

# Moving towards a more sustainable future

2024 Delta Electronics CSRD Sustainability Report





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This report is prepared on a voluntary basis, no external assurance was applied.

# Foreword from our EMEA President

It is with immense pride and a deep sense of purpose that I share our inaugural 2024 CSRD Sustainability Report.

To us, this isn't just a document; it is a milestone. It is a line in the sand that marks our transition to a more formalized and strategic approach to our environmental, social, and governance (ESG) journey.

This inaugural 2024 CSRD Sustainability Report comes at a pivotal moment for our company. Delta's global mission to provide innovative, clean, and energy-efficient solutions for a better tomorrow has never been more pressing. We need to work harder than ever to put that mission into action, whether in the cutting-edge products we develop, how we manage our supply chain, or the ways in which we engage with our communities.

## **Sustainability is the new standard**

This past year brought its challenges. We navigated a general economic slowdown and regional headwinds across many of our markets. Nevertheless, I'm thrilled to say we held our course and achieved genuine progress towards our goals.

This is because sustainability isn't an optional extra; it is a strategic imperative. Our long-term success is inextricably linked to our ability to create value for all stakeholders, including employees, customers, partners, and the communities in which we operate.

This report reflects our commitment to ethical conduct, transparency, and integrity. Although it marks the beginning of our formal Corporate Sustainability Reporting Directive (CSRD) reporting process, I am pleased with our progress so far. Over the following pages, you'll find details about our global sustainability efforts, particularly our development of high-efficiency power electronics and smart green solutions for sectors like industrial automation, building automation, data centers, electric vehicle (EV) charging, and renewable energy.

## **A clear vision for the future**

Looking ahead, our vision is clear: to further solidify our position as a pioneer in energy-efficient infrastructure technologies. We will continue using our formidable global resources and deep local understanding to accelerate our growth and success, always with sustainability in mind. I extend my sincere gratitude to every employee across our organization, all of whom have been instrumental in shaping this report and advancing our shared sustainability goals. This document reflects the progress we've made together and the path ahead. I invite you to read on, explore the details, and continue supporting our journey towards a more sustainable future.

Warm regards,

**Dalip Sharma**

**President and General Manager,  
Delta Electronics EMEA**



Together, we are charting  
a more sustainable future.

# Foreword from our Chief Sustainability Officer

## Putting sustainability into practice

This has been a pivotal year for Delta. Our previous corporate ESG reports have provided detailed insights into how we are translating our sustainable ambitions into tangible action, and in 2024, we have maintained and even enhanced that momentum.

Amidst shifting regulations and demanding stakeholder expectations, we have made significant strides in further embedding sustainability across our operations. We are putting more and more of our ESG goals into practice, and have achieved considerable progress across everything from our climate strategy to our leadership in renewable energy, social inclusion, and fairness.



We view this document  
as laying the foundation  
for more rigorous action.



### From ambition to action

The results speak for themselves. Delta has previously set an ambitious target of using 74% renewable electricity across our global operation sites by 2024. We now stand at 84%. That is an achievement in which we can take great pride.

Over the year, our selected 12 high-efficiency products have also saved customers 6.58 TWh of electricity and avoided over 15 million metric tons of CO<sub>2</sub>e. We are also involved in a growing number of energy conservation projects, which collectively have saved approximately 55,277 MWh of electricity in 2024, which is equivalent to around 37,577 metric tons CO<sub>2</sub>e.

Our team has been working tirelessly to transform our business into one that is geared towards a low-carbon future. In 2024, we supplied 3,500 inverters for Europe's largest solar park, converting a former coal mine into a renewable energy asset that powers 200,000 homes. We also partnered with EDF's IZIVIA to install ultra-fast EV chargers at over 700 McDonald's locations in France, helping to bring e-mobility infrastructure into the mainstream.

In terms of waste and circularity, we achieved a 99% waste diversion rate across our production plants, closing in on our target of 100% by 2025. We also strengthened our circular economy strategy, which now encompasses everything from green design and modular components to hazardous substance phase-outs and the recovery of rare metals. As part of this process, we implemented 19 circularity projects across our global sites last year alone, resulting in a reduction of 464 metric tons of waste.

### Letting our people take the lead

Any truly sustainable strategy has to be people-led, and we are thrilled with the passion and dedication with which our employees have engaged in this transformation. Last year, in our global employee engagement survey, we achieved a 90% positive response in global employee engagement survey, and we observed an increase in training, with each employee receiving an average of 23 hours of training. We also introduced new mental health services, launched AI upskilling programs, and significantly enhanced protections against discrimination and harassment. Our workplace injury rate fell to just 0.5 incidents per million hours worked, and we had zero cases of reported work-related ill health.

We are also making progress in gender representation, with women now holding 32.2% of management positions and 53.1% of entry-level management roles (up from 52.7%). While we recognize more work remains to be done, we are building strong momentum toward a truly equitable workplace for all.

Finally, we are applying our rigorous sustainability standards to 100% of our suppliers. Through comprehensive audits, training, and clear codes of conduct, we're helping to create better conditions for thousands of workers throughout our value chain.

### Looking to the future

We hope this sustainability report will serve as both a baseline against which we can measure progress in future years and a blueprint for that future. This is not the only report we are producing, we have been producing global sustainability reports since 2005, but it is the first that will be aligned with the European Sustainability

Reporting Standards (ESRS). At Delta, we view this document as laying the foundation for more rigorous action. For example, as we seek ever-closer integration with the CSRD disclosure requirements, we will continue to refine our double materiality assessments, strengthen stakeholder engagement, and translate our strategy into tangible results.

On behalf of the entire team, I would like to thank our colleagues, customers, and partners for their support of this vital work to put sustainability into practice. This is, and will always be, a shared journey, and we are just getting started.

Warm regards,

**Jesse Chou**

**Chief Sustainability Officer,  
Delta Electronics Inc.**



# Introduction

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# About us

Delta is a leading global provider of power, thermal management, energy-saving, and new energy solutions.

Founded in 1971, Delta has become a global leader in power and thermal management solutions and a leading provider of energy-saving new energy solutions for customers all over the world. In recent years, we have integrated our software and hardware system products to transition from a key component manufacturer to a provider of smart, comprehensive energy-saving solutions, and focused on four key business areas: Power Electronics, Mobility, Automation, and Infrastructure. Headquartered in Taipei, Taiwan, we have sales offices in Europe, Asia, the Americas, and Africa, and operate in nearly 40 countries globally.

Delta Electronics, Inc. is listed at the stock exchange of Taipei, and our subsidiary Delta Electronics (Thailand) Public Company Limited is listed in Bangkok. With approximately €11 billion of global revenue and more than 80,000 people working directly for Delta, we are a major player in the global electronics industry. We are recognized for innovation, holding over 18,000 different patents cumulatively, and for sustainability, having been listed on the Dow Jones Best-in-Class index for 14 consecutive years, among many other recognitions.

| Sales Offices   | R&D Centers | Plant Sites | Employees worldwide | R&D engineers |
|-----------------|-------------|-------------|---------------------|---------------|
| 165             | 73          | 55          | 81,527              | 12,688        |
| Americas 29     | 11          | 6           |                     |               |
| EMEA 38         | 14          | 6           |                     |               |
| Asia-Pacific 98 | 48          | 43          |                     |               |



# Our approach to sustainability

At Delta, we aim to play our part in the global response to climate change by putting sustainability into practice. By providing outward-looking support to customers and an inward-looking focus on our own impacts, we can maximize our contribution towards a more sustainable world. Our ESG strategy is about building a greener tomorrow by providing smarter, cleaner, and more innovative technologies that help address critical environmental challenges.

It is built upon two key pillars.

1. Using our sustainable products to support our customers and wider society in decarbonizing.
2. Minimizing our own impacts on the environment and society, and leaving a positive impact on people and the planet.

## Our sustainable products

We empower our customers to reduce their energy consumption and carbon emissions by providing highly energy-efficient products, components, systems, and solutions. By applying our products in sectors like automation, e-mobility, and green infrastructure, we can accelerate the physical investments required to reduce society's dependence on fossil fuels.

## Our sustainable approach to doing business

As a company, we have made firm commitments to sustainability within our own operations, and our overall approach to Corporate Social Responsibility is defined by our Best Practice Principles for implementing ESG:

- **Enhancing our disclosure of ESG information.**  
See page [17](#) to [26](#)
- **Contributing to a sustainable environment.**  
See page [27](#) to [46](#)
- **Safeguarding public welfare.** See page [47](#) to [66](#)
- **Implementing robust corporate governance.**  
See page [67](#) to [73](#)



Discover more about our Sustainability Philosophy, please see [here](#).



# At Delta, we operate across four core business segments:



## Power Electronics

The Power Electronics business plays a vital role in our daily lives, covering power components, systems, thermal management solutions, and the Innergie consumer charging brand.

As a global leader in power and thermal management, Delta supplies:

- Components
- Power and systems
- Fans & Thermal management

to renowned clients in the fields of data centers, artificial intelligence (AI), ICT, consumer electronics, and industrial applications.



## Mobility

Our Mobility business focuses on EV powertrain systems, offering a comprehensive portfolio of:

- EV power electronics
- Traction motors
- Motor drives
- Integrated X-in-1 system solutions

These technologies support sustainable and intelligent transportation development across global EV markets.



## Automation

Our Automation business encompasses both industrial and building automation.

**In industrial automation**, Delta integrates to enable smart manufacturing through:

- Drives
- Motion control systems
- Sensors
- Human machine interfaces
- Power management and robotics

**In building automation**, Delta provides for high-efficiency smart building through:

- Energy analysis
- Building management and control systems
- LED lighting
- Digital networks
- Smart surveillance systems



## Infrastructure

Our Infrastructure business covers ICT and energy infrastructure, as well as the Vivitek brand for projection technology.

**In the ICT infrastructure**, Delta is a leading provider of:

- ICT power systems
- Data center infrastructure
- Networking solutions

**In energy infrastructure**, Delta's key offerings include:

- Photovoltaic (PV) inverters
- Wind converters
- Energy storage systems
- EV chargers
- DeltaGrid® energy management platform

Delta also offers advanced projection and video wall solutions for professional applications.

# Key highlights from 2024

## Environment

**6.58 TWh**

Energy savings of 12 high-efficiency products for customers

**53.6%**

Reduction in our Scope 1 and 2 emissions since 2021

**84%**

Renewable electricity use



## Governance

**0 cases**

Litigation involving corruption and anti-competition

**100%**

Supplier ESG improvement rate

## Business overview

**12,846 MUSD**

Total revenue

**81,527**

Total number of employees worldwide



## Society

**32.2%**

Ratio of female managers

**0.5 incidents per 1 million hours worked**

Rate of work-related accidents

**23 hours**

Average hours of training per person



# Case studies

Across industries and continents, bold initiatives are redefining what's possible in the transition to a greener future. From a pioneer earning the prestigious RE100 Market Trailblazer Award, to the transformation of a former coal site into Europe's largest solar park, these case studies highlight real-world examples of sustainability in action.

## The first Taiwanese company to win the 'RE100 Market Trailblazer' award

Presented during Climate Week NYC, the 'RE100 Market Trailblazer' award recognizes a company's continued efforts to accelerate the transition to renewable electricity in emerging and complex markets. Since 2020, RE100 has presented its annual Leadership Awards to highlight companies that demonstrate exceptional progress in their use of renewable electricity and inspire wider industry action. The Market Trailblazer award specifically celebrates those leading the way in market transformation through innovative approaches and tangible impact.

We were proud to receive the accolade at the 2024 RE100 Leadership Awards. It recognized our resolve and collaboration with partners to foster renewable electricity. In recent years, we have actively pursued Power Purchase Agreements (PPAs) across wind, solar, and hydro sources to help diversify and expand access to renewable electricity. An independent international panel of judges recognized our determination to overcome market barriers and drive meaningful change, and we're honored to share this milestone as part of our broader sustainability journey.



More about this case [➤](#)

# Transforming a former coal site into Europe's largest solar park

In 2024, we were selected by MOVE ON Energy as the inverter supplier for the Witznitz Solar Park in Germany, Europe's largest solar installation to date. Built on the site of a former open-cast lignite mine, the park now delivers 650 megawatts of renewable electricity. In total, we supplied around 3,500 inverters, enabling the plant's 1.1 million solar modules to generate enough electricity to power approximately 200,000 households per year, while also reducing CO<sub>2</sub> emissions by over 250,000 tons annually.

Beyond the technical achievement, we're especially proud of the ecological enhancements included in the project, from bird and bat habitats to pollinator-friendly meadows and wildlife corridors. These features help turn the solar park into a green corridor that benefits both biodiversity and the climate.

Our role in Witznitz exemplifies how advanced power electronics can drive the future of energy, and we're honored to contribute to a project of such scale, ambition, and long-term significance.

More about this case [➤](#)



## Serving up ultra-fast EV infrastructure with McDonald's and IZIVIA

This year, we partnered with EDF subsidiary IZIVIA to support the rollout of France's largest fast-charging network for McDonald's restaurants. As part of the IZIVIA FAST project, we are supplying approximately 800 of our UFC 200 ultra-fast DC chargers to over 700 McDonald's locations nationwide, making EV charging more accessible and convenient for drivers across the country. Our UFC 200 chargers are engineered for high performance and user convenience, capable of charging most EVs to 80% in around 20 minutes.

This collaboration demonstrates our ability to meet the growing demands of e-mobility infrastructure at scale, while maintaining the efficiency and reliability customers expect from our technology. This initiative also marks a key milestone in our commitment to sustainable mobility. By strengthening France's EV infrastructure, we are contributing to a broader transition toward cleaner transportation and reduced emissions. Our role in this project aligns with our long-standing mission to support partners and communities with innovative, scalable, and energy-efficient technologies.



More about this case [➔](#)

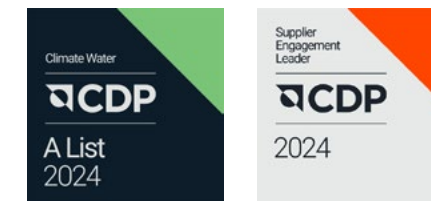
# Our awards and recognitions

These awards reflect our ongoing commitment to environmental, social, and governance excellence. While there's always more to do, these acknowledgments encourage us to keep improving and striving for meaningful, lasting impact across our operations and within the communities we serve.

## S&P Global

### Dow Jones Best-in-Class Index

- Listed on the Dow Jones Best-in-Class World Index for 14 consecutive years
- Highest overall score in the electronic equipment, instruments & components industry in the Dow Jones Best-in-Class Indices for 7 years



### CDP

- Awarded CDP Climate Change Leadership for the ninth time (A list 2020, 2022-2024)
- Included in the CDP Water Security A List (2020-2024)
- Included as a CDP Supplier Engagement Leader (2017-2024)



### Morgan Stanley ESG Leaders Indexes

- Selected consecutively for the MSCI ACWI ESG Leaders Index
- Selected consecutively for the MSCI Emerging Markets ESG Leaders Index



### FTSE4Good Index Series

- Selected consecutively for the FTSE4Good Emerging Indexes
- Selected as a constituent of the FTSE4Good TIP Taiwan ESG Index (compiled by Taiwan Index Plus Corporation and FTSE Russell)



## Top 100 Global Innovators Award

Selected by Clarivate as among its Top 100 Global Innovators™ for four consecutive years



## Institutional Shareholder Services (ISS) Enterprise Performance Evaluation

Received a “Prime” rating in the evaluation



## RE100 Leadership Awards

Received the RE100 Market Trailblazer Award



## Inspiring Workplaces Award

- Received Top 100 Inspiring Workplaces Global Winner
- Received Top 25 Inspiring Workplaces Europe Winner
- Special recognition for culture & purpose, leadership, and inclusion

## Others

- Chosen as one of the “Best Taiwan Global Brands” for 14 consecutive years
- Received ENERGY STAR Sustained Excellence Award for seven consecutive years
- Received “China’s Top Runner for Industrial Carbon Peaking” by the China Federation of Industrial Economics
- Delta Electronics (Thailand) recognized with the “Excellent” 5-Star Corporate Governance Grade for nine consecutive years (2016-2024)
- EcoVadis Platinum Rating for Delta Thailand and EcoVadis Gold Rating for Delta Slovakia
- Selected for the ‘Employer of the Future Award 2024 in Germany’





# General disclosures

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# General disclosures

This section outlines the basis for preparation of this report, our approach to governance of sustainability issues, our value chain, and our Double Materiality Assessment and resulting material sustainability topics.

