>Customers</b>	Customer service Business secret Product quality management Supply chain management (RBA) Hazardous substances management Innovation and R&D	<ul style="list-style-type: none"> <li>● Video and Telephone conferences/ irregularly</li> <li>● Visiting customers/ irregularly</li> <li>● On-site audit by customers/ irregularly</li> <li>● Customer satisfaction survey/ annually</li> <li>● Email: <a href="mailto:sales@lmoc.com.tw">sales@lmoc.com.tw</a></li> </ul>	<ul style="list-style-type: none"> <li>● Conduct annual customer satisfaction survey</li> <li>● The products conformed to EU RoHS, REACH chemicals regulations and restriction of PFOS/PFOA</li> </ul>	2.4 Compliance with laws and regulations 2.5 Customer Service 2.6 Supply Chain Management
<b>Suppliers/ Contractors</b>	Economic performance Supplier management	<ul style="list-style-type: none"> <li>● Supplier Audit/ irregularly</li> <li>● Supplier education and trainings/ irregularly</li> <li>● Supplier meeting/ irregularly</li> <li>● Email: <a href="mailto:supply@lmoc.com.tw">supply@lmoc.com.tw</a></li> </ul>	<ul style="list-style-type: none"> <li>● 100% of raw material and package material suppliers signed the “Declaration of Hazardous Substances Free” form</li> </ul>	2.3 Economic Performance 2.6 Supply Chain Management

Stakeholders	Issues of Concern	Communication Channels/ Frequency	Communication Practice Statistic	Chapter to Respond
<b>Government</b>	Regulatory compliance Labor relations Greenhouse gas inventory and carbon reduction targets Energy management Waste management	<ul style="list-style-type: none"> <li>● Correspondences with the government/ irregularly</li> <li>● Corporate Governance Evaluation/ annually</li> <li>● Announcement on the Market Observation Post System/ irregularly</li> <li>● Policy promotion meetings held by the competent authorities/ irregularly</li> <li>● Supervision and audit by the competent authorities/ irregularly</li> </ul>	<ul style="list-style-type: none"> <li>● Included in TPEX 200 Index and TPEX Compensation Index</li> <li>● In 2023, the implementation of various energy saving programs will result in an overall energy saving rate of 3.92%, which translates into a carbon reduction of about 376,247 kg CO<sub>2</sub>e</li> <li>● Implementation of the 2023 GHG inventory according to the international standard ISO14064-1</li> <li>● Good compliance with laws and regulations, no fine determination for violations of laws</li> </ul>	2.2 Corporate Governance 2.4 Compliance with laws and regulations 3.4 Compensation and Welfare 3.5 Occupational Health and Safety 4.2 Greenhouse Gas Management 4.3 Energy Management 4.5 Waste Management

## Identification Process of Material Topics

LandMark's Sustainability Report follows the latest version of the Global Reporting Initiative's (GRI) Sustainability Reporting Standards (GRI Standards) released in 2021, conducting critical issues analysis based on the steps of identification, ranking, validation and inspection, as well as taking into account industry-related issues, the UN SDGs, the Sustainability Accounting Standards Board's (SASB) Code of Conduct, and the Responsible Business Alliance's (RBA) Code of Conduct, etc. Analyze and summarize to identify major sustainability topic for LandMark. The Company will carry out the identification of major topics by 2022, and this report will state the management policies and related actions regarding major topics in the corresponding sections based on the relevance of the major topics, and will regularly re-execute, the identification of major topics every two years. During this period, the Company will continue to collect and respond to feedback and suggestions from stakeholders through a variety of communication channels in response to the major issues of the year, and will review and adjust them as appropriate through the Corporate Sustainability and Nomination Committee.



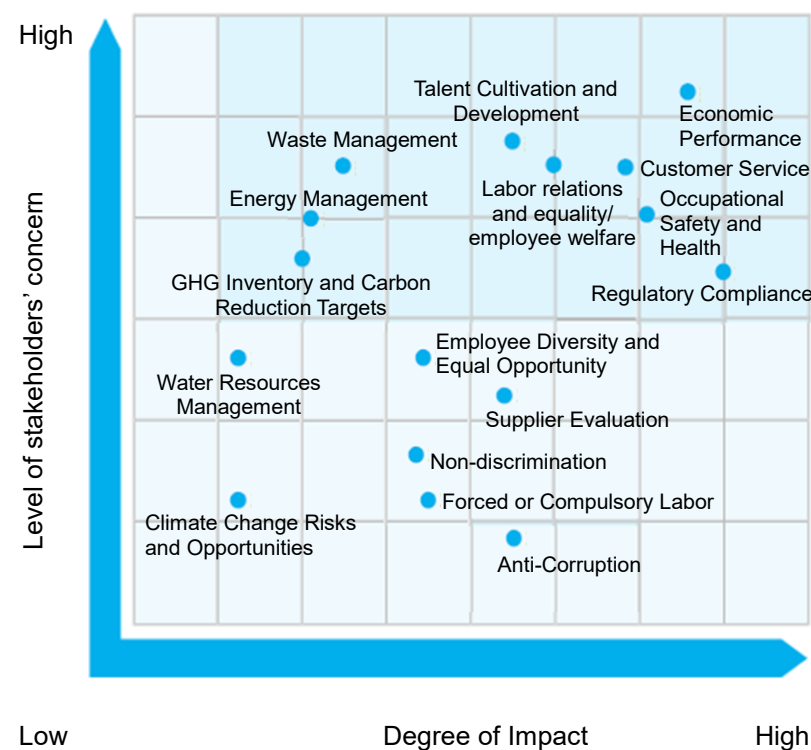


## Sustainability issues

Environmental
<ul style="list-style-type: none"> <li>• Climate Change Risks and Opportunities</li> <li>• Greenhouse Gas Inventory and Carbon Reduction Targets ★</li> <li>• Energy Management ★</li> <li>• Water Resources Management</li> <li>• Waste Management ★</li> </ul>
Social
<ul style="list-style-type: none"> <li>• Labor relations and equality/ employee welfare ★</li> <li>• Occupational Safety and Health ★</li> <li>• Talent Cultivation and Development ★</li> <li>• Employee Diversity and Equal Opportunity</li> <li>• Non-discrimination</li> <li>• Forced or Compulsory Labor</li> </ul>
Governance
<ul style="list-style-type: none"> <li>• Economic Performance ★</li> <li>• Anti-Corruption</li> <li>• Regulatory compliance ★</li> <li>• Customer Service ★</li> <li>• Supplier Evaluation</li> </ul>
★ as a material topic
Major topics in 2023 are consistent with 2022

## Materiality Matrix Analysis

In accordance with the principles of the GRI Standards, LandMark uses matrix cross-tabulation analysis to determine material topics by focusing on the "level of concern of stakeholders" and the "level of impact on the Company's operations", recognition of 9 material topics.



## List of Major Topics

Aspect	Major Topics	Statement	Internal	External				Corresponding to GRI Standards General Disclosure/ Specific Subject Disclosure Items	Disclosure Chapter in the Report
			Company	Shareholders and Investors	Customers	Suppliers/ Contractors	Government		
Economics	Economic Performance	Economic performance is a demonstration of the stability and efficiency of an enterprise's operations. Through strengthening the financial structure and implementing cost control, it steadily leads to the enhancement of economic value and returns it to stakeholders in order to achieve the goal of sustainable development.	●	○	○	○		Economic Performance (201)	2.3 Economic Performance
	Regulatory Compliance	The Company implement compliance with laws and regulations, cultivate employees' awareness of legal compliance through employee education and training, and ensure that our operating activities comply with relevant laws and regulations to reduce operational risks and protect the interests of our partners and customers.	●		○		○	Compliance with Laws and Regulations (2-27)	2.4 Compliance with laws and regulations
	Customer Service	Continuously investing in product research and development and manufacturing to provide customers with a full range of products and solutions not only deepens the partnership with customers, but also provides customers with better quality and more reliable service.	●		○			Customer Privacy (418)	2.5 Customer Service

Aspect	Major Topics	Statement	Internal	External				Corresponding to GRI Standards General Disclosure/ Specific Subject Disclosure Items	Disclosure Chapter in the Report
			Company	Shareholders and Investors	Customers	Suppliers/ Contractors	Government		
Social	Talent Cultivation and Development	The Company pay attention to staff training and function development, treat all staff equally, provide talent development blueprints and training, enhance staff efficiency and quality, and make staff and the Company grow together.	●					Training and Education (404)	3.3 Talent Cultivation and Development
	Occupational Safety and Health	Strengthen occupational safety and health management to reduce the incidence of occupational accidents, occupational diseases, workplace safety, and workplace safety accidents, and promote health promotion programmers to enhance the health of colleagues.	●			○	○	Occupational Health and Safety (403)	3.5 Occupational Health and Safety
	Labor relations and equality/ employee welfare	The Company offers competitive remuneration packages and comprehensive employee benefits to enhance talent attraction and staff retention.	●				○	Employment (401)	3.4 Compensation and Welfare
Environmental	Greenhouse Gas Inventory and Carbon Reduction Targets	Identify climate change risks and opportunities, develop mitigation and adaptation actions, and continue to implement energy conservation and emission reduction programs to mitigate the impacts of climate changes.	●	○	○		○	Emissions (305)	4.2 Greenhouse Gas Management

Aspect	Major Topics	Statement	Internal	External				Corresponding to GRI Standards General Disclosure/ Specific Subject Disclosure Items	Disclosure Chapter in the Report
			Company	Shareholders and Investors	Customers	Suppliers/ Contractors	Government		
	Energy Management	Continuously to promote various energy saving improvement projects, in addition to implementing energy saving measures and enhancing the efficiency of energy use.	●	○	○	○	○	Energy (302)	4.3 Energy Management
	Waste Management	Reduce the amount of waste produced and manage it properly, recycle and reuse waste resources, increase the rate of resource utilization and reduce the impact of waste on the environment.	●	○		○	○	Waste (306)	4.5 Waste Management

Note: ● represents direct impacts; ○ represents impacts through business relationships

## **2. Corporate Governance**

### **2.1 Company Profile**

### **2.2 Corporate Governance**

### **2.3 Economic Performance**

### **2.4 Compliance with laws and regulations**

### **2.5 Customer Service**

### **2.6 Supply Chain Management**

### **2.7 Risk Management**

### **2.8 Information Security Management**

2.1 Company Profile

LandMark was founded in 1997 in Tainan, Taiwan, and is mainly engaged in the production of epitaxial wafers of III -V material compounds with InP and GaAs substrates. Various epitaxial products manufactured by Metal Organic Chemical Vapour Phase Epitaxy (MOCVD) technology and professional services for back-end applications are widely used in fiber optic communications (FTTx/communication base stations), data centers, consumer products, and industrial applications after the post chip manufacturing process and packaging, and the Company is a major supplier of EPON/GPON application products and commercialized Si-Photonics products worldwide.

Company Name	LandMark Optoelectronics Corporation (Stock Code: 3081)
Company Founding Date	1997/06/02
Main Products	R&D, design, production and sales of the following products: <ul style="list-style-type: none"><li>• Epi-wafer for Laser Diode (LD)</li><li>• Epi-wafer for Photo-detector (PD)</li></ul>
Chairman	Ching-Yi Chang
General Manager	Roger Lo
Number of employees	317 people (as of March 31, 2024)

Location



Factory No.1 (Headquarter)  
No.12, Nanke 9th Rd., Shanhua Dist.,  
Tainan City (Southern Taiwan Science  
Park)



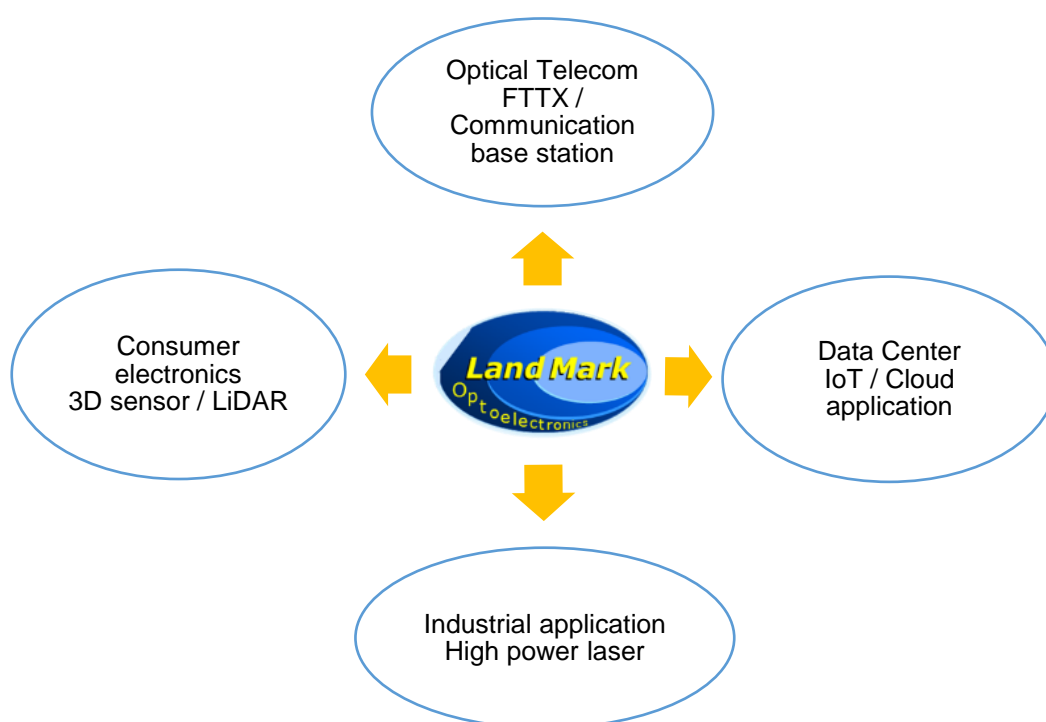
Factory No.2  
No. 9, Xishan 1st Rd., Shanhua Dist.,  
Tainan City (Southern Taiwan Science  
Park)

## Products

LandMark uses MOCVD technology to develop various types of epitaxial wafers, which are the upstream key components of optical transceiver models. The Company focuses on the R&D, design and production of LD and PD epitaxial wafers based on Inp and GaAs raw materials, which are provided to customers with the ability to process, test a package the components, and the components can be used in optical communication, data transmission, automotive LiDAR, active components of industrial or consumer products, and optical transceiver models.

## Product Application

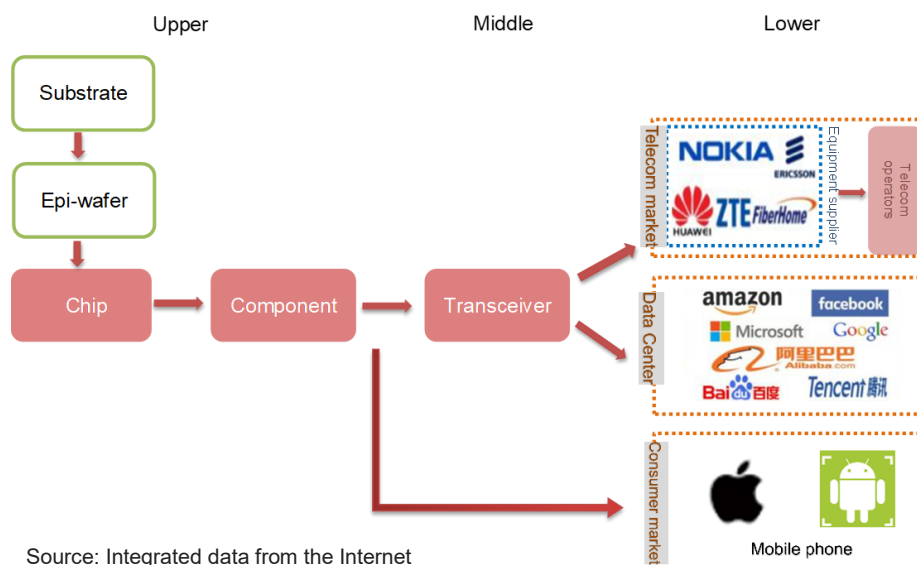
LandMark produces epitaxial chips for key components used in fiber optic communication (FTTx/Communication Base Station), data center, etc. LandMark also develops suitable epitaxial chips for different application markets, such as consumer electronics, industrial cutting, medical supplies, and material processing equipments, etc., and provides epitaxial chips and technical support to middle and lower customers in different application markets.





## Upstream and downstream correlation of main products

Optical Communication Active Components Upstream and Downstream Industry Chain



## Membership of External Associations

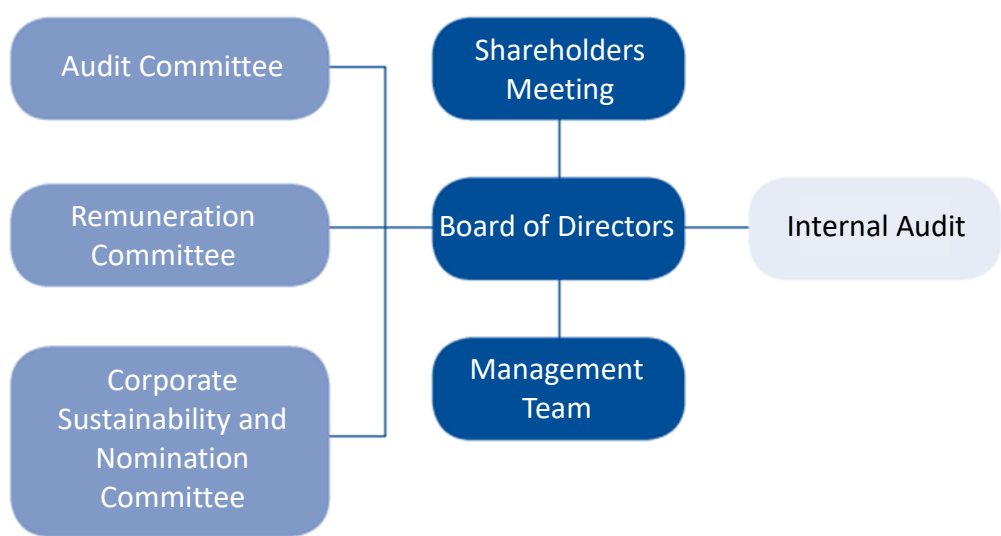
Item	Name of Associations	Duty
1	Photonics Industry & Technology Development Association (PIDA)	Member
2	The Allied Association for Science Park Industries	Member
3	Academia-Industry Consortium for Southern Taiwan Science Park	Member

## 2.2 Corporate Governance

### Corporate Governance Framework

LandMark is committed to establishing an effective corporate governance framework, protecting rights and interests of shareholders, strengthening the functions of the Board of Directors, respecting the rights and interests of stakeholders, and enhancing the transparency of information. LandMark has been constantly improving the quality and effectiveness of its corporate governance by gradually promoting various systems and methods to ensure the implementation of the spirit of corporate governance, and further pursuing the maximization of shareholders' rights and interests and the Company's sustainable management.

