



 KAULIN MFG. CO., LTD.
2022 Corporate Sustainability Report

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Words from Operator

In 2022, the world was impacted by COVID-19, the Russia-Ukraine War, the continuation of the China-United States trade war and the impact of international trade protectionism, which makes the high uncertainty of the global. Under this circumstance, SiRUBA management team continues to implement the business plan, including deeply excavating key markets in the Asia Pacific, developing high added value models, energy-saving and consumption reducing products, establishing brand marketing policies to enhance brand value and strengthen core competitiveness, and continuously providing high-quality products and services to meet customer needs. In 2022, stable revenue was maintained, with a consolidated revenue of 2.471 billion.

Regarding of the environment, we actively promote the measures such as energy saving and carbon reduction, recycling, and green procurement, and a series of "Project ReSEW's" activities are jointly organized by the SiRUBA Foundation, the Taiwan Textile Research Institute, local social welfare organizations, and charities, through Sewing machine R & D testing machine textile waste, waste fabrics and various textile waste fabrics, stock fabrics, defective products, and sample fabrics which were re-sewn, also upgraded the renewable value of recycled resources, providing industrial sewing machines for young designers to create, converting waste into beautiful artworks, and creating employment opportunities by training rural and indigenous women in sewing technology.

Also, we passed the ISO 14001 environmental management system certification, showing our commitment and strength to environmental protection. The relevant environmental performances are as follows:

- ✓ **Complete greenhouse gas inventory and third-party verification in 2022**
- ✓ **99.17% of total renewable materials in 2022**
- ✓ **Product development of micro-oil sewing machines to reduce energy consumption and environmental pollution**
- ✓ **Energy-saving sewing machine products save 34.4% energy compared to conventional induction motors**

Good corporate governance is the foundation of the company's operating. We insist the principles of transparency, fairness, and responsibility, establishing a complete internal control and risk management system, also, regularly disclose our financial and non-financial information to the public. We also emphasize corporate ethics and compliance with laws and regulations, and have established a Sustainability Policy and Code of Conduct that we require all employees and partners to follow. In addition, we also founded a Sustainable Development Committee, with senior executives holding a post of its Chairperson and Head of Corporate Governance to plan and oversee the effectiveness of our strategy and implementation of environmental, social and corporate governance aspects of sustainable development.

On the social aspect, we concern about the welfare and development of employees, providing a diversified welfare system including education training, health promotion, and employee shareholding trust. We set up an employee communication platform and a grievance mechanism for employees to express their views and needs and actively participate in social welfare activities, such as donating goods to underprivileged organizations, supporting food bank relief activities, and sponsoring practical education for the apparel department, so as to give back to the society and work with the community for the betterment of the community.

Other significant achievement in 2022 are as follows:

- ✓ **RESEW Plan "New Hope of RESEW" provides job opportunities**
- ✓ **RESEW' s Lab & VTC Program trains Production Garment Technicians**
- ✓ **Nantou Jesus Church Love Art Classes strengthen society bonds, encouraging sharing and creation.**
- ✓ **Sponsoring the sporting of the New Taipei Municipal Jian-shan Junior High School, Hualien Guangfu Elementary School, Zhong-He Junior School, Cheng-Gong Commercial Aquatic Vocational School and other 12 schools.**

- ✓ **Participate in the Relief Society Food Bank Volunteer Day**
- ✓ **REHOW | Kuo I-Chen Video Installation Exhibition Promotes Waste, Recycling and Sustainable Thinking**
- ✓ **RESEW Plan-Education Forever: Waste Recycling Promotion**

Looking into the future, there still have much room for improvement and enhancement on the way of sustainable development. We will continue to learn and take a reference of international sustainability indicators and standards, communicating and exchanging ideas with various parties, in order to continuously enhancing our sustainability and influence. We will also keep participate in various sustainability-related activities and evaluations so that more investors and stakeholders can understand our sustainability concepts and practices, and work together to promote sustainable development and create a better future!



General Manager | LIN, SHENG-CHIN

Editorial Policy

This report covers the period from 1st, January to 31st, December in 2022, and is a voluntary disclosure of the sustainability report of KAULIN MFG. CO., LTD. (SiRUBA for short), which includes the disclosure of the sustainability indexes of the company's governance, economic, social and environmental aspects. In order to reveals the compete achievement of SiRUBA sustainable development and present the result of stakeholder's communicating. We take the latest GRI Standards(GRI Standards), Sustainability Accounting Standards Board(SASB), Task Force on Climate-related Financial Disclosures(TCFD) and the government authorities require the "Procedures for the Preparation and Reporting of Corporate Sustainability Reports by Listed Companies" to be prepared and aligned with the "United Nations Sustainable Development Goals" (SDGs), to report to stakeholders in a responsible manner on the Company's economic, environmental and social strategies and activities, as well as to demonstrate the fulfillment of the Company's social responsibility and its determination to develop in a sustainable manner.



Report Review Instructions

The information and data in this report were collected by the Corporate Sustainability Committee, which is directly under the Chairman of the Board of Directors, from various members of the committee, focusing on domestic and international economic, environmental, and social sustainability issues. The committee used multiple channels to learn the issues that stakeholders concerned, and utilized the process of deliberation and analysis to identify Materiality topics involving the company. Based on the Materiality topics, collecting various management policies and performance information, which were reviewed and confirmed by the Sustainable Development Committee, and approved by the Chairman and the President in final, before being made available to stakeholders through public channels. The financial data in this report is based on the annual report. This report has not been verified by a third party. To enhance the quality of disclosure in the future, we will evaluate the possibility of engaging a third party to verify the report, ensuring its compliance with the GRI Standards 2021 Edition.

Report Writing Principles and Guidelines

SiRUBA takes industry requirements, major international economy factors, environment concerns and society issues into consideration through questionnaires to collect evaluation results regarding the impact of stakeholder issues. These results are then combining with the company's business strategy, discussed in meetings of the Sustainable Development Committee, and upon approval by the chairman, will be disclosed in this report.



Report Management Process

Phase	Subject	Authority
Issue Collecting	<ul style="list-style-type: none"> Decides stakeholder Collection of Concerned Issues 	Sustainable Development Committee
Decision of Materiality Topics	<ul style="list-style-type: none"> External economic, environmental, and human impact assessment of stakeholders Internal Operational Impact Assessment Resolutions of the Council of Sustainable Development Committee 	Sustainable Development Committee
Aggregate Information	Management approach and Performance data collection	Sustainable Development Committee
Writing the first draft	Report writing	Sustainable Development Committee/ Relevant Operating Departments
Reviewed and finalized drafts	Internal Review of Reports	Sustainable Development Committee
Announcement	Report to the Chairman / Report for Issue	Sustainable Development Committee

Issue Date and Period

We publish annually, and the report will be issued as follows :



Reorganization

This report has not been restated to reflect any significant organizational changes or changes in the scope of the reporting period. If there have been any adjustments or changes in any part of the information, please explain them in the respective sections of the chapter.

Contact

In order to respond to the paperless environmental protection initiatives and fulfill our corporate citizenship responsibilities, this report is published in a traditional Chinese electronic version for readers' reference on our website. You are welcome to visit our website at:

<https://siruba.com/tw/esg-2/> to download the PDF version of the report.

If you have any questions regarding this report, please feel free to contact us.



 11F 128, SEC. 3 MIN SHEN E. ROAD, TAIPEI, TAIWAN, 105 R.O.C.

 queen.chung@siruba.com

 <https://siruba.com/tw/investor-7/>

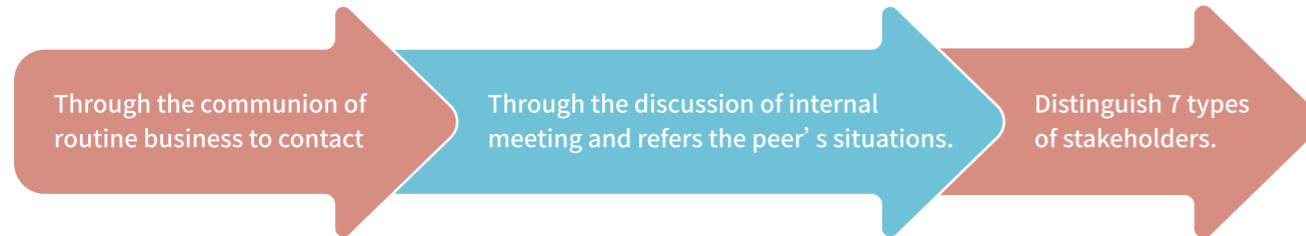
 (02)27130232#306

 Contact person of Sustainable Development



Stakeholder Communication and Materiality Topics Distinguish

Confirm Main Stakeholder



We value the voices of stakeholders while pursuing Sustainable Development. Any individual or group that can significantly influence the company is considered a stakeholder. Our approach to Sustainable Development is guided by the five principles of the AA1000 Stakeholder Engagement Standard (SES), which include dependence, responsibility, influence, diversity of views, and tension of concerns, among others. We distinguish seven types of stakeholders: employees, clients, suppliers, banks, government, shareholders/investors, and society.

Stakeholder Communication Channels and Concerned Issues

Stakeholders have diverse concerns that are relevant to SiRUBA due to their unique identities. The SiRUBA official website provides pertinent information about sustainable development. We have established direct communication channels with our stakeholders to better understand their requests and expectations, enabling us to respond promptly. Our aim is to collaborate with stakeholders towards a win-win scenario, thereby embodying the principles of sustainable business operations. We continuously review and enhance our performance in enterprise sustainability. We report stakeholder communications to our Board of Directors, contributing to the planning of sustainable development initiatives for future reference.

The concerns raised by SiRUBA through communication between various departments and major stakeholders during daily operational activities are collected and compiled by the Sustainable Development Committee. Additionally, we refer to specific topics from the GRI sustainability reporting guidelines, 2021 version, and the SASB industry sustainability index. We identify issues related to the economy, environment, and people, considering both practical and potential positive and negative impacts. We have summarized 21 sustainability issues encompassing economic, environmental, and social aspects. This ensures that the sustainability information disclosed by SiRUBA across the E (Environment), S (Society), and G (Corporate Governance) dimensions aligns with the expectations of our stakeholders.

Sustainability Issues	Frontal Impact	Negative Impact	Practical/Potential
Corporate Governance	●		Practical
Risk Management	●		Practical
Market position	●		Practical
Regulation Compliance	●		Practical
Information Security	●		Practical
Economic Performance	●		Practical
Sustainable Supply Chain	●		Practical
Climate Policy		●	Potential
Emission of Greenhouse Gases		●	Potential
Energy Management		●	Potential
Waste Management	●		Practical
Water Rescore Management	●		Practical
Materials Management	●		Practical
Local Community	●		Practical
Diversity and Equal Opportunity of Employee	●		Potential
Occupational Health and Safety	●		Practical
Education Training	●		Practical
Employment Relations	●		Practical
Customer Service	●		Practical
Human Rights Policy	●		Practical
Innovation and Responsibility of Products	●		Practical



Stakeholder Communication Channels and Concerned Issues					
Major Stakeholder Type	Significance of Stakeholders to the Company	Issue to Concern	Communication Channel	Communication Frequency	Communication Record
Government Agencies	Government monitoring agencies oversee and verify companies' compliance with various regulations.	<ul style="list-style-type: none"> Regulation Compliance Information Security Business Ethics Corporate Governance Occupational Health and Safety Energy Management Waste Management Social Participation Climate Change Response 	Public Information Observation Station	Irregular	Public Information Observation Station
			Evaluation of Corporate Governance	Annually	Evaluation of Corporate Governance
			Investigation of Competent Authority	Annually	Factory calibration and operation survey
			Policy Advocacy Meeting	Irregular	Official Document System
			Official Correspondence	Irregular	Official Document System
Shareholder/ Investor	Investors are supporters of the company. The company should ensure their rights and interests are upheld, treating every investor fairly to ensure their engagement in major issues, participation, and decision-making is acknowledged.	<ul style="list-style-type: none"> Regulation Compliance Business Ethics Economic Performance Risk Management 	Public Information Observation Station	Irregular	Irregular Announcement/ Major Issue/ Announcement of Shareholders' Meeting
			Monthly and Quarterly Financial report	Annually	Monthly and Quarterly Financial report
			Shareholders Meeting	Annually	Shareholder Meeting Minutes
			Official Website \ Tel \ E-MAIL	Irregular	Prefecture and Email of Investor
			Legal Person Briefing	Annually	Legal person briefing Meeting Minutes

Stakeholder Communication Channels and Concerned Issues					
Major Stakeholder Type	Significance of Stakeholders to the Company	Issue to Concern	Communication Channel	Communication Frequency	Communication Record
Supplier	Company maintains ong-term positive interactions with its supply partners to ensure a stable supply of raw materials, components and services; in addition, taking measures together with supply partners can effectively avoid environmental pollution and violations of labor human rights.	<ul style="list-style-type: none"> Sustainable Supply Chain Energy Management Product Safety and Liability Regulation Compliance Economic Performance Information Security 	Suppliers/ Outsourcers Meeting	Irregular	Meeting minutes/ E-Mail/Tel
			Instructions for Contracting Safety and Health	Irregular	Safety, Health and Environmental Protection Commitment / Hazard Notification
			Supplier/ Outsourcer Audit	Annually	Audit Report
			Supplier Questionnaire	Irregular	Prohibited and Restricted Substances Guarantee Survey of Prohibited and Restricted Substances
			Client Meeting	Irregular	E-Mail/Tel
Client	Customers are the main source of revenue for the company, and the company regards product quality, safety, and after-sales service as the highest commitment to customers. Maintaining high customer satisfaction with the company will help improve customer recognition of the company.	<ul style="list-style-type: none"> Sustainable Supply Chain Regulation Compliance Information Security Customer Service Product Safety and Liability Business Ethics Economic Performance Occupational Health and Safety Risk Management Waste Management Energy Management Human Rights Policy Climate Change Response Water Resource Management 	Client Meeting	Irregular	E-Mail/Tel
			Customer satisfaction survey	Annually	Customer satisfaction survey
			Customer Audit	Irregular	Client Opinion Email
			Customer Questionnaire	Irregular	Client Related Questionnaire

Stakeholder Communication Channels and Concerned Issues					
Major Stakeholder Type	Significance of Stakeholders to the Company	Issue to Concern	Communication Channel	Communication Frequency	Communication Record
Employee	Employees are the most important factor of the company. The company promises to provide a healthy and diverse development environment, enabling employees to work wholeheartedly.	<ul style="list-style-type: none"> Business Ethics Economic Performance Employment Relations Education Training Regulation Compliance Occupational Health and Safety Product Safety and Liability Human Rights Policy 	Labor Conference	Quarterly	Meeting minutes
			Employee Grievance Email	Irregular	Suggestion Box
			Employee Welfare Committee Meeting	Monthly	Meeting minutes
			Manager Meeting	Irregular	Video
			Department meetings and performance interviews	Regular	Meeting minutes
			Company internal announcement	Irregular	Performance Evaluation
			Safety and Health Committee Meeting	Quarterly	Meeting minutes
Bank	The bank is a major source of operating funds, and close communication and interaction with them help maintain a steady competitive edge and secure funds for ensuring sustainable development.	<ul style="list-style-type: none"> Economic Performance Regulation Compliance Energy Management Social Participation Climate Change Response 	Visiting the Bank	Irregular	Meeting minutes

Stakeholder Communication Channels and Concerned Issues					
Major Stakeholder Type	Significance of Stakeholders to the Company	Issue to Concern	Communication Channel	Communication Frequency	Communication Record
Community	The goal of promoting sustainable work is to contribute to social prosperity and enhance positive social influence through feedback.	<ul style="list-style-type: none"> Local Society Regulation Compliance Climate Change Response Energy Management Waste Management Water Resource Management 	Community meetings Donate to public welfare activities	Irregular	Email, Telephone and meeting Company Website

Materiality Topic Identification Process



SiRUBA Sustainable Development Committee drafted 21 sustainable issues and distributed online questionnaires for major stakeholders to fill out. A total of 107 valid questionnaires were returned. We got the scores of the impact of major stakeholders on various sustainable issues related to corporate governance, environment and people; 18 copies of the questionnaire on the degree of operational impact were collected. Finally, the Sustainable Development Committee decided on the major theme of this year after referring to the opinions of stakeholders and assessing the degree of internal operational impact. It was confirmed that SiRUBA should give priority to the disclosure of 9 major environmental, social and economic aspects of the year. In this report, KAULIN will explain the management policy and related disclosure items of each major theme.

Aspect	Materiality Topics
Environment Aspect	Material Management, Waste Management, Energy Management, GHG Emission
Society Aspect	Employment Relations, Product Innovation and Responsibility
Corporate Governance Aspect	Corporate Governance, Regulation Compliance, Risk Management

Materiality Topic Changes

This year, because the sustainability issue was reset with reference to industry standards, compared with the 2020 adjustment and impact assessment results, Materiality Topics have also changed accordingly.

Situations of Materiality Topic Changes		
2020	2022	Ranking order change in 2022 compared to 2020
Corporate Governance	Product Innovation and Responsibility	Rising 2 rankings
Financial Performance	Corporate Governance	Slip 1 the ranking
Product Quality and Innovation	Regulation Compliance	Rising 1 ranking
Regulation Compliance	Risk Management	Increased in 2022
Marketing Status	Employment Relations	Rising 4 rankings
Wastewater and Waste Management	Material Management	Increased in 2022
Supply Chain Management	Waste Management	Slip 1 the ranking
Occupational Health and Safety	Energy Management	Increased in 2022
Employment Relations	GHG Emission	Increased in 2022
Talent Attraction and Retention		
Education Training		
Employee Benefits		
Social Participation		

Note: The company didn't publish the Sustainability Report in 2021.



List of Materiality Topics

Materiality Topics	Positive and Negative Impact	GRI Standards	Major Theme Value Chain Impact Boundary						management policy Reveled Chapter
			Headquarters	Client	Bank	Government agencies	Supplier	Shareholder/Investor	
Innovation and Responsibility of Product	The development of energy-saving products will contribute to enhancing the company's competitiveness. In 2022, we will persist in implementing green design, which has a positive and tangible impact	user-defined	●	●	●	●	●	●	2.1 Product Liability and Security
Corporate Governance	Effective corporate governance can safeguard the rights and interests of shareholders and other stakeholders, prevent losses or compromises to the company's interests, and ensure that there were no incidents of ethical violations in 2022.	user-defined	●		●	●		●	1.3 Corporate Governance
Regulation Compliance	Regulatory compliance serves as the foundation of corporate responsibility. There were no major illegal incidents in 2022, reflecting a positive and tangible impact.	GRI 2-27	●	●	●	●	●	●	1.6 Regulation Compliance



Materiality Topics	Positive and Negative Impact	GRI Standards	Major Theme Value Chain Impact Boundary						management policy Reveled Chapter
Employment Relations	To uphold our social responsibility, mitigate human rights risks, and foster a supportive work environment for our employees, we prioritize employee benefits, establish communication and complaint channels, and proactively enhance the overall working environment. This aligns with the company's development goals and generates a positive and tangible impact.	GRI 401-1							4.1 Human Resources Management 4.2 Right Person in the Right Place
		GRI 401-2	●	●					
		GRI 401-3							
Risk Management	“By means of the Sustainable Development Committee's operation, the company enforces comprehensive ESG risk management, aligning with the company's development goals and yielding a positive and tangible impact.	user defined	●	●	●	●	●	●	1.4 Risk Management
Material Management Waste Management	The utilization of recycled materials and the implementation of waste recycling and disposal mechanisms contribute to the realization of a circular economy, resulting in a positive and practical impact.	GRI 301-1	●	●	●	●	●	●	3.2 Energy Resource Management 3.3 Waste Management
		GRI 306-3							

Materiality Topics	Positive and Negative Impact	GRI Standards	Major Theme Value Chain Impact Boundary						management policy Reveled Chapter
			Headquarters	Client	Bank	Government agencies	Supplier	Shareholder /Investor	
Energy Management	SIRUBA maintains ongoing oversight and enhancements in energy management, greenhouse gas emissions control, and other energy-saving and carbon reduction initiatives. Furthermore, we extend these efforts throughout the manufacturing industry chain, yielding positive and tangible impacts.	GRI 302-1 GRI 302-4	●	●		●			3.2 Energy Resource Management
GHG Emission	There is a potential negative impact of increased operating costs resulting from the introduction of a carbon levy by the government and a carbon tariff by the European Union in 2024.	GRI 305-1 GRI 305-2 GRI 305-3 GRI 305-4 GRI 305-5		●	●		●		3.1 Climate Change Management



01 Leading Corporate Governance

- 1.1 Sustainable Development Strategy and Performance
- 1.2 About SiRUBA
- 1.3 Corporate Governance
- 1.4 Risk Management
- 1.5 Integrity Management
- 1.6 Regulation Compliance
- 1.7 Sustainable Supply Chain
- 1.8 Information Security



Materiality Topic | Corporate Governance, Risk Management

Policy or Commitment

Risk management is the foundation of corporate governance. Effective risk-based thinking can ensure the achievement of ESG strategy target. However it could also disrupt company operation and damage company's reputation if it violates the rules.

Externally

The Company website provides "The Company's Operating Procedures and Conduct Guidelines of Integrity Management."

Internally

Promoting compliance with the law; conducting educational training to emphasize the importance of legal compliance.

To Suppliers

In contracts with suppliers, standard confidentiality clauses and clauses related to the protection of intellectual property rights are included. These provisions aim to regulate the honesty and integrity of vendors, as well as to emphasize the importance of anti-bribery (corruption) measures and prevention of intellectual property rights infringement.

Target/ Resource/ Action

Target

Establishing a value system that emphasizes compliance with laws, adherence to ESG risk management, and their effective implementation.

Resource and Action:

- Continuously improve relevant regulations and systems.
- Consistently promote education and training on legal compliance and integrity.
- Maintain the implementation of risk management procedures.

Stakeholder Communication Mechanism

Internal Grievance

Utilize the company's internal email and well-defined grievance procedure.

External Grievance:

Provide stakeholders with grievance procedure accessible on our website.



1.1 Sustainable Development Strategy and Performance

SiRUBA actively committed to promote sustainable development, we believe in upholding the principles of integrity in management, fulfilling corporate governance responsibility, and embracing the concept of sustainable development. We will integrate the ideals of sustainable development into our operational decisions and actions. Additionally, we are dedicated to fulfilling our social responsibilities and creating enduring value for the enterprise through sustainable practices.

Environment Aspect	<ul style="list-style-type: none"> Dedicated to making and saving energy and carbon reduction in products, in order to lessen environmental impact, mitigate climate change and maintain ecological balance. innovating through green design to enhance efficiency in the utilization of energy resources. Promoting waste reuse of and advancing circular development practices.
Society Aspect	<ul style="list-style-type: none"> Attaches great importance to human right, equality, diversity and labor rights. Ensure the safety of employee and the supply chain environment. Collaborating for Supply Chain Sustainability. Engages in charitable activities and social care.
Corporate Governance Aspect	<ul style="list-style-type: none"> Caring about the company's economy, environment, social risk governance and striving for corporate sustainability Complying with laws and adhering to international initiatives and standards Strictly upholding business integrity, rejecting improper interests, corruption and bribery. Improving transparency and ensuring a balanced disclosure of information.

Sustainable Development Committee

To establish an environment conducive to sustainable development encompassing aspects such as society and corporate governance (ESG), SiRUBA underwent a transformative process. In 2021, the Board of Directors sanctioned the "Code of Practice on Corporate Social Responsibility." By 2022, this was rebranded as the "Code of Practice on Sustainable Development," serving as SiRUBA's foundational policy and benchmark for sustainable development. A Sustainable Development Committee was instituted, comprising the General Manager, department-level directors and above, plant supervisors, and the CEO of the SiRUBA Foundations. Their collaborative mission involves crafting

Stakeholder Domain



corporate strategies and objectives for sustainable development, as well as formulating pertinent management protocols and targeted promotion plans. This committee comprising the General Manager, division-level directors (or equivalent), plant directors, and the CEO of the SiRUBA Foundation, coalesces to define corporate strategies and objectives for sustainable development. It also devises relevant management policies and specific promotional initiatives. The Sustainable Development Committee has also established an expert panel to compile concerns voiced by stakeholders, encompassing topics spanning environmental impact, job security, supply chain management, laborright, operational performance, and corporate governance. Furthermore, a dedicated stakeholder domain was set up to address sustainable issues and prioritize stakeholder rights.

SiRUBA Sustainable Development Committee



Sustainable Development Committee convenes meetings twice a year as a general guideline, during which discussions revolve around operational objectives and team achievements. The frequency of meetings may be adjusted when necessary due to alterations in the environment and legal framework. In addition to regular attendees, the chairman of the board can invite working group members based on the motion's content. All decisions and approved matters are meticulously documented by Sustainable Development Committee. The committee successfully finalized the revised Code of Practice for corporate sustainability ESG risk management and program components in 2022. This accomplishment was reported to Board of directors on November 1st, 2022. Our aim is for this code to serve as a

catalyst in promoting the implementation of company's sustainable development practices. In line with our commitment to augment information transparency and fortify data security, and driven by the principles of the PDCA cycle management, our objective is to steer KAULIN on an unwavering trajectory of continuous improvement and growth in the realm of sustainable development.