We're proud to share our ESG efforts, results, and future targets in our first report prepared in accordance with the ESRS.

This is a voluntary disclosure without third-party assurance, and full references to all material Disclosure Requirements (DRs) can be found in the [appendix](#).

5

Number of material  
ESRS topics for Delta

91%

of relevant ESRS Disclosure  
requirements are included in this report

## Basis for preparation

This report is prepared on a consolidated basis, covering Delta Electronics Group's global operations. The scope of the consolidation matches the scope of Delta Electronics Group's consolidated financial statements. Some aspects of this report also address our upstream and downstream value chain.

This report has been prepared using the ESRS as a guide. The topics assessed to be material and covered in this report are: Climate change, Circular economy, Own workforce, Workers in the value chain, and Business conduct.

Our use of the ESRS reporting framework reflects our strategic direction towards full compliance with the CSRD across the Group. Many of our non-European subsidiaries are held by EU-based parent entities and thus fall within the scope of CSRD. Considering this, and in anticipation of the Group-level reporting in FY2028, we have taken this first step towards CSRD reporting in advance of the regulatory deadline.

Delta Electronics also publishes an annual ESG report aligned with the Global Reporting Initiative (GRI) standards. We also undertake climate change risk management and disclosure based on the Task Force on Climate-Related Financial Disclosures (TCFD) and International Financial Reporting Standards (IFRS) S2 standards.



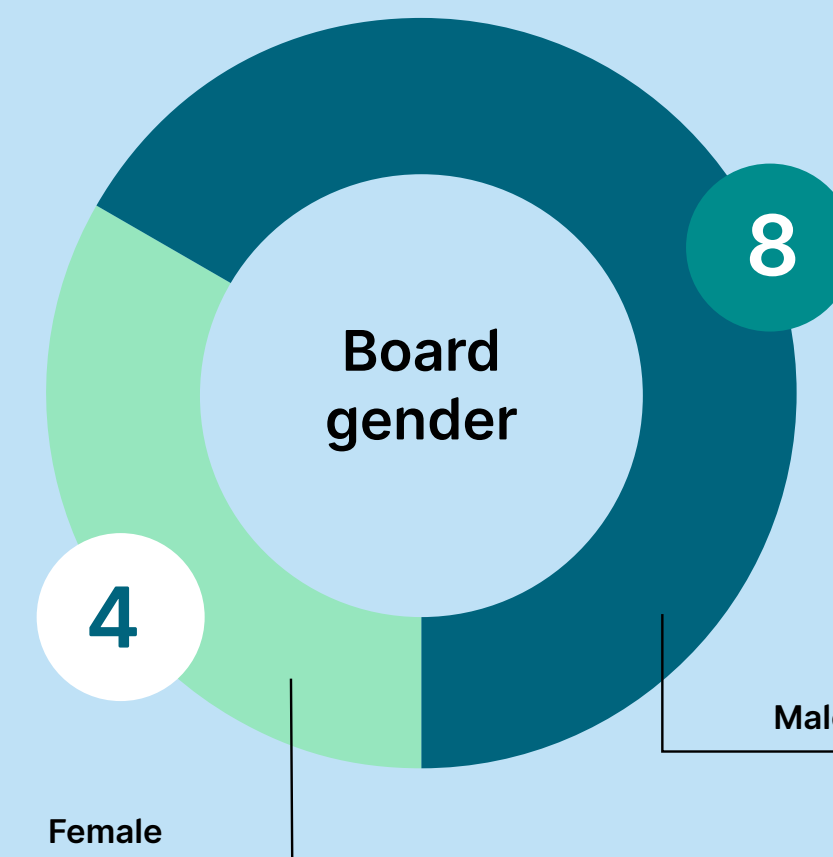
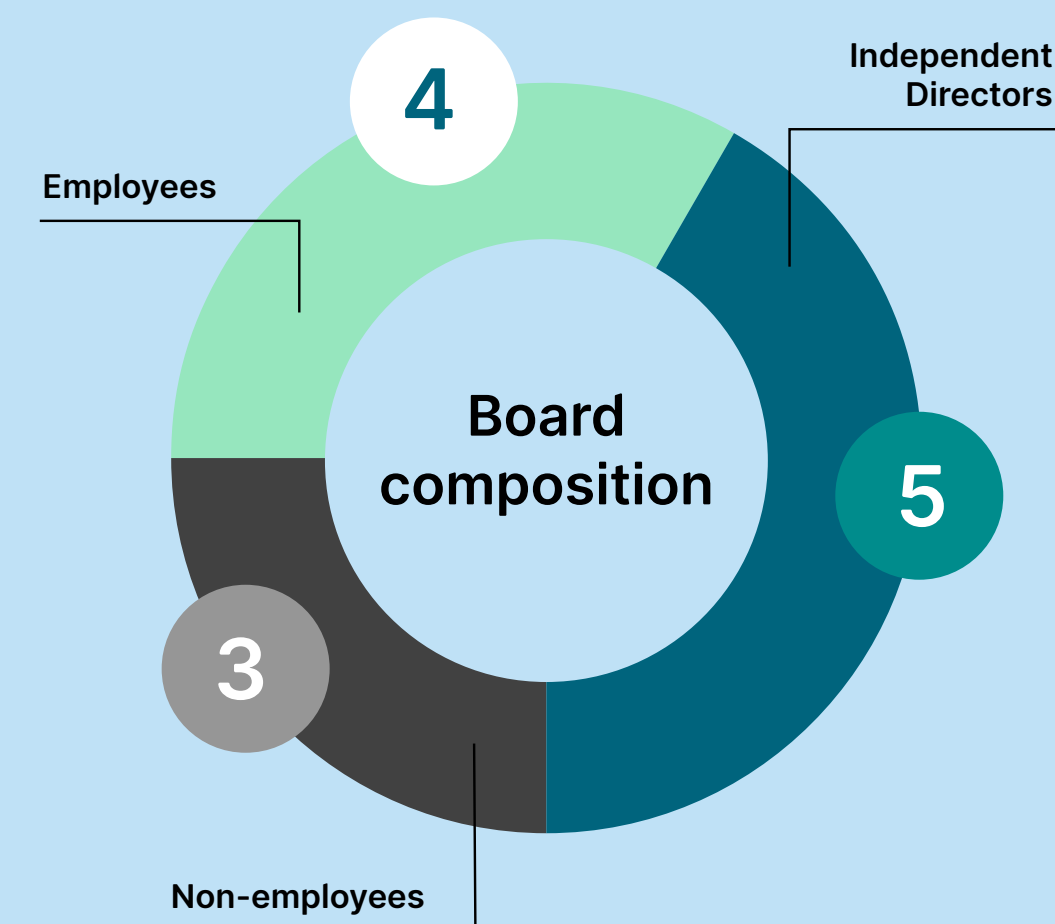
## Governance of sustainability issues

Our Board of Directors is responsible for overseeing the attainment of our company's operational goals, including providing strategic guidance to the management team on corporate sustainability matters. Board meetings are convened at least once a quarter to assess business performance, discuss strategy topics, and review ESG issues. This includes impacts, risks, and opportunities in relation to environmental and societal topics.

Delta also conducts training for Board members each year to develop and improve the Board's overall knowledge of economic, environmental, and social issues, while continuing to improve the Board's risk management capabilities.

The Global ESG Committee, a board-level functional committee composed of six directors, serves as our highest-level sustainability governance body. It is responsible for overseeing the management, performance, and alignment of our sustainability and climate strategies. In 2025, the committee will continue to oversee our management of climate-related risks and opportunities, ensuring alignment with our long-term environmental commitments.

The Audit and Risk Committee supervises the effectiveness of internal controls, compliance with relevant laws and regulations, and existing or potential risks. Our Compensation Committee is responsible for formulating and regularly reviewing the policies, systems, standards, and structures for performance evaluation and salary remuneration of directors and managers, as well as the regular evaluation and establishment of the remuneration of directors and managers.



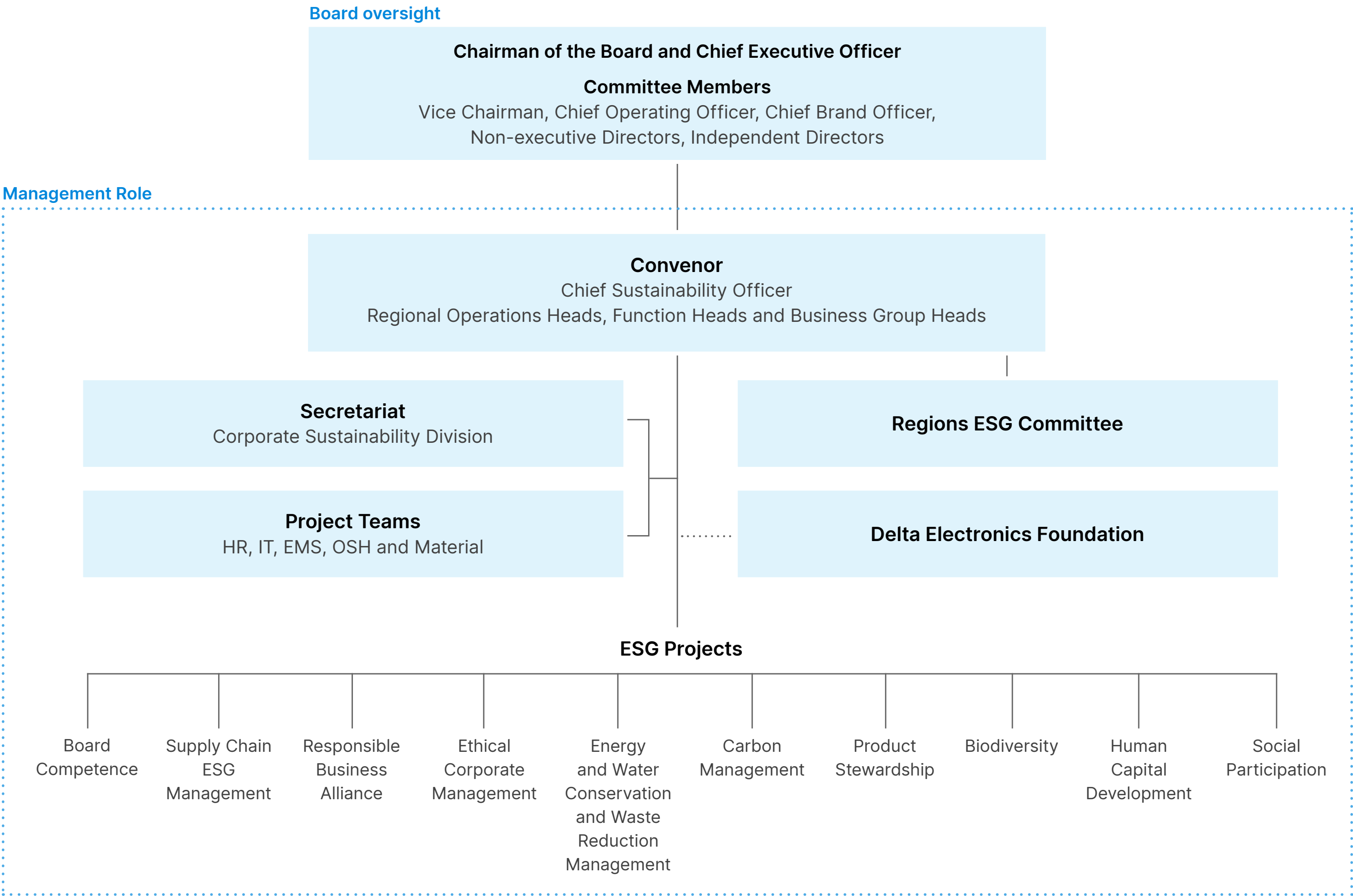
Governance of climate change issues

Our Board of Directors has actively engaged in international climate initiatives for many years, staying informed of the latest developments in climate change. Enabling a decarbonized society is our core business; therefore, climate-related knowledge is firmly embedded in the Board’s governance responsibilities. The Board provides oversight of key areas, including climate strategy, transition planning, greenhouse gas (GHG) inventory and reduction, internal carbon pricing, and the implementation and performance of related budgets and projects.

We have also established the Energy Management Committee and the RE100 Committee. These bodies set key performance indicators (KPIs) related to voluntary energy conservation, the use of renewable electricity, and energy-saving measures in green buildings. They also regularly review the results of our energy-saving improvement plans and carbon reduction measures aimed at minimizing the environmental impact of our business operations.

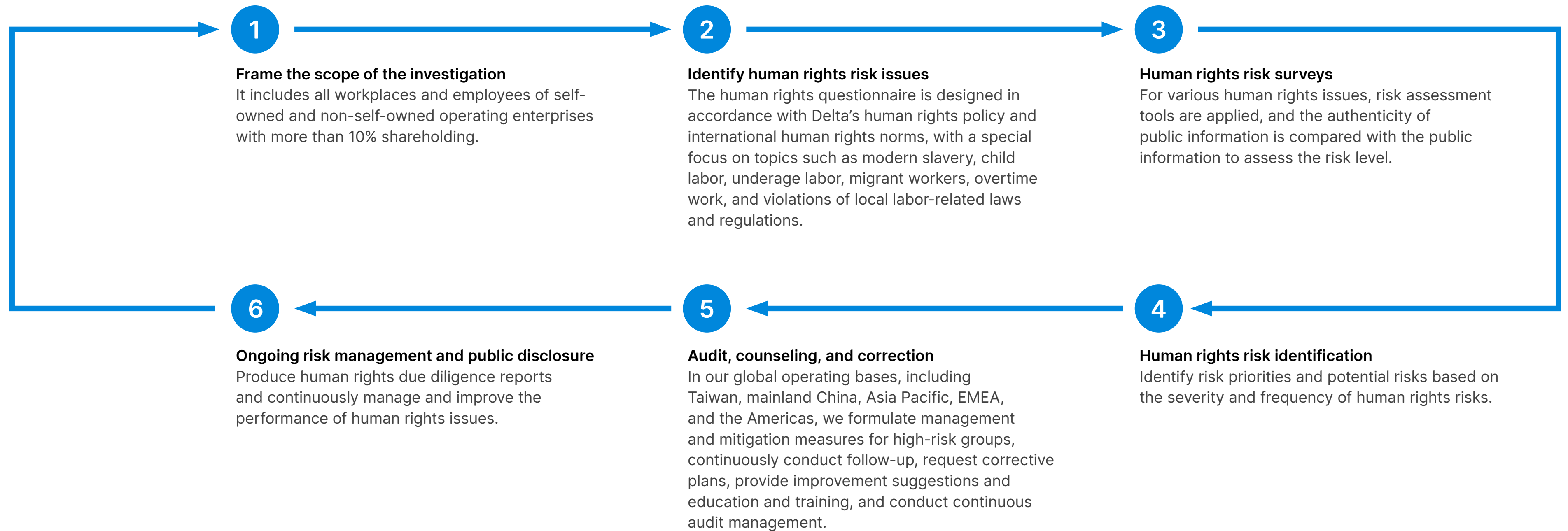
To understand our company hierarchy, see our **Sustainability Governance Structure** on the right.

Global ESG Committee



## Due diligence process

Delta reviews human rights policies, procedures, and programs in a systematic manner, identifies potential employee human rights issues across the value chain, and proposes improvements to them. Our aim is to expand the due diligence process to sustainability issues beyond human rights.



# Our business model and value chain



Our upstream value chain involves sourcing sub-components and raw materials, primarily from third-party vendors, which form the inputs to our manufacturing processes.

Our own operations are focused on our core business activities, which are the research, design, manufacturing, and sales of power electronics products.

Our downstream value chain includes our customer base, with 3 key customer groups. Industries we serve are EV charging, ICT & automobiles sectors, consumer electronics, industrial automation, building automation, medical sector and renewable energy sector. Delta primarily operates through a B2B model and does not typically engage in direct sales to individual consumers. However, consumers are considered part of our downstream value chain through an indirect link via our clients.