The Company has established various functional committees under the Board of Directors, including the Audit Committee, the Remuneration Committee, and the Corporate Sustainability and Nomination Committee, to assist in professional governance of the Board of Directors. In addition, we have established the corporate governance personnel, whose main duties are to provide the directors with the necessary information for the execution of their duties, assist the directors in complying with the laws and regulations, and handle matters related to the board of directors' and shareholders' meetings in accordance with the laws and regulations.



## **Composition and Operation of the Board of Directors and Functional Committees**

The Board of Directors of the Company consists of seven directors, including four directors and three independent directors. The nomination and selection of the Board of Directors is based on the candidate nomination system. The Board of Directors is elected by all shareholders at the shareholders' meeting in accordance with the method for the election of directors, and is responsible for guiding the Company's strategy, supervising the management, the operation and arrangements of the corporate governance system, as well as being accountable to the Company and the shareholders' meeting, and exercising the authority and power in accordance with the laws and regulations, the Company's Articles of Incorporation, or the resolutions of the shareholders' meeting. The Audit Committee and the Remuneration Committee are comprised of three independent directors; and the Corporate Sustainability and Nomination Committee is convened by the Chairman of the Board of Directors and has three independent directors as its members. The operation of the Board of Directors and the Functional Committees was in good condition and attendance status, attendance rate was 100% in 2023. For the disclosure of the operation of the Board of Directors and the Functional Committees, please refer to pages 20~26, 37~41 of the Company's 2023 Annual Report, and the latest information can be accessed on the Market Observation Post System and the Company's website.

## Diversification of Directors

In order to strengthen the governance of the Company and to promote the sound development of the composition and structure of the Board of Directors. All Board members of the Company have appropriate ability, knowledge and experience. For more information on the background of the Board members, their academic qualifications, age, concurrent positions in other companies, and the diversity and independence of the Board of Directors, please refer to pages 9 to 13 of the Company's 2023 Annual Report. The current Board of Directors of the Company consists of seven directors (including three independent directors), of which one is a female director (14% of the total Board). The Company's objectives for managing diversity in the composition of the Board of Directors are set below:

Management objectives	Achievements
More than one-third of the Board is independent director	Achieved
Adequate diversity of expertise and skills	Achieved
At least 6 hours of continuing education per year of each director	Achieved
The term of office of independent directors is less than three years	Achieved
At least one female director	Achieved

## 2023 Sustainability Report

Names of Director	Basic Composition						Industry Experience								Professional Competence	
	Nationality	Gender	Employee Position	Age			Operational Judgment	Accounting and Financial Analysis	Operations Management	Crisis Management	Industry Knowledge	International Market View	Leadership	Decision	Lawyer	Accountant
				50-59	60-69	70-79										
HuaSheng International Investment Ltd. Representative : Ching-Yi Chang	ROC	Male	V		V		V		V	V	V	V	V	V		
Po-Yen Lu	ROC	Male				V	V		V	V	V	V	V	V		
Wei-Lin	ROC	Male			V		V		V	V	V	V	V	V		
Jerry Yang	ROC	Male	V	V			V	V	V	V	V	V	V	V		V
Independent Director James Wang	ROC	Male			V		V	V	V	V			V	V		V
Independent Director Yong-Chang Chen	ROC	Male			V		V		V	V			V	V	V	
Independent Director Yen-Hsi Lin	ROC	Female			V		V		V	V			V	V		

## Directors' Remuneration

In accordance with the "Regulations Governing the Establishment and Exercise of the Powers and Duties of the Compensation Committee of a Company Whose Shares are Listed or Traded on a Stock Exchange," the Company's Board of Directors resolves on the proposal of the compensation committee and executes the proposal. The Company's Article of Incorporation provide that no more than 2% of the Company's annual profits, if any, shall be set aside as remuneration to the directors, provided that the Company shall first make up for any accumulated losses in advance. Please refer to pages 16 to 19 of the Company's 2023 Annual Report to Shareholders for details of the policy on directors' remuneration and individual directors' remuneration.

## Performance Evaluation of the Board of Directors and Functional Committees

In order to implement corporate governance and enhance the functions of the Board of Directors, the Company has established the "Guidelines for Evaluation of the Board's Performance", and conducts self-evaluation of the Board of Directors and functional committees as well as self-evaluation of the performance of individual Board members regularly every year. In addition to the internal self-evaluation, the Company also engages a third-party professional and independent organization to conduct an overall evaluation of the Board of Directors' performance once every three years, the Company has completed the external performance evaluation of the Board of Directors and the Functional Committee by 2022, please refer to the Company's website for details.

- Internal Self-evaluation

Frequency	Conducted once per year
Period	2023.01.01~2023.12.31
Scopes	Individual board members and Functional Committees
Methods	Board members self-assessment (Questionnaire)

Content	<u>Individual performance evaluations of Board members</u> 1. Alignment of the goals and missions of the Company; 2. Awareness of the accountabilities of a director; 3. Participation in the operation of the Company; 4. Management of internal relationship and communication; 5. The director's profession and continuing education; 6. Internal control.	<u>Each Functional Committee evaluations</u> 1. Participation in the operation of the Company; 2. Awareness of the accountabilities of the functional committee; 3. Quality of decisions made by the functional committee; 4. Makeup of the functional committee and election of its members; 5. Internal control.
Evaluation result	For the result of the internal self-evaluation by the board of the Directors and the functional committees, please refer to pages 21 to 22 of the annual report of the shareholders' meeting of the Company.	

## Directors' Continuing Education

Each director of the Company participates in continuing education courses, and the annual education hours are 6 hours or more, including courses related to business management, risk management, corporate sustainability and corporate governance, etc. The total continuing education hours of all directors were 57 hours in 2023, and the directors' participation in ESG-related courses was 18 hours, accounting for approximately 32% in total. Information on the training and continuing education participated by the directors of the Company is disclosed on Market Observation Post System and please refer to page 36 of the Company's 2023 Annual Report.

- Directors' Continuing Education in ESG Related Courses

Name	Course Title	Hours
Ching-Yi Chang	Corporate Governance and Corporate Social Responsibility: Trends and Exemplary Practices	3
Po-Yen Lu	Corporate Governance and Corporate Social Responsibility: Trends and Exemplary Practices	3
Wei Lin	KPMG Taiwan 2023 Business Leader Academy Forum	3
	Seminar on Action Plan for Sustainable Development of Listed Counter Companies	3
James Wang	Taishin 30th Sustainability Forum "Transform to Net Zero"	3
Yong Chang Chen	Risks and opportunities of Climate Change and Net Zero Emission Policies on Business Operations	3



## **Conflict of Interest Management**

The Company has provisions on conflict of interest in the "Rules of Procedure for Board of Directors Meetings", "Audit Committee Charter" and "Remuneration Committee Charter". A director or member who has an interest in a matter of the meeting shall state at the meeting. If an interest is against the Company's interests, the director or member shall not participate in the discussion or vote, and shall recuse himself/herself from the discussion or vote, and shall not exercise his/her voting right on behalf of other directors. The circumstances under which a director may recuse himself/herself from a discussion or vote are set forth in the minutes of the meeting.

## **Ethical Corporate Management**

The Company adheres to the principle of ethical management and has established a corporate culture of ethical management. The "Ethical Corporate Management Best Practice Principles" and the "Codes of Ethical Conduct" approved by the Board of Directors stipulate that all directors, managers, supervisors, and employees shall not engage in or instruct others to engage in illegal or unethical behaviors for any reason, and that they must abide by the discipline of ethical conduct, and implement the laws and strictly abide by the code of ethical conduct at all levels of operation, such as the conduct of business activities and the procurement processes. We have made the ethical policy into a form of a policy card and distributed it to all employees, requesting all employees to clearly understand and comply with the code of ethical conduct and personal integrity, and to carry out their duties with honesty, rigor, and professionalism.

The Company's administration department serves as a concurrent unit responsible for promoting corporate ethical management, and reports regularly to the Board of Directors once a year on the implementation of ethical management. In 2023, the Company's employees participated in internal and external education and training related to the issue of ethical management (including compliance with ethical management laws and regulations, and the RBA's annual education and training (Labor and Ethics)) for a total of 324 participants and a total of 371 hours.

## Whistleblowing System

The Company has established "Procedures for Complaint/Reporting Handling Procedure", which are disclosed on the Company's website, and has set up internal suggestion boxes, complaint telephone numbers and dedicated e-mail and an audit committee dedicated e-mail, as well as other reporting channels. The Company has also established a "Whistleblower Protection Management Procedure" in place to ensure the confidentiality of the identity of the whistleblower and the content of the report, and the Company is committed to adopting appropriate protection measures so that the whistleblower will not be subjected to improper handling of the report or retaliation. In 2023, no reports or complaints were received.

Reporting Channel	Contact E-mail	Acceptance Unit
Complaint e-mail	appeal@lmoc.com.tw	Internal Audit
Audit Committee dedicated e-mail	audit@lmoc.com.tw	Audit Committee

## 2.3 Economic Performance

In 2023, revenue and net loss after tax were NT\$1.06 billion and NT\$212 million, respectively, representing a decrease of 56% and 164% from the previous year. The main reason for the decline in operations was the economic downturn in Mainland China, which resulted in a relative decrease in the number of orders placed by our customers in the major telecommunication-related product markets; the shipment of consumer application products also declined significantly compared to the previous year due to the change in the design of the consumer's product. However, shipments of data center related products increased significantly due to the rapid growth in demand for AI applications in the US.

In the past year, in the face of severe challenges, the Company has made adjustments and changes with flexible and elastic decision-making ability, and continued to invest in product research and development. The R&D expenses in 2023 amounted to NT\$292 million, representing an increase of 8.6% over the previous year, which is committed to ensuring that the Company is well-prepared for the next stage of growth in response to the fast-changing global industry environment. For more information on our operations, please refer to our 2023 Annual Report to shareholders.

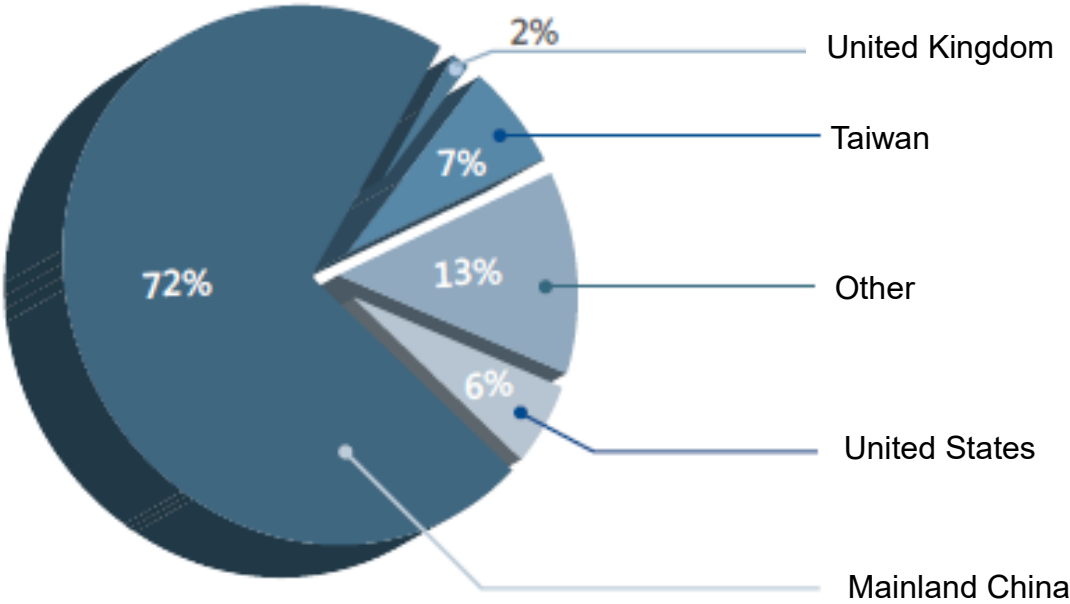
<b>Material Topic</b>	Economic performance
<b>Management Objective</b>	To maintain good operating performance to protect the best interests of shareholders and investors and to achieve sustainable development.
<b>Management Approach</b>	<ul style="list-style-type: none"> <li>● <b>Technology Leadership:</b> Continuously investing in R&amp;D of laser epitaxial products in the field of optical communication and data center; we also co-develop with our customers automotive LiDAR, long-wavelength 3D sensing components, laser and sensing components for application products and industrial sensing products. Our substantial investment in R&amp;D resources will enable us to maintain our leading position in the fields of various application and optimize the Company's long-term growth momentum.</li> <li>● <b>Mass Production Advantage:</b> Flexible and efficient production model allows us to dynamically respond to customers' needs for different specifications and order sizes.</li> <li>● <b>Manufacturing Process Integration:</b> In addition to the improvement of internal manufacturing process capability, the</li> </ul>

	<p>Company has also entered into strategic alliances with upstream and downstream partners to provide comprehensive wafer manufacturing process services, which can satisfy customers' needs for products at different stages of the manufacturing process.</p> <ul style="list-style-type: none"> <li>● Customer Alliance: Continuously enhance the value of services to customers and alliance with key customers in various fields to jointly develop new products and new markets, in order to grow together with customers.</li> </ul>				
Goals	<table> <tr> <th data-bbox="435 622 930 689">Short-Term Goals</th><th data-bbox="930 622 1423 689">Medium-and-Long-Term Goals</th></tr> <tr> <td data-bbox="435 689 930 2029"> <ul style="list-style-type: none"> <li>● Proactively Expanding Overseas Markets: Deeply cultivating markets in the U.S., Japan, and Europe, and expanding the share of target markets through the introduction of various products.</li> <li>● Focus on target industries, integrate resources, and proactively develop new products: We have launched new products such as high-speed silicon photonics lasers and mobile phone sensing applications and continues work with key customers to meet the application needs of emerging and high-growth industries.</li> <li>● Improving delivery accuracy: Utilizing information systems to assist in the effective scheduling management to further improve production efficiency and shorten delivery time.</li> </ul> </td><td data-bbox="930 689 1423 2029"> <ul style="list-style-type: none"> <li>● Through alliances or mergers and acquisitions with upstream and downstream supply chains, to provide more complete services to customers and to strengthen the Company's market position in the industry.</li> <li>● Stable operational growth and profitability continued to improve.</li> </ul> </td></tr> </table>	Short-Term Goals	Medium-and-Long-Term Goals	<ul style="list-style-type: none"> <li>● Proactively Expanding Overseas Markets: Deeply cultivating markets in the U.S., Japan, and Europe, and expanding the share of target markets through the introduction of various products.</li> <li>● Focus on target industries, integrate resources, and proactively develop new products: We have launched new products such as high-speed silicon photonics lasers and mobile phone sensing applications and continues work with key customers to meet the application needs of emerging and high-growth industries.</li> <li>● Improving delivery accuracy: Utilizing information systems to assist in the effective scheduling management to further improve production efficiency and shorten delivery time.</li> </ul>	<ul style="list-style-type: none"> <li>● Through alliances or mergers and acquisitions with upstream and downstream supply chains, to provide more complete services to customers and to strengthen the Company's market position in the industry.</li> <li>● Stable operational growth and profitability continued to improve.</li> </ul>
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	Performance Results
	<ul style="list-style-type: none"><li>● 800G Si-Photonics products have begun to be used in electronic consumer products such as the US contributing more than 30% of the annual revenue, and continued to develop next-generation products with customers.</li><li>● In 2023, the R&amp;D expenditure was NT\$ 292 million, accounting for 27.7% of operating revenue, an increase of 8.6% from the previous year. We focused on the research and development of high-speed components above 25G/50G, as well as for 800G and 1.6T data center related products. We also work closely with customers to develop next-generation 3D sensing and LiDAR products.</li></ul>
Evaluation Mechanism	<ul style="list-style-type: none"><li>● The Company's Management holds meetings on a regular monthly basis.</li><li>● Financial performance (issued after regular quarterly reviews or audits by the CPA)</li></ul>

Sales regions and market share

Sales regions and Market share in 2023



Note: Statistics are based on the shipment area of the Company's products, not the location of the end customer.

## The direct economic value generated and distributed by the organization

Unit: NT\$ Thousands

Item	Fundamental element	2021	2022	2023
Direct economic value generated	Revenue	1,872,703	2,380,885	1,056,038
Economic value of distribution	Operating costs	1,104,246	1,621,860	917,936
	Employee salary and welfares	418,152	466,141	354,564
	Payments to investors (Current year's allotment)	461,045	315,003	316,422
	Payments to government★	123,267	78,120	59,888

★Income taxes paid to the government, including income tax and other taxes, are recorded as income.

## Capital expenditure and research and development costs

Unit: NT\$ Thousands

Item	2021	2022	2023
Research and development costs	204,597	268,819	292,007
Capital expenditure	205,980	363,286	151,047

## 2.4 Compliance with laws and regulations

The Company had formulated various internal management practices in accordance with the standards of the relevant laws and regulations for public companies. It has also demanded itself to manage its business in a way that is superior to the laws and regulations, including the Labor Standards Act and the Occupational Safety and Health Act for employees, the product-related intellectual property laws and regulations, the Trade Secrets Act regarding products and Personal Data Protection Act, as well as the work ethics and the corporate governance laws and regulations related to corporate governance and operational regulations. The Company continuously adjusts its internal compliance measures in response to changes in laws and regulations, and makes sure that all employees are aware of and comply with all operation-related laws, conducting education and training, and issuing legal compliance announcements. We also consult with consultants, lawyers, accountants, and other relevant organizations on changes in domestic and international policies and regulations, and, when necessary, assign them to evaluate, make recommendations, and plan contingency measures to ensure that the Company's operating activities comply with the laws and regulations of the location in which they are operated.

