



ufiSpace

2023

Sustainability Report

OPEN TO CONNECT

CONNECTING THE WORLD WITH OPEN NETWORKS

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About This Report

Ufi Space Co., Ltd. (hereinafter referred to as UfiSpace or the Company) has been publishing the Sustainability Report annually since 2023 to communicate with stakeholders and review the direction of internal sustainable development through materiality survey and analysis, thereby strengthening management and fulfilling corporate sustainability responsibility. This report was prepared in accordance with the Global Reporting Initiative Standards (GRI Standards), the Task Force on Climate-Related Financial Disclosures (TCFD), and the Sustainability Accounting Standards Board (SASB), with the English version simultaneously published as well for the first time.

Reporting Period

The data disclosed in this report covers the period from January 1, 2023 to December 31, 2023 (with some data covering different years, which will be explained separately in the report), and the Chinese/English versions of the report will be published on the Company's official website in September 2024. The previous report was published in September 2023 (with the full text in Chinese and an abstract available in English).

Reporting Scope

The scope of disclosure in the report focuses on the operational activities of the Ufi Space Co., Ltd. Headquarters and includes various material topics of concern to stakeholders, as well as UfiSpace's actual performance in the areas of economy, governance, environment, and society. The financial data in this report are consistent with those of the Company's financial statements, which have been audited and attested by PwC Taiwan, and are expressed in NTD thousand. Environmental and social data are collected independently by each department, reviewed and confirmed by department heads, and presented in the form of internationally accepted indicators.

Information Quality

To ensure the disclosure quality of this report, AFNOR International (Asia), Ltd., an external independent institution, was commissioned to verify the report at Type I Moderate Level of Assurance according to the GRI Standards and the AA1000 Assurance Standard (AA1000AS v3). An assurance statement was obtained upon the confirmation of compliance with GRI Standards.

Data Category	Compliance Standard	Certification/Assurance Agency
Sustainability information	GRI StandardsAA1000 Assurance Standard (AA1000AS v3) Type I	AFNOR International (Asia), Ltd.
Financial data	Annual financial statements	PwC Taiwan
Environmental data	ISO 14064-1	AFNOR International (Asia), Ltd.

Note: This report was prepared in accordance with the eight reporting principles of GRI Standards 2021: accuracy, balance, clarity, comparability, completeness, sustainability context, timeliness, and verifiability. The sources of the data were first reviewed by the senior manager of each unit before being used in the report preparation. The report was released after the review and approval of the Sustainable Development Committee.

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 Next Publication Date: September 2025

Message from the Chairman

The year 2023 marked UfiSpace's fifth year of corporate transformation. We have continuously focused on technological research and development, and realized the use of technology in product development with our outstanding implementation. The concept of quality is adopted throughout the stages of design, manufacturing and supply chain upgrade. Striving to achieve corporate sustainable operations, in addition to our continuous pursuit of excellence, we have also deeply recognized UfiSpace's responsibility as a global citizen for economic development, climate change, and social good. This year, we promoted and drove various actions to a deeper level and actively responded to various sustainability issues, taking care of the rights and interests of stakeholders internally and externally while creating the common good together.

In terms of the economic aspect, we maintain our industry-leading position and market competitiveness based on our excellent R&D technology and innovative services. We actively invest in the R&D and innovation in line with the latest B5G (Beyond 5G) network standards, and constantly commit ourselves to the research and development of AI-related network communication equipment to meet the market demand and provide more advanced integration solutions.

In terms of the governance aspect, UfiSpace continues to strengthen ethical corporate management and information security management. In 2023, we upgraded our information security management system from ISO 27001:2013 to ISO 27001:2022, met the new audit standards, and obtained new certificates. In 2023, we also included sustainability-related items in our supply chain audit to reinforce the management of supplier behaviors in relation to the environment and human rights and reduce relevant risks.

In terms of the environmental aspect, UfiSpace has made changes starting from the office space by relocating the headquarters to the green building of Huaku National Landmark in Xinzhuang District, with energy-saving equipment and green building materials applied to create an environment-friendly green office for employees. Also, we have constantly carried out organizational carbon inventory and taken energy-saving actions aiming for the corporate carbon reduction targets. With regard to products, we have devoted efforts to extending the product life cycle, reducing the energy consumption of products and manufacturing processes, adopting environmentally friendly logistics practices, etc. In the future, we will continue to develop green products that satisfy market demands in compliance with international environmental regulations and energy policies to help customers achieve carbon reduction goals.

In terms of the social aspect, UfiSpace has invested resources in setting up a dedicated unit for education and training based on the core concept of "talent sustainability," constructing a learning framework and designing various training projects to support

all employees to improve their skills. In 2023, we successfully trained 10 internal technical lecturers, and the total training hours of all employees increased to 10 times compared to the previous year. Besides encouraging employees to keep learning, we have also implemented ISO 45001 and integrated health examinations, group insurance, medical consultation, and diversified health protection plans to build a holistic and healthy workplace that ensures the protection of employees' health and well-being. Extending our care for employees and their families, we further give back to the local communities through public welfare actions; apart from our continued contribution to society through employee fundraising and volunteer programs, we also promote SDG4 quality education by collaborating with educational startups to jointly facilitate the development of STEM education and digital education transformation in Taiwan, turning caring into a positive influence.

Looking into the future, UfiSpace will adhere to the philosophy of "Open to Connect" and realize the vision of an open network architecture with outstanding technology to stimulate the industry and economic growth. Based on our corporate sustainability culture of "Quality, Business and ESG with all employees," we will make contributions to the sustainable development of the environment, society, and industry in all aspects of our business operations, and move forward with partners from all walks of life to create a sustainable future.

Chairman of Ufi Space Co., Ltd.
Chairman




About UfiSpace

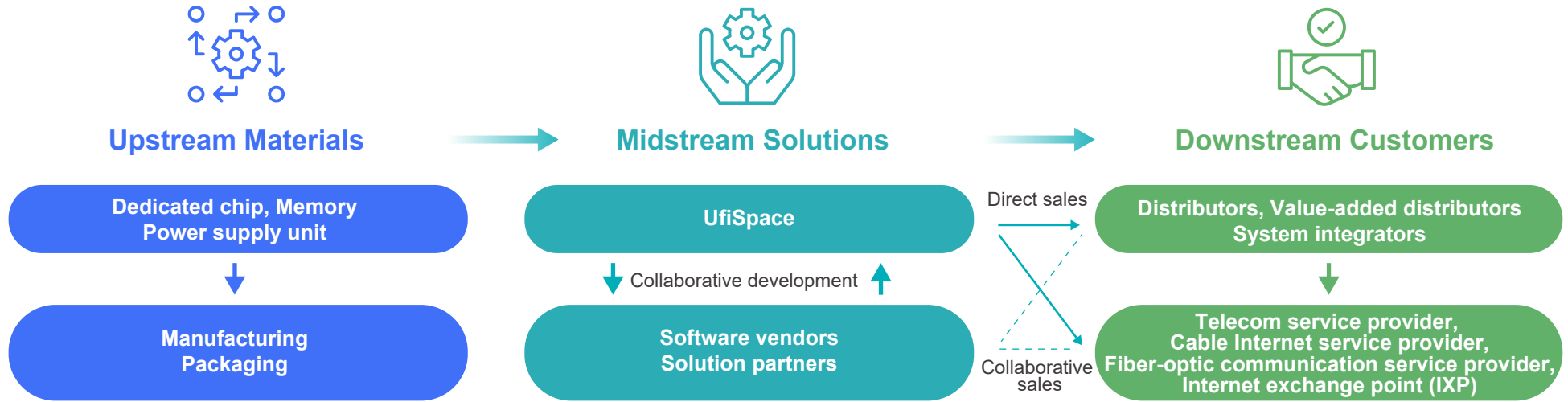
Ufi Space Co., Ltd. was established in 2012. In response to the network communication equipment white-box product trend, in 2018, the Company transformed into a provider of 5G and Beyond (B5G) open architecture solutions, and has successively launched the industry's first Disaggregated Cell Site Gateway (DCSG) and the world's first Distributed Disaggregated Chassis (DDC) system architecture. We have successfully developed a complete 5G open end-to-end telecom equipment, breaking up a monopoly and creating the emerging 5G open telecom equipment market. Meanwhile, the Company has extended product applications to data centers and continued to enhance its technology R&D capabilities to maintain its competitive edge.

In addition to pursuing excellence in technologies, products and services, UfiSpace is committed to building a partner ecosystem to drive innovation and realize the true value of open network deployment: high flexibility, openness, and compatibility. We uphold the customer-centric service philosophy, focus on core competitiveness, meet customers' potential emerging network needs, and ensure that customers can take full advantage of new technologies and innovative products. Ultimately, we help customers fulfill the comprehensive virtualization ranging from access network to core network, which effectively reduces the cost and complexity of network construction and maintenance. In 2023, UfiSpace's products were distributed in North America, Europe, Japan, Southeast Asia, India, and Africa; the outstanding operational performance was recognized by the 32nd National Award of Outstanding SMEs and the 7th Taiwan Mittelstand Award.

Company name	Ufi Space Co., Ltd.
Industry attribute	Network Communication SASB Classification: Technology and Communication/Hardware
Headquarters location	10F, No. 300, Jianguo 1st Road, Xinzhuang District, New Taipei City 242047, Taiwan
Shareholding structure	Domestic corporations: 53.98%; foreign institutions and individuals: 46.02%
Capital	NTD 348,493 thousand
Number of employees	165
Business locations	New Taipei City Headquarters: 10F, No. 300, Jianguo 1st Road, Xinzhuang District, New Taipei City 242047, Taiwan Hsinchu Office: 4F, No. 5, Xinan Road, East District, Hsinchu City, Taiwan
Main products/services	Professional services of open network solutions
Participation in associations	Member of the Open Compute Project Member of the Telecom Infra Project (TIP) Member of the Entrepreneurship Model Association Member of the Association of Taiwan SMEs Innovation Award Member of the Taiwan Electrical and Electronic Manufacturers' Association



Value Chain



Honors of the Year

- Won the 7th **Taiwan Mittelstand Award.**
- Won the 32nd **National Award of Outstanding SMEs.**
- Received **the Safe Place Certification** from the Department of Health, New Taipei City Government.
- Participated in the CDP climate change questionnaire in 2023 and obtained a **"B" management rating**
- Acquired the 2023 iSports Certification from the Sports Administration, Ministry of Education

(valid from November 1, 2023 to October 31, 2026).
- Obtained the 2023 Badge of Accredited Healthy Workplace from the **Health Promotion Administration.**

(valid from January 1, 2024 to December 31, 2026).
- Won the Bronze Award in the 2023 Buying Power, an award held by the Ministry of Economic Affairs for purchase of socially innovative products and services.

1 Sustainability Management

1.1 Sustainable Development Committee

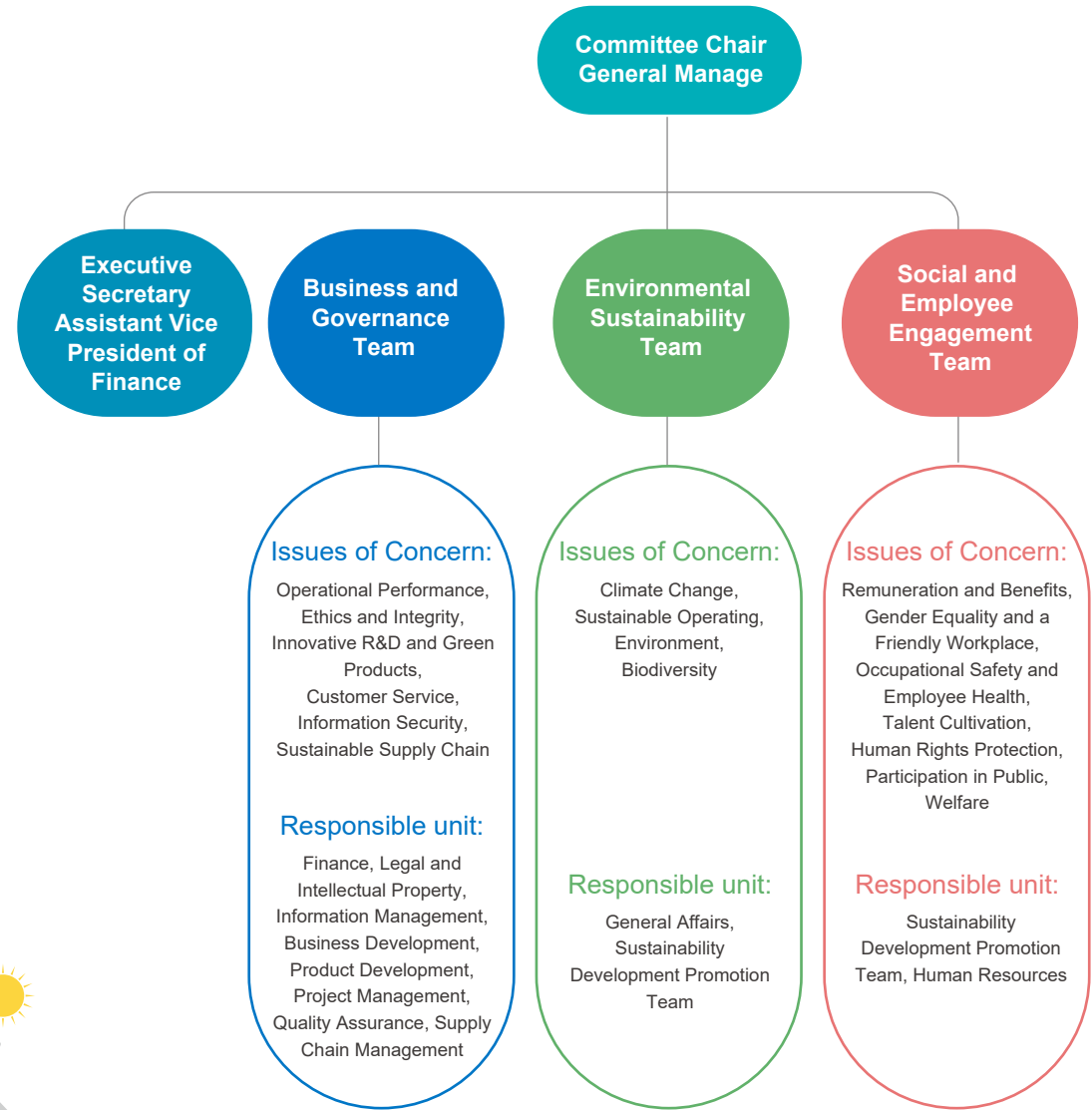
1.2 ESG Objectives and Action Plan



1.1 Sustainable Development Committee

UfiSpace follows the recommendations of the "Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies" to promote sustainable corporate development and values the rights and interests of stakeholders. While actively pursuing operational performance and rapid growth, UfiSpace also places importance on the internal and external impact in environmental, social, economic, and governance aspects, and incorporates them into the scope of the Company's management guidelines and operating activities.

To effectively promote sustainable development and conduct management evaluation, the Company formed an ESG Committee in 2022 and changed its name to the Sustainable Development Committee in 2023. The General Manager acts as the Committee Chair, the Assistant Vice President of Finance acts as the Executive Secretary, and the heads of responsible departments relating to environment, society, business and governance take on the roles as the committee members. The Sustainable Development Committee formulates the Company's sustainable development policy to be implemented upon the General Manager's approval, integrating the concept of sustainable development into UfiSpace's corporate culture. The General Manager convenes a meeting of the Sustainable Development Committee once a year; each member assists in collecting stakeholders' suggestions, and engages in the joint discussion on and resolution of the material topics during the meeting. After the meeting, each team provides information for the Sustainability Development Promotion Team to compile a sustainability report and submit it to the General Manager for confirmation that the material topics identified for the current year are covered. Thereafter, the General Manager reports on the ESG implementation results of the current year to the Board of Directors once a year, with the Board offering corresponding suggestions or opinions on the sustainability report.



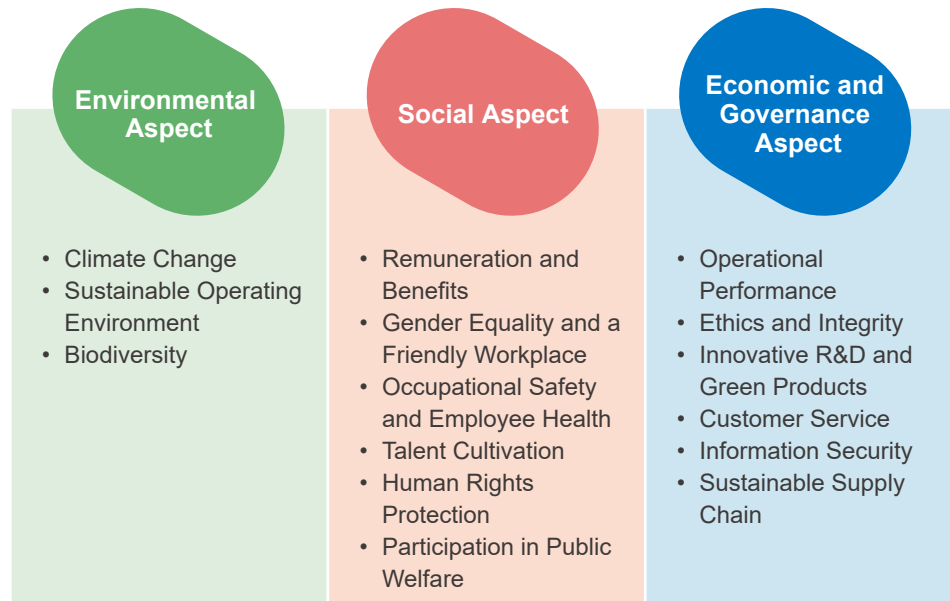
1.2 ESG Objectives and Action Plan

Materiality analysis is an important cornerstone for UfiSpace to compile its sustainability report and formulate its sustainability policies. We assess the impacts of the sustainability issues on our corporate operations as well as the economy, environment and human rights according to the GRI methodology, identify material topics based on double materiality assessment, formulate relevant management policies accordingly and review the implementation on a regular basis. At the same time, we take the initiative to showcase the Company's sustainable development progress to stakeholders so as to move towards a future featuring the common good for all together.

Materiality Analysis Process

Step 1: Identify sustainability issues

With reference to international sustainability norms and standards, sustainability ratings, stakeholders' expectations, and global sustainability trends, UfiSpace selected 15 sustainability issues, including 3 environmental issues, 6 social issues, and 6 economic and governance issues.



In response to the recent international trend of emphasizing biodiversity and Taiwan's #MeToo Movement in the workplace, 2 new sustainability issues, "Biodiversity" and "Gender Equality and a Friendly Workplace," were included in the sustainability issues. The issue of "Occupational Safety" selected for last year's report was renamed to "Occupational Safety and Employee Health" to pay attention to the safety and health of employees at work more comprehensively. The issues of water resource management, waste management, energy conservation and carbon reduction were integrated into "Sustainable Operating Environment" so as to discuss our corporate carbon reduction, energy and resource conservation actions from an even more practical perspective. The issues of labor-management communication and product liability were not on the list this time as they were covered in the issues of "Gender Equality and a Friendly Workplace" and "Sustainable Supply Chain," respectively.

Step 2: Identify stakeholder engagement

UfiSpace maintained the 7 main stakeholder categories identified in the 2022 Sustainability Report: government agencies, shareholders/investors, customers, employees, suppliers, media, and local communities (including NPOs). Engagement with the stakeholders were conducted through diverse channels, including the distribution of level of concern questionnaires, to make sure that the listed sustainability issues were valued by the stakeholders.

Stakeholder Identification and Engagement :

UfiSpace used diverse communication channels to understand stakeholders' issues of concern, and took such issues as an important reference for management policies and implementation plans. Responses have been made to the stakeholders through this report.

Stakeholders	Significance to UfiSpace	Issues of Concern	Communication Channel/ Frequency	Contact Person/Contact Information	2023 Communication Performance
Government Agencies	Government agencies supervise and audit the Company's compliance practices for various laws and regulations. UfiSpace strictly adheres to government laws and regulations, and actively keeps in line with government policies.	<ul style="list-style-type: none"> Sustainable Operating Environment (Green Office) Remuneration and Benefits Gender Equality and a Friendly Workplace Occupational Safety and Employee Health HealthTalent CultivationOperational Performance Customer Service 	<ul style="list-style-type: none"> Competent authority policy advocacy meeting/as needed Company website/ as needed Telephone, email, official documents/as needed 	Responsible department: Business Development 2 Contact: Company telephone 02-7730-1188	<ul style="list-style-type: none"> Participation in the awards organized by the government for enterprises: 32nd National Award of Outstanding SMEs (awarded) and 7th Taiwan Mittelstand Award (awarded). Participation in meetings and courses organized by government agencies
Shareholders/ Investors	The support of shareholders and investors drives the Company's steady growth. UfiSpace treats all shareholders fairly and protects their rights.	<ul style="list-style-type: none"> Sustainable Operating Environment Sustainable Supply Chain Remuneration and Benefits Gender Equality and a Friendly Workplace Occupational Safety and Employee Health Talent Cultivation Human Rights Protection Ethics and Integrity Innovative R&D 	<ul style="list-style-type: none"> AGM/annually 	Responsible department: Financial and Accounting Contact: Company telephone 02-7730-1188	<ul style="list-style-type: none"> Organization of 2 shareholders' meetings
Customers	UfiSpace places importance on customers' needs and establishes win-win service partnerships with customers to create value together.	<ul style="list-style-type: none"> Climate Change Sustainable Supply Chain Occupational Safety and Employee Health Talent Cultivation Operational Performance Ethics and Integrity Information Security and Trade Secret Protection 	<ul style="list-style-type: none"> Customer meetings/quarterly Business visits/monthly Customer satisfaction survey/ annually Official website and social media operations/annually Telephone, email/as needed 	Responsible department: Business Development Contact: Company telephone 02-7730-1188 / official website for business inquiries	<ul style="list-style-type: none"> Update and optimization of the Company's official website and management of the LinkedIn community

Stakeholders	Significance to UfiSpace	Issues of Concern	Communication Channel/Frequency	Contact Person/Contact Information	2023 Communication Performance
Employees	Talents are UfiSpace's important asset and the key to corporate competitiveness. We are committed to providing a workplace that ensures the physical and mental health and diverse development of employees, so that they can achieve personal accomplishments in their positions.	<ul style="list-style-type: none"> Ethics and Integrity Gender Equality and a Friendly Workplace Occupational Safety and Employee Health Remuneration and Benefits Information Security and Trade Secret Protection 	<ul style="list-style-type: none"> Email: HR mailbox/as needed Labor-management meeting/quarterly Employee complaint channels/as needed 	Responsible department: Human Resources Contact: Company telephone 02-7730-1188 ext. 1016 / email: hr@ufispace.com	<ul style="list-style-type: none"> Organization of 4 labor-management meetings and Employee Welfare Committee meetings Establishment of an Occupational Safety Committee by labor representatives, with 2 meetings held
Suppliers	Suppliers are important partners to UfiSpace not only in operations but also in realizing the industry's sustainable development.	<ul style="list-style-type: none"> Sustainable Supply Chain Gender Equality and a Friendly Workplace Occupational Safety and Employee Health Talent Cultivation Human Rights Protection Operational Performance Ethics and Integrity Customer Service Information Security and Trade Secret Protection 	<ul style="list-style-type: none"> Factory audits/quarterly Supplier meetings/ monthly Telephone, email/as needed 	Responsible department: Operations Management Center Contact: Company telephone 02-7730-1188	<ul style="list-style-type: none"> Audits of 7 selected suppliers, with the annual self-evaluation rate and audit rate reaching 100%.
Media	The advice and suggestions made by the media on behalf of the general public to the Company will inspire UfiSpace to make continuous progress.	<ul style="list-style-type: none"> Climate Change Sustainable Operating Environment (Green Office) Sustainable Supply Chain Operational Performance Ethics and Integrity Innovative R&D and Green Products 	<ul style="list-style-type: none"> LinkedIn/as needed Media interviews/as needed Press conferences/as needed 	Responsible department: Marketing Contact: Company telephone 02-7730-1188 / LinkedIn Company page	<ul style="list-style-type: none"> Acceptance of interviews with the media
Local Communities (Including NPOs)	UfiSpace aims to bring a positive impact to society and create a common good with local communities and non-profit organizations.	<ul style="list-style-type: none"> Remuneration and Benefits Gender Equality and a Friendly Workplace Occupational Safety and Employee Health Talent Cultivation Human Rights Protection Participation in Public Welfare Operational Performance Ethics and Integrity 	<ul style="list-style-type: none"> Email, telephone/as needed 	Responsible department: Sustainability Development Promotion Team Contact: Email: ESG@ufispace.com Company telephone 02-7730-1188 #1192	<ul style="list-style-type: none"> Cooperation with 4 non-profit organizations to organize a total of 6 public welfare activities

Step 3: Analyze operational impacts

A questionnaire was sent to the Sustainable Development Committee for the committee members (i.e. top managers of different departments) to rate the impact of the 15 issues on the Company's operations. The rating results were used as a reference for the level of impact of the issues.