Note 1: Our downstream value chain also includes e-waste, which can be the end-of-life outcome for our products.

# Double Materiality Assessment

A Double Materiality Assessment (DMA) allows companies to assess their impacts, risks, and opportunities (IROs) in relation to sustainability. It includes both impact materiality (our impact on the external world) and financial materiality (the impact of the external world on our business).

For several years, Delta Electronics Group has conducted a GRI-based materiality assessment. Starting in 2024, we have undertaken a further assessment in line with the ESRS, which forms the basis for this report.

## Our DMA process used the following methodology:

|                   |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                  |
|-------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Scoping           | To begin the process, we undertook a scoping exercise to identify the legal entities in scope and a contextual analysis of our value chain. Next, we created a longlist of possible IROs, based on evidence from research. This longlist included possible IROs for each ESRS topic, although some sub-topics with no relevance to our business model, such as marine resources and animal welfare, were considered not in scope. We then summarized and consolidated the list of IROs.          |
| Assessment        | To assess the possible IROs, we considered both impact and financial materiality. Our assessment methodology followed the methodology defined in ESRS 2, using severity and likelihood to score impacts, excluding irremediability for positive impacts, and using likelihood and magnitude of financial effects to score risks and opportunities. Financial effects exceeding the defined threshold were assigned a high magnitude score, while those below the threshold received a low score. |
| Prioritization    | We used these scores to determine the prioritization of IROs. To determine the materiality of each ESRS topic, we also applied a weighting based on the number of material IROs for each topic.                                                                                                                                                                                                                                                                                                  |
| Review & Sign-off | To validate our results, we held a review meeting to assess the initial DMA findings. Subsequently, the results were reviewed by our EMEA Executive Committee. We also validated our conclusions with external stakeholders to ensure that their perspectives were reflected. The final list of material topics was presented to our Chief Sustainability Officer for review and sign-off.                                                                                                       |

Going forward, our material topics will continue to be monitored, and the DMA will be periodically reassessed.

Stakeholder engagement

Delta Group has identified six major stakeholders pursuant to the AA1000 Stakeholder Engagement Standard (AA1000 SES). They include employees, investors, media, customers, suppliers, and communities. The processes to engage with our stakeholders at a global level are robust and have been in place for years.

To validate the outcomes of our DMA, a separate online survey with external stakeholders was conducted. The results are as stated in the table below:

| Topic                                 | Internal DMA | Stakeholder survey |
|---------------------------------------|--------------|--------------------|
| E1: Climate change                    | Material     | Material           |
| E2: Pollution                         | Material     | Not material       |
| E3: Water and marine resources        | Not material | Not material       |
| E4: Biodiversity and ecosystems       | Not material | Not material       |
| E5: Resource use and circular economy | Material     | Material           |
| S1: Own workforce                     | Material     | Material           |
| S2: Workers in the value chain        | Material     | Material           |
| S3: Affected communities              | Not material | Not material       |
| S4: Consumers and end-users           | Not material | Material           |
| G1: Business conduct                  | Material     | Material           |

As 2024 marks our first year for reporting using the ESRS, only themes that are considered material through both our internal DMA processes and stakeholders’ input have been confirmed as material and included in this report. As a result, the topics *E2 – Pollution* and *S4 – Consumers and End-users* are not covered in this reporting cycle. For the next reporting period, we aim to conduct more in-depth stakeholder engagement activities to better understand potential divergences between stakeholder perspectives and internal assessments, and to further refine our DMA methodology.



# Our material topics



The material topics resulting from our DMA were as follows:

| ESG Category | ESRS Topic                    | # IROs | Impact                                                                                | Financial                                                                             | Value chain                              | Time horizon            |
|--------------|-------------------------------|--------|---------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------|------------------------------------------|-------------------------|
| Environment  | E1 Climate change             | 10     |    |    | Upstream<br>Own operations<br>Downstream | Short<br>Medium<br>Long |
|              | E5 Circular economy           | 7      |    |    | Upstream<br>Own operations<br>Downstream | Short<br>Medium<br>Long |
| Social       | S1 Own workforce              | 11     |    |    | Own operations                           | Short<br>Medium         |
|              | S2 Workers in the value chain | 3      |   |   | Upstream<br>Downstream                   | Short<br>Medium<br>Long |
| Governance   | G1 Business conduct           | 11     |  |  | Upstream<br>Own operations<br>Downstream | Short<br>Medium         |

The remainder of this CSRD Sustainability Report addresses each of these material topics in turn.



# Climate change

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# Climate change

Our corporate mission is “to provide innovative, clean, and energy-efficient solutions for a better tomorrow.” It guides our entire response to the challenges of climate change and commits us to creating a greener future and a more sustainable way of life.

By combining cutting-edge research and development with our vision for a greener tomorrow, we help customers across all industries reduce their emissions, boost energy efficiency, and drive systemic change. We work hard to translate our climate commitments into action, and have made measurable progress in delivering the solutions that will accelerate the global transition to a low-carbon future.

27.4%

Reduction in carbon intensity relative to 2023

84%

Use of renewable electricity at global operation sites



## Supporting the climate transition

Climate change and energy efficiency are integrated into our business strategy and sustainable development objectives. Our approach is designed to drive carbon reductions and energy efficiency throughout our own operations, as well as supporting carbon reduction and energy efficiency throughout our value chain, including for our suppliers upstream and for our customers downstream via our energy-efficient products and solutions.



For our own operations, our strategy for climate change focuses on mitigation, adaptation, and innovation. To mitigate climate change, we have set clear emission reduction targets and are advancing renewable energy adoption and energy-saving product development. To adapt to climate change, we prioritize water resource management and have established a product taxonomy to assess climate relevance. To encourage innovation, we are using internal carbon pricing to support low-carbon innovation and guide investment decisions, ensuring our strategy aligns with global climate goals.

We support the objectives of the Paris Agreement to limit global temperature rise to 1.5°C, and we contribute to the global effort to achieve this goal by committing to achieving net-zero emissions as a company by 2050, in line with our Science-Based Targets (SBT) commitment. Since 2015, Delta has aligned with the We Mean Business Coalition by adopting science-based emissions reduction targets, committing to transparent climate reporting, engaging responsibly in climate policy, and promoting the transition to electric vehicles and charging infrastructure. In 2021, we strengthened our commitment by pledging to use 100% renewable electricity and joined the “Business Ambition for 1.5°C” initiative, part of the UN’s “Race to Zero” campaign.

## Our climate change policies

### Environmental, Safety, and Health Policy

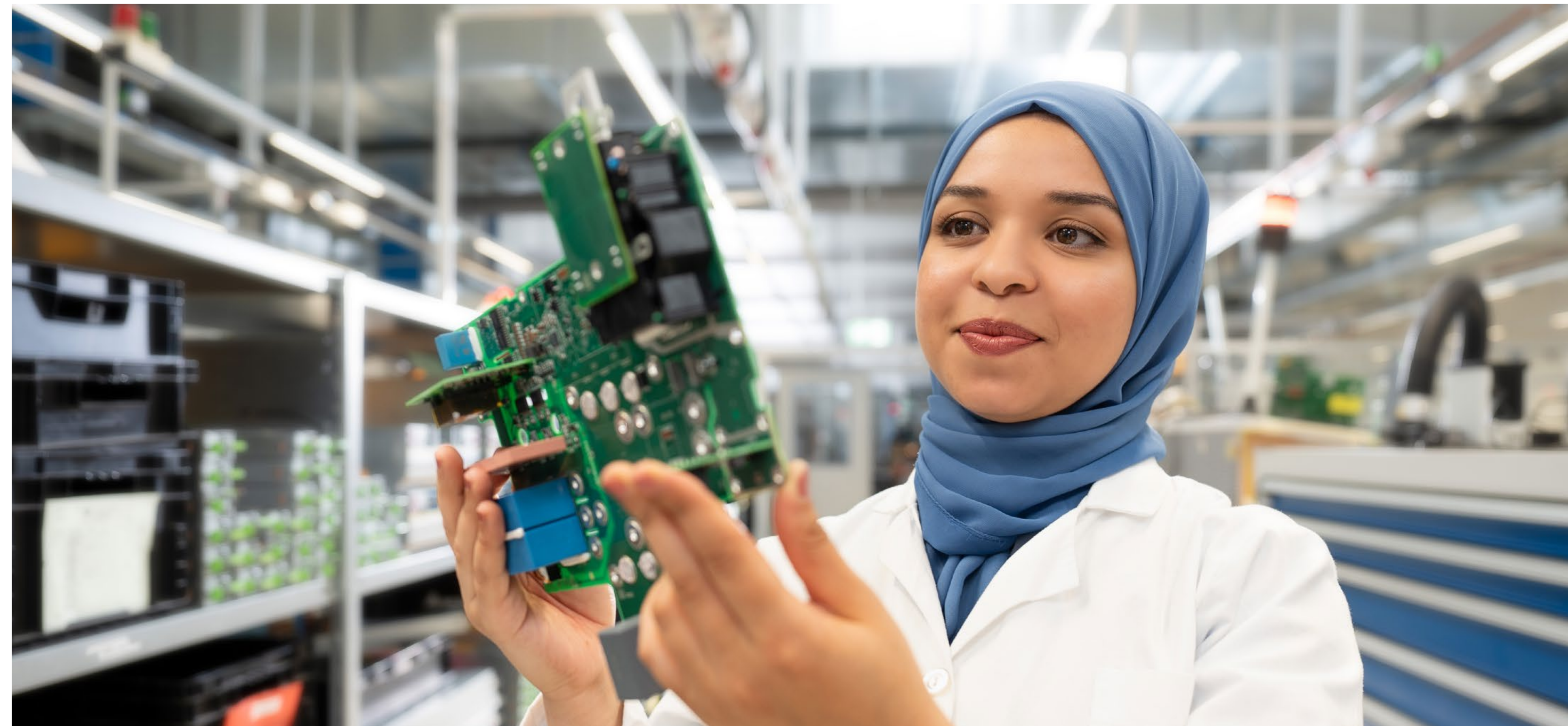
Our Environmental, Safety, and Health Policy is an overarching policy covering many topics, such as climate change, circular economy, biodiversity, and health and safety.

This policy integrates climate change as a core priority across our value chain. It drives actions in product development, procurement, operations, and logistics to reduce environmental impact, including emissions reduction and climate adaptation. The policy is supported by a robust Environment, Health and Safety (EHS) management system and is subject to regular oversight by the Board of Directors. This policy applies company-wide, including subsidiaries, suppliers, and partners, ensuring a unified approach to climate resilience and sustainability.

### Product Carbon Footprint Strategies

At Delta, we are committed to developing energy-saving products while continuously enhancing their efficiency to help our customers reduce both energy use and costs. In 2022, we adopted a specific policy, Delta Group's Product Carbon Footprint Strategies, which outlines our approach to reducing emissions from our products. The strategies include taking inventory of and calculating the carbon footprint of products in accordance with

international standards; establishing a product carbon footprint task force to enhance our knowledge of our carbon footprint; adopting an international carbon factor database; and requiring material suppliers to provide carbon emissions data. In the long term, we aim to include all important products in our product carbon footprint assessment to accelerate the development of low-carbon products and product carbon footprint reduction.



# Our climate change actions

## Promoting renewable electricity use

Delta joined RE100 as a Gold Member in 2021, pledging to use 100% renewable electricity for global operations by 2030. In 2024, we continued evaluating local renewable energy policies, markets, and supplier options while exploring long-term investments in renewable power. Since 2022, the renewable electricity rate has been a performance incentive linked to KPIs for the Chairman, CEO, and Region Heads (5–15%). Since 2023, electricity data from all sites underwent ISAE 3000 assurance, ensuring compliance with RE100 technical standards and full traceability of renewable electricity sources.

Delta strategically promotes renewable electricity at global operations sites by setting procurement priorities to reduce the emissions generated from electricity consumption. Where possible, we prioritize self-generated renewable electricity. In addition, our approach includes the direct purchase of renewable electricity through PPA or green electricity products with bundled renewable electricity certificates and the purchase of unbundled energy attribute certificates to support renewable generation. As a result, in 2024, 84% of our electricity usage and 78% of our total energy consumption came from renewable electricity.

## Promoting energy conservation with green buildings

We have pledged to use green building construction methods and our green building solutions for all new plants. In 2006, when we established our first green building in the Tainan Science Park in Taiwan, we pledged that all future plants and offices would implement the same concept, integrating our own energy-efficient products and solutions. Delta has voluntarily set high standards for our buildings, and we calculate the energy savings of our green buildings with reference to the ISAE 3000 assurance process.

Our new headquarters and research and development (R&D) center in India, located in the Bommasandra Industrial Area in Bengaluru, received Gold certification from the U.S. Green Building Council (LEED), and, as of December 2024, we had built or donated 35 green buildings and two green data centers globally. We are now incorporating features like ecological ponds, plant area greening, and other designs to support biodiversity.

We will continue to expand our range of energy-efficient products and solutions for green buildings. Next to being LEED certified, we also have received certifications from the U.K. Building Research Establishment (BREEAM), Taiwan's Ecology, Energy Saving, Waste Reduction, and Health (EEWH) system, and China's Green Building Evaluation Standards. We are also promoting sustainable development by participating in the United Nations Climate Change Conference, sponsoring green building design competitions, and offering training courses to encourage application and talent development in the field.



In 2024, our 21 globally-certified green plants saved more than 45.43 GWh of electricity.

In 2024, our 21 certified plants and five donated green buildings saved approximately 45.43 GWh of electricity, equivalent to a reduction of 23,330 metric tons of CO<sub>2</sub>e emissions. In addition, Delta evaluates annual electricity savings at its data centers using Power Usage Effectiveness (PUE) as a baseline. In 2024, our certified green data centers achieved additional savings of 57,860 kWh and reduced carbon emissions by approximately 28.58 metric tons of CO<sub>2</sub>e.

Energy-saving and emission-avoiding products

Delta is committed to advancing energy efficiency through the continuous development of innovative, energy-saving products and integrated solutions. By improving the performance of our offerings, we help customers reduce energy consumption and operational costs. Based on the shipment of power supplies, direct-current fans, Uninterruptible Power Supplies (UPS), inverters (variable frequency drives), LED street lights, photovoltaic (PV) inverters, and electric vehicle (EV) DC chargers shipped between 2010 and 2024, our high-efficiency products saved customers an estimated 52 TWh of electricity and reduced carbon emissions by nearly 27.09 million metric tons CO<sub>2</sub>e. The reduced emissions in 2024 were based on the electricity emission coefficient of 0.494 kg CO<sub>2</sub>e/kWh for Taiwan in 2023.

In 2015, Delta became the first in our industry to introduce energy-saving calculations into ISAE 3000 assurance. In 2023, we were also the first company in Taiwan to calculate avoided emissions and obtain ISAE 3000 assurance in accordance with the Guidance on Avoided Emissions published by the World Business Council for Sustainable Development (WBCSD).

In 2024, our products saved 6.58 TWh of electricity per year for customers and avoided emissions of approximately 15.23 million metric tons CO<sub>2</sub>e in the use phase. The twelve products included computer and networking power, ventilating fans, LED streetlights, AC-DC adapters, EV DC chargers, LED high bay, UPS, TV power, LED drivers, inverters (variable frequency drive), traction motors, and on-board charging modules.

Twelve types of products assured by ISAE 3000 in 2024

| No.   | Products                            | 2024 electricity savings (million kWh) | Avoided emissions (thousand mt CO <sub>2</sub> e) |
|-------|-------------------------------------|----------------------------------------|---------------------------------------------------|
| 1     | Computer and networking power       | 4,063.27                               | 7,842.11                                          |
| 2     | Ventilating fans                    | 24.21                                  | 9.70                                              |
| 3     | LED streetlights                    | 15.71                                  | 21.15                                             |
| 4     | AC-DC adapter                       | 167.70                                 | 197.72                                            |
| 5     | EV DC charger                       | 42.51                                  | 142.64                                            |
| 6     | LED high bay                        | 1.12                                   | 18.48                                             |
| 7     | Uninterruptible power supply (UPS)  | 449.32                                 | 356.37                                            |
| 8     | TV power                            | 24.11                                  | 14.33                                             |
| 9     | LED driver                          | 20.89                                  | 40.33                                             |
| 10    | Inverter (variable frequency drive) | 1,759.82                               | 6,504.31                                          |
| 11    | Traction motor                      | 4.83                                   | 25.69                                             |
| 12    | On-board charging modules           | 11.96                                  | 61.26                                             |
| Total |                                     | 6,585.45                               | 15,234.09                                         |

Note: Please refer to 2024 Delta Electronics ESG Report, Section 7.5 Summary of Information Assured (IASE 3000, ISAE 3410), for the methodology and calculations of energy savings and avoided emissions.