Each team of Sustainable Development Committee and related issues	
Management Team	Operating Risk Management, Internal Audit, Financial Performance, Information Security Compliance, Integrity Management, Board of Director Corporate Governance Operation, Sustainable Supply Chain, Purchasing Policy
Environmental Sustainability Team	Green Product, Energy Management, GHG Emission, Climate Change, Water Resource Management, Waste Management
Society Team	Education Training, Employee Diversity and Equal Opportunity, Occupational Safety and Health, Employment Relations, Human Rights Policy, Public Welfare Activities, Product Safety and Responsibility

Sustainable Development Goals

The Sustainable Development Goals (SDGs), a plan introduced by United Nations in 2015, outline 17 targets for sustainable development encompassing 169 specific details. These principles of sustainability are intended to be adopted by member countries and businesses globally by the year 2030.

SiRUBA has integrated these sustainable development targets into the company's operational strategy. Our focus will revolve around expanding the finance performance and ensuring legal compliance, raising the enhancing employee treatment to attract top talent, eliminating any inequalities in the workplace, curbing water and greenhouse gas emissions, and engaging suppliers to transform their work environment. We are committed to further contributing to the pursuit of sustainable development objectives, fulfilling our corporate social responsibilities and embracing a positive outlook for the future.



SDGs	Detailed Target	Response from SiRUBA
	1.4 Ensure equitable rights and access to economic resources for all, especially women, men, and those who are poor and disadvantaged.	<p>We provide competitive salary packages and comprehensive benefits that exceed legal requirements, enabling our employees to work with dignity and enhance the economic standard of living for individuals and their families.</p> <p>Adjusting the employee compensation based on company profit enhances employee engagement and commitment.</p>
	<p>4.5 Ensure that underprivileged groups provides education and job training opportunities, including for handicapped, aborigines and disadvantaged children.</p> <p>4.7 Advocates for education for sustainable development, sustainable lifestyles, human rights, gender equality, peace and non-violence.</p>	<p>Organizing specialized training for staff with diverse job roles to ensure that each employee has access to vocational training opportunities.</p> <p>Designing courses on sustainable development, workplace equity and labor rights, and promoting participation among colleagues.</p>
	<p>5.1 Eliminates of all forms of discrimination against women.</p> <p>5.4 Supporting social protection approved by the government and caring of women's family.</p>	<p>Gender is not a factor in the appointment and promotion of employees.</p> <p>Both males and females have the right to apply for parental leave.</p>
	<p>8.5 Achieve full and productive employment for all, including youth and individuals with physical or mental disabilities, ensuring equal pay for equal work.</p> <p>8.7 Prohibit child labor and eradicate forced labor.</p> <p>8.8 Protect the rights and welfare of workers, and enhance workplace safety, particularly for women and those engaged in hazardous work.</p>	<p>Gender is not a factor in the appointment and promotion of employees.</p> <p>Adjusting the employee compensation according to company profit enhances employee loyalty.</p> <p>Prohibiting child labor and workplace discrimination.</p> <p>Maternal employees receive significant protection through legal adjustments to their job responsibilities and a reduction in workload.</p> <p>Implementing an occupational safety</p>

SDGs	Detailed Target	Response from SiRUBA
		and health management mechanism to significantly improve employee workplace safety.
 <p>9 INDUSTRY, INNOVATION AND INFRASTRUCTURE</p>	9.5 Promote innovation by expanding the R&D personnel and increasing R&D expenditure.	Promote innovation and substantial investment in R&D to ensure our ongoing delivery of products that meet the community's expectations.
 <p>10 REDUCED INEQUALITIES</p>	10.2 Promote socio-political integration irrespective of age, gender, physical or mental disability, religion, economic status or other factors. 10.3 Ensure that equal opportunity, reducing inequality and eliminating discrimination.	The company doesn't consider employee's physical and mental difference as criteria for recruitment, assessment and promotion. We establish staff reporting channels and maintain a well-established reporting process to safeguard whistleblowers.
 <p>12 RESPONSIBLE CONSUMPTION AND PRODUCTION</p>	12.5 Significantly reduce waste generation through prevention, reduction, recycling and reuse.	Producing green products, enhancing design, and minimizing waste production. The amount of harmful waste amount has decreased from 1.6 tons to 0.2 tons in from 2011 to 2022.
 <p>13 CLIMATE ACTION</p>	13.2 Incorporating Climate Change Measures into Policies, Strategies and Plans.	Starting from 2022, we have been implementing climate change risk management in accordance with the TCFD (Task Force on Climate-related Financial Disclosures) guidelines and including this information in our sustainable report.
 <p>16 PEACE, JUSTICE AND STRONG INSTITUTIONS</p>	16.6 Develop efficient, responsible, and transparent systems at all levels. 16.7 Ensure that decisions at all levels are responsive to public opinion, inclusive, participatory and representative.	Enhancing corporate governance by ensuring employee compliance with company regulations through internal controls and establishing a reporting process with dedicated channels.

SDGs	Detailed Target	Response from SiRUBA
		Engage in stakeholder communication to comprehend the Company's requirements and expectations, and provide regular report to the Board of Directors.

1.2 About SiRUBA

KAULIN MFG. CO., LTD., founded in 1965, is globally renowned for its "SiRUBA" Silver Arrow sewing machine. As the professional industrial sewing equipment R&D and manufacturing company, we uphold the belief of "The customer is the partner," aiming to create perfect solution for each customer.

As technology continues to advance, so does industrial sewing machinery. SiRUBA, a sewing machine development enterprise, has spent the past half-century dedicated to delivering the finest products and services. From order placement and production to delivery, we meticulously oversee each step of the process to uphold our initial commitment to customer service. Amid countless challenges, our perseverance remains unwavering.

SiRUBA is committed to sewing machine development, offering a diverse range of products tailored for various garment sewing projects. Our products span from overlock and binding sewing machines to multi-needle sewing machines, all of which enjoy popularity and acclaim. Moreover, our selection encompasses flat-bed sewing machines and electronic lockstitch and overlock sewing machines.

With the dawn of the intelligence era, we have invested ahead of our peers in the development and production of automated sewing equipment. These automated machines merge mechanical precision, speed and consistency, resulting not only in reduce labor costs, but also in heightened production quality and efficiency.

Adapting to the demands of the contemporary information age, SiRUBA has introduced a more intelligent and convenient product line and service network. The incorporation of QR code scanning for products and provision of official product certification services furnish customers with added assurance when purchasing SiRUBA products, bolstering corporate reputation and customer relations.

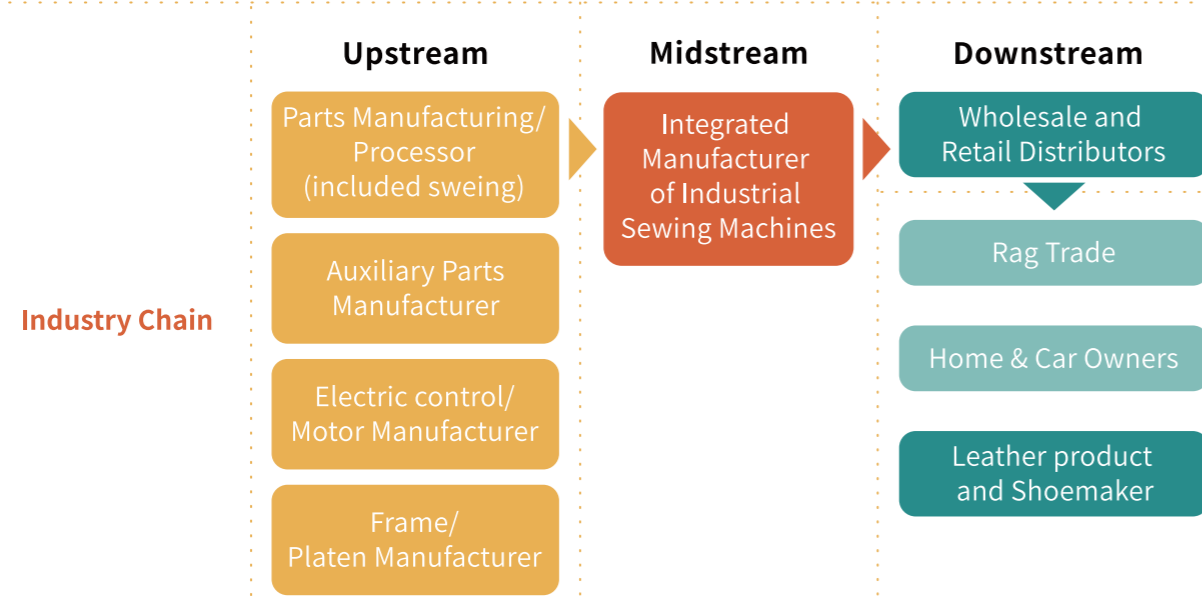
Furthermore, we have established an innovative E-commerce system to streamline the B2B transaction process, fostering swift and precise commodity trading cooperation.

SiRUBA's service extends across the globe; we serve as a steadfast support for our customers' businesses. No matter your location, we stand by your side.

When challenges arise, SiRUBA will be your primary choice. We offer the most effective, dependable, and comprehensive solutions.



Company	KAULIN MFG. CO., LTD.
Number of Employee	593
Capital Amount	NTD 18.4 billion (Stock Code:1531)
Founded	Oct. 5, 1965
Chairman of the Board	YA ZI, LIN CHEN
Headquarter	11F, No. 128, Sec. 3, Minsheng E. Rd., Songshan Dist., Taipei City 105602, Taiwan (R.O.C.)
Main Business	Processing and manufacturing of sewing machines and parts Casting, machining and trading of milling products. Casting and processing of sewing machine parts and trading business.
Main Product	All kinds of industrial sewing machines, including the copying machine, three-needle machine, hand-operated and all kinds of multi-needle loop sewing machines.
Service regions	Global
Operating site	Taiwan(2), China(1), USA(1),Vietnam(1)
Quantity of products produced	177,044



SIRUBA is in the midstream of industrial sewing machine industry.

Industry Promotion

SiRUBA is committed to promoting the industry and actively participate in external associations and organizations. Through such engagement, we gain insights into both domestic and international trends and standards, which are essential factors in guiding our company's sustainable development efforts.

Association	Duties
New Taipei Sewing Machine Association	Executive Director
Taiwan Sewing Machine Association	Executive Director
Taipei City Needleworkers Union	Executive Director
CHINA SEWING MACHINERY ASSOCIATION	Director

Financial Performance

Financial performance constitutes the cornerstone of our company's operations, and the relentless pursuit of maximum profit remains our unwavering goal. Since its inception, SiRUBA has adhered to a company culture centered around innovation, teamwork, efficiency, and enthusiasm, all of which are directed towards sustainable development. Our aim is to achieve sustained financial success by upholding technological leadership, ensuring customer satisfaction, promoting employee participation, bolstering shareholder value, and fulfilling our social responsibilities.

In the face of a diverse and dynamic environment, we persist in delivering high-quality products while continually refining our designs, processes, quality control and testing procedures. Our commitment extends to advancing process technology and optimizing energy utilization, thus striving to consistently achieve ambitious growth targets and development of new products. With numerous years dedicated to the sewing industry, SiRUBA offers a comprehensive product line that caters to our customers' product development needs, firmly establishing our leadership role.

Moreover, thanks to robust corporate governance practices, we continuously strengthen our operations by integrating the supply chain, reducing the costs, and enhancing competitiveness. This not only instills confidence in our stakeholders, including shareholders, employees, suppliers, and customers, but also fosters a mutually beneficial environment conducive to sustained prosperity and operations.



Operating Performance Over the Year

Currency: NTD

Item	2020	2021	2022
Income	1,609,928	2,946,998	2,471,056
Operating Cost	1,110,192	1,953,149	1,597,289
Employee Payment & Benefits	298,851	462,866	429,212
Payment to Sponsors	37,698	38,801	135,566
Payment to Government	7,595	26,639	81,135
Community Investment	173	3,016	3,148
Economic value of retention	155,419	462,527	224,706

1.3 Corporate Governance

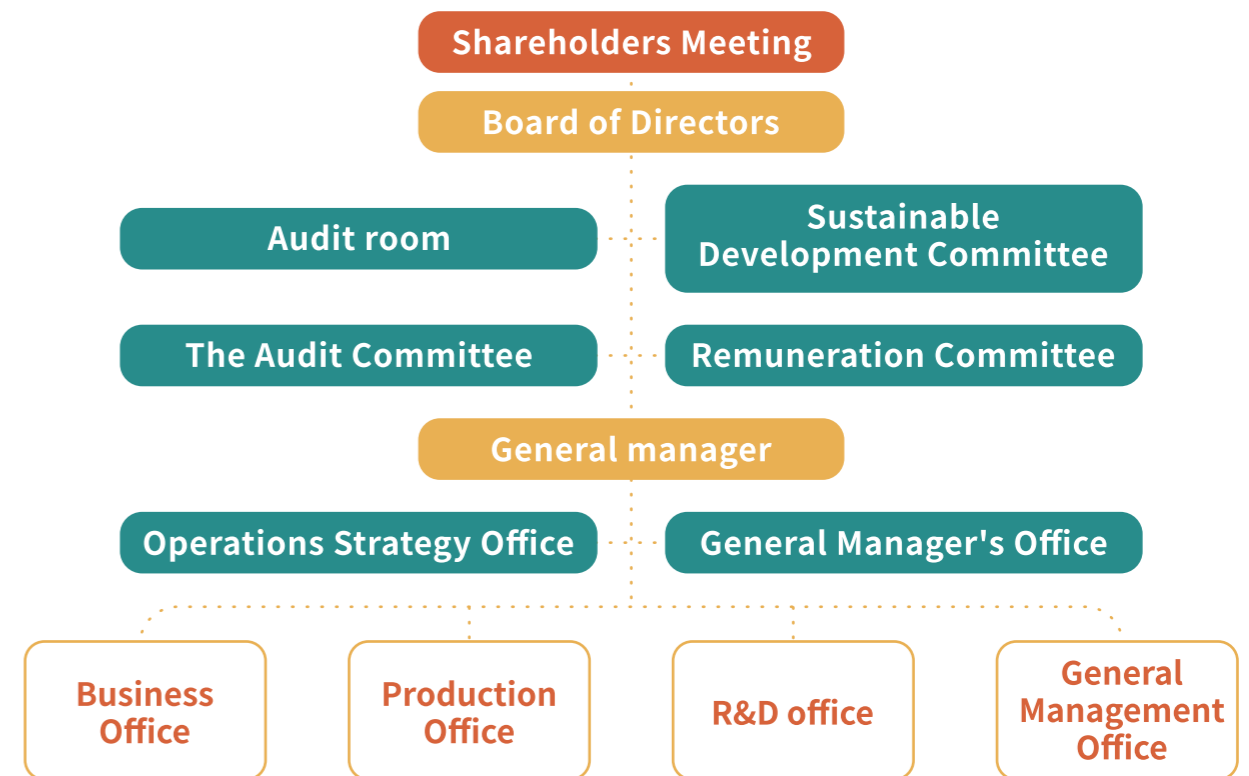
A robust corporate governance framework encompasses comprehensive Board of Directors operations and effective risk control. This not only mitigates the operational risks but also enhances the company's competitiveness and brand value. We're a dependable and responsible company, adhering to legal compliance and operating with integrity. Additionally, we uphold sound corporate governance to ensure the company's ethical rights and interests of investors and other stakeholders.

The SiRUBA shareholders' meeting comprises all shareholders and is responsible for making decisions on crucial company matters, while also receiving regular reports from the Board of Directors. The Board of Directors serves as the supreme governing body. Board members have the duty to diligently oversee operating policy, financial performance and ensure legal compliance. The chairman of the board holds the responsibility of defining strategic objectives, approved by the Board of Directors. Backed by the chairman's proficient governance skills, the Board of Directors approves the appointment of the President, who is accountable for day-to-day operational planning and management, as well as formulating plans for sustainable operation and strategic development. The President leads the management team in reporting the implementation's effectiveness to the Board of Directors.

Furthermore, our financial statements are professionally audited and certified by expert accountants, ensuring accurate and timely compliance with legal requirements. Looking ahead, our goals include enhancing the Board of Directors, amplifying information transparency, and progressively integrating sustainable governance strategies into the corporate governance framework.

Governance Structure

SiRUBA is dedicated to establishing a robust corporate governance structure that underpins our sustainable operating. To achieve this, we have instituted the Board of Directors, Compensation Committee, The Audit Committee, Sustainable Development Committee, among others. These entities ensure procedures for oversight and checks and balances. Our operations adhere to the respective "Rules Governing the Conduct of Business of the Board of Directors," "Rules Governing the Organization of the Compensation and Remuneration Committee," and "Rules Governing the Organization of the Audit Committee."



Governance Unit Responsibilities	
Unit	In charge
Audit Committee	Assisting the Board in fulfilling its responsibility to oversee the quality and integrity of the Company's execution of accounting, auditing, financial reporting processes and financial controls.
Remuneration Committee	Assisting the Board to fulfill and assess the company payment, benefit policy, the payment of the Board and manager.
Audit room	Responsible for the planning, execution and tracking of internal audits, and providing analysis, evaluation and other recommendations.
Sustainable Development Committee	<ul style="list-style-type: none"> Serving as the company's ESG decision-making hub, this center comprises the General Manager along with department-level directors and above, plant supervisors, and the CEO of SiRUBA Foundation. Together, they collaborate to establish the course and objectives for CSR and sustainable development, crafting pertinent management policies and specific promotional strategies. Furnishing directors and independent directors with essential information required for their responsibilities, while supporting their adherence to legal statutes and regulations. This assistance extends to addressing board meeting and shareholders' meeting matters in accordance with legal stipulations.
General Manager's Office	<ul style="list-style-type: none"> Under the directive of the General Manager, this role assumes responsibility for assessing and devising the company's policies and business objectives, as well as formulating systems and handling other related matters. Project Management
Business Strategy Division	Strategy planning, execution, and oversight operational management, operational risk management, intellectual property management, marketing and project management.
General Administration	Human resource management and organizational development, planning, construction, development and management of the company's information systems and equipment, annual budget planning, finance, accounting and tax operations.
Business Office	Marketing & Business Management.

Governance Unit Responsibilities	
Unit	In charge
Production Office	Product Manufacturing Management
R&D Office	New product research and development, production technology and product design business

Noted: The chairman of board and general manager isn't the same

1.3.1 Board of Directors

The SiRUBA Board of Directors functions as the highest governing authority and a pivotal center of major operating decision. Comprising seven members, including three individual chairmen, the Board includes a Compensation Committee, an Audit Committee and a Corporate Sustainability Committee. Board members possess extensive experience and professionalism in financial, business, economy, developmental, and managerial domains.

To enhance the Board's independence and diversity while providing strategic guidance, SiRUBA adheres to the Directors and Code of Practice on Corporate Governance. The Chairman of the Board (including the individual chairmen) is selected through a candidate nomination system. Throughout the Board nomination and selection process, the company obtains written statement, employment history, and a family relationship information from each director, including independent directors. This verification aims to ensure the independence of the director, their spouse, and relatives up to the third degree of consanguinity. Furthermore, all independent directors meet the qualifications stipulated by the "Regulations Governing the Establishment and Compliance of Independent Directors of Public Companies" issued by the Financial Supervisory Commission and Article 14-2 of the Securities and Exchange Act. They are granted the authority to actively participate in decision-making and express their opinions under Article 14-3 of the Securities and Exchange Act, enabling them to independently fulfill their relevant duties and responsibilities.

The considerations of SiRUBA's Board of Directors included the ability to make judgments about operations, accounting and financial analysis ability, business management ability, crisis management ability, knowledge of the industry, an international market perspective, leadership ability, decision-making ability, and more. The Board of Directors meet at least hold quarterly to assist in the achieving the company's operating results. The Auditor-in-Charge attends the Company's regular board meetings and provides an audit report. Important decisions will be published on Taiwan Stock Exchange's public information observation station and our website. Our company held 5 board meetings in 2022 with an attendance rate of 80%. For relevant resolutions of the Board of Directors, please refer to our official website: <https://siruba.com/tw/investor-5/>

Mechanisms for Avoiding Conflicts of Interest

SiRUBA's Rules of Procedure for Board of Directors' Meetings contain a provision regarding the disqualification of directors from participating in meetings. This provision stipulates that any director who holds an interest in a matter detrimental to the company's interests or that of a legal entity represented by the director may attend the meetings to express their opinions and answer questions. However, such directors are not allowed to take part in discussions or voting. They are required to abstain from both discussion and voting and are prohibited from acting as proxies for other directors when exercising their voting right. In 2022, there were two occasions when the Board of Directors refrained from voting in order to prevent conflicts of interest. For specific details about these instances, please refer to section P25-III.

Members of Board of Directors

Job Title	Name	Educational Qualifications
The Chairman of Board	Ya Zih, Lin Chen	The Chairman of Board of JOY EAST INVESTMENT LIMITED
Director	Sheng Jhih, Lin	The Chairman of Board of GRAND LIN INTERNATIONAL INVESTMENT CO., LTD.
Director	Pei Jia, Lin	The Chairman of Board of JIA YI ENERGY
Director	Yi Fong, Chen	Director of SiRUBA
Independent Director	Jhih Lun, Yang	<ul style="list-style-type: none"> Doctor of Philosophy in China University of Political Science and Law Operator of Center & Logic Law Firm
Independent Director	Li Ting, Huang	<ul style="list-style-type: none"> Department of Information Management Doctor of National Central University Associate Professor of Department of Information Management in Chang Gung University
Independent Director	Sheng Sheng, Lin	<ul style="list-style-type: none"> Master's Degree of Ming Chuan University's Institute of Management The Chairman of Board and General Manager of MoneyDJ Instructor (Adjunct) of Chinese Culture University's Department of Finance Independent Director of Hiroca Holdings Ltd Independent Director of KINGRAY TECHNOLOGY CO., LTD

Note: For the independence and qualifications of the Board of Directors, please refer to pages P11~P16 of the annual report.

The Board of Directors should hold meetings at least once a year to review the company's operating performance, discuss important strategies, and address significant issues, including economic, environmental, and societal concerns, as well as risks and opportunities. During these meetings, the authority figures should ensure the proper handling of follow-up reports in subsequent meetings. When the Board of Directors provides information to its members about various proposals and reports, it's important to review the content of the reports in advance. This review aims to identify any situations involving interested parties that require appropriate avoidance measures. The directors should be reminded of this beforehand.

The company communicates crucial information in line with its internal operational procedures for managing such information and preventing insider trading. In 2022, we shared the outcomes of significant events and released a total of 37 items of essential information on the Market Observation Post System (MOPS). For further details on these topics, please refer to: <https://mops.twse.com.tw/mops/web/t05st01>

Board Diversity Statistics /Year	2020		2021		2022		
	Number of People	Percentage	Number of People	Percentage	Number of People	Percentage	
Gender	Male	5	71.4%	5	71.4%	5	71.4%
	Female	2	28.6%	2	28.6%	2	28.6%
Age	Under 50	0	0.00%	0	0.00%	0	0.00%
	Between 50~60	5	71.4%	5	71.4%	5	71.4%
	Over 60	2	28.6%	2	28.6%	2	28.6%

The Board Education and Performance Assessment

To enhance the ethical standards of conduct among our internal staff and to uphold a culture of integrity, we have established not only a "Code of Ethical Conduct" and "Guidelines for Ethical Operations and Behavior," but also a comprehensive framework encompassing: conflicts of interest prevention, avoidance of personal gain opportunities, confidentiality responsibilities, equitable transactions, safeguarding and appropriate use of corporate assets, adherence to legal regulations, encouragement of reporting unlawful or unethical actions, and disciplinary measures, among others. All these pertinent guidelines have been endorsed by the Board of Directors, put into practice, shared with independent directors, reported at shareholders' meetings, and communicated to employees. Furthermore, anti-corruption policies have been promoted. Concurrently, we actively advocate for directors' adherence to the "Corporate Governance Practices for Listed and OTC Companies." Throughout their tenures, directors are encouraged to commit a minimum of 6 hours annually to courses on finance, risk management, business, commerce, legal matters, accounting, sustainability, and corporate governance, as well as internal control system and financial reporting responsibilities. We consistently arrange courses for both directors and employees, covering themes like corporate governance, legal compliance, risk management, prevention, money laundering prevention and counter I terrorism. By continuing to provide these courses, we reinforce our commitment to fostering strong corporate governance, legal adherence, risk management, and proactive measures against money laundering and the fight against terrorism.