Step 4: Analyze impacts on the economy, environment and human rights

A questionnaire was sent to the Sustainable Development Committee for the committee members to assess the positive and negative impacts of UfiSpace's 15 sustainability issues on the economy, environment, and people (including human rights) based on the Company's business practices, products and services.

Step 5: Identify material topics based on double materiality assessment

The double materiality assessment was conducted based on the impact assessment results of the 15 sustainability issues on the Company's operations and external economy, environment, and people (including human rights); 11 material topics (including 6 economic and governance issues, 1 environmental issue and 4 social issues) were accordingly identified. UfiSpace will follow the GRI Standards to explain the management policies for the material topics and the results thereof.

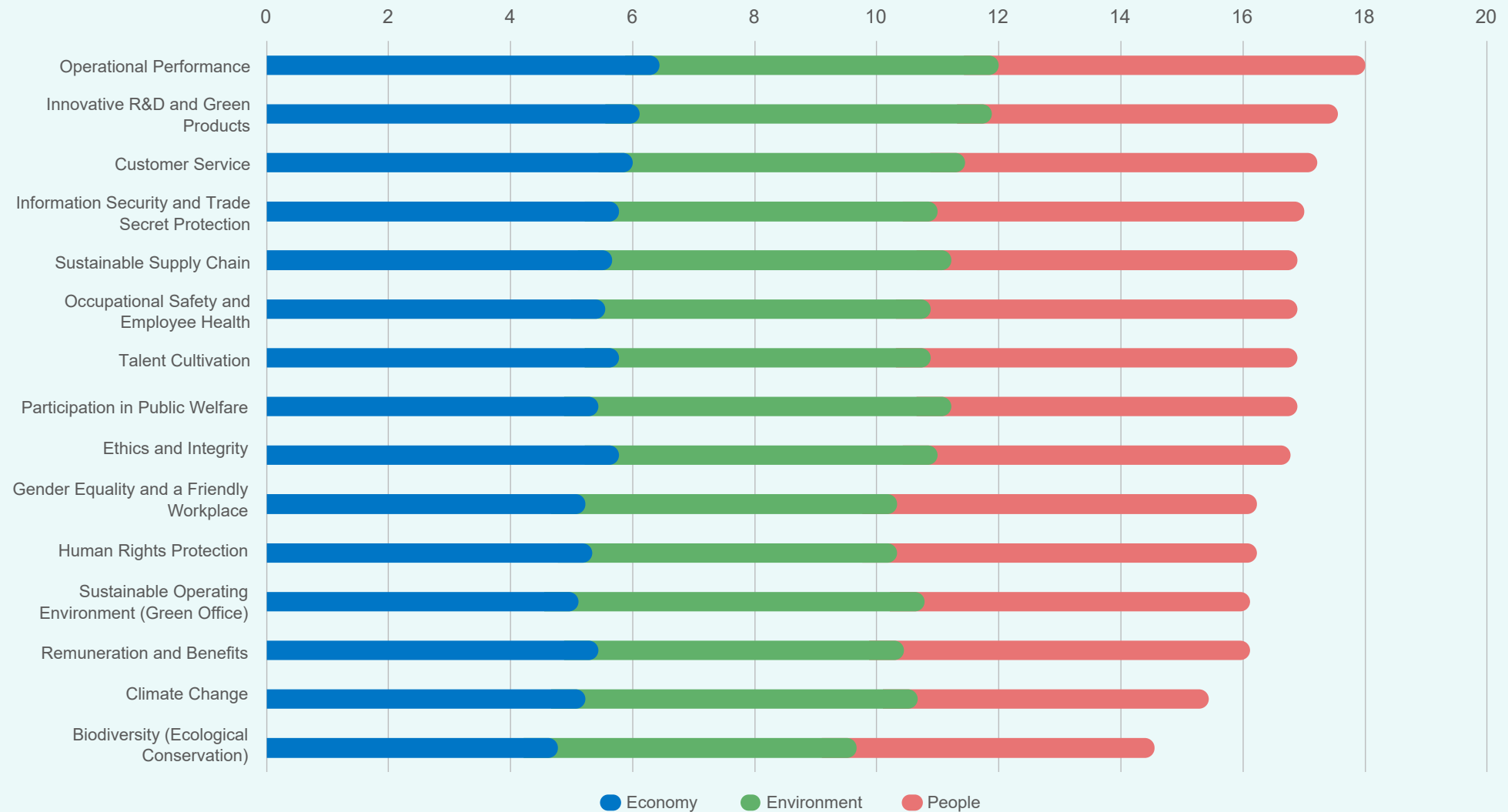
Identification and Management of Material Topics

UfiSpace selected 15 sustainability issues by referring to international sustainability norms and standards, sustainability ratings, stakeholders' expectations, and global sustainability trends, and further conducted a stakeholder questionnaire survey to understand stakeholders' level of concern about the sustainability issues. The preparation of this report involves distributing questionnaires to various stakeholders, with 116 copies retrieved. All sustainability issues were of high concern to stakeholders; based on this fact, the Sustainable Development Committee assessed the internal and external impacts of the 15 sustainability issues, and eventually identified 11 material topics (including 6 economic and governance issues, 1 environmental issue, and 4 social issues) through double materiality assessment.



Impact Assessment Results

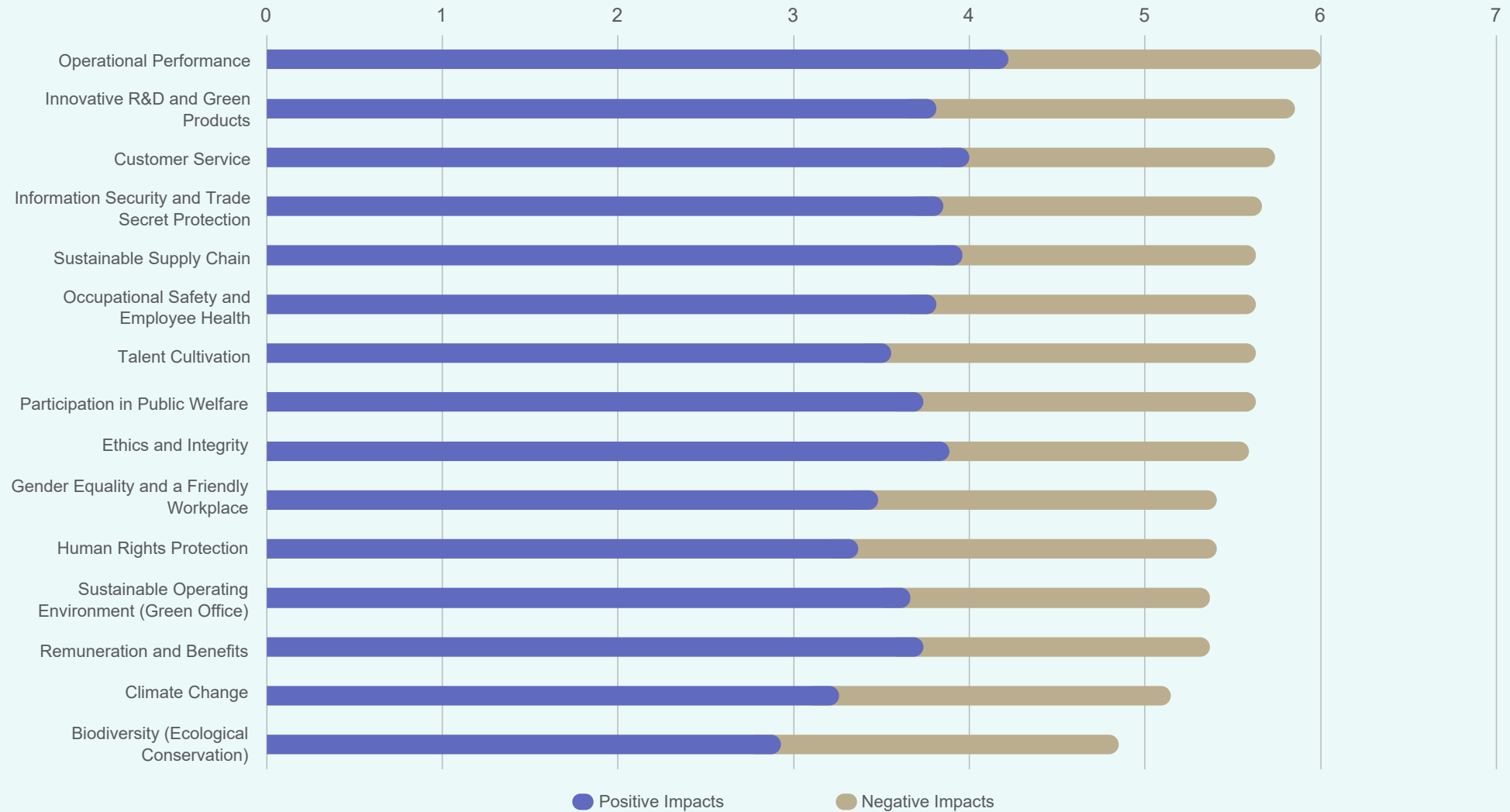
Impacts (both positive and negative) of UfiSpace's operations on the economy, environment, and people



Note: The impacts of UfiSpace's operations on the economy, environment, and people are ranked by summing up the average scores of positive and negative impacts of each item in these aspects, with 5 representing the extremely high level and 1 representing the extremely low level.

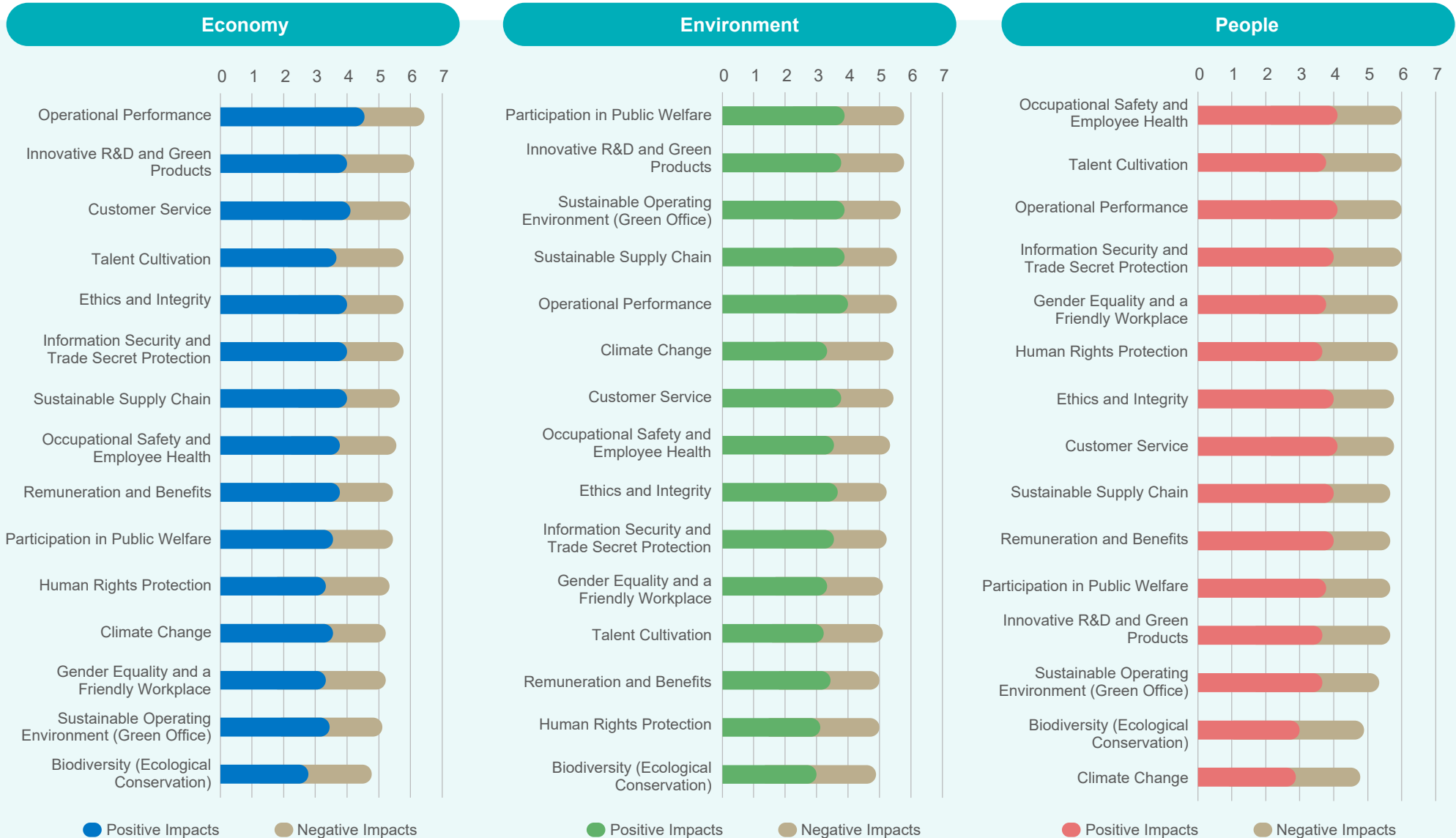
Impact Assessment Results

Positive and negative impacts of UfiSpace's operations on the economy, environment, and people



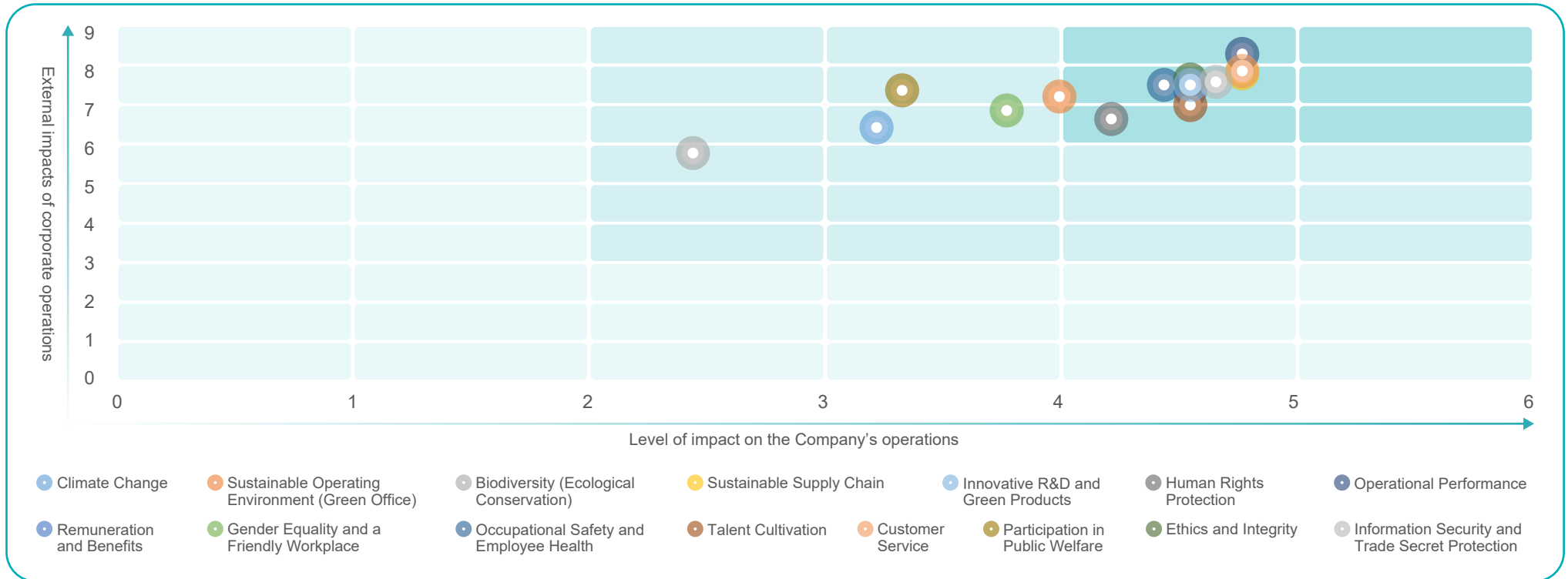
Note: The positive and negative impacts of UfiSpace's operations on the economy, environment, and people are calculated based on the average scores in these aspects, with 5 representing the extremely high level and 1 representing the extremely low level.

Ranking of Sustainability Issues in Terms of the Impacts on the Economy, Environment, and People (Including Human Rights)



Note: The positive and negative impacts of UfiSpace's operations on the economy, environment, and people are calculated based on the average scores in these aspects, with 5 representing the extremely high level and 1 representing the extremely low level.

Double Materiality Matrix



List of Material Topics for 2022

Environmental Aspect	Social Aspect	Economic and Governance Aspect
Sustainable Supply Chain Energy Conservation and Carbon Reduction	Talent Cultivation Remuneration and Benefits	Customer Service/Product Liability Information Security and Trade Secret Protection Ethics and Integrity Innovative R&D/Green Products

List of Material Topics for 2023

Environmental Aspect	Social Aspect	Economic and Governance Aspect
Sustainable Operating Environment (Green Office)	Talent Cultivation Remuneration and Benefits Occupational Safety and Employee Health Human Rights Protection	Operational Performance Customer Service Information Security and Trade Secret Protection Ethics and Integrity Innovative R&D and Green Products Sustainable Supply Chain

The material topics for 2023 were changed due to the adjustment of sustainability issues and materiality analysis methods. During the process, we strengthened the analysis of impacts on people and human rights in response to the sustainable development trend. Moreover, we redefined the sustainable supply chain, which had focused on environmental actions in 2022, as a topic under the governance aspect for a more comprehensive management of the sustainable supply chain.

Correlations between Material Topics and the Company's Value Chain

V Direct impact O Impact caused by business relationships
* Impact not caused by business relationships

Aspect	Ranking of Material Topic	Supply Chain (Upstream)	Operations (Midstream)	Customers (Downstream)	Local Communities	Corresponding GRI Indicator	Report Chapters
Economics and Governance	Operational Performance	O	V	O		3-3 201-1 201-4 203-1 203-2 3-3 Custom Topics	2 Innovative Technologies and Services
	Customer Service	O	V	O		3-3 Custom Topics	2 Innovative Technologies and Services
	Sustainable Supply Chain	O	V	O		3-3 308-1 308-2 414-1 414-2	3 Corporate Governance
	Information Security and Trade Secret Protection	O	V	O		3-3	3 Corporate Governance
	Ethics and Integrity	O	V	O		3-3 205-1 205-2 205-3	3 Corporate Governance
	Innovative R&D and Green Products	O	V	O		3-3 Custom Topics	2 Innovative Technologies and Services

Aspect	Ranking of Material Topic	Supply Chain (Upstream)	Operations (Midstream)	Customers (Downstream)	Local Communities	Corresponding GRI Indicator		Report Chapters
Society	Remuneration and Benefits		V		*	3-3 201-3 401-2 401-3		5 Happy Workplace, Sustainable and Co-Prosperity
	Talent Cultivation		V	O	*	3-3 404-1 404-2 404-3		5 Happy Workplace, Sustainable and Co-Prosperity
	Occupational Safety and Employee Health		V		*	3-3 403-1 403-2 403-3 403-4 403-5	403-6 403-7 403-8 403-9 403-10	5 Happy Workplace, Sustainable and Co-Prosperity
	Human Rights Protection		V		*	3-3 406-1 407-1 408-1 409-1 414-1 414-2		5 Happy Workplace, Sustainable and Co-Prosperity
Environment	Sustainable Operating Environment (Green Office)		V		*	3-3 201-2 302-1 302-3 303-5	305-1 305-2 305-4 305-5	4 Environmental Sustainability

2 Innovative Technologies and Services

2.1 Operational Performance

2.2 Innovative R&D and Green Products

2.3 Customer Service



2.1 Operational Performance

Item	Content
Significance to the Company	With outstanding R&D technologies and excellent innovative services, we maintain customer loyalty and establish long-term partnerships with our customers for mutual benefit. Also, with internationalized operations, we maintain our leading position in the open network communication architecture equipment market.
External impacts on the economy, environment, and human rights (including current and potential positive and negative impacts)	UfiSpace's products and technologies have the potential to transform the productivity of an entire economic system. Coupled with the development and application of 5G networks, our products and services will increase data transfer rates and expedite the promotion of the Internet of Things, further driving more innovations in industries and services as well as the revolutionary application of 5G technology, opening up new business opportunities, and bringing economic growth.
Commitment and policy	<ul style="list-style-type: none"> Master key new technologies and drive new product applications. Strengthen the Redmine project management system to improve service capacity and quality. Extend new perspectives in the market and expand domestic and international customer base.
Responsible department	Business Development 1/Marketing
Contact information/grievance mechanism	Business Department Email: sales@ufispace.com
Goals for 2023	<ul style="list-style-type: none"> Expand domestic and international markets and increase product and brand visibility. Stabilize product production quality and delivery time: Achieve a throughput yield of $\geq 85\%$ in mass production processes, and achieve an on-time delivery (OTD) rate of $\geq 90\%$ for mass-produced products.

Item	Content
Investment in 2023 (funds, manpower, projects promoted, etc.)	<ul style="list-style-type: none"> Update and optimization of the Company's official website and management of the LinkedIn community. Participation in 5 international business exhibitions in 4 countries. Participation in 1 international webinar.
Achievements in 2023	<ul style="list-style-type: none"> The website traffic grows at an average rate of more than 50% every year. The number of followers in the LinkedIn community grows at a rate of more than 100% every year. The Company participated in the When to Deploy a virtualized and Disaggregated SDN Network vBASE Webinar on the theme of "Broadband Cost and Scalability Challenges Addressed with Disaggregated Solutions." The throughput yield of mass production processes reached 73-88% for high-end products, and 82% for mid-end products. The Company achieved 100% on-time delivery (OTD) rate for mass-produced products.
Short-term goals (2024)	<ul style="list-style-type: none"> Expand domestic and international markets and increase product and brand visibility. Stabilize product production quality and delivery time: Achieve a throughput yield of $\geq 85\%$ in mass production processes, and achieve an on-time delivery (OTD) rate of $\geq 90\%$ for mass-produced products.
Medium- and long-term goals (Medium-term goals are calculated as 3 years, i.e., 2026; long-term goals are calculated as 5 years, i.e., 2028)	<ul style="list-style-type: none"> Meet the needs of different telecom data center operators, develop diversified versions based on new technologies and existing products, and reinforce the breadth of product applications and customer diversity for higher market share. Optimize integrated services and strengthen long-term partnerships of mutual benefit with customers.

Outstanding R&D Technologies and Excellent Innovative Services

Outstanding R&D technologies and excellent innovative services have enabled UfiSpace to gain a head start in the white-box 5G market. In addition to helping customers realize their vision of network deployment, UfiSpace's products and technologies have the potential to transform the productivity of an entire economic system. Coupled with the development and application of 5G networks, our products and services will increase data transfer rates and expedite the promotion of the Internet of Things, further driving more innovations in industries and services as well as the revolutionary application of 5G technology, opening up new business opportunities, and bringing economic growth.

UfiSpace is committed to maintaining a leading position in the R&D of technology and innovative services to meet the constantly changing needs of customers. Through continuous investment in R&D and innovation, we ensure that our products and services stay consistently competitive. In 2023, UfiSpace established and continued to invest in an R&D and innovation center in line with the latest B5G (Beyond 5G) network standards; this included investing in laboratories and performance verification equipment applicable to B5G network scenarios to ensure the modernization and sustainability of the R&D facilities. Meanwhile, to protect the sensitive data of customers and the Company, we deployed information and communication systems to support corporate operations, data management, communication needs, and enhanced data security and privacy protection by implementing ISO27001. In the face of climate change and energy consumption, we devoted ourselves to developing more energy-efficient products to help businesses achieve the goals of reducing energy consumption and carbon emissions. At the same time, we were engaged in continuous R&D of AI-related network communication equipment to meet market demands and provide more advanced integrated solutions.

Establishment of Long-Term Partnerships of Mutual Benefit

Recognizing the importance of customer loyalty, we are committed to building long-term partnerships with our customers for mutual benefit. We offer quality products and services and work with customers to satisfy their needs and grow together. For after-sales service, UfiSpace provides 24/7 technical support to ensure the normal operation of products and smooth network communication, which, along with the adoption of the advanced customer service system, enables customers to easily track the product return and repair status in real time on the online platform and seek immediate help.

Internationalized Operations

To stay ahead of the competition in the global market, UfiSpace has actively promoted the internationalization of operations. By expanding market shares and exploring new markets, UfiSpace has ensured its constant business growth and leading position in the global network market. Furthermore, the Marketing Department has optimized and updated the Company's official website and actively managed the LinkedIn community for the purpose of increasing brand exposure, brand influence, and public awareness of the brand and the Company's outstanding products. Through these actions, we aim to expand our marketing activities to other foreign markets and facilitate the internationalization of our business.