Reducing energy consumption and improving efficiency with ISO 50001

Delta is working to expand production while reducing our energy consumption and improving our energy efficiency. Several Delta production plants are now certified by third parties under the ISO 50001 Energy Management System standard, which provides a framework for efficient energy usage and monitoring.

Establishing the Delta Energy Online (EnOL) management system

Our EnOL management system provides real-time energy consumption and load analysis of our own operations, through energy planning, efficiency, consumption analysis, and equipment management. The system not only optimizes equipment operations but also helps to enhance power consumption efficiency, which we can then use to evaluate energy-saving improvements.

Raising awareness through energy efficiency training

To raise awareness amongst our employees of the importance of energy consumption reduction, we provide regular training on energy efficiency management. In 2024, we hosted the “Energy Management System Awareness Training” course to give internal employees an insight into the energy use at our plants and the implementation of the ISO 50001 system. We also organized both the “Online Training for Energy Conservation Management Personnel” and “Delta Climate Salon – Innovative Energy Conservation Technologies and Case Studies” courses, in which we shared innovative energy conservation methods and real case studies of buildings, factories, and data centers with more than 3,000 participants.

Continuing to expand our range of energy conservation projects

From 2011 to 2024, our global operation sites have continued to implement energy conservation and carbon reduction measures. By rolling out a total of 457 energy conservation projects across 2024, we managed to save approximately 55,277 MWh of electricity, which is equivalent to around 37,577 metric tons CO<sub>2</sub>e. We implemented a total of 3,693 energy conservation projects between 2011 and 2024 with an estimated 459,106 MWh of electricity saved, equivalent to a reduction of 350,640 metric tons CO<sub>2</sub>e.

Investing in environmental protection expenditures

We continue to invest in various environmental initiatives that reflect our commitment to sustainability and responsible resource management. These efforts encompass low-carbon technology applications, energy-saving measures, water conservation programs,

waste reduction strategies, and other environmentally focused projects. By targeting multiple areas of environmental impact, we aim to reduce our ecological footprint and contribute to the long-term resilience of the communities and ecosystems in which we operate.

Our environmental investments are guided by clear objectives and measurable outcomes, ensuring that each initiative contributes to our overall sustainability goals. In 2024, our total environmental protection expenditure reached \$73.5 MUSD, underscoring the importance we place on continuous improvement and proactive environmental stewardship. These investments reflect our belief that a cleaner, more efficient future is both a responsibility and an opportunity to drive innovation and value across our business. Part of this environmental investment in 2024 was supported by our internal carbon price mechanism. For more details on internal carbon pricing, please see the following section on page 35.

Breakdown of the environmental protection expenditures

| Environmental investment categories  | MUSD | Percentage |
|--------------------------------------|------|------------|
| Low-carbon applications <sup>1</sup> | 56.1 | 76.3%      |
| Input cost for energy saving         | 9.4  | 12.9%      |
| Input cost for water conservation    | 0.2  | 0.2%       |
| Input cost for waste reduction       | 0.4  | 0.5%       |
| Other <sup>2</sup>                   | 7.4  | 10.1%      |
| Total                                | 73.5 | 100%       |

Note 1: Includes the energy storage facilities, low-carbon transportation, electricity attribute certificates, solar PV facilities, direct purchase of renewable electricity and green electricity products.  
Note 2: Includes waste, air pollution and waste (sewage) water treatment fees, environmental testing fees, and management system verification costs.

At our refurbished EMEA headquarters in Hoofddorp, the Netherlands, we addressed rising energy demand and limited grid capacity through targeted environmental investments.

Peak demand reduction from 155kW to      Monthly energy cost saving up to

50kW      16%

- EV Charger: 16 AC and DC chargers
- PV System: 50kW PV system
- Energy Storage: 293 kWh ESS + 100kW PCS



# Our climate targets

At Delta, we are contributing to the climate transition by setting ambitious internal targets and supporting various external international climate initiatives. We have set the following climate targets to help guide our decarbonization journey:

|                  | CATEGORY                                                               | TARGET                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              | CURRENT PROGRESS                                                                                                           |
|------------------|------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------|
| External targets | Carbon intensity science-based target (SBT)                            | 56.6% reduction in carbon intensity of Scope 1 and 2 greenhouse gas (GHG) emissions by 2025 compared to 2014                                                                                                                                                                                                                                                                                                                                                                                                                                        | Target was attained ahead of schedule in 2021                                                                              |
|                  | Net-zero SBT, validated by the Science-Based Targets initiative (SBTi) | Market-based <ul style="list-style-type: none"><li>• <b>2025</b> targets:<ul style="list-style-type: none"><li>▸ 40% reduction in Scope 1 &amp; 2</li><li>▸ 10% reduction in Scope 3</li></ul></li><li>• <b>2030</b> targets:<ul style="list-style-type: none"><li>▸ 90% reduction in Scope 1 &amp; 2</li><li>▸ 25% reduction in Scope 3</li></ul></li><li>• <b>2050</b> target:<ul style="list-style-type: none"><li>▸ 90% reduction in combined GHG emissions (all Scopes)</li></ul></li></ul> <i>The baseline for all these targets is 2021.</i> | Scope 1 and 2: <b>53.6%</b> Reduced<br><br>Scope 3: <b>28.4%</b> Increased                                                 |
|                  | RE100                                                                  | 80% use of renewable electricity at global operation sites by 2025<br>100% use of renewable electricity at global operation sites by 2030                                                                                                                                                                                                                                                                                                                                                                                                           | <b>84%</b>                                                                                                                 |
|                  | EV100                                                                  | Provide charging facilities at Delta’s operation sites and main production plants within the scope of its global energy management, and convert company vehicles to zero-emission vehicles such as pure electric vehicles and hydrogen vehicles by 2030                                                                                                                                                                                                                                                                                             | Percentage of electric vehicles in company fleet: <b>36%</b><br>EV chargers installed in EV100 operation sites: <b>233</b> |
| Internal targets | Plant electricity consumption intensity (EI)                           | 2025 target: 20% reduction (2020 as baseline year)                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                  | <b>18.3%</b> Reduced                                                                                                       |
|                  | Building energy use intensity (EUI)                                    | 2025 target: 20% reduction (2020 as baseline year)                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                  | <b>2.1%</b> Increased                                                                                                      |
|                  | Data center power usage effectiveness (PUE)                            | 2025 target: 37.5% reduction (2020 as baseline year)                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                | <b>10%</b> Reduced                                                                                                         |



## Internal carbon pricing

At Delta, we use internal carbon pricing to help internalize the costs of carbon emissions from our operating activities.

We have established a consistent internal carbon pricing management strategy for all global operations. We update it annually based on carbon reduction developments as a strategic tool to help our internal decarbonization efforts and serve as a risk management tool.

To enhance incentives for reducing carbon emissions and performance management, we introduced carbon fee mechanisms in 2021 and set the internal carbon price at \$300 USD per ton. The price is consistent with the expected carbon price for limiting global warming to within 1.5°C by 2030 as specified in the Sixth Assessment Report of the IPCC. Delta implemented the rate after the Global ESG Committee approved it, and the fees collected are used to fund renewable energy, resource management, and low-carbon innovations.

In 2024, \$21 MUSD was allocated. Examples of projects supported by the fund include replacing water ring vacuum pumps at our Wujiang Plant, introducing magnetic suspension chillers at our Dongguan Plant, replacing old chillers at our Pingjhen Plant, and installing high-efficiency chillers at our Thailand Plants. These projects have since been expanded across our production sites to strengthen energy and resource management, while also supporting the development and application of innovative low-carbon and energy-saving technologies.



For more detailed disclosure, please see Delta's [Internal Carbon Pricing Report](#).



## Carbon credits

Delta does not currently purchase carbon offsets. However, a carbon credit strategy is under development and is currently in the strategic planning phase.

Over the longer term, we intend to mitigate our environmental impact by neutralizing residual emissions through the use of high-quality carbon offsets. Our aim is for these offsets to be carefully selected to ensure they meet rigorous standards for environmental integrity, transparency, and long-term effectiveness.



# Climate data

## Our energy consumption

| Item                                   | Usage (MWh) | % of total energy usage |
|----------------------------------------|-------------|-------------------------|
| Renewable electricity                  | 693,445     | 77.71                   |
| Non-renewable electricity <sup>1</sup> | 127,373     | 14.27                   |
| Natural gas                            | 57,405      | 6.43                    |
| Diesel                                 | 5,557       | 0.62                    |
| Gasoline                               | 3,511       | 0.39                    |
| Liquefied petroleum gas                | 860         | 0.10                    |
| Purchased heat <sup>2</sup>            | 4,816       | 0.54                    |
| Total                                  | 892,407     | 100                     |

Note 1: In 2024, 560 MWh of non-renewable electricity was from self-generated and consumed sources (partially from natural gas). To avoid double counting with natural gas consumption, this amount was deducted from the total energy consumption.

Note 2: In 2024, 1,320.35 MWh of purchased heat was from renewable fuels.

## Our carbon emissions

| Scope                                             | 2024 emission<br>(thousand mtCO <sub>2</sub> e) | % of total<br>emissions |
|---------------------------------------------------|-------------------------------------------------|-------------------------|
| Gross <b>Scope 1</b> GHG emissions                | 27.3                                            | 0.12%                   |
| Gross market-based <b>Scope 2</b> GHG emissions   | 73.4                                            | 0.33%                   |
| Total Gross indirect <b>Scope 3</b> GHG emissions | 22,454                                          | 99.55%                  |
| Total GHG emissions (market-based)                | 22,555                                          | 100%                    |

Our Scope 1 and Scope 2 emissions represent only 0.12% and 0.33% of our total emissions, respectively. This is because most of our climate impact lies within our value chain, specifically in Scope 3 emissions, which account for 99.55% of the total. The largest contributor is Category 11, ‘Use of Sold Products,’ which makes up 74.1%

of total emissions, reflecting the energy consumed by our electronics products during their operational lifetime. Category 1, ‘Purchased Goods and Services,’ is the second-largest contributor at 20.9%, driven by the embodied emissions in raw materials and components used in our manufacturing processes.



Our Scope 3 emissions

| Category    | Item                                             | 2024 GHG emission<br>(thousand mtCO <sub>2</sub> e) | %     |
|-------------|--------------------------------------------------|-----------------------------------------------------|-------|
| Category 1  | Purchased goods and services                     | 4,694                                               | 20.9% |
| Category 2  | Capital goods                                    | 436                                                 | 1.9%  |
| Category 3  | Fuel- and energy-related activities <sup>1</sup> | 28                                                  | 0.1%  |
| Category 4  | Upstream transportation and distribution         | 129                                                 | 0.6%  |
| Category 5  | Waste generated in operations                    | 14                                                  | 0.1%  |
| Category 6  | Business travel                                  | 14                                                  | 0.1%  |
| Category 7  | Employee commuting                               | 54                                                  | 0.2%  |
| Category 8  | Upstream leased assets                           | 0                                                   | 0.0%  |
| Category 9  | Downstream transportation and distribution       | 95                                                  | 0.4%  |
| Category 10 | Processing of sold products                      | 46                                                  | 0.2%  |
| Category 11 | Use of sold products                             | 16,642                                              | 74.1% |
| Category 12 | End-of-life treatment of sold products           | 173                                                 | 0.8%  |
| Category 13 | Downstream leased assets                         | 15                                                  | 0.1%  |
| Category 14 | Franchises                                       | N/A                                                 | N/A   |
| Category 15 | Investments                                      | 114                                                 | 0.5%  |
| Total       |                                                  | 22,454                                              | 100%  |

Note 1: Not Included in Scope 1 or Scope 2.

Carbon intensity

| GHG intensity                                                                                     | 2023 | 2024 |
|---------------------------------------------------------------------------------------------------|------|------|
| Total GHG emissions (market-based) per net revenue (mtCO <sub>2</sub> e/production value in MUSD) | 11.3 | 8.2  |

With a further 27.4% reduction in carbon intensity compared with 2023, we continue to decouple our emissions trajectory from economic growth.





# Circular economy

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# Circular economy

At Delta, we continually strive to achieve a more circular economy. Our strategy is to integrate circularity principles across our value chain. From product development to manufacturing and supply chain operations, we emphasize the importance of waste reduction, resource efficiency, and control of hazardous substances.

Waste diversion targets and policies are already helping to promote the use of recycled materials, and we continue to invest in innovation, employee training, and safer alternatives to harmful substances. Through these activities and others, we aim to ensure that all of our products and processes support long-term sustainability while aligning with global standards and rising customer expectations.

**174.5<sub>kt</sub>**

Volume of waste minimized through  
reduction and reuse

**99%**

Our waste diversion rate  
in 2024



## Our circular economy policies

Circularity in electronics entails a comprehensive re-evaluation of the entire product lifecycle, emphasizing design for durability, extended product use, value recovery, and waste minimization. It represents a strategic approach aimed at future-proofing operations while supporting alignment with global sustainability objectives. In this context, we have committed to achieving a 100% waste diversion rate at our overall production plants<sup>1</sup>. Recognizing the importance of a more structurally embedded approach to circularity, we have initiated targeted measures to advance this transition within our organization.

Note 1: Overall production plants include Dongguan, Wujiang, Wuhu, and Chenzhou plants in China; DET plants 1, 3, 5, 6 and 7; Taoyuan plants 1, 2, and 5, as well as Pingjhen in Taiwan; Cyntec and Huafeng plants.

### Hazardous Substance Management Policy

We established the Delta Environmental Hazardous Substance Management Policy and Regulations in 2002. Since then, our product design process – including the manufacturing process and the components, process chemicals, jigs, and packaging materials that make up our products – has been incorporated into our management system to achieve the most comprehensive scope.

Our Hazardous Substance Management System is aligned with the IECQ QC 080000 specification for restricted and hazardous substance process management. Our approach also includes monitoring and aligning with legislative changes and disclosure of hazardous substances, enabling compliance, risk reduction, and environmentally responsible product management.

### Environmental, Safety, and Health Policy

The Delta Group's Environmental, Safety, and Health Policy commits us to actively establishing a circular business model and facilitating a circular economy. For more about this policy, please refer to the policies section in the "[Climate change](#)" chapter.

### Product Carbon Footprint Strategies

Delta Group's Product Carbon Footprint Strategies also help to guide our circular economy actions. For more information on this policy, please see the policies section in the "[Climate change](#)" chapter.

### Green design

Delta integrates [green and circular design principles](#) across the product lifecycle to reduce environmental impact and enhance resource efficiency. Guided by our mission to deliver clean and energy-efficient solutions, we allocate research and development (R&D) resources to minimize waste and develop sustainable products.