<b>Material Topic</b>	Compliance with laws and regulations	
<b>Management Objective</b>	Ensure that all operations comply with laws and regulations to avoid substantial penalties for non-compliance that could erode profits or affect the Company's operations.	
<b>Management Approach</b>	<ul style="list-style-type: none"> <li>● Policy and System Establishment</li> <li>● Education, training and awareness-raising</li> <li>● Continuously monitor changes in domestic and international laws and regulations that have a significant impact on the Company's operations.</li> </ul>	
<b>Goals</b>	<b>Goals set for 2023</b>	<b>Achievement</b>
	<ul style="list-style-type: none"> <li>● More than 90% participation in the general education</li> </ul>	<ul style="list-style-type: none"> <li>● Achieved, employees participated in the rule of law</li> </ul>



	<p>course on the rule of law education and training.</p> <ul style="list-style-type: none"> <li>● No major violations/penalties (NT\$100,000 or above).</li> </ul>	<p>education and training course, with a participation rate of 97%.</p> <ul style="list-style-type: none"> <li>● Achieved, no major violations of the law (penalties of NT\$100,000 or above).</li> </ul>
	Short-Term Goals	Medium-and-Long-Term Goals
	<ul style="list-style-type: none"> <li>● Pay attention to the regulations that may have an impact on the Company's operations to ensure that the Company's operations are free from violations of the law, and develop relevant employee education and training to train employees on the importance of legal compliance and the corresponding concepts of the rule of law.</li> <li>● No major violations of the law.</li> </ul>	<ul style="list-style-type: none"> <li>● Continuously monitor and promptly respond to all regulations that may have an impact on the Company's finances and operations to ensure that operating activities comply with local laws and regulations.</li> <li>● No major violations of the law.</li> </ul>
Evaluation Mechanism	<ul style="list-style-type: none"> <li>● No material violations/ amount of penalties imposed</li> <li>● No material deficiencies in the internal control system</li> </ul>	

## **2.5 Customer Service**

The Company is committed to provide the best customer service, through close cooperation with customers, to strengthen product development and manufacturing, to meet diversified needs, to provide customers with a full range of products and solutions, and to provide more high-quality and more trustworthy service.

### **To Protect and Respect Customers' Intellectual Property Rights**

Customers are extremely important partners of the Company, and their confidential information is strictly protected as if it were our own. In order to protect confidential information from being leaked, the Company has established related policies on confidentiality, and complies with the regulations on the operation of intellectual property, and requires employees not to disclose trade secrets, trademarks, patents, writings and other intellectual property known to them to any unrelated parties, and prohibits them from inquiring about or collecting trade secrets, trademarks, patents, copyrights, and other intellectual property that is not related to their duties. In order to protect the confidentiality and completeness of customer information, we continue to strengthen the system and data security, including installing a complete anti-virus system, encrypting file system and mechanism, and strictly control the authorization of the customers' information and files. In 2023, we did not have any external whistle-blowing letters or lawsuits related to the intellectual property rights.

<b>Material Topic</b>	Customer service	
<b>Management Objective</b>	Provide customers with a stable quality, flexible delivery period and competitive price of the products, to bring better quality of service to customers.	
<b>Management Approach</b>	<ul style="list-style-type: none"> <li>● Establish long-term partnership with customers to enhance customer satisfaction and adhesion, and to improve the Company's operational performance to achieve a win-win situation with customers.</li> <li>● Understand customer satisfaction and issues of concern through customer satisfaction surveys in order to formulate and implement improvement plans to enhance customer satisfaction.</li> <li>● Provide customers with excellent quality, reasonable price and perfect and on-time service to enhance customers' competitiveness; in product manufacturing, we follow the requirements of the ISO9001 quality management system, and deepen customers' stable quality and trust relationship through process-oriented monitoring and evaluation; we strive for excellence in research and development, take the lead in the layout and improve the technological capability; and satisfy the customers' needs by being market-oriented in business promotion.</li> </ul>	
<b>Goals</b>	Goals set for 2023	
	<ul style="list-style-type: none"> <li>● Top 20 customer service satisfaction rate of 85% or more</li> <li>● Number of customer complaints &lt;20 per year</li> <li>● Products comply with laws and regulations</li> </ul>	<ul style="list-style-type: none"> <li>● Achieved, customer service satisfaction rate of 90% or more.</li> <li>● Achieved, number of customer complaints &lt;20</li> <li>● Achieved, products comply with EU RoHS, REACH, PFOS/PFOA directives.</li> </ul>
	Short-Term Goals	Medium-and-Long-Term Goals
	<ul style="list-style-type: none"> <li>● Dedicate to technological innovation and R&amp;D, to provide products that meet the market demand and perfect customer service. Through the introduction of</li> </ul>	<ul style="list-style-type: none"> <li>● Pay attention to the industry trend and market direction, introduce the latest technology and promote it to maintain the leading edge of professional technology.</li> </ul>

	<p>new machines to expand the scale of production, shorten the delivery time, maintain stable quality and reasonable price to increase market competitiveness.</p> <ul style="list-style-type: none"> <li>● Reduce the number of customer complaints per year to &lt;20 per year.</li> <li>● Conduct regular surveys on top 20, customer service satisfaction rate of 85% or more.</li> </ul>	<ul style="list-style-type: none"> <li>● Considering key customers as long-term alliance partners, closely communicating and cooperating with customers at the early stage of R&amp;D, participating in the discussion of new product specifications, providing technical consultation on epitaxial growth and manufacturing process integration during the development process, and speeding up the verification process by utilizing in-factory EQA equipment to shorten the project development time at the customer's end, and to jointly strive for end-market business opportunities.</li> </ul>
<b>Evaluation Mechanism</b>	<ul style="list-style-type: none"> <li>● Customer Complaint Evaluation Mechanism.</li> <li>● Customer satisfaction.</li> <li>● Products are able to comply with regulations and customer needs.</li> </ul>	

2.6 Supply Chain Management

The Company evaluates its suppliers in accordance with the "Supplier Management Procedures" and only those who have passed the evaluation are eligible for cooperation. In addition, in line with the regulations of the RBA adopted by the Company, we have been requesting our major suppliers to sign the "LandMark Supplier Corporate Social Responsibility commitments". Suppliers that deal with the Company are also required to comply with the "Regulations on Safety and Health Management for Contractors" and the "Code of Conduct on Corporate Social Responsibility for Suppliers" set forth by the Company in order to jointly enhance their corporate social responsibility.

Supplier Management

Supplier Evaluation and Selection	<ul style="list-style-type: none"><li>•The Company's new supplier evaluation mechanism includes quality system requirements, resource management, design and development control, procurement and supplier management, process control and abnormal control, product management and customer service, and hazardous materials management, to ensure that the supplier's various capabilities and quality meet the requirements of the Company and customers.</li></ul>
Classification Management	<ul style="list-style-type: none"><li>•The Company conducts classification management for suppliers of continuous trading. Suppliers supplying high-risk materials and suppliers supplying low-risk materials with important materials and ranked in the top three in terms of annual transaction amount are classified as the Company's important suppliers, and the Company conducts an annual overall evaluation of its important suppliers, and the top two suppliers with the highest scores are given commendations. Suppliers with scores below 60 are required to provide an improvement plan and will be included in the tracking process. All key suppliers have passed the master assessment in 2023.</li></ul>
Supplier Evaluation	<ul style="list-style-type: none"><li>•In accordance with the Company's "Supplier Management Procedures", and with reference to the criteria of annual plan for on-site supplier audits, suppliers are selected for on-site audits to confirm the control of manufacturing processes, product quality, environmental safety and health, labor management, and the management and control of RBA based on the checklists. In addition, according to the important supplier to conduct semi-annual daily evaluation, focusing on the evaluation of the number of abnormal (return rate), delivery, service three supplier evaluation, and according to the evaluation results to carry out countermeasures. the daily evaluation of the management of important suppliers in 2023, the completion rate was 100%.</li></ul>
Supplier Development Program	<ul style="list-style-type: none"><li>•For the development of providing the Company's raw materials, materials, important materials and outsourcing manufacturers, to conduct a quality system survey, and based on the results of the survey, according to the sequence of the phases to develop the quality system of suppliers or outsourcing manufacturers, and encourage suppliers to obtain the international standard certification.</li></ul>

## **Supplier Confidentiality Agreement**

LandMark has entered into “Supplier Confidentiality Agreements” with important suppliers, which require the suppliers to maintain confidentiality in relation to the performance of the purchase contracts, and to ensure that the suppliers will keep the Company’s confidential information and purchase contracts in good custody and fulfil their confidentiality obligations.

## **Supplier Social Responsibility Commitment**

The Company has established “Supplier CSR Code of Conduct” which regulates the code of conduct that its major suppliers must follow for their corporate social responsibility. Currently, we have obtained 100% of the "Letter of Commitment of supplier of LandMark for Corporate Social Responsibility" from our important suppliers. In the future, we will continue to communicate with our suppliers and passing on the messages about corporate social responsibility.

## **Supplier Declaration of Hazardous substances free**

LandMark formulates the declaration of hazardous substances management requirements proposed by customers every year. Hazardous material management system is established in accordance with IECQ QC80000 international standards, which is compliant with EU RoHS directive, REACH chemical regulations, PFOS/PFOA restriction directive and customer’s specification. And then require suppliers to sign the hazardous substances free declaration and attach the third-party test report every year. The important suppliers and packaging material suppliers have signed the “Declaration of Hazardous Substances Free”, with a 100% achievement rate.

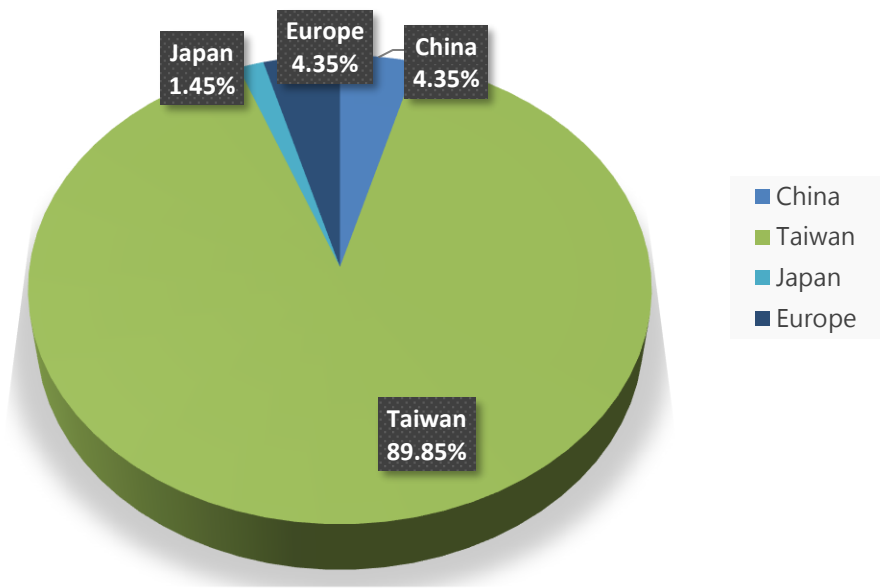
## **Conflict-Free Minerals Commitment**

LandMark fulfills its corporate social responsibility, respects human rights, and continues to pay attention to the issue of conflict materials. LandMark supports RBA and GeSI’s strategy and practice on conflict minerals produced in conflict zones, and requires suppliers to refuse to use conflict metals from conflict zones and issue a commitment, and important suppliers have signed the “Commitment on Non-Use of Conflict Minerals”, with a 100% signing rate.

Local purchasing

In the Company's supplier structure, there were approximately 69 stable suppliers of raw materials and outsourced labor in 2023. The proportion of suppliers purchased in Taiwan was approximately 89.85%, the proportion of suppliers purchased in China was 4.35%, the proportion of suppliers purchased in Japan was 1.45% and the proportion of suppliers purchased in Europe was 4.35%.

Distribution map of raw material suppliers by number of suppliers



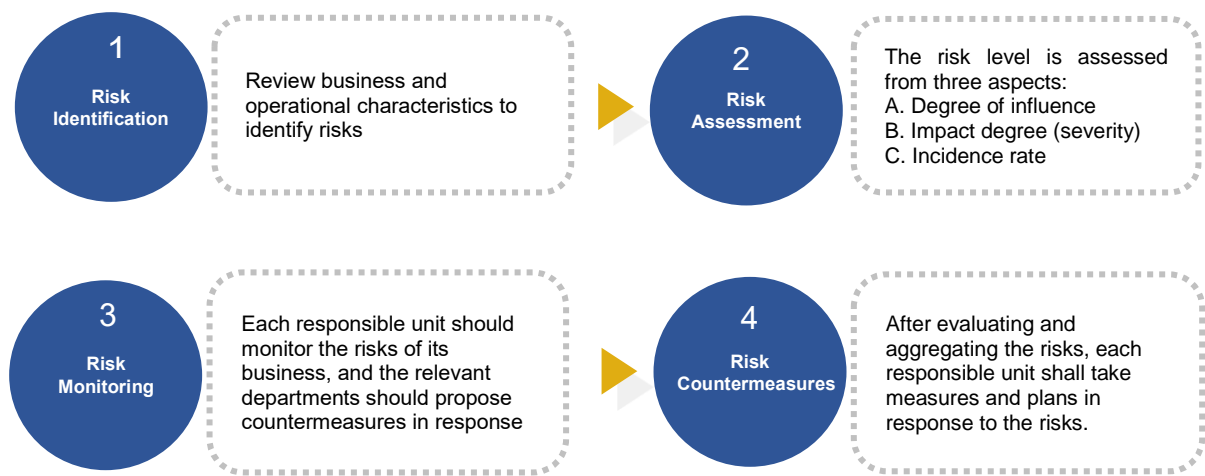
2.7 Risk Management

The Company's risk management policy is from the perspective of the Company as a whole, through the identification, evaluation, control, supervision and communication of potential risks, and using qualitative and quantitative management methods, to reduce the various risks confronted by operations to a tolerable and controllable range, and to serve as a reference for the formulation of business strategies to ensure the achievement of the Company's strategic goals.

Risk Management Framework

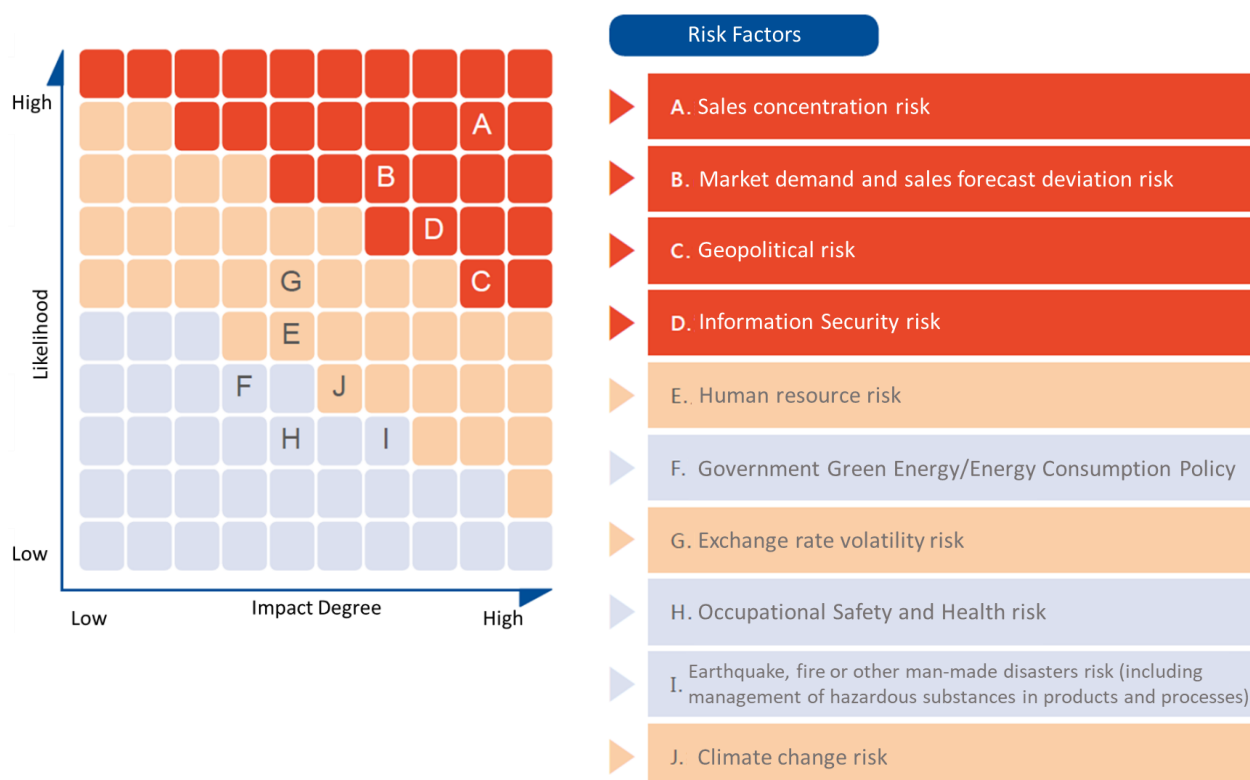
The highest responsible unit for risk management of the Company is the Board of Directors, which approves the risk management policies and related regulations, supervises the overall implementation of risk management, and ensures the effective control of risks. The General Manager's Office coordinates the relevant departments within the Company to jointly review the internal and external risks confronted by the Company, and implements countermeasures for material company-wide risk issues, and regularly reports to the Board of Directors on the implementation of risk management on an annual basis. In addition, corporate risk management is also linked to internal audit and internal control functions. The Audit Committee regularly reviews the effectiveness of the Company's internal control system to ensure the effective implementation of internal controls and to supervise the Company's control of existing or potential risks.