Conference/Exhibition	Region	Date of Participation
MWC Barcelona 2023	Spain	February 27- March 2, 2023
JANOG52	Japan	July 05-07, 2023
SCAT 2023 India	India	October 8 - 10, 2023
OCP Global Summit 2023	United States	October 17- 19, 2023
FYUZ 2023	Spain	October 9 - 11, 2023



Financial Information

Currency: NTD thousand

Item	2021	2022	2023
Income	2,000,000-3,000,000	5,000,000-6,000,000	3,000,000-4,000,000
Operating costs	1,000,000-2,000,000	3,000,000-4,000,000	2,000,000-3,000,000
Employee salary and benefits	200,000-300,000	400,000-500,000	300,000-400,000
Payments to funders	50,000-100,000	50,000-100,000	200,000-250,000
Payments to the government	50,000-100,000	150,000-200,000	50,000-100,000
Community investment	0-1,000	0-1,000	2000-3000

Subsidies

Currency: NTD thousand

Subsidy Name	Amount of Subsidy
Innovation and optimization subsidy by the Taiwan Small & Medium Enterprise Counseling Foundation (Taiwan SMECF)	2,211
Family-friendliness and work equality incentive by the Labor Affairs Department, New Taipei City Government	20
Subsidy to breastfeeding women from the Labor Affairs Department, New Taipei City Government	10



2.2 Innovative R&D and Green Products

Item	Content
Significance to the Company	The application of low energy-consuming and low carbon products is the market trend, and developing green products based on the compliance with global energy policies and the study of energy solutions is the key to a head start on market opportunities. If the Company fails to optimize products, it might not be able to meet customer expectations and market demands and thus be eliminated. In addition, inaccurate positioning and wrong direction of investment in new technologies could lead to losses.
External impacts on the economy, environment, and human rights (including current and potential positive and negative impacts)	Adopting energy-saving designs in product development or application services will help reduce energy waste and carbon emissions at a global level, thereby lessening the impacts of climate change on the economy, environment, and human rights.
Commitment and policy	<ul style="list-style-type: none"> • Create high-quality products for customers starting from the design firmly based on the concept of "quality comes from design." • Consider environmental impacts at all stages of the product life cycle.
Responsible department	R&D Center
Contact information/grievance mechanism	Technical Service Department Email/Tel: 02-7730-1188
Goals for 2023	<ul style="list-style-type: none"> • Create products with high performance and competitive prices in the market. • Extend product life cycle. • Ensure that the products have high efficiency, low energy consumption and high recyclability to reduce their environmental impact.
Investment in 2023 (funds, manpower, projects promoted, etc.)	<ul style="list-style-type: none"> • Improvement of product energy efficiency and introduction of green design. • Optimization of the processes, maintainance of quality, and reduction in energy consumption.

Item	Content
Achievements in 2023	<ul style="list-style-type: none"> • In product design, new materials and new technologies were developed to reduce energy consumption, and the 80 PLUS certification was obtained for our AC/DC PSUs. • The Company required suppliers to adopt the burn-in test equipment that could recover energy during PSU production; the energy recovery rate reached 80%. • The reliability and lifespan of 4 PSU models for outdoor products were optimized to 144%-420%. • The time and energy consumption of manufacturing processes were reduced by 25%, and the defect rate was reduced by 1.36%.
Short-term goals (2024)	<ul style="list-style-type: none"> • Improve energy efficiency by 2% and introduce modular power supplies with low-power consumption and high-efficiency. • Cut the energy consumption of production and testing. • Use recyclable packaging materials to reduce waste. • Comply with the Waste Electrical and Electronic Equipment Directive (WEEE) to achieve a reuse and recycling rate of at least 80% and a repair rate of at least 85%.
Medium- and long-term goals (Medium-term goals are calculated as 3 years, i.e., 2026; long-term goals are calculated as 5 years, i.e., 2028)	<p>Medium-term goals:</p> <ul style="list-style-type: none"> • Share resources and continuously optimize or use the developed low-power, high-efficiency modular power supplies. • Carry on the reduction in energy consumption of production and testing. • Lower the use of plastics. • Comply with the Waste Electrical and Electronic Equipment Directive (WEEE) to achieve a reuse and recycling rate of at least 90% and a repair rate of at least 95%. <p>Long-term goals:</p> <ul style="list-style-type: none"> • Design and develop sustainable, lightweight, environmentally friendly, low-carbon, and high-efficiency green products based on global energy policies and the study of energy solutions.

Accumulation of experience is the key to successfully propelling UfiSpace into the field of high-end technology. The Company actively invests in product research and development to ensure that the products are unique and have market competitiveness that balances performance and price, as well as that the products are currently flexible while adaptable to future upgrade, and compatible to the surrounding environment of the closed system (Proprietary). We stick to the original design intention of white-box network communication products and cooperate with network operating system (NOS) partners to enhance the flexibility and performance of hardware and software combinations, allowing the same hardware design to be combined with different software settings to meet the needs of the greatest number of end customers possible.

Green R&D to Reduce Energy Consumption

In addition to meeting customers' expectations for product quality and performance, UfiSpace has also been proactively reducing the environmental impact of its products. In 2023, all product lines were WEEE, RoHS, and REACH-compliant, and the R&D team extended the product life cycle and reduced energy consumption through R&D and design to mitigate the impact of product use on the environment. With regards to the energy consumption of the products, UfiSpace used the burn-in test equipment that could recover energy during the production of its power supplies, and the energy recovery rate reached 80%. Currently, the 80 PLUS certification has been obtained for UfiSpace's AC/DC PSUs, demonstrating an effective decrease in the energy consumption of products. Also, the reliability and lifespan of power supplies of 4 outdoor application models were optimized by 144%-420% in 2023. In the future, UfiSpace will continue to follow international environmental regulations and energy policies to develop green products that meet market demands to assist customers in achieving carbon reduction goals.

Manpower and Expenses Invested in R&D in the Past 3 Years

(Unit: NTD thousand/person)

	2021	2022	2023
R&D expenses	250,000-300,000	350,000-400,000	300,000-350,000
R&D/revenue ratio	11%	7%	10%
R&D manpower	74	86	99
Ratio of personnel with a master's degree or above/R&D personnel	64.6%	62.8%	64.9%

Number of Patents Obtained in the Past 3 Years

Statistics/Year	2021	2022	2023
Number of obtained patents	4	9	5
Cumulative number of valid patents	5	14	19

Proactive Reduction of Energy Consumption in Product Manufacturing Processes

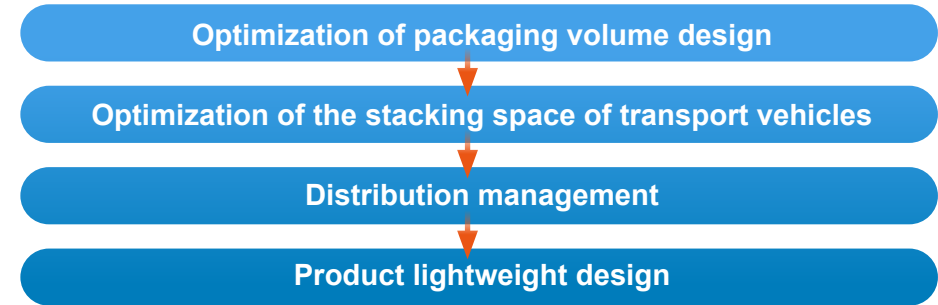
As an R&D-oriented asset-light enterprise, UfiSpace mainly has its products manufactured by OEMs. In addition to creating outstanding designs, the Company also stays on top of the manufacturing quality through rigorous management and actively reviews the environmental impact of manufacturing processes. In the product manufacturing processes, "testing" is the most critical stage of quality control, and also the most time and energy-consuming part. To effectively reduce energy consumption while maintaining quality, the UfiSpace team opted to conduct testing on mass-produced products; the adjustments made after analysis successfully reduced process time and energy consumption by 25%, and lowered the defect rate by 1.36%.

Distribution and Transportation of Environmentally Friendly Products

UfiSpace's products are mostly sold abroad. They are transported to the countries by air and sea, and then delivered to the locations designated by customers by road or other transportation methods. To reduce the environmental impact of the process, we have prioritized suppliers that are committed to environmentally friendly and sustainable measures to cut transportation (Scope 3) emissions. UfiSpace has mainly been working with logistics service providers who have calculated the carbon footprint of air freight, adopted sustainable aviation fuel (SAF) and biofuels, and used more efficient aircrafts. For ground transportation, shipments to the same receiving customer are transported by the same truck to reduce the number of trips, and full container load (FCL) is used instead of less than container load (LCL) to avoid the waste of container space.

Since some customers require specific modes of transportation, they can mostly obtain relevant information from shipping companies' public information. UfiSpace also follows up on the sustainability progress of shipping companies to ensure that they can provide services that meet customer needs and disclose related sustainability reports. Aside from the lightweight design of the products, the volume design of the product packaging has also been optimized, with flat packaging approach adopted to increase transportation efficiency while reducing the environmental impact of the transportation.

Environmentally Friendly Product Distribution and Transportation Management Structure



2.3 Customer Service

Item	Content
Significance to the Company	Customer service and quality management help earn customers' trust, consolidate long-term partnerships with customers, and open up more business cooperation opportunities.
External impacts on the economy, environment, and human rights (including current and potential positive and negative impacts)	Reliable and excellent customer service will strengthen UfiSpace's operations and expand service scope, bringing a positive impact on local economic development and network transmission infrastructure improvements.
Commitment and policy	<ul style="list-style-type: none"> Put customers first to become the best in the industry. Provide customers with better and more comprehensive system management solutions, such as customer service platforms, RMA service centers, and inventory management systems. Actively cooperate with customers to improve the defects of old products, develop more products of better performance in a constant manner, and keep improving the quality of customer service.
Responsible department	FAE / QA
Contact information/grievance mechanism	Email, phone, TAC system, e-Services system
Goals for 2023	<ul style="list-style-type: none"> Enhance customer satisfaction. Raise the quality of customer service and accelerate the resolution of customer problems.
Investment in 2023 (funds, manpower, projects promoted, etc.)	<ul style="list-style-type: none"> Establishment of the Technical Assistance Center (TAC) system to introduce systematic management with a view to solving customer problems faster. Dispatch of personnel to work in customer factories in shifts for 484 man-days to improve service quality. Establishment of a professional customer contact for quality-related matters.

Item	Content
Achievements in 2023	<ul style="list-style-type: none"> TAC system was introduced to handle customer problems more efficiently. CTU, a service center in the United States, was established to effectively shorten the time spent on product repair, exchange and analysis for customers. The average turnaround time (TAT) decreased from 64 days to 38 days. A professional customer contact was set in place to handle customers' concerns about quality and propose improvements to prevent abnormalities.
Short-term goals (2024)	<ul style="list-style-type: none"> Expect the turnaround time (TAT) time to be reduced to 25 days. Establish a complete data chain between FAE and QA to share customer exception information and shorten the problem handling time. Ensure a professional customer contact that handles customers' concerns about quality and proposes improvements to prevent abnormalities, with the CRM system also adopted to manage RMA product returns.
Medium- and long-term goals (Medium-term goals are calculated as 3 years, i.e., 2026; long-term goals are calculated as 5 years, i.e., 2028)	<p>Medium-term goals:</p> <ul style="list-style-type: none"> Improve customer satisfaction with our products by reducing abnormalities in the quality of shipments through one-stop quality management and prevention under which feedback is given to the units of design, manufacturing, and raw materials based on the analysis of customers' abnormality cases, etc.

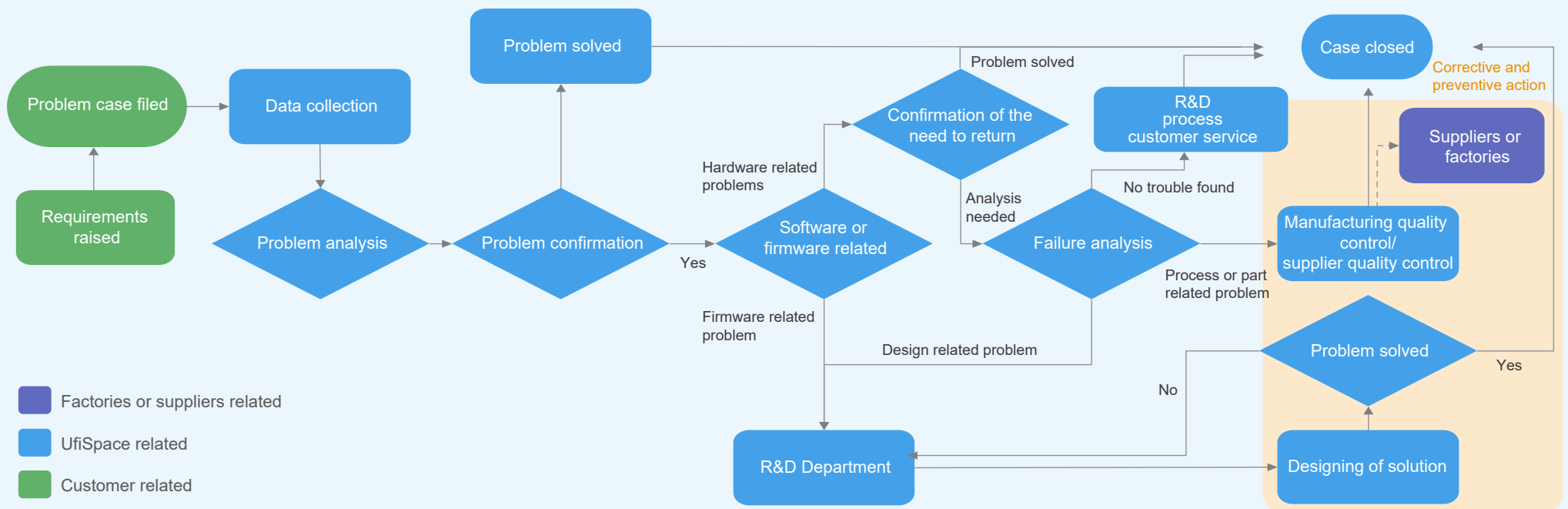
Customer service and quality management are two of the keys to the Company's revenue growth. UfiSpace is committed to building a customer-centered business model; the Sales Department understands customers' needs and provides solutions, and the Technical Service Department works in tandem with the Quality Assurance Department to jointly provide after-sales services that are closer to customer needs. For the purpose of continuous service efficiency improvement, in 2023, UfiSpace built the Technical Assistance Center (TAC) system to effectively boost service efficiency through systematic management, and successfully shortened the time spent on product repair, exchange and analysis for international customers based on the CTU service center in the United States; the average repair turnaround time for the Company's products decreased from 64 days to 38 days in the year. Moreover, to enhance service quality, UfiSpace has designated a professional customer contact for quality-related matters and deployed on-site service manpower; in 2023, the dispatched personnel worked in customer factories in shifts for a total of 484 person-days to respond to customer needs on site and in real time.

Other than optimizing customer service, the Quality Assurance Department and the R&D Department of the factories have also collected quality problems that different customers ran into from the return-for-repair projects, and compiled them into a progress and quality problem table for internal and factory review and improvement, which has effectively enhanced yield and follow-ups. In the future, UfiSpace will conduct further analysis on abnormality cases and provide feedback to the units of design, manufacturing, and raw materials, creating a one-stop quality management and prevention mechanism in the hope of reducing abnormalities in the quality of shipments and eventually improving customer satisfaction with our products. Since 2022, the Sales Department has been assisting in collecting and recording customer satisfaction and feedback every year to facilitate annual optimization.

Customer Satisfaction Survey

Statistics/Year	2022	2023
Customer Satisfaction Rating	100	98

Customer Service Flowchart

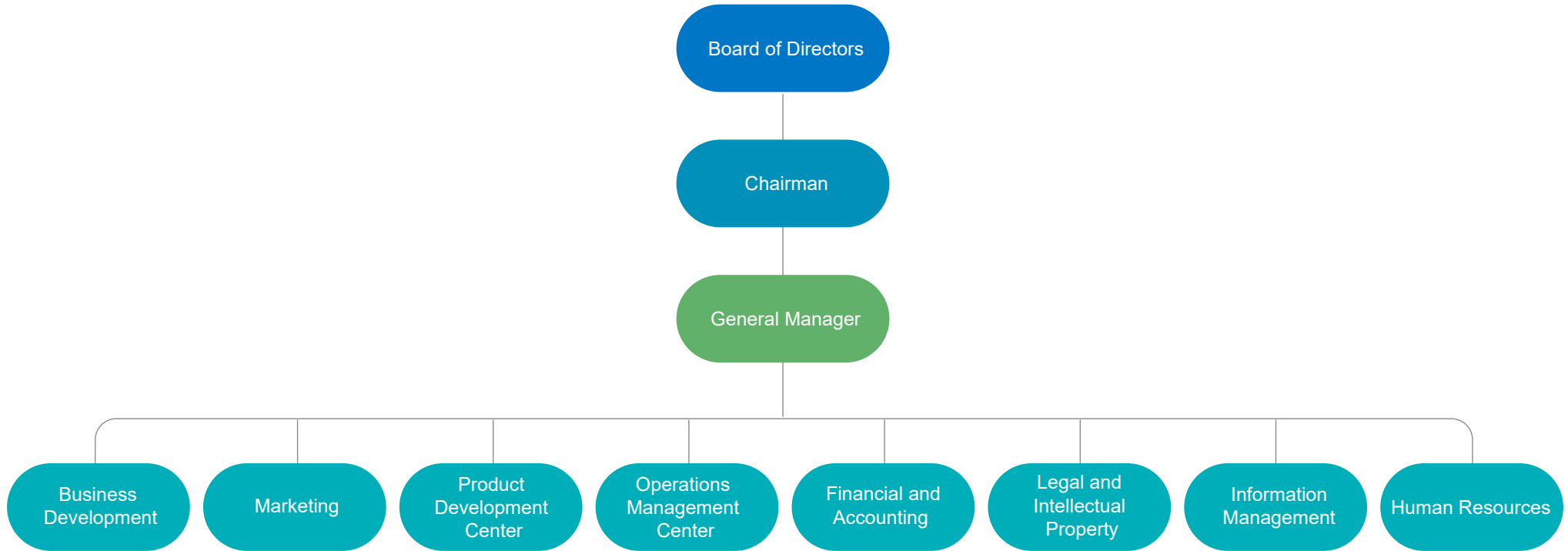




3 Corporate Governance

- 3.1 Corporate Governance Structure
- 3.2 Risk Management System
- 3.3 Ethics and Integrity
- 3.4 Information Security and Trade Secret Protection
- 3.5 Sustainable Supply Chain

3.1 Corporate Governance Structure



The Board

The Board of UfiSpace has 3 directors and 1 supervisor, each with a term of office for 3 years. They shall be elected from candidates with adequate capacity in the shareholders' meeting, and shall be eligible for re-election. The Chairman serves as an individual director, while the remaining 2 directors are appointed by corporations. Each year, at least 1 Board meeting is held every quarter. The Chairman communicates closely and fully with the other directors on the Company's operating status, plans and policies on a regular basis to implement corporate governance. The Company's Chairman concurrently serves as the General Manager for the purpose of enhancing operational efficiency and decision-making performance, and for the reason that no manager has been found suitable for the position of General Manager so far. Currently, UfiSpace does not have independent directors.



Job Title	Name	Term of Office (Start and End)	Actual Attendance Rate (%)	Number of Directors Concurrently Serving as Director of Other Companies	Related Experience
Chairman	Wen-Yu Ho	July 29, 2021 - July 28, 2024	100	-	General Manager, Ufi Space Co., Ltd.
Director	Wen-Yu Ho	July 29, 2021 - July 28, 2024	100	-	General Manager, Ufi Space Co., Ltd.
Director	Fang-Ming Lu	July 29, 2021 - July 28, 2024	80	-	Chairman, Dynami Vision Ltd.
Director	Chi-Ting Kao	July 29, 2021 - July 28, 2024	100	11	Vice President, Partner, and Director, WK Innovation Ltd.
Supervisor	Kuo-Liang Ho	January 1, 2023 - October 10, 2023 (resigned on October 11, 2023)	33	3	Chief Strategic Investment Officer, Hon Hai Precision Industry Co., Ltd.
Supervisor	You-Chi Tsai	November 6, 2023 - July 28, 2024	100	3	Partner, Darwin Venture Management Corporation

Diversified Statistics/Year			2021		2022		2023	
			Number of people	Percentage	Number of people	Percentage	Number of people	Percentage
Directors and Supervisors	Gender	Male	3	75%	4	80%	5	100%
		Female	1	25%	1	20%	0	—
	Age	Under 50	1	25%	2	40%	1	20%
		50 - 60	3	75%	3	60%	3	60%
		Above 60	0	NA	0	NA	1	20%
	Educational background	Graduate school	4	100%	5	100%	5	100%

Note: Percentage of female directors = (number of female directors at the end of the year / number of directors at the end of the year) * 100%. Percentage of male directors = (number of male directors at the end of the year / number of directors at the end of the year) * 100%. The sum of the percentage of female directors and the percentage of male directors should be 100%.

To avoid conflicts of interest, Article 15 of the Rules of Procedures for Board of Directors Meetings stipulates that if directors or the juristic persons they represent have an interest in relation to the proposals under discussion in the meeting, they shall explain important contents of their own interests at the current Board meeting. If such matters are harmful to the interests of the Company, the directors shall not participate in the discussion and voting, shall recuse themselves from the discussion or voting, and shall not exercise voting rights as proxy for any other directors. Where the spouse or a blood relative within the second degree of kinship of a director, or any company that has a controlling or subordinate relationship with a director has interests in a proposal under discussion in the meeting as mentioned in the preceding paragraph, such director shall be deemed to have a personal interest in relation to the proposal. Regarding Board resolutions, directors who are prohibited from exercising voting rights under the preceding two paragraphs are not counted in the number of votes cast by directors present at the meeting.

For employee remuneration and director remuneration, if the Company makes a profit in a fiscal year, it shall appropriate no less than 1% of the pre-tax profit of the current period before deducting employee remuneration and director remuneration as employee remuneration. The employee remuneration may be distributed by stock or in cash upon the Board's resolution, and the recipients thereof shall include the employees of affiliated companies who meet certain criteria. The Company may allocate no more than 1% of the aforementioned profit as the remuneration to directors and supervisors upon the resolution of the Board of Directors. The distribution of employee remuneration and director/supervisor remuneration shall be reported to the shareholders' meeting; however, if the Company still has accumulated losses, an amount shall be reserved in advance to make up for it, and then the employee remuneration and director/supervisor remuneration may be allocated subject to the aforesaid proportions. If there is a surplus in the annual final accounts, the Company shall first pay taxes and cover the accumulated losses, and then set aside 10% as the legal reserve; however, no further provision is needed when the legal reserve has accumulated to the same amount as the Company's paid-up capital. If there is any surplus, the Board of Directors shall formulate a proposal for distribution to be resolved at the shareholders' meeting. As of 2023, the Company's Board of Directors has resolved not to distribute Board remuneration. As UfiSpace is not yet listed on the Taipei Exchange, functional committees such as the Audit Committee and the Remuneration Committee have not been established.

In 2023, the Company formulated the "Corporate Sustainable Development Best Practice Principles," which were implemented after the Board of Directors' approval. The Company will follow the Principles to progressively fulfill its responsibilities in governance, environment and society as well as its responsibility as a corporate citizen, enhancing the contribution to the national economy while protecting the environment and human rights and improving the quality of life of employees, communities and the society. Directors should also exercise the due care of good administrators to urge the corporate sustainable development, and constantly review the implementation results and make continuous improvements to ensure the application of sustainable development policies. At present, the ESG performance has not been linked to the personal remuneration of the Board of Directors and managerial officers. However, the Company will continue to pay attention to this issue and hold a discussion on it when the ESG practices are mature.

All departments at UfiSpace interact with stakeholders through routine channels. If stakeholders or related sustainability issues may have a potentially significant negative impact on the Company, the responsible department will conduct due diligence on such stakeholders or sustainability issues from the aspects of finance, legal compliance, environmental protection, and labor rights and interests. The findings will be further reported to the Chairman, who will assess the necessity to report to the Board of Directors depending on whether the investigation findings will cause significant harm to the Company's operations, and the Board of Directors will make relevant resolutions on the Company's due diligence report and hand them over to the responsible departments for actions. In 2023, there were no relevant potentially negative major incidents.



3.2 Risk Management System

At UfiSpace, internal senior executives conduct risk assessments based on the level of impact the sustainability issues may have on the Company, and formulate relevant risk response measures and management guidelines. In the future, UfiSpace will assess the maturity of its operations and consider whether to report the details of the responses to major risks during the Board of Directors' meeting.