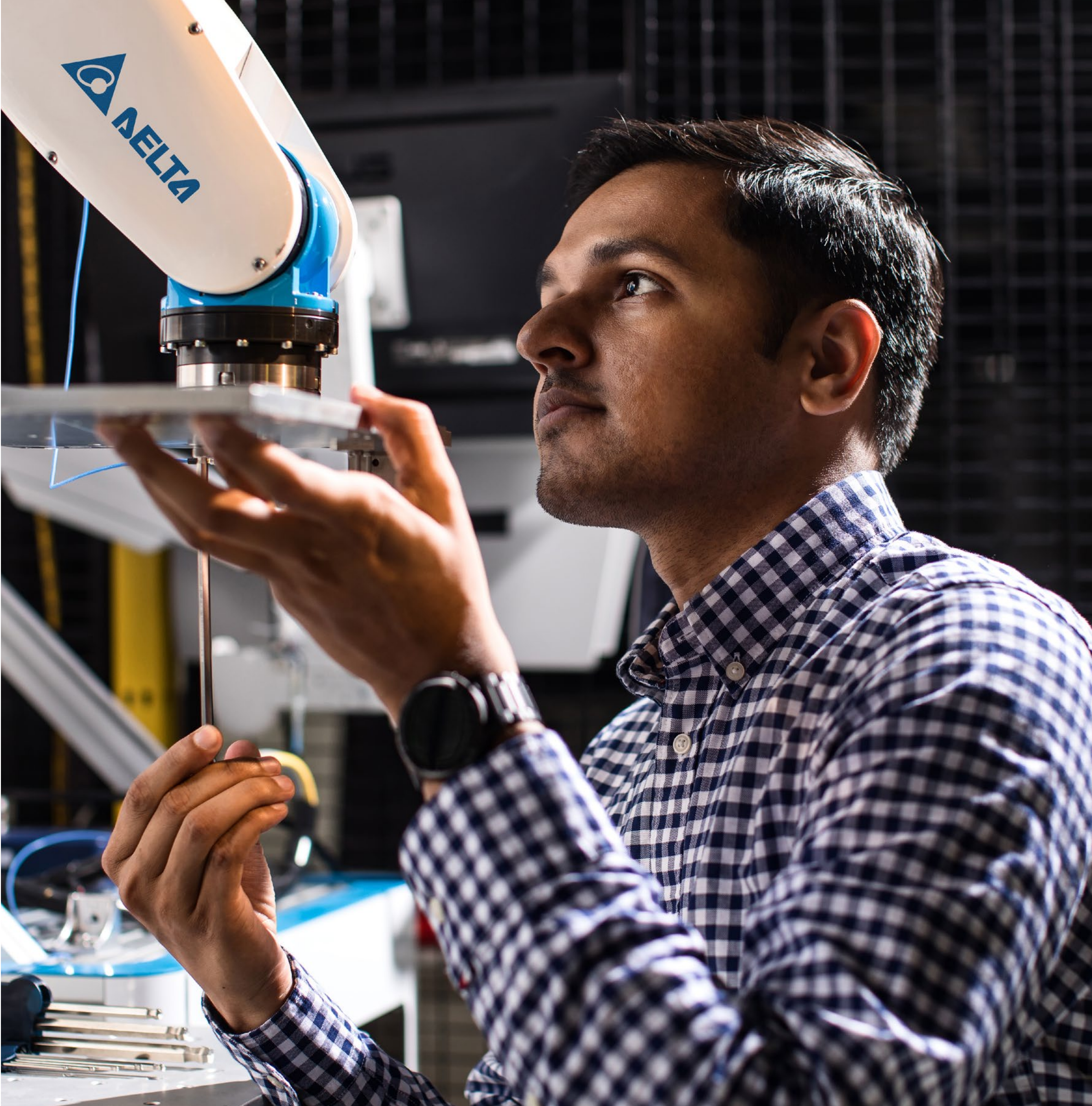
Circular design training is provided internally, focusing on strategies such as low-carbon material selection, product life extension, and resource recovery. Practical applications include the use of recycled plastics, metals, and paper-based packaging, as well as the design of recyclable components. These efforts support both environmental goals and customer expectations.

We have worked diligently to incorporate the spirit of green product design and circular design into our development process. We continue to innovate ever-more energy-efficient products and solutions, as well as providing a range of efficient and reliable integration solutions and services for energy conservation.

Our strategy includes allocating R&D resources to minimize waste, using modular and lightweight design, using recycled materials in manufacturing, reducing packaging volume, and designing products that are easy to dismantle and recycle. We will also continue to provide training related to circular design, including principles such as changing from the source, using waste as a resource, maintaining high-value utilization, and thinking about circular pathways.

Strategies for reducing environmental impact across the product life cycle

| Product life cycle stage        | Strategies                                                                                                                                                                                                                                                                                                              |
|---------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Product design                  | <ul style="list-style-type: none"><li>• Consider the full life cycle (including raw materials, energy, water, and waste)</li><li>• Modular design</li></ul>                                                                                                                                                             |
| Raw materials                   | <ul style="list-style-type: none"><li>• Lightweight product design</li><li>• Adoption of green packaging materials</li><li>• Use of renewable, recycled, or recyclable materials</li><li>• Green supply chain</li><li>• Local procurement of materials</li><li>• Chemicals and hazardous substance management</li></ul> |
| Manufacturing and assembly      | <ul style="list-style-type: none"><li>• Green building plants</li><li>• Adoption of energy conservation, water conservation, and waste reduction solutions</li><li>• Resource recycling</li><li>• Use of renewable electricity</li></ul>                                                                                |
| Transportation and distribution | <ul style="list-style-type: none"><li>• Reduce packaging volume design</li><li>• Lightweight product design</li><li>• Improved transportation efficiency</li></ul>                                                                                                                                                      |
| Usage                           | <ul style="list-style-type: none"><li>• Enhance energy efficiency of products</li></ul>                                                                                                                                                                                                                                 |
| Final disposal                  | <ul style="list-style-type: none"><li>• Use of recyclable materials</li><li>• Design for ease of recycling and dismantling</li><li>• Meet requirements of local environmental protection regulations (e.g., EU WEEE Directive)</li></ul>                                                                                |



# Our circular economy actions

## Life Cycle Assessment

Life Cycle Assessment (LCA) is a systematic analysis method for assessing the environmental impact caused by each input and output phase, from the acquisition of raw materials, manufacturing and assembly, transportation and distribution, and use to final disposal. To reduce the impact of our products on the environment, we conducted full-scale LCA and Screening LCA on the environmental impact of our products according to the international standards ISO 14040 and ISO 14044.

## Waste management and reduction

Our UL 2799 Zero Waste to Landfill Validation program was introduced in 2019, and the number of certified plants has increased yearly. As of 2024, most production plants have obtained UL 2799 certification, including six plants with the highest platinum certification. Throughout the year, we continued to promote waste reduction and circular economy measures. In 2024, 19 projects were implemented in global operations, including improvements to fan heat flow to molds, improvements to material carriers, the reuse of pallets, and more. Total waste reduction amounted to 464 metric tons and saved approximately \$0.33 MUSD.

## Rare metals

We use rare metals for certain elements of our electronic components, particularly rare metals such as cobalt, gallium, graphite, tantalum, and palladium. In response to the issue of the scarcity of metals, Delta conducts regular inventories and evaluates the feasibility of product use in the circular economy to manage the use of rare metals.

## Approach to flame retardants and plasticizers

To ensure a more rigorous selection process for the chemicals in our products, we choose flame retardants and plasticizers based on scientific evaluation standards from GreenScreen. This ensures we pick flame retardants that are safer for humans and less environmentally harmful.

In response to anticipated regulatory developments, China will include four additional plasticizers under its Restriction of Hazardous Substances (RoHS) control, effective in 2026. Delta maintains an active regulatory monitoring system, and these substances have already been integrated into the company's internal management procedures.

Material selection standards across all product lines have been updated accordingly, and all current products are fully compliant with the latest regulatory requirements.

Currently, we meet the requirements of green labels for IT products, including TCO Certified and our Electronic Product Environmental Assessment Tool (EPEAT), an environmental performance evaluation tool developed by the United States Environmental Protection Agency. For new products released after 2024, we will comprehensively provide safer products and services based on even higher standards.



### **Our hazardous substance phase-out program**

Since launching its first lead-free soldering production line in 2000, Delta has progressively eliminated hazardous substances that do not comply with environmental regulations. The company actively reviews materials used in its products to ensure ongoing compliance and safety. In 2007, Delta introduced its proprietary Halogen-Free Standard to meet evolving regulatory requirements and market expectations for halogenated substances.

By 2020, all Delta manufacturing sites transitioned to solvent-free protective insulation coatings. These materials significantly reduce emissions of Volatile Organic Compounds (VOCs) while offering enhanced protective performance. Through continued research and development of alternative materials, Delta aims to protect employee health, reduce environmental impact, and advance circular economy practices in its product lifecycle management.

### **Phasing out our PFAS**

Regulatory scrutiny of per- and polyfluoroalkyl substances (PFAS) has intensified in the European Union, the United States, and other jurisdictions. Given the persistent and bioaccumulative nature of PFAS – as well as their potential carcinogenicity – there is increasing regulatory and public demand for their restriction. PFAS are widely used in electronic components due to their chemical stability and high performance.

In 2023, Delta initiated a comprehensive inventory to assess PFAS usage across its product portfolio and to enhance engagement with upstream raw material suppliers. The objective was to gather detailed material composition data in anticipation of forthcoming disclosure obligations.

Preliminary results identified PFAS usage in at least four major product categories: industrial plastics, capacitors, insulation materials, and lithium battery charging systems.

Our R&D teams, in collaboration with our supply chain partners, are actively engaged in developing alternative materials. Verification of PFAS-free substitutes is planned to begin as early as 2025.

### **Phasing out of Dechlorane Plus**

The Stockholm Convention and the EU persistent organic pollutants (POPs) regulation have added Dechlorane Plus (DP) to the controlled substances list. DP has characteristics such as persistent non-decomposition and bioaccumulation in the environment, which may cause accumulation throughout the food chain and lead to biological and health issues in humans and other organisms. Currently, DP is widely used in electronic parts and plastic materials as a flame retardant.

In 2024, we already included it in the list of our environmentally controlled substances and initiated an inventory of materials. Our R&D team is actively communicating with customers to discuss replacements. The inventory and elimination of DP products is expected to be completed before 2026.



# Our circular economy targets

Our goals for waste diversion rate:

100%

for overall production plants by 2025

100%

for all global operation sites by 2050

Our current waste diversion rate:

99%

for overall production plants in 2024

75.1%

waste are reduced and reused in Delta

Note 1: Waste diversion rate = (reuse + reduction + recycling + waste energy recovery + anaerobic digestion + biofuel + composting) ÷ total weight of waste generated

The waste diversion<sup>1</sup> rate refers to the percentage of waste diverted from landfills and managed through processes like recycling, composting, or energy recovery. Our current waste diversion rate for production plants is 99.6%. We have also committed to setting a goal for the use of recycled materials by 2030.

Resources inflows

In response to global demands for sustainable corporate development, especially in the tracing and disclosure of raw materials, Delta Group uses circular economy inventory tools to systematically collect and manage data to continuously improve its environmental footprint. The following data summary shows our procurement distribution by weight across major material categories, as well as the share of renewable and recycled materials in our supply chain.

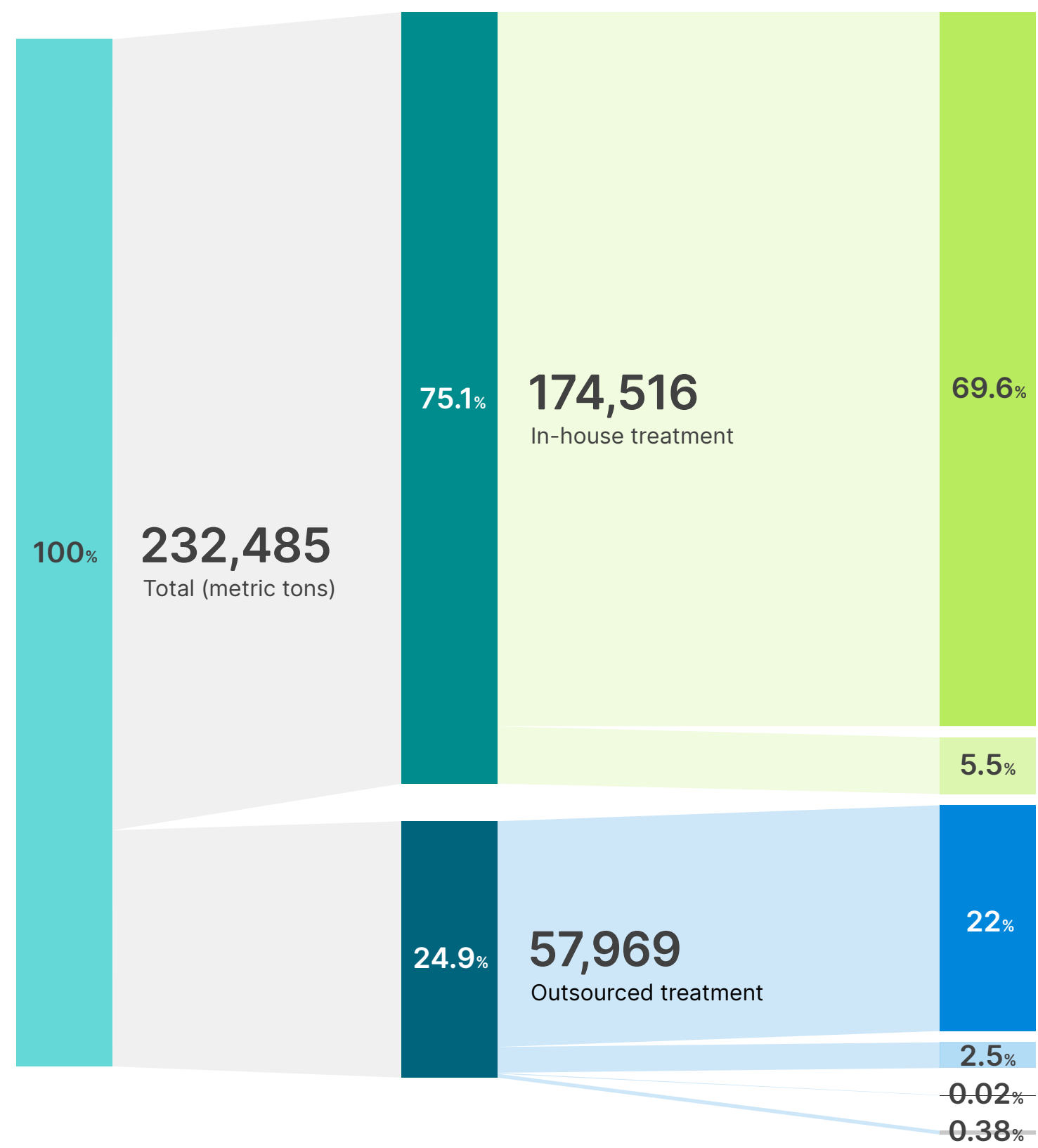
The main materials used by Delta products include metals, plastics, chemicals, packaging, buffer packaging materials, and other materials. Our total usage by weight and the proportion sourced from recycled content are as follows:

| Material      | Usage (metric tons) | Recycled content (%)   |
|---------------|---------------------|------------------------|
| Metals        | 167,872             | See table on the right |
| Packaging     | 71,298              | 0.06%                  |
| Thermoplastic | 59,753              | 0.15%                  |

| Material (metals) | Usage (metric tons) | Recycled content (%) |
|-------------------|---------------------|----------------------|
| Aluminum          | 23,419              | 0%                   |
| Cobalt            | 0                   | 0%                   |
| Copper            | 24,792              | 0.01%                |
| Iron/Steel        | 114,991             | 0%                   |
| Nickel            | 62                  | 0.46%                |
| Lithium           | 561                 | 0%                   |
| Titanium          | 0                   | 0%                   |

As indicated in the table above, the proportion of recycled material input remains relatively low. To date, our circularity efforts have primarily focused on managing and reducing waste within our own production facilities. As our circular strategy continues to evolve, we anticipate a gradual increase in the use of recycled materials in place of virgin resources. As a predominantly B2B company, collecting comprehensive end-of-life data remains a challenge. However, we are committed to improving our ability to gather insights on e-waste in collaboration with our business partners.

Our value chain waste flow



Note 1: Total waste is calculated by the UL 2799 methodology, such that it also includes the waste reduced or avoided and reused.

|       |                                                              |         | Non-hazardous waste (metric tons) | Hazardous waste (metric tons) |
|-------|--------------------------------------------------------------|---------|-----------------------------------|-------------------------------|
| 69.6% | Reduction (reduced and avoided) of use in processes and more | 161,824 | 1,269                             | 160,555                       |
| 5.5%  | Reuse of cartons, pallets, trailers and packaging materials  | 12,692  | 12,667                            | 25                            |
| 22%   | Recycling                                                    | 51,190  | 48,014                            | 3,176                         |
| 2.5%  | Waste to energy recovery                                     | 5,803   | 4,998                             | 805                           |
| 0.02% | Incineration without energy recovery                         | 49      | 21                                | 28                            |
| 0.38% | Landfill                                                     | 927     | 896                               | 31                            |



# Own workforce

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# Own workforce

At Delta, people are the driving force behind our mission to deliver a more intelligent, sustainable, and connected world.