Additional studies of the Board of Directors in 2022

Job Title	Name	Date	Host	Class	Hours of additional studies	Total hours of addition-	Sustain-ability related
Legal person director representative	Ya Zih, Lin Chen	111/10/28	Securities and Futures Institute	Prevention of insider trading publicity meeting in 2022	3	10.0	
		111/06/10	Securities and Futures Institute	Prevention of insider trading publicity meeting in 2022	3		
		111/04/22	Taiwan Institute for Sustainable Energy	New Taiwan 30 Sustainable Net Zero Summit Forum	3		●
		111/03/10	Taiwan Stock Exchange	International Perspectives on Independent Directors and the 2022 Shareholders' Meeting	1		
Independent Director	Jhih Lun, Yang	111/09/29	Taiwan Stock Exchange	Release of Reference Guidelines for the Exercise of Powers by Independent Directors and Audit Committees and Advocacy Meeting for Directors and Supervisors	3	8.0	
		111/05/20	Securities and Futures Institute	Prevention of insider trading publicity meeting in 2022	3		
		111/05/12	Taiwan Stock Exchange	International Double Summit Online Forum	2		
	Sheng Sheng, Lin	111/08/10	Taiwan Independent Director Association	2022 Independent Director Elite Training Institute - High-level Intensive Courses	3	6.0	
		111/05/20	Raymond Sheng Chieh Lin - Legal Researcher on Financial Sector	Prevention of insider trading publicity meeting in 2022	3		

Additional studies of the Board of Directors in 2022

Job Title	Name	Date	Host	Class	Hours of additional studies	Total hours of addition-	Sustain-ability related
Independent Director	Li Ting, Huang	111/09/29	Taiwan Stock Exchange	Release of Reference Guidelines for the Exercise of Powers by Independent Directors and Audit Committees and Advocacy Meeting for Directors and Supervisors	3	8.0	
		111/05/20	Raymond Sheng Chieh Lin-Legal Researcher on Financial Sector	Prevention of insider trading publicity meeting in 2022	3		
		111/05/12	Taiwan Stock Exchange	International Double Summit Online Forum	2		
		111/09/29	Taiwan Stock Exchange	Release of Reference Guidelines for the Exercise of Powers by Independent Directors and Audit Committees and Advocacy Meeting for Directors and Supervisors	3		
Legal Person Director Representative	Yi Fong, Chen	111/07/07	Taiwan Stock Exchange	Sustainable Development Roadmap Industry Theme Publicity Conference	2	8.0	●
		111/06/10	Securities and Futures Institute	Prevention of insider trading publicity meeting in 2022	3		
		111/05/20	Securities and Futures Institute	Prevention of insider trading publicity meeting in 2022	3		
	Sheng Jhih, Lin	111/04/22	Taiwan Institute for Sustainable Energy	New Taiwan 30 Sustainable Net Zero Summit Forum	3	7.0	●
		111/03/10	Taiwan Stock Exchange	International Perspectives on Independent Directors and the 2022 Shareholders' Meeting	1		

Additional studies of the Board of Directors in 2022

Job Title	Name	Date	Host	Class	Hours of additional studies	Total hours of addition-	Sustain-ability related
Legal person director representative	Pei Jia, Lin	111/06/10	Securities and Futures Institute	Prevention of insider trading publicity meeting in 2022	3	6.0	
		111/05/12	Taiwan Stock Exchange	International Double Summit Online Forum	2		
		111/03/10	Taiwan Stock Exchange	International Perspectives on Independent Directors and the 2022 Shareholders' Meeting	1		

We have established “Board Performance Evaluation Measures,” which are based on Article 4 of the organizational regulations of the Salary and Remuneration Committee. This stipulates an annual performance appraisal to be conducted before the first quarter of each year. The assessment is carried out through a self-assessment questionnaire, covering aspects such as attendance at board of directors, meetings, understanding and engagement in pre-meeting proposal discussions, interaction with the management team, compliance with laws, regulations, and codes of practice, efforts to enhance corporate governance, participation in continuous learning of corporate governance related courses, understanding of the company and its industry landscape, and other criteria designated by the competent authority or the board of directors. The primary objective is to regularly review the performance of directors and managers, including their grasp of the management team's understanding of the company and its industry. To enhance the objectivity of the evaluation process, our company conducts external assessments at least once every three years. To enhance the objectivity of the evaluation process, our company conducts evaluations external assessments at least once every three years. These evaluations are carried out by professional independent institutions or teams of external experts and scholars.

Assessment	Results
Performance Evaluation of Board of Directors	Excellent
Performance Evaluation of Board of Directors Members	
Audit Committee Performance Evaluation	
Compensation Committee Performance Evaluation	
Corporate Sustainability Committee Performance Evaluation	
Overview	
For the complete performance self-assessment report, please refer to the official website: https://siruba.com/tw/investor-5/	

SiRUBA is in the initial phase of sustainable development. We have not yet integrated ESG sustainable development goals, performance and individual compensation of directors and managers. We'll continue to prioritize the ongoing trend of sustainable development. When the appropriate time comes, we will engage in discussions with the compensation committee to determine whether to incorporate sustainable performance within the parameters of compensation evaluation.

Stakeholder Consultation and Complaint Channels

To uphold the fundamental principles of our company's culture of integrity management, and in alignment with our company's “Integrity Management Operating Procedures and Conduct Guidelines,” we have systematically established reporting channels and investigation procedures. This ensures the successful implementation of our company's formulated “Integrity Management Operating Procedures and Conduct Guidelines” while safeguarding the rightful interests of whistleblowers.

Furthermore, to proactively and comprehensively understand the requirements of various stakeholders and consistently address their concerns, SiRUBA engages in ongoing interaction with stakeholders through dedicated contact points within its day-to-day operations. In addition to showcasing company profile and product information, an exclusive stakeholder section has been incorporated on the official website. This section offers diversified communication channels including emails and telephone lines, to serve as a bridge between stakeholders and the company. Its purpose is to facilitate seamless exchange of internal and external opinions and information, thereby enabling timely responsiveness to stakeholder needs. For more information, please refer to the Stakeholder section on our official website: <https://siruba.com/tw/investor-7/>

1.3.2 The Audit Committee

Our company has established an audit committee in accordance with the articles of association and Article 3 of the “Measures for the Exercise of Powers by Audit Committees of Public Companies.” The committee is composed of three independent directors who possess professional impartiality. The operation of the audit committee are geared towards ensuring the company's adherence to pertinent governmental laws and regulations. The committee is responsible for supervising the following matters:

- ✓ Ensuring their reflection in financial statements.
- ✓ Verifying the independence and performance of the external auditor.
- ✓ Ensuring the effective effective implementation of internal control within the company.
- ✓ Overseeing compliance with the laws.
- ✓ Managing and controlling existing or potential risks within the company.

Throughout the year 2022, the Audit Committee conducted a total of 5 meetings, achieving an attendance rate of 93.3%. For a detailed insight into the functioning of the audit committee, please refer to the official website at: <https://reurl.cc/2LEaXv>

1.3.3 Compensation Committee

To enhance corporate governance and refine the remuneration system for the company's directors and managers, SiRUBA adheres to Article 14-6 of the "Securities Exchange Law" and the "Measures for the Establishment and Exercise of Powers of the Remuneration Committee of Companies Listed or Traded at Securities Firms." The establishment of the Remuneration Committee is not only to assess the remuneration policy and system for the company's directors and managers from professional and objective standpoint but also to formulate organizational regulations governing the Remuneration Committee's operations, thus ensuring compliance.

Our company is obligated to provide directors' compensation as outlined in Article 23 of the Company's Articles of Association. If the company achieves profits within the current year, a portion ranging from 2% to 8% of employee compensation and no more than 3% of director compensation will be allocated. In the case that the company still carries accumulated losses, the compensation sum shall be pre-allocated, followed by the allocation of employee and director compensations as per the prior proportions. Should the company's annual final account display a post-tax net profit for the current period, the company must first settle taxes in line with legal obligations to offset previous year losses. Subsequently, a statutory surplus reserve amounting to 10% of the remaining balance shall be set aside, and if necessary, make special surplus reserves may be established. Founded upon this surplus distribution strategy and the accumulated undistributed surplus from preceding years, the board of directors is entrusted with the task of devising a distribution plan. This plan must then undergo review by the shareholders' meeting for final approval.

The annual compensation for company managers encompasses salary, bonuses, and employee surplus distribution compensation. The determination of relevant salary and compensation is grounded in industry-standard payment levels, while also evaluating the justifiability of the correlation between individual performance, company operational performance, and potential future risks. The Salary and Compensation Committee provides recommendations to the board of directors, which are taken into consideration for decision-making. For this year, the annual overall salary ratio between the general manager and employees is not disclosed due to organizational confidentiality. However, it will be assessed and divulged in the near future in accordance with public information disclosure norms.

In the year 2022, the Compensation Committee convened a total of 4 meetings, achieving a perfect attendance rate of 100%. For an in-depth understanding of the committee's operations, please refer to the annual report on P36.

1.3.4 Sustainable Development Committee

Our committee's role is to aid the board of directors in furthering corporate social responsibility and enhancing corporate governance, thereby realizing the objective of sustainable operations. In July 2021, the board of directors at SiRUBA passed a resolution to institute a "Corporate Sustainable Development Committee." This committee periodically reports the implementation outcomes of sustainable development and forthcoming action plans to the board of directors. For information regarding the committee's meetings, please consult page 37 of the annual report.

1.3.5 Audit room & Internal Audit

The internal audit office is an independent unit, affiliated to the board of directors, responsible for the implementation of the audit business, and the company assigns full-time auditors. The appointment and dismissal of the audit supervisor are all approved by the board of directors; the internal auditors perform their duties in an objective and fair manner, and the audit supervisor also attends the report of the board of directors in accordance with the regulations. In the fourth quarter of each year, the audit plan for the next year is drafted based on the results of the risk assessment, and then implemented in accordance with the audit plan approved by the board of directors, and the audit results are made into an audit report, and the internal audit deficiencies found during the audit process and the improvement

measures of the responsible units, and submit it to the chairman for review to ensure the continuous and effective implementation of the internal control system. Annual audit plan, audit personnel roster and training hours, implementation of annual audit plan, internal control statement, internal control system deficiencies and abnormalities improvement, etc. are reported to the competent authority every year in accordance with laws and regulations. There are no major deficiencies in the internal audit in 2022, and all related abnormal improvement items have been completed.

1.4 Risk Management

In 2022, the "ESG Risk Management Policies and Procedures" were endorsed by the board of directors. As part of this initiative, a dedicated risk management team will be established under the umbrella of Sustainable Development Committee. This team will delineate diverse risks in alignment with the company's overarching operational policies. Its aim will be to mitigate potential losses while remaining within an acceptable risk threshold. This endeavor is geared towards augmenting the company's value and achieve the optimal allocation of company resource.

Classification of Risks	Description	Risk Management Strategy (Countermeasures)
Sustainable Environment	The emission of GHG is continuously increasing.	Beginning in 2022, the ISO14064-1 greenhouse gas inventory methodology to gain insights into emission hotspots at the factory level. This will allow us to identify opportunities for reducing product carbon footprint and improving process.
	Facing challenges in effectively conserving energy.	<ul style="list-style-type: none"> Monthly monitoring of water and electricity consumption is carried out at both the headquarters and the two factories. Consistent promotion of energy-saving principles and concepts among employees is a routine practice. Process optimization, streamlined production, and the curbing of needless waste are being prioritized to address the issue.
	The amount of waste water is continuously increasing.	Enhancing water reuse practices to augment water waste quantities.
	Increased waste generation / Decreased recovery rate	Implement recycling initiatives for various waste categories such as paper, wastewater, scrap iron, and waste oil to curtail waste output.
	Scarce water and electricity resources	To address water and electricity shortages, solar panels have been installed on the Goldin factory's roof. Excess energy generated can be sold, not only bolstering factory income but also contributing to environmental sustainability.
	Typhoon, Flood	Regular disaster drills; Parts and finished products should not be allowed to fall to the ground, and sandbags should be stacked before a typhoon to prevent property damage caused by flooding.

Classification of Risks	Description	Risk Management Strategy (Countermeasures)
Sustainable Environment	Violation of environmental regulations	Implementation should be based on the independent checklist to ensure compliance with local environmental protection regulations and environmental impact assessment requirements, thus preventing substantial fines due to violations.
Employee	Accident at work (COVID-19 included)	<ul style="list-style-type: none"> Goldin Factory obtained the ISO 45001 occupational safety and health management system certification in 2021 and will continue its implementation. The company is committed to providing employees with a safe and hygienic working environment. During the COVID-19 pandemic, in order to ensure the safety of employees, the company provided emergency epidemic prevention materials, including masks, alcohol and at-home quick screening reagents. These materials were distributed for employee use and to facilitate their shifts.
	Overworked (over time working)	Regarding the management of employees' overtime hours, both the Taipei headquarters and Taoyuan factory conduct health checks for employees every three years. In addition, the resident medical staff provide regular monitoring and care for employee health.
	Excessive turnover rate (facing job vacancies)	<ul style="list-style-type: none"> In 2022, the 104 counseling project will be introduced. Besides implementing various policies regarding employee education, training and talent development, we will also make efforts to enhance employee benefits and welfare measures. We maintain Long-term cooperation with human resources agency companies for worker recruitment. Maintaining a stable order volume is crucial, as the primary factor contributing to employee turnover at the factory is fluctuations in production levels.
Operating Performance	Risk of trusty	New employees are required to thoroughly read the Integrity Code of Colleagues to emphasize the significance of integrity.
	Lack of transparency in information disclosure	The company's significant information is irregularly updated on the public information observatory, while financial statements are disclosed on a regular basis.
	Declining market competitiveness	<ul style="list-style-type: none"> Maintain regular communication with customers to comprehend their needs and enhance areas of concern. Enhance quality. Create products that cater to market demands. Optimize the after-sales service

Classification of Risks	Description	Risk Management Strategy (Countermeasures)
Operating Performance	Information security incident	<ul style="list-style-type: none"> Institutional norms: Establish the company's information security management system, standardize personnel procedures, and integrate an auditing mechanism. System protection: Establish an information security notification mechanism and implement information security protection management measures; adopt dual firewall control and plan to introduce EDR/MDR/SOC related information security measures & continue to sign information security insurance. Employee training: Conduct information security education and training to enhance the information security awareness of all employees; introduce anti-penetration mechanisms and social engineering drills. External control: Vendor management authority is restricted.
	Responsibility of product (could be recycled/removed)	<ul style="list-style-type: none"> Enforce strict product quality control. Establish a return/exchange mechanism Develop product specifications that adhere to international regulations and electrical safety standards. Customers may have specific environmental technical standard requirements, which the company should adhere to and fulfill (e.g., comply with EU regulations).
	Supply chain disruption	<p>To diversify the risk of supply chain disruptions</p> <p>short term risk</p> <p>Establish overseas warehouse: set up overseas warehouse in a third-party locations.</p> <p>mid term risk</p> <ul style="list-style-type: none"> Multi-source procurement reduces dependence on a single supplier by engaging multiple sources, thus enhancing overall procurement flexibility. Optimize the supplier platform and improve transparency in manufacturer inventory through supplier platform optimization . <p>long term risk</p> <ul style="list-style-type: none"> Monitor delivery trends and inventory to gain a strong understanding of delivery trends and inventory changes to proactively address the risk of material shortages. Second supply chain planning

1.5 Integrity Management

All departments of SiRUBA will regularly engage with stakeholders through established communication channels. If potential significant negative impacts between stakeholders and the company are identified, the responsible department will conduct due diligence on the stakeholder's financial situation and present the findings to the chairman. The chairman will assess whether reporting to the board of directors is necessary based on whether the specific outcomes have caused substantial harm to the company's overall operations. Subsequently, the board of directors will review the due diligence report submitted by the department and oversee its implementation. For the year 2022, there have been no potential negative major adverse events between SiRUBA and relevant parties, thus no instances requiring reporting to the board of directors have occurred. SiRUBA acknowledges that the current company practice of solely conducting financial due diligence on stakeholders is insufficient. In the future, the scope of due diligence will encompass stakeholders' compliance records, environmental protection, labor rights, and other areas, ensuring a more comprehensive assessment of stakeholders and enabling the board to effectively address potentially negative material impacts.

SiRUBA's organizational culture is founded on principles of law and compliance, with integrity as our foremost core values. The company conducts its business operations with honesty and a commitment to upholding the law. Through its "Operating Procedures and Behavior Guidelines" and "Ethical Code of Conduct", SiRUBA underscores its core values of integrity, innovation, discipline, positivity, customer trust, and the mission foster global connections through innovation and care. The company advocates for transparent management, providing annual reports to the board of directors. During the onboarding process for new recruits, the human resources department conducts awareness campaigns to instill a sense of integrity among colleagues. Simultaneously, management is expected to set an example, adhering to the principle of integrity, thus subtly shaping the company's overarching culture of integrity.

SiRUBA has established complaint and reporting channels, internally and externally, alongside reward and punishment systems. Continuously monitoring developments in domestic and international integrity management regulations, the company encourages directors, managers and employees to offer suggestions for review and improvement. By implementing integrity management policies and promotional initiatives, the company aims to enhance the effectiveness of its corporate integrity management. In 2022, KAULIN did not receive any reported cases. Additionally, through the Corporate Governance Group within the ESG Committee at SiRUBA is responsible for designing and reviewing complaint channels and overseeing case handling. Going forward, this aspect will be evaluated and discussed during stakeholder communication meeting with customers aiming to enhance our complaint handling procedures.

1.6 Regulation Compliance

Major Subject	Compliance with Laws
Policy/Commitment	SiRUBA is dedicated to adhering to pertinent laws and regulations throughout its business operations. The company maintains constant vigilance over domestic and international policies and laws that impact its activities, ensuring strict compliance and fostering a culture of lawful conduct.
Target	No major legal violations were recorded during the year.

Major Subject	Compliance with Laws
Responsible Department/ Complaint Mechanism	<p>Responsible Department General Management Office</p> <p>Grievance mechanism E-mail: kaulinhr@siruba.com</p>
Input Resources	<p>Corporate Governance The Company's headquarters is responsible for the formulating and implementing of the integrity management policy, which is reported to the Board of Directors annually and disclosed on the Company's website.</p> <p>The Company has established "Ethical Business Procedures and Behavioral Guidelines" and "Code of Ethical Conduct" for employees and stakeholders to follow.</p> <p>Employee Management leads by example to ensure that all employees comply with laws and company policies and regulations. employees awareness of compliance with laws and regulations is reinforced through training on such laws and regulations.</p> <p>Environmental Safety and Health Formulating relevant management rules and supervisory measurement and performance management methods to oversee the company's operational activities, products or services related to occupational safety and health, environmental protection laws and regulations, and other requirements that should be adhered to. This enables the implementation of effective corrective programs and preventive measures.</p>
Evaluation Mechanism	In 2022, our company did not incur any significant violations of laws in the domains of integrity management, anti-competition, business accounting, environmental protection, labor and human rights, occupational safety and health, product responsibility, social economy, customer privacy, and customer health and safety.

Note: A major violation is defined as a fine of more than NT\$500,000 or more.

First and foremost, adhering to laws and regulations is the cornerstone of an enterprise's secure and sustainable growth. Effective compliance with laws and regulations not only prevents wrongdoing and reduces the labor, time, and expenses associated with legal investigations, fines, lawsuits, and negative publicity, but also bolsters the enterprise's reputation. This, in turn, attracts high-quality independent directors, employees, and partners, leading to a mutually beneficial scenario for the enterprise, its shareholders, and its stakeholders. In terms of corporate governance, we have established an Audit Committee to oversee the Company's financial status and internal control system. Additionally, we have developed a code of conduct for the Board of Directors, enhancing the Board's efficacy.

Secondly, in the realm of personnel management, the Company has devised and implemented a reporting channel. Concurrently, the management leads by example, requiring every employee to ensure that their business conduct adheres to both legal and regulations, as well as the Company's own policies and regulations. This guarantees that each unit upholds compliances through internal control mechanisms. Concerning personnel training, the company

provides training for employees across different units and ranks on the laws and regulations pertinent to business execution, ensuring that the company's operations align with the requisites of various laws and regulations. Additionally, the Company safeguards the legitimate labor rights of its employees in accordance with labor laws and regulations.

Furthermore, concerning environmental safety and hygiene, SiRUBA has implemented an environmental management system, an occupational safety and health management system. The company adheres to the EU RoHS green environmental protection regulations. Not only does it require suppliers to furnish materials devoid of hazardous substances, the company also abstains from employing raw materials containing hazardous chemicals during production process. Full compliance with RoHS regulations, as well as rigorous management of hazardous substances within suppliers' raw materials, is upheld. Additionally, the company maintains an emergency response plan within the factory premises. An Emergency Response Command Center has been established, along with an organized Emergency Response Team, responsible for managing and addressing emergencies. In addition to these measures, the company is dedicated to furnishing all employees with a secure and equitable working environment, ensuring the safeguarding of their rights and interests. Regular safety and health education and training initiatives are conducted for employees. Necessary health and first aid facilities are provided, aligning with the company's commitment to reducing risks to employee safety and health, and preventing occupational disasters.

1.7 Sustainable Supply Chain

Suppliers hold a pivotal role as SiRUBA's most important partners. Apart from providing customers with economically valuable products and services, in the wake of heightened global human rights awareness and the impact of climate change, we place equal emphasis on supplier and environment development. This dual focus propels the company's sustainable growth and bolsters our ability to address the repercussions of climate change. We establish enduring partnerships with our suppliers, actively ensuring their alignment with social and environmental responsibilities throughout the supply chain. SiRUBA remains committed to consistent communication with our partners and investment in sustainable initiatives alongside our upstream suppliers. This dedication aims to cultivate a secure, amicable, environmentally conscious socially responsible and enduringly sustainable supply chain within the sewing industry.

Supplier Development

SiRUBA upholds the principles of corporate citizenship, ensuring a secure working environment within the supply chain, upholding the dignity of labor, fulfilling environmental responsibilities, and adhering to ethical conduct. In



the process of selecting new suppliers, alongside assessing factors like delivery quality, quantity, timing, and cost, SiRUBA intends to incorporate the concept of corporate sustainable development into the supply chain starting from 2023. This initiative will involve the execution of a sustainable development commitment letter and an expansion of the criteria for supplier selection and evaluation to encompass aspects such as environmental stewardship, occupational health and safety, labor and human rights, and ethical considerations relevant to sustainable development. The long-term aspiration is for suppliers to align with sustainable management principles in tandem with SiRUBA endeavors.

Supplier Evaluation

To ensure that suppliers meet the company's requirements in terms of delivery quality, quantity, delivery time, and pricing, SiRUBA has devised "Supplier Management Measures" to assess and evaluate the quality and delivery timeliness of both current and potential suppliers. The supplier evaluation team at SiRUBA comprises units such as quality assurance, biotechnology, procurement, and collaborating in its execution. The overall supplier assessment derives from monthly evaluations of quality and delivery, with classifications ranging across four levels: Class A, Class B, Class C, and Class D. As of 2022, the supplier evaluation process has yet to incorporate environmental and social assessments, with plans for their implementation commencing in 2023.

Supplier Quality Evaluation Statistics	Headquarter&Taoyuan			Gao Yin			
	Year	2020	2021	2022	2020	2021	2022
Number of new supplier		5	8	10	3	5	9
Number of Quality Assessment		5	8	10	3	5	9
Number of Qualified Supplier		5	8	10	3	5	8
Percentage		100%	100%	100%	100%	100%	89%
Total number of supplier		135	143	136	140	145	149
Number of Annual Assessment		135	143	136	140	145	149
Number of Qualified Supplier		129	136	135	140	145	149
Percentage		96%	95%	99%	100%	100%	100%

The evaluation results of both new and existing suppliers in 2022 met the company's requirements, with no significant violations of environmental and social regulations leading to supply termination.



Supplier Risk Management

To prevent suppliers from impacting company production, performance or causing disputes due to major disasters, unannounced closures, or other unforeseen circumstances, SiRUBA has established a risk assessment mechanism to enhance supplier management. SiRUBA conducts annual supplier risk assessments, requiring suppliers to formulate contingency plans and response procedures for various potential natural or human threats, thereby ensuring uninterrupted operation and minimizing potential disruptions. This approach serves to mitigate risks to SiRUBA's operations and safeguard the rights and interests of stakeholders. Additionally, SiRUBA's primary raw material suppliers are sourced from two or more manufacturers to ensure a stable supply and reduce the risk of material shortages.

Communication of Supplier

SiRUBA places significant emphasis on maintaining effective communication with suppliers and monitoring their operational status through a range of channels. The establishing an e-Procurement information management system, allows suppliers to gain a clear understanding of SiRUBA's current and future procurement requirements, facilitating streamlined production planning.

In response to demand, SiRUBA periodically holds supplier meetings, conferences, and participates in industry exhibitions. Additionally, the company dedicates a section on its website to suppliers, promoting strong relationships with them.



Supplier Areat

To promote and respond to the global environmental protection trend and the sustainable development of KAULIN MFG. CO., LTD. and establish long-term partnerships with suppliers in the supply chain, we will work together with suppliers to abide by the social responsibilities of the supply chain, including green environmental protection, labor rights, Hygiene, safety and non-toxic and other ethical norms.

Supplier contact

Jhao Ren Chen

Email

kevin01.chen@siruba.com

1.8 Information Security

To meet expectations of stakeholders, safeguard product and service information, prevent unauthorized access, alterations, use, disclosure and potential losses resulting from natural disasters, earn the trust of customers and suppliers, and ensure the uninterrupted functioning of critical business operation. Furthermore, to fulfill commitment to shareholders, the company employs information security management. This approach guarantees the confidentiality, integrity, and availability of crucial information assets, while also ensuring compliance with pertinent laws and regulations.