Material Topics and Risk Management

Aspect	Material Topic	Potential Risk Assessment	Corresponding Action
Economic and Governance Aspect	Operational Performance	Insufficient market competitiveness and declining revenues will impact corporate operations, thereby affecting shareholders' profits and employees' employment rights.	<ul style="list-style-type: none"> Updating and optimizing the Company's official website and managing the LinkedIn community to promote the brand image. Participating in international business exhibitions and online seminars to enhance the international exposure of the brand.
	Innovative R&D and Green Products	<ul style="list-style-type: none"> Under the global trend of sustainability, products with high energy consumption or high carbon emissions will be eliminated as they do not meet customer and market needs. Investments in new technologies with wrong application positioning or in wrong direction will result in investment losses. 	Improving product energy efficiency and introducing green design.
	Customer Service	The lack of proper customer service and quality management will lead to the loss of customer trust and destroy long-term partnerships with customers, further impacting our business operations.	Investing in system construction and on-site service manpower to boost the efficiency and quality of customer service.
	Ethics and Integrity	The integrity and ethics of a company will affect its image and goodwill; the poor performance thereof will harm the interests of important stakeholders such as customers and shareholders.	Formulating ethics-related norms, popularizing education and training, and ensuring smooth communication channels for all employees and business partners.
Economic and Governance Aspect	Information Security and Trade Secret Protection	The security of the Company's information assets will affect the rights and interests of stakeholders and trade secrets, which might damage the commercial rights and interests of the Company and customers.	Devising information security policies, and regularly organizing awareness-raising campaigns as well as employee education/training in relation to information security, in order to keep in line with international information security management trends and respond to customer information security requirements.
	Sustainable Supply Chain	<ul style="list-style-type: none"> In light of the rising global awareness of sustainability, the lack of management mechanisms related to governance, environment, human rights, etc. in the supply chain may affect the order volume. Governments around the world are becoming increasingly strict with regulations related to the environment and human rights. Failure to comply strictly with the regulations may result in fines and cause financial and reputational losses. 	<ul style="list-style-type: none"> Developing a sustainable supply chain policy in response to the United Nations Sustainable Development Goals (SDGs). Establishing a complete supplier self-evaluation and audit form according to the ISO 9001 supplier management procedure. Establishing and implementing the supplier ESG audit system. Formulating the Non-use of Conflict Minerals Policy and following the due diligence guidelines of the Organization for Economic Co-operation and Development (OECD) to ensure that no conflict minerals are used in materials.

Aspect	Material Topic	Potential Risk Assessment	Corresponding Action
Environmental Aspect	Sustainable Operating Environment (Green Office)	<ul style="list-style-type: none"> Customers have increasingly stringent requirements for suppliers' carbon reduction and environmental performance. Enterprises that do not take corresponding measures might not be able to secure orders. For the network communication industry chain, extreme weather and rising temperatures may cause major shortages of raw materials, resulting in significant increase in operating costs. 	<ul style="list-style-type: none"> Conducting carbon inventory in the operating environment and determining corporate carbon reduction strategies and goals. Relocating the new headquarters to a green building, and adopting green building materials and energy-saving equipment.
Social Aspect	Remuneration and Benefits	Substantial competitiveness in salary and remuneration is the basis for talent recruitment. Intangible training and benefits are the glue to stabilize the organization. Failure to do so may lead to talent loss and impact the Company's productivity.	<ul style="list-style-type: none"> Providing competitive remuneration. Adopting a thorough salary adjustment system. Offering flexible working hours. Devising special welfare programs, including employee transportation, subsidies for sports activities and competitions, company trips, group insurance, wedding gifts, maternity and childcare allowances, and gift cash and giftcards for annual festivals.
	Human Rights Protection	With the awareness of human rights on the rise, the lack of relevant management and remedial measures for internal employees and external suppliers might lead to fines and damage the goodwill of an enterprise, thereby affecting talent recruitment/retention and order volume.	<ul style="list-style-type: none"> Implementing the Company's management regulations and procedures related to human rights protection. Conducting diverse trainings on the protection of human rights (including newcomer education and training). Implementing a workplace unlawful infringement prevention plan (including questionnaire survey and education and training) to protect the physical and mental health of employees. Including human-rights-related items in the scope of annual supplier audit with reference to the RBA guidelines. Including occupational safety and health in the evaluation of new engineering or labor service suppliers in accordance with the spirit of ISO 45001. Formulating the Non-use of Conflict Minerals Policy and following the due diligence guidelines of the Organization for Economic Co-operation and Development (OECD) to ensure that no conflict minerals are used in materials.
Social Aspect	Talent Cultivation	Internationally, the technology industry is highly competitive and rapidly advancing, necessitating the continuous development and updating of technologies. In addition, factors such as Taiwan's aging population and low birth rate have led to an increasingly scarce technical talent pool. The lack of a talent training mechanism may result in a lag in technological development and difficulty in talent recruitment.	<ul style="list-style-type: none"> Introducing the online education and training system and importing videos on multiple topics for trainees to learn on their own. Promoting the management optimization project of the supervisors, and improving the leadership of the heads. Launching the elite training project to strengthen the organization's capabilities in relation to cross-departmental cooperation and external communication.
	Occupational Safety and Employee Health	The absence of good occupational safety and health management will affect the safety and health of employees at work, resulting in a brain drain and impacting the Company's productivity.	<ul style="list-style-type: none"> Applying the ISO 45001 Occupational Safety and Health Management System. Hiring full-time nurse, which is better than the legal requirements, and forming an "Occupational Safety and Health Implementation Team" composed of the occupational safety personnel to promote and implement occupational safety and health matters. Introducing a team of professional nursing consultants to support the employees in health management.

3.3 Ethics and Integrity

Item	Content
Significance to the Company	A proverb goes: "Ethics is the key to making money." Good integrity will enhance a company's reputation and help attract investments and orders. Therefore, the most direct beneficiary of placing importance on integrity and ethics is the company itself. If ethics and integrity are ignored, the Company might suffer financial losses, which could not only affect the livelihood of employees but also cause huge damage to the majority of investors.
External impacts on the economy, environment, and human rights (including current and potential positive and negative impacts)	Today, the neglect of ethics and integrity by enterprises could impact the national economy in no way inferior to civil servant corruption. Domestic cases have shown that corporate corruption can cause significant damage to democracy, the economy, and the rule of law. How to prevent and eradicate corruption has become a matter of concern for the government, enterprises, and individuals of the society.
Commitment and policy	We value our reputation and are committed to maintaining the highest ethical standards and professional competence. Our employees and business partners are strictly required to comply with applicable anti-corruption and anti-bribery regulations in the countries where we operate. For the aforementioned purposes, we have formulated relevant regulations, popularized education and training, and created smooth communication channels for all employees and business partners to engage and jointly fulfill corporate social responsibilities to promote sustainable economic, social, and environmental development.
Responsible department	Legal
Contact information/ grievance mechanism	The legal department handles relevant matters by email (ethic@ufispace.com), with the identity of the whistleblower and the content of the report kept confidential.
Goals for 2023	Establish a framework for ethical corporate management.
Investment in 2023 (funds, manpower, projects promoted, etc.)	<ul style="list-style-type: none"> • Inclusion of ethical clauses in supplier and customer contracts. • Signing of the Integrity and Intellectual Property Agreement with each employee. • Irregular advocacy and education and training for employees.
Achievements in 2023	<ul style="list-style-type: none"> • Signing of the Integrity and Intellectual Property Agreement with each employee: The achievement rate reached 100%. • Irregular advocacy and education and training for employees: 1 education and training session was held. • We have set up grievance channels.

Item	Content
Short-term goals (2024)	<ul style="list-style-type: none"> • Formulate specific reward and punishment measures. • Continue to incorporate ethical clauses in supplier and customer contracts. • Provide education and training for new employees when they first report for duty.
Medium- and long-term goals (Medium-term goals are calculated as 3 years, i.e., 2026; long-term goals are calculated as 5 years, i.e., 2028)	<ul style="list-style-type: none"> • Design a reporting mechanism for the Company's operating procedures to eliminate the possibility of corruption, bribery and extortion from the very beginning. • Incorporate ethics and integrity in employee performance evaluation.

We value our reputation and are committed to maintaining the highest ethical standards and professional competence. Our employees and business partners are strictly required to comply with applicable anti-corruption and anti-bribery laws and regulations in the countries where we operate. Meanwhile, we pay attention to various regulatorions that may have an impact on the Company's finance and operations so as to ensure that none of the Company's operating activities are illegal. We have also formulated relevant regulations, popularized education and training, and created smooth communication channels for all employees and business partners to engage and jointly fulfill corporate social responsibilities to promote sustainable economic, social, and environmental development. In 2023, there were no illegal incidents and no penalties suffered by the Company.

In 2022, UfiSpace's Legal and Intellectual Property Department established the "Ethical Corporate Management Best Practice Principles," which were promulgated and implemented upon the Board of Directors' approval and apply to all employees. The documents of the Principles are made available on the Company's intranet website for employees' reference at any time. Each year, anti-corruption education is enhanced during general meetings and orientation for new employees, and case studies are disseminated from time to time. In addition to the ethics-related regulations, the HR unit also provides new employees with an Integrity and Intellectual Property Agreement to read when they first report for duty; all employees are required to sign the agreement when they arrive on the job. The latest version of the agreement was revised in 2022, and the employee signing rate was 100% in 2023.

Employees can report violations of the regulations through the email: ethic@ufispace.com. The Company accepts the reports with the whistleblowers' names provided in principle while committed to protecting the whistleblower's personal data. Anonymous reporting is acceptable for certain exceptions (specific evidence required, such as audio recordings, videos, photos, etc.). The Company also promises not to impose unfavorable penalties on whistleblowers afterwards. No corruption or fraud reporting cases were submitted for processing as of 2023.

3.4 Information Security and Trade Secret Protection

Item	Content
Significance to the Company	To ensure the confidentiality, integrity, availability, and legality of the information assets of UfiSpace, and to prevent the intentional or accidental threats (internal or external), the Company has established an information security policy and regularly conducts information security awareness promotion, employee education and training, etc. to keep in line with international information security management trends and respond to customer information security requirements.
External impacts on the economy, environment, and human rights (including current and potential positive and negative impacts)	The information security policy serves as the basis of daily operations to protect the rights and interests of stakeholders and trade secrets. Moreover, we regularly conduct internal self-inspections and interviews with external certification bodies to ensure the effectiveness of system operations.
Commitment and policy	Construct an Information Security Management System (ISMS) and integrate the PDCA cycle through a systematic approach, and obtain ISO 27001 as the cornerstone of the Company's information security on an annual basis.
Responsible department	Information Security Promotion Team
Contact information/ grievance mechanism	ethic@ufispace.com
Goals for 2023	Upgrade the applicable version of the existing Information Security Management System (ISMS), ISO 27001:2013, to the ISO 27001:2022 version released in 2022, to meet the new audit standards and to obtain new certificates.
Investment in 2023 (funds, manpower, projects promoted, etc.)	<ul style="list-style-type: none"> • Conclusion of the Integrity and Intellectual Property Agreement with all employees. • Completion of the implementation of NAC network control software in 2023/12. • Completion of the introduction of online behavior control equipment in 2023/12. • Completion of the introduction of regular intelligence collection in 2023/09. • Transition from ISO 27001:2013 to ISO 27001:2022 in 2023/08. • Investment amount: NTD 2 million.

Item	Content
Achievements in 2023	<ul style="list-style-type: none"> • All employees signed the Integrity and Intellectual Property Agreement, with an achievement rate of 100%. • The Company passed the ISO 27001:2022 standard verification conducted by BSI on January 23, 2024.
Short-term goals (2024)	Keep passing third-party verification on an annual basis in terms of our Information Security Management System (ISMS).
Medium- and long-term goals (Medium-term goals are calculated as 3 years, i.e., 2026; long-term goals are calculated as 5 years, i.e., 2028)	Optimize the Information Security Management System (ISMS) according to the international information security management trends and customer information security requirements to protect the rights and interests of stakeholders and trade secrets.

UfiSpace improves operational and management efficiency through digitization and proactively strengthens information security management to ensure the confidentiality, integrity, availability, and legality of the information assets of the Company and stakeholders, and to prevent intentional or accidental threats, whether internal or external. Since 2022, UfiSpace has implemented ISO 27001 and complied with its 19 policies and management regulations, and organized the Information Security Promotion Team, Information Security Implementation and Emergency Response Group, and Information Security Audit Group for proper management to protect the confidentiality and integrity of the Company's information assets. The IT Department is responsible for managing related complaints which may be reported through email: ethic@ufispace.com. In 2023, UfiSpace promoted the transition from ISO 27001:2013 to 2022, complied with the new standard for information security management, completed the implementation of regular intelligence collection, online behavior control equipment, and NAC network control software in Q3 and Q4, and passed the ISO 27001:2022 standard verification performed by BSI on January 23, 2024.

Apart from protecting corporate secrets through information security management, the Company also requires all employees to sign the Integrity and Intellectual Property Agreement to ensure the security of trade secrets such as confidential information and intellectual property. In 2023, the ratio of employees signing the Integrity and Intellectual Property Agreement reached 100%.

3.5 Sustainable Supply Chain

Item	Content
Significance to the Company	The Company can establish a firm foothold in the international market to seize the opportunities of the green economy by strengthening its sustainable supply chain and reducing its impact on the environment. This is done with responses to the carbon reduction goals of international customers and the environmental policies of various governments to jointly reduce the impacts and risks of climate change on the industry.
External impacts on the economy, environment, and human rights (including current and potential positive and negative impacts)	Through a responsible supply chain management mechanism and collaboration, the Company shares information with supply chain partners. In addition, ESG is included in the scope of supplier evaluation to keep better track of the supply and demand situation in line with the trend of the times, so that the Company gains competitive advantages in a changing and competitive environment. We aim to thereby enhance the positive impact of the supply chain on the environment, human rights and the economy.
Commitment and policy	<ul style="list-style-type: none"> Develop a sustainable supply chain policy in response to the United Nations Sustainable Development Goals (SDGs), and refer to ISO 20400 Sustainable Procurement Guidelines to implement sustainable supply chain management. Formulate the Non-use of Conflict Minerals Policy and comply with the due diligence guidelines of the Organization for Economic Co-operation and Development (OECD) for regular review of material sources, to ensure that metals such as gold (Au), tantalum (Ta), tungsten (W), and tin (Sn) are not sourced through mining by anarchist armies or illegal groups, or from high-risk conflict areas.
Responsible department	Operations Management Center
Contact information/ grievance mechanism	Contact points of the Supply Chain Management Department. Tel: 02-7730-1188 #1086 #1076
Goals for 2023	<ul style="list-style-type: none"> Supplier self-evaluation achievement rate: Conduct a survey in 2023; target achievement rate: 50%. Supplier audit achievement rate: Initiate an investigation in 2023; target achievement rate: 50%.
Investment in 2023 (funds, manpower, projects promoted, etc.)	<ul style="list-style-type: none"> Establishment of a complete supplier self-evaluation and audit form according to the ISO 9001 supplier management procedure. Inclusion of occupational safety and health in the evaluation of new engineering or labor service suppliers in accordance with the spirit of ISO 45001. Setup and implementation of a supplier ESG audit system, with the Operations Management Center and the Sustainability Development Promotion Team working together to discuss the audit/evaluation items and conduct the annual ESG performance evaluation of key suppliers from the environmental, social, and governance aspects.

Item	Content
Achievements in 2023	<ul style="list-style-type: none"> 7 suppliers were selected for audit, and the annual self-evaluation rate and audit rate reached 100%. The supplier audit qualification rate reached 100%. There were no major deficiencies or violations to any of the standards regarding material sustainability issues discovered during the supplier audit, and none of the suppliers were disqualified or subject to termination of cooperative relationship.
Short-term goals (2024)	<ul style="list-style-type: none"> Arrange with 7 suppliers to complete the 2024 annual audit. Additionally require one OEM to obtain ISO 50001 certification.
Medium- and long-term goals (Medium-term goals are calculated as 3 years, i.e., 2026; long-term goals are calculated as 5 years, i.e., 2028)	<ul style="list-style-type: none"> Assess the sufficiency of material suppliers on an annual basis.

UfiSpace exchanges information through a supply chain management mechanism and collaboration to keep abreast of the supply and demand situation. On the selection of suppliers, the Company has established a standard process to assess the suppliers' qualification in terms of nature, transaction terms, product quality, etc. and conducted supplier evaluation every year. Our operation team provides information on the problems and deficiencies in the quality, delivery, preparation of goods, etc. during business dealings for the suppliers to review their deficiencies accordingly. If a supplier is determined to be a disqualified supplier, the cooperation will be suspended. In 2023, a total of 7 suppliers were selected for audit; the annual self-evaluation rate and audit rate both reached 100%, and so is the qualification rate. In addition to reviewing and screening the suppliers based on criteria such as quality and delivery time, UfiSpace takes into account diversity in the deployment of its supply chain, with a view to reducing reliance on a specific country or one single supplier, and lowering the impacts on production arising from the changing international situation and the global pandemic. Currently, the products of UfiSpace are manufactured in Vietnam.

Supply Chain Management Flow chart



Assessment: Regarding potential suppliers, the Company assesses whether they are qualified in terms of their nature, transaction terms, product quality, and more. When purchasing from a supplier for the first time, the Company manages the supplier data thereof according to the dynamic supplier management list, and has the Supply Chain Management Department assess its quality, technology, and supply capacity. A supplier is qualified upon the approval of the responsible manager before being engaged in transactions.

Evaluation: For all qualified inventory suppliers that are engaged in business dealings with UfiSpace, they will be evaluated once a year if selected based on the evaluation standards or as requested by the responsible manager.

Deficiency review: Every quarter, the operation team reports the problems with the quality, delivery, preparation of goods, etc. for the suppliers to review the deficiencies and for keeping the QBR records.

Elimination: If a supplier is determined to be disqualified after the supplier evaluation, the Company will not purchase from it.

As a part of the global supply chain of the network communication industry, UfiSpace has developed a sustainable supply chain policy and the procedures for sustainable procurement and supplier management, thereby showing our commitment to valuing labor rights in the supply chain management and procurement process, and ensuring that our suppliers are consistent with the spirit of sustainable procurement and social responsibility. For some suppliers, the Company conveys the concept of social responsibility and promotes various international social responsibility standards on an irregular basis, provides such suppliers with the information on the Company's "Sustainable Development Policy" (including labor and human rights protection), "Sustainable Supply Chain Policy," and "Non-use of Conflict Minerals Policy," and requests them to sign and send back the Letter of Commitment relating to the Company's relevant sustainable development policies.

Sustainable Supply Chain Management Flow chart



In 2023, UfiSpace began to implement the ESG supplier audits, evaluating the ESG sustainability performance of key suppliers in the year in terms of environmental, social, and governance aspects. With reference to the latest RBA7.1, ISO 20400 Sustainable Procurement Guidelines, and key supply chain sustainability issues of concern to the customers, we determined the supplier ESG audit/evaluation items, including 22 in the environmental aspect (32%), 31 in the social aspect (45%), and 16 in the governance aspect (23%). In 2023, the ESG supplier audit covered 2 outsourced manufacturers and 5 material suppliers, and the qualification rate was 100%. In 2023, no supplier was listed as a disqualified supplier or subject to termination of cooperative relationship due to violating any of the standards regarding material sustainability issues. In the future, we will continue to optimize the supply chain sustainability evaluation through irregular investigation and analysis to include more diverse items and ensure that we and our suppliers are aware of emerging ESG issues and risks.

2023 Audit	Number of Audited Suppliers	Audit Implementation Achievement Rate	Qualification Rate (Qualification criteria: 90 points or more and no major deficiencies)
Outsourced manufacturers	2	100%	100%
Material suppliers	5	100%	100%
Principles for selecting audited suppliers	The suppliers selected for audit are the 2 major outsourced OEMs and the 5 material suppliers of materials that are directly managed by UfiSpace.		

Currently, the ESG supplier audit of UfiSpace is limited to the key suppliers that we have business dealings with. In the future, we plan to include environmental, social, and human rights terms in the assessment and future contracts during the supplier selection process, prioritize suppliers with relatively high risks in EHS (environment, health and safety) or labor/human rights aspects for audits based on the industry attributes, and develop an annual audit plan for constant enhancement of the sustainable supply chain.

To strengthen the sustainability-related knowledge of the supply chain department and procurement personnel, UfiSpace provides training on environmental and social issues to optimize the implementation of sustainable supply chain management. Furthermore, we offer suppliers related education and training, hiring expert consultants to deliver lectures on carbon footprint as training for major outsourced manufacturers.

Internal Education and Training on Sustainable Supply Chain in 2023

Training Topic	Number of Hours	Participating Department
Green Supply Chain Management	1	Supply Chain Management
Green Procurement	1	Supply Chain Management
Product Carbon Footprint	2	Supply Chain Management, Business Development, R&D
Supply Chain ESG Audit	1	Quality Assurance
Green Product and Green Supply Chain Case Study	1	Supply Chain Management

UfiSpace has established the "Non-use of Conflict Minerals Policy" and complied with the due diligence guidelines of the Organization for Economic Co-operation and Development (OECD) for regular review of material sources, to ensure that metals such as gold (Au), tantalum (Ta), tungsten (W), tin (Sn) are not sourced through mining by anarchist armies or illegal groups, or from high-risk conflict areas. Besides announcing relevant information on the official website, UfiSpace also requires partners to give guarantee and adhere to the "Non-use of Conflict Minerals Policy," sign the Letter of Commitment to non-use of conflict minerals, and provide relevant investigation reports on an irregular basis. In 2022, the collaborating outsourced manufacturers conducted conflict minerals investigations on the raw material suppliers according to the standards; a total of 136 suppliers cooperated in the self-evaluation, with a reply rate of 100%.





4 Environmental Sustainability

4.1 Climate and Environmental Governance
Organizational Structure

4.2 Sustainable Operating Environment (Green Office)

In recent years, in response to global climate change, increasingly stringent international environmental management regulations, and growing awareness of sustainable consumption, governments and enterprises around the world have begun to pay attention to climate governance. Aware of the impacts of climate change, UfiSpace actively follows the government's environmental protection and energy conservation policies, and lists climate change response as an important action goal. We regularly review our guidelines to combat climate change, and identify climate risks and opportunities according to the TCFD framework, with measurement indicators set based on the identification results for management by objectives (MBO); the purpose is to reduce the financial impact of climate risks on operations.

4.1 Climate and Environmental Governance (TCFD)

Climate and Environmental Governance Organizational Structure

Responsible department	Job Responsibilities
Board of Directors	The Board oversees the Company's work effectiveness on climate change topics.
Sustainable Development Committee	UfiSpace established the ESG Committee in 2022, with the top management (CEO) of UfiSpace as the chairperson. In 2023, the committee's name was changed to the Sustainable Development Committee. It serves as the executive committee for climate change issues and climate-related risks and opportunities targets. The chairperson reports the implementation results to the Board of Directors every year.
CEO's Office	The CEO's Office formulates strategies, policies, and implementation plans for climate and environmental affairs, which are regularly reviewed by the Sustainable Development Committee.
Sustainability Development Promotion Team	This team conducts climate-related risk and opportunity assessments.

Climate Risk Management

With the characteristics of the industry, the useful life of the organizational assets and infrastructure, and the frequency of occurrences of climate-related issues taken into account, UfiSpace assesses climate-related risks and opportunities based on the short term (0-3 years), medium term (3-10 years) and long term (10-30 years), and follows the risk and opportunity management procedures to identify, assess and control climate-related risks and opportunities, assess potential financial impacts, and formulate countermeasures.

According to the risk and opportunity management procedures, the assessment for the probability of occurrence and level of impact of risks are conducted based on the risk identification and assessment standards, and the scope of assessment covers the events that affect the Company's management system. As the responsible unit, the Sustainability Development Promotion Team assesses climate change specific issues in accordance with the risk assessment mechanism of TCFD to understand the potential financial impacts and adopt relevant countermeasures. Existing and emerging climate change laws and regulations (such as emission controls) and other relevant factors are considered during the identification and assessment process, and relevant identification results are reviewed and integrated by the CEO's Office for risk-related decision making. The Sustainable Development Committee and the Board of Directors then implement internal communication and supervise appropriate management actions.

Climate Risks Identified and Management Indicators in 2023

The Sustainability Development Promotion Team followed the TCFD risk assessment mechanism to identify the following risks and set relevant indicators and measures for management.

Type of Risks	Risk Identification
Current regulatory risks	UfiSpace's operations are based in Taiwan, and the relevant climate law in Taiwan is the "Greenhouse Gas Reduction and Management Act," which stipulates that companies in special industries and with Scope 1 GHG emissions of more than 25,000 tonnes are required to file a report. Our Company is not in the announced list, and the relevant risks are not significant. The development of laws and regulations will continue to be monitored.
Emerging regulatory risks	Amendments to the "Greenhouse Gas Reduction and Management Act" were passed on January 10, 2023 in Taiwan. The law was renamed the "Climate Change Response Act" and promulgated by the President for implementation on February 15. The "Climate Change Response Act" incorporates the goal of net-zero greenhouse gas emission by 2050, and has related draft sub-laws covering the correction to inventory registration operations, the management of verification and certification institutions, the carbon fee collection methods and rates, the voluntary reduction planning, the management of trading, auction and transfer of GHG emission reduction credits, and so on. UfiSpace's operations are based in Taiwan, and the related risks are currently insignificant; we will pay continuous attention to the relevant regulations proposed by government agencies in the future.
Technology risk	In light of the market trend of low-carbon transition, UfiSpace is constantly striving to reduce greenhouse gas emissions and committed to fully adopt the latest semiconductor processes with more highly integrated IC solutions whenever possible, so that the products with higher data transmission bandwidth, higher communication port density, and lower energy consumption under the same condition of power consumption are available for the market to choose. As adopting green design in the design stage and using recyclable materials will increase the manufacturing cost of products, it is necessary to improve the transmission efficiency of products while minimizing the cost impact.
Litigation risk	UfiSpace reviewed the existing litigation-related contracts signed with customers, and no content related to energy efficiency, climate goals or emissions were found. The related risks will not lead to litigation, so there is no legislation risk.
Market risk	The climate-related requirements have been included in the supplier scoring mechanism of UfiSpace's European telecom carrier customers, and such customers have taken product power and product carbon footprint as part of the required information for tenderers and converted these two indicators into procurement costs. If UfiSpace falls short of the requirements, the revenue might be impacted.