If the ultimate goal is to support the global transition to a low-carbon economy, we have to build a resilient, future-ready workforce. That is why we have been working hard to foster an inclusive and supportive corporate culture, one that harnesses training, grows employees into leaders, and drives both personal and organizational success.

This vision closely aligns with our company's S1 CSRD results, reflecting a transparent and structured approach to corporate responsibility. Through meaningful and sustained investment in employees' wellbeing, skills, and growth, we are seeking to create long-term value for our people.



## Our workforce policies

Through policies that promote human rights, diversity, and equal opportunity, we are fostering a safer, more inclusive, and respectful workplace. These include:

### Human Rights and Employment Policy

Our [Human Rights and Employment Policy](#) reflects our commitment to upholding international labor standards and promoting ethical, fair, and safe practices across all of our operations. It draws on frameworks such as the UN Global Compact, Universal Declaration of Human Rights, International Labour Organization (ILO) Tripartite Declaration, Organisation for Economic Co-operation and Development (OECD) Guidelines for Multinational Enterprises, and the Responsible Business Alliance Code of Conduct. It applies to all employees, partners, suppliers, and other stakeholders across our global value chain.

In 2024, we updated our Human Rights and Employment Policy. The global HR compliance team, established in 2024, assists regional units in developing rules that align with local labor laws. All sites are expected to monitor compliance through structured procedures, with findings reported to the Board on an annual basis. The policy commits us to the prohibition of forced labor, human trafficking, and child labor. By upholding these commitments, we not only ensure compliance but also prioritize the well-being and dignity of every individual in our workforce, fostering a culture of respect and care.

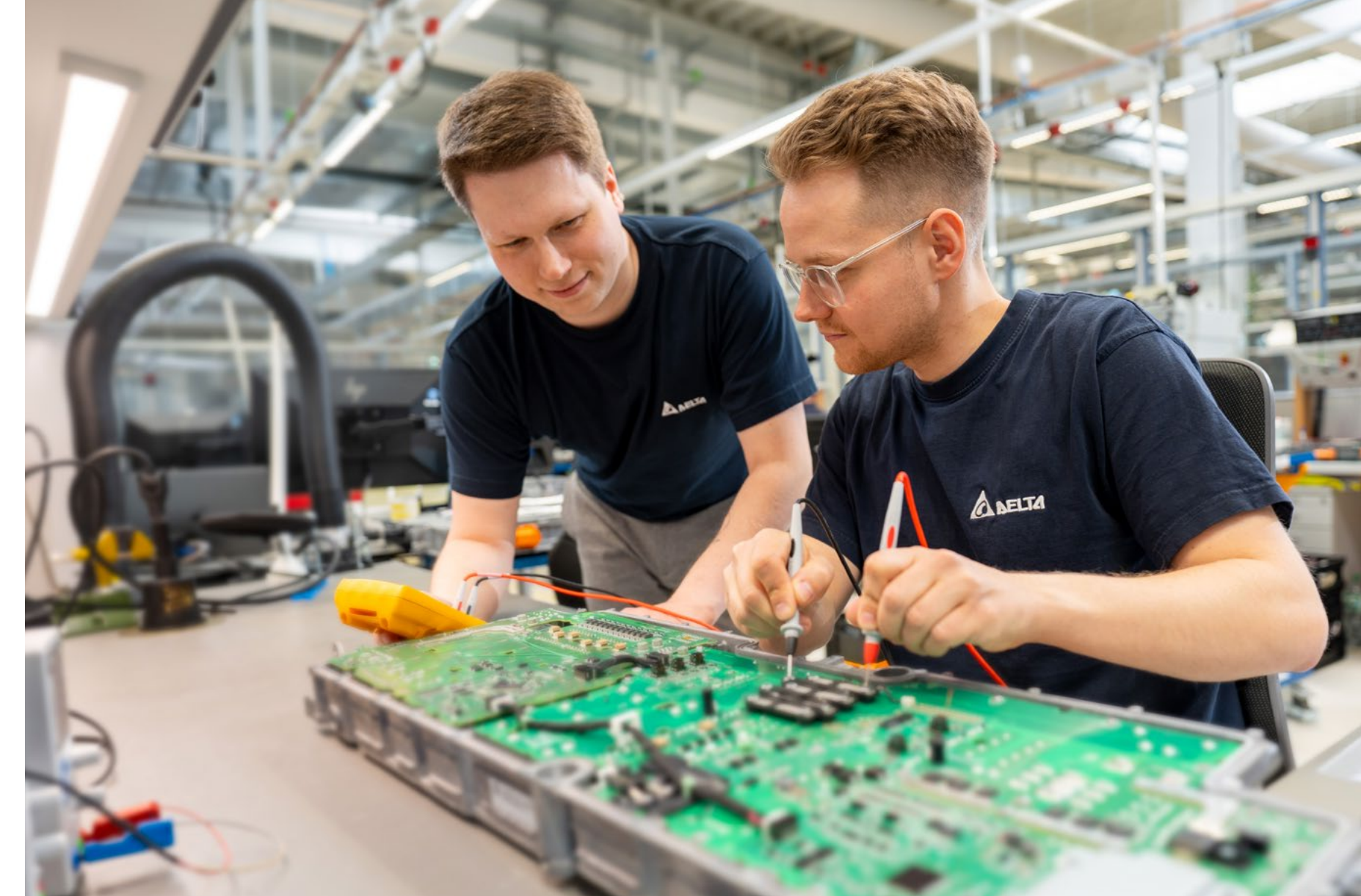
To ensure a dignified and supportive work environment, we emphasize workplace safety, fair compensation, and

freedom from harassment or inhumane treatment. We use comprehensive occupational health and safety systems, provide personal protective equipment, and organize regular safety training. Gender-responsive measures are in place to protect pregnant workers and nursing mothers, while ‘equal pay for equal work’ is a foundational principle at Delta, along with legally compliant working hours and benefits.

Worker engagement is a key component of our policy implementation. We strive to create an open environment where employees feel empowered to express their concerns through legally-compliant communication channels, without fear of discrimination or retaliation. As such, a whistleblower system and dedicated grievance mechanisms ensure complaints are addressed confidentially and fairly.

### Non-Discrimination and Anti-Harassment Policy

Delta is committed to ensuring a workplace free from discrimination and harassment. We adopt a [zero-tolerance policy](#) for any form of discrimination, including, but not limited to, discrimination based on age, disability, ethnicity, gender, marital status, national origin, political affiliation, race, religion, sexual orientation, gender identity, union membership, covered veteran status, or any other status protected by applicable laws. These protections apply at all work stages, from recruiting to hiring, training, rewarding, disciplinary measures, promotion, termination, and retirement. By fostering a respectful and inclusive environment, we ensure that every individual is treated with dignity and fairness, regardless of background or personal characteristics. Delta members must not threaten or subject employees to harsh or inhumane treatment or harassment. We also prohibit requesting employees to conduct any health examination that could be used in a discriminatory



way, and are committed to providing all employees with reasonable accommodation for religious practices and disability.

The policy fosters an inclusive culture by acknowledging and respecting differences and providing procedural safeguards to ensure equitable treatment. We also proactively offer employee assistance programs, continuing to promote the concept of a friendly workplace and shaping an inclusive workplace culture. As such, we provide employees, partners, suppliers, and contractors with confidential channels to communicate their concerns, while additional appropriate awareness or training is offered to employees and relevant stakeholders. The policy also includes provisions for transparency and accountability: we regularly disclose the number of discrimination and harassment whistleblowing cases and the corresponding corrective actions.



We use various channels, including email, internal documents, and educational and training platforms, to promote the policy and provide information about reporting and complaint mechanisms, as well as detailing our case handling procedures and methods, to enhance awareness of the importance of this issue. Through clear communication and accessible resources, we ensure that every individual is informed, empowered, and guided by a shared commitment to ethical conduct and integrity.

### **Delta Group Code of Conduct**

The [Delta Group Code of Conduct](#) is a comprehensive framework designed to guide ethical behavior and decision-making for all employees and stakeholders across the organization. It emphasizes integrity, transparency, and compliance with laws, including anti-

corruption, fair competition, and respect for human rights. The Code also promotes a diverse, inclusive workplace and environmental responsibility, ensuring Delta operates sustainably and ethically. Additionally, it provides mechanisms for reporting unethical behavior and ensures accountability at all levels within the company. For more detailed information about Delta's Code of Conduct, please refer to page [70](#).

### **Delta Group Information Security and Personal Information Protection Policy**

The [Delta Group Information Security and Personal Information Protection Policy](#) ensures the confidentiality, integrity, and availability of the organization's data while protecting personal information in line with legal requirements. The policy outlines responsibilities for all

employees, emphasizes regular training, and establishes clear procedures to handle data securely, preventing internal and external threats. It promotes compliance with privacy laws and safeguards the rights of individuals whose data is processed.

These policies – Delta's Code of Conduct, Information Security and Personal Information Protection Policy, Non-Discrimination and Anti-Harassment Policy, and Human Rights and Employment Policy – show our commitment to ethical practices, protecting personal data, and creating a fair and respectful workplace. Together, they provide a strong foundation for employee engagement, ensuring a safe and inclusive environment for everyone.

## Engaging with our workforce

At Delta, we deeply value the voices of our workforce and continuously strive to understand their needs, concerns, and well-being. Through multiple avenues, we listen, learn, and take action to ensure that every individual is heard, respected, and supported. Hence, we engage with our workforce and monitor our impact through several channels:

- Global employee engagement survey**  
 We conduct a comprehensive, independently administered global engagement survey every two years, covering 100% of our worldwide locations. This survey gathers feedback on topics such as trust in leadership, diversity and inclusion, employee well-being, training needs, and alignment with company values. Our overall employee engagement score was 90% (meaning 90% of respondents gave positive feedback of 4 points or above on a 5-point scale) with an 87% response rate.
- Employee human rights due diligence**  
 Conducted at least every three years and covering both Delta operations and joint ventures, this process assesses risks based on scale, scope, and irreparability. Results are used to guide our future actions to prevent and mitigate negative impacts.
- Labor communication channels**  
 We maintain formal communication structures such as labor-management meetings, union negotiations, and department-level seminars.
- Real-time feedback mechanisms**  
 Multiple real-time channels are in place, including employee suggestion mailboxes, grievance reporting systems, mobile app feedback channels, and anonymous online discussion boards. These ensure ongoing, confidential, and accessible communication.
- Executive and departmental seminars**  
 Regular seminars, including those with executives and plant-level leaders, facilitate direct dialogue between leadership and employees. These are supplemented by communication sessions with new recruits and seminars tailored to migrant workers.
- Employee resource groups (ERGs)**  
 ERGs such as Women@Delta, Global Family@Delta, Cross-Generation@Delta, and the Workplace Parent Club foster peer support, inclusion, and targeted engagement for specific employee demographics.

During 2024, the described employee engagement activities took place. When adverse impacts do occur, we have systems in place to deliver remediation. For example, our workplace violence management plan outlines our response to incidents, including conducting investigations according to the incident handling procedures, establishing an emergency investigation committee for major incidents, and providing support after the incident, such as physical and mental health support. We also provided dedicated contact persons for handling reports and complaints around the world. When we receive complaints or reports of physical, psychological, verbal abuse, sexual harassment, stalking, and other workplace violations, we will investigate and deal with them within appropriate time limits.



## Our workforce actions

Based on the continuous employee engagement efforts, as well as the results of our human rights due diligence assessment, we identified key areas of concern and took action in 2024 to address the impacts on our workforce. This included enhancing our support systems and ensuring that all concerns are handled promptly and effectively to maintain a safe and supportive work environment.



- Working hours risk control system**  
 Delta developed a real-time working hours control system (to be launched in 2025) and increased shift supervisor training to ensure compliance with rest and overtime regulations. This action aims to reduce excessive working hours, especially for production line staff.
- Forced labor prevention**  
 Delta strengthened the review of labor-related contracts to prevent operational oversights that could lead to involuntary labor.
- Anti-discrimination and harassment safeguards**  
 Delta revised its measures for the administration of unlawful infringement to include former employees, mandated external participation in investigations, and expanded training on sexual harassment prevention. These measures are designed to improve workplace fairness and employee protection.
- Freedom of association support**  
 Town Hall meetings and labor-management communication mechanisms were expanded globally to promote collective trust and transparency. The initiative applies to all employees, with an emphasis on strengthening union representation and collective bargaining.
- AI talent development program**  
 Delta established an AI Committee and developed internal AI learning resources and certification programs to cultivate digital talent across business units. This program is designed to enhance future readiness, encompassing both technical employees and internal talent pools.
- Employee assistance and mental health services**  
 Delta launched an Employee Assistance Program (EAP), mental health training, and factory-based psychological counseling services, such as the Delta CARE employee care Program. These programs are designed to support the well-being and stress management of all employees.
- Occupational safety committee expansion**  
 Delta ensured that 100% of its plants in Taiwan, India, Thailand, and Slovakia have functioning safety and health committees, with employee representatives exceeding legal requirements. Safety audits and training programs apply to all employees, especially in factory environments.
- Overtime and payroll improvements**  
 Payroll and benefits processes were optimized, including electronic resignation systems, aligned payroll dates, and social insurance adjustments. These changes improved financial accuracy and timing for departing, senior, and all employees.
- Workplace conditions enhancement**  
 Based on employee feedback, Delta has upgraded facilities, including air quality, lighting, sanitation facilities, microwaves, and air conditioning units.

# Our workforce targets

Building on our approach to employee engagement and the subsequent results, we have established clear targets to reduce our negative impacts, advance positive outcomes, and effectively manage risks and opportunities.

