



Supplier Management

Suppliers are important partners of our company. In addition to ensuring the quality, delivery time, and price of supplier products, they also supervise the safety of contractors who undertake our company's projects or operations, jointly implement environmental protection, improve safety and health, and value human rights to fulfill corporate social responsibility together.

Supplier Policy

Our company has developed "Supplier Management Procedures" and "Procurement Management Procedures" to cooperate and increase added value, establish a solid supply chain, and promote environmental friendliness and sustainability issues to develop a sustainable supply chain.

- Quality Management

We form a supplier evaluation team to evaluate supplier product quality based on delivery defect rate.

- Delivery Time

We choose credible and reliable suppliers to ensure timely delivery and shorten delivery time.

- Service

Suppliers provide prompt quotations and complete documentation and deliver products that meet the required quality with high cooperation.

- Sustainability

Important suppliers are required to sign a commitment letter. We also ask suppliers to complete a sustainability questionnaire every year and promote supplier behavior guidelines to fulfill corporate social responsibility together.

Supplier Management Implementation

Supplier Evaluation:

- When new suppliers join, they are evaluated based on their quality management systems, manufacturing capabilities, and management competence. Only those who pass the assessment process and meet the required criteria will be approved as qualified suppliers.
- The company encourages suppliers to obtain certifications in environmental protection, occupational safety and health, and labor rights. Suppose a supplier obtains OHSAS 18001 occupational safety and health management system, ISO 45001 occupational safety and health management system, ISO 14001 environmental certification, or AED safety certification. In that case, they will receive additional points as a guiding and requirement mechanism for suppliers to comply with.
- Annual Supplier Evaluation:

In 2023, the company evaluated 158 suppliers, and most of them received an "A" grade, indicating that they met the evaluation criteria for quality, service, and delivery. No suppliers were identified as requiring suspension of procurement or guidance for improvement and follow-up.

Grade	Score	Rewards or punishments
A	80-100	Increase purchase volume or provide incentives as appropriate
B	70-80	No rewards or punishments
C	60-70	Reduce purchase volume as appropriate
D	Under 60	Reduce purchase volume and improve within a specified period of time

Supplier Commitment:

- Suppliers with an annual transaction of over 5 million are considered important suppliers and must sign a supplier commitment form with the company.
- In 2023, 26 suppliers were required to sign the supplier commitment form, and all 26 have signed, resulting in a 100% signing rate.

Supplier Self-Assessment Questionnaire:

- To better understand suppliers' development in sustainability aspects such as environmental, social, and governance (ESG) and to achieve concrete practices in a sustainable supply chain, a supplier sustainability survey was issued in

2024. As of May 2024, 117 questionnaires were collected. Based on the self-assessment results, suppliers' awareness and management levels regarding sustainability were identified, and the Supplier Code of Conduct was promoted.

Supplier Code of Conduct:

- The company highly emphasizes social responsibility, environmental protection, business ethics, and management, and therefore expects suppliers to adopt similar standards. Thus, the company has established a supplier code of conduct.