Type of Risks	Risk Identification
Reputational risk	Currently, the supplier sustainability scoring of European telecom carrier customers includes the GHG inventory check. If UfiSpace fails to meet the requirements, the goodwill and future business opportunities could be impacted.
Acute physical risk	UfiSpace has listed "increase in the frequency and intensity of typhoons/hurricanes" as an extreme climate risk. Under the 2° C scenario, the IPCC predicts that there will be 2.6 new severe typhoons every year in the future. In this case, it is expected that Taiwan will experience about 8 severe typhoons by 2030. Impact on the Company: Strong winds and floods may increase maintenance and replacement costs for equipment used in the operation bases, data centers and base stations, and lead to potential customer complaints and affect the Company's brand image.
Chronic physical risk	UfiSpace has listed "rising average temperature" as a long-term climate-related risk. The rise of the average temperature will lead to an increase in the temperature of the data room, and the circuits of the base station equipment may be damaged. Therefore, it is necessary to maintain a suitable temperature, which implies higher electricity bills for air conditioning of the data room; the operating costs will thus be increased.

To reduce the impacts related to climate change and achieve environmental sustainability goals, indicators are used to manage climate-related risks and opportunities. Relevant indicators and measures:

- Promotion of long-term energy conservation and carbon reduction measures
- Adoption of renewable energy
- Optimization of energy management
- Extreme Climate Emergency Response Plan
- Reduction of greenhouse gas emissions
- Reduction of energy consumption per unit of product
- Reinforcement of supply chain climate governance
- Participation in CDP ("B" management level obtained in 2023)

4.2 Sustainable Operating Environment (Green Office)

Item	Content
Significance to the Company	As part of the global supply chain of the network communication industry, the Company does carbon reduction planning for corporate operations, which will be helpful in responding to customers' carbon reduction requirements and winning orders. At the same time, we also contribute to mitigating global climate change and minimizing its impact on and risks to the industry.
External impacts on the economy, environment, and human rights	The impact of global climate change on the environment will lead to the loss of biodiversity and threaten the survival of diverse species. For the network communication industry chain, extreme weather and rising temperatures may cause major raw material shortages, resulting in significant increase in operating costs.
Commitment and policy	<ul style="list-style-type: none"> • Be committed to improving the utilization efficiency of energy, paper, water and other resources, using renewable materials with low environmental impact, and properly maintaining asset use for building a low-carbon office. • Prioritize the purchase of products with environmental protection and energy saving labels, as well as reusable supplies and energy-saving equipment. • Comply with domestic environmental regulations to reduce environmental impact. • Promote environmental awareness in the workplace, deepen the understanding of sustainable development, and work with our partners in different sectors to maintain environmental sustainability.
Responsible department	Human Resources Department/General Affairs Department Sustainability Development Promotion Team
Contact information/ grievance mechanism	Email: Human Resources Department/General Affairs Department: hr@ufispace.com Sustainability Development Promotion Team: esg@ufispace.com
Goals for 2023	<ul style="list-style-type: none"> • Complete the organizational GHG inventory and obtain ISO 14064-1:2018 third-party certification. • Introduce green office.

Item	Content
Investment in 2023	<ul style="list-style-type: none"> • Continuous organizational GHG inventory checks. • Relocation of the headquarters to a green building, and adoption of green building materials, energy-saving equipment and smart lighting control to implement lights-off during lunch breaks.
Achievements in 2023	<ul style="list-style-type: none"> • Completion of the organizational GHG inventory, with the third-party certification for ISO 14064-1:2018 still in progress; verification declaration expected to be obtained in August 2024. • Participation in the Green Office Initiative of the Ministry of Environment, Executive Yuan as a responding corporate partner.
Short-term goals (2024)	<ul style="list-style-type: none"> • Optimize greenhouse gas management methods. • Manage the energy equipment to stay on top of the power consumption hotspots. • Introduce 10% renewable energy.
Medium- and long-term goals (Medium-term goals are calculated as 3 years, i.e., 2026; long-term goals are calculated as 5 years, i.e., 2028)	<ul style="list-style-type: none"> • Develop complete Scope 3 inventory in a stepwise manner. • Plan reduction measures. • Introduce 25% of renewable energy by 2030; reduce Scope 2 emissions by 5% (with 2021 as the base year), and achieve carbon neutrality by 2050.

In response to the risks and opportunities of climate change, UfiSpace actively reviews the carbon emissions and energy/resource usage across its operations to set the goals for carbon reduction and energy/resource conservation to be realized progressively in the operations. In 2023, due to the expansion of the operation scale, UfiSpace moved the headquarters to the green building of Huaku National Landmark in Xinzhuang, and adopted energy-saving equipment and green building materials for decoration. In addition, the Company took measures in response to the Green Office Initiative of the Environmental Protection Administration, co-creating a green office with the employees.

Carbon Emissions and Energy/Resource Management

In accordance with the goals and measures to address climate risks, UfiSpace reviews the carbon emissions and energy/resource usage of the operating environment annually to set the sustainability goals for the organization's operating environment.

Energy Consumption

The scope of UfiSpace's energy management is the internal energy consumption, and the source is externally-purchased electricity. The energy consumption increased in 2023 due to significantly increased area of buildings and related equipment following the relocation of the headquarters in April 2023.

Statistics/Year	2021	2022	2023
Energy consumption (MJ)	2,612,088	2,844,688	4272621

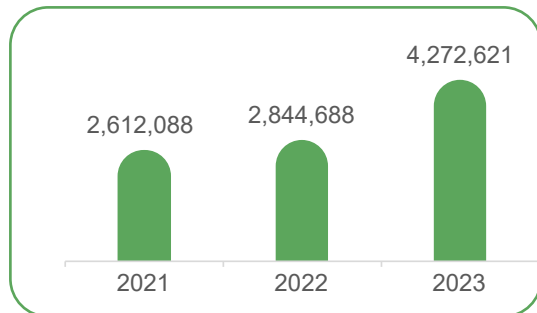
Note: The conversion formula for the heating value of electricity is 1kWh=3.6MJ.

Energy Intensity

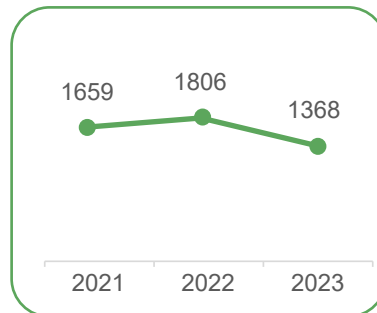
Statistics/Year	2021	2022	2023
Energy consumption (MJ)	2,612,088	2,844,688	4272621
Total floor area (square meters)	1574.78395	1574.78395	3122.12975
Energy intensity	1659	1806	1368

Note: Calculation formula for intensity: Energy consumption (MJ)/floor area (ping)

Energy Consumption (MJ)



Energy Intensity (MJ/m²)



GHG Emissions

The first inventory conducted according to ISO 14064-1 took place in 2021, the year when the Company had a fixed operating location at the then Tucheng headquarters. Hence, the base year was set as 2021, with the operational control method adopted to conduct inventory on the emission sources owned or controlled by UfiSpace. Due to the relocation of the operating headquarters in April 2023, the organizational boundaries have changed significantly. It is expected that the base year will be reset after the new headquarters continues to have stable operation.

Statistics/Year	2021	2022	2023
Scope 1 (tCO ₂ e)	24.9825	25.4047	46.9357
Scope 2 (tCO ₂ e)	369.3205	391.1444	586.2985
Total emissions (tCO ₂ e)	394.3030	416.5491	633.2342

Note:

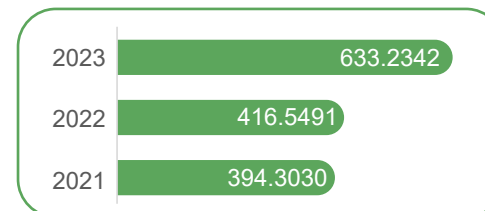
1. Source of emission factors: Emission factors for electricity sourced from the Environmental Protection Administration's GHG Emission Factor Management Table 6.0.4 and the latest announcement from the Bureau of Energy.
2. Source of global warming potential (GWP): The GWP value of various greenhouse gases as announced by the latest IPCC.
3. Gases included in Scope 1: Carbon dioxide, methane, and hydrofluorocarbons.
4. Scope 2 refers to market-based total emissions.
5. The increase in Scope 1 and Scope 2 emissions in 2023 resulted from the increase in the equipment using refrigerant and purchased electricity following the relocation of the headquarters in April 2023.

GHG Emission Intensity

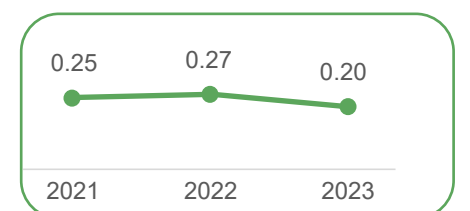
Statistics/Year	2021	2022	2023
Floor area (square meters)	1574.78395	1574.78395	3122.12975
Total emissions (tCO ₂ e)	394.3030	416.5491	633.2342
Emission intensity	0.25	0.27	0.20

Note: Calculation formula for emission intensity: Emissions (tCO₂e)/floor area (ping)

Total Emissions (tCO₂e)



Emission Intensity (tCO₂e/m²)



Water Resource Management

No industrial wastewater is generated from UfiSpace's manufacturing processes. The Company consumes only domestic water used by employees (for washing and environmental cleaning purposes), and domestic wastewater is disposed of through sewers. In 2023, there was no incident of illegal pollution.

Headquarters Relocation to Build an Exclusive Green Office

UfiSpace strives for technological innovation while creating a workplace that ensures sustainable development and making daily operations more eco-friendly, healthy, and low-carbon. With the expansion of the operation scale, the Company integrated the scattered leasing offices and moved to the building of Huaku National Landmark in Xinzhuang to set up its new headquarters in April 2023. The office building has been certified by the national silver-level Green Building Label and equipped with rooftop solar panel as well as the chargers for electric vehicles, which is in line with UfiSpace's green operation philosophy.

Since the Company does not have a factory, the carbon emissions from operations mainly come from daily office work. Through the redesign of the new headquarters, the environmental and resource consumption or potential negative impacts of daily operations could be reduced. To make the new headquarters better meet the needs of UfiSpace employees, UfiSpace worked with a professional team that shared the same philosophy of sustainability with the Company to complete the design, decoration, and relocation within one year through rapid construction method; green and people-centered considerations were taken into account in the processes of construction, energy-saving design, and building material selection:

Design: People-centered healthy buildings	<ul style="list-style-type: none"> The hardware and software equipment has been upgraded based on the concept of Indoor Environmental Health, with air quality management, safety, sound insulation, and selection of green building materials taken into consideration. The building materials are certified by the Green Building Material label of the Ministry of the Interior, FSC, and the standards of fire resistance level in Taiwan. In addition, we have installed ventilation equipment in response to COVID-19 and future protection. Smart meters, total heat exchangers, LED lights, zoned lighting, and total blackout roller blinds have been installed. More open space is provided for employees to exchange ideas, advocate, and share resources more efficiently to facilitate communication, learning, and collaboration, demonstrating UfiSpace's spirit of innovation and sharing. The spacious and bright office space and multi-functional space are designed for employees to easily devote themselves to work and participate in various activities while maintaining their enthusiasm at work.
Construction: Rapid construction method	<ul style="list-style-type: none"> Work was processed in separate compartments to reduce interference in the office environment. The rapid construction method improved construction efficiency and reduced environmental pollution and waste of resources resulting from the project.
Use after completion: Energy saving measures green office	<ul style="list-style-type: none"> Indoor temperature adjustment, lighting and air conditioning are automatically turned off periodically, and power consumption is monitored and reduced to achieve energy conservation and carbon reduction. Domestic waste is centrally managed, resource recycling and sorting is properly done, and relevant information was internally disseminated.

In addition, UfiSpace has joined the EPA's Green Office Initiative since 2023; the actions include the following:

- For the office and general affairs, we prioritize paper products produced with sustainable production such as FSC-certified paper, and products with energy-saving/water-saving/environmental protection labels and better energy efficiency grade.
- The lights are turned off during the lunch break every day, and the lights are turned off for 1 hour during the Earth Hour Event.
- One set of reusable tableware, placemats, and thermos cups is provided to each employee of the Company.
- Internally, announcements are made from time to time to raise the awareness of energy and resources, and reminders about electricity saving are given in the form of slogans.
- 2 sessions of environmental sustainability education and training have been organized.
- Photocopiers, notebooks, and TV monitors are set to automatic energy-saving mode.
- The form system and electronic workflow are optimized, and the use of certain paper-based forms have been eliminated.

Statistics/Year	2022	2023
Water consumption (million liters)	0.08261	NA-

Note: After the relocation of the headquarters in April 2023, the water consumption data is temporarily handled by the building's Management Committee and complete data cannot be obtained. Thus, no statistics are available.

5 Happy Workplace for Sustainability and Co-Prosperity

- 5.1 Employee Information
- 5.2 Remuneration and Benefits
- 5.3 Talent Cultivation
- 5.4 Occupational Safety and Employee Health
- 5.5 Human Rights Protection
- 5.6 Social Participation



5.1 Employee Information

Due to the Company's stable profitability and continuous technology R&D and business expansion, the number of employees of UfiSpace is increasing steadily year by year. As of the end of 2023, UfiSpace had a total of 166 employees, including 1 part-time employee. All employees of the Company are recruited in accordance with the internal "Recruitment and Appointment Procedures" without being discriminated on the grounds of gender, race, age, religion, marital status, partisan affiliation, appearance, etc. To have a diverse range of talents, the Company also recruits overseas manpower; as of 2023, there were 2 foreign employees working in Taiwan. Since UfiSpace belongs to the information and communications technology (ICT) industry where males are the majority in the labor market, the proportion of male employees (approximately 73.3%) is higher than that of female employees (approximately 26.6%); among the 10 senior executives who are all natives, 3 of them are female, accounting for 30% of the total.

Composition of Employees:

	Female	Male	Total
Number of employees (total number)	44	121	165
Number of permanent employees	44	121	165
Number of temporary employees	0	0	0
Number of employees without work hours guaranteed	0	0	0
Number of full-time employees	44	121	165
Number of part-time employees	0	1	1

Diversified Statistics			Number of Employees	Percentage
Non-R&D	Gender	Male	33	27%
		Female	33	75%
	Age	Under 30	9	28%
		30 - 44	37	42%
		45 and above (under 65)	20	44%
	Educational background	Graduate schools	29	31%
		Colleges and universities	36	51%
		Others	1	100%
	R&D	Gender	Male	88
Female			11	25%
Age		Under 30	23	72%
		30 - 44	51	58%
		45 and above (under 65)	25	56%
Educational background		Graduate schools	64	69%
		Colleges and universities	35	49%
		Others	0	0%

Calculation method of percentage:

Non-R&D: Headcount of a category of diversified statistics/ total number of non-R&D employees. R&D: Headcount of a category of diversified statistics/total number of R&D employees.

Non-employees Whose Work is under the Control of the Organization	Number of Employees	Description of Contractual Relationship	Calculation Period
Contractors	2	Third-party employment	1 year from the date of arrival
Interns	2	Currently studying master programs; employed by UfiSpace during the summer break	Summer internship period (July to August, 2023)

Number of Resigned Employees/Year		2021		2022		2023	
		Total	Percentage (Note)	Total	Percentage (Note)	Total	Percentage (Note)
Age	Under 30	3	13%	5	17%	6	19%
	30 - 44	10	11%	10	13%	11	14%
	45 and above	1	13%	8	19%	1	2%
Gender	Male	13	14%	17	16%	5	4%
	Female	1	3%	6	15%	13	30%
Educational background	Graduate schools	8	11%	13	16%	10	11%
	Colleges and universities	6	12%	10	16%	8	11%
	Others	0	0%	0	0%	0	0%
Turnover rate	Total	14	11%	23	16%	18	11%

Note: Turnover rate = (total number of resigned employees of the specific category during the year/total number of employees of the specific category at the end of the year)*100%.

The turnover rate dropped to 11% due to the peak of the pandemic in 2021, and further rose to 16% following the pandemic mitigation in 2022. Among the employees left, we found that the turnover rate of new employees was relatively high (with the turnover rate of those on-board for less than 3 months of employment reaching 22%). To enhance talent retention, UfiSpace launched the "New Employee 100-Day Program" in 2023 to provide new employees with better training and care after they join the Company and help them in getting accustomed to the Company and the job. In 2023, the new employee hiring rate of UfiSpace was 28%, and the turnover rate of those on-board for less than 3 months of employment was 17%, which decreased by 5% compared to the rate of 22% in 2022 and demonstrated the success in decreasing the new employee turnover rate. The Company will continue to optimize the New Employee 100-Day Program in the future to keep assisting new employees and promoting talent retention.

Flowchart of the New Employee 100-Day Program



Statistics on New Employees/Year		2021		2022		2023	
		Total	Percentage (Note)	Total	Percentage (Note)	Total	Percentage (Note)
Age	Under 30	15	63%	14	47%	16	50%
	30 - 44	16	25%	23	31%	15	19%
	45 and above	4	11%	9	21%	5	1%
Gender	Male	29	31%	32	30%	26	21%
	Female	6	19%	13	33%	10	23%
Educational background	Graduate schools	20	28%	23	28%	21	23%
	Colleges and universities	15	29%	22	34%	15	21%
	Others	0	0%	0	0%	0	0%
Turnover rate	Total	35	28%	45	31%	36	22%

New employee hiring rate = (total number of new employees of the specific category during the year/total number of employees of the specific category at the end of the year)*100%.

Statistics on New Employee Resignation/Year		2021		2022		2023		Measures for resignation of new employees
		Total	Percentage (Note)	Total	Percentage (Note)	Total	Percentage (Note)	
Turnover rate of those on-board for less than 3 months	Total	1	7%	5	22%	3	17%	The turnover rate in 2021 was low due to the peak of COVID-19, but later changed following the ease of pandemic in 2022. Noticing the problem of a high turnover rate of new employees, we initiated the New Employee 100-Day Program to provide better onboarding training and care for new employees to get accustomed to the Company and the work. The turnover rate of new employees has been lowered successfully; however, it is still necessary to continue the optimization of the New Employee 100-Day Program to keep assisting new employees and promoting talent retention.



5.2 Remuneration and Benefits

Item	Content
Significance to the Company	UfiSpace is a product design and solution provider. Employees' development skills, communication skills and problem-solving abilities are the elements that support the Company's continuous leading position. Substantially competitive salary is the basis for talent recruitment, and intangible training benefits are the glue to stabilize the organization.
External impacts on the economy, environment, and human rights	Good salary and benefits will support the stable employment of employees and indirectly promote steady economic development and social stability.
Commitment and policy	The Company frequently conducts salary survey and analysis to keep salaries competitive in the industry and enable employees to have attractive salaries and benefits. The Company is committed to providing employees with fair, reasonable and competitive salaries and benefits, sharing the profits, and constantly improving and optimizing the welfare system so that employees can feel the Company's care and support.
Responsible department	HR
Contact information/ grievance mechanism	hr@ufispace.com
Goals for 2023	<ul style="list-style-type: none"> Review salary levels to ensure the competitiveness compared to the peers in the industry. Improve the welfare system and strengthen the support for activities, transportation, financial preferences, and supplementary medical insurance. Establish an excellent employee reward mechanism to encourage employees to be proactive and pursue better work efficiency and quality.
Investment in 2023	<ul style="list-style-type: none"> Competitive remuneration. A comprehensive salary adjustment system. Flexible working hours. Planning of special welfare programs, including employee transportation, subsidies for sports activities and competitions, company trips, group insurance, wedding cash gifts, maternity and childcare allowances, and cash gifts and gifts for annual festivals.

Item	Content
Achievements in 2023	<ul style="list-style-type: none"> The salary of the Company is higher than the market average (with reference to the salary statistics of "104 Corporation" in 2023). The Company conducts salary survey and analysis every year and makes adjustments based on employee performance. Considering the impact of COVID-19 and family care, the Company has offered flexible working hours, option of working from home, paid vaccination leave, or family care leave. Parental leave is provided. No employees applied for it in 2023, and the applicants in 2022 were reinstated. Employee shuttle service is provided (twice a day for commuting to work). Employees participating in sports activities or competitions are subsidized. Subsidies are granted for 2 departmental gatherings per year. Company trips were organized and attended by 61 employees and 19 of their family members in total. The group insurance covers the employees and their spouses and children; a total of 118 dependents of the employees are covered. A wedding cash gift of NTD 12,000 is provided. A total of 8 employees applied for it. A maternity allowance of NTD 66,000 and a 24-month childcare allowance of NTD 6,000 to NTD 15,000 per month are provided; a total of 6 employees applied for them. Cash gifts and special gifts for annual festivals are distributed.
Short-term goals (2024)	<ul style="list-style-type: none"> Maintain a salary level that is competitive in the market. Continue to improve the welfare system. Optimize the reward mechanism.
Medium- and long-term goals (Medium-term goals are calculated as 3 years, i.e., 2026; long-term goals are calculated as 5 years, i.e., 2028)	<ul style="list-style-type: none"> Establish a good employer brand and improve the Company's visibility and reputation, in order to attract outstanding talents to join the Company. Cultivate employee loyalty to stabilize the organization. Build a corporate culture, form a positive work atmosphere and values, and improve employees' enthusiasm for and engagement in the work.

A well-planned remuneration and welfare policy not only meets the needs and expectations of employees, but also improves employees' job satisfaction and loyalty, thereby enhancing the Company's competitiveness and development potential. Based on factors such as the job details, responsibilities, and performance of employees, UfiSpace determines fair and reasonable salary levels to ensure the fairness of employees' remuneration. Additionally, we conduct regular salary survey and analysis to keep salaries competitive in the industry, so that employees can have attractive salaries and benefits.

UfiSpace is committed to profit sharing. If the Company makes a profit in a fiscal year, it shall appropriate no less than 1% of the pre-tax profit of the current period before deducting employee remuneration and directors' remuneration as employee remuneration. The employee remuneration may be distributed by stock or in cash upon the Board's resolution, and the recipients thereof shall include the employees of affiliated companies who meet certain criteria. Each year, bonuses to employees for their individual performance are appropriated depending on the Company's annual performance and profits, and are paid based on the employees' work performance and contribution; the goal is to reflect the Company's contribution and return to employees, so that employees are motivated to go above and beyond and enhance work efficiency and quality.

For pensions, the Company contributes 6% of employees' wages to their individual pension accounts each month in accordance with the Labor Standards Act. Employees are allowed to contribute within 6% of their monthly wages to their pensions voluntarily, with the voluntary contributions excluded from the calculation of the annual salary income tax. The employees who voluntarily contribute part of their wages to their pensions may adjust their contribution rate for no more than twice per year.

In addition to competitive salaries, UfiSpace also supports employees in achieving a balance between family care, work and life through flexible working hours, work-from-home, paid vaccination leave, family care leave, and parental leave. In 2023, a total of 14 employees were eligible for parental leave, of which 0 employees applied for it. All the employees who applied for parental leave in 2022 were reinstated in that year, with a reinstatement rate of 100% and a retention rate of 100%. Therefore, no one was reinstated in 2023.

	Gender	2021	2022	2023
Number of employees eligible for parental leave	Male	12	9	11
	Female	2	2	3
Number of employees that applied for parental leave	Male	0	0	0
	Female	0	1	0
Number of employees required to be reinstated at the expiration of parental leave	Male	0	0	0
	Female	0	0	0
Number of employees actually reinstated after the expiration of parental leave (including early reinstatement)	Male	0	0	0
	Female	0	1	0
Reinstatement rate	Male	NA	NA	NA
	Female	NA	100%	NA
Employees still working after 12 months from the expiration of parental leave	Male	NA	NA	NA
	Female	NA	1	NA
Retention rate	Male	NA	NA	NA
	Female	NA	100%	NA

To take care of employees and their families, UfiSpace has established the "Employee Welfare Management Regulations" to implement various employee welfare policies, improve the health and well-being of employees, and enrich employees' personal and family life. With an eye to continuous optimization of the welfare policies, the Company also holds quarterly labor-management meetings and the Employee Welfare Committee meetings to listen to and respond to employees' suggestions. The Human Resources Department prepares minutes of each meeting and announces them via email or the Company's intranet to maintain smooth and transparent communication between labor and management. UfiSpace has not yet signed a collective agreement.

In the future, with establishing a good employer brand as the aim, the Company will continue to optimize remuneration and benefits, enhance the Company's popularity and image, and attract more outstanding talents to join us and create a positive, enthusiastic corporate culture.