Risk Management Framework





## • Risk Assessment Matrix for 2023



## Significant Risk Mitigation Measures

Significant Risk Factors	Risk Description	Significant Risk Mitigation Measures
Sales Concentration Risk	The top three sales customers accounted for more than 50% of the Company's revenue for the year. Any change in the business model, discontinuation or downsizing of purchases by important customers may result in greater fluctuations in the Company's operating revenue, which may have a negative impact on the Company's operations and financial performance.	<ul style="list-style-type: none"> <li>Proactively develops new products and applications with existing customers, strengthens product research and development and manufacturing through close cooperation with customers, meets diversified demands for products, and provides customers with a full range of products and solutions.</li> <li>Simultaneously develops new customers with market potential, such as AI, sensors for consumer and industrial applications, medical testing and automotive sensors</li> </ul>
Risk of deviation from market demand and sales forecasts	Failure to keep abreast of changes in the industry and market demand resulted in deviations in sales order forecasts, which affected capacity planning, capital expenditures, and pressure on inventory management.	<ul style="list-style-type: none"> <li>We communicate with our customers on a quarterly basis about market dynamics and demand, and ask them to provide us with a Demand Forecast, which is updated regularly.</li> <li>Due to the impact of the general economy, private enterprises have cut back on spending, which in turn affects demand, and have been proactively laying out forward-looking technologies and</li> </ul>

Significant Risk Factors	Risk Description	Significant Risk Mitigation Measures
		<p>customers such as AI, so as to reduce the volatility of overall orders.</p> <ul style="list-style-type: none"> <li>● Continued to develop technologically advanced products to maintain our competitiveness in the market.</li> </ul>
Geopolitical Risk	<p>The political or economic tensions between the U.S. and China continue to escalate, using state power to sanction specific targets or even trigger a trade war, with measures such as raising tariffs, sales bans, policy interventions, and government subsidies. The U.S.-China confrontation is also affecting cross-strait relations, and the recent rise in tensions has increased uncertainty about future operations.</p>	<ul style="list-style-type: none"> <li>● Give close attention to the trade strategies of each country and the international situation, and to mitigate the geopolitical risk to meet customers' requirements.</li> <li>● Developing customers across regions such as Japan and Europe, and expanding market share in other regions to minimize the impact of a single region.</li> <li>● Seeking a third OEM base to increase flexibility in shipment.</li> </ul>
Information Security Risk	<p>Companies are being attacked by hackers frequently, especially in the ransomware attacks are on the rise. As the hackers' methods of attack continue to evolve, companies' lack of attention to information security protection may result in serious operational risks if the hackers discover the vulnerabilities.</p>	<ul style="list-style-type: none"> <li>● Please refer to Section 2.8 Information Security Management of this report.</li> </ul>

## 2.8 Information Security Management

The Company was established the Information Security Committee, with the General Manager as the chairperson and formed a cross-departmental team. The Information Security Committee meets semi-annually to discuss the implementation of the Company's information security related operations, execute information security work, and coordinate the implementation of the information security management system and the allocation of required resources according to the needs of information security operations. The Company has formulated a concrete management plan for information security to maintain information security. In 2023, there were no major information security incidents that caused losses or impacted the operation or goodwill of the Company.

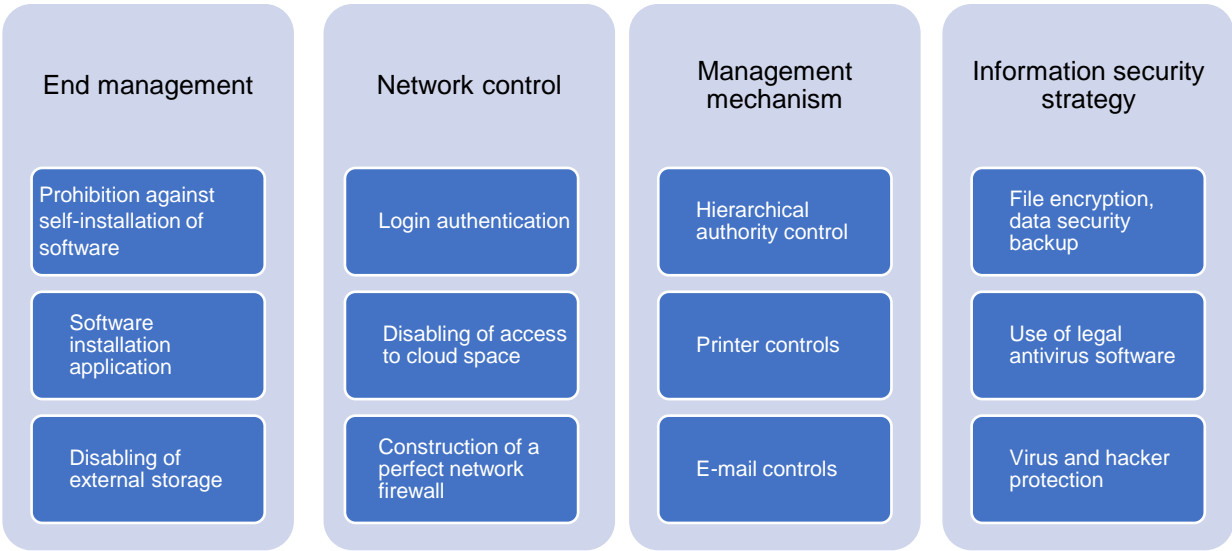
### Information Security Committee responsibilities

- Review of information security policies and measures
- Inspection and review of information security management system
- Review of information security promotion plan
- Assessment and agreement on information security infrastructure

### Information Security Policy

- Organize information security training and promotion to build employees' awareness of information security.
- Protect the Company's confidential information.
- Respect intellectual property rights and protect customer and company information.
- Protect against computer virus attacks.
- Ensure that all information security incidents or suspected security weaknesses are reported in accordance with the appropriate notification mechanism, and are properly investigated and addressed.
- Meet the requirements of relevant laws or regulations and to achieve the goal of business sustainability.

Specific information security proposal



Implementation Results in 2023

- Convened two Information Security Committee meetings, and reported annually to the Board of Directors the execution of the Company's information security related operations and the implementation status of information security risk management on 6 December 2023.
- Conducted a database off-site backup daily, system backup weekly, update anti-virus software version instantaneously, and conduct backup exercises quarterly.
- Conducted information security awareness programs irregularly, in 2023, the Company would conduct information security education three times, and placed the contents of the presentation in the internal employee system for reference by colleagues; we would also conduct information security education and training for the entire company every year, and the participation rate in information security education and training would reach 91% in 2023.

## **3. Inclusive Society**

### **3.1 Human Rights Management**

### **3.2 Talent Recruitment and Retention**

### **3.3 Talent Cultivation and Development**

### **3.4 Compensation and Welfare**

### **3.5 Occupational Health and Safety**

### **3.6 Social Welfare**

### 3.1 Human Rights Management

<b>In compliance with International Labor Standards</b>	<p>The Company has established its standards based on the Universal Declaration of Human Rights of the UN, the United Nations Guiding Principles on Business and Human Rights, the International Labor Organization's Declaration on Fundamental Principles and Rights at Work, the Labor Rights Standards of the Responsible Business Alliance (RBA), and local labor laws.</p>
<b>Equal Employment Opportunities and Non-Discrimination</b>	<p>Diversity and equal opportunity are taken into account without discrimination in hiring based on race, color, age, gender, sexual orientation, religion, race, disability, pregnancy, creed, political affiliation, association membership or marital status.</p>
<b>Inhumane Treatment and Harassment</b>	<p>It is prohibited to treat employees in a harsh and inhumane manner, including any form of sexual harassment, sexual assault, corporal punishment, mental or physical oppression, or verbal abuse, or to threaten to do any of these acts. We also provide an internal complaint channel for employees to respond to issues such as human rights, labor and employment, and sexual harassment. In the case of sexual harassment, the complaints will be handled by a resolution of the Complaints Handling Committee in accordance with the "Measures of prevention of sexual harassment in the workplace, complaints and punishment regulations" of the Company, and the relevant personnel will be punished according to the severity of the case.</p>

#### Labor Policies

- No forced, debt bonded, indentured or involuntary labors shall be used.
- No child labor is allowed.
- Working hours and recess time shall be in compliance with the Labor Standards Act.
- Wages and benefits paid to employees shall be in compliance with all applicable laws and regulations.

- All employees shall be respected and fairly treated. There is to be no inhumane treatment including any harsh punishment, humiliation or abuse.
- Equal job opportunities are provided to both the candidates and each employee. We shall not engage in discrimination based on race, color, age, gender, sexual orientation, national origin, disability, pregnancy, religion, political affiliation, union membership or marital status in hiring and employment.
- We respect the right of all workers to form and join union in conformance with laws, to openly communicate with management regarding working conditions without fear of reprisal, intimidation or harassment.
- All actions are taken in compliance with applicable local labor laws, industry standards, customer specifications and international standards, and we proactively and continuously make improvements related to labor rights.

### Child and Minor Labor

The Company explicitly prohibits the employment of child labor, and the human resources unit of the Company is responsible for establishing and maintaining policies and procedures to prohibit the use of child labor, protect underage workers, and provide relief for child labor, and conducts age verification of employees during the recruitment process to confirm that there is no situation for the employment of child labor.

### Forced Labor

The Company prohibits any form of forced labor and protects employees' personal freedom. Employees have the right to freely terminate their labor contracts, and the Company prohibits any behavior that restricts the freedom of labor, such as withholding identity documents, collecting deposits or collaterals, and so on.

## Anti-Discrimination and Anti-Harassment

The Company prohibits all forms of discrimination and harassment and adheres to the principles of fairness and equality in the formulation and implementation of policies related to hiring, wages, benefits, training, promotion, termination, or retirement. The Company does not discriminate against employees on the basis of race, color, national origin, religion, sex, gender orientation, gender identity, pregnancy, marital status, appearance, facial features, physical or mental disabilities, union membership, political affiliation, or age, and shall not interfere with the employee's beliefs, rules and specific rights in the above areas. The Company maintains a smooth complaint mechanism, in addition to the publicly displayed in a prominent place in the workplace, we also have the Email complaint line and hotline. If any discrimination or harassment is found, employees can directly file a complaint, and the Company will arrange for non-conflict-of-interest personnel to investigate the case, protect the privacy of the complainant, and take any corrective action in a timely manner.

### Specific operation of human rights management in 2023

- There were no cases of child labor.
- There were no reported cases of forced labor.
- There were no reported cases of discrimination or harassment.
- Conducted self-audit process twice a year by the Company's internal authority and responsibility unit.
- Completed 4 supplier RBA self-audit programs.
- Conducted RBA-related education courses (including business ethics, human rights, environmental safety, etc.), with a total of 348 participants completing the training in 2023.
- A total of 4 labor-management meetings and welfare committee meetings were held in 2023.



## 3.2 Talent Recruitment and Retention

### Talent Recruitment

The Company recruitment process involves using both internal and external websites, campus recruiting, employee referrals, internship programs, internal transfers, and other channels. We have diversified channels to attract talented people to join the company. In addition to paying attention to the indicators of newcomers and departures, we also attach importance to the retention and development of newcomers, and we have significantly increased the retention rate of newcomers through the Mentor system and caring interviews.

- **Master of Science in Obstetrics Internship Program**

The Company has been conducting long-term industry-academia collaboration projects with university departments and professors to not only integrate academic-based research with corporate applied research, but also to enable graduate students to gain more practical experience in the industry and achieve greater economic effectiveness.

- **Internship Program**

The Company emphasizes the importance of integrating work practice and school theories. By recruiting the interns, providing students with the opportunity to enter the society early, and through colleagues acting as mentors in the workplace, students can not only practice the theoretical knowledge they have learned in school, but also integrate into the Company more quickly.

- **New Employees in 2023**

Category	Group	Number of new employees	Total	Proportion of new employees
Age	Below 30	14	42	33%
	30~49	14	258	5%
	Above 50	0	25	0%
Gender	Male	13	238	5%
	Female	15	87	17%
Education Level	Master Degree or Above	1	94	1%
	Bachelor	20	205	10%
	High School	7	26	27%
Total		28	325	9%

Note: Ratio of new recruits = number of new recruits in each group / total number of employees in each group

## Talent Resources

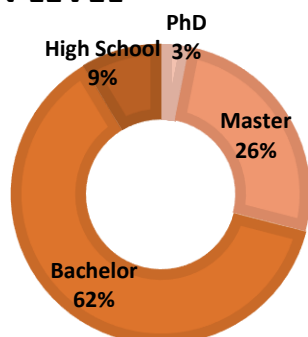
LandMark upholds the core value of being people-oriented and aims to create a diversified and inclusive workplace environment. As of the end of 2023, LandMark had 325 employees, of which 3 were non-nationals, representing 99.08% of the total number of employees; the Company's operations are located in Tainan, and 96.27% of the Company's employees are employed in Tainan, where the Company's operations are located. In order to protect gender equality in the right to work, the Company emphasizes the promotion and development of female employees, however, due to industrial affiliation, the Company's management and general employees are mostly male. 2023, the number of female senior executives (at the assistant manager level or above) was 4, accounting for 8.33% of the total number of senior executives in that year.

- Employee Structure in 2023

Gender distribution of employees at all levels				
Category	Numbers of people		Percentage	
	Male	Female	Male	Female
General Employees	194	83	70.04%	29.96%
Supervisors	44	4	91.67%	8.33%
Total	238	87	73.23%	26.77%

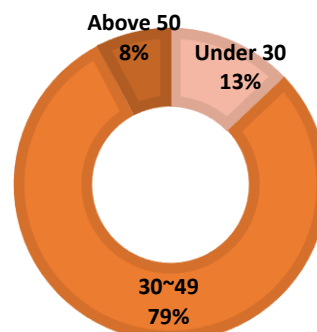
Note: Supervisory duties are defined as employees at the associate level or above.

### EDUCATION LEVEL



- PhD: 10
- Master: 84
- Bachelor: 203
- High School: 28

### AGE



- Under 30: 42
- 30~49: 258
- Above 50: 25

## Employee Retention

The Company continues to improve its retention measures. Through the training system, competitive salary system and welfare system, we are able to enhance employees' recognition and dedication to the Company, and in turn promote their retention. After joining the Company, unit supervisors and human resources specialists are available to understand the adaptation status of employees in order to minimize newcomers' inability to adapt. After starting their jobs, we help new employees to adapt to the Company's overall environment through education and training. If an employee wants to leave the Company, the HR staff of the Company will analyze the important factors of retention and resignation through interviews in order to increase the retention rate of employees.

- **Employees who left the organization in the past three years**

Category	Group	Percentage of Departure		
		2021	2022	2023
Age	Below 30	5%	5%	8%
	30~49	13%	11%	8%
	Above 50	1%	-	1%
Gender	Male	14%	11%	10%
	Female	5%	5%	7%

Note: Percentage of departures = number of departed staff in each group/total number of staff at the end of the year

### 3.3 Talent Cultivation and Development

The Company is dedicated to creating a continuous and diversified learning environment (including on-job training, physical course training, online learning, job coaching and job rotation), providing talent development blueprints and training systems, and integrating resources in a systematic manner to ensure the enrichment of employees' knowledge and skills, the enhancement of work efficiency and quality, as well as the mutual growth of employees and the Company.

<b>Material Topic</b>	Talent Cultivation and Development	
<b>Management Objective</b>	In order to assist our colleagues in their functional development, we provide diversified learning channels and training systems, and actively enhance the competitiveness of the organization to respond to market challenges.	
<b>Management Approach</b>	<ul style="list-style-type: none"> <li>● Build a diversified and practical training system to improve employees' professional abilities and assist them in their career development.</li> <li>● Inherit good experience and build a learning organization to enable the company to constantly innovate and establish the foundation of sustainable management.</li> <li>● Continuously improve the workflow and upgrade the efficiency in order to strengthen the core competitiveness of the Company.</li> </ul>	
<b>Goals</b>	<b>Goals set for 2023</b>	<b>Achievement</b>
	<ul style="list-style-type: none"> <li>● New staff functional training rate to reach 100%.</li> <li>● Employees' average training hours to reach 10 hours or more.</li> <li>● The number of proposed improvements and continuous improvement projects to be total 280 or more.</li> <li>● Accredited by TTQS Talent Development Quality Management System.</li> </ul>	<ul style="list-style-type: none"> <li>● Achieved. New staff functional training rate reached 100%.</li> <li>● Achieved. Employees' average training hours were 16.6 hours.</li> <li>● Achieved. In 2023, there were 284 proposed improvements</li> <li>● Achieved. TTQS Talent Development Quality Management System Certification by 2023</li> </ul>
	<b>Short-Term Goals</b>	<b>Medium-and-Long-Term Goals</b>
	<ul style="list-style-type: none"> <li>● New staff functional training</li> </ul>	<ul style="list-style-type: none"> <li>● Encourage self-directed</li> </ul>

	<p>rate to reach 100%.</p> <ul style="list-style-type: none"> <li>● Averages 10 hours of training per year for all categories of employees.</li> <li>● Construct a training curriculum map for the talent pipeline, and enhance the leadership skills of all levels of supervisors through a functional development-oriented supervisor training program.</li> <li>● Continuously support professional training for new R&amp;D/manufacturing personnel.</li> <li>● Strengthen linkages with campuses</li> </ul>	<p>learning and open sharing in a learning organization.</p> <ul style="list-style-type: none"> <li>● Re-examine the blueprint for supervisor learning and development in response to environmental changes, and cultivate leaders who can confront future challenges.</li> <li>● Organize advanced technology forums and courses to promote innovative thinking and competitiveness among employees.</li> <li>● Continue linkages with the campuses</li> </ul>
<b>Evaluation Mechanism</b>	<ul style="list-style-type: none"> <li>● Average annual training hours per capita to reach the target</li> <li>● After school satisfaction survey</li> <li>● Management of behavioral observation and evaluation</li> <li>● External Training Quality System Evaluation</li> </ul>	

### Enhance employee functional training program

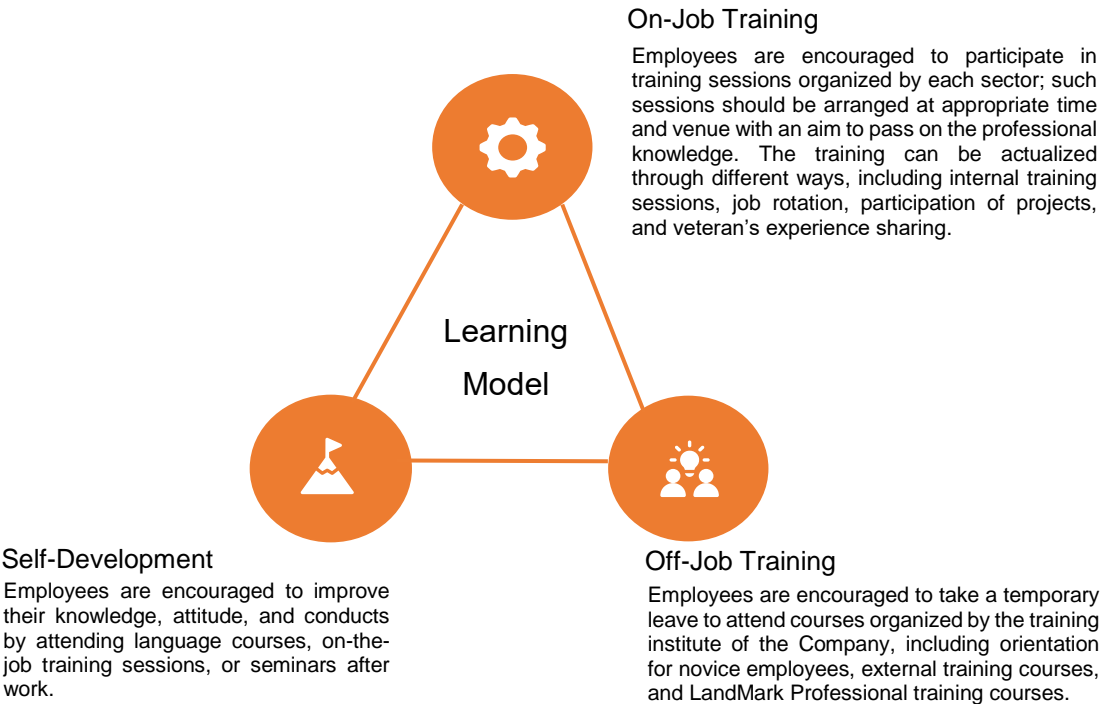
Talent is the most important asset and foundation for the development of the Company. Only through continuous investment in employee education and training can be strengthened the competitiveness of the Company. LandMark is dedicated to cultivating talents, and through the establishment of the "Staff Education and Training Procedure", a systematic approach is adopted to integrate resources to ensure the enrichment of employees' knowledge and skills, to enhance the efficiency and quality of work, and to enable employees and the Company to grow together to achieve the goals of corporate sustainable development.