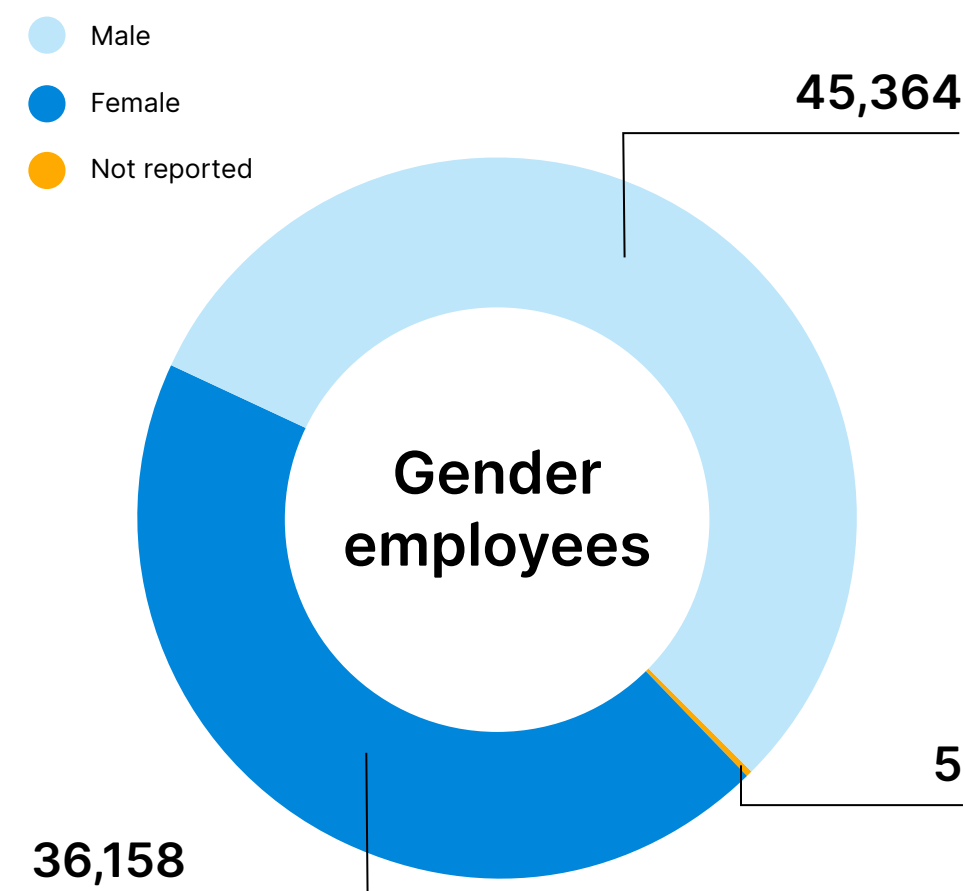
These targets are designed to guide our ongoing efforts to improve the workplace and create long-term value for both our employees and the company.

| Target                                                                                         | 2024 target | 2024 result      | 2025 target |
|------------------------------------------------------------------------------------------------|-------------|------------------|-------------|
| Strengthening diversity and inclusion                                                          |             |                  |             |
| Percentage of women in all managerial positions                                                | 32%         | 32.2%            | 32%         |
| Percentage of positive responses from employee engagement                                      | 89%         | 90%              | 90%         |
| Employee human rights risk survey coverage rate                                                | 100%        | 100%             | 100%        |
| Talent attraction and retention                                                                |             |                  |             |
| Recruitment acceptance rate                                                                    | 90%         | 91%              | 91%         |
| Intern conversion rate                                                                         | 23%         | 23%              | 25%         |
| Talent development                                                                             |             |                  |             |
| Average number of hours of education and training per person                                   | 18.5        | 23.0             | 19          |
| Rotation rate of key talent positions                                                          | 65%         | 69%              | 70%         |
| Occupational safety and health                                                                 |             |                  |             |
| Incidence rate of occupational injuries among employees (per 1 million hours worked)           | ≤0.6        | 0.5              | ≤0.4        |
| Incidence rate of lost-time occupational injuries among employees (per 1 million hours worked) | ≤0.48       | 0.38             | ≤0.32       |
|                                                                                                |             | All targets met! |             |



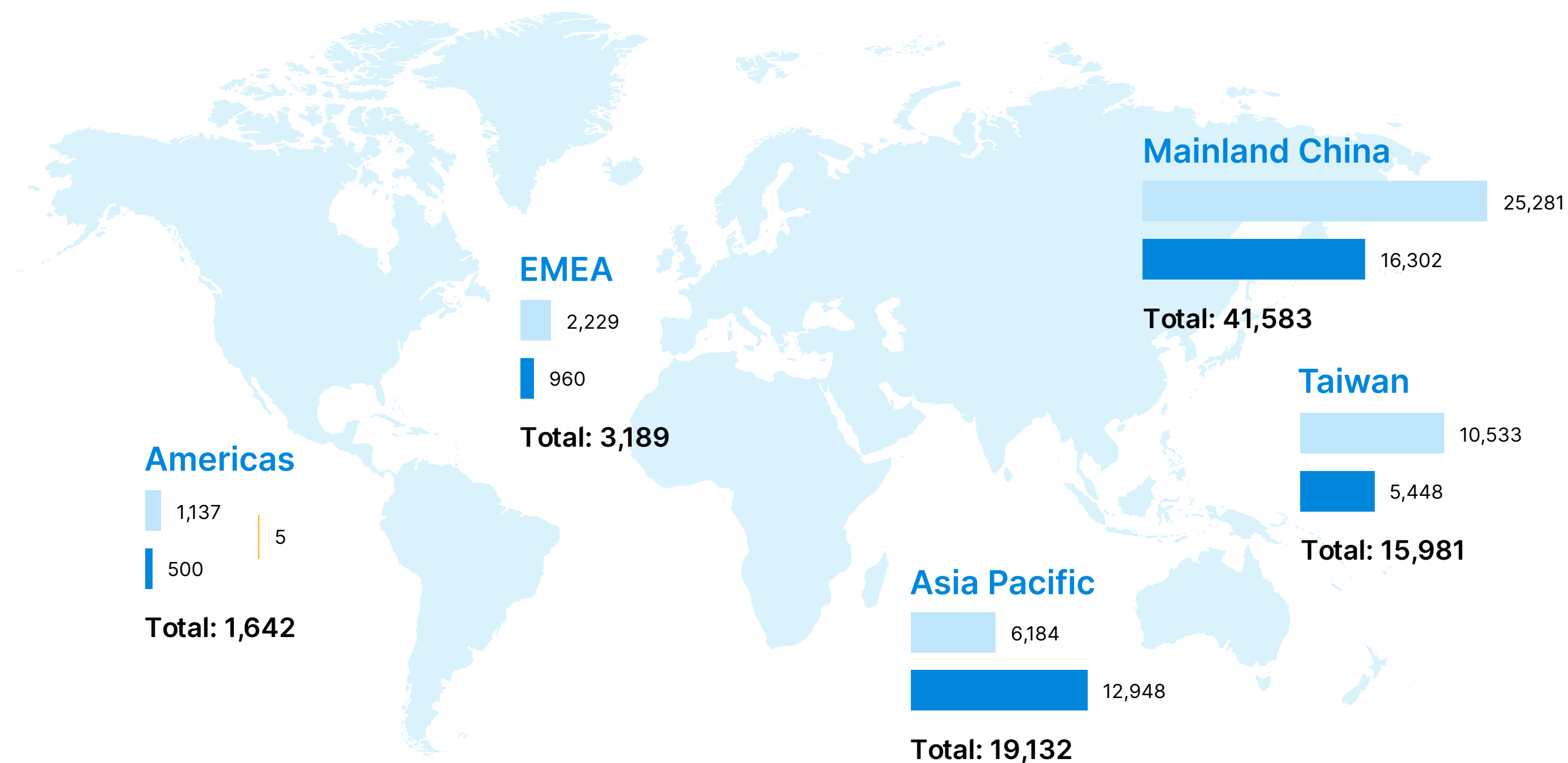
## Workforce metrics

Our global workforce comprises 81,527 employees, highlighting the company's broad and diverse talent base. Women represent nearly 44% of the total headcount, reflecting a strong commitment to gender balance across the organization.



Note 1: The overall total is calculated by summing the total of male, female, and not disclosed individuals.

### Head count at the end of the year



**81,527**  
Total employees worldwide

Turnover rate

| Metric                            | Figure |
|-----------------------------------|--------|
| Turnover monthly average rate (%) | 1.4    |

Delta maintains a highly stable workforce, with a remarkably low employee turnover rate of just 1.4%, indicating strong employee retention and overall satisfaction. Additionally, the use of atypical contracts remains limited, and this low reliance on non-standard employment arrangements reflects our commitment to providing stable, secure, and long-term employment opportunities, further supporting a positive and dependable workplace environment.

Number of employees on atypical contracts

| Contract type        | Number (head count) |
|----------------------|---------------------|
| Temporary            | 624                 |
| Part-time            | 248                 |
| Non-guaranteed hours | 4                   |

Non-employee workers

We have 10,436 non-employee workers measured at the end of 2024. These are primarily dispatched workers, contractors, and consultants.

Collective bargaining

Delta has made great efforts to create a transparent and open labor-management communication environment and implement a two-way communication mechanism, with a global coverage rate of 59.3% of global collective bargaining agreements and labor unions.

The remaining employees of business outlets or subsidiaries that are not unionized or not covered by group agreements and have not established labor unions are subject to the requirements of local labor laws and regulations, labor contracts, work rules, or through statutory labor-management negotiation channels.

Diversity

Our commitment to zero tolerance for discrimination, fairness across all HR practices, and transparency is clearly embedded in our policies. Our key metrics in relation to diversity are as follows.

Gender distribution at the management level

| Category                                | Proportion of females | Proportion of males |
|-----------------------------------------|-----------------------|---------------------|
| Top management positions                | 13.7%                 | 86.3%               |
| Entry-level management positions        | 53.1%                 | 46.9%               |
| All managerial positions                | 32.2%                 | 67.8%               |
| Revenue-generating management positions | 19.9%                 | 80.1%               |

Number of employees by age

| Age      | Number (head count) | %     |
|----------|---------------------|-------|
| Under 30 | 22,998              | 28.2% |
| 30-49    | 52,891              | 64.9% |
| Over 49  | 5,638               | 6.9%  |

Encouragingly, women are well-represented in junior management roles, making up over half of that group. While historical trends within our industry and in society at large mean that there is a larger proportion of males in functions like R&D, sales, and leadership, and there is currently lower female representation in senior and revenue-generating positions, this presents a clear opportunity for growth through inclusive promotion and development pathways. Similarly, with a younger workforce and a smaller proportion of employees over 49, we observe the opportunity to further strengthen age diversity by supporting longer career trajectories.

Adequate wages

Our employees in our global operations are paid in accordance with the statutory basic wage or minimum wage level of local labor laws. We attach great importance to the level of living wages of our employees, and we will launch the following plans starting in 2024 to actively promote the recurring regular salary of our global employees to meet basic expenses such as food, clothing, housing, and transportation:

- Establish a database of living wages at major operating sites
- Calculate the rate at which the employee’s recurring salary meets or exceeds the local living wage
- Develop and execute a plan to promote the recurring regular salary, and continuously monitor the comparison of living wage with employee compensation levels

We track the ratio of the local minimum wage to the average salary of our operators (including production line collaboration except for Taiwan) at major production sites around the world.

### Ratio of local minimum wage to average operator salary at major global manufacturing sites

| Region                      | Male | Female |
|-----------------------------|------|--------|
| Taiwan <sup>1</sup>         | 1.0  | 1.0    |
| Mainland China <sup>2</sup> | 1.1  | 1.1    |
| Asia Pacific <sup>3</sup>   | 1.6  | 1.4    |

Note 1: Operators in Taiwan do not include production line collaborators.  
 Note 2: The basic salary in the Chinese mainland varies according to the regulations of each province and city. We therefore calculate the average basic salary using the basic salary of the province and city where Delta operates, considering the proportion of employees in each location.  
 Note 3: Production bases in the Asia-Pacific region are India and Thailand.

### Social protection

Delta is committed to protecting employees from loss of income during key life events. The company provides a comprehensive range of social protection benefits that support employees through personal milestones such as marriage, childbirth, parenting, and family growth. Some of these measures go beyond regulatory requirements and help ensure financial stability, well-being, and work-life balance for all employees.

Depending on local regulations, practices, and operational contexts, these benefits include: workplace stress management; sport and health initiatives; flexible working hours and part-time working; working from home arrangements; and family benefits including childcare facilities and contributions, breastfeeding and lactation facilities, paid parental leave for primary and non-primary caregivers, and additional paid family and care leave.

### Persons with disabilities

In both 2023 and 2024, individuals with disabilities represented 1.0% of the workforce, which also presents an opportunity to further strengthen efforts in recruitment, accessibility, and support for employees with disabilities across the organization.

| Metric                                        | 2023 | 2024 |
|-----------------------------------------------|------|------|
| Percentage of employees with disabilities (%) | 1.0  | 1.0  |

### Training and development

The performance management and development process ensures alignment between organizational goals and individual employee development by setting clear personal objectives, tracking progress, and providing continuous feedback. Through ongoing communication and evaluation, employees’ performance is closely monitored, and opportunities for development and career advancement are provided.

Following this process, training hours are an essential component of employee development, contributing to skill enhancement and overall performance improvement.

| Metric                                                 | Taiwan | Mainland China | Asia Pacific | EMEA | Americas |
|--------------------------------------------------------|--------|----------------|--------------|------|----------|
| Average number of training hours per employee (male)   | 23.6   | 30.2           | 15.2         | 9.4  | 3.8      |
| Average number of training hours per employee (female) | 17.6   | 26.2           | 8.9          | 6.3  | 1.7      |

We increased the number of learning course offerings and raised multilingual course coverage from 25% to 31%. These improvements supported global capability building for all employees, including those who are non-Chinese speakers.

To support talent onboarding and retention, we implemented mentorship programs, new employee seminars, and improved training programs. These initiatives targeted new hires, particularly in growth regions such as Taiwan and the Americas.



We believe that learning and development are not just milestones, they’re part of everyday growth. Whether through big leaps or steady steps, we empower our people to keep moving forward.

Health and safety

In line with our full implementation of the ISO 45001 occupational health and safety management system, the company reported zero fatalities and no work-related ill health incidents in 2024. The rate of work-related accidents also improved, decreasing from 0.77 in 2023 to 0.50 in 2024, which reflects the effectiveness of our ongoing efforts to ensure a safe and healthy working environment across all production sites.

| Metric                                                                               | 2023 | 2024 |
|--------------------------------------------------------------------------------------|------|------|
| Number of fatalities                                                                 | 1    | 0    |
| Number of recordable work-related accidents                                          | 171  | 106  |
| Rate of recordable work-related accidents (Incidents per 1 million hours worked)     | 0.77 | 0.50 |
| Rate of lost-time occupational injuries among employees (per 1 million hours worked) | 0.6  | 0.38 |
| Number of work-related ill health cases                                              | 0    | 0    |

Family-related leave

All employees are entitled to family-related leave and remuneration.

Global annual salary ratio based on gender

While our policies promote fair payment, we acknowledge a gender pay gap and calculate this based on the global ratio of annual pay to men and women and differentiate between basic salary and full salary (including complementary or variable components).

| Position                                                         |                                                         | Male | Female |
|------------------------------------------------------------------|---------------------------------------------------------|------|--------|
| Executives ranked managers and above (basic salary)              |                                                         | 1.0  | 0.9    |
| Executives ranked managers and above (full salary <sup>1</sup> ) |                                                         | 1.0  | 0.9    |
| Other management personnel (basic salary)                        |                                                         | 1.0  | 0.8    |
| Other management personnel (full salary)                         |                                                         | 1.0  | 0.9    |
| Non-management personnel (basic salary)                          | Professional, Technical, and Management Units Personnel | 1.0  | 0.8    |
|                                                                  | Operators (including production line assistants)        | 1.0  | 1.0    |
| Non-management personnel (full salary)                           | Professional, Technical, and Management Units Personnel | 1.0  | 0.8    |
|                                                                  | Operators (including production line assistants)        | 1.0  | 1.2    |

Note 1: Full salary: includes the basic monthly salary, fixed cash remuneration, bonuses, and cash dividends of employees who have worked at Delta throughout 2024.

Executives and management roles consistently show a gender pay gap, while operator roles show parity or favor women.

The annual total remuneration ratio of the highest-paid individual to the median annual total remuneration for all employees (excluding the highest-paid individual) is 128. This means the CEO’s total annual compensation is approximately 128 times the global median employee compensation and 72 times the global mean (all figures exclude the CEO).

Incidents of discrimination and harassment

In 2024, there were a total of three cases of sexual harassment. One was determined to be valid after investigation, and relevant improvement measures were taken following the Sexual Harassment Prevention Management Regulations.

625 items of employee feedback were provided globally, including 54 reports and complaints related to labor standards. 100% of the 54 reports and complaints have been closed, except for those pending by the U.S. Equal Employment Opportunity Commission (EEOC). There is one case of discrimination based on race, religion, color, nationality, and gender, which is pending before the U.S. EEOC. Delta will continue to cooperate with the relevant investigation.



# Workers in the value chain

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# Workers in the value chain

At Delta, we expect suppliers and contractors to uphold the same high standards of excellence we apply to our own business.

Our organization sets strict rules and policies for external suppliers to help protect the workers in our value chain. Using our Supplier Code of Conduct as a foundation, we require our partners to undergo regular risk assessments, audits, and performance reviews to help ensure a culture of compliance and continuous improvement.

Through training, collaboration, and targeted support, we work hand-in-hand with our suppliers to address risks, build capacity, and foster a safe, fair, and respectful working environment for all workers. Our ultimate goal is to uphold human rights and promote sustainable practices throughout our value chain.

401

Number of suppliers that joined our ESG training program in 2024

94%

Tier 1 Supplier ESG Survey response rate

# Our policies on value chain workers

## Supplier Code of Conduct

Using the [Supplier Code of Conduct](#) as a blueprint, we work with our suppliers to enhance climate resilience, provide decent and safe working conditions, and promote compliance with environmental laws and ethical business practices. All suppliers are expected to adhere to the principles set out in our Code, as well as the laws and regulations of the countries and regions in which they operate, and we also encourage suppliers' own suppliers, contractors, and service providers to both commit to and adopt it as well.