Information Security Organization

We have established the information security team, led by the director of the general management office as the convener. This role encompasses information security risk management and performance target assessments. The head of the information department assumes the position of director-general within the team, responsible for the planning and execution all information security management tasks. Additionally, they present the actual outcomes of information security performance targets to the convener through meetings. Representatives from each unit serve as committee members, supporting the Director-General in the implementing of information security initiatives.

Information Security Policy

To enhance information security management, ensuring security of data, system, equipment, internet security, as well as the confidentiality, completeness, usability and legality of information assets. This also involves compliance with the stipulations of applicable laws, regulations and contracts, guarding against both internal and external deliberate or inadvertent threats. We aspire for each employee to adhere to the following expectation:

- ✓ **Maintain the confidentiality and integrity of information assets.**
- ✓ **Ensure data access is regulated based on departmental functions.**
- ✓ **Sustain the operational status of information systems.**
- ✓ **Prevent unauthorized modification or use of materials and systems.**
- ✓ **Regularly conduct information security audits to ensure its continued safety.**
- ✓ **The company's information system should establish offsite backups in accordance with risk levels, thereby guaranteeing the security of information data.**
- ✓ **Given the diverse utilization of the internet, continuously enhance security measures to mitigate threats.**



Information Security Guidelines

Our information department assumes full responsible for information security. This entails drafting information security policy, formulating plans for the implementation of information security protection, as well as promoting and executing information security policies. In a bid to counteract diverse internal and external information security threats, the company employ a range of s information security measures to enhance the overall security of the information environment.

- ✓ **User Rights Management:** Users need to be assigned varying access rights based on the security levels.
- ✓ **Security management of operating system usage rights:** The installation of the operating system should adhere to the company regulations and involve joining the company's network domain for centralized management. The operating system requires regular updates, and anti-virus software should be installed on company mainframes and computers. The scanning engine and virus definitions need to be automatically downloaded and updated daily. User account passwords should be regularly updated and configured.
- ✓ **Software Security Management:** Apart from installing application, utility, and package software necessary for information operations, the installation of other specialized software necessitates separate application and approval prior to installation.
- ✓ **Firewall Configuration:** The firewall should incorporate a filtering mechanism to block access to certain software and URLs, thus averting any impact on network e quality and security.
- ✓ **Online Communicating Security Management :** External VPN (remote) access and internal access (file transfer (FTP), instant messaging (LINE), specialized connection (HTTPS), and other network applications) must be approved by information unit's director and undergo a review and authorization process.
- ✓ **System Security Management:** Only authorized operators within the Information Unit should be permitted to handle source code storage and revision. Different program execution privileges for users should be established in line with business requirements.
- ✓ **Off-site Backup Management:** Systematic disaster recovery and database backup management protocols should be established.
- ✓ **Asset Management:** Equipment within the computer room and personal computers should be assigned asset numbers and subjected to regular inventory checks.

Enhancing employees awareness of information security through continuous communication and education.

Annual results in 2022

- ✓ No major information security incident in 2022.
- ✓ In 2022, the information security audit was concluded, revealing no instances of non-compliance. The audit results affirmed that information security protection capabilities and configurations are well-managed and comprehensive.



02 Innovative Products

2.1 Product Liability and Security
2.2 Customer Service



Major Subject	Product Innovation and Responsibility
<p>Policy/Commitment</p>	<p>SiRUBA continues to advance the innovative technique of its core products and develop smart sewing machines within the competitive market. Concurrently, we remain committed to innovation by introducing automated methods, all while providing high-quality products and services. Supervision of the production line is achieved through an advanced intelligent manufacturing management system, facilitating an efficient and high-quality production process. This not only reduces raw material consumption, but also extends the product lifespan and increases recycling rates. Consequently, It minimizes factory hazards and pollution, cultivating a safe, healthy and, environmentally-friendly workspace. Maintaining innovation is a cornerstone of our sustainable development strategy.</p>
<p>Target</p>	<p>Continuously invest resources in the research and development plan for highly automated equipment in preparation for the future.</p> <p>Focus on designing and developing products that emphasize high quality and efficiency.</p> <p>Showcase the latest products and services</p> <p>Commit to the comprehensive design of environmentally-friendly products. This dedication aims to adhere to European, American and global environmental regulations, reducing environmental pollution, and contributing our utmost efforts for the betterment of the earth and society.</p>
<p>Responsible Department / Recourse Mechanism</p>	<p>Responsible Department R&D Department</p> <p>E-mail kevin.pan@siruba.com</p>
<p>Invest Resources</p>	<ul style="list-style-type: none"> • 747KST passed CE authentication • DL7500&DT828L passed CE authentication • 700LQ VTE/CTE' s mass production of full functional electro-mechanical all-in-one handcart. • 700L/BKF1' s mass production of fully automatic wire wrapping head copier. • C007LX/ICS/CAF' s mass production of intelligent bone crossing system. • ST-600W' s mass production of Servo motor control system for 3-needle lath. • Applied for three invention patents and four new design patents for sewing machines. • The proportion of R&D expenditure is 18.4% in total revenue in 2022.

Major Subject	Product Innovation and Responsibility
<p>Assessment Mechanism</p>	<ul style="list-style-type: none"> No violations of product service, health, or safety regulations, as well as voluntary protocol events occurred in 2022. The R&D project meeting convened to review alignment with company objectives.

2.1 Product Liability and Security

SiRUBA's core competence lies in providing cutting-edge sewing equipment and market-positioning for global garment manufacturers. The six core values of product development are "Automatically, intelligentized, energy saving, waste reduction, emission reduction and circular economy." reflecting our commitment to sustainable sewing practices. In our product development efforts, we employ servo motor direct drive and oil-free/ micro-oil structure design to enhance power efficiency in high-efficiency products. By utilizing the direct drive mechanism instead of the traditional clutch motor, we are able to reduce electricity consumption by 30%, resulting in lowered emission. SiRUBA is also continuously researching semi-automatic and fully-automatic product designs to boost garment production efficiency. Precise control of the activation timing of pneumatic elements is achieved through electric eye control, and leading to a 20% reduction in the frequency of negative pressure pneumatic element openings. Moving forward, our primary focus in product development is to prioritize reducing environmental pollution and societal impact.

Automatically and Intelligentized

SiRUBA has incorporated the assistance of information technology to develop a quality control system aimed at ensuring the products' quality. Based on optical principles, we have implemented an Automated Optical Inspection (AOI) process to detect surface irregularities of object through computerized image processing. This process verifies the absence of abnormalities or defects. The AOI system is automated, swift, precise, and exceptionally stable, thereby replacing the conventional manual visual inspection approach. This transition significantly enhances the manufacturing process while minimizing the risk of faulty products. Utilizing the AOI principle to gauge measure the extent of oil deposition, we determine whether the machinery passes the inspection criteria and subsequently upload the data to the cloud to generate on-site display boards. The gathered information is then consolidated within a cloud-based platform designed for monitoring oil leakage areas. Through extensive analysis of this data using big data techniques, long term trends in oil leakage can be identified. The overarching objective of this endeavor is to prevent, safeguard, and mitigate environmental pollution.

Circular Economy

To address the pressing issue of global sewing and the rapid environment pollution caused by fast fashion, SiRUBA is taking on its society responsibility as a leading supplier in the sewing industry. We have embraced the principles of the circular economy in our pursuit of new product development, centering around the pivotal goal of "zero oil, zero waste." This vision drives our efforts. One of our latest innovations is the oil-free sewing machine, a result of incorporating cutting-edge technology involving diamond-coated surface treatments and innovative grease lubrication designs. This groundbreaking technology can significantly reduce oil emissions from sewing machines by as much as 50%. Furthermore, SiRUBA has introduced the groundbreaking garment rag sewing trouser headphones which are designed to facilitate the recycling of textile rags. Concurrently, we have established a partnership with our cultural and creative foundation to propel the "ReSew's Program" forward. The primary objective of this initiative is to generate recycled value through the research and development of sewing machines tailored for the

re-sewing waste materials. This encompasses a diverse range of materials, including textile waste fabrics, surplus stock fabrics, defective textiles, sample fabrics, and second-hand recycled fabrics.

Quality Assurance

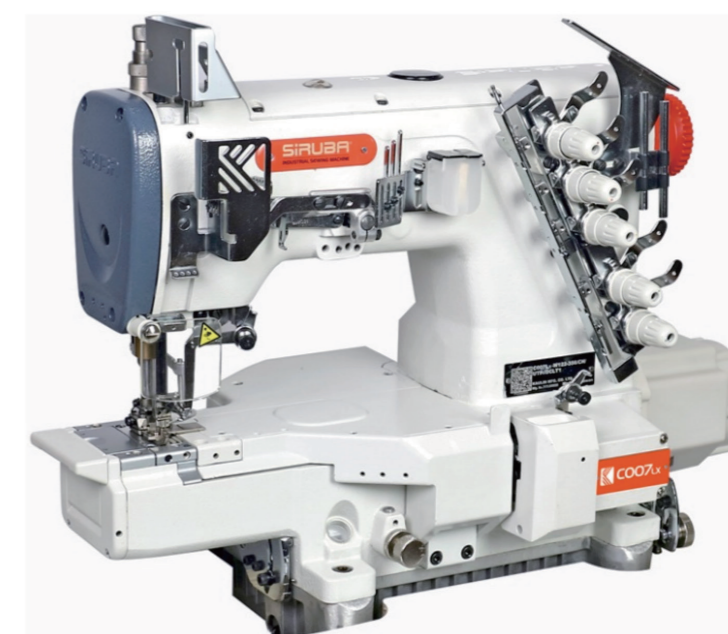
We adhere to national environment law standards and fulfill the requirements of the ISO 9001 International Quality Management System to meet the customer demands, maintain standards, and enhance brand value. We have established a multitude of quality standards, which include the "Incoming inspection standard," "Process inspection standard," "Finished product inspection standard," and "Quality appraisal standard." Our approach involves continuous improvement through the PDCA (Plan-Do-Check-Act) cycle to effectively address risks. To ensure the delivery of the highest quality products and services to customers, we have implemented a rigorous audit management system. Meanwhile, SiRUBA offers a diverse range of machine types, and the integration process is intricate, necessitating collaboration with external vendors for development. During trial installation, if issues arise, we engage in through communication with vendors via methods such as video conferencing or physical exchanges. This iterative communication helps pinpoint problem areas, facilitating meticulous testing and modification by our R&D engineers. This approach leads to smooth solution in product development. Year after year, we maintain a commitment to innovation, consistently meeting customer expectations by delivering products that align with their needs.

Development of oil-free sewing machine -Ultra high-speed Interlock Machines C007L/LX Serial

SiRUBA's Ultra high-speed Interlock Machines C007L/LX Series features a design specifically engineered to prevent lubricant leaks and the infiltration of dust into the needle bars and hooks of the sewing machine. This design not only safeguards against these issues but also regulates the oil leakage for optimal lubrication conditions, promoting extended service life while maintaining consistent operation.

The C007L/LX series incorporates a novel oil seal structure that enhances the isolation of lubricants, isolation performance, effectively mitigating instances of lubricant flinging. To further enhance performance, we employ high wear-resistant FKM (Fluoroelastomer) material. FKM, known for its resistance to high temperature, oil, solvents and chemicals, is a critical synthetic rubber in industries such as aerospace, automotive, petrochemicals, and industrial pollution control. When applied sewing machine oil seals, it significantly enhances sewing machines performance.

We have pioneered the latest oil-resistant technology by combing components of the C007LX with upgraded materials. For instance, the needle bar surface is treated using a special diamond-like carbon method, ensuring oil-free operation during sewing. This new surface treatment technology integrated with a grease lubrication design, reduces oil splatter by 50%, all the while simplifying the post-cleaning process in the garment manufacturing process. This results in a significant reduction in water usage and cleaning complexity during the manufacturing process.



Reducing Waste Fabric and Shredding Recycling

In garment factories, a significant amount of irregular fabric scraps is generated during the cutting process, often referred to as “offcuts” or “tailing.” While some of these scraps are repurposed into items like rags, oil wipes, or even turned into mops, a majority of them are unfortunately discarded as waste, often being burned or buried. This practice contributes to air pollution and wastage of water resources. Through the promotion of various research and development initiatives and activities, SiRUBA endeavors to propagate the concept of “sustainable fashion” to a wider audience.

To address this issue, SiRUBA has developed the F007K/FBQ model of garment rag seamless trousers with integrated earphones. This innovative design allows for the recycling of irregular fabric scraps produced during the cutting process. These scraps are sewn into trousers, offering a practical solution for garment factories to recycle and repurpose their offcuts, contributing to the reduction of waste in the fashion industry.

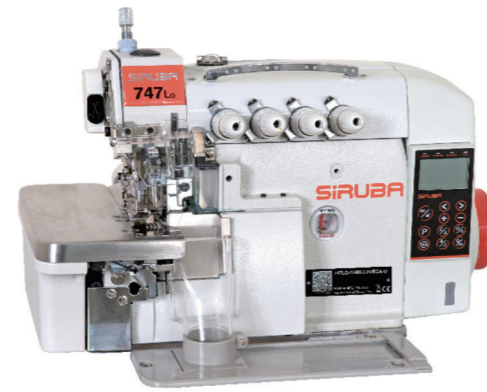
Reduced Seam Usage

In serging machines lacking a thread cutting device, user traditionally kept the motor running after sewing to produce a length of 10 to 15 centimeters of sewing thread, which was then cut using the sewing machine. This practice often led to unnecessary thread wastage. To counter this issue, SiRUBA has developed a novel type of serging machine cutting device, the ECA/ECB model. This innovative cutting device utilizes an electric eye to detect the fabric's end position. It precisely controls the cutter to trim the thread at the conclusion of the sewing process while simultaneously halting the servo motor. As a result, thread consumption during the sewing process is significantly reduced to a mere 3 to 4 centimeters. This advancement effectively minimizes thread wastage, enhancing the efficiency of the sewing process.

F007K



700LQ Serging Machine



2.2 Customer Service

SiRUBA values every clients' opinions and strives to fulfill their requests while dedicating itself to delivering top-notch service. In pursuit of this commitment, we have established a highly capable service team. This team spans across various stages, including development, production, marketing, sales, and after sales support. Each phase of our process is equipped with dedicated points of contact, ensuring swift and responsive reactions to customer requirements and expectations.

Customer Service Process



SiRUBA regards customer feedback and opinions as a fundamental cornerstone for cultivating strong customer relationships, enabling us to comprehend clients' needs through multiple communication channels. Clients have the opportunity to provide insights on quality discrepancies, performance issues and future requirement via these channels. For each piece of customer feedback, SiRUBA conducts regular examinations and analyses, formulating appropriate improvement plans and establishing comprehensive response protocols. Annually, our business unit conducts a customer satisfaction survey, directing all inquiries to the respective departments for responses and enhancements. Customers can also report product irregularities through the “Customer Service Process” BPM system. Our QA unit promptly investigates these irregularities and implements corrective measures. In cases of customer complaints, regardless of the severity, SiRUBA dispatches personnel to rectify the situation. We actively revise design flaws and reaffirm our commitment to customers and quality. Notably, there were no customer complaints related to product safety or environmental regulations in 2022.

“Customer Service Process” BPM system processing

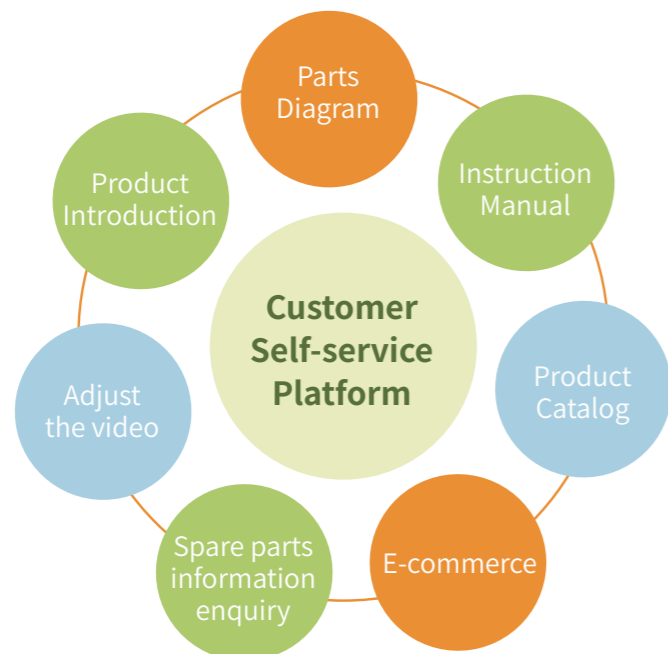


Digital Customer Service

The rapid changes brought about by Covid-19 have significantly impacted marketing and sales strategies. In response to the escalating demand for digital services from both customers and users, SiRUBA has embraced innovation, offering cutting-edge digital services and enhanced e-commerce ordering experiences to cater to the impending “digital era”.

- ✓ The establishment of a customer self-service platform (ICT Platform) designed to promptly provide clients with the information they require. This platform also features an online purchasing system that expedites the ordering process. Beyond just streamlining issue resolution, this system reduces customer time and effort, spent by customers, thereby bolstering the overall customer experience.
- ✓ SiRUBA has introduced the industry's pioneering use of QR Code for scanning products, providing the comprehensive product details. Moreover, this technology ensures customer rights, as the technical service department can instantly access inspection values using the QR code. This approach minimizes customer losses stemming from troubleshooting delays, while also safeguarding the company's reputation and customer relationships.
- ✓ The establishment of an E-commerce system simplifies B2B trading procedure for users. This system streamlines the entire process, from product selection and order placement to shipment tracking, enabling customers to efficiently engage in fast and accurate merchandise trading collaborations.

“Customer Self-service Platform” provides latest news



Diversified Product Marketing

While SiRUBA remains rooted in traditional industries, we have actively embraced social media and modern marketing tools in recent years. Our aim is to enhance brand visibility and extend our market reach through diverse marketing approaches, all while fostering strong cooperation relationship.

Social Media	<p>We have our own dedicated pages and channels on platforms such as Facebook, YouTube, and Line. We consistently publish sewing-related content, which encompasses product videos, images, usage tutorials and customer feedback. Through well-crafted visuals and scripts, we effectively capture the attention and engagement of potential customers.</p> <p>FB https://www.facebook.com/Siruba-Sewing-Machine-204941588530768</p> <p>YouTube https://www.youtube.com/@SiRUBA_SewingMachine</p> <p>Tiktok https://www.tiktok.com/@siruba_sewing_machine</p> <p>Linkedin https://www.linkedin.com/company/siruba</p>
Video Demonstration	<p>Video serves as the most direct and impactful communication tool. We create professional and captivating product videos to highlight the features, performance and benefits of our industrial sewing machines. These videos include practical demonstration, sewing effects, client usage experiences and more. Our goal is to ensure the content is dynamic and engaging, with a clear and concise message. Our aim is to pique customer interest and create resonance of the customer within a short timeframe.</p> <p>https://www.youtube.com/@SiRUBA_SewingMachine</p>
Corporate Image Display	<p>We project our company image through regular publication of pictures and videos. Our videos encompass not only our company image but also showcase our factory premises and quality inspection processes. This approach contributes to the cultivation of a professional company image and instills a sense of reliability. By sharing insights into our operations, we ensure that customers understand the value and dedication that go into SiRUBA sewing machines.</p> <p>https://siruba.com/tw/intro-3/</p>
Customer Interaction and Feedback	<p>Utilizing social media to engage with the clients, addressing their inquiries, offering product recommendations, and providing technological support. These interactions play a vital role in cultivating strong customer relationships, fostering brand loyalty, and enhancing our reputation.</p> <p>https://siruba.com/tw/contacts/</p>

Customers' Privacy Protection

We recognize the significance of safeguarding classified information for maintaining a competitive edge. The company has implemented a personal information protection management system that outlines the necessary rules and regulations for effectively overseeing business secrets and confidential information not yet made public. This systematic approach ensures the protection of both customer and vendor interests. Notably, there were no complaints regarding customer privacy breaches or confidential information leaks in 2022.

03 Eco-Operation

- 3.1 Climate Change Management
- 3.2 Energy Resources Management
- 3.3 Waste Management



3.1 Climate Change Management

SiRUBA has implemented an internal control system and internal audit framework. Additionally, we have formulated policies and processes of ESG risk management, and risk management encompassing sustainable operation, environmental factors, societal considerations and governance standards. Given the increasing significance of energy, climate change, and extreme weather conditions due to global warming, we have established a Task Force on Climate-related Financial Disclosures (TCFD) framework. This framework is designed to address the impact of climate change on our operations. The TCFD framework is structured around governance, strategy, risk management, indices and targets. Each member of the Sustainable Development Committee is responsible for identifying climate-related risks and opportunities. Subsequently, they develop strategies to address these factors, incorporating recommendations from external consultants. The committee regularly reports to the Board of Directors on an annual basis, ensuring effective implementation and monitoring of the outlined strategies.

Governance	Strategy	Risk Management	Index and Target
SiRUBA's approach to climate-related risks and opportunities.	Business, strategy and financial planning, actual and potential climate-related impacts.	Climate-related risk management process.	Assessment and the index and target of governance climate-related issue.
The Governance of climate risk and opportunities, governance considered as part of the annual sustainable risk management issues, is reported by the Sustainability Committee to the Board of Directors on a yearly basis. The Board oversees the effectiveness of its implementation.	Please refer the short-term, medium-term and long-term climate risks and opportunities table in 2022.	Our company has established ESG risk management policy and procedure and implemented the process of risk identification, assessment and management as follows. <ol style="list-style-type: none"> 1 Sustainable Committee members collect the climate environment background data. 2 Climate risk and operation assessment. 3 List of climate risks and opportunities. 4 Internal shock survey questionnaire. 5 Sustainable Committee member analyse the opportunity of climate risk and operation impact. 6 Decide the major risk project. 7 Establishment of execution strategy and goal setting. 8 Rolling review of the effectiveness of strategies and objectives through the Sustainable Development Committee meetings every year. 	<ul style="list-style-type: none"> • Conduct an examination of GHG emissions and increase the publication of information on the website. • Annual power saving rate 1%
The General manager serves as the chairman of the climate change and opportunity committee. Risk identification, assessment, and mitigation are carried out by unit heads at each level.	Please refer the climate-related impact.		In 2022, Total's <ul style="list-style-type: none"> • Scope 1 emissions will be 8.51 metric tons of CO₂e. • Scope 2 emissions will be 85.55 metric tons of CO₂e. • Scope 3 emissions will be 36.89 metric tons of CO₂e.

Governance	Strategy	Risk Management	Index and Target
The General manager serves as the chairman of the climate change and opportunity committee. Risk identification, assessment, and mitigation are carried out by unit heads at each level.	We refer 2°C situation (2DS) and discussed it during the sustainable committee meeting. We also utilized the Taiwan Climate Change Projection and Information Platform Project (TCCIP) as a reference tool. After deliberation, we concluded that the 2DS/RCP2.6 scenario would serve as our selected climate change physical risk scenarios. Describe the risks and opportunities of climate change in this context in terms of physical risks and regulatory change risks.	The company's risk management practices have integrated climate-related risks and opportunities into the functioning of every operations of unit.	Carbon Neutrality in 2050



The Short-term, Mid-term and Long-term Climate risk and opportunity Table in 2022

Serial Number of Risk	Climate Change Risk Issue	Risk Level	Period	Serial Number of Opportunity	Climate Change Opportunity Issue	Opportunity Level	Period
R1	Increase in greenhouse gas emission pricing	HIGH	Short-term, Mid-term	O1	Reduce the amount of used water and water	Medium	Mid-term, Long-term
R2	Enhanced emissions reporting obligation	Medium	Short-term, Mid-term, Long-term	O2	Utilize more efficient production and distribution processes	Medium	Mid-term, Long-term
R3	Request and supervise of present product and service	Medium	Short-term,	O3	Recycle and used	Medium	Mid-term, Long-term
R4	Low-Carbon product replaces present product and service	Medium	Mid-term, Long-term	O4	Use more efficient buildings	Medium	Mid-term, Long-term
R5	Costs of Low-Carbon Technology Transition	Medium	Short-term, Mid-term	O5	Use more efficient transportation	Medium	Short-term, Mid-term, Long-term
R6	Change of client behavior	Medium	Short-term, Mid-term	O6	Use low-carbon energy	Medium	Mid-term, Long-term
R7	Rain (Water) model changes and climate model extreme changes	HIGH	Mid-term, Long-term	O7	Take reward policy	HIGH	Mid-term, Long-term
R8	Increased severity of extreme weather events such as typhoons and floods	Medium	Mid-term	O8	Use new technology	Medium	Mid-term, Long-term
R9	Increase in raw material costs	HIGH	Short-term, Mid-term, Long-term	O9	Participate in carbon market	HIGH	Mid-term, Long-term
R10	Average temperature rise	Medium	Mid-term, Long-term	O10	Switching to decentralized energy	Low	Mid-term, Long-term
R11	Rising sea levels	Medium	Mid-term, Long-term				

Note 1: Short-term: 1-3 years, Medium-term: 3-5 years, Long-term: years

Climate-related Financial Impacts and Responses

Risk and Opportunity	Financial Impact and Response Mechanisms
Rise GHG emission pricing	According to the EN Climate Change Response Act, the imposition of a carbon fee on direct or indirect emissions in 2024. The potential financial implications of this structural risk could lead to increased operational costs. However, it is important to note that, at present, our company does not belong to the category of high-carbon emission industries. Consequently, the projected impact on the overall financial performance is unlikely to be significant. Our company is committed not only ongoing greenhouse gas examination but also the rapid implementation of these practices across all group companies. Additionally, we are evaluating the feasibility of incorporating green power procurement, bioenergy utilization, and carbon credit acquisition. These initiatives are aligned with our goal of achieving carbon reduction.
Rain (Water) model changes and climate model extreme changes	The increasing frequency of typhoons and rainstorm resulting from extreme climatic conditions could potentially lead to flooding in our office buildings and factories, thereby affecting company's operations. This situation may result in potential financial losses after a thorough assessment. In response, our company has implemented measures to mitigate immediate risks, including the establishment of drainage system maintenance protocols to handle typhoons and rainstorms. Waterproofing measures and natural disaster insurance coverage have been applied to both our building and factory areas. Furthermore, we conduct monthly maintenance on pumping motors and drainage facilities. These efforts collectively contribute to minimizing the potential impact of this risk on our overall operations.
Increase in raw material costs	The European Union has initiated the collecting of carbon tax in 2023 as a response to climate change, leading to an escalation in the cost of producing and transporting commodity raw materials. In response, a viable solution involves streamlining module design to curtail the consumption of raw materials and bolstering the proportion of locally sourced materials within the supply chain. These measures are aimed at mitigating the upward surge in raw material and transportation expenses. Moreover, it is imperative to implement medium-term and long-term strategies that encompass developing a product's product carbon footprint and decreasing carbon-related expenses through the integration of green design principles.