To effectively cultivate the diverse talents required by the organization, LandMark has set up core /professional/management functions according to different targets, and there are respective competency requirements for general employees, so that colleagues can clearly understand the abilities

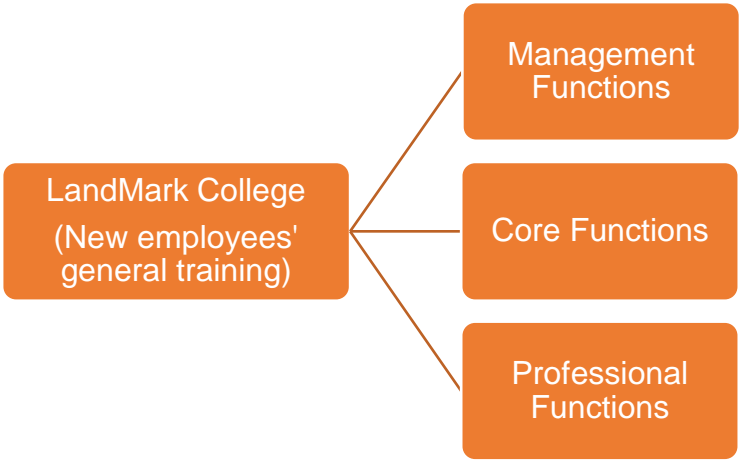
required for their duties; all levels of supervisors are also prescribed the management functions they should be qualified to perform. In the annual training planning, LandMark design courses according to the shortfalls of the supervisors' management functions, and the professional function courses are also planned according to the employee's function items and the survey of training required.

The talent cultivation project includes three aspects: On-Job Training (OJT), Off-Job Training (Off-JT), and Self-Development (SD). Internal and external training resources are provided to encourage employees to pursue continuous education, professional knowledge and cross-discipline learning simultaneously. We are committed to providing a personalized and sustainable work environment and reinforcing the professional skills of our colleagues so that each of them can be recognized for their hard work and contributions, and gain a sense of confidence and accomplishment from their work.

Learning Model



LandMark College



Average hours of training per employee per year

Following the direction of the company's development, in 2023, the main course arrangement will be to enhance key competencies and maintain the professional competence of all staff members for stable development. In order to provide a more comprehensive training system for employees, the company will be certified by the TTQS Talent Development and Quality Management System in 2023, so as to build high-quality talent assets, stimulate the potential of employees, and strengthen the competitiveness of the company's sustainable development.

Statistics/year	2021	2022	2023
Average hours of training per employee (Note 1)	14.1	19.8	16.6
Note 1: Average hours of training per employee: Total hours of training for all employees in the year/total number of employees at the end of the year.			

### 3.4 Compensation and Welfare

The Company is dedicated to providing employees with competitive compensation packages in order to attract and retain talented employees. The Company has been continuously included as a constituent stock of the TPEx Compensation Index announced by Taipei Exchange since 2016. The constituent stocks are mainly selected based on the average salary ranking of the OTC listed companies, and the Company develops internally motivating and externally competitive compensation and benefits package based on the market salary trend and consideration of the operating conditions.

<b>Material Topic</b>	Labor Management Relations and Equality/Employee Benefits	
<b>Management Objective</b>	To establish labor-management relations, provide a competitive compensation system and comprehensive employee benefits, strengthen talent attraction and employee retention, and grow together with the Company to create a win-win situation.	
<b>Management Approach</b>	One of the essential features of corporate culture is people-oriented, because employees are the starting point and destination of corporate development. LandMark's corporate culture is based on the four main axes of "Energetic workplace", "Strong and healthy body", "Happy Family", and "LandMark ♥ Sharing", which are committed to promoting work-life balance among employees to meet the needs of the company's organizational development.	
<b>Goals</b>	Goals set for 2023	Achievement
	<ul style="list-style-type: none"> <li>● Annual average monthly turnover rate is below 1.2%.</li> <li>● Timely adjustment of salary according to employees' individual performance and contribution.</li> <li>● Regularly conduct communication and coordination meetings between employees and employers.</li> </ul>	<ul style="list-style-type: none"> <li>● Achieved. Average monthly turnover rate was 1.2% in 2023.</li> <li>● Achieved. Based on the market salary market and job evaluation, we set up a salary and benefit system that is competitive and fair in the market. Establish a function-oriented appraisal system to strengthen the linkage between individual</li> </ul>



		<p>performance and salary.</p> <ul style="list-style-type: none"> <li>● Achieved. To protect the rights and interests of employees and employers, regular meetings are held.</li> </ul>
	<b>Short-Term Goals</b>	<b>Medium-and-Long-Term Goals</b>
	<ul style="list-style-type: none"> <li>● Maintain annual monthly average turnover rate below 1.2%.</li> <li>● Adjust salary structure annually in accordance with employees' individual performance and contribution.</li> <li>● HR regularly conduct communication and coordination meetings between employees and management.</li> </ul>	<ul style="list-style-type: none"> <li>● Regularly review salary levels and make timely adjustments to the salary structure based on employees' individual performance and contribution.</li> <li>● Be inclusive of multiculturalism and continue to ensure that there is no violation of fair employment practices.</li> <li>● Employee Relationship Activities Satisfaction Survey: Very Satisfied and Satisfied over 85%.</li> </ul>
<b>Evaluation Mechanism</b>	<ul style="list-style-type: none"> <li>● Employee turnover rate</li> <li>● New employee retention rate</li> <li>● Average and median salary of non-supervisory full-time employees</li> <li>● Outcome of labor-management communications and follow-up implementation activities</li> </ul>	

## Remuneration policy

<b>Remuneration Policy</b>	In addition to the fixed monthly salary, the payment policy of various bonuses will be adjusted according to the company's operating conditions.
<b>Compensation and Benefits</b>	Based on the market salary level and job evaluation, we set up a compensation and benefit system that is competitive and fair. Establish a function-oriented evaluation system to strengthen the link between individual performance and salary.
<b>Employee Compensation</b>	The employee bonus policy is stated in the Company's Articles of Incorporation, and no less than 8% of the annual profit shall be set aside for employee compensation.
<b>Bonus System</b>	Through various internal incentive programs, the Company encourages employees to aggressively pursue continuous growth. The incentive programs currently in place include: operational performance bonus, special incentive bonus, talent recommendation bonus, proposal bonus, and R&D bonus.

## Average salary of full-time non-supervisory positions

Year	Number of full-time employees in non-supervisory positions	Average full-time salaries for non-supervisory positions	Median full-time employee salary for non-supervisory positions
2021	314 employees	NT\$ 906,000	NT\$ 821,000
2022	314 employees	NT\$ 1,008,000	NT\$ 842,000
2023	334 employees	NT\$ 793,000	NT\$ 684,000

In 2023, the Company did not pay employees' bonuses due to operating losses, resulting in a decrease in both average and median annual salaries compared to the previous year;

The difference between 2023 and the previous year and the percentage of decrease: the average annual salary decreased by \$215 thousand, or 21%, and the median annual salary decreased by \$158 thousand, or 19%.

## Other welfare policies

### ● Employee Welfare Committee

The Company has established the "LandMark Optoelectronics Corporation Employee Welfare Committee" in accordance with the law. The members of the Welfare Committee come from various departments of the Company and are elected based on the ratio of the number of employees in each department. The Welfare Committee holds regular meetings every quarter, at which it resolves on the relevant employee welfare policies formulated by the Welfare Committee and plans various employee activities to promote employee welfare.

The main benefits of LMOC welfare committee include: three festivals (Labor Day, Dragon Boat Festival, and Mid-Autumn Festival), birthday gift, annual travel subsidy, wedding subsidy, maternity subsidy, funeral subsidy, injury and illness subsidy, and tailgate raffle.

### ● Club Subsidy

In order to enhance the relationship between colleagues and their physical and mental health, and to encourage the establishment and participation in proper recreational and leisure activities, the "Regulations for Employee Welfare Club" were established, and each club can accumulate points according to its annual performance status and apply for a corresponding amount of club subsidy. If the club participates in the competition in the name of the Company, it can apply for additional subsidy and incentive.

### ● Group Insurance and Retirement System

The Company provides each employee with labor insurance and National Health Insurance in accordance with the law, and also fully subsidizes group insurance (life insurance, accident insurance, medical insurance, etc.) for employees, which gives them automatic coverage

from the day they arrive at work and provides them with complete job protection. Employees' family members can also take out group insurance at a more favorable premium, so that more complete insurance benefits can be extended to employees and family members. To enhance retirement protection and strengthen labor-employer relationship, the Company makes monthly contributions to employees' pension fund in accordance with the Labor Standards Act and the Labor Pension Act.

- **Childcare Subsidy and First Day of School Gift for Employee's Children**

The Company provides a comprehensive employee care mechanism to enable employees with childcare needs to take care of their families while at work. Starting from 2020, the Company introduced a childcare subsidy, for staff with children aged 0-6, a monthly child care allowance of \$3,000 per child will be provided, total 124 recipients in 2023.

- **Emergency Relief Fund**

The Company has established an "Emergency Relief Fund" program since 2020, to assist employees or their family members in the event of a major accident or injury, or in the event of other special circumstances that require special assistance due to the large costs involved, and to provide emergency relief as determined by the case. The Company treats its employees as family members and hopes to provide support in the first instance.

- **Employee relations activities**

In order to increase employees' sense of identification with the Company and to further strengthen the concept of mutual teamwork, and to uphold the corporate culture of a vibrant workplace and happy families, the Company has organized a variety of activities to allow employees to accumulate creativity and vitality in work and leisure activities, and also encourages employees to invite their family members to participate together to enhance their family members'

sense of identification with the Company and to become the strongest support for employees. In 2023, due to the slowing down of the epidemic, we gradually restarted the annual year-end dinner party and giving out participation prizes and lucky draw prizes in accordance with traditional practice. We will continue to provide quarterly departmental dinners to encourage staff interaction and promote staff morale, in recognition of the hard work of our staff.



### 3.5 Occupational Health and Safety

The Company conducts hazard identification and risk assessment in accordance with the ISO 45001 Occupational Safety and Health Management System "Environmental Safety and Health Risk Assessment Management Methods", adopts relevant control and methods to eliminate hazards. In addition, we have formulated occupational disaster management methods to record, investigate, statistic and report occupational disasters in accordance with the law. After an occupational disaster occurs, the cause of the accident should be analyzed and preventive measures should be reviewed to avoid recurrence of the hazard.

<b>Material Topic</b>	Occupational Safety and Health	
<b>Management Objective</b>	To achieve the goal of zero occupational injuries and zero disasters	
<b>Management Approach</b>	<ul style="list-style-type: none"> <li>● Meet or exceed the requirements of safety and health laws and regulations, with the goal of zero accidents.</li> <li>● Follow ISO 45001 occupational safety and health management system to achieve management objectives and performance.</li> <li>● Implement a preventive management and audit system to ensure a safe working environment and operation.</li> <li>● Prevent accidents by communicating, consulting and participating in decision-making with workers or their representatives.</li> <li>● Conduct safety and health education and promotion, and encourage employees to take the initiative to participate in activities.</li> </ul>	
<b>Goals</b>	<b>Goals set for 2023</b>	<b>Achievement</b>
	<ul style="list-style-type: none"> <li>● Reduce disabling injury severity rate (SR) of occupational disasters (Note) <math>\leq 4.7</math></li> </ul>	<ul style="list-style-type: none"> <li>● Achieved. Occupational injuries and occupational diseases 0 cases, 2023 disabling injury severity rate (SR) = 0</li> </ul>
	<b>Short-Term Goals</b>	<b>Medium-and-Long-Term Goals</b>
	<ul style="list-style-type: none"> <li>● Reduce disabling injury severity rate (SR) of occupational disasters <math>\leq 4.7</math></li> </ul>	<ul style="list-style-type: none"> <li>● Zero occupational injuries and disasters</li> <li>● Continuous planning and</li> </ul>

		implementation of health promotion activities every year ● Emphasize the physical and mental health of employees and provide a safe and healthy workplace and culture.
Evaluation Mechanism	● Hold quarterly review meetings of the Occupational Safety and Health Committee. ● ISO 45001 Occupational Safety and Health Management System	

Note: Disabling Injury Severity Rate (SR) = (Total Work Days Lost\*10<sup>6</sup>) / Total Person-work Hours

● Occupational Health Services

LandMark has set up factory nurses to implement health management and health promotion-related businesses according to law, including planning occupational medicine physicians' on-site services, human related hazard prevention and improvement, maternal health protection and lactation room setting, health lectures and weight loss activities and other health promotion activities , In 2023, doctors provided 12 on-site consultation services, and 139 health consultations to take care of the physical and mental health of colleagues.

● Health Promotion

LandMark has established the "Regulations on Prevention of Ailments Induced by Exceptional Workload", It conducts a questionnaire survey on the fatigue scale during the annual health check. Based on the survey results, it analyzes the workload status of colleagues, conducts health care for employees, and cooperates with relevant departments to make improvements when necessary. The Company is superior to the laws and regulations that require employees to perform health checks every year, and arranges health checks for employees who have been employed for six months every year. After the health



checkups, management and tracking are carried out according to the health grading system. In addition to distributing health education leaflets and telephone tracking, corresponding health care measures are provided for different health grades. From time to time, we promote the prevention and treatment of infectious diseases, diseases (e.g. cardiovascular diseases, chronic diseases, etc.) and other health and safety precautions; the plant nurse conducts analysis of employees' physical examination data, receives relevant current affairs, seasonal epidemics, and the Department of Health and Welfare's promotional items on a regular basis, and publishes a "health e-newsletter", reminding employees to take care of their own bodies in the midst of their busy lives.

- **Maternal Health Management**

In order to create a maternity-friendly workplace, the Company has established the "Maternal Health Protection Management Regulations", in which the female employees are engaged in work related to maternal health hazards, and take health protection measures such as safety and health hazard evaluation, hazard control, risk classification management measures, occupational physician and occupational nurse interview health guidance, and work suitability arrangements, and take health protection measures such as job adjustment or job content change according to the recommendations of occupational physician inspection and assessment, and provide continuous care and spiritual support to enhance the physical and mental health of maternal employees. In 2023, a total of 10 employees were targeted for maternal health protection, of which 3 of them were advised by doctors to coordinate with their supervisors to re-adjust their working hours or workplaces, such as switching from night to day shifts, avoiding exposure to ionizing radiation and chemicals, etc. The



consultation and improvement rate reached 100%. In addition, the Company has set up breastfeeding rooms in Factory No. 1 and No. 2, equipped with complete facilities such as refrigerators, reclining chairs, power outlets, desks, partition curtains in Factory No. 1 and partitions in Factory No. 2, telephones, covered trash cans and hand-washing facilities near the sinks or provide hand-washing facilities to provide comfortable lactation space and breastmilk refrigerator for postnatal female employees.

- **Implementation of Unpaid Parental Leave**

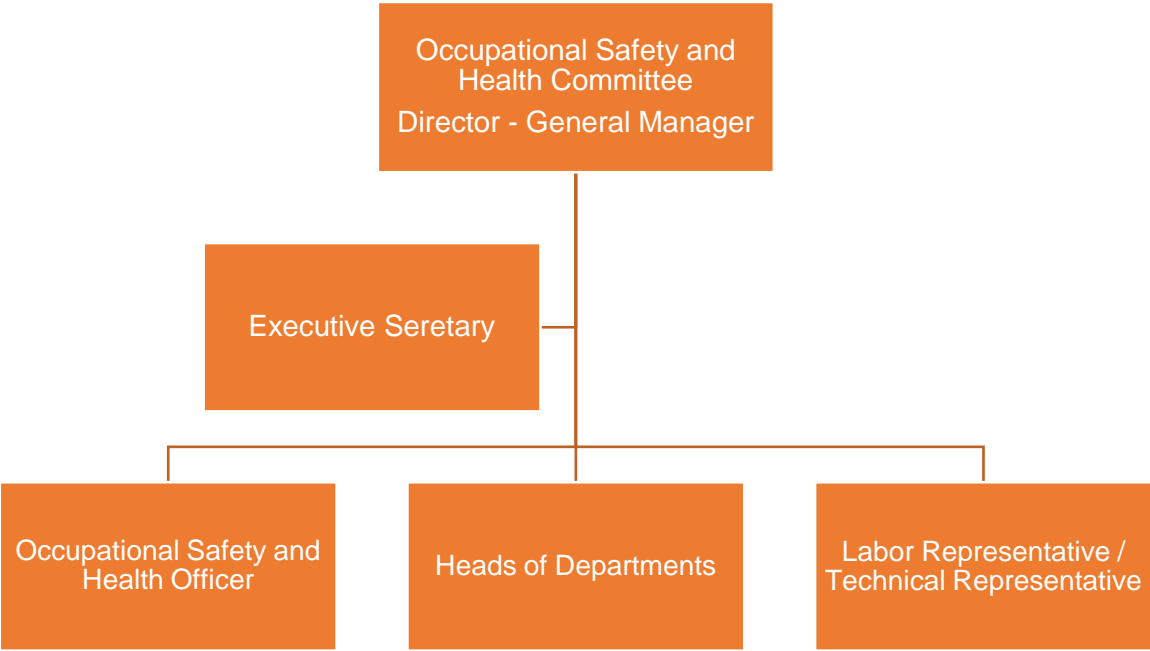
In response to the government's policy of "unpaid parental leave for raising children", employees can apply for unpaid parental leave for raising children according to their individual needs under the "Gender Equality Act".