Full-Time Employee Welfare

Employee Welfare Measure	Description	Implementation Status in 2023
Group insurance	The corporate insurance covers the employees and their spouses and children. The annual coverage details depend on the contract signed with the insurance company.	About NTD 1.1 million was invested to the group insurance that covered all employees and some of their spouses (90 people) and children (28 people). We have also signed a preferential plan with the group insurance company to provide the parents of the employees with insurance schemes at a preferential price; a total of 32 parents of the employees were covered by the policy.
Wedding cash gift	NTD 12,000.	8 employees benefited from this welfare measure.
Cash gifts for 3 major festivals	An electronic cash gift of NTD 3,600 is given on the Dragon Boat Festival, Mid-Autumn Festival, and the end of the year. For those who have arrived on the job for less than 6 months, an electronic cash gift of NTD 1,200 will be given. For those who have arrived on the job for less than 1 month, no cash gift will be given.	The cash gifts were distributed according to the regulations.
Annual health examination	At least NTD 10,000/year.	121 employees made use of the welfare measure; the execution rate reached 90%.
Maternity allowance	NTD 66,000/child.	6 employees applied for the allowance.
Childcare allowance	First child: NTD 6,000/month. Second child: NTD 8,000/month. Third child: NTD 15,000/month.	6 employees applied for the allowance.
Cash gift for 3 major festivals	NTD 3,600/festival.	The recipients totaled 472 persons.
Birthday cash gift	NTD 3,000.	The recipients totaled 153 persons.
Employee gatherings	NTD 1,500/biannually.	304 employees benefited from the welfare measure in total.
Employee trips	More than 2 times a year.	61 employees and 19 of their family members attended the trips in total.
Afternoon tea	1-2 times a month.	Afternoon tea was provided 1-2 times a month.
Movie tickets	2 tickets/biannually.	320 persons benefited from the welfare measure in total.
Subsidies for activities/competitions	NTD 2,000/year for government organized sports competitions/ artistic events.	The applicants totaled 4 persons.
Transportation service	Shuttle service provided twice a day for commuting to work).	This service was provided every day as per the regulations.
Weekly massage service by visually impaired masseurs	All-day massage service provided by visually impaired masseurs every Wednesday.	The service was delivered to 24 employees per week.

5.3 Talent Cultivation

Item	Content
Significance to the Company	<p>Since the corporate establishment, UfiSpace's operational growth has been driven by cutting-edge technologies and services which can be attributed to our talents. Therefore, talents have always been an important asset to UfiSpace, and the continuous growth of talents is the driving force for UfiSpace's growth.</p> <p>A comprehensive training system can prevent the risk of poor quality and implement the business philosophy of "Quality with all employees" to provide customers with perfect services and gain customer trust. Meanwhile, diversified training brings new stimulation to the talents, pushing them to keep growing so that better technical services are constantly developed to maintain UfiSpace's excellent competitiveness in the industry.</p>
External impacts on the economy, environment, and human rights	Taiwan's development focuses on the technology industry. In light of the fierce international competition in the technology industry and the rapid technological advancement, the Company must keep improving and updating the technologies to remain competitive and seize opportunities earlier than the peers. In Taiwan, where factors such as Taiwan's aging population and low birth rate have resulted in talent scarcity, UfiSpace continues to help talents grow, which not only contributes to operational growth, but also enables Taiwan's technology industry to gain development advantages internationally.
Commitment and policy	As the growth of employees drives the development of the Company, employee cultivation and development are highly emphasized at UfiSpace. The Company will continue to provide employees with diverse learning and development channels, as well as corresponding skill development resources based on their respective positions, levels, and developmental stages.
Responsible department	HR
Contact information/grievance mechanism	Email: hr@ufispace.com , or the Company's telephone: 02-7730-1188
Goals for 2023	<ul style="list-style-type: none"> • In response to organizational growth, redefine the learning goals and development blueprint for different levels to train leadership talents that can take on future challenges. • Provide professional skills training courses for employees to support their career development. • Cultivate 10 internal technical lecturers to improve the technical skills of the entire technical team. • Adopt higher requirements for executive management functions for the Company's future challenges and growth. • Organize ESG activities to advocate the ESG mindset. • Organize employee assistance activities to provide employees with assistance in terms of family, work, life, and physical and mental health.

Item	Content
Investment in 2023	<ul style="list-style-type: none"> • Investment of total training expense of NTD 1,510,886 in 2023, i.e., NTD 9,156.9 of training expense per person on average. • Introduction of the online education and training system, with videos on diverse topics imported for 31 lectures and totaling 298 hours. • Construction of a learning framework based on which various training courses were arranged, including 65 physical courses; 5,622 hours of courses provided in total, with professional skills training making up 254 hours. • 7 sessions of courses (including refresher training) organized under the 10-Person Elite Training Project. • 3 courses organized under the Executive Management Enhancement Project for 15 hours in total. • 33 hours of ESG knowledge training activities in conjunction with the reward mechanism. • Implementation of the New Employee 100-Day Program.
Achievements in 2023	<ul style="list-style-type: none"> • The total viewing hours of the online courses were 134.2 hours. • Education and training courses: The average training hours per employee reached 35.9 hours. • 10-Person Elite Training Project: 10 persons were trained to become elite employees, and their average course satisfaction rate reached up to 96%. The project improved the trainees' ability to make responses more properly when dealing with customers, and equipped them with the ability to provide internal training for other R&D personnel. • Executive Management Enhancement Project: The average overall satisfaction rate was 96.2% (95.4 for performance management interviews / 98.2 for situational leadership / 95.2 for executives' duties and roles). The executives conducted a job inventory based on what they had learned in the courses, and produced job descriptions for each position as reference for future talent recruitment and training gap analysis. • ESG knowledge training activities: 10 ESG volunteers were trained and commended. • New Employee 100-Day Program: The turnover rate of new employees was reduced by 5% compared to 2022.
Short-term goals (2024)	<ul style="list-style-type: none"> • Establish a complete position and job level framework so that there is a more precise and specific direction of learning and development for each position and job level. • Optimize the education and training system and process, so that the diversified training models have considerable influence under the system management.
Medium- and long-term goals (Medium-term goals are calculated as 3 years, i.e., 2026; long-term goals are calculated as 5 years, i.e., 2028)	<ul style="list-style-type: none"> • Expand the internal lecturer talent pool, with each department having internal lecturers in its professional field, so that lecturers have the stage to continuously pass on industry and technology-related knowledge. • Maintain a leading position in technology in the constantly changing industrial environment through talent cultivation. • Become a learning organization where every employee can independently challenge their personal performance and make breakthroughs to bring new energy to personal and corporate growth.

Employees are UfiSpace's most important asset and the cornerstone of the Company's development. We have talents from various fields that work together as a team to deliver our industry-leading technologies and services. Meanwhile, a complete talent cultivation system has been adopted to constantly enhance the competitiveness of our employees and supervisors; this enables the Company to maintain a leading position in the ever-changing environment and prevent the risk of quality deterioration, which corresponds to the business philosophy of "Quality with all employees" based on which we continue to offer comprehensive services and earn customers' trust. In the face of the challenges brought by the industrial talent scarcity, UfiSpace increased its investment in talent cultivation in 2023; the increased investment has not only strengthened team performance, but also supported the growth of Taiwan's technology industry talents. We look forward to keeping the international advantages of Taiwan's technology industry, and creating a prosperous future together.

UfiSpace has set up a dedicated education and training unit to construct a learning framework based on the analysis of training and evaluation data in the past. A variety of training projects were designed according to the said framework to provide timely and corresponding skill development resources for employees and supervisors at different levels and with different duties. In addition, an online system for tracking individual and overall training status was introduced to continuously optimize the learning experience. In 2023, the resources and education and training hours invested by UfiSpace for talent cultivation increased significantly, with the total cost amounting to NTD 1,510,886, namely NTD 9,156.9 of training expense per person on average. In terms of course arrangement, the Company integrated digital transformation to promote blended learning and micro-course learning; the arrangement covered 65 sessions of in-person courses that provided 5,622 training hours in total (including 245 hours of professional skills training courses and 33 hours of ESG sustainability initiatives), about 10 times longer compared to 2022 and with the average training hours per employee reaching 35.9 hours. To support employees in self-learning and knowledge transfer, UfiSpace has introduced an online education and training system as well, with videos on diverse topics imported for 31 online courses and totaling 298 hours; the viewing hours reached 134.2 hours.

Average Hours of Training per Year per Employee

Statistics/Year		2021	2022	2023
Average training hours per employee (Note 1)		4.6	4.3	35.9
Average training hours by gender (Note 2)	Female	5.4	5.8	36.7
	Male	4.9	4.3	35.6
Average training hours by category (Note 3)	Sales	5.5	4.3	30.4
	Management	6.3	6.1	39.5
	R&D	4.2	3.9	35.2

Note 1: Average training hours per employee: Total training hours of all employees in the year / total number of employees at the end of the year.

Note 2: Average training hours per male/female employee: Total training hours of all male/female employees in the year / total number of male/female employees at the end of the year.

Note 3: Average training hours per employee of each category: Total training hours of all employees of the category in the year / total number of employees of the category at the end of the year.



Project Name	Content	Outcome
10-Person Elite Training Project	Enhancing the completeness of the comprehensive knowledge of the product lines to achieve complete cross-unit connection, and to improve engineers' capabilities of making responses and describing products to the customers.	The project trained 10 persons, and the average course satisfaction rate reached up to 96%. The courses improved the trainees' ability to make responses more properly when dealing with customers, and equipped them with the ability to provide internal training for other R&D personnel.
Executive Management Enhancement Project	Improving the management and leadership capabilities of entry-level, mid-level, and senior executives to train management associates with strategic leadership and directing ability.	The average overall satisfaction rate was 96.2% (95.4 for performance management interviews / 98.2 for situational leadership / 95.2 for executives' duties and roles). After the training, the executives conducted a job inventory based on what they had learned in the courses, and produced job descriptions for each position as reference for future talent recruitment and training gap analysis.
New Employee 100-Day Program	Providing new employees with comprehensive training and regular care to facilitate their inclusion in and adaption to the environment and increase the retention rate.	The new employee turnover rate was reduced by 5% compared to 2022.
ESG Knowledge Training Project	Gaining an in-depth understanding of the core concepts of corporate sustainability and the international trends, in order to gradually promote the Company to become an example in terms of ESG practices.	10 ESG volunteers were trained and commended.
Retirement Preparation Course (planned for 2024)	In 2023, the employees of middle age or above (45 years old and above) accounted for 27% of all employees at UfiSpace. Meanwhile, Taiwan has gradually faced the issue of aging population. In order to effectively attract and retain talents and realize talent sustainability, UfiSpace has followed the local government's middle and older age-friendly workplace certification indicators to plan relevant measures and retirement preparation courses, so as to assist the career development and planning of the employees of middle age or above.	Relevant projects will be implemented in 2024.

To more effectively improve the performance of talents, UfiSpace regularly examines the developmental gaps in each employee's personal competencies through a comprehensive performance evaluation system, with the evaluation used as the basis for arranging education and training courses that best fit the Company and personal development needs. Meanwhile, employees can have a clearer direction for self-growth and development through feedback from supervisors. The percentage of employees receiving regular performance evaluation in 2023 was 100% (including newcomer evaluation within 100 days of service and annual performance evaluation).

Percentage of Employees Receiving Regular Performance and Career Development Reviews

Employees Reviewed in 2023		Number of Employees Reviewed	Total Number of Employees	Percentage
Gender	Male	121	121	100%
	Female	44	44	100%
Employee Category	Sales	19	19	100%
	Management	47	47	100%
	R&D	99	99	100%

Note: Due to the introduction of the New Employee 100-Day Program, UfiSpace's performance evaluation was divided into two categories: Newcomer evaluation within 100 days of service and annual performance evaluation (including all employees who have worked for the Company for 100 days). The two categories of evaluation covered all employees of the Company.

5.4 Occupational Safety and Employee Health

Item	Content
Significance to the Company	Each worker spends one-third of the day at the workplace. With good occupational safety and health management, UfiSpace strives to improve the safety and health of employees at work in order to attract and retain talents.
External impacts on the economy, environment, and human rights (including current and potential positive and negative impacts)	Failure to perfect occupational safety measures will increase the number of government occupational accident insurance claims, and the staff taking sick or injury leave may also lead to inferior service quality and indirectly impact economic development.
Commitment and policy	Comply with Taiwan's labor-related laws and occupational safety and health policies (including the Occupational Safety and Health Act, Labor Standards Act, Gender Equality in Employment Act, etc.) to formulate internal policies, devise management procedures and regulations based on the operation type of each unit, and provide a decent working environment where occupational accidents are prevented through the basic structure of P→D→C→A cycle model. Internal occupational safety policies: <ul style="list-style-type: none"> • Friendly environment and healthy workplace • Compliance with laws and regulations • Continuous improvement of risk management • Safety first and accountability by all employees of the Company
Responsible department	Occupational Safety and Health Implementation Team
Contact information/ grievance mechanism	Occupational Safety and Health Implementation Team Email: wx.huang@ufispace.com
Goals for 2023	<ul style="list-style-type: none"> • Establish places of safety and obtain certifications therefor. • Build a zero-disaster workplace.

Item	Content
Investment in 2023	<ul style="list-style-type: none"> • Hiring of a full-time nurse and formation of an "Occupational Safety and Health Implementation Team," which was better than legal requirements. • More than NTD 10,000 of health examination subsidy for each employee, and adoption of a digital health management platform system. • Introduction of a professional medical consultant team to provide on-site services, including workplace risk and hazard identification and improvement suggestions, and health education. • Installation of 2 automated external defibrillators (AED) at the Xinzhuang headquarters (10, 11F). • Participation in the "Disaster-Free Working Hours" campaign of the Industrial Safety and Health Association of the R.O.C. in July 2023, with the disaster-free hours totaling 169,936 hours in 2023 according to the statistics. • Setup of a breastfeeding room. • Organization of multiple health promotion activities to build a friendly and healthy workplace. • Implementation of the ISO 45001 management system.
Achievements in 2023	<ul style="list-style-type: none"> • In 2023, the health examination rate of all employees was 90%. • In 2023, the contracted medical nurse provided on-site services for 60 persons in total. • In 2023, a total of 3 AED+CPR training sessions were held to enhance new recruits and in-service personnel's first aid-related knowledge and skills. A total of 138 employees participated in the training, with a participation rate of 94% (there were 147 employees at the time). The Company was thus certified as a safe place equipped with AED by the Department of Health, New Taipei City Government. • There were no work-related injuries or occupational disasters in 2023. • We were listed on the page of the Section of Friendly Workplace for Women and the Elderly of New Taipei City, and were certified as a family-friendly company. • In 2023, we obtained the "Badge of Accredited Healthy Workplace" from the Health Promotion Administration for the first time. • We participated in the New Taipei City Government's family-friendliness and work equality initiative and were recognized for 2 indicators. • We acquired the "iSports Certification" in 2023. • On January 3, 2024, the Company obtained the "ISO 45001 Occupational Safety and Health Management System Certification" (audited by TUV Rheinland).

Item	Content
Short-term goals (2024)	<ul style="list-style-type: none"> • Maintain a zero-disaster workplace. • Obtain the Badge of Accredited Healthy Workplace. • Reach an OSH education and training participation rate of 100%. • Build an age-friendly workplace.
Medium- and long-term goals (Medium-term goals are calculated as 3 years, i.e., 2026; long-term goals are calculated as 5 years, i.e., 2028)	Realize a holistic healthy workplace.

UfiSpace adheres to the people-centered safety and health philosophy, prioritizing prevention in the first place to create a safe workplace. At the same time, we have introduced holistic preventive care to protect the physical and mental health of our employees.

ISO45001

To provide a safe, healthy, and friendly workplace that exceeds the legal requirements, UfiSpace has implemented the ISO 45001 management system since 2023 and pass third-party audits. The audit scope and targets include the employees of UfiSpace's Xinzhuang Headquarters (approximately 75%) and related contractor's employees. The Company will endeavor to promote occupational safety and health in the future and extend the management system to other offices (Hsinchu office).



In 2023, UfiSpace established the "Occupational Safety and Health Committee" to coordinate worker safety and health-related affairs and confirm occupational safety-related matters, which was beyond the requirements under the Occupational Safety and Health Management Regulations. The representative of occupational safety and health management acts as the chair of the Committee, and the remaining committee members are formed by 12 persons consisting of the unit heads, 1 health and safety personnel, 1 medical personnel and 5 labor representatives; the labor representatives accounted for more than 40% of the total. In accordance with the "Occupational Safety and Health Consultation, Participation, and Communication Management Procedures" developed by UfiSpace, the Occupational Safety and Health Committee meets on a quarterly basis to make recommendations on the occupational safety and health policy, review various safety and health plans, make safety and health proposals, and promotes worker communication and engagement. As R&D is the key business of UfiSpace, the Company's Occupational Safety and Health Implementation Team also takes part in the Company's laboratory management meetings to join the discussions on laboratory safety and health issues or provide recommendations.

To prevent any occupational injury from causing damage to the safety and health of the employees or to the Company's finances, UfiSpace has established the "Hazard Identification and Risk Assessment Procedures" in line with the spirit of ISO 45001 management systems, and regularly performs safety and health hazard identification and risk assessment to control risks to an acceptable level. To ensure the quality of implementation, the Occupational Safety and Health Implementation Team arranges education and training on hazard identification and risk assessment for personnel to improve their relevant knowledge. In 2023, 33 hours of education and training were held for hazard identification and risk assessment personnel, with a total of 11 participants trained.



Flowchart of the Hazard Identification and Risk Assessment Procedures:

Formulate and plan relevant proposals, and convene the risk assessment personnel of each unit
Primarily by the Occupational Safety and Health Implementation Team

Identify hazards and risks based on operation types
Primarily by the trained risk assessment personnel

Have each unit assess the hazards and risks of all operations, activities, and other related equipment
(in consideration of both psychological and social factors of the personnel at the same time)

Identify hazards and risks

Confirm existing protective measures

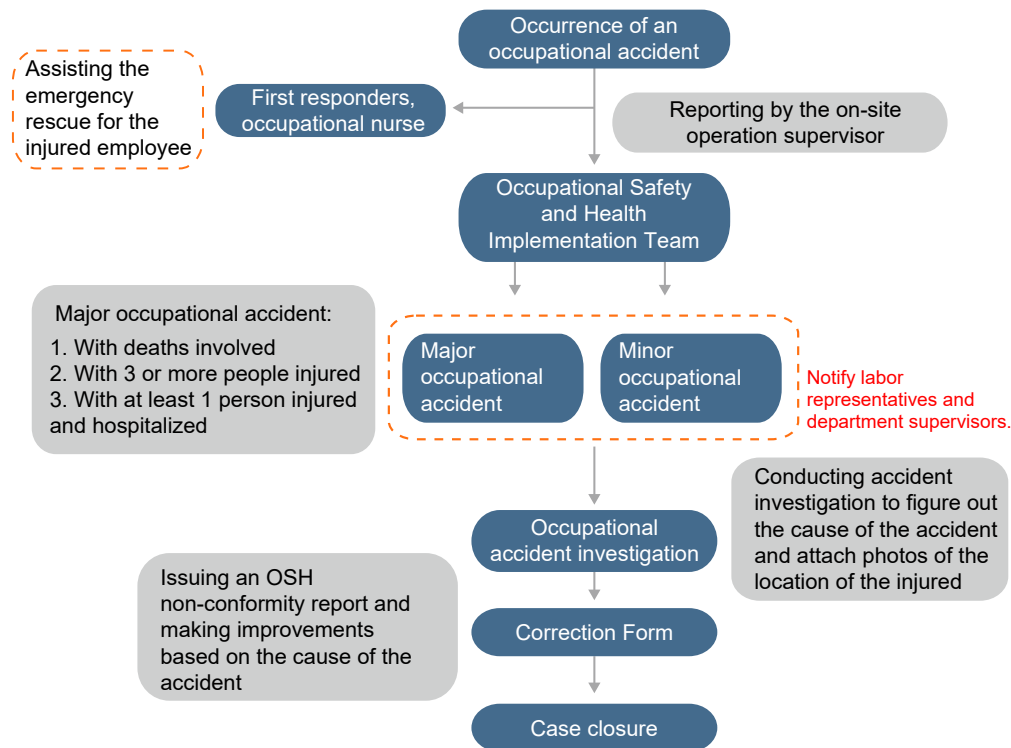
Confirm the risk level with the matrix chart

Classify those with a risk level of 4 or higher as risks prioritized for improvement
(Priority of control measures to control risks to an acceptable level: 1. elimination, 2. replacement, 3. engineering control, 4. administrative management, 5. personal protective equipment.)

By following the "Hazard Identification and Risk Assessment Procedures," a total of 68 risks were identified in 2023, including 1 medium risk and 67 low risks. The medium risk identified may become a low risk through education, training and awareness promotion.

To respond to occupational safety incidents in a timely manner, the Occupational Safety and Health Implementation Team coordinates the investigation and handling of occupational accidents according to the "Accident Notification and Investigation Management Procedures," makes subsequent reports according to the type of incidents, and tracks the effectiveness and improvement of incident prevention measures together with the labor representatives. It then reports the improvement results to the Occupational Safety and Health Committee for follow-ups. As UfiSpace attaches great importance to the safety of workers, those who report occupational safety-related incidents will not be punished. If an incident may lead to injury or illness and cause the necessity to leave work, an employee can report it directly to the unit supervisor or workplace responsible person and leave; the Company will protect the workers from being punished for leaving the workplace.

Occupational Accident Reporting Process



2023 Statistics on Occupational Accident Incidence Rates (SR, FR, FSI) and Occupational Diseases

Total working hours in 2023	200,192 hours
Number of occupational accidents	0
Total number of days lost due to occupational accidents	0
Disabling injury frequency rate (FR)	0
Disabling injury severity rate (SR)	0
Frequency-severity indicator (FSI)	0
Occupational diseases	0

To maintain workplace safety, incident prevention is a priority. With a view to comprehensively developing employees' awareness of safety and health, UfiSpace has independently organized other education, training, or drills that are better than what is required by law. The occupational safety and health-related training hours in 2023 totaled 659 hours.

Internal Courses

Course	Number of Hours	Number of Participants
Education and training on unlawful infringement	10 hours	54 persons
Education and training on AED+CPR	414 hours	138 persons
Education and training on ISO 45001 for internal auditors	99 hours	11 persons
Introduction to legal provisions for ISO 45001-related units	15 hours	5 persons
Hazard identification and risk assessment	33 hours	11 persons
Training for the Fire and Emergency Response Team	48 hours	16 persons

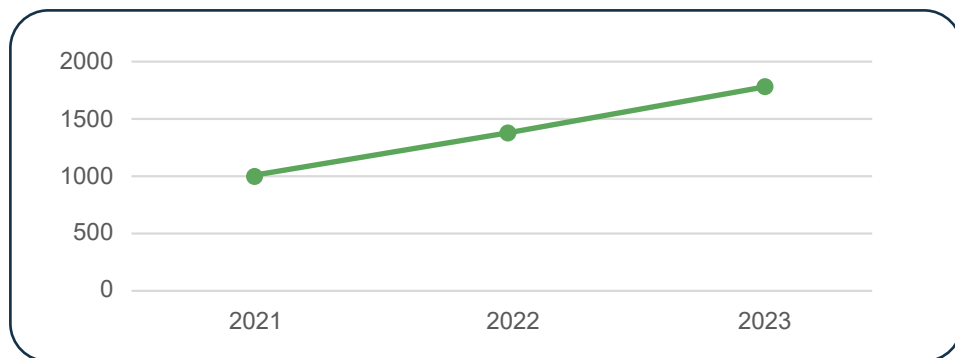
External Courses

Course	Number of Hours	Number of Participants
Refresher training for the head of occupational safety and health affairs	8 hours	1 person
First responder training	32 hours	2 persons

Holistic Preventive Care Implemented through Health Examination, Group Insurance, and Medical Consultation

UfiSpace aims to build a holistic and healthy workplace. With the concept of three-stages and five-levels in the preventive care, we promote workplace preventive measures such as annual health examination to control health risks in the secondary preventive care and achieve "early detection and early treatment." Since the establishment of the Company, we have collaborated with major medical institutions every year to provide the employees who have served for more than 1 year with a full health examination program which is better than the legal requirements. The employees may schedule the health examination on their own, and enjoy a subsidy ranging from NTD 10,000 to NTD 50,000. In 2023, a total of 121 employees underwent the annual health examination; the health examination rate reached 90%.

Total Investment in Annual Health Examination in Recent Years



- i. NTD 1,002 (thousand) invested in 2021 health examination
- ii. NTD 1,380 (thousand) invested in 2022 health examination
- iii. NTD 1,784 (thousand) invested in 2023 health examination

In addition to actively providing the health examination program, UfiSpace has also offered group insurance, and decided to arrange contracted medical consultant service and hire a full-time occupational nurse since 2023 to ensure more comprehensive support for the health of our employees. By introducing a digital health management system, we have integrated employee health examination reports and data analysis, and divided the analysis results into levels 1 to 4 to identify the group with high health risks. The occupational nurse will assist in arranging one-on-one interviews with the special medical consultants, track the employees' health status, and work with physicians to assess and prevent occupational injuries and diseases. Apart from the professional on-site medical services, UfiSpace also plans and executes health promotion activities tailored to the needs of employees based on the health management results. Moreover, relevant information and health knowledge are shared through electronic promotion materials, posters, and electronic bulletin boards to encourage employees to improve their health through daily activities.