Achieving 2050 implement of carbon neutrality target

- Procur green-labeled infrastructure equipment through green purchasing. (Implementation period: 2023~2025)
- Acquire energy-saving and power-adjusting systems, to enhance energy efficiency. (Implementation period: 2026~2030)
- Raise the proportion of renewable energy usage to 50%. (Implementation period: 2030~2040)
- Invest in carbon credit and renewable energy certificates. (Implementation period: 2040~2050)

GHG Emission

Affected by global warming in recent years, there has been ozone depletion and increasingly extreme climatic conditions. We are committed to collaborating closely with the government on this global issue. Recognizing the influence that enterprises exert on the environment, we have adopted the ISO 14064:2018 standards and requirements for Greenhouse Gas (GHG) inventories. Conducting thorough statistical analyses of inventory outcomes, we aim to provide references for future planning and the execution of improvement initiatives.

Major emission resource	Category	Project	Check Facilities /Activities
Direct GHG emission	1	Stationary Fuel Combustion Source	Emergency generator, Paint burner, Coating oven, Ggas stove, Disinfection machine (CO ₂ , CH ₄ , N ₂ O)
		Mobile Combustion	Gasoline for company cars, Stacker (CO ₂ , CH ₄ , N ₂ O)
		Process Emission Sources	Burning Acetylene (CO ₂), Burning coated ethanol (CO ₂)
		Effusion Emission Sources	Fire extinguisher (CO ₂) Air conditioner, Refrigeration equipment, Mid-large refrigerator, Constant temperature and humidity machine, Refrigerant for water dispensers and buses (HFCs), Septic tank (CH ₄)
Energy-direct GHG emission	2	Purchased Power	Electric Power (CO ₂ e)
		Purchased Steam	Steam (CO ₂ e)
Other-direct GHG emission	3	Employee commuter	Taoyuan employee commuter (Motorbike Vehicles) (CO ₂ e)
		Employee business trip	Domestic business trip(High Speed Rail), Domestic business trip(Train), Domestic business trip(Car by oneself), Domestic business trip(Taxi), Domestic business trip(Airplane)(CO ₂ e)

Taipei Headquarter Emission Source		Emission Equivalents (Tons CO ₂ e/Year)	Total
Category 1			
Move		7.6929	8.5088
Effusion		0.8159	
Category 2			
Purchased electricity		85.5537	85.5537
Category 3			
Emissions from business-related or employee travel and transportation	Business trip (Airplane)	12.7838	16.2211
	Business trip (High Speed Rail)	0.0023	
	Business trip (Train)	0.0016	
	Business trip (Taxi)	0.5750	
	Business trip (Drive by yourself)	2.7930	
	Business trip (Ride motorbike by yourself)	0.0654	
Category 4			
GHG emission from the organization occur during raw material extraction, manufacturing and processing.	Upstream power mining and transporting carbon footprint	14.8248	20.6724
	Crude oil extraction process	2.1441	
	Purchasing printed paper	2.1156	
Emission from disposal of solid and liquid waste.	General waste incineration	1.5879	
Total Emission Equivalents			130.9560

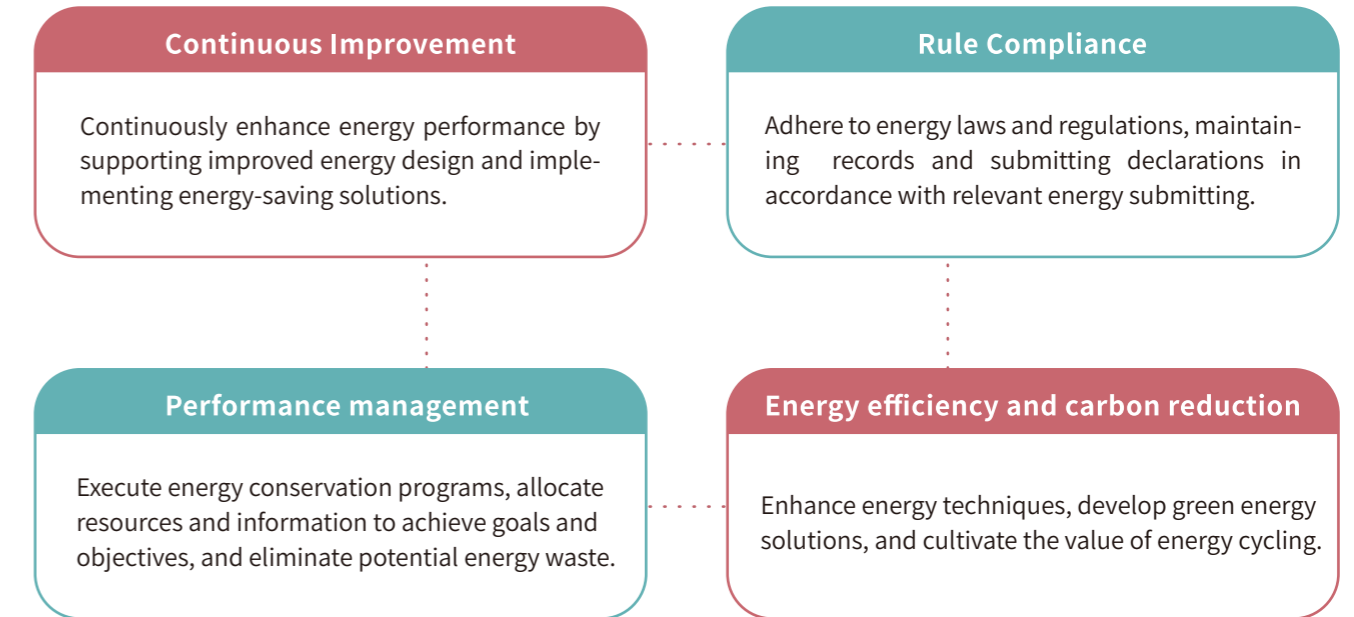
Taoyuan Plant Emission Source		Emission Equivalents (Tons CO ₂ e/Year)	Total
Category 1			
Regular		1.0587	52.8548
Move		10.9688	
Process		0.0068	
Effusion		40.8207	
Category 2			
Purchased electricity		322.0586	322.0586
Category 3			
Emission from employee commuter	Commuter(Motorbike)	17.4125	45.6466
	Employee commuter (Driving)	28.2341	
Category 4			
GHG emission from the organization occur during raw material extraction, manufacturing and processing.	Upstream power mining and transporting carbon footprint	55.8066	64.4663
	Gasoline mining process	2.6781	
	Diesel mining process	0.4003	
	Natural gas extraction process	0.2663	
Emission from disposal of solid and liquid waste.	General waste incineration	4.2065	
	General waste transportation	1.1086	
Total Emission Equivalents			485.0263

Gao Yin Plant Emission Source		Emission Equivalents (Tons CO2e/Year)	Total
Category 1			
Regular		247.4943	409.1734
Move		45.0126	
Process		1.1479	
Effusion		115.5186	
Category 2			
Purchased electricity		3192.5167	5110.5094
Purchased steam		1917.9927	
Category 3			
No significant direct GHG emission			
Category 4			
Emission from disposal of solid and liquid waste.	(Carton recycling)	14.7904	40.2462
	Transportation of recyclables (Platform Truck)	25.4558	
GHG emissions from customer rental usage	Leased electricity (Building G, Welfare agency)	539.6906	539.6906
Total Emission Equivalents			6099.6196

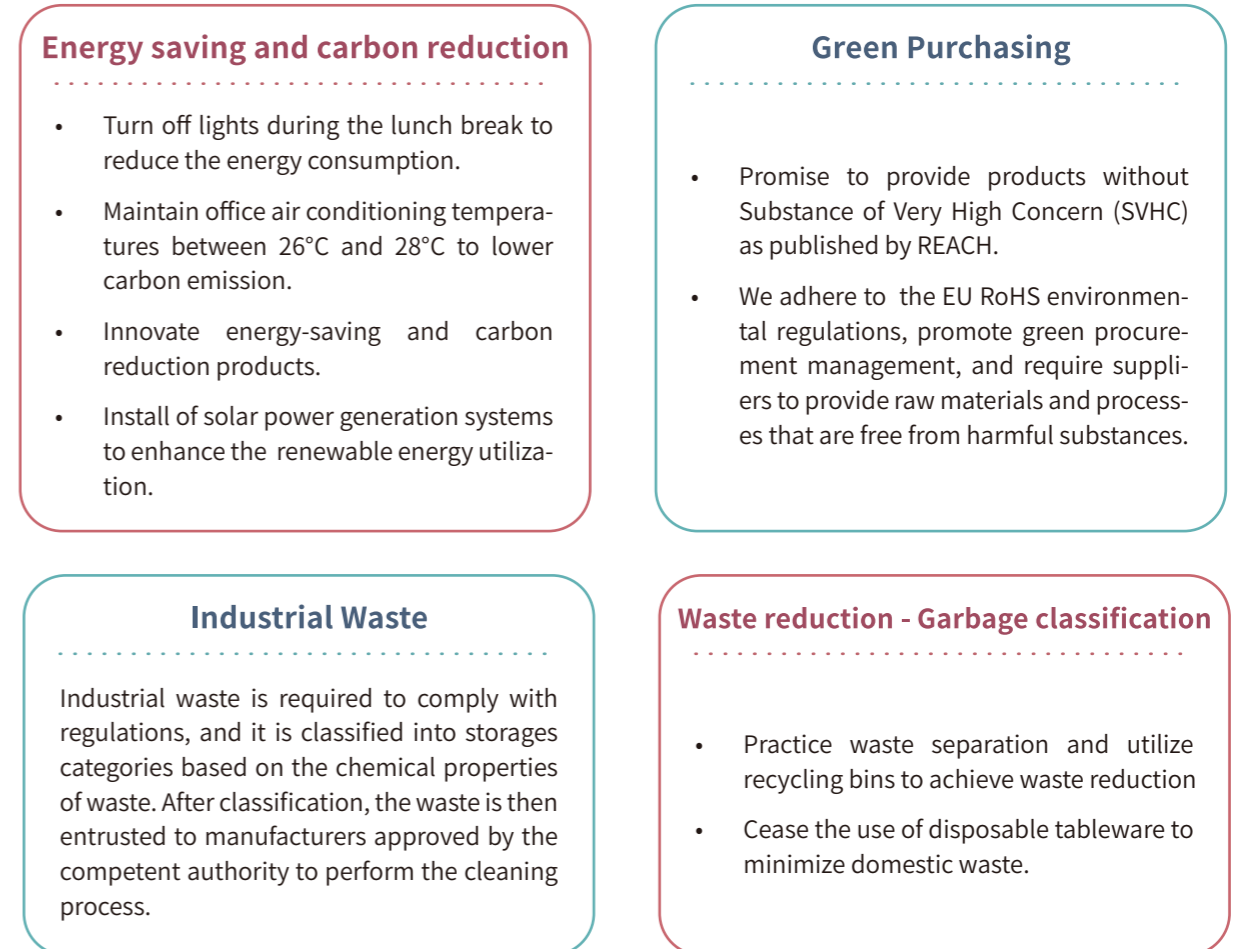
3.2 Energy Resources Management

Efficient energy usage is imperative for modern enterprises. Energy management assumes a pivotal role in corporate operations and the preservation of ecosystem. To skillfully regulate energy consumption and bolster its efficiency, we have established the “Energy Conservation Management System” as our overarching guideline. In alignment with energy regulations, each plant takes charge of monitoring energy usage. Through the PDCA (Plan-Do-Check-Action) cycle, we verify the effectiveness of implementation is confirmed and continually strive for enhancement. This endeavors to fulfill the company’s aspirations for sustainable development and harmonious coexistence with the environment.

Energy Management Policy



How we do?



Green Product

SiRUBA has established a comprehensive process for controlling restricted environmental substances, which is primarily practiced as follow:

- The manufacturer signs a statement to fully comply with RoHS, REACH international environmental regulations and customer requirements.
- Regular review of substance testing reports
- Implementation of audits for supplier green product management.
- There were no violation of green product regulations or customer product requests in 2022.

Emergency Response

- SiRUBA has an emergency plan in place and has established emergency response command centers at each operating base. We maintain an emergency team that is prepared to handle any emergency that may arise. We conduct regular emergency education training and hold fire drills every six months. During these drills, the emergency team simulated practical scenarios to enhance employees' emergency response and self-safety management skills. These measures enable employees to take appropriate actions before a disaster escalates, thus minimizing the impact and damage caused by crises.
- Cooperating with firefighters, we receive training in fire escape procedures, first aid, and other related skills.
- In 2022, in accordance with the emergency response plan, we successfully conducted an emergency response drill. This ensures that our colleagues are well-prepared to effectively handle emergencies, minimizing both personal injuries and environmental impacts.



Energy Consumption

The report only disclosed information about the Taoyuan factory for the year 2020. In 2022, it expanded to include Gao Yin and the headquarters. The total energy consumption amounts to 32,816.31 GJ.

Energy usage within the factory primarily encompasses equipment operation, electricity consumption, official vehicles, and stackers. On the other hand, the primary energy consumption at the head office is attributed to electricity.

Year		2022					
		Usage amount					
Energy Category		Taipei		Taoyuan		Gao Yin	
		Usage amount	Conversion in GJ	Usage amount	Conversion in GJ	Usage amount	Conversion in GJ
Non-regenerated energy resources	Gasoline	2298.20	75.00	4015.50	131.05	4,959.64	161.86
	Diesel Fuel	-	-	548.30	19.27	6,712.99	235.93
	Natural Gas	-	-	516.00	17.27	-	-
	Liquid Gas	-	-	-	-	78,000.00	2,165.35
Purchased	Electric Power	168,082.14	605.10	632,728.00	2,277.82	7,147,084.00	25,729.50
Renewable Energy	Solar Energy Generation	-	-	-	-	388,379	1,398.16
Total energy usage of the organization (GJ)		32,816.31					
Renewable Energy Ratio (%)		4.26					
Energy Intensity (GJ/Unit)		0.185					

Note 1: GJ=10⁹J, 1 kilowatt-hour of electricity is 3.6 million joules, 1 kcal is 4,184 joules; referring to the Taiwan Environmental Protection Agency's greenhouse gas emission coefficient management table (version 6.0.4), the calorific value of gasoline is 7800kcal/L, while diesel oil has a calorific value of 8400kcal/L; liquid gas has a calorific value of 6,635kcal/L, and natural gas has a calorific value of 8,000kcal/M3

Note 2: 2Production capacity in 2022 is 177,044 units.

Effective energy management has become an essential strategy for SiRUBA's sustainable development. We engage in activities such as inventorying, monitoring and addressing abnormal energy usage. On a monthly basis, the factory reports its electricity consumption during factory meetings and compares it to the same period in the previous year. Through self-supervision and management, we enhance the energy management mechanism, facilitating the establishment of energy-saving goals and plans for future energy-saving improvement. We integrate the concepts of green low carbon practices into our product development and innovative technique to minimize energy resource consumption. Our product design approach incorporates green design principles, thereby reducing environmental hazards and impacts throughout each stage of the product lifecycle.

Renewable Energy

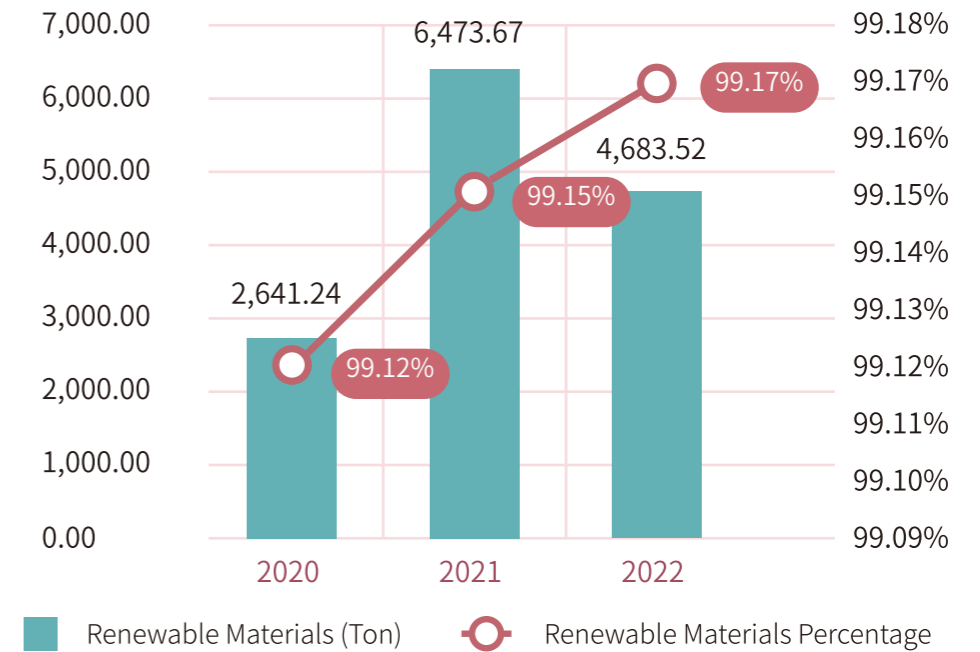
We recognize that achieving the goal of carbon neutrality in 2050 necessitates the utilization of renewable energy as a crucial implementation strategy. Since 2022, our company has been installing solar power generation systems at the Gao Yin Plant. Since its launch in August, the electricity generated in 2022 amounted to 1,647.82GJ. Among this total, 1,398.16GJ were consumed, resulting in a utilization rate of 84.85%. The use of renewable energy accounted for 4.26% of the total energy consumption. To ensure sustainable enterprise operations, the Taoyuan plant devised a solar roof renewable energy generation plan in 2019. The plan involved leasing the roof to the solar photovoltaic industry for the construction of new solar panels, which capture solar heat and convert it into electrical energy. This initiative aligns with governmental efforts to promote green energy and encourage businesses to participate in solar photovoltaic construction projects to address power shortage. The parallel connection of SiRUBA's solar photovoltaic power generation was established on April 13th, 2021. SiRUBA's solar power generation planning not only enables wholesale electricity distribution but also significantly diminishes the need for air conditioning in the factory area due to the shading effect of the roof scaffolding. This dual benefits facilitates energy saving and carbon reduction, promising substantial future reductions in electricity costs. The total capacity of SiRUBA's solar energy installation is 242KW, with an estimated total power generation of 5.809 thousand kWh over 20 years. The anticipated income from wholesale electricity pricing is approximately NT\$ 29.21 million, contributing to a reduction of 3.07 million kg in carbon dioxide emissions.

Material Management

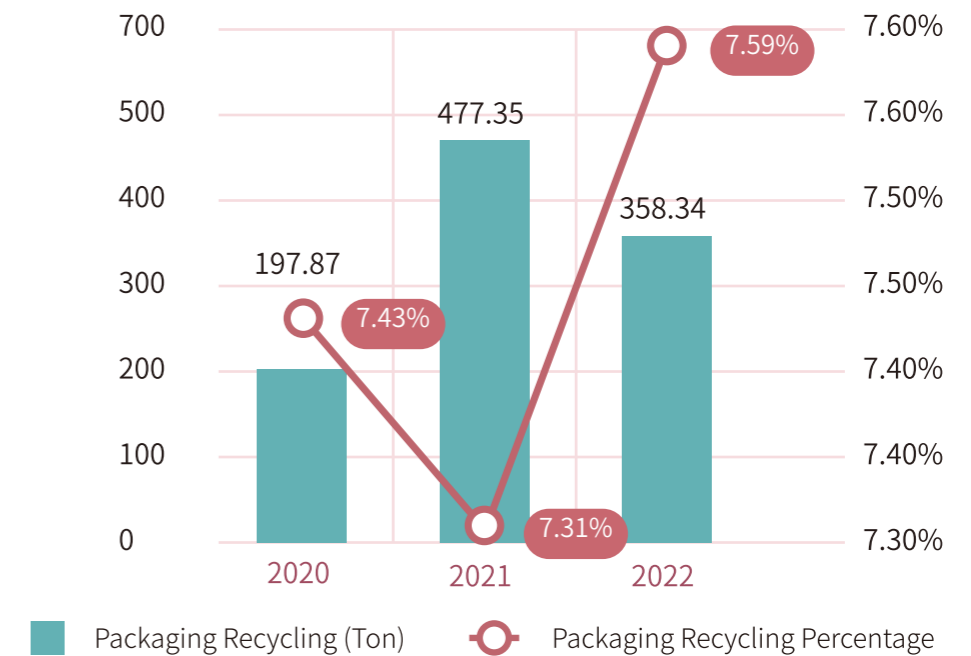
In recent years, the concept of the circular economy has gained momentum, prompting companies to initiate waste reduction efforts. SiRUBA participates in recycling product packaging materials such as paper, styrofoam, plastic bags, and wooden pallets. We also collaborate with suppliers to responsibly recycle and reuse environmentally friendly styrofoam. Furthermore, we implement recycling and reusing practices for process waste, including waste base oil, cutting oil, metal, and cartons. These materials are sent to qualified recycling facilities. Regarding products, the SiRUBA Foundation, the Textile Industry Research Institute, local social welfare organizations and charitable institutions jointly sponsored a series of "Project ReSEW's" activities. These initiatives involve the development and testing of sewing machines to transform waste fabrics and various textile remnants. Materials such as surplus inventory, defective products, and sample cloth from KAULIN are repurposed through sewing techniques, enhancing the value of regenerated resources. This approach is in alignment with the principles of the circular economy.



Renewable Materials Use in Recent Years



Packaging Recycling Statistics in Recent Years



3.3 Waste Management

Being a sewing company, the primary types of industrial waste we generate include recycled paper, aluminum, iron, copper and plastic. Additionally, there are non-recyclable sewage materials that cannot be handled through incineration or landfill disposal. The hazardous waste category encompasses organic solvents.

For industrial waste management, we entrust qualified waste removal and treatment firms to handle the waste removal and treatment at the site. We adhere to the stipulations of the Waste Disposal Law, which involves submitting a “Waste Disposal Plan” to the local environmental protection bureaus. Furthermore, we follow relevant regulations for reporting the production, temporary storage, and disposal of industrial waste. Notably, our company has not incurred any environmental penalties from competent authorities for violation of environmental laws and regulations.

Regarding domestic waste, we actively engage in garbage classification and reduction. Qualified haulers are responsible for recycling and reusing these materials, contributing to our waste management practices.

Sanitary Waste Disposal

Reduce	Reduction of office waste includes items like paper and paper cups.
Reuse	Used office supplies can be repurposed or reused, such as recycling used paper through double-sided printing.
Recycle	Collect all office supplies and categorize them, including items like batteries, paper, and cans.
Repair	Office supplies can be repaired and reused, reducing resource waste and procurement costs.
Refuse	Promote green consumption in the office by refraining from purchasing or using items that contribute to environmental pollution or are not environmentally friendly.

Production and Disposal of Industrial Waste				Unit: tons		
Factory	Taiwan			Gao Yin		
Year	2020	2021	2022	2020	2021	2022
Total Amount of Regular Industrial Waste	17.64	22.04	25.41	275.57	836.18	541.18
Total Amount of Recycled Regular Industrial Waste	8.13	10.43	12.51	265.63	812.60	529.03
Paper/ Aluminum/ Iron/ Plastic/Cooper	Recycle	8.13	10.43	12.51	265.63	478.59
Total Amount of Incineration Regular Industrial Waste	9.51	11.61	12.37	5.56	19.26	8.38
Total Amount of Regular Industrial Waste	Commissioned Manufacturer	9.51	11.61	12.37	5.56	8.38
Total Amount of Landfill Regular Industrial Waste		0	0	0.53	4.39	4.32
Inorganic Sludge	Commissioned Manufacturer	0	0	0.53	4.28	4.16
Total Amount of Other Harmful Businesses Regular Industrial Waste		0.40	0	0	51.50	56.22
Organic Solvents	Commissioned Manufacturer	0.40	0	0	39.00	43.80

Note: Life-waste could be different due to the statistical or not counted; industrial waste is based on the actual declared disposal amount. The total landfill volume in 2020 and 2021 at the Gao Yin plant includes the volume of waste lamps.