2023 Parental Leave Statistics	Female	Male	Total
Total number of employees that were entitled to parental leave (Note1)	10	14	24
Total number of employees that took parental leave	4	1	5
Total number of employees that should return to work after parental leave (A)	3	1	4
Total number of employees actually reinstated upon expiry of parental leave(B) (including early reinstatement)	3	1	4
Retention rate (B/A) (Note 2)	100%	100%	100%
Note 1: The number of employees eligible for parental leave is based on the number of male and female employees who have applied for maternity leave and paternity leave in 2023. Note 2: Reinstatement rate = (total number of employees actually reinstated in the year / total number of employees to be reinstated in the year) * 100%.			

- **Occupational Safety and Health Committee**

The Company complies with the "Regulations of Occupational Safety and Health Management", formation of Occupational Safety and Health Committee by employers and employees. And holds quarterly meetings of the Occupational Safety and Health Committee, inviting supervisors, occupational safety and health personnel, representatives from each department, and labor representatives to attend the meetings. During the meetings, we regularly report on the various indicators and set up the related implementation work, as well as discuss and plan for improvement of potential safety issues and safety proposals reflected by the employees in order to prevent accidents from occurring in advance and to ensure a safe working environment. In compliance with the Occupational Safety and Health Act, the Regulations of Occupational Safety and Health Management, and the Occupational Safety and Health Education and Training Rules, etc., we provide new employees with general safety and health education and training, as well as safety and health education and training necessary for their operations. We provide general safety and health education and training for new employees and the safety and health education and training required for their operations. We arrange occupational safety and health education and training courses for current employees in accordance with their operations, and conduct tests to verify the effectiveness of the courses upon completion. And in accordance with "Regulations for Risk Assessment Management of Environment, Safety and Health" of the ISO 45001 Occupational Safety and Health Management System to carry out hazard identification, risk assessment, and to take relevant control and methods to eliminate the hazards. When necessary, we propose management programs for improvement and progress tracking, and

we also encourage colleagues to make proposals for improvement of environmental safety and health related issues, and to make cross-departmental discussions through the Occupational Safety and Health Committee to formulate improvement measures.



- **Education and Training and Injury Prevention**

In order to effectively improve occupational safety and health at workplaces, LandMark has implemented risk assessment of the workplace to pre-empt and control potential risks, implemented hardware improvements and workflow optimization, and conducted related education and training to enhance the safety awareness of employees. The safety and health related education and training sessions were implemented for 930 people in 2023. In addition, the Company also promoted safety awareness to contractors to create a safe working environment together. The contractors’ safety and health education and training sessions were implemented for 295 people in 2023.

- **Emergency Response Measures and Mechanisms**

In order to enhance the emergency response capability, educational training and drills are designed for the possible emergencies in the work environment, so that employees can be more familiar with the measures to be taken in case of emergency and rescue skills, and review the opportunities for improvement through actual drills, and the education and training of the emergency response team were implemented for 79 people in 2023.



- **Occupational Injury and Occupational Disease Statistics**

According to the Occupational safety and Health Administration, Ministry of Labor, excluding traffic accidents that occurred outside of the Company, there were no injuries or disabling injuries, no occupational diseases, and no deaths caused on the job in 2023, and the disabling injury frequency rate (FR) and the disabling injury severity rate (SR) for the past three years were both zero.

### 3.6 Social Welfare

With the spirit of social co-prosperity and encouraging the implementation of the corporate culture of LandMark, the Company continues to cooperate with social welfare organizations to hold the annual "LandMark ♥ Sharing" event, dedicated to sharing resources for the disadvantaged groups and small farmers and children in rural areas.

#### Pledge for Children's Day Gifts

LandMark cooperates with Love Child Care Foundation every year. In 2023, LandMark sent Children's Day gift wish cards through Love Child Care Foundation to the students of Lungshan Elementary School, Kunshen Elementary School, and Dingshou Elementary School in remote areas of Tainan to fill out, and on the eve of the Children's Day, LandMark sent gifts to the children in the remote areas of Tainan, so that they could spend the Children's Day together, and collected a total of 35 Children's Day gifts in 2023.

#### "End the year with warmth, uplift with love" Fundraising Campaign

All LandMark employees participated in the "End the year with warmth, uplift with love" fundraising activity to help the disadvantaged children in Tainan's remote villages through donations and material donations. Employees of the company freely pledged to donate pension or nutritional subsidies, and cooperated with small farmers in the remote villages to purchase fruits or local agricultural products and donate them to the children in the remote villages in Tainan, as well as collecting second-hand clothes to donate to the disadvantaged children in the remote villages in Tainan and the poor overseas, so that the bridge of love can be built regardless of national boundaries. Love knows no boundaries and builds bridges to spread love.

## "LandMark ♥ Sharing" campaigns and achievements in the past three years

Item	2021	2022	2023
Organizations	Tainan City Private Cham Tai Nursing Home / Love Child Care Foundation / Buy directly from farmers	Dong Yuan Junior High School / Dong Shan Junior High School / Yu Shan Elementary School	Love Child Care Foundation/Longshan Elementary School/Kunshen Elementary School/Dengju Elementary School
Campaigns	Donate goods / Subsidies / Small Holder Farmers	Sponsoring unique baseball teams and clubs in Tainan's rural areas	Pledge for Children's Day Gifts
Organizations	Love Child Care Foundation / The Single Parent Educational Foundation /Non-Toxic Farming	Step30 International Ministries	Love Child Care Foundation/Step30 International Ministries
Campaigns	Donate Christmas Gifts/Small Holder Farmers	Donate Old Shoes/ Raised funds for overseas shipping fees	Subsidies/Tainan Local Produce/Second-hand Clothing







## **4. Sustainable Environment**

### **4.1 Climate Change**

### **4.2 Greenhouse Gas Management**

### **4.3 Energy Management**

### **4.4 Water Resources Management**

### **4.5 Waste Management**



## 4.1 Climate Change

LandMark emphasizes the governance of climate issues and operational energy efficiency, considers the full range of climate change impacts, and the Company has adopted the Task Force on Climate-related Financial Disclosures Recommendation (TCFD) formulated by the Financial Stability Board, and has been actively engaged in the establishment and enhancement of the mechanism to formulate strategies and actions in response to climate change in the following four aspects: "Governance," "Strategy," "Risk Management," and "Metrics and Targets" in order to minimize the impacts of climate change risks.

Framework	TCFD Recommended Disclosures	Implementation Situation	
Governance	Describe the board's oversight of climate-related risks and opportunities.	• Board of Director	<ul style="list-style-type: none"> <li>• Highest supervisory unit for risk management (including climate risk)</li> <li>• To review material climate-related objectives and budgets for implementation.</li> <li>• To monitor the implementation results of climate risk management and strategy promotion.</li> </ul>
	Describe management's role in assessing and managing climate-related risks and opportunities.	• Corporate Sustainability and Nomination Committee	<ul style="list-style-type: none"> <li>• Principal authority and decision-making unit for climate risk management</li> <li>• Regularly report the progress of climate management to the Board of Directors.</li> <li>• To review the results of climate-related risk and opportunity assessments and response strategies.</li> <li>• To monitor the implementation of climate issues.</li> </ul>
		• ESG Sustainability Implementation Team	<ul style="list-style-type: none"> <li>• To collect trends of climate-related issues and conduct analysis of climate-related risks and opportunities.</li> <li>• Coordinate the implementation of strategic planning and the promotion of climate-related action programs.</li> </ul>

Framework	TCFD Recommended Disclosures	Implementation Situation
Strategy	Identify the climate-related risks and opportunities the organization has identified over the short, medium, and long term.	<ul style="list-style-type: none"> <li>• Please refer to the section "Actions to Address Climate-Related Risks/Opportunities" in this chapter.</li> <li>• The ESG Sustainability Implementation Team discussed the identification of risks and opportunities for the Company's transformation and entities, and based on the established internal target management period, defined short-term as within 2 years, medium-term as 3-5 years, and long-term as more than 6 years, and identified a total of 8 risks and 4 opportunities for climate change, and re-executed the identification and assessment operations on a regular basis.</li> <li>• Evaluate the impact of risks and opportunities on the financial statements, and formulate strategies and preventive measures to strengthen the resilience of the climate.</li> </ul>
	Describe the impact of climate-related risks and opportunities on the organization's business, strategy, and financial planning.	
	Describe the resilience of the organization's strategy, taking into consideration different climate-related scenarios.	
Risk Management	Describe the organization's processes for identifying and assessing climate-related risks.	<ul style="list-style-type: none"> <li>• The ESG Sustainability Implementation Team discusses and identifies climate-related risks and opportunities through cross-departmental discussions and, based on the professional experience of each unit, evaluates the time interval of occurrence, the probability of occurrence, and the degree of impact on the Company's operations to identify and categorize risks, and assesses the potential operational and financial impact on the Company.</li> <li>• The ESG Sustainability Implementation Team identifies the major risks and discusses the relevant countermeasures with each unit of the Company, and the Corporate Sustainability and Nomination Committee supervises and reports regularly to the Board of Directors on the execution of the business.</li> <li>• Include climate change as an issue of concern and a key risk item for the sustainable development of the enterprise, implement a risk management program in daily operations, and plan countermeasures for operations, products and supply chain management.</li> </ul>
	Describe the organization's processes for managing climate-related risks.	
	Describe how processes for identifying, assessing, and managing climate-related risks are integrated into the organization's overall risk management.	
Metrics and Targets	Disclose the metrics used by the organization to assess climate-related risks and opportunities in line with its	<ul style="list-style-type: none"> <li>• In terms of climate change mitigation, the Company uses greenhouse gas emissions per unit of product as the main quantitative assessment key indicator, and also sets indicators such as the proportion of renewable</li> </ul>

Framework	TCFD Recommended Disclosures	Implementation Situation		
	strategy and risk management process.	energy use and the amount of electricity used per unit of product.		
	Disclose Scope 1, Scope 2, and if appropriate, Scope 3 greenhouse gas (GHG) emissions, and the related risks.	• Since 2022, we have been conducting our own greenhouse gas inventory operations in accordance with the international standard ISO14064-1, and plan to commission a third-party verification company to conduct external verification in the future. Greenhouse gas emissions (metric tons of CO2e) for the last 2 years:		
	Describe the targets used by the organization to manage climate-related risks and opportunities and performance against targets.	Types of greenhouse gases	Y2022	Y2023
		Scope 1	987.13	474.71
		Scope 2	10,721.06	9,609.48
		Scope 3	1,897.04	1,919.22
		• In order to enhance the efficiency of energy management, has set targets for waste reduction, water saving and electricity saving to minimize the environmental impact in all aspects.		
• Setting climate-related performance indicators:				
	Carbon and Energy Management Targets	Waste Management Objectives		
	• Using 2020 as a baseline, the unit intensity of GHG emissions in 2025 is 6% less than in 2020. • 2030 Target: 100% renewable energy for non-production plants; 20% renewable energy for production plants. • 2040 Target: Zero growth in CO2 emissions. • 2050 Target: Achieve carbon neutrality.	• Using 2020 as a baseline, waste output per unit of product in 2025 will be 10% lower than in 2020. • Waste per unit of product in 2030 will be 20% lower than in 2020.		

## ● Climate-related Risks/Opportunities for action

The Company discusses and identifies climate-related risks and opportunities through cross-departmental meetings, and uses risk categorization to collect and identify key risk issues and formulate related countermeasures, and then the ESG Sustainability Implementation Team coordinates the subsequent tracking and management.

### ■ Transition Risks

Type of Risk	Climate-related issues	Potential Financial Impact	Impact time	Actions to be taken
Policy and Legal Risks	Raising greenhouse gas emission pricing	<ul style="list-style-type: none"> <li>• Increase in the cost of compliance-related expenses (carbon fee/carbon tax)</li> <li>• Increase in the cost of investing in energy-saving and consumption-reducing new equipment.</li> <li>• Increase in operating costs for purchasing renewable energy and renewable energy certificates.</li> </ul>	Short-term	<ul style="list-style-type: none"> <li>• Continue to promote daily operations and production processes to maximize "energy saving, emission reduction, and pollution reduction".</li> <li>• Replace old equipment with new ones to improve energy efficiency.</li> <li>• Set an aggressive carbon reduction target (to achieve carbon neutrality by 2050) and implement related actions.</li> </ul>
	Requirements and Regulation of Existing Products and Services		Medium term	
Market Risk	Customer behavior change: customer's requirements on sustainability/environmental protection/low carbon	Impact of order reductions due to failure to meet customer requirements.	Medium/Long Term	<ul style="list-style-type: none"> <li>• Purchase green power, plan for the installation of renewable energy facilities, and plan for the feasibility of partial energy self-sufficiency.</li> <li>• Conduct long-term planning for purchasing carbon credits in accordance with policy regulations.</li> </ul>
	Rising raw material costs	Costs passed on by suppliers due to renewable energy regulations and carbon tax.	Medium/Long-term	
Reputation Risk	Increasing stakeholder concerns and negative feedback (green goodwill)	<ul style="list-style-type: none"> <li>• Customers, investors request to join specific global carbon reduction initiatives or Contingent Weather Disclosure Guidelines, increasing operating and management costs.</li> <li>• The decline in ESG-related disclosures and ratings affects investors' evaluation of companies, their investment weightings, and thus the market capitalization of companies.</li> </ul>	Medium/Long Term	Proactively plan to respond to global carbon reduction initiatives, implementing the Net Zero Transformation Target and continue to enhance the Company's image through transparent disclosure in ESG reports.

■ Physical Risks

Type of Risk	Climate-related issues	Potential Financial Impact	Impact time	Actions to be taken
Acute Risk	Increased severity of extreme weather events such as typhoons and floods	<ul style="list-style-type: none"> <li>Heavy precipitation may cause the drainage system in the factory to be overloaded, flooding of the roads in the factory, and traffic disruption, which may cause transportation difficulties and delay in the receipt of materials from customers, and if the government announces the suspension of work, it may reduce the number of working days, resulting in reduced output and revenues.</li> <li>Severe extreme weather events may cause power outages, resulting in damage to production equipment, increasing capital expenditures for production equipment and affecting -output resulted in lower revenue.</li> <li>Increase in the cost of asset (natural disaster) insurance.</li> </ul>	Short-term	<ul style="list-style-type: none"> <li>Evaluate potential risks of flooding in the factory area and develop emergency response measures.</li> <li>Regular disaster preparedness drills.</li> <li>Installation of uninterruptible power supply devices for key production equipment.</li> <li>Included operational interruption insurance to cover operational risks arising from various natural disasters.</li> </ul>
Chronic Risk	Changes in precipitation (water) patterns and extreme changes in climate patterns, e.g., droughts	<ul style="list-style-type: none"> <li>Severe water scarcity affects production and supply.</li> <li>Rising average temperatures, increased electricity consumption, and increased equipment cooling water usage result in higher operating costs and higher carbon emissions.</li> </ul>	Short-term	<ul style="list-style-type: none"> <li>Continue to improve wastewater recycling rate.</li> <li>Continue to promote green production.</li> <li>Installation of renewable energy equipment to meet the energy self-sufficiency feasibility plan.</li> </ul>
	Rising average temperatures		Medium/Long Term	

## ■ Climate-Related Opportunities

Type of Opportunity	Climate-related issues	Potential Financial Impact	Impact time	Actions to be taken
Resource Efficiency	Use more efficient production processes	<ul style="list-style-type: none"> <li>• Reduce operating utility costs.</li> <li>• Increase the cost of investing in new energy-saving equipment.</li> <li>• Reduce environmental expenditure on wastewater treatment.</li> </ul>	Medium/Long Term	<ul style="list-style-type: none"> <li>• Continue to promote daily operations and production processes to maximize "energy saving, emission reduction, and pollution reduction".</li> <li>• Replace old equipment with new ones to improve energy efficiency.</li> <li>• Increase wastewater recycling rate.</li> </ul>
	Recycling and reuse		Medium/Long Term	
Energy Source	Use low-carbon energy sources	<ul style="list-style-type: none"> <li>• Reduce carbon emissions and minimize the impact of the uncertainty of greenhouse gas regulations on operations.</li> <li>• Obtain public sector incentives and cooperation to accumulate carbon credits for future emissions offsets.</li> </ul>	Long Term	<ul style="list-style-type: none"> <li>• Purchase green power, plan for the installation of renewable energy facilities, and plan for the feasibility of partial energy self-sufficiency.</li> <li>• Plan to participate in the government's carbon reduction incentive program.</li> <li>• In accordance with the policies and regulations, to carry out long-term planning for the purchase of carbon credits.</li> </ul>
	Adopt Incentive Policies		Long Term	

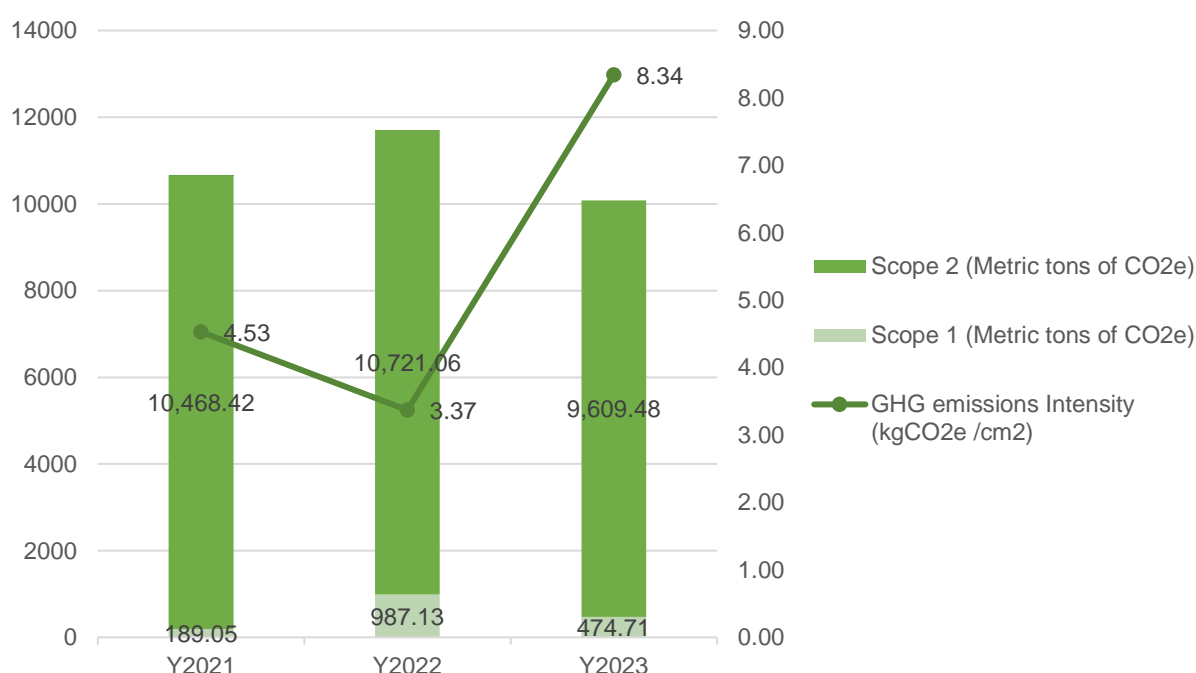
## 4.2 Greenhouse Gas Management

As the problem of climate change becomes more acute, corporate should continuously reduce the greenhouse gas emissions in the operation process to mitigate the negative impacts on climate. Starting from 2022, the Company has conducted a greenhouse gas inventory in accordance with ISO 14064-1 in order to accurately grasp the sources of greenhouse gas emissions and emissions from each factory, and to implement various energy-saving and emission reduction measures based on the inventory results. Through continuous improvement programs, the Company minimizes the environmental and climate impacts of global warming from GHG emissions, and fulfills its corporate social responsibility.