Health Promotion Activities

Parent-child workshops



Soothing planting



2023 Yilan Marathon



Health Protection for All Employees with Diversified Health Protection Projects

To create a healthy workplace where all employees feel safe, UfiSpace launches diversified health protection projects according to the needs of employees, and ensures that all employees can work with a peace of mind through office hardware planning and friendly policies. In 2023, due to UfiSpace's proactive investment, the Company received the "Safe Place Certification" from the Department of Health, New Taipei City Government and the "Badge of Accredited Healthy Workplace" from the Health Promotion Administration, Ministry of Health and Welfare.

Maternal Health Protection Project

To protect the health and safety of all female workers at work, UfiSpace has established the "Workplace Maternal Health Protection Project." When the Company is aware of an employee's pregnancy, professional medical staff will conduct hazard identification, risk assessment, and confirmation of work details in the workplace, and give prenatal and postpartum interviews and attention to provide health education related to pregnancy and postpartum knowledge. In 2023, a total of 2 employees received maternal health protection. UfiSpace also has a breastfeeding room that is equipped with secure access control and emergency rescue facilities to give a sense of security and space. The breastfeeding room utilization rate reached 100% in 2023 (Note: In 2023, there were 2 employees reinstated after giving birth, and they both made use of the room.). Meanwhile, we also support the government's maternity policy by providing employees with a high maternity allowance for the delivery and a monthly childcare allowance of NTD 6,000 for a period of 2 years. In 2023, there were a total of 6 applicants.

Ergonomic Hazard Prevention Project

To prevent workers from musculoskeletal injuries due to repetitive work, UfiSpace has established the "Ergonomic Hazard Prevention Project," under which the designated occupational nurse collects relevant data through questionnaires, interviews, or voluntarily notification by employees to include ergonomic hazards in hazard and risk identification. Professional medical staff will provide improvement suggestions and health education based on the results to eliminate the hazard factors. In 2023, a total of 142 questionnaires were distributed, and 2 personnel with high risk and 5 personnel with medium risk were identified while the rest were all with low risk. Since UfiSpace's operation is mainly office work, we have provided an ergonomic chair and height-adjustable desk for each employee to actively prevent musculoskeletal-related occupational diseases.

Exceptional Workload Prevention Project

UfiSpace has developed the "Exceptional Workload-Induced Disease Prevention Project" to ensure that employees do not overwork at the workplace. In 2023, the questionnaire on overworking was compared against the health examination results to make calculation using the Framingham Risk Score to identify the groups exposed to related risks; 7 employees with medium risk were suggested to have an interview with the contracted medical consultant for assessment and further protective measures. As the suggested interview for such employees wasn't legally mandatory, those who were unwilling to seek consultation were given relevant health education and instructions by the occupational nurse instead.

Unlawful Infringement Prevention Project

To prevent workplace violence, bullying, sexual harassment, and other illegal acts, we are committed to promoting a friendly workplace as our goal. The responsible person of the Company has signed the "Written Statement on the Prevention of Workplace Unlawful Infringement" and established the "Unlawful Infringement Prevention Project for Employees During the Performance of Duties," which are applicable to all workers in the workplace. In 2023, the "Workplace Unlawful Infringement Self-Checklist" was distributed to all employees to conduct self-inspection for inappropriate words and deeds. A total of 146 questionnaires were retrieved, and a workplace environmental assessment and hazard identification were completed in the year; the result showed a low risk level. In 2023, no workplace unlawful infringement complaints were filed.



5.5 Human Rights Protection

Item	Content
Significance to the Company	Respecting human rights and creating a dignified working environment are the important foundations for building a good partnership with internal and external stakeholders. Proactive identification of human rights risks that may arise in our operations and formulation of relevant regulations and actions can prevent damage to the rights and interests of the Company and stakeholders.
External impacts on the economy, environment, and human rights	Emphasizing human rights issues within the enterprise and the supply chain will make the employment environment of the industry more friendly, and further attract talents, stabilize productivity, and promote economic growth and social stability.
Commitment and policy	<ul style="list-style-type: none"> Comply with the United Nations Guiding Principles on Business and Human Rights (UNGPs) while paying attention to major human rights issues to reduce human rights risks caused by corporate operations. Establish the "Recruitment and Appointment Procedures," the "Management Procedures for Diversity in the Workplace and Anti-Discrimination and Harassment," and the "Workplace Sexual Harassment Prevention and Management Procedures" in accordance with the "Gender Equality in Employment Act" and the "Employment Service Act" of Taiwan, to ensure the Company implements non-discriminatory practices in employee management and recruitment while protecting employees from harassment. Prohibit forced labor in compliance with Taiwan's "Labor Standards Act," with working hours recorded as per the law and reviewed on a monthly basis by dedicated personnel, and with leave and overtime pay provided in accordance with the law. Adhere to international and national laws and regulations on the prohibition of child labor, and establish the "Non-Use of Child Labor and Remedial Procedures for Accidental Employment" to protect the rights and interests of children and youth.
Responsible department	HR, Legal
Contact information/ grievance mechanism	E-mail:ethic@ufispace.com

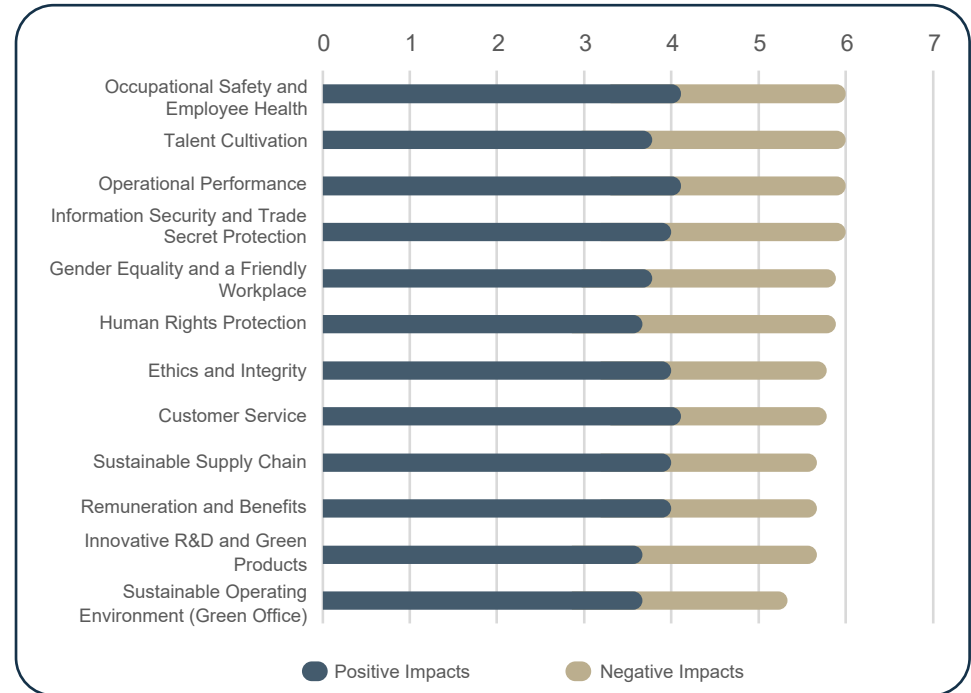
Item	Content
Goals for 2023	<ul style="list-style-type: none"> Create a dignified working environment as well as a friendly and healthy workplace. Achievement rate of supplier self-evaluation and audit (including human rights aspect): Investigation carried out in 2023; target achievement rate: 50%.
Investment in 2023	<ul style="list-style-type: none"> Implementation of the Company's management regulations and procedures related to human rights protection. Provision of diverse training on human rights protection (including newcomer education and training). Implementation of a workplace unlawful infringement prevention plan (including questionnaire survey, education and training) to protect the physical and mental health of employees. Inclusion of human rights-related items in the annual supplier audit, with 7 suppliers selected for the audit.
Achievements in 2023	<ul style="list-style-type: none"> No incidents of discrimination, harassment, or unlawful infringement happened. The employee training rate of the diverse training on human rights protection reached 100%. Both the annual ESG self-evaluation rate and the audit rate of suppliers reached 100%, and the qualification rate was 100%.
Short-term goals (2024)	<ul style="list-style-type: none"> Establish a human rights policy.
Medium- and long-term goals (Medium-term goals are calculated as 3 years, i.e., 2026; long-term goals are calculated as 5 years, i.e., 2028)	<ul style="list-style-type: none"> Add human rights policy clauses to the contracts with suppliers and customers.

Respecting and valuing human rights protection is fundamental to building a sound partnership with internal and external stakeholders. UfiSpace supports the 10 Principles of the United Nations Global Compact and refer to the "United Nations Global Compact," the "Universal Declaration of Human Rights," the "ISO 26000," and the "Responsible Business Alliance Code of Conduct" to formulate sustainable development policies in the dimensions of "corporate governance and business ethics," "labor rights protection and community engagement," and "occupational safety and environmental protection" to protect labor rights and occupational safety of internal employees and in the supply chain.

To fulfill our commitment to valuing human rights, UfiSpace complies with the "United Nations Guiding Principles on Business and Human Rights" and the "Labor Standards Act," "Gender Equality in Employment Act," "Employment Service Act" and other laws and regulations of Taiwan to formulate internal management measures and remedial procedures, including the "Workplace Sexual Harassment Prevention and Management Procedures," "Management Procedures for Diversity in the Workplace and Anti-Discrimination and Harassment," "Freedom of Association Management Procedures," and "Non-Use of Child Labor and Remedial Procedures for Accidental Employment," to actively create dignified working environment for internal employees and ensure that there is no discrimination and harassment in employee management and recruitment. At the same time, the rights and interests of employees are more thoroughly protected through education and training as well as the setup of complaint and remedy channels, demonstrating the implementation of a friendly workplace. In 2023, the employee training rate of diverse human rights protection training reached 100%, and no discrimination, harassment, and unlawful infringement incidents occurred in that year. If any incidents occur, complaints may be filed to the legal affairs and human resources supervisors by email: ethic@ufispace.com.

To further prevent the human rights risks resulting from corporate operations, UfiSpace's Sustainable Development Committee conducted an assessment and ranking of the human rights impacts (including existing and potential positive and negative impacts) of each material topic in 2023 with reference to the GRI Standards. Occupational safety and employee health was ranked the first in terms of the level of impact; to mitigate the potential negative impacts thereof, UfiSpace has introduced ISO 45001, established an occupational safety and health management system, and integrated the topic into education and training so that employees are safe at work and protected from unlawful infringement. In 2023, UfiSpace passed the third-party certification of ISO 45001 and obtained the certification.

Ranking of Material Topics' Impact on People (Including Human Rights)



Note: The positive and negative impacts of UfiSpace's operations on the economy, environment, and people are calculated based on the average scores in these aspects, with 5 representing the extremely high level and 1 representing the extremely low level.

For external suppliers, UfiSpace has formulated a supplier self-evaluation and audit form, and listed the human rights-related audit items to ensure the labor safety and labor rights of suppliers (including the protection of freedom of association, prohibition of child labor, prohibition of forced labor, etc.). In 2023, the supplier ESG audit covered 2 outsourced manufacturers and 5 material suppliers, with a qualification rate of 100%; no major human rights violations were found. Currently, the supplier ESG audit system of UfiSpace is limited to the key suppliers that we deal with. In the future, we plan to include environmental, social, and human rights terms in the assessment and future contracts during the supplier selection process, prioritize suppliers with relatively high risks in EHS or labor/human rights aspects for audits based on the industry attributes, and formulate an annual audit plan for constant enhancement of the sustainable supply chain.

5.6 Social Participation

By adhering to the spirit of "giving back what is taken from the society," UfiSpace extends its emphasis on talent development and family care within the enterprise to local communities, connecting internal employees and external public welfare partners to jointly transform warmth into positive influence on the society.

SDG4 Quality Education Initiatives Based on Collaboration with Educational Startups to Transform the Education in Taiwan

As a leader in 5G network communication technology, UfiSpace values talent cultivation. We not only establish a culture of self-learning among all employees, but also hope to promote quality education initiatives through corporate resources, change the educational environment in Taiwan, and continue to nurture the next generation of talents to facilitate the industry development in Taiwan in the future. Focusing on the problems of insufficient academic performance and lack of learning motivation of students in Taiwan due to educational inequality, UfiSpace collaborated with 2 new education startups, Junyi Academy Foundation and LIS(Learning in Science, Taiwan Online Education Development Association), in 2023 to overcome the limitations of time and space and support teachers across Taiwan in optimizing teaching with innovative digital tools, and attract students to learn on their own through interesting learning content. Accordingly, we helped children regain self-confidence and joy in learning and thereby develop lifelong learning skills.

UfiSpace x Junyi: Accompanying 100 Teachers in Yilan in Their Digital Transformation, and Encouraging 1,000 Students and Teachers to Learn Online

With the demand for distance learning and the rise of AI tools under the COVID-19 pandemic, the digital transformation of education has become an important topic in the teaching field all over the world. In addition to the hardware equipment, the digital teaching ability of the teachers is also the key to the transformation. Apart from helping countries build stable communication infrastructures with our network expertise, UfiSpace has also collaborated with Junyi Academy Foundation, an educational start-up organization in Taiwan, to support the digital transformation of education in Taiwan, hoping that the digital learning tools could help overcome the limitations of time and space and bridge the urban-rural gap in educational resources.

At the end of 2022, with Yilan, Chairman Wen-Yu Ho's hometown, as the starting point, UfiSpace began to support Junyi's workshops for teachers and the e-learning activity "Starry Sky Explorers" in Yilan, so that the local teachers and students could be more accustomed to using digital tools for teaching and learning. UfiSpace and Junyi organized a total of 9 workshops, training 127 on-site teachers and steadily accompanying 246 Yilan teachers who used Junyu's product frequently. The "Starry Sky Explorers" were attended by 1862 and 1784 teachers and students in Yilan in 2022 and 2023, respectively. In 2023, 1,226 local teachers and students participated in the exclusive activity in Yilan; according to Junyi's analysis, through the participation in Junyi's online learning activities, the percentage of students in Yilan passing the personal growth test increased by 10% thanks to the learning assistance.



UfiSpace x LIS: Collaborating with Engineers to Create Teaching Materials that Inspire Children to Think about Science

Taiwan's technology industry is facing a talent shortage, yet the proportion of graduates from colleges and universities studying in STEM fields has dropped significantly in recent years. In addition, following the competition between the industry and the education sector for attracting talents, there is also a shortage of science teachers. How to help teachers optimize teaching while maintaining students' interest in learning science has become a key to the sustainable development of the technology industry.

Valuing talent cultivation and looking forward to industrial sustainability, UfiSpace collaborated with LIS, which has been dedicated to science education for many years, to support the production of teaching materials of 2 digital science units for junior high school students and 1 workshop for teachers in New Taipei City. Extending from the science of optical and wave transmission underlying the network communication transmission technology, UfiSpace supported LIS in producing teaching materials for 2 units in the junior high school syllabus: "optical refraction" and "media and speed of sound." These teaching materials included videos, worksheets, and design of teaching aids. The 2 teaching videos have received more than 36,000 views. In particular, the content of optical refraction was used in the workshops for teachers in Yilan, New Taipei, and Kaohsiung, directly serving 59 junior high school teachers, and indirectly influencing more than 2,600 junior high school students accordingly to the estimation based on the number of students taught by a junior high school teacher as required by the Ministry of Education.

Aside from making donations to support LIS in developing teaching materials and organizing workshops, UfiSpace also had engineers provide feedback on the content of the teaching materials with their years of scientific knowledge and engineering experience during the process, exchanging different perspectives and learning from each other. In the co-organized "UfiSpace x LIS Parent-Child Science Day" event, the UfiSpace team designed "packet travel" popular science courses and games based on the application of the Company's products and the optical experiments devised by LIS; through the event, the invited children were enabled to better understand the principles of network transmission as well as the features of the Company's products, get inspired to learn science and explore their career paths, and know more about their parents' work and contributions to the society and technological development. In the future, this popular science course and game framework may serve more children with the help of corporate volunteers or content licensing, allowing more people to learn the scientific principles behind network transmission and be aware of Taiwan's thriving network communication industry.



UfiSpace x Bethany x FJU Picture Book Service Club: Adding Value to Charity through Co-Learning with Our Public Welfare Partners

Since 2022, UfiSpace has formed a relationship with Bethany Children's Home to launch the "B with U" adoption project, under which our employees send handwritten cards and gifts to the children for annual festivals to show warmth. With the lifting of COVID-19 lockdown in 2023, UfiSpace has organized 2 educational fun activities in combination with the quality education initiative, not only creating memories for the children, but also enabling our employees to enhance their community service-related knowledge and skills through the preparation training for service and co-learning with local university students; our employees adhered to the service ethics in the process of serving children and youth for better interaction and mutual learning with children.

Since the Company was relocated to a neighborhood near Fu Jen Catholic University in Xinzhuang, New Taipei City in 2023, to support local students in service learning, UfiSpace has collaborated with Fu Jen's Picture Book Service Club to connect the lecturer resources of local storytellers and Bethany's senior social workers. Through the sharing of lecturer resources, the students of Fu Jen Catholic University and our employees have learned storytelling skills and social work ethics, and enhanced their understanding of issues concerning children and youth and the ability to serve others. Meanwhile, we have invited the president and vice president of the club with considerable experience of storytelling to children to, as workshop lecturers, share with our employees the tips for organizing related activities, and achieve mutual teaching and learning through opinion exchange. In 2023, the co-learning project jointly organized by UfiSpace and FJU Picture Book Service Club supported a total of 10 university students and 10 UfiSpace employees to engage in service learning. Through material sponsorship and on-site volunteer services, the project directly served 15 children from Bethany Children's Home and 29 students from Fuli Elementary School in Hualien, enabling them to find joy in learning through picture books. It is believed that these "seeds" cultivated through the co-learning project will continue to inspire other children with stories.



Sustainability Initiatives Inspiring More Actions for Common Good

To build a culture of sustainability among all employees, UfiSpace has arranged a diversity of activities for employees to understand the United Nations Sustainable Development Goals (SDGs) and related issues through fun and relaxing experiences, with a reward mechanism integrated to encourage employees to take actions for the environment and society as a global citizen with sustainability competence.

ESG Day

Since 2022, UfiSpace has been annually organizing the ESG Day Team Building activity for employees to understand the United Nations Sustainable Development Goals by a fun process. In 2023, UfiSpace collaborated with Taiwan's renowned sustainable travel brand "WALK in TAIWAN" to organize the "Hunter of Liao Thiam-teng's Secret Treasure: Cultural Walk in Twatutia," under which employees were introduced to local culture and history in depth through games. In addition, the Company procured customized printed platemats from local social start-up company inBloom as a souvenir for the event, which corresponded to the goals of SDG11 Sustainable Cities and Communities and SDG12 Responsible Consumption, so that employees could know more about sustainability issues through the good close-to-life experience and take relevant daily practices.



Ecological Restoration

Since 2022, UfiSpace has collaborated with the Butterfly Conservation Society of Taiwan in Tucheng, where the Company started out. A total of 30 employees and their families participated in the eco-restoration volunteer service at Shanxi Temple in the first and second half of the year, removing about 700 kilograms of exotic plants under the instructions of the instructor from the Butterfly Conservation Society of Taiwan. In the process, the employees became more aware of the beauty and preciousness of the local ecological environment.



Charitable Fundraising and Christmas for Love

UfiSpace and its employees yield to none when it comes to showing love, engaging in external public welfare projects and regular internal small-amount fundraising activities. In 2023, the Company and the employees donated NTD 2,129,410 in 2023 to the local non-profit organizations in Taiwan, including Andrew Food Bank, Green Box Social Welfare Association, Junyi Academy Foundation, and LIS. Moreover, in regard to international aid, UfiSpace has donated NTD 500,000 to support the earthquake disaster relief in Turkey. At the end of 2023, our employees supported the charitable groups and social issues that each other had paid attention to through the "Christmas for Love" gift exchange activity, with donations made to 16 charitable groups. Extending the love of our employees, we will assist organizations in promoting fundraising within the Company on a quarterly basis, supporting more diverse organizations and allowing employees to become aware of more international and local social issues and actions.

In addition to donation-based support, after the COVID-19 lockdown was eased, UfiSpace gathered 15 volunteer partners to provided volunteer services at the headquarters of the public welfare partner, Andrew Food Bank, under the leadership of the Chairperson; the task was to pack food into boxes so that such supplies reach those in need successfully.



Charitable Donations

Public Welfare Unit	Donation Amount
LIS	NTD 720,000 donated for the annual public welfare collaboration
Junyi Academy Foundation	NTD 700,000 donated for the annual public welfare collaboration
Andrew Food Bank	A total of NTD 296,100 raised in 2023 to support 269 food boxes and 57 boxes of Lunar New Year meals
Green Box Social Welfare Association	A total of NTD 413,310 raised in 2023 to support 690 boxes of fruit and vegetable
Donation to MOHW's Turkey Earthquake Project	NTD 500,000 donated to support the earthquake relief and reconstruction in Turkey

6

Appendix

1. GRI Content Index
2. SASB
3. Information Independent Assurance Statement



GRI Content Index

Statement of Use	Ufi Space Co., Ltd. has reported the information quoted in the GRI Content Index for the period [01/01/2023 – 12/31/2023] in accordance with the GRI Standards.
GRI 1 used	GRI 1: Foundation 2021
Applicable GRI Sector Standards	None

GRI Standards/ Other Sources	Disclosure	Chapter	Page	Omitted
				Omitted RequirementReason Explanation
General Disclosures				
GRI 2: General Disclosures 2021	2-1 Organizational details	About UfiSpace	5	
	2-2 Entities included in the organization's sustainability reporting	About This Report	3	
	2-3 Reporting period, frequency, and contact point	About This Report	3	
	2-4 Restatements of information	About This Report	3	
	2-5 External assurance	About This Report	3	
	2-6 Activities, value chain and other business relationships	About UfiSpace	5	
	2-7 Employees	Chapter VIII: Happy Workplace for Sustainability and Co-prosperity - Employee Information	47	
	2-8 Workers who are not employees	Chapter VIII: Happy Workplace for Sustainability and Co-prosperity - Employee Information	48	

GRI Standards/ Other Sources	Disclosure	Chapter	Page	Omitted
				Omitted Requirement Explanation
GRI 2: General Disclosures 2021	2-9 Governance structure and composition	Chapter VI: Corporate Governance - Governance Structure	29	
	2-10 Nomination and selection of the highest governance body	Chapter VI: Corporate Governance - Governance Structure	29-30	
	2-11 Chair of the highest governance body	Chapter VI: Corporate Governance - Governance Structure	30	
	2-12 Role of the highest governance body in overseeing the management of impacts	Chapter IV: Sustainability Management - Sustainable Development Committee Chapter VI: Corporate Governance - Governance Structure	8, 30	
	2-13 Delegation of responsibility for managing impacts	Chapter IV: Sustainability Management - Sustainable Development Committee	8	
	2-14 Role of the highest governance body in sustainability reporting	Chapter IV: Sustainability Management - Sustainable Development Committee	8	
	2-15 Conflicts of interest	Chapter VI: Corporate Governance - Governance Structure	31	
	2-16 Communication of critical concerns	Chapter VI: Corporate Governance - Governance Structure	31	
	2-17 Collective knowledge of the highest governance body	Chapter VI: Corporate Governance - Governance Structure	-	Not applicable/UfiSpace is not a TWSE/TPEX listed company, and thus is not subject to mandatory regulatory requirements.
	2-18 Evaluation of the performance of the highest governance body	Chapter VI: Corporate Governance - Governance Structure	31	Not applicable/UfiSpace is not a TWSE/TPEX listed company, and thus is not subject to mandatory regulatory requirements.
	2-19 Remuneration policies	Chapter VI: Corporate Governance - Governance Structure	31	
2-20 Process to determine remuneration	Chapter VI: Corporate Governance - Governance Structure	31		

GRI Standards/ Other Sources	Disclosure	Chapter	Page	Omitted
				Omitted RequirementReason Explanation
GRI 2: General Disclosures 2021	2-21 Annual total compensation ratio	-	-	Confidentiality regulations/ Remuneration falls within the Company's scope of confidentiality.
	2-22 Statement on sustainable development strategy	Message from the Chairman	4	
	2-23 Policy commitments	Chapter VI: Corporate Governance - Governance Structure	31	
	2-24 Embedding policy commitments	Chapter VI: Corporate Governance - Governance Structure	31	
	2-25 Processes to remediate negative impacts	Chapter VIII: Happy Workplace for Sustainability and Co-prosperity - Human Rights Protection	64	
	2-26 Mechanisms for seeking advice and raising concerns	Chapter VI: Corporate Governance - Ethics and Integrity	34	
	2-27 Compliance with laws and regulations	Chapter VI: Corporate Governance - Ethics and Integrity	34	
	2-28 Membership associations	About UfiSpace	5	
	2-29 Approach to stakeholder engagement	Chapter IV: Sustainability Management - Stakeholder Engagement	10, 11	
	2-30 Collective bargaining agreements	Chapter VIII: Happy Workplace for Sustainability and Co-prosperity - Employee Information	52	
GRI 3: Material Topics 2021	3-1 Process to determine material topics	Chapter IV: Sustainability Management - Materiality Analysis Process	9, 10, 11, 12	
	3-2 List of material topics	Chapter IV: Sustainability Management - Identification and Management of Material Topics	16	