04 Social Care

- 4.1 Human Resources Management
- 4.2 Right Person in the Right Place
- 4.3 Occupational Safety and Health
- 4.4 Social Participation



Major Topic	Employment Relations
Policy	<ul style="list-style-type: none"> • Provides competitive salary and comprehensive training. • Effective labor-management communication
Target	<ul style="list-style-type: none"> • Over 90% of the whole employees attended the annual training. • No labor disputes this year.
Current Year of Invest Resources and Achievement	<ul style="list-style-type: none"> • Education training for new employees. • Conducting labor and management meeting quarterly. • Year-end lucky draw, symposium for newcomers, travel grants, and more.
Responsible Department and Grievance Mechanism	<p>Contact General Management Office</p> <p>Email kaulinhr@siruba.com</p>
Assessment Mechanism	<ul style="list-style-type: none"> • The labor-management committee holds labor-management meetings every three months to discuss issues such as labor dynamics, company operational information, labor activities, and benefits. • No labor and management incidents occurred in 2022.

An enterprise, composed by people, has the potential to promote sustainable development. SiRUBA embodies the concept of “caring for people,” establishing a system that prioritizes employee management and strives to create a nurturing workplace. This ensures that every employee can grow alongside the company.

SiRUBA complies with the labor-related laws, establishing a legally secure code of practice to safeguard employees’ rights. It provides a safe and conducive working environment, diverse labor-management communication channels, fair compensation and raise, a complete training system, substantial benefits, and a transparent profit-sharing system. This environment enables employees to work harmoniously, dedicate their abilities and performance, and grow alongside the company. This approach enhances positive labor relations, cultivates a safe and harmonious working atmosphere, and lays a solid foundation for sustainable operations.



Talent Sustainability	
Talent Selected	The criteria for hiring talent are based on the company's operational strategy. This involves promoting the company's image, enhancing SiRUBA's reputation in the labor market, and effectively leveraging the experience of retired middle-aged and elderly professionals.
Talent Hired	Respect the diverse rights of employees and human rights, ensuring a reasonable and transparent payment system. Develop a performance management system that aligns with work objectives and publicly recognizes exceptional employees.
Talent Training	Plan educational training based on rank and function, implement a rotational training system, incentivize employees for self-education, and recognize colleagues for patent applications and inventions to sustain the organization's innovative capacity.
Talent Employed	Establish competitive compensation and benefits policies, implement an employee care mechanism, and facilitate labor-management communication. Prioritize employee feedback and enhance labor-management relations.
Talent Protected	People are the most valuable asset of the company. We prioritize employee health and workplace safety. This includes implementing a workplace safety and health system to identify workplace risks, as well as fostering a "Work-life balance" environment that supports employee well-being.

4.1 Human Resources Management

SiRUBA treats every employee fairly, taking affirmative action to eliminate any conditions that could lead to workplace inequality and safeguard labor rights. Human resource development plays a crucial role in achieving sustainable development. SiRUBA ensures that employees work harmoniously, utilizing their abilities in conjunction with talent selected, recruitment, and training to nurture outstanding individuals who can grow alongside the organization. This approach creates a win-win scenario for employees' long-term development and the company's sustainable growth.

4.1.1 Human Rights Protection

SiRUBA adheres to the laws and regulations of the countries in which it operates. It voluntarily supports and complies with international human rights treaties, including the Universal Declaration of Human Rights, the United Nations Global Compact, the United Nations Guiding Principles on Business and Human Rights, the International Labor Organization, and the norms of international human rights treaties as well as Taiwan's labor standards laws. Guided by the framework of human rights and spirit of these conventions, SiRUBA treats everyone with respect and follows the guidelines outlined in these documents. The company establishes a human rights policy and encourages its supply chain partner to comply with the same principles.

Policy of Human Rights

- Eliminate all forms of forced labor.
- Do not hire child labor
- Comply with the labor laws and provide remuneration in accordance with the legal requirements.
- Ensure employees' rights to take breaks, including reasonable working hours and paid leaves.
- Ensure employees' rights to freely associate with trade unions at all operational points.
- Promote employees' rights and interests in terms of gender equality and equal pay for equal work in the workplace, and to oppose all forms of

Human Rights Rised

Newcomer Training

Prohibition of labor force discrimination and harassment is emphasized. Instead, we emphasize the implementation of flexible working hours, protection of human rights, and provision of a healthy and safe working environment.

Preventing workplace bullying

By means of publicizing and announcing, employees are made aware of their responsibility to prevent the occurrence of unlawful acts in the workplace, fostering a friendly working environment.

Occupational Safety Training Series

This series includes promotion of health information, vocational nurse consultations for health services, labor safety and health training, and training for first aid personnel.

Furthermore, SiRUBA provides a confidential reporting system for staff, allowing them to submit reports that will be professionally investigated, and their personal information will be kept confidential. If the report is substantiated, SiRUBA promises not to treat the whistleblowers unfavorably. In 2022, SiRUBA had no records of human rights violations. We prioritize human rights and therefore plan to have employees occasionally participate in courses organized externally and by local authorities, occasionally aligned with their job roles. This initiative aims to enhance our employees' understanding of human rights knowledge and development, fostering their growth alongside the company. The newcomer training in 2022 includes the code of practice, occupational safety, and information security. The participation rate for this training was 100%. Additionally, the headquarters periodically assesses the impact of plant operations and internal management on human rights and establishes procedures to address any identified impacts. Employees can submit complaints through the company's complaint channel and the head office will respond appropriately.

4.1.2 Employee Statistics

Due to the industry's characteristic of design and high professionalism, the number of male and female worker is nearly equal. All employees at SiRUBA have indefinite contracts (as full-time employees) and are not hire as child labor. We offer a long-term and stable employment arrangement, allowing employees to fully focus on their work without concerns about their future, thus safeguarding their financial well-being. Our company does not have any unemployed workers; all workers are employed.

Statistics /Year		2020		2021		2022	
The total number of employe (Note 1)		650		903		593	
Employment Contract (Note 2)		Non-permanent	Permanent	Non-permanent	Permanent	Non-permanent	Permanent
Headquarter	Male	23	0	34	0	30	1
	Female	32	0	34	0	35	0
Taoyuan	Male	98	0	79	0	97	0
	Female	21	0	22	0	23	0
Gaoyin	Male	260	108	218	367	192	108
	Female	105	3	97	52	89	18
Labor Type (Note 3)		Full-time	Part-time	Full-time	Part-time	Full-time	Part-time
Headquarter	Male	23	0	34	0	31	0
	Female	32	0	34	0	35	0
Taoyuan	Male	98	0	79	0	97	0
	Female	21	0	22	0	23	0
Gaoyin	Male	368	0	585	0	300	0
	Female	108	0	149	0	107	0

Note 1: Based on the total number of employees at the end of the year (12/31).

Note 2: Labor contracts are categorized into non-fixed-term employees (regular employees) and fixed-term employees. (including Short-term, seasonal, project-specific, maternity/parental leave for former employees.)

Note 3: Labor types are classified as full-time workers (whose weekly working hours reach the maximum number of statutory working hours) and part-time workers (whose weekly working hours do not reach the maximum number of statutory working hours and who work only a portion of the working hours, such as work-study students and hourly-rated workers).

Note 4: Employees without guaranteed hours: Workers who are not assured a minimum or fixed number of working hours by the company. They may be asked to work based on the company's needs, but the company is not contractual obligated to provide a minimum or fixed number of hours of work per day, week, or month for such employees. Temporary staff are not required to be disclosed if the company doesn't hire any.

Note 5: Due to the unstable production volume of the Gaoyin plant over the past three years, the number of employees has fluctuated significantly in accordance with the production volume.

Diversity Statistics /Year			2020		2021		2022		
			Number of People	Percentage	Number of People	Percentage	Number of People	Percentage	
Employee-Headquarter	Management	Age	Under30	0	0.00%	0	0.00%	0	0.00%
			Over30, under 50	7	12.73%	10	14.71%	11	16.67%
			Over 50	8	14.55%	8	11.76%	7	10.61%
		Gender	Male	12	21.82%	13	19.12%	13	19.70%
			Female	3	5.45%	5	7.35%	5	7.58%
		Academic Qualifications	Graduate School	2	3.64%	1	1.47%	1	1.52%
	Institution of Higher Education		13	23.64%	16	23.53%	16	24.24%	
	Other		0	0.00%	1	1.47%	1	1.52%	
	Non-management	Age	Under30	0	0.00%	2	2.94%	5	7.58%
			Over30, under 50	25	45.45%	32	47.06%		
			Over 50	15	27.27%	16	23.53%	15	22.73%
		Gender	Male	11	20.00%	21	30.88%		
Female			29	52.73%	29	42.65%	30	45.45%	
Academic Qualifications		Graduate School	6	10.91%	11	16.18%			
	Institution of Higher Education	31	56.36%	33	48.53%	34	51.52%		
	Other	3	5.45%	6	8.82%				
Employee-Taoyuan	Management	Age	Under30	0	0.00%	0	0.00%	0	0.00%
			Over30, under 50	11	9.24%	12	11.88%	12	10.00%
			Over 50	20	16.81%	20	19.80%	16	13.33%
	Gender	Male	26	21.85%	28	27.72%	24	20.00%	
		Female	5	4.20%	4	3.96%	4	3.33%	

Diversity Statistics /Year				2020		2021		2022	
				Number of People	Percentage	Number of People	Percentage	Number of People	Percentage
Employee-Taoyuan	Management	Academic Qualifications	Graduate School	2	1.68%	3	2.97%	3	2.50%
			Institution of Higher Education	19	15.97%	18	17.82%	16	13.33%
			Other	10	8.40%	11	10.89%	9	7.50%
	Non-management	Age	Under30	21	17.65%	19	18.81%	37	30.83%
			Over30, under 50	52	43.70%	39	38.61%	44	36.67%
			Over 50	15	12.61%	11	10.89%	11	9.17%
	Non-management	Gender	Male	72	60.50%	51	50.50%	73	60.83%
			Female	16	13.45%	18	17.82%	19	15.83%
		Academic Qualifications	Graduate School	3	2.52%	2	1.98%	3	2.50%
	Institution of Higher Education		45	37.82%	39	38.61%	41	34.17%	
	Other		40	33.61%	28	27.72%	48	40.00%	
	Employee-Gaoyin	Management	Age	Under30	0	0.00%	0	0.00%	0
Over30, under 50				66	13.87%	64	8.72%	64	15.72%
Over 50				9	1.89%	6	0.82%	4	0.98%
Gender			Male	67	14.08%	61	8.31%	58	14.25%
			Female	8	1.68%	9	1.23%	10	2.46%
Academic Qualifications			Graduate School	1	0.21%	0	0.00%	0	0.00%
		Institution of Higher Education	18	3.78%	17	2.32%	16	3.93%	
		Other	56	11.76%	53	7.22%	52	12.78%	
Non-management		Age	Under30	140	29.41%	303	41.28%	117	28.75%
			Over30, under 50	249	52.31%	347	47.28%	210	51.60%
			Over 50	12	2.52%	14	1.91%	12	2.95%

Diversity Statistics /Year				2020		2021		2022	
				Number of People	Percentage	Number of People	Percentage	Number of People	Percentage
Employee-Gaoyin	Non-management	Gender	Male	301	63.24%	524	71.39%	242	59.46%
			Female	100	21.01%	140	19.07%	97	23.83%
	Academic Qualifications	Graduate School	0	0.00%	0	0.00%	0	0.00%	
		Institution of Higher Education	25	5.25%	26	3.54%	31	7.62%	
		Other	376	78.99%	638	86.92%	308	75.68%	

Note: Percentage of non-managerial staff under 30 years of age = (Total number of direct employees aged under 30 at the end of the year / Total number of employees) * 100% ;
The formula for calculating the percentage of managerial staff with postgraduate qualifications is as follows: (Total number of managerial staff with institute qualifications in the year / Total number of employees at the end of the year) * 100%.



New Employee and Resigned Statistics /Year			2020		2021		2022	
			Total	Percentage	Total	Percentage	Total	Percentage
Headquarter	New Employee							
	Age	Under30	0	0.00%	2	100.00%	4	80.00%
		Over30, under 50	4	12.50%	12	28.57%	7	17.95%
		Over 50	1	4.35%	0	0.00%	1	4.55%
	Gender	Male	1	4.35%	8	23.53%	8	25.81%
		Female	4	12.50%	6	17.65%	4	11.43%
	Academic Qualifications	Graduate School	0	0.00%	6	50.00%	2	22.22%
		Institution of Higher Education	5	11.36%	8	16.33%	9	18.00%
		Other	0	0.00%	0	0.00%	1	14.29%
	Taoyuan Plant	Age	Under30	13	61.90%	6	31.58%	22
Over30, under 50			6	9.52%	6	11.76%	8	14.29%
Over 50			1	2.86%	0	0.00%	2	7.41%
Gender		Male	19	19.39%	10	12.66%	30	30.93%
		Female	1	4.76%	2	9.09%	2	8.70%
Academic Qualifications		Graduate School	2	40.00%	1	20.00%	1	16.67%
		Institution of Higher Education	7	10.94%	8	14.04%	8	14.04%
	Other	11	22.00%	3	7.69%	23	40.35%	

New Employee and Resigned Statistics /Year			2020		2021		2022	
			Total	Percentage	Total	Percentage	Total	Percentage
Gaoyin Plant	New Employee							
	Age	Under30	206	147.14%	608	200.66%	270	230.77%
		Over30, under 50	238	75.56%	479	116.55%	153	55.84%
		Over 50	2	9.52%	11	55.00%	2	12.50%
	Gender	Male	369	100.27%	966	165.13%	378	126.00%
		Female	77	71.30%	132	88.59%	47	43.93%
	Academic Qualifications	Graduate School	0	0.00%	0	0.00%	0	0.00%
		Institution of Higher Education	7	16.28%	10	21.28%	11	21.15%
		Other	439	101.62%	1088	157.45%	414	115.00%
	Headquarter	Departed employees						
Age		Under30	0	0.00%	1	50.00%	1	20.00%
		Over30, under 50	5	15.63%	4	9.52%	10	25.64%
		Over 50	4	17.39%	1	4.17%	1	4.55%
Gender		Male	5	21.74%	2	5.88%	9	29.03%
		Female	4	12.50%	4	11.76%	3	8.57%
Academic Qualifications		Graduate School	1	12.50%	2	16.67%	4	44.44%
		Institution of Higher Education	8	18.18%	3	6.12%	7	14.00%
		Other	0	0.00%	1	14.29%	1	14.29%

Departed employees and Resigned Statistics /Year			2020		2021		2022	
			Total	Percentage	Total	Percentage	Total	Percentage
Area	Departed employees							
Taoyuan Plant	Age	Under30	3	14.29%	6	31.58	3	8.11%
		Over30, under 50	22	34.92%	16	31.37	4	7.14%
		Over 50	1	2.86%	2	6.45%	6	22.22%
	Gender	Male	24	24.49%	23	29.11	12	12.37%
		Female	2	9.52%	1	4.55%	1	4.35%
	Academic Qualifications	Graduate School	4	80.00%	1	20.00%	0	0.00%
		Institution of Higher Education	19	29.69%	14	24.56%	8	14.04%
Other		3	6.00%	9	23.08%	5	8.77%	
Gaoyin Plant	Age	Under30	198	141.43%	497	164.03%	408	348.72%
		Over30, under 50	209	66.35%	390	94.89%	286	104.38%
		Over 50	3	14.29%	10	50.00%	5	31.25%
	Gender	Male	353	95.92%	801	136.92%	610	203.33%
		Female	57	52.78%	96	64.43%	89	83.18%
	Academic Qualifications	Graduate School	1	100.00%	1	0.00%	0	0.00%
		Institution of Higher Education	4	9.30%	9	20.93%	11	23.40%
Other		405	93.75%	887	128.36%	688	191.11%	

Note: The formula for calculating the New Employee Ratio is as follows:(Total number of new employees in the specific category for the year / Total number of employees in that particular category at the end of the year) *100%.

For instance, the new female employees ratio can be calculated using the formula:(Total number of new female employees / Total number of female employees at the end of year) *100%

The formula for calculating Employee turnover is as follows:(Total number of employees who left the company in that particular category during the year / Total number of employees in that particular category at the end of the year)*100%.

If the ratio of employee turnover for those under 30 years old is calculated as follows:(Total number of employee who left and are under 30 years old / Total number of employees who are under 30 years

4.2 Right Person in the Right Place

A robust human resources strategy is the cornerstone of SiRUBA's sustainable development. To attract talented individuals, we offer competitive salary packages to reward employees who consistently deliver outstanding performance and exhibit long-term dedication. We prioritize equitable treatment for all employee by implementing a transparent performance evaluation, reward, and disciplinary system. This fosters a healthy environment of fair competition, motivating colleagues to invest greater effort in their work performance. Moreover, our company culture encourages the engagement of talented individuals, creating a sense of unity among workers and alignment with company values. In terms of promotion, the company ensures transparency by publicly sharing promotion-related information. This approach promotes healthy competition, enabling colleagues to learn from role models and allowing the company to continuously cultivate exceptional talent. Additionally, we provide educational training opportunities for employees, empowering them to continually enhance their skills and realize their self-worth. Lastly, SiRUBA establishes diverse communication channels to facilitate interaction with colleagues. This encourages colleagues to share their feedback, fostering a trustworthy and reciprocal exchange of information.

4.2.1 Salary and Benefits

SiRUBA follows a salary policy that ensures the average salary is positioned above the industry's median level. We are committed to offering a robust and competitive salary package to attract top talent. The company conducts annual salary surveys to gauge the market conditions and implements necessary adjustments to sustain our salary competitiveness. In 2022, the salaries of junior staff of the Company's Taiwan head office are set to be 1.81 times higher than the local baseline salary for both male and female employees.

Following the principles of gender equality, the company rewards employees based on their performance, regardless of gender. The overall salary scale considers factors such as position, grade, experience and years of service. When comparing salaries within the same grade, a slight difference in the average salary ratio between men and women is observed, mainly because men tend to go on business trips more frequently.



Ratio of Basic Pay to Salary			Gender	
Major Operating Site	Employee Category	Project	Male	Female
Headquarter	Management	Minimum Wage	1	0.89
		Salary	1	0.89
	Non-management	Minimum Wage	1	1.13
		Salary	1	1.16
Taoyuan	Management	Minimum Wage	1	0.84
		Salary	1	0.74
	Non-management	Minimum Wage	1	1.02
		Salary	1	0.99
Gaoyin	Management	Minimum Wage	1	1
		Salary	1	1.1
	Non-management	Minimum Wage	1	1
		Salary	1	0.93

Note 1: Basic payment refers to the minimum wage for employees' regular duties and does not include additional payments such as overtime pay, bonuses, or other allowances.

Note 2: Salary encompasses the basic payment along with additional compensation for the workers. "Additional payment for the workers" includes years of service allowances, bonus (both cash and equity), benefits, overtime pay, time-off hours, and other allowances (such as transportation, housing, and child care allowances).

Note 3: There is a distinction between the seniority levels of men in managerial roles and those of women in non-managerial positions.

High-order Localized Employment

Major Operating Sites	Total Number of Senior Managers in 2022	Employment of Taiwan Residents Number of Senior Managers in 2022	Employment Ratio
Taiwan Headquarter and Taoyuan Plant	18	18	100%

Note: Senior supervisors hold the position of assistant manager (or higher).

Parental Leave

SiRUBA's parental leave policy, as outlined in Article 16 of the Gender Equality in Employment Act, allows employees with at least six months of service to apply for unpaid childcare leave until their child turns three years old, for a maximum duration of two years.

Employee Parental Leave /Year	Gender	Area			
		Headquarter		Taoyuan	
		2021	2022	2021	2022
The number of employees who have applied the parental leave	Male	0	1	0	0
	Female	1	0	0	0
Number of employees who should be reinstated upon expiry of their childcare leave of absence (A)	Male	0	1	1	0
	Female	1	0	0	0
Number of employees actually reinstated upon expiry of the childcare leave suspension (B)	Male	0	1	1	0
	Female	1	0	0	0
Reinstatement rate(B/A)	Male	-	100%	100%	-
	Female	100%	-	-	-
Number of employees who have completed the period of leave of absence for baby-sitting in the preceding year and are still in service 12 months after resumption of duty(C)	Male	0	0	0	1
	Female	0	1	2	0
Stayed rate(C/Last year B)	Male	-	-	-	100%
	Female	-	100%	100%	-

Note 1: The number of employees eligible for parental leave is determined based on the number of male and female employees who have applied for maternity and paternity leave within the past three years.

Note 2: Reinstatement rate = (Total number of staff actually reinstated in the year / Total number of staff expected to be reinstated in the year) *100%。

Note 3: Retention rate = (Total number of employees still in service 12 months after reinstatement in the previous year / Actual number of individuals reinstated in the previous year) *100%。

Note 4: Gaoyin Plant does not have a parental leave system and thus does not disclose related data.

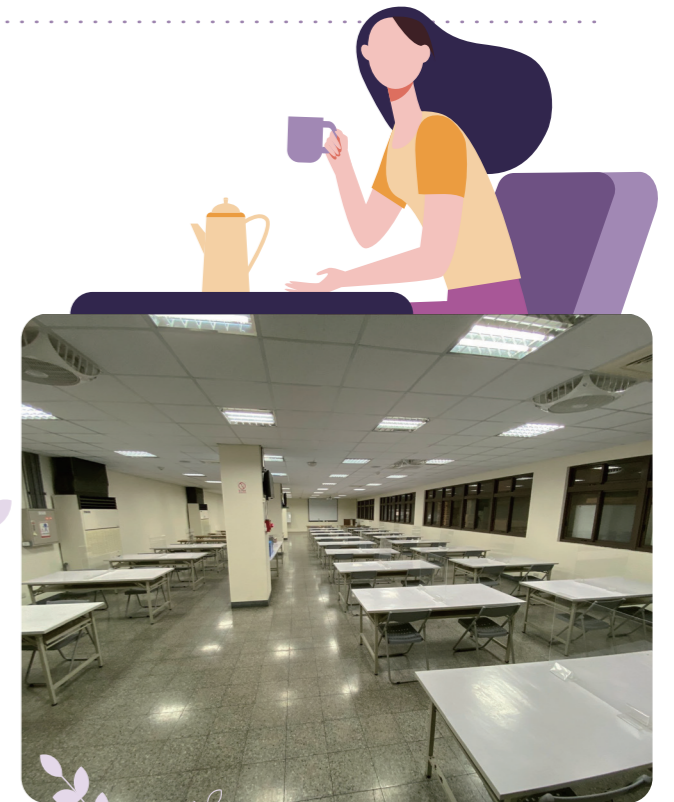


Friendly Working Pictures



Benefit system as following:

Employee Benefit Projects	Full-time Employee	
	Headquarter	Taoyuan
Group Accident Insurance	●	●
Marriage/Remarriage/Birth/Burial Allowance	●	●
Holiday Bonus	●	●
Year End Bonus	●	●
Regular Health Checkups	●	●
Employee Shareholding	●	●
Staff Travel/Travel Allowance	●	●
Parking space	-	●



Comfortable Working Environment



SiRUBA relies on the Labor Standards Act to establish welfare policies encompassing labor rights, health insurance, childcare, retirement benefits, and leave systems, among others. We implement labor and health insurance in accordance with the Labor Standards Act, ensuring that every employee possesses insurance coverage and feels supported. Moreover, our company has established the “Labor Benefit Committee” in accordance with legal provisions. This committee comprises 8 members who oversee welfare affairs, ensuring the Welfare Services Commission operates within legal boundaries and provides staff welfare benefits as required by law. Both the Headquarter and Taoyuan Plant ensure full employee participation, at a rate of 100%, in this retirement plan.

4.2.2 Talent Training

We are committed to fostering the professional growth of our employees, and thus, we categorize educational training programs according to the potential challenges and skill requirements corresponding to each rank. Simultaneously, with the aim of optimizing employees performance, we offer internal staff and supervisors opportunities for rotational roles. Additionally, we incentivize employees to enhance their capabilities through rewards for pursuing advanced studies and obtaining foreign language certifications. SiRUBA also boasts an education and training management system tailored for our top-tier talents. This system is designed to yield optimal results when the right individual is matched with the right position.

SiRUBA's education and training procedure is initiated after each department proposes the training plan, which subsequently gains approval from the responsible officer. Upon completion, is evaluated based on categories. We offer employees courses such as “Quality Inspection Courses,” “Product Development Courses,” and “Machine Operation Courses” to enhance their abilities and proficiency. This approach empowers our employees to undertake various roles and encourages our top talents to remain, thus sustaining our competitive advantage. Additionally, we extend external training opportunities to foster well-rounded growth. Courses such as “Digital Development Course” and “Management Functions Course” provide employees with avenues for comprehensive development.