<b>Material Topic</b>	Greenhouse Gas Inventory and Carbon Reduction Targets	
<b>Management Objective</b>	In accordance with international standards to conduct a greenhouse gas inventory, will set carbon reduction targets based on the inventory results, and proactively introduce energy-saving and carbon reduction project measures to reduce greenhouse gas emissions.	
<b>Management Approach</b>	With "carbon neutrality" as the target, in accordance with ISO 14064-1 to conduct a greenhouse gas inventory, accurate understand the Company's greenhouse gas emission sources and emissions, and propose feasible solutions to reduce greenhouse gas emissions.	
<b>Goals</b>	<b>Goals set for 2023</b>	<b>Achievement</b>
	<ul style="list-style-type: none"> <li>Greenhouse gas emissions per unit of product reduced by 1% compared to the previous year.</li> </ul>	<ul style="list-style-type: none"> <li>Not Achieved. GHG emissions per unit of product were 8.34 kgCO<sub>2</sub>e /cm<sup>2</sup> in 2023, an increase of 147% from the previous year, mainly due to a significant decrease in product output in 2023</li> </ul>
	<b>Short-Term Goals</b>	<b>Medium-and-Long-Term Goals</b>
	<ul style="list-style-type: none"> <li>Continue to implement ISO 14064-1 greenhouse gas inventory and plan to commission a third-party verification company to conduct external verification.</li> </ul>	<ul style="list-style-type: none"> <li>Net zero growth in carbon emissions by 2040</li> <li>Carbon Neutral by 2050</li> <li>Participate in the International Climate Disclosure Guidelines (CDP, SBTi) to effectively</li> </ul>

	manage and assess climate risks and opportunities.
<b>Evaluation Mechanism</b>	<ul style="list-style-type: none"> <li>● To set up energy-saving and carbon reduction programs and conduct annual performance reviews by the Management Review Committee.</li> <li>● According to ISO14064-1 standards, conduct an annual inventory of greenhouse gas emissions and energy usage to grasp the current situation and verify the effectiveness of the reduction.</li> </ul>

### GHG emissions in the past three years



Greenhouse Gas Category	2021	2022	2023
Scope 1 (Metric tons of CO2e)	189.05	987.13	474.71
Scope 2 (Metric tons of CO2e)	10,468.42	10,721.06	9,609.48
<b>Total Emissions (Metric tons of CO2e)</b>	<b>10,657.47</b>	<b>11,708.19</b>	<b>10,084.19</b>
<b>GHG emissions intensity (kg CO2e /cm2)</b>	<b>4.53</b>	<b>3.37</b>	<b>8.34</b>

Note: Total GHG emissions (Scope 1 and Scope 2 combined) in 2023 will decrease by 14% compared to 2022, mainly due to a 147% increase in GHG emissions per unit of product in 2023 compared to 2022 as a result of the decline in revenue scale and a significant decrease in production.



## Other indirect (Scope 3) GHG emissions

Greenhouse Gas Category	2021	2022	2023
Scope 3 (Metric tons of CO <sub>2</sub> e)	Note	1,894.07	1,919.22
Note: In the past, the company conducted its own inventory in accordance with the Environmental Protection Administration's Greenhouse Gas Inventory Registration Form, and in 2022, the company will conduct greenhouse gas inventory in accordance with the international standard ISO14064-1, therefore, there will be scope 3 and other indirect emissions related inventory data from 2022 onwards.			

## Other Air Pollutant Emissions

In order to prevent air pollution and reduce the impact of air pollution on the environment, we maintain the indoor air quality of the plant and the health of our employees, and comply with the Air Pollution Control Law. The Company has obtained a stationary source emission permit and an inspection plan, and in accordance with the permit, the Company files quarterly reports and pays air pollution fees, arranges for regular inspections and annual repairs, and conducts periodic inspections and maintenance of the sampling facilities for preventive equipment once a year. The Company does not use ozone layer depleting substances (ODS) and does not produce nitrogen oxides (NO<sub>x</sub>), sulfur oxides (SO<sub>x</sub>), persistent organic pollutants (POP), etc. The main air pollutants in the plant include volatile organic compounds (VOCs) and hazardous air pollutants (HAP).

## VOCs Emissions in the past three years

Item	2021	2022	2023
VOCs	2.19 CO <sub>2</sub>	3.34 CO <sub>2</sub>	0.95 CO <sub>2</sub>

### 4.3 Energy Management

Electricity usage is the major part of the Company's energy consumption, along with a small portion of fossil fuels (gasoline, diesel, etc.). The Company continues to promote various energy-saving improvement projects. In addition to implementing energy-saving measures and improving energy efficiency, the Company also promotes the implementation of energy-saving management plans in offices and public areas, supplemented by related awareness-raising activities, to enhance the concept and habit of energy saving and carbon reduction of colleagues.

<b>Material Topic</b>	Energy Management	
<b>Management Objective</b>	Improve energy efficiency and reduce energy consumption, which in turn improves economic efficiency and reduces greenhouse gas emissions.	
<b>Management Approach</b>	<ul style="list-style-type: none"> <li>● Continue to promote the efficient use of energy, conduct energy-saving improvement plans, and strive to enhance energy efficiency.</li> <li>● Continue to invest in energy-saving equipment to gradually reduce unit electricity consumption.</li> <li>● Gradually increase the rate of renewable energy use.</li> </ul>	
<b>Goals</b>	<b>Goals set for 2023</b>	<b>Achievement</b>
	<ul style="list-style-type: none"> <li>● Electricity intensity per unit of product reduced by 1% compared to the previous year</li> </ul>	<ul style="list-style-type: none"> <li>● Not Achieved. Electricity intensity per unit of product in 2023 increased by 165% compared to the previous year, mainly due to lower product output in 2023</li> </ul>
	<b>Short-Term Goals</b>	<b>Medium-and-Long-Term Goals</b>
	<ul style="list-style-type: none"> <li>● Implement energy saving targets and plans as stipulated in the Energy Administration Act in order to achieve the annual energy saving rate.</li> <li>● Adjustment and optimization</li> </ul>	<ul style="list-style-type: none"> <li>● Introduce ISO 50001 energy management system certification.</li> <li>● Renewable energy usage ratio Target by 2030: 100% use of renewable energy on non-production factories; 20%</li> </ul>

	of existing equipment.	use of renewable energy on production factories.
<b>Evaluation Mechanism</b>	<ul style="list-style-type: none"> <li>● Management Review Committee conducts performance reviews</li> <li>● Compliance with regulations on energy saving</li> </ul>	

## Energy Consumption in 2023

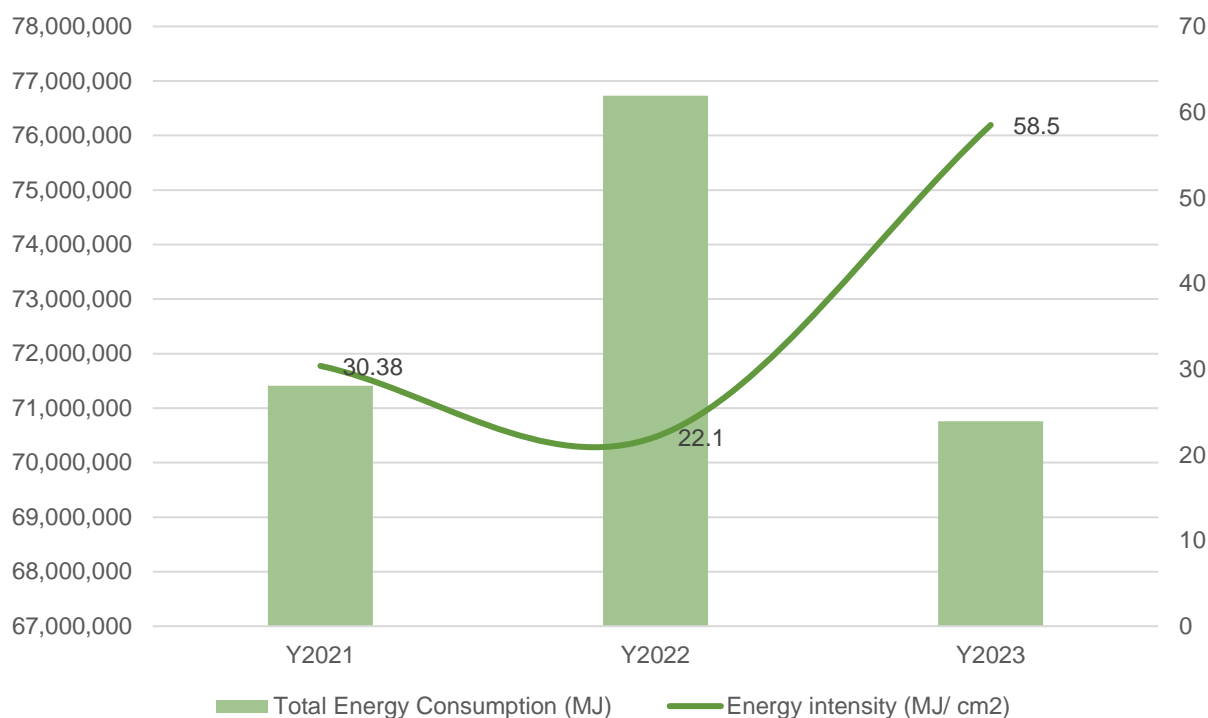
Type of Energy	Usage	Consumption	Conversion Result (MJ)	%
<b>Electricity</b>	Factory-wide electrical equipment	19,413.08 MWh	69,887,088	98.77%
<b>Gasoline</b>	Use of official vehicles, firefighting training	2,466.65 Liters	80,536	0.11%
<b>Diesel</b>	Use of generator	22,562.42 Liters	793,295	1.12%
Total			70,760,919	100%
Description: Note 1: Electricity unit conversion is 1 kWh = 3.6 MJ. Note 2: Gasoline unit conversion is 1 liter of gasoline = 32.65 MJ. Note 3: Diesel unit conversion is 1 liter of diesel = 35.16 MJ. Note 4: Conversion information is based on the Bureau of Energy, Ministry of Economic Affairs: Heat Content of Energy Products.				

## Energy Intensity Statistics in the past three years

The Company's total energy consumption decreased by 7.78% in 2023 as compared to 2022, Mainly attributable to the decline in revenue scale and the significant decrease in epitaxial wafer production., energy intensity increased by approximately 165% as compared to the previous year.

Item	2021	2022	2023
Total Energy Consumption (MJ)	71,413,085	76,732,299	70,760,919
Energy intensity (MJ/ cm <sup>2</sup> )	30.38	22.10	58.50

## Total energy consumption and energy intensity in the past three years



## Energy Saving and Carbon Reduction Measures and Effectiveness

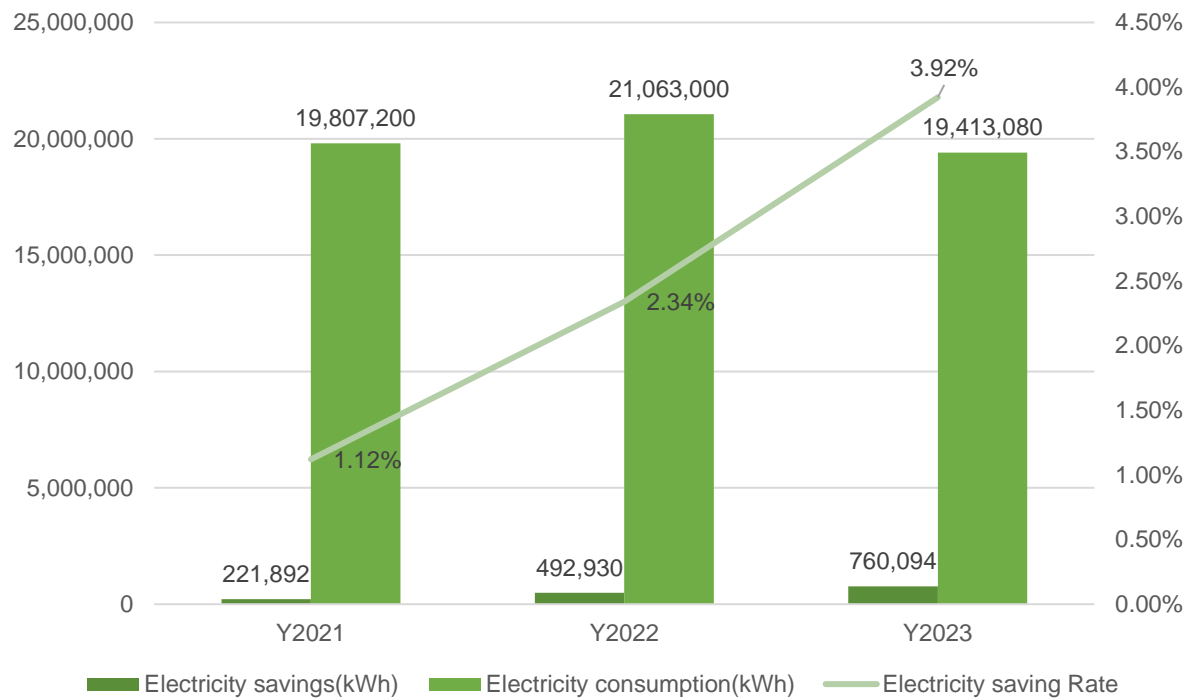
The Company promotes various energy saving measures to enhance energy efficiency. 760,094 kWh of electricity will be generated in 2023, which is equivalent to a reduction of 376,247 kilograms of carbon emissions, and the energy saving rate will reach 3.92% in 2023.

### Energy Saving Effectiveness in 2023 :

Energy saving program	Electricity savings (kWh/year)	Greenhouse gas reduction (kg CO2e) (Note)	Percentage of energy saving in total electricity consumption of the year
Energy Saving in Lighting Equipment	14,083	6,971	0.07%
Energy Saving in Factory Equipment	35,860	17,751	0.18%
Energy Saving in Process Equipment	710,151	351,525	3.66%
Total	760,094	376,247	3.92%

Note: The calculation is based on the 2022 electricity emission factor announced by the Energy Bureau: approximately 0.495 kg CO<sub>2</sub> per kWh of electricity.

Electricity Consumption and Savings in the past three years



4.4 Water Resources Management

LandMark is located in the Southern Taiwan Science Park in Tainan City. With reference to the information from the World Resources Institute's WRI Aqueduct (<https://www.wri.org/aqueduct>), it is considered a low to medium water resource risk area, and the main source of water intake is from the Zengwen Reservoir, with no groundwater or surface water being used as the plant's water source. The source of water is mainly from the Zengwen Reservoir, and no groundwater or surface water is used as the water source of the plant, and the daily water consumption of the plant is about 0.133 million liters (for both plants I and II combined). According to the statistics of the National Science and Technology Commission of the Southern Taiwan Science Park, the daily water consumption of the Tainan Science Park in 2023 will be about 197.533 million liters, which means that the impact of LandMark's operation on the water consumption of the region will be only 0.07%.

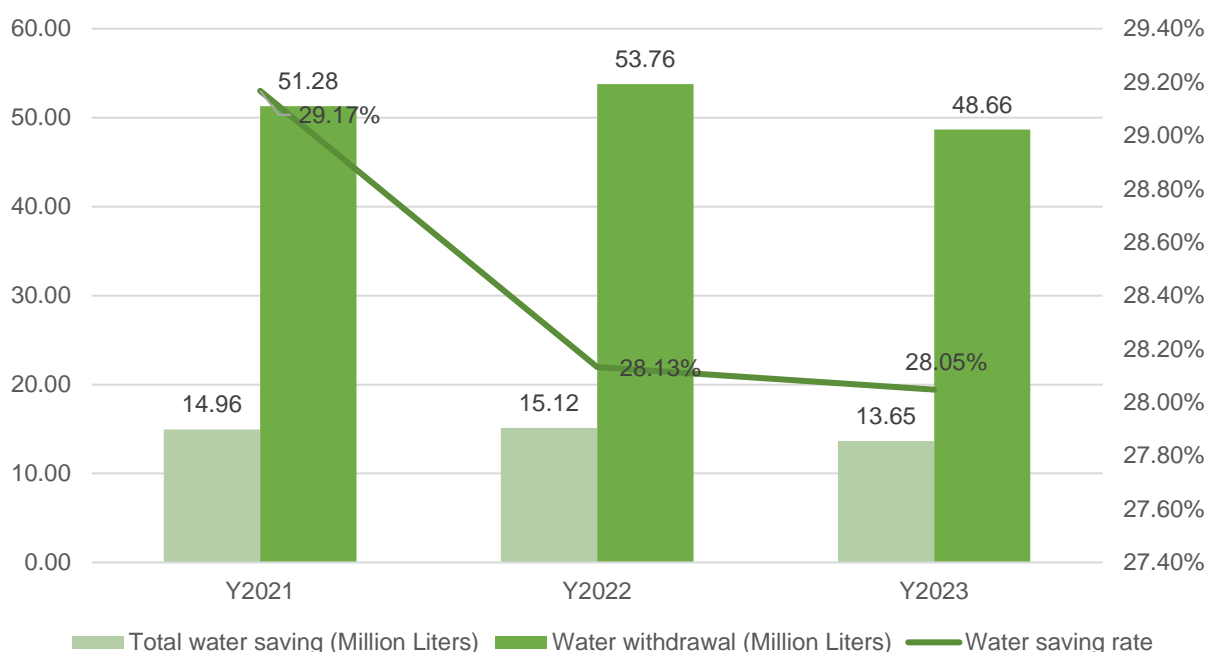
As a result of global warming in recent years, the risk of water shortages and floods is increasing. To minimize the impact of unstable water resources on operational activities, LandMark has adopted the ISO 14001 management system as the basis for water resource management, and continues to promote water recycling and conservation measures, increasing the value of production and water use efficiency under the same water consumption at the manufacturing end; and installing water meters in the plant area and buildings for daily meter reading for water control. Water meters are installed in the plant and buildings and are read daily for water quantity control.