GRI Standards/ Other Sources	Disclosure	Chapter	Page	Omitted
				Omitted RequirementReason Explanation
Material Topics				
Operational Performance				
GRI 3: Material Topics 2021	3-3 Management of material topics	Chapter V: Innovative Technologies and Services - Operational Performance	20	
GRI-201: Economic Performance 2016	201-1 Direct economic value generated and distributed	Chapter V: Innovative Technologies and Services - Operational Performance	22	
	201-4 Financial assistance received from government	Chapter V: Innovative Technologies and Services - Operational Performance	22	
GRI 203: Indirect Economic Impacts 2016	203-1 Infrastructure investments and services supported	Chapter V: Innovative Technologies and Services - Operational Performance	21	
	203-2 Significant indirect economic impacts	Chapter V: Innovative Technologies and Services - Operational Performance	21	
Innovative R&D and Green Products				
GRI 3: Material Topics 2021	3-3 Management of material topics	Chapter V: Innovative Technologies and Services - Innovative R&D and Green Products	23	
Custom topics	Custom topic: Innovative R&D and Green Products	Chapter V: Innovative Technologies and Services - Innovative R&D and Green Products	23	
Customer Service				
GRI 3: Material Topics 2021	3-3 Management of material topics	Chapter V: Innovative Technologies and Services - Customer Service	26	
Custom topics	Custom topics-Customer Service	Chapter V: Innovative Technologies and Services - Customer Service	26, 27	

GRI Standards/Other Sources	Disclosure	Chapter	Page	Omitted
				Omitted Requirement Reason Explanation
Ethics and Integrity				
GRI 3: Material Topics 2021	3-3 Management of material topics	Chapter VI: Corporate Governance - Ethics and Integrity	34	
GRI 205: Anti-corruption 2016	205-1 Operations assessed for risks related to corruption	Chapter VI: Corporate Governance - Ethics and Integrity	34	
	205-2 Communication and training about anti-corruption policies and procedures	Chapter VI: Corporate Governance - Ethics and Integrity	34	
	205-3 Confirmed incidents of corruption and actions taken	Chapter VI: Corporate Governance - Ethics and Integrity	34	
Information Security and Trade Secret Protection				
GRI 3: Material Topics 2021	3-3 Management of material topics	Chapter VI: Corporate Governance - Information Security and Trade Secret Protection	35	
GRI 418: Customer Privacy 2016	418-1 Substantiated complaints concerning breaches of customer privacy and losses of customer data	-	-	The Company is not engaged in B2C operations, and thus does not own customer-related personal data.
Sustainable Supply Chain				
GRI 3: Material Topics 2021	3-3 Management of material topics	Chapter VI: Corporate Governance-Sustainable Supply Chain	36	
GRI 308: Supplier Environmental Assessment 2016	308-1 New suppliers that were screened using environmental criteria	Chapter VI: Corporate Governance-Sustainable Supply Chain	38	Currently under planning
	308-2 Negative environmental impacts in the supply chain and actions taken	Chapter VI: Corporate Governance-Sustainable Supply Chain	38	

GRI Standards/Other Sources	Disclosure	Chapter	Page	Omitted
				Omitted RequirementReason Explanation
GRI 414: Supplier Social Assessment 2016	414-1 New suppliers that were screened using social criteria	Chapter VI: Corporate Governance-Sustainable Supply Chain	38	
	414-2 Negative social impacts in the supply chain and actions taken	Chapter VI: Corporate Governance-Sustainable Supply Chain	38	
Sustainable Operating Environment (Green Office)				
GRI 3: Material Topics 2021	3-3 Management of material topics	Chapter VII: Environmental Sustainability - Sustainable Operating Environment (Green Office)	43	
GRI-201 : 經濟績效 2016	201-2 Financial implications and other risks and opportunities due to climate change (TCFD)	Chapter VII: Environmental Sustainability (TCFD)	41	
GRI 302 : 能源 2016	302-1 Energy consumption within the organization	Chapter VII: Environmental Sustainability - Sustainable Operating Environment (Green Office)	44	
	302-3 Energy intensity	Chapter VII: Environmental Sustainability - Sustainable Operating Environment (Green Office)	44	
GRI 303: Water and Effluents 2018	303-5 Water consumption	Chapter VII: Environmental Sustainability - Sustainable Operating Environment (Green Office)	45	
GRI 305: Emissions 2016	305-1 Direct (Scope 1) GHG emissions	Chapter VII: Environmental Sustainability - Sustainable Operating Environment (Green Office)	44	
	305-2 Energy indirect (Scope 2) GHG emissions	Chapter VII: Environmental Sustainability - Sustainable Operating Environment (Green Office)	44	
	305-4 GHG emissions intensity	Chapter VII: Environmental Sustainability - Sustainable Operating Environment (Green Office)	44	
	305-5 Reduction of GHG emissions	Chapter VII: Environmental Sustainability - Sustainable Operating Environment (Green Office)	44	

GRI Standards/Other Sources	Disclosure	Chapter	Page	Omitted
				Omitted RequirementReason Explanation
Employee Information				
GRI401 : 勞雇關係 2016	401-1 New employee hires and employee turnover	Chapter VIII: Happy Workplace for Sustainability and Co-prosperty - Employee Information	48, 49	
Talent Cultivation				
GRI 3: Material Topics 2021	3-3 Management of material topics	Chapter VIII: Happy Workplace for Sustainability and Co-prosperty - Talent Cultivation	54	
GRI 404: Training and Education 2016	404-1 Average hours of training per year per employee	Chapter VIII: Happy Workplace for Sustainability and Co-prosperty - Talent Cultivation	55	
	404-2 Programs for upgrading employee skills and transition assistance programs	Chapter VIII: Happy Workplace for Sustainability and Co-prosperty - Talent Cultivation	55, 56	
	404-3 Percentage of employees receiving regular performance and career development reviews	Chapter VIII: Happy Workplace for Sustainability and Co-prosperty - Talent Cultivation	56	
Remuneration and Benefits				
GRI 3: Material Topics 2021	3-3 Management of material topics	Chapter VIII: Happy Workplace for Sustainability and Co-prosperty - Remuneration and Benefits	51	
GRI-201 : 經濟績效 2016	201-3 Defined benefit plan obligations and other retirement plans	Chapter VIII: Happy Workplace for Sustainability and Co-prosperty - Remuneration and Benefits	52	
GRI 401: Employment 2016	401-2 Benefits provided to full-time employees that are not provided to temporary or part-time employees	Chapter VIII: Happy Workplace for Sustainability and Co-prosperty - Remuneration and Benefits	53	
	401-3 Parental leave	Chapter VIII: Happy Workplace for Sustainability and Co-prosperty - Remuneration and Benefits	52	

GRI Standards/Other Sources	Disclosure	Chapter	Page	Omitted
				Omitted Requirement Reason Explanation
Occupational Safety and Employee Health				
GRI 3: Material Topics 2021	3-3 Management of material topics	Chapter VIII: Happy Workplace for Sustainability and Co-prosperity - Occupational Safety and Employee Health	57	
GRI 403: Occupational Health and Safety 2018	403-1 Occupational health and safety management system	Chapter VIII: Happy Workplace for Sustainability and Co-prosperity - Occupational Safety and Employee Health	58	
	403-2 Hazard identification, risk assessment, and incident investigation	Chapter VIII: Happy Workplace for Sustainability and Co-prosperity - Occupational Safety and Employee Health	59	
	403-3 Occupational health services	Chapter VIII: Happy Workplace for Sustainability and Co-prosperity - Occupational Safety and Employee Health	61, 62	
	403-4 Worker participation, consultation, and communication on occupational health and safety	Chapter VIII: Happy Workplace for Sustainability and Co-prosperity - Occupational Safety and Employee Health	58	
	403-5 Worker training on occupational health and safety	Chapter VIII: Happy Workplace for Sustainability and Co-prosperity - Occupational Safety and Employee Health	60, 61	
	403-6 Promotion of worker health	Chapter VIII: Happy Workplace for Sustainability and Co-prosperity - Occupational Safety and Employee Health	61	
	403-7 Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	Chapter VIII: Happy Workplace for Sustainability and Co-prosperity - Occupational Safety and Employee Health	62	
	403-8 Workers covered by an occupational health and safety management system	Chapter VIII: Happy Workplace for Sustainability and Co-prosperity - Occupational Safety and Employee Health	58	
	403-9 Work-related injuries	Chapter VIII: Happy Workplace for Sustainability and Co-prosperity - Occupational Safety and Employee Health	60	
	403-10 Work-related ill health	Chapter VIII: Happy Workplace for Sustainability and Co-prosperity - Occupational Safety and Employee Health	60	

GRI Standards/Other Sources	Disclosure	Chapter	Page	Omitted
				Omitted Requirement Reason Explanation
Human Rights Protection				
GRI 3: Material Topics 2021	3-3 Management of material topics	Chapter VIII: Happy Workplace for Sustainability and Co-prosperity - Human Rights Protection	63	
GRI 406: Non-discrimination 2016	406-1 Incidents of discrimination and corrective actions taken	Chapter VIII: Happy Workplace for Sustainability and Co-prosperity - Human Rights Protection	64	
GRI 407: Freedom of Association and Collective Bargaining 2016	407-1 Operations and suppliers in which the right to freedom of association and collective bargaining may be at risk	Chapter VIII: Happy Workplace for Sustainability and Co-prosperity - Human Rights Protection	64	
GRI 408: Child Labor 2016	408-1 Operations and suppliers at significant risk for incidents of child labor	Chapter VIII: Happy Workplace for Sustainability and Co-prosperity - Human Rights Protection	64	
GRI 409: Forced or Compulsory Labor 2016	409-1 Operations and suppliers at significant risk for incidents of forced or compulsory labor	Chapter VIII: Happy Workplace for Sustainability and Co-prosperity - Human Rights Protection	64	
GRI 414: Supplier Social Assessment 2016	414-1 New suppliers that were screened using social criteria	Chapter VIII: Happy Workplace for Sustainability and Co-prosperity - Human Rights Protection	64	
	414-2 Negative social impacts in the supply chain and actions taken	Chapter VIII: Happy Workplace for Sustainability and Co-prosperity - Human Rights Protection	64	

SASB :

Topic	Accounting Metric and Explanation	Code	Description	Additional Information
Product Security	Description of approach to identifying and addressing data security risks in products: 1. Describe the methods used to identify data security vulnerabilities in systems, and how the vulnerabilities are handled. 2. Describe the products and services used to enhance data security (if none, please specify) 3. Whether there are data risks in the supply chain, and if so, 4. The disclosures of the following (flexible): A. the types of attacks observed; B. the framework for managing data security.	TC-HW-230a.1	<ol style="list-style-type: none"> 1. Regularly track events on public common vulnerabilities and exposures (CVE) security information websites, receive security advisory from chip or firmware manufacturers at the same time, introduce the CVSS (Common Vulnerability Scoring System) as a critical solution, and undergo the verification of the SQA unit. 2-1. Follow the tracking results of public vulnerabilities and exposures to make up for major security vulnerabilities with software patches or firmware updates. 2-2. Follow the security guidelines of the processor providers (e.g. Intel) and ensure that the system is secure and free of any hidden backdoors. 3. No major data risk 4-A: Based on the observation results, a common type of attack is the memory-resident malware attack, which usually causes the system to fail to work normally, or even run malware and become the attacking host. 4-B: Continue to track public vulnerabilities and exposures and implement solutions in a timely manner. 	
Employee Diversity and Inclusion	Percentage of gender and racial/ethnic group representation for (1) management, (2) technical staff, and (3) all other employees	TC-HW-330a.1	Please refer to the table below.	
Product Life Cycle Management	Percentage of products by revenue that contain IEC 62474 declarable substances	TC-HW-410a.1	Not applicable to UfiSpace's products.	100% of UfiSpace's products are in line with the RoHS specification for product life cycle management.
	Percentage of eligible products, by revenue, meeting the requirements for EPEAT registration or equivalent	TC-HW-410a.2	Not applicable to UfiSpace's products.	100% of UfiSpace's products are in line with the RoHS specification for product life cycle management.
	Percentage of eligible products, by revenue, meeting ENERGY STAR® criteria	TC-HW-410a.3	Not applicable to UfiSpace's products.	
	Weight of end-of-life products and e-waste recovered, percentage recycled	TC-HW-410a.4	0%	100% of UfiSpace's products have passed the WEEE certification and are recycled according to regulations. There were no recalls of products sold in 2023, so the figure is determined to be 0%.

Topic	Accounting Metric and Explanation	Code	Description	Additional Information
Product Life Cycle Management	Percentage of Tier 1 supplier facilities audited in the RBA Validated Audit Process (VAP) or equivalent	TC-HW-430a.1	100%	
Supply Chain Management	Tier 1 suppliers' non-conformance rate with the RBA Validated Audit Process (VAP) or equivalent = audit deficiencies (number of non-conformances) / total number of audit items	TC-HW-430a.2	5.01%, with no major or minor deficiencies found.	
Material Sourcing	Description of the management of risks associated with the use of critical materials	TC-HW-440a.1 1.	RoHS and REACH are followed in the procurement of materials to reduce risks.	
Activity Metric	Number of units produced by product category	TC-HW-000.A	For a single product category, this indicator involves some of the Company's confidential information, so this activity metric is not applicable.	
	Area of manufacturing facilities: Factory area	TC-HW-000.B	Not applicable as there was no production line failure.	
	Percentage of production from owned facilities	TC-HW-000.C	Not applicable as there was no production line failure.	

Percentage of gender for management, technical staff, and all other employee

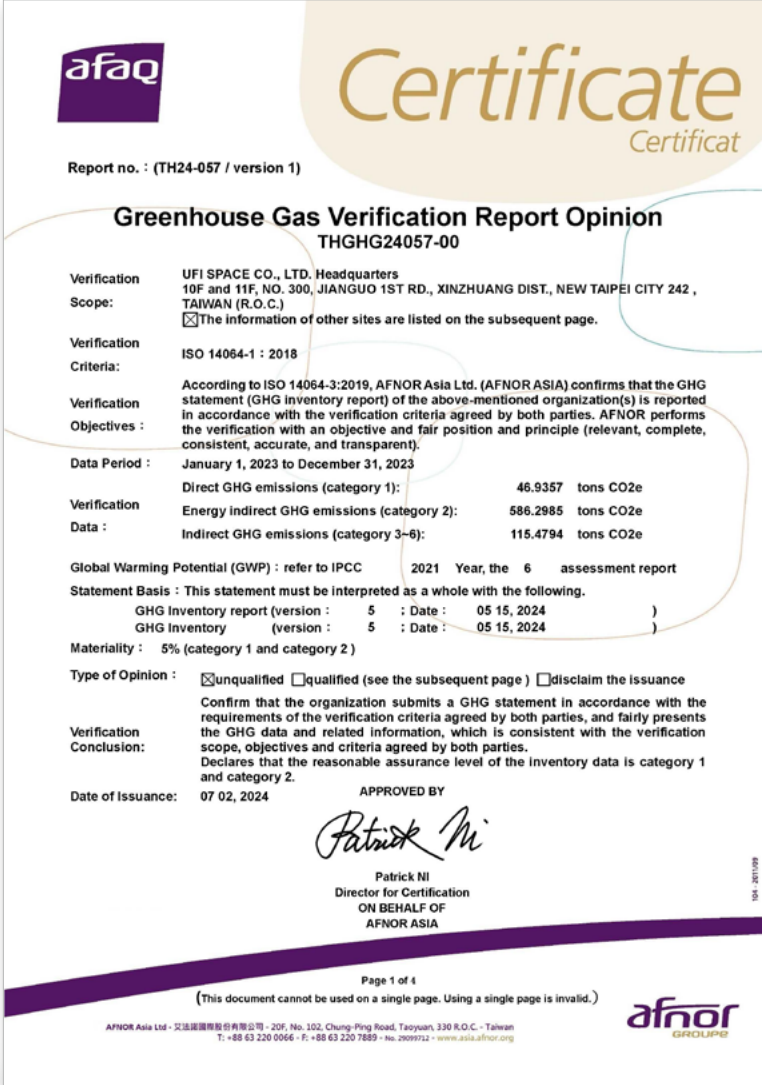
	Female	Male
Management	1.8% (3 employees)	4.2% (7 employees)
Technical personnel	6.6% (11 employees)	52.1% (86 employees)
All other employees	18.1% (30 employees)	16.9% (28 employees)

Percentage of nationality for management, technical staff, and all other employee

	Native Worker	Foreign Worker
Management	6% (10 employees)	0 employees
Technical personnel	58.1% (96 employees)	0.6% (1 employee)
All other employees	34.5% (57 employees)	0.6% (1 employee)

Information Independent Assurance Statement

Greenhouse Gas Verification Report Opinion



afaq Certificate

Report no. : (TH24-057 / version 1)

Greenhouse Gas Verification Report Opinion

THGHG24057-00

Verification Scope: UFI SPACE CO., LTD. Headquarters
10F and 11F, NO. 300, JIANGUO 1ST RD., XINZHUANG DIST., NEW TAIPEI CITY 242, TAIWAN (R.O.C.)
 The information of other sites are listed on the subsequent page.

Verification Criteria: ISO 14064-1 : 2018

Verification Objectives: According to ISO 14064-3:2019, AFNOR Asia Ltd. (AFNOR ASIA) confirms that the GHG statement (GHG inventory report) of the above-mentioned organization(s) is reported in accordance with the verification criteria agreed by both parties. AFNOR performs the verification with an objective and fair position and principle (relevant, complete, consistent, accurate, and transparent).

Data Period: January 1, 2023 to December 31, 2023

Verification Data:
 Direct GHG emissions (category 1): 46.9357 tons CO2e
 Energy indirect GHG emissions (category 2): 586.2985 tons CO2e
 Indirect GHG emissions (category 3-6): 115.4794 tons CO2e

Global Warming Potential (GWP): refer to IPCC 2021 Year, the 6 assessment report


Statement Basis: This statement must be interpreted as a whole with the following.
 GHG Inventory report (version : 5 ; Date : 05 15, 2024)
 GHG Inventory (version : 5 ; Date : 05 15, 2024)

Materiality: 5% (category 1 and category 2)

Type of Opinion: unqualified qualified (see the subsequent page) disclaim the issuance

Verification Conclusion: Confirm that the organization submits a GHG statement in accordance with the requirements of the verification criteria agreed by both parties, and fairly presents the GHG data and related information, which is consistent with the verification scope, objectives and criteria agreed by both parties.
 Declares that the reasonable assurance level of the inventory data is category 1 and category 2.

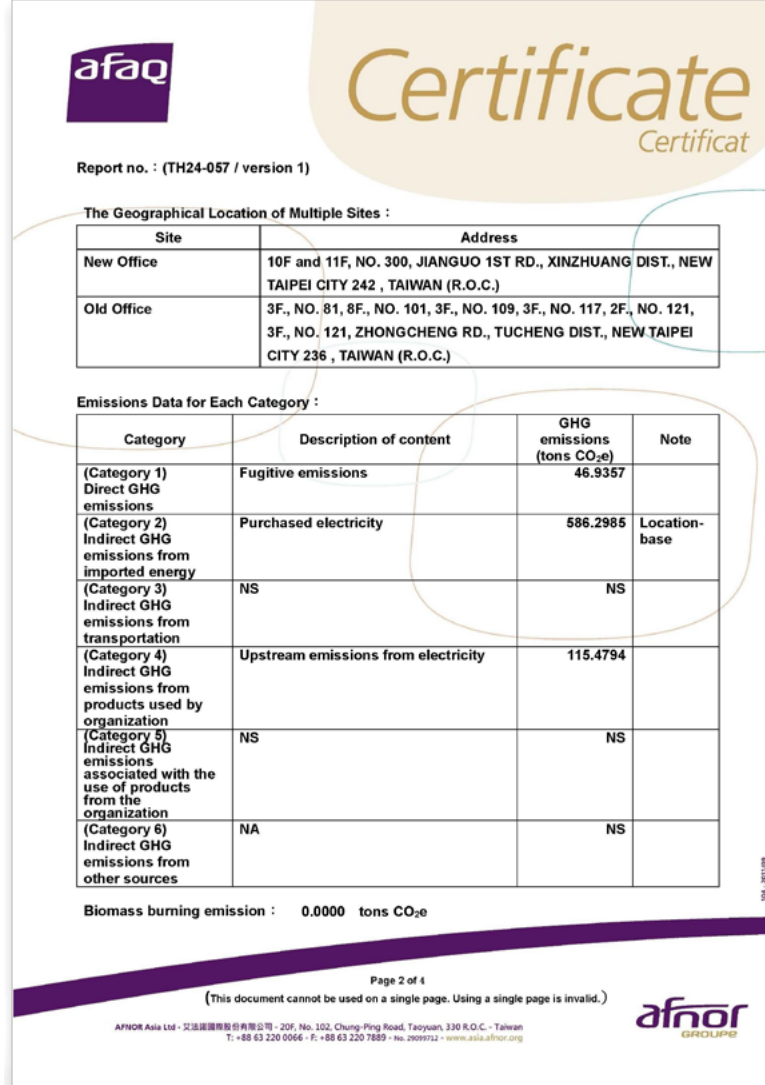
Date of Issuance: 07 02, 2024

APPROVED BY

 Patrick Ni
 Director for Certification
 ON BEHALF OF
 AFNOR ASIA

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afaq Certificate

Report no. : (TH24-057 / version 1)

The Geographical Location of Multiple Sites :

Site	Address
New Office	10F and 11F, NO. 300, JIANGUO 1ST RD., XINZHUANG DIST., NEW TAIPEI CITY 242, TAIWAN (R.O.C.)
Old Office	3F., NO. 81, 8F., NO. 101, 3F., NO. 109, 3F., NO. 117, 2F., NO. 121, 3F., NO. 121, ZHONGCHENG RD., TUCHENG DIST., NEW TAIPEI CITY 236, TAIWAN (R.O.C.)

Emissions Data for Each Category :

Category	Description of content	GHG emissions (tons CO ₂ e)	Note
(Category 1) Direct GHG emissions	Fugitive emissions	46.9357	
(Category 2) Indirect GHG emissions from imported energy	Purchased electricity	586.2985	Location-base
(Category 3) Indirect GHG emissions from transportation	NS	NS	
(Category 4) Indirect GHG emissions from products used by organization	Upstream emissions from electricity	115.4794	
(Category 5) Indirect GHG emissions associated with the use of products from the organization	NS	NS	
(Category 6) Indirect GHG emissions from other sources	NA	NS	


Biomass burning emission : 0.0000 tons CO₂e

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Greenhouse Gas Verification Report Opinion



Certificate

Certificat


Report no. : (TH24-057 / version 1)

Other Related Verification Information


Organization boundaries :	operational control
GHG type :	Carbon dioxide (CO ₂), Methane (CH ₄), Nitrous oxide (N ₂ O), Hydrofluorocarbon (HFCs), Perfluorocarbon (PFCs), Sulfur hexafluoride (SF ₆), Nitrogen trifluoride (NF ₃)
Purpose of intended use:	The organization voluntarily understand the status of greenhouse gas emissions as the basis for reduction strategies. (This statement of responsibility applies only to the purpose of intended use mentioned above and not to any other purpose.)
Criteria for significance of indirect emissions :	- Identified stakeholder requirements: <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No - Identified regulation requirements : <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No - Identified magnitude of emissions : <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No - Others :
Purchased power factor:	Refer to the 2023 annual power factor announced by the Bureau of Energy, Ministry of Economic Affairs on 04 26, 2024
Data sources :	<input checked="" type="checkbox"/> The primary data is collected from on-site operation activities. <input checked="" type="checkbox"/> Category 3-6 emissions are calculated with estimated data. The secondary data sources are: Taiwan EPA Carbon footprint Information platform <input type="checkbox"/> others :
Verification method:	<input checked="" type="checkbox"/> On-site
Qualified opinion :	NO
Others :	NO
Verification date :	05 07, 2024 05 15, 2024
Report date :	06 09, 2024

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Certificate

Certificat

Report no. : (TH24-057 / version 1)

Verification team and technical review

Lead Verifier :	Nancy Chen	簽名 : Nancy Chen
Verifier :	Mu-Chen Lu	簽名 : Lu, Mu-Cheng
Verifier :	Yu Su-Chen	簽名 : Yu Su Chen
Independent review :	Shih-Ting Tseng	簽名 : Shih-Ting Tseng

Verification processes

AFNOR is based on risk assessment methods and controls. Evidence collection procedures are including pre-trip assessment, on-site visits, interviews with site personnel, confirmation of documented evidence provided, sampling of emission data, evaluation of data management systems, confirming the collection and compilation of emission data, analysis between production and energy consumption, and confirmation of whether the terms of the agreement referred to are properly applied.


Roles and Responsibilities

The verified organization is responsible for preparing and submitting a GHG statement in accordance with the verification criteria. This responsibility includes the planning, implementation and maintenance of data management systems related to GHG declarations, GHG inventory and GHG inventory reports.

AFNOR provides independent third-party verification of the reported GHG emissions and issues verification opinions for the organizational GHG emissions. The verification team is independent and impartial, and there is no conflict of interest.

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Independent Assurance Statement for Ufi Space Co., Ltd.'s 2023 Sustainability Report





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