Training Performance

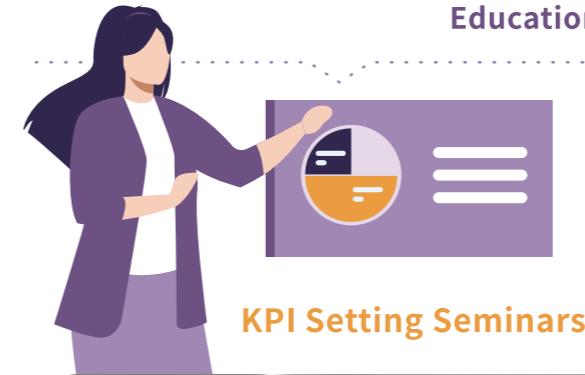
Headquarter Training Performance Statistics/Year		2020	2021	2022
Average Hours of Every Employee Trained (Note 1)		33.0	24.8	16.6
Average Hours of Employee Trained by Gender (Note 2)	Female	31.6	18.5	14.0
	Male	34.9	31.1	19.4
Average Hours of Employee Trained by Category (Note 3)	Management	35.6	46.0	31.9
	Non-management	32.0	17.2	10.8
Taoyuan Plant Training Performance Statistics /Year		2020	2021	2022
Average Hours of Every Employee Trained (Note 1)		20.9	14.0	13.2
Average Hours of Employee Trained by Gender (Note 2)	Female	34.2	18.2	16.2
	Male	18.0	12.8	12.5
Average Hours of Employee Trained by Category (Note 3)	Management	33.6	26.2	28.2
	Non-management	16.4	8.3	8.7
Gaoyin Plant Training Performance Statistics /Year		2020	2021	2022
Average Training Hours per Employee (Note 1)		18.6	63.4	62
Average Training Hours per Employee by Gender (Note 2)	Female	12.8	90.4	34.4
	Male	20.3	69.1	71.8
Average Training Hours per Employee by Category (Note 3)	Management	11.9	22.5	13.2
	Non-management	19.8	67.7	71.8

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

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

Note 3: Average training hours per category of employee : The total number of training hours of every category of employees in the current year / The total number of employees in the category at the end of the year.

Education Training Highlights



KPI Setting Seminars



Performance Interviews



KPI Interact Discussion



Performance Interviews



Performance Evaluation

To reward those who perform well, we assess every employees' performance and consider the results when planning career advancements. This approach cultivates professionalism through individual efforts. Employees demonstrating management ability and leadership capabilities are promoted to managerial positions, thereby offering comprehensive career development opportunities for their colleagues.

Performance Evaluation of Headquarter and Taoyuan Plant in 2022		Number of inspected people	Number of employee	Percentage
Gender	Male	125	186	67%
	Female	57		31%
Employee Category	Management	46		25%
	Non-management	136		73%
Performance Evaluation of Gaoyin Plant in 2022		Number of inspected people	Number of employee	Percentage
Gender	Male	610	699	87%
	Female	89		13%
Employee Category	Management	68		10%
	Non-management	631		90%



4.2.3 Labor-Management Negotiation

Diversified Negotiation Channels

SiRUBA adheres to a belief in respect, embracing diversified labor-management negotiations and valuing employees' opinions. This approach fosters harmonious labor relations and team cohesion, significantly enhancing operational performance. Therefore, we actively establish diversified labor the active establishment of diversified labor-management a range of communication channels for labor-management interaction, facilitating smooth and reciprocal exchanges. This not only ensures the timely and effective dissemination of company information, but also aids in refining various management initiatives. These communication methods are elaborated below as SiRUBA's three key labor-management communication strategies.

- ✓ **Various types of Meetings: Including Unit / Department meetings and other gatherings.**
- ✓ **Announcement / Inquiries / Assessments / Feedback: Encompassing performance evaluations, opinion feedback, channels for employee complaints, and personnel announcement.**
- ✓ **Labor-Management Negotiation Meeting Organization: This organization deals with labor-management negotiation meetings, employee benefits, and related matters. The description above highlights the utilization of diverse communication channels, including one-way, two-way, and interactive modes. These communication methods are integrated with the organization's internal operations and management standards to ensure the seamless transmission of various messages.**

If the company closes an existing factory establishes a new one, resulting in employee repatriation or a change in the factory site, we will comply with the Mass Dismissal of Workers Protection Act. This involves reporting to the local government's Labor Bureau 60 days in advance and adhering to the notice period.

Labor-Management Negotiation Meeting Organization

We respect that the right of assembly granted by the laws and no oppose or interfere with employees exercising it. Meanwhile, once approved by the authorities, the labor-management meeting and employee benefit committee will commence their operations. Currently, the labor-management conference convenes regularly on a quarterly basis, and the employee welfare committee also holds regular meetings. Each labor-management communication entity has a distinct role, focusing on different issues, and collaborates to enhance the co-prosperity and coexistence of employers and employees. This collaborative effort creates mutually beneficial and win-win situations for both parties.

The Resolution of Compliant

We maintain a strong labor-management channel, and our workers have excellent rapport. There were no significant complaint cases in 2022.

The Resolution of Discrimination and Sexual Harassment

The company has established a "Preventive measures, complaints and penalties of sexual harassment" in the work-space policy. In the event of sexual harassment or workplace bullying, and to ensure employees' rights, the affected employee can report the incident through our internal notification mechanism. Since its implementation, there have been no reported cases of sexual harassment and bullying in 2022.

The Action in Response to Corruption and Bribery Incidents

The company has established the "Code of Ethical Conduct" as the foundation for employees' daily ethical behavior.

There have been no reported incidents of corruption or bribery involving company employees. Should any similar incidents arise in the future, they will be thoroughly investigated and addressed in accordance with pertinent management regulations. If the investigation substantiates the claims with clear evidence, appropriate actions will be taken following company management protocols or relevant government laws and regulations.

4.3 Occupational Safety and Health

4.3.1 Commitment and Policy of Occupational Safety and Health

SiRUBA has implemented International Standards ISO 45001 for Occupational health and safety management systems in Gaoyin Plant but also at the headquarters and Taoyuan Plant. Every operating site has established occupational health and safety management systems. Our company health policy is rooted in "respect for the value of life," a commitment to uphold the "safety discipline," and a dedication to prevention of "industrial safety accidents". Our primary objective is to adhere to governmental environmental protection and occupational safety and health laws. This commitment underscores our fulfillment of corporate social responsibilities. We assure our clients that our products comply with the relevant laws and standards, offering both high quality and safety. Furthermore, we are deeply committed to preventing occupational accidents by promoting health and cultivating a workplace conducive to well-being, thereby fulfilling our corporate social responsibilities.

SiRUBA is committed to promoting occupational health and safety while minimizing occupational accidents. We adhere to with occupational safety and health regulations as well as international norms of social responsibility. Our continuous efforts aim to enhance the safety and well-being of employees within their work environment, preventing occupational injuries and illnesses, and mitigating risk factors. We strive to fully comply with occupational safety and health laws and regulations, striving to establish a corporate workplace that is not only high-quality but also safe and conducive to health. Our dedication lies in creating a workspace that adheres to occupational safety and health laws and regulations, ensuring it is of high-quality, safe, and fosters a healthy environment. For a significant duration, we have been committed to looking after our employees' health and safety. This commitment stems from our responsibility to society and our pursuit of sustainable development. We firmly believe that the well-being of our employee is invaluable to us.



4.3.2 The Participation, Consultation and Communication of Workerst

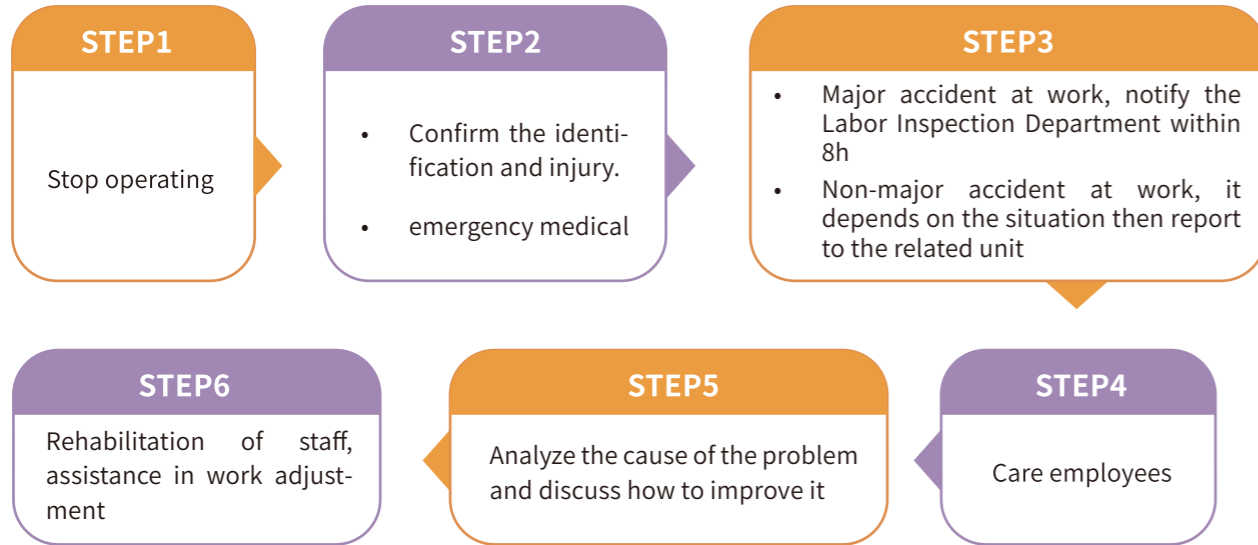
To establish a safe workplace, SiRUBA has adhered to Article 23 of the Occupational Safety and Health Law. Occupational safety and health committees have been established at each operational base. Occupational safety and health committees have been established at each operational base. These committees are responsible for providing suggestions on safety and health policies formulated by the safety and health office. They also undertake tasks such as reviewing, coordinating, and recommending safety and health-related matters. The committee comprises occupational safety and health personnel, department heads, research and development personnel, production unit staff, and specialists. This collective forms the highest deliberative body for safety and health management. Regular quarterly meetings are held to provide recommendations on occupational safety and health policies. Additionally, the committee addresses various safety and health concerns, including health management, environmental monitoring programs, various safety and health proposals, prevention of occupational diseases, and health promotion. To encourage open communication, an employee intranet site features a dedicated channel for comments, questions, complaints, and suggestions. This channel allows employees to express themselves anonymously if desired. they can also choose to share their comments or replies publicly or restrict them to specific individuals. Once an employee submits a comment and specifies the relevant department for replies, the system forwards the message to the designated department for processing. It is mandatory for the department to provide an online response to the employee. Both the design of the employee suggestion box system and the complaint process prioritize the complainant's privacy. This ensures that employees can submit online messages or directly contact the occupational safety and security window without concerns regarding any occupational safety and security-related complaints in 2022.

4.3.3 Hazard Identification, Risk Assessment and Accident Investigation

In accordance with the operating standards outlined in the Occupational Safety and Health Act, the Company systematically identifies hazards and assesses associated risks on a regular basis. It establishes diverse operating procedures based on the degree of risk. Moreover, the Company plans annual safety and health-related education and training activities. These initiatives include organizing fire extinguishing drills and emergency evacuation drills, aimed at familiarizing employees with the Company's safety and health facilities their proper usage. The intention is to enable employees to instinctively and intuitively assess potential disaster impacts beforehand. By providing knowledge on using fire extinguishers and guiding employees in advance evacuation, the company aims to preclude significant accidents and injuries. This approach ensures the timely use of fire extinguishers and guides employees to evacuate proactively, thereby preventing the occurrence of major accidents.

SiRUBA operates in the machinery and equipment manufacturing and repair industry, which falls under the highest risk category due to significant potential hazards. As such, we have established an occupational safety and health management system tailored to our size and nature. Through functions like planning, implementation, inspection, and improvement, we have successfully achieved safety and health management goals and elevated our safety and health standards. Our dedicated safety and health office plays a vital role in preparing, overseeing, and promoting safety and health management matters. This office guides relevant departments in executing necessary measures. To avert emergencies, we have devised "Disaster Emergency Response Guidelines" to swiftly identify potential disaster triggers. By adhering to these guidelines, we undertake essential measures to minimize injuries, mitigate losses, and prevent secondary environmental pollution. Our company primarily addresses two common hazards: traffic accidents during commutes and finger cuts resulting from unintentional sewing machines operations. We effectively counter these risks through administrative directives and related actions. In cases of occupational accidents, the unit where the incident occurred notifies the labor safety responsible unit. Subsequently, an investigation is launched, delving into the incident's details, analyzes direct, indirect, and root causes, offering post-incident support, and devising countermeasures to prevent recurrence. Upon the investigation completion, both the unit supervisor where the accident occurred and the relevant unit endorse the findings.

Accident Investigation Flowchart



4.3.4 Occupational Health Services

SiRUBA places significant emphasis on the well-being of its employees and has established employee health guidance and management measures in alignment with the "Code of Practice on Safety and Health." Additionally, SiRUBA proactively advances health care promotion programs, engaging with employees to enhance their overall health.

- ✓ SiRUBA arranges pre-arrival health checkups for new employees and mandates the submission of medical checkup forms on their first day of work. This process is designed to monitor the health status of new employees.
- ✓ SiRUBA carries out complimentary employee health checkups every three years, in compliance with legal requirements. The results of these health checkups are thoroughly analyzed to reinforce employee health management and promotion. Moreover, we uphold the confidentiality of the employees' personal health information.
- ✓ SiRUBA organizes employee health-related education and training as well as hygiene promotion initiatives. We enhance health communication among colleagues by utilizing questionnaires, interviews, suggestions from labor representatives, and staff mailboxes. These measures aim to gather feedback from colleagues after such activities.
- ✓ Highwood employs medical professionals, including Labor Health Services nurse practitioners and OSHA staff, to offer guidance on health management related to maternal protection, overwork, and abnormal health screening results. In 2022, we provided a total of 144 hours of on-site medical services, including 12 hours by physicians and 72 hours by nurse practitioner.

4.3.5 Occupational Safety and Health Training

Concerning occupational safety and health education and training, SiRUBA adheres to an education and training plan. In addition to the obligatory regular statutory safety and health retraining courses (designed for technicians, business supervisors, fire prevention administrators, and first-aid providers) and newcomer training, we conduct biannual fire drills. These in-house training and awareness campaigns are provided without charge. To ensure the efficacy of our training, evaluations and tests are implemented upon the conclusion of specific programs, such as newcomer training. Below is a summary of the 2022 training outcomes.

Course	Total Training Hours	Number of People
Safety inspection training	11	11
Instructions for Using Fire Fighting Equipment	11	11
Vaccination Training for Rehabilitated Workers	11	11
Hazardous Chemicals Safety Management Training	106.9	7
Special Occupational Safety Training	40	40
Employee Safety Behavior Training	126	42
Training on Workplace Safety Regulations	29	29
Annual Fire Drill	136.7	410



Safety and Health Education and Training



4.3.6 Improves Worker Health

SiRUBA places the utmost importance on our employees, recognizing them as our most valuable asset. Our commitment lies in cultivating a welcoming work environment that prioritizes employee well-being and nurtures a healthy work-life balance. For colleagues engaged in office-based, sedentary, or repetitive tasks, we conduct musculoskeletal and cardiac assessments. Our professional nurse practitioners carry out interviews to evaluate overload prevention and human factors. They provide suitable ergonomic advice and recommend adjustments work posture. In cases of mental concerns, nurses or doctors may recommend appropriate medical professionals and services, alongside facilitating access to psychological counseling for employees in need. Our human resources unit diligently monitors employees with irregular attendance, offering timely support and companionship. Furthermore, we provide comprehensive employee group insurance coverage, ensuring that employees facing health challenges can seek medical care without apprehension about hospitalization, surgery, and related expenses. Additional health promotion programs and services encompass the following :

- ✓ Promote healthy eating and exercise through the Occupational Safety and Health e-newsletter.
- ✓ Provide information on leisure exhibitions from time to time and encourage colleagues to participate in leisure activities.
- ✓ Regularly surveys the needs of employees, purchases books, and provides books for loan. This program includes not only professional design books but also healthcare and mental-emotional books to enrich the physical, mental, and spiritual health of employees

4.3.7 Preventing and Mitigating Business-Related Occupational Safety and Health Impacts

In 2022, the primary focus of our occupational safety and health objectives was on COVID-19 epidemic prevention. These encompassed activities such as epidemic prevention discussion meetings and significant announcements regarding epidemic prevention and alerts. Additional measures included daily self-reporting of employees' temperature and health status, the implementation of a plant area triage mechanism, conducting colleague vaccination surveys, enforcing visitor control measures, and executing environmental cleanup and decontamination. These operations were facilitated through the following mechanisms:

- ✓ During the epidemic period, all factory staff were required to wear face masks. Alcohol for disinfection was provided in all elevators, work areas on all floors, and restaurants.
- ✓ Meals arrangements were segregated, with administrative units dining in their designated areas and production units in the cafeteria. Tables were separated by dividers.
- ✓ At the Taoyuan Plant, all employees underwent temperature checks twice a day during work-days throughout the epidemic period.
- ✓ Swift screening of all plant personnel was implemented during outbreaks, particularly colleagues who had contact with diagnosed individuals or who returned from vacations.
- ✓ Weekly decontamination of the factory area was carried out during outbreaks, and those with confirmed cases received full work area decontamination.
- ✓ Migrant workers had their body temperatures measured at entrance and exit gates.
- ✓ Visitors and those at the headquarters were required to wear face masks and have their body temperatures measured.
- ✓ A campaign was launched to enhance the dissemination of outbreak precautions and to encourage colleagues to get vaccinated against COVID-19.
- ✓ Factory Health Talk - Understanding New Coronavirus

Headquarter Statistics /Year		2020	2021	2022
Total number of worked hours (total number of actual hours worked)		118,888	125,384	134,955
Fatalities caused by occupational injuries (Note 1)	Number of People	0	0	0
	Percentage	0.00%	0.00%	0.00%
Serious Occupational Injuries (Note 2)	Number of People	0	0	0
	Percentage	0.00%	0.00%	0.00%
Recordable Occupational Injury (Note 3)	Number of People	0	0	0
	Percentage	0.00%	0.00%	0.00%
Occupational Disease	Number of People	0	0	0
	Percentage	0.00%	0.00%	0.00%
Recordable Occupational Disease (Note 3)	Number of People	0	0	0
	Percentage	0.00%	0.00%	0.00%
Taoyuan Plant Statistics /Year		2020	2021	2022
Total number of worked hours (total number of actual hours worked)		214,590	204,488	215,302
Fatalities caused by occupational injuries (Note 1)	Number of People	0	0	0
	Percentage	0.00%	0.00%	0.00%
Serious Occupational Injuries (Note 2)	Number of People	0	0	0
	Percentage	0.00%	0.00%	0.00%
Recordable Occupational Injury (Note 3)	Number of People	0	0	0
	Percentage	0.00%	0.00%	0.00%
Occupational Disease	Number of People	0	0	0
	Percentage	0.00%	0.00%	0.00%
Recordable Occupational Disease (Note 3)	Number of People	0	0	0
	Percentage	0.00%	0.00%	0.00%

Gaoyin		2020	2021	2022
Total number of worked hours (total number of actual hours worked)		1,044,027	1,855,506	1,132,736
Fatalities caused by occupational injuries (Note 1)	Number of People	0	0	0
	Percentage	0.00%	0.00%	0.00%
Serious Occupational Injuries (Note 2)	Number of People	0	0	0
	Percentage	0.00%	0.00%	0.00%
Recordable Occupational Injury (Note 3)	Number of People	4	8	6
	Percentage	0.766 %	0.862 %	1.059 %
Occupational Disease	Number of People	0	0	0
	Percentage	0.00%	0.00%	0.00%
Recordable Occupational Disease (Note 3)	Number of People	0	0	0
	Percentage	0.00%	0.00%	0.00%

Note 1: Serious Occupational Injury: A serious occupational refers to an injury that significantly hinders an employees' ability to return to their pre-injury health state within six months. This excludes fatalities from the statistics.

Note 2: Recordable Occupational Injury or Occupational Disease: A recordable occupational injury or occupational disease includes conditions, such as death, absence from work, work restrictions or role changes, exceeding emergency medical treatment, loss of consciousness, or a major injury or illness diagnosed by a physician or other licensed healthcare professional (even if it does not result in death, absence from work, work restriction, or change of job, exceeding emergency medical treatment, or loss of consciousness).The statistics should encompass of deaths as well.

Note 3: Recordable Occupational Injury Rate = (Number of Recordable Occupational Injuries/Total Hours of

4.4 Social Participation

As a vital component of society, SiRUBA coexists with investors, employees, locals and various stakeholders. We aspire to set an exemplary precedent, guiding other enterprises to strive for excellence. Our operational sites actively collaborate with local organizations, ensuring that resources are directed toward to those who genuinely require assistance, thus contributing to the betterment of our society.

In view of the environmental pollution caused by fast fashion, and upholding corporate social responsibility, the Foundation is committed to promoting the "ReSEW's" through the sewing machine manufacturing industry to research and develop trial sewing and textile discarded fabrics and all kinds of textile discarded fabrics, stock fabrics, defective products, sample fabrics, etc. to re-sew and upgrading and re-creation of the recycling value of resources.

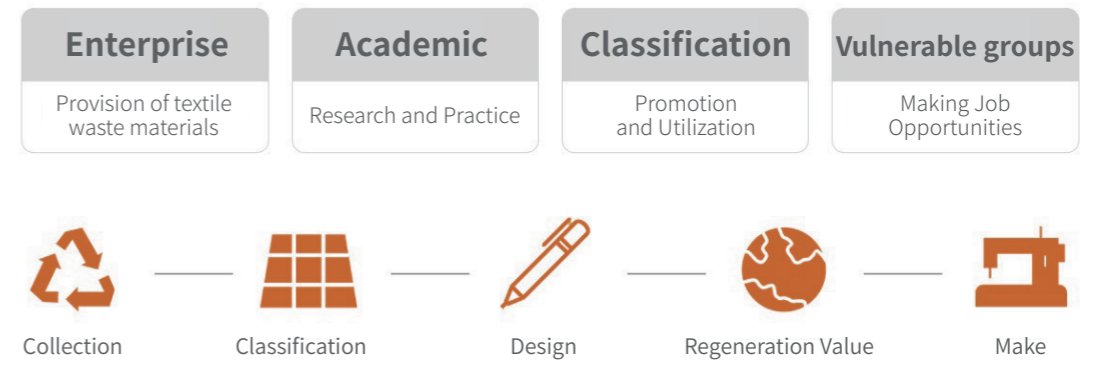
Promotion and Utilization

Century Contemporary Dance Company X RESEW's

The Exit Art Festival employs scrap fabric to craft puppets using cutting, sewing, and assembly techniques within a portable crane machine. These 350 puppets, featured in the dance theater set, are created during intervals in dance practice.



Establishing a professional platform for industrial sewing machines and a sustainable fabric repository, with the RESEW initiative as the central focus. This initiative harnesses the residual resources of the fashion industry through design and practical courses, fostering skills in 'repairing, restoring, altering, and manufacturing' to prolong the lifespan of clothing. The goal is to achieve the utmost advantages of sustainable fashion.



Promotion and Utilization

2022.01.18 | SiRUBA Cultural and Creative Foundation held a meeting for the RESEW Plan.

2022.03.08 | Cross-unit Collaborative Learning took place involving the SiRUBA Cultural and Creative Foundation.

2022.08.30 | Sustainable Education initiative launched, offering scrap recycling boxes.

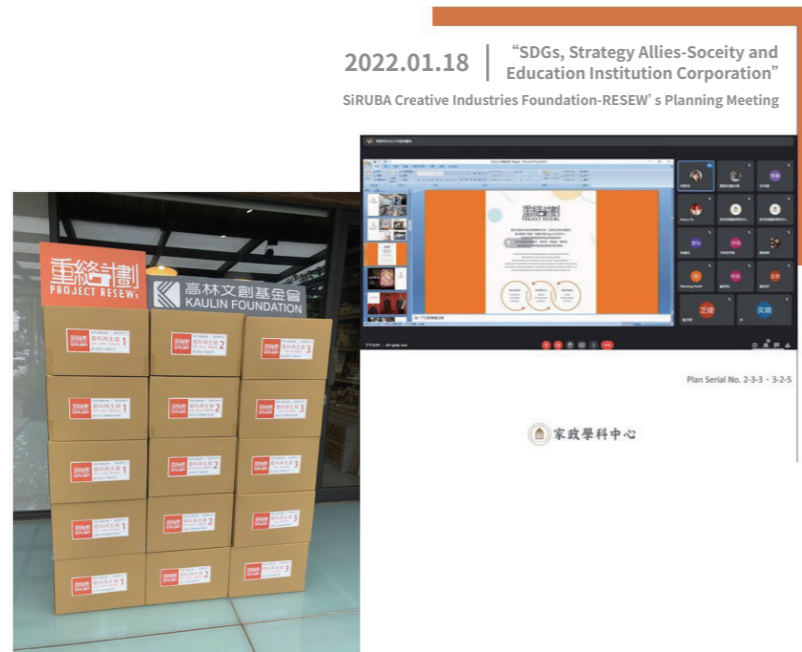
The Center for Home Economics and Science plans to collaborate with the SiRUBA Cultural and Creative Foundation on SDGs projects related to apparel and waste fabrics, and work together on environmental education.