Water Conservation Programs and Effectiveness in the past three years

Item	2021	2022	2023
Water withdrawal (Million Liters)	51.28	53.76	48.66
Water discharge (Million Liters)	20.94	22.28	17.62
Water consumption (Million Liters)	30.34	31.48	31.04

## Water Conservation Programs and Effectiveness in the Past Three Years

LandMark has invested in a number of water conservation improvement programs, including cooling water tower concentration multiplier enhancement, condensate recovery for air conditioning box cooling coil, and RO-R recovery for pure water, which will result in approximately 13.65 million liters of water savings in 2023 under water resource utilization management and water conservation technology implementation, with a water conservation ratio of approximately 28.05%.



Item	2021	2022	2023
Water Conservation Program	<ul style="list-style-type: none"> <li>● Air Conditioning Box Cold Coil Condensate Recovery</li> <li>● Pure Water RO-R Recovery Statistics</li> </ul>	<ul style="list-style-type: none"> <li>● Cooling Water Tower Concentration Multiplier Enhancement</li> <li>● Air Conditioning Box Cold Coil Condensate Recovery</li> <li>● ROR Concentrate Recovery</li> </ul>	<ul style="list-style-type: none"> <li>● Cooling water tower concentration multiplier increase</li> <li>● Air Conditioning Box Cold Coil Condensate Recovery</li> <li>● Pure Water RO-R Recovery Statistics</li> </ul>
Water saving (Million Liters)	14.96	15.12	13.65
Water saving rate	29.17%	28.13%	28.05%

## Wastewater Treatment and Discharge

In order to ensure proper management of wastewater generated in the factory, and to ensure that the wastewater treatment is functioning properly and the quality of discharged water meets the national discharge standards, the Company has dedicated personnel to monitor and analyze the quality of discharged water and to incorporate it in the environmental management plan for quarterly tracking. In addition, we commission a qualified testing organization to conduct discharge water quality tests every six months and report to the government on a regular basis in accordance with the "Water Pollution Control Measures and Test Reporting Management Regulations", and in 2023, all discharged wastewater was in compliance with laws and regulations as well as with the standards adopted by the Southern Taiwan Science Park Bureau.

Type	Explanation	Treatment	Water discharge (Million liters)
Process wastewater	Wastewater from production process, equipment cleanse, product measurement of equipment, or air conditioning system	<ul style="list-style-type: none"> <li>• Acid and alkaline wastewater: The hazardous substances are excluded in the treatment system, and the water undergoes acid-base neutralization procedure to meet the PH value standard before discharge</li> <li>• Arsenic-containing wastewater: The water undergoes an arsenic removal system (solidification)</li> </ul>	14.41
Domestic sewage	Domestic sewage	The sewage is collected at the sewage processing facility of the building and emitted to the effluent. The septic tank is cleared annually.	3.21



## 4.5 Waste Management

LandMark promotes source management and waste recycling, and commissions external vendors to reuse or recycle the waste in its plants, increasing the rate of recycling and reuse, and reducing the impact of waste on the environment. The Company's main wastes include sludge generated from manufacturing wastewater treatment process, chemical waste liquids used in the manufacturing process, chemical-contaminated clean cloths and filtering materials, and waste wafers, as well as employees' daily garbage, non-process-generated packaging materials, waste plastics, and other wastes, which are all disposed of by qualified removal and treatment providers.

<b>Material Topic</b>	Waste Management	
<b>Management Objective</b>	Effective waste disposal not only reduces waste generation and related costs, but also creates revenue value and reduces the impact of operations on the environment.	
<b>Management Approach</b>	<ul style="list-style-type: none"> <li>● Promote the improvement of manufacturing process technology and source management measures to reduce the use of raw materials and the production of waste.</li> <li>● Recycle resources to achieve waste resource utilization and reuse.</li> <li>● Pay attention to the development of international environmental trends, assess the opportunities and risks, properly handle waste and utilize energy resources, and promote a circular economy.</li> </ul>	
<b>Goals</b>	<b>Goals set for 2023</b>	<b>Achievement</b>
	<ul style="list-style-type: none"> <li>● Waste generated per unit of product &lt;0.07 kg/cm<sup>2</sup> in 2023.</li> </ul>	<ul style="list-style-type: none"> <li>● Not Achieved. Waste generated per unit of product &lt;0.077 kg/cm<sup>2</sup> in 2023, mainly due to the significant decrease in product output in 2023</li> </ul>
	<b>Short-Term Goals</b>	<b>Medium-and-Long-Term Goals</b>
	<ul style="list-style-type: none"> <li>● Annual waste generated per unit of product &lt;0.07 kg/cm<sup>2</sup></li> </ul>	<ul style="list-style-type: none"> <li>● Waste generated per unit of product in 2030 to be 20%</li> </ul>

	<ul style="list-style-type: none"> <li>● Reduce waste per unit of product output by 10% in 2025 compared to 2020</li> </ul>	lower than in 2020
<b>Evaluation Mechanism</b>	<ul style="list-style-type: none"> <li>● Calculated based on actual output and evaluated the effectiveness of the management program at the management review meeting.</li> <li>● ISO 14001 Environmental Management System Certification</li> </ul>	

### Waste directed to disposal

The Company's general business waste is daily garbage, which is handled by the Tainan Science Park Resource Recycling Center for incineration. Hazardous waste is treated by qualified waste removal and disposal providers, and 80% of the waste removal and disposal providers have obtained ISO14001 management system certification in the recent three years. Waste types and treatment methods include sludge and waste wafers from process wastewater treatment (solidification treatment), liquid chemicals used in the process (chemical treatment), and chemical-contaminated clean cloths and filtering materials (incineration treatment).

Unit: Metric tons

Item	2021	2022	2023
General Utility Waste	30.34	32.98	27.86
Hazardous waste	79.50	89.88	65.72
Total	109.84	122.86	93.58

### Waste Disposal and Transfer

LandMark does not reuse or regenerate its own waste, but mainly commission's external vendors to reuse or regenerate. Based on the technical feasibility of the current treatment plant, the recycling of the Company's wastes includes empty chemical bottles, organic solvents, hydrofluoric acid, sulfuric acid, and mercury lamps, with a total weight of 10.46 metric tons in 2023, of which 5.16 metric tons will be recycled by the Company in 2023, representing a recycling ratio of 49.33%.

# Appendices

**Appendix 1: GRI Standards Content Index**

**Appendix 2: SASB Disclosure Indicators**

## Appendix 1: GRI Standards Content Index

<b>Statement of Use</b>	In accordance with GRI Standards published the 2023 Sustainability Report, the scope of data and information cover the period from January 1 to December 31, 2023
<b>GRI 1 used</b>	GRI 1: Foundation 2021

Topics	Disclosure items	Disclosure Title	Chapter	Page	Omission /Explanation	Remarks
GRI 2 : General Disclosures 2021						
The organization and its reporting practices	2-1	Organizational details	2.1 Company Profile	19		
	2-2	Entities included in the organization's sustainability reporting	About this Report	1		
	2-3	Reporting period, frequency and contact point	About this Report	1		
	2-4	Restatements of information			The company had no significant changes in scale, structure, ownership or supply chain in 2023, so there is no reorganization of the previous year's information.	
	2-5	External assurance			This report has not been verified by a third-party verification agency.	
Activities and workers	2-6	Activities, value chain and other business relationships	2.1 Company Profile	19~21		
	2-7	Employees	3.2 Talent	52		

Topics	Disclosure items	Disclosure Title	Chapter	Page	Omission /Explanation	Remarks
			Recruitment and Retention			
	2-8	Workers who are not employees	3.2 Talent Recruitment and Retention	52		
Governance	2-9	Governance structure and composition	2.2 Corporate Governance	22		
	2-10	Nomination and selection of the highest governance body	2.2 Corporate Governance	22		
	2-11	Chair of the highest governance body	2.1 Company Profile	19		
	2-12	Role of the highest governance body in overseeing the management of impacts	2.2 Corporate Governance	22		
	2-13	Delegation of responsibility for managing impacts	1.1 Commitment to Sustainable Management	8		
	2-14	Role of the highest governance body in sustainability reporting	1.1 Commitment to Sustainable Management	8		
	2-15	Conflicts of interest	2.2 Corporate Governance	28		
	2-16	Communication of critical concerns	1.2 Stakeholders and Material Topics	10~17		
	2-17	Collective knowledge of the highest governance body	2.2 Corporate Governance	27~28		
	2-18	Evaluation of the performance of the highest governance body	2.2 Corporate Governance	26~27		

Topics	Disclosure items	Disclosure Title	Chapter	Page	Omission /Explanation	Remarks
	2-19	Remuneration policies	3.4 Compensation and Welfare	60		
	2-20	Remuneration policies	3.4 Compensation and Welfare	60		
	2-21	Annual total compensation ratio	3.4 Compensation and Welfare	60		
Strategy, policies and practices	2-22	Statement on sustainable development strategy	Letter from the Chairman	2~3		
	2-23	Policy commitments	Letter from the Chairman	2~3		
	2-24	Embedding policy commitments	1.1 Commitment to Sustainable Management	8		
	2-25	Processes to remediate negative impacts	2.2 Corporate Governance	28~29		
	2-26	Mechanisms for seeking advice and raising concerns	2.2 Corporate Governance	28~29		
	2-27	Compliance with laws and regulations	2.4 Compliance with laws and regulations	34~35		
	2-28	Membership associations	2.1 Company Profile	21		
Stakeholder engagement	2-29	Approach to stakeholder engagement	1.2 Stakeholders and Material Topics	10~12		
	2-30	Collective bargaining agreements			The Company does not have a labor union, so there is no bargaining agreements.	
<b>GRI 3 : Material Topics 2021</b>						

Topics	Disclosure items	Disclosure Title	Chapter	Page	Omission /Explanation	Remarks
Material Topics	3-1	Process to determine material topics	1.2 Stakeholders and Material Topics	13		
	3-2	List of material topics	1.2 Stakeholders and Material Topics	15~17		
<b>Economic Aspects</b>						
<b>Economic Performance</b>						
GRI 3 : Material Topics 2021	3-3	Management of material topics	2.3 Economic Performance	30~32		
GRI 201 : Economic Performance 2016	201-1	Direct economic value generated and distributed	2.3 Economic Performance	3		
	201-2	Financial implications and other risks and opportunities due to climate change	4.1 Climate Change	78~80		
	201-3	Defined benefit plan obligations and other retirement plans	3.4 Compensation and Welfare	61~62		
<b>Environmental Aspects</b>						
<b>Energy</b>						
GRI 3 : Material Topics 2021	3-3	Management of material topics	4.3 Energy Management	84~85		
GRI 302 : Energy 2016	302-1	Energy consumption within the organization	4.3 Energy Management	85		
	302-2	Energy consumption outside of the organization	4.3 Energy Management	85		
	302-3	Energy intensity	4.3 Energy Management	85		
	302-4	Reduction of energy consumption	4.3 Energy Management	86		

Topics	Disclosure items	Disclosure Title	Chapter	Page	Omission /Explanation	Remarks
	302-5	Reductions in energy requirements of products and services	4.3 Energy Management	86		
<b>Emissions</b>						
GRI 3 : Material Topics 2021	3-3	Management of material topics	4.2 Greenhouse Gas Management	81~82		
GRI 305 : Emissions 2016	305-1	Direct (Scope 1) GHG emissions	4.2 Greenhouse Gas Management	82		
	305-2	Energy indirect (Scope 2) GHG emissions	4.2 Greenhouse Gas Management	82		
	305-3	Other indirect (Scope 3) GHG emissions	4.2 Greenhouse Gas Management	83		
	305-4	GHG emissions intensity	4.2 Greenhouse Gas Management	82		
	305-5	Reduction of GHG emissions	4.2 Greenhouse Gas Management	82		
	305-6	Emissions of ozone-depleting substances (ODS)	4.2 Greenhouse Gas Management	83		
	305-7	Nitrogen oxides (NOx), sulfur oxides (SOx), and other significant air emissions	4.2 Greenhouse Gas Management	83		
<b>Waste</b>						
GRI 3 : Material Topics 2021	3-3	Management of material topics	4.5 Waste Management	91~92		
GRI 306 : Waste	306-1	Waste generation and significant	4.5 Waste Management	92		



Topics	Disclosure items	Disclosure Title	Chapter	Page	Omission /Explanation	Remarks
2020		waste-related impacts				
	306-2	Management of significant waste-related impacts	4.5 Waste Management	92		
	306-3	Waste generated	4.5 Waste Management	92		
	306-4	Waste diverted from disposal	4.5 Waste Management	92		
	306-5	Waste directed to disposal	4.5 Waste Management	92		
<b>Social Aspects</b>						
<b>Employment</b>						
GRI 3 : Material Topics 2021	3-3	Management of material topics	3.4 Compensation and Welfare	58~59		
GRI 401 : Employment 2016	401-1	New employee hires and employee turnover	3.2 Talent Recruitment and Retention	51 、 53		
	401-2	Benefits provided to full-time employees that are not provided to temporary or part-time employees	3.4 Compensation and Welfare	61~63		
	401-3	Parental leave	3.5 Occupational Health and Safety	67		
<b>Occupational Health and Safety</b>						
GRI 3 : Material Topics 2021	3-3	Management of material topics	3.5 Occupational Health and Safety	64~65		
GRI 403 : Occupational	403-1	Occupational health and safety management system	3.5 Occupational Health and Safety	68~69		

Topics	Disclosure items	Disclosure Title	Chapter	Page	Omission /Explanation	Remarks
Health and Safety 2018	403-2	Hazard identification, risk assessment, and incident investigation	3.5 Occupational Health and Safety	68~69		
	403-3	Occupational health services	3.5 Occupational Health and Safety	65~67		
	403-4	Worker participation, consultation, and communication on occupational health and safety	3.5 Occupational Health and Safety	68~69		
	403-5	Worker training on occupational health and safety	3.5 Occupational Health and Safety	69~70		
	403-6	Promotion of worker health	3.5 Occupational Health and Safety	65~66		
	403-7	Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	3.5 Occupational Health and Safety	68~69		
	403-8	Workers covered by an occupational health and safety management system	3.5 Occupational Health and Safety	68~69		
	403-9	Work-related injuries	3.5 Occupational Health and Safety	70		
	403-10	Work-related ill health	3.5 Occupational Health and Safety	70		

Topics	Disclosure items	Disclosure Title	Chapter	Page	Omission /Explanation	Remarks
<b>Training and Education</b>						
GRI 3 : Material Topics 2021	3-3	Management of material topics	3.3 Talent Cultivation and Development	54~55		
GRI 404 : Training and Education 2016	404-1	Average hours of training per year per employee	3.3 Talent Cultivation and Development	57		
	404-2	Programs for upgrading employee skills and transition assistance programs	3.3 Talent Cultivation and Development	55~57		
<b>Customer Privacy</b>						
GRI 3 : Material Topics 2021	3-3	Management of material topics	2.5 Customer Service	37~38		
GRI 418 : Customer Privacy 2016	418-1	Substantiated complaints concerning breaches of customer privacy and losses of customer data	2.5 Customer Service	36		

## Appendix 2: SASB Disclosure Indicators

Topic	Code	Accounting Metric	Category	2023
Greenhouse Gas Emissions	TC-SC-110a.1	Gross global Scope 1 emissions	Quantitative	474.71 metric tons CO <sub>2</sub> e
		Amount of total emissions from perfluorinated compounds		62.15 metric tons CO <sub>2</sub> e
	TC-SC-110a.2	Discussion of long- and short-term strategy or plan to manage Scope 1 emissions, emissions reduction targets, and an analysis of performance against those targets	Discussion and Analysis	Please refer to section 4.2 Greenhouse Gas Management of this report.
Energy Management in Manufacturing	TC-SC-130a.1	Total energy consumed	Quantitative	70,760.92 GJ
		Percentage grid electricity		98.77%
		Percentage renewable		0%
Water Management	TC-SC-140a.1	Total water withdrawn	Quantitative	Total withdrawals are 48,662 cubic meters, which is 0% of the percentage of high-water stress areas.
		Total water consumed; percentage of each in regions with High or Extremely High Baseline Water Stress		Total water consumption is 31,045 cubic meters, which is 0% of the high-water stress area.
Waste Management	TC-SC-150a.1	Amount of hazardous waste from manufacturing, percentage recycled	Quantitative	The weight of hazardous waste was 65.72 metric tons, of which 10.46 metric tons could be recycled in 2023 and 5.16 metric tons were actually recycled, representing a resource utilization rate of 49.33%.
Workforce Health & Safety	TC-SC-320a.1	Description of efforts to assess, monitor, and reduce exposure of employees to human health hazards	Discussion and Analysis	Please refer to section 3.5 Occupational Health and Safety of this report.
	TC-SC-320a.2	Total amount of monetary losses as a result of legal proceedings associated with employee health and safety violations	Quantitative	There were no material violations in the fields of employee health and safety in the recent three years, and the monetary loss incurred was \$0.
Recruiting & Managing a Global & Skilled	TC-SC-330a.1	Percentage of employees that are (1) foreign nationals and (2) located offshore	Quantitative	(1)Percentage of expatriate staff 0.92% (2) Percentage of expatriate staff 0%

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Topic	Code	Accounting Metric	Category	2023
Workforce				
Product Lifecycle Management	TC-SC-410a.1	Percentage of products by revenue that contain IEC 62474 declarable substances	Quantitative	The Company's products are 100% compliant with IEC 62474.
	TC-SC-410a.2	Processor energy efficiency at a system-level for: (1) servers, (2) desktops and (3) laptops	Quantitative	The Company's products are not end-use applications, and there is no applicable content.
Materials Sourcing	TC-SC-440a.1	Description of the management of risks associated with the use of critical materials	Discussion and Analysis	Please refer 2.6 Supply Chain Management in this report.
Intellectual Property Protection & Competitive Behavior	TC-SC-520a.1	Total amount of monetary losses as a result of legal proceedings associated with anticompetitive behavior regulations	Quantitative	There were no such events in 2023, and the total loss related to the lawsuits: \$0.



聯亞光電工業股份有限公司

LandMark Optoelectronics Corporation