"Topic/ Lecturer" | 2022.03.08

Recycling of Waste Fabrics (Experiential Course)
Lecturer: SiRUBA Cultural and Creative Foundation

In-depth discussion on school development
Lecturer: The Center for Home Economics and Science

Development of Waste Recycling Box and Extended Sustainability Courses in Various Schools
Lecturer: The Center for Home Economics and Science



Creating Job Opportunities

Never miss - Sewing Machine Grant Program

2019	2020	2021	2022
重縫計劃【機不可失】縫紉機補助名單 <ul style="list-style-type: none"> 『田野間 Eco Tano Workshop』- 環境友善 『Petite Made Studio 小時尚工坊』- 推廣兒童美感教育為本引導孩子探索自我風格 『天主教大溪大濟生活園區』- 永續教育、關懷弱勢 『更生保護會新竹分會: 更新之美- 環保時尚設計學園』- 關懷弱勢 『芥菜種會』- 領帶計畫- 巧手無限 帶領無限 	重縫計劃【機不可失】縫紉機補助名單 <ul style="list-style-type: none"> 『紡織產業綜合研究所』失業補助 - 紡織所高林縫紉基地建置計畫 『宜蘭縣菜蓴家庭關懷協會』- 就業輔導計畫 『台北市婦女新知協會』- 推動婦女專業培力計畫 『邱千芳』- 茶布屋循環設計工作坊 	重縫計劃【機不可失】縫紉機補助名單 <ul style="list-style-type: none"> 社團法人桃園市木匠的家關懷協會 - 提供弱勢族群就業機會 多家社會企業社 - 推動50+ 原民婦女培力計畫 巧婦之布工藝工作室 - 婦女就業輔導計畫 布藝YOUNG修繕站 - 永續時尚零廢棄計畫 	重縫計劃【機不可失】縫紉機補助名單 <ul style="list-style-type: none"> 緞織工作坊 - 舊衣改造環境友善 醇味研舊設計室 - REstoRE 理想服裝店 杏福巷子 - 推動軍眷社區綠色環境計畫 艾波尼文化社 - 推動婦女就業計畫

Creating Job Opportunities

Creating Job Opportunities By establishing a professional platform for industrial sewing machines and a sustainable fabric bank, centered around the RESEW initiative, we aim to effectively utilize the remaining resources of the fashion industry through design and practical courses. Furthermore, we seek to nurture skills such as "repairing, restoring, altering, and manufacturing" to prolong the lifespan of clothing. This effort is driven by the aspiration to achieve the full potential of sustainable fashion and its associated benefits.



Creating Job Opportunities

In 2022, the SiRUBA Cultural and Creative Foundation will establish the inaugural RESEW's Lab in Yilan City, located in the East. This lab will provide professional industrial sewing equipment and offer regular basic courses.

To enhance the professional skills of local residents in Yilan, the program will present a series of advanced courses. Our goal is to support single parents and middle-aged as well as elderly women, who face relative disadvantages in the job market. By equipping them with professional skills, we aim to empower them to enter the workforce independently and benefit themselves. Through achieving stable financial income and a sense of self-fulfillment, their roles within their families will elevate, enabling them to advocate for equal rights.



Creating Job Opportunities

RESEW's Lab X Taiwan Textile Research Institute

The Textile Institute applied for the implementation of the VTC program. The Foundation, particularly in the basement area, established a new space for industrial machinery and equipment, including 15 flatbed machines and 3 sets of copy machines, which were loaned to the Textile Institute for a total of 300 hours of garment technology mass production training courses.



Creating Job Opportunities

RESEW's Lab X Taipei NPO Tribe

Supply the necessary materials for the industrial sewing machine workplace and sustainable fabric bank. The central focus of the reunion program is to introduce tribal members, who might be less acquainted with sustainable fashion, to the knowledge, appreciation, and hands-on experience of using industrial sewing machines. The aim is to demonstrate how environmental protection and fashion can coexist harmoniously.



- 2020 Mass Production Garment Technician Training 30 people
- 2021 Mass Production Garment Technician Training 30 people
- 2022 Mass Production Garment Technician Training 27 people

Creating Job Opportunities

Awakening Foundation X

Re-sewing Plan "Women Dreams"
Sung Tak Women's Family Service Center X
Re-sewing Plan "Sewing New Plans"

Provides the industrial sewing machine workplace as the skill training environment.



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Fist season: 19 people, Second season: 15 people in 2020
Fist season: 13 people, Second season: 12 people in 2021
Fist season: 12 people, Second season: 13 people in 2022

SiRUBA helps, captures the future.

We continue to sponsor physical education and provide support for sports teams, individual activities, and competitions, all aimed at enhancing our physical education initiatives.

2017

- 嘉義東石高中
- 嘉義民和國中
- 五股更寮國小
- 台東紅葉國小

2019

- 嘉義忠和國中籃球隊
- 台中市大理高中
- 嘉義萬能高中
- 社子國小羽球隊
- 士林高商
- 桃園平鎮國中
- 臺北市立北投國中
- 埔里國中女子棒球隊
- 龜山國中
- 空英路跑

2020

- 台北市立教育大學
- 萬能科技大學
- 八德大勇國小
- 鶯歌尖山國中
- 龜山壽山高中
- 台南長榮大學
- 桃園大溪高中
- 三重明志國中
- 桃園新屋高中
- 台北私立稻江商職
- 台北市立陽明高中
- 嘉義東石高中
- 嘉義東石國中
- 空英路跑
- 諸羅山盃

2021

- 第一屆火星入軟式少棒邀請賽贊助球員
- 台灣體育運動大學橄欖球隊
- 嘉義忠和國中籃球隊
- 花蓮中正國小棒球隊
- 桃園八德大勇國小棒球隊
- 2021空英1919陪讀線上路跑活動贊助
- 新竹成德高中棒球隊
- 台東新生國中棒球隊
- 花蓮玉里高中棒球隊
- 高雄茄萣國中棒球隊
- 桃園成德高中棒球隊
- 桃園中平國小棒球隊
- 澎湖興仁國小棒球隊

2021

- 澎湖馬公國中棒球隊
- 澎湖石泉國小棒球隊
- 澎湖湖西國小棒球隊
- 桃園大溪高中棒球隊
- 新竹虎林國中棒球隊
- 暨南大學女子壘球隊
- 台南安慶國小棒球隊
- 桃園青溪國中棒球隊

2022

- 尖山國中
- 花蓮光復國小

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Community Connection, Sharing Creation

Love Art Class

2020
2021

2022

Art is the power to recover love. Through the art creation and reading picture books and the interaction game of group, slowly increases the confidence and creativity. Promotes self-consciousness and feel self-emotion, amending heart healing.



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The bond of charity, the charity sponsorship

Since 2004, Christian Action has been promoting the "1919 Parents' Study Program", offering after-school classes for children from economically disadvantaged families, including those who are poor, come from single-parent households, intergenerational parenting, have physically or mental challenges, or belong foreign spouses. The program provides free tutoring, character education, dinner, and its support to the entire families.

The Foundation, along with Christian Relief Society, StudioClassroom and TRAVELER"LET'S RUN", collaborates as co-organizers. The enrollment fees, after deducting costs, will be entirely donated to the 1919 Chaperone Program, while also contributing to the creation of an enduring memorial to sponsor the event.

In the photo, you can see the Chairman of the Board of Directors of SiRUBA leading employees and their family members with enthusiasm in the road race.



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The bond of charity, the charity sponsorship

The second-hand shop adopts the core recycling concept originally introduced by RE.UNIQLO. It blends the design of Yu Yin, Zhou and REHOW's sustainable cultural creation, further extending the life cycle of second-handed clothing. Items that are no longer needed are given a new lease on life as pet clothing or furniture. Through the exclusive JUST IN XX design by Yu Yin Zhou, REHOW, and SiRUBA Cultural and Creative Foundation have been nurturing second career for these items, simultaneously achieving carbon reduction and contributing to social fulfillment.

RECYCLE

#號召消費者回收衣物 #再製成燃料棒

REDUCE

#物料再生 #縫補修復

REUSE

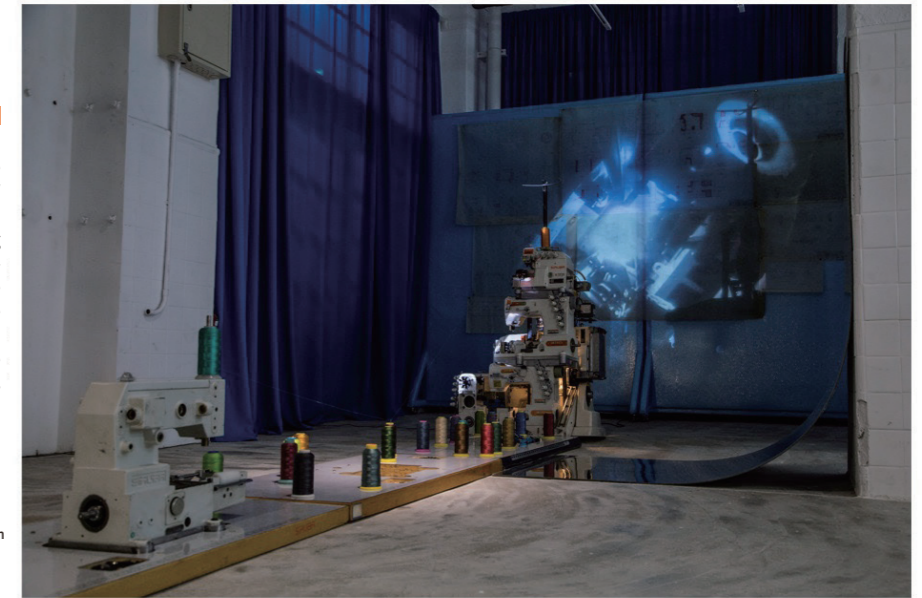
#舊衣改造 #社會救助

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The bond of charity, the charity sponsorship

The SiRUBA Cultural and Creative Foundation has collaborated with REHOW and invited the artist Yi Chen, Kou to participate. The project employs sewing machine waste generated during producing as the primary creative material. The sustainability aspect represents the needle, while design serves as the thread, intertwining to form the essence of the video. The well symbolizes a continuous flow, akin to a river created through sewing machine stitches.

2022.12.01-2023.02.28
Finding Light Image Decoration Exhibition
REHOW LIVING LAB
Songshan Cultural and Creative Park West
Cigarette Factory



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The bond of charity, the charity sponsorship

On 2nd, Dec., SiRUBA participated in the Relief Society Food Bank Volunteer Day. The distributed food was intended for the Taipei, Keelung and Yilan areas. A total of 64 churches joined the food bank initiative, and we retrieved 367 food packages from the Bali warehouse.

This event mobilized dozens of employees from the head office, Bade factory, and the Foundation. They learned about the distribution process, ensuring the accurate allocation of items. From the initial chaos to the efficient conclusion, we managed the distribution smoothly and tidied up the premises afterward.

The Association particularly commends the high completion rate of the program and looks forward to welcoming more participants in the future.



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05 Appendix

GRI Standards
SASB Sustainability Accounting
Standards Board
Related Information of Listed Company
Climate



Appendix 1 : GRI Sustainability Reporting Guidelines Comparison Table

Statement of use	KAULIN MFG. CO., LTD. has complied the GRI reporting guidelines since Jan. 01, 2022 to Dec. 31, 2022.
Used GRI 1	GRI 1: Basic 2021
Applicable GRI Industry Guidelines	The Company is listed in the electrical machinery industry and does
Note	* : as the major topic.

Topic	Disclosure Project	Project Description	Chapter	Page	Omission/ Note
GRI 2 : Regular Disclosures 2021					
The Organization and Reporting Practices	2-1	Organization details	1.2 About SiRUBA	p.24	
	2-2	Entities included in the organization's sustainability reporting.	Editorial Policy	p.03	
	2-3	Reporting period, frequency and contact point	Editorial Policy	p.03	
	2-4	Restatements of information	Editorial Policy	p.03	
	2-5	External assurance	Editorial Policy	p.03	
Activities and Workers	2-6	Activities, value chains and other business relationships	1.2 About SiRUBA	p.24	
	2-7	Employees	4.1 Human Resource Management	p.75	
	2-8	Workers who are not employees	4.1 Human Resource Management	p.75	
Governance	2-9	Governance structure and composition	1.3 Corporate Governance	p.27	
	2-10	Nomination and selection of the highest governance body	1.3 Corporate Governance	p.27	
	2-11	Chair of the highest governance body	1.3 Corporate Governance	p.27	
	2-12	Role of the highest governance body in overseeing themanagement of impacts	1.1 Sustainable Development Strategy and Performance	p.19	
	2-13	Delegation of responsibility for managing impacts	1.1 Sustainable Development Strategy and Performance	p.19	

Topic	Disclosure Project	Project Description	Chapter	Page	Omission/ Note
GRI 2 : Regular Disclosures 2021					
Governance	2-14	Role of the highest governance body in sustainability reporting	1.1 Sustainable Development Strategy and Performance	p.19	
	2-15	Conflicts of interest	1.3 Corporate Governance	p.27	
	2-16	Communication of critical concerns	1.1 Sustainable Development Strategy and Performance	p.19	
	2-17	Collective knowledge of the highest governance body	1.3 Corporate Governance	p.27	
	2-18	Evaluation of the performance of the highest governance body	1.3 Corporate Governance	p.27	
	2-19	Remuneration policy	1.3 Corporate Governance	p.27	
	2-20	Process to determine remuneration	1.3 Corporate Governance	p.27	
	2-21	Annual Total Compensation Ratio	Omission of the closures	-	The highest annual total ompensation is the company's confidential information
	2-22	Statement on sustainable development strategy	Words from Operator	p.02	
	2-23	Policy commitments	1.1 Sustainable Development Strategy and Performance	p.19	
Strategy, Policies and Practice	2-24	Embedding policy commitments	1.1 Sustainable Development Strategy and Performance	p.19	
	2-25	Processes to remediate negative impacts	1.4 Risk Management	p.38	
	2-26	Mechanisms for seeking advice and raising concerns	1.6 Regulation Compliance	p.41	
	2-27	Compliance with laws and regulations	1.6 Regulation Compliance	p.41	
	2-28	Membership associations	1.2 About SiRUBA	p.24	
Stakeholder Engagement	2-29	Approach to stakeholder engagement	Stakeholder Communication and Major Subject Distinguish	p.07	
	2-30	Collective bargaining agreements	4.2 Right Person in the Right Place	p.84	Failure of companies to sign group agreements with trade unions

Topic	Disclosure Project	Project Description	Chapter	Page	Omission/ Note
GRI 3: Material Topic in 2021					
Material Topic	3-1	Process to determine material topics	Stakeholder Communication and Major Subject Distinguish	p.07	
	3-2	List of Material topics	Stakeholder Communication and Major Subject Distinguish	p.07	
* Corporate Governance					
GRI 3: Material Topic 2021	3-3	Process to determine material topics	1.3 Corporate Governance	p.27	
* Regulation Compliance					
GRI 3: Material Topic 2021	3-3	Process to determine material topics	1.6 Regulation Compliance	p.41	
* Risk Management					
GRI 3: Material Topic 2021	3-3	Process to determine material topics	1.4 Risk Management	p.38	
* Innovation and Responsibility of Products					
GRI 3: Material Topic 2021	3-3	Process to determine material topics	2.1 Product Liability and Security	p.51	
Economy					
Economy Performance					
GRI 201: Economy Performance 2016	201-1	Direct economic value generated and distributed	1.2 About SiRUBA	p.24	
	201-2	Financial implications and other risks and opportunities due to climate change	3.1 Climate Change Management	p.58	
	201-3	Defines benefit plan obligations and other retirement plans	4.2 Right Person in the Right Place	p.84	

Topic	Disclosure Project	Project Description	Chapter	Page	Omission/ Note
Market Status					
GRI 202: Market Status in 2016	202-1	Ratio of standard entry level wage by gender compared to local minimum wage	4.2 Right Person in the Right Place	p.84	
	202-2	Proportion of senior management hired from the local community	4.1 Human Resources Management	p.75	
Anti-competitive Behavior					
GRI 206: Anti-competitive Behavior 2016	206-1	Legal actions for anti-competitive behavior, anti-trust, and monopoly practices	1.6 Regulation Compliance	p.41	Not any activities of legal actions involving anti-competitive, antitrust, and monopolistic
Environment					
*Material Management					
GRI 3: Material Topic 2021	3-3	Management of material topics	3.2 Energy Resources Management	p.66	
GRI 301: Materials 2016	301-1	Materials used by weight or volume	3.2 Energy Resources Management	p.65	
	301-2	List of material topics	3.2 Energy Resources Management	p.65	
	301-3	Reclaimed products and their packaging materials	3.2 Energy Resources Management	p.65	
*Energy Management					
GRI 3: Material Topic 2021	3-3	Management of material topics	3.2 Energy Resources Management	p.65	
GRI 302: Energy 2016	302-1	Energy consumption within the organization	3.2 Energy Resources Management	p.65	
	302-2	Energy consumption outside of the organization	Omission	-	The information provided is incomplete. The organization's external energy consumption covers both up and down the

Topic	Disclosure Project	Project Description	Chapter	Page	Omission/ Note
GRI 302: Energy 2016					value chain, but data for external up and down fuel consumption power is unavailable.
	302-3	Energy intensity	3.2 Energy Resources Management	p.65	
	302-4	Reduction of energy consumption	3.2 Energy Resources Management	p.65	
	302-5	Reductions in energy requirements of products and services	3.2 Energy Resources Management	p.65	
*GHG Emission					
GRI 3: Material Topic 2021	3-3	Management of material topic	3.1 Climate Change Management	p.58	
GRI 305: Emission 2016	305-1	Direct (Scope 1) GHG emissions	3.1 Climate Change Management	p.58	
	305-2	Energy indirect (Scope 2) GHG emissions	3.1 Climate Change Management	p.58	
	305-3	Other indirect (Scope 3) GHG emissions	3.1 Climate Change Management	p.58	
	305-4	GHG emission intensity	3.1 Climate Change Management	p.58	
* Waste Management					
GRI 3: Material Topic 2021	3-3	Management of material topic	3.3 Waste Management	p.71	
GRI 306: Waste 2020	306-1	Waste generation and significant waste-related impacts	3.3 Waste Management	p.71	
	306-2	Management of significant waste-related impact	3.3 Waste Management	p.71	
GRI 306: Waste 2020	306-3	Waste generated	3.3 Waste Management	p.71	
	306-4	Waste diverted from disposal	3.3 Waste Management	p.71	
	306-5	Waste direct to disposal	3.3 Waste Management	p.71	

Topic	Disclosure Project	Project Description	Chapter	Page	Omission/ Note
Sociality					
* Employment Relations					
GRI 3: Material Topic 2021	3-3	Management of material topic	4.Social Care	p.73	
GRI 401: Employment Relations 2016	401-1	New employee hires and employee turnover	4.1 Human Resources Management	p.75	
	401-2	Benefits provided to full-time employees that are not provided to temporary or part-time employees	4.2 Right Person in the Right Place	p.84	
	401-3	Parental leave	4.2 Right Person in the Right Place	p.84	
Labor Relations					
GRI 402: Labor /Management Relations 2016	402-1	Minimum notice periods regarding operational changes	4.2 Right Person in the Right Place	p.84	
Occupational Health and Safety					
GRI 403: Occupational Health and Safety 2018	403-2	Hazard identification, risk assessment, and incident investigation	4.3 Occupational Safety and Health	p.95	
	403-3	Occupational health service	4.3 Occupational Safety and Health	p.95	
	403-4	Worker participation, consultation, and communication on occupational health and safety	4.3 Occupational Safety and Health	p.95	
	403-5	Worker training on occupational health and safety	4.3 Occupational Safety and Health	p.95	
	403-6	Promotion of worker health	4.3 Occupational Safety and Health	p.95	
GRI 403: Occupational Health and Safety 2018	403-9	Work-related injuries	4.3 Occupational Safety and Health	p.95	
	403-10	Work-related ill health	4.3 Occupational Safety and Health	p.95	

Topic	Disclosure Project	Project Description	Chapter	Page	Omission/ Note
Education Training					
GRI 404: Training and Education 2016	404-1	Average hours of training per year per employee	4.2 Right Person in the Right Place	p.84	
	404-3	Percentage of employees receiving regular performance and career development reviews	4.2 Right Person in the Right Place	p.84	
Diversity and Equal Opportunity of Employee					
GRI 405: Diversity and Equal Opportunity 2016	405-1	Diversity of Governance Bodies and Employees	1.3 Corporate Governance 4.1 Human Resources Management	p.27 p.75	
	405-2	Ratio of basic salary and remuneration of women to men	4.2 Right Person in the Right Place	p.84	



Appendix 2: Comparison Table for Sustainable Accounting Standards

Topic	Accounting Indicators	Category	Units of Measurement	Number	Disclosure Chapter and Description
Energy Management	(1) Total energy consumed, (2) Percentage grid electricity and (3) Percentage renewable	Quantitative	Gigabit joule (GJ) Percentage(%)	RT-IG-130a.1	3.2 Energy Resources Management
Employee Health and Safety	(1) Total recordable incident rate (TRIR), (2) Fatality rate, and (3) near miss frequency rate (NMFR)	Quantitative	Rate	RT-IG-320a.1	4.3 Occupational Safety and Health
Fuel Economy & Emissions in Use-phase	Sales-weighted fleet fuel efficiency for medium- and heavy-duty vehicles	Quantitative	Gallons per 1,000 ton-miles	RT-IG-410a.1	Not applicable to our sewing machine products
	Sales-weighted fuel efficiency for non-road equipment	Quantitative	Gallons per a hour	RT-IG-410a.3	Not applicable to our sewing machine products
	Sales-weighted fuel efficiency for stationary generators	Quantitative	Watts per gallon	RT-IG-410a.3	Not applicable to our sewing machine products
	Sales-weighted emissions of (1) Nitrogen oxides (NOx) and (2) aerosol (PM) split into (a) marine diesel engines, (b) railroad locomotive diesel engines, (c) on-road medium and heavy-duty engines, and (d) other off-road diesel engines	Quantitative	Grams per kWh	RT-IG-410a.4	Not applicable to our sewing machine products
Purchased Material	Description of the management of risks associated with the use of critical materials	Discussion and analysis	n/a	RT-IG-440a.1	3.2 Energy Resources Management
Remanufacturing Design & Services	Revenue from remanufactured products and remanufacturing services	Quantitative	Currency in financial statements	RT-IG-440b.1	No remanufacturing of our products



Appendix 3: Listed Company Climate-related Information

1 Risks and Opportunities for the Company Arising from Climate Change and Related Measures Taken by the Company.

Project	Reporting Chapter
1. Description of the Board's and management's oversight and governance of climate-related risks and opportunities	3.1 Climate Change Management
2. Description of how the identified climate risks and opportunities affect the business, strategy and finances of the organization (short, medium and long term)	3.1 Climate Change Management
3. Description of the impact of extreme climate issue and transition of finance	3.1 Climate Change Management
4. Description of climate risk identification, assessment and management procedure and how to integrate into the overall of risk management.	3.1 Climate Change Management
5. If scenario analysis is used to assess resilience to climate change risks, the scenarios, parameters, assumptions, analysis factors and major financial impacts used should be explained.	3.1 Climate Change Management
6. If has the transformation program for climate-related risk management, it should state the plan and indicators and targets for identifying, managing entity risk and transformation risk.	3.1 Climate Change Management
7. If uses the internal carbon pricing as planning tool, it should states the price-setting basis.	Internal carbon pricing hasn't implemented
8. It should describe the activities, GHG emission category, planned schedule, progress achieved every year and other information if set up the related-target of climate. If uses the carbon offset or Renewable Energy Certificates (RECs) to achieve the related target, it should describe the source and mount of carbon offset, and mount of Renewable Energy Certificates(RECs).	3.1 Climate Change Management
9. Inspection of GHG and confirmed situation.	3.1 Climate Change Management



Scope 1	Total Emissions (Ton CO2e)	Intensity (Ton CO2e/ Million dollars)	Agency	Statement of Certainty (Certificate of Verification)
Parent Company	8.51	0.0034	TUV	Inspection result of GHG in 2022 has proved by TUV in May, 2023 and acquired the statement in Jul, 2023.
Taoyuan Plant	52.85	0.0214		
Gao Yin Plant	409.17	0.1656		
Scope 2	Total Emissions (Ton CO2e)	Intensity (Ton CO2e/ Million dollars)		
Parent Company	85.55	0.0346		
Taoyuan Plant	322.06	0.1303		
Gao Yin Plant	5,110.51	2.0681		
Scope 3	Total Emissions (Ton CO2e)	Intensity (Ton CO2e/ Million dollars)		
Parent Company	36.89	0.0149		
Taoyuan Plant	110.11	0.0446		
Gao Yin Plant	579.94	0.2347		

Noted: Total revenue 2,471.056 million in 2022