The Code outlines the shared values and conduct standards that guide our collaboration with suppliers on ESG priorities. Through continuous communication, assessments, audits, and benchmarking, we expect suppliers to make ongoing improvements, contributing to the creation of shared value for all key stakeholders. The Code also has provisions on topics related to workers in the value chain, including health and safety, labor, ethics, and supply chain management.

These include:

- **Prohibition of forced labor**  
All work must be voluntary, and workers must not be subjected to forced labor, human trafficking, or coercion. Workers must be provided with clear employment terms in their native language and retain control of their identity documents, with no recruitment fees charged to them.
- **Prohibition of underage labor**  
Child labor is strictly prohibited, and young workers under 18 must not engage in hazardous or unsafe work. Employers must verify age, manage student workers responsibly, and ensure fair compensation and legal protections.
- **Working hours**  
Working hours must comply with local laws and not exceed 60 hours per week, including overtime, except in emergencies. All overtime must be voluntary, and workers must receive at least one rest day every seven days.
- **Wages and benefits**  
Workers must be paid at least the legal minimum wage, with overtime compensated at a higher rate and no unlawful deductions. Wage statements must be clear, and all labor arrangements must follow local legal requirements.
- **No harsh or inhumane treatment**  
Workers must be treated with dignity and respect, free from violence, abuse, coercion, or harassment. Disciplinary procedures must be clearly communicated and humane.
- **Non-discrimination and harassment**  
Employment practices must be free of discrimination and harassment based on personal characteristics or beliefs. Medical tests must not be used in discriminatory ways, and religious accommodations should be provided.
- **Freedom of association and collective bargaining**  
Workers have the right to form or join unions, bargain collectively, and communicate with management without fear of retaliation. These rights must be respected in accordance with local law.

100%

of our suppliers are  
signed up to the Code

### Health and safety

At Delta, we recognize the importance of a safe and healthy work environment. In addition to minimizing injury and illness, it helps enhance product and service quality while improving production consistency, worker retention, and morale. Worker input and education are crucial for identifying and resolving workplace health and safety issues, which is why we utilize recognized management systems, such as ISO 45001 and the International Labour Organisation (ILO) Guidelines on Occupational Safety and Health, as references.

### Responsible Business Alliance Code of Conduct

We adhere to the Responsible Business Alliance Code of Conduct (RBA Code of Conduct), which commits us to implement its ESG policies and missions. This encourages suppliers to practice sustainable development across seven key aspects: climate change, labor, occupational health and safety, environment, ethics, management systems, and supply chain management.

### Responsible Sourcing Policy

Our [Responsible Sourcing Policy](#) outlines our commitment to ethical raw material procurement aligned with the Organisation for Economic Co-operation and Development (OECD) Guidelines, ILO Conventions, and the UN Global Compact. The policy applies across our subsidiaries and upstream suppliers, aiming to protect human rights, prevent labor exploitation, and promote supply chain transparency. It includes due diligence on conflict minerals, the use of third-party certifications, promotion of sustainable and recycled materials, and avoidance of sourcing from ecologically or socially high-risk areas. Suppliers are required to comply with these standards and extend them throughout their own supply chains.

Our Supplier Code of Conduct commits our suppliers to the following health and safety provisions:

**1. Occupational health and safety**

Identify and control safety hazards; provide training and protective equipment; protect pregnant or nursing workers.

**2. Emergency preparedness**

Establish and practice emergency plans with reporting, evacuation, and responder coordination.

**3. Occupational injury and illness**

Track and address workplace injuries; ensure medical care, reporting, and return-to-work support.

**4. Industrial hygiene**

Control exposure to hazardous agents using engineering, administrative, and personal protective equipment (PPE) solutions.

**5. Physically demanding work**

Assess and manage risks from repetitive, heavy, or prolonged physical tasks.

**6. Machine safeguarding**

Install and maintain safety guards and interlocks on machinery.

**7. Sanitation, food, and housing**

Provide clean facilities, safe food and water, and secure, sanitary housing with adequate personal space.

**8. Health and safety communication**

Train workers in a language they understand; clearly post safety information; ensure ongoing education.

## Engaging with supply chain workers

At Delta, we recognize the important role played by everyone in our value chain. To better engage with our suppliers' workforce, we seek to obtain feedback, revise our sustainable development practices, respond to public expectations, and demonstrate our social impact.

Suppliers regularly receive key updates through the Delta ESG website and annual ESG Report, annual training programs, monthly updates via our supplier e-commerce system and Environmental Hazardous Substances Management Platform, and periodic communications on climate-related initiatives. To foster understanding, we also emphasize topics such as Energy Management, our Code of Conduct, Customer Relationship Management, Circular Economy, and Talent Development, along with Occupational Safety and Health.

We then expect suppliers to act on these communications. Full compliance with our Supplier Code of Conduct is essential, and we have conducted two training programs that reached 1,236 supplier participants to achieve this goal. We also assess suppliers through ESG and conflict mineral surveys to identify risks and prioritize opportunities for collaboration. These insights enable us to engage key suppliers in developing low-carbon materials and enhancing supply chain resilience.

### Supplier selection

We set clear selection criteria for suppliers. We review their operations and sustainability conditions before making a supplier selection. All suppliers must also sign a procurement contract and a new supplier registration declaration, which includes a commitment to the Supplier Code of Conduct and clauses related to integrity, environmental protection, conflict minerals, fair competition, and antitrust law.

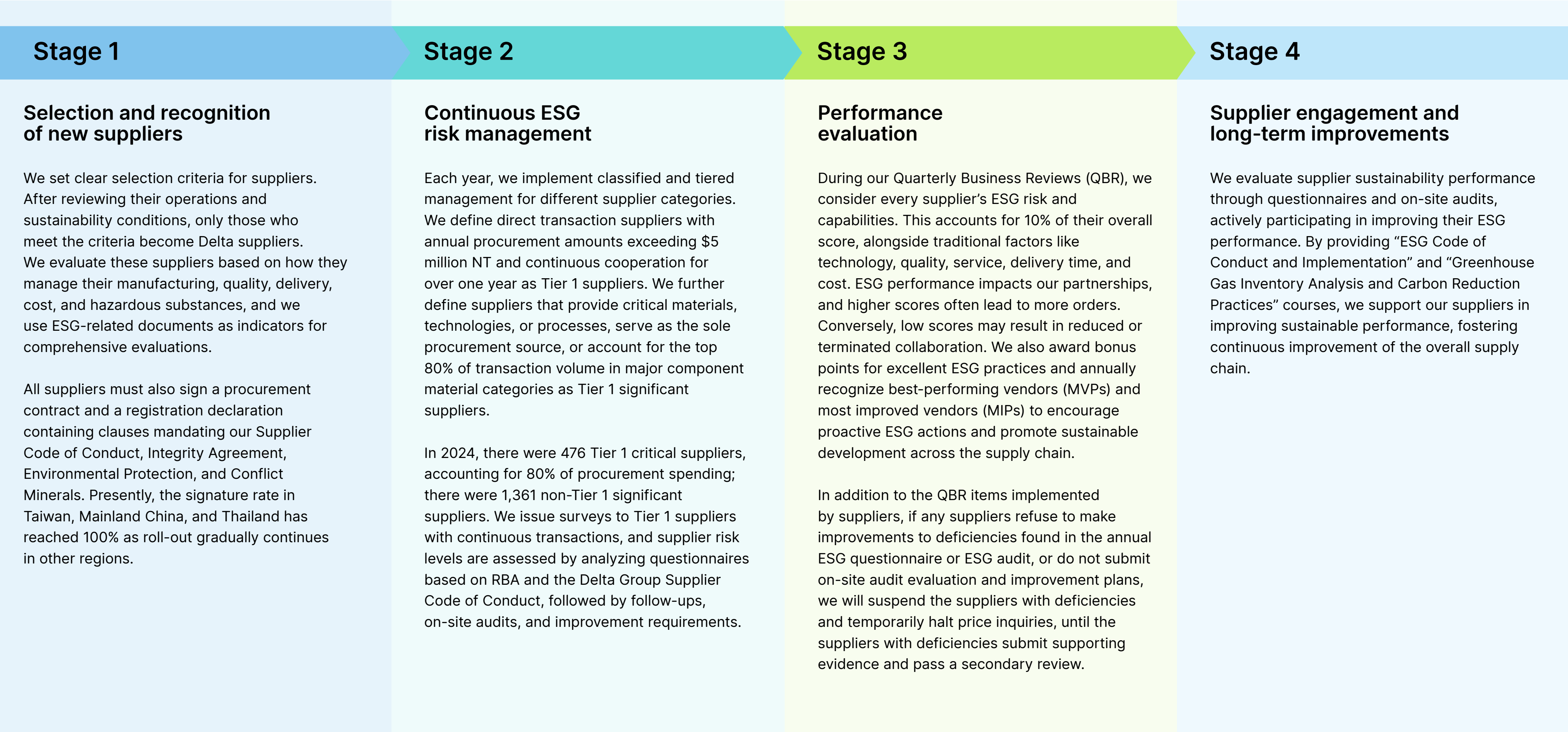
### Annual supplier ESG questionnaire

The ESG questionnaire covers eight key aspects: certifications, climate disclosure, labor, occupational health and safety, environment, ethics, management systems, and supply chain management. These questionnaires are issued in multiple languages, including Traditional Chinese, Simplified Chinese, and English.

The Supply Chain ESG Committee has also organized webinars to help suppliers understand Delta's expectations, the importance of ESG, and the requirements.



Our supplier selection process:



## Our actions

At Delta, our supply chain management actions include selecting and recognizing new suppliers, a continuous ESG risk management process, continual performance evaluation, supplier engagement, and long-term improvements.

### **Establishing the Supply Chain ESG Committee**

To strengthen sustainable supply chain management, we formed a Supply Chain ESG Committee in 2018, chaired by the Chief Supply Chain Officer, with procurement managers from business groups as members. An executive secretary manages daily operations and project implementation, reporting regularly to senior management and the Board of Directors, ensuring consensus on major ESG issues. Regular meetings and KPI reports enable the committee to revise and update short, medium, and long-term goals on a rolling basis, maintaining flexible strategy adjustments.

### **Audit coaching and action plan team**

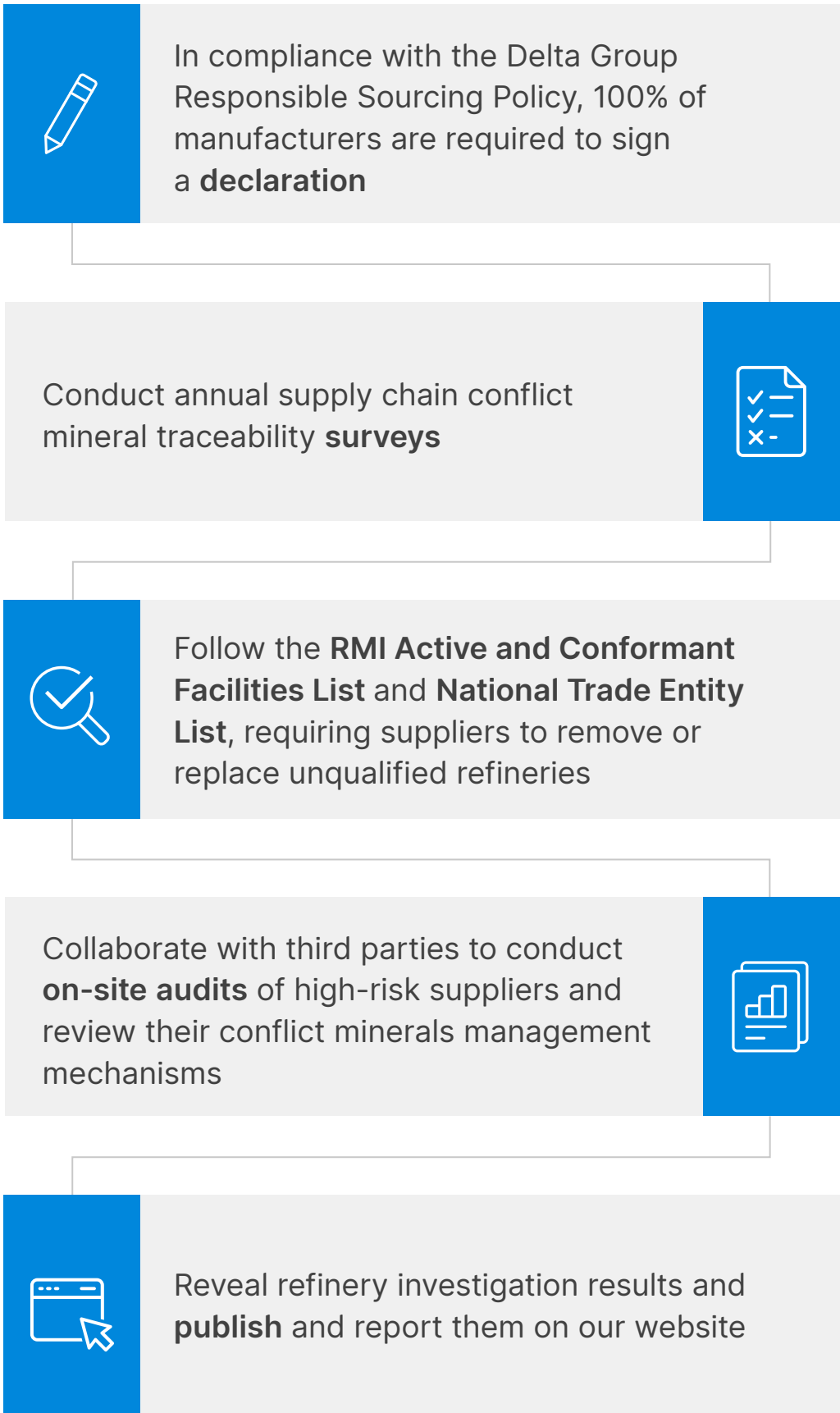
We are planning to increase the number of on-site audits each year. This will ensure suppliers' actual ESG performance is consistent with their reports, and also enhance transparency and responsibility. To achieve this, we launched the Audit and Coaching Team Development program in early 2024 for auditors and coaching personnel to ensure professionalism and consistency through a standardized approach. This is in line with official auditors and complemented by the work of a dedicated seed team already focused on the Delta Supply Chain ESG Standards management categories.

To ensure audit quality, we initially adopted a tripartite cooperation model in which a third-party certification agency was responsible for conducting audits, our internal team participated in audit training, and supported supplier coaching to build in-house expertise. Starting in 2026, we plan to implement a dual-track process conducted by both the third-party and our auditors, gradually expanding the scope of on-site audits and comprehensively promoting sustainable management of the supply chain.

The program was first launched in Taiwan, and five suppliers' on-site audits were completed in 2024. Going forward, we plan to expand the scope to suppliers' primary distribution areas such as Eastern and Southern China, Thailand, India, and others to continue promoting sustainable development and improved supply chain management. 20 supplier on-site audits are planned for 2025, covering suppliers from Taiwan, Mainland China, and Thailand.



# Conflict minerals management process



To address human rights risks linked to conflict minerals, we established the Delta Group Responsible Sourcing Policy. This responds to findings by the Responsible Minerals Initiative (RMI), which identified the use of forced and child labor in the mining of tungsten, tin, tantalum, gold, cobalt, and mica in conflict-affected regions. These minerals are essential for electronics, and Delta is committed to eliminating materials sourced through illegal or unethical means.

Delta conducts annual due diligence investigations by reviewing product composition and identifying high-risk suppliers. We require suppliers to complete conflict mineral reporting templates (CMRT 6.4, EMRT 1.3, and AMRT 1.2). To support implementation, Delta holds supplier webinars, mandates disclosing and sourcing from RMI’s list of qualified refineries, reinforcing our commitment to ethical supply chains and responsible mineral sourcing.

According to the investigation, our supply chain sourced materials come from 267 refineries as of the end of 2024, all of which were included in the most recently updated list of qualified refineries. Further analysis showed that Asia had the highest number of qualified refineries, followed by Europe. For the complete disclosure report, please refer to the [Delta Responsible Minerals Report](#).

| Category | Number of refineries |
|----------|----------------------|
| Gold     | 93                   |
| Tin      | 52                   |
| Cobalt   | 49                   |
| Tungsten | 36                   |
| Tantalum | 32                   |
| Mica     | 5                    |
| Total    | 267                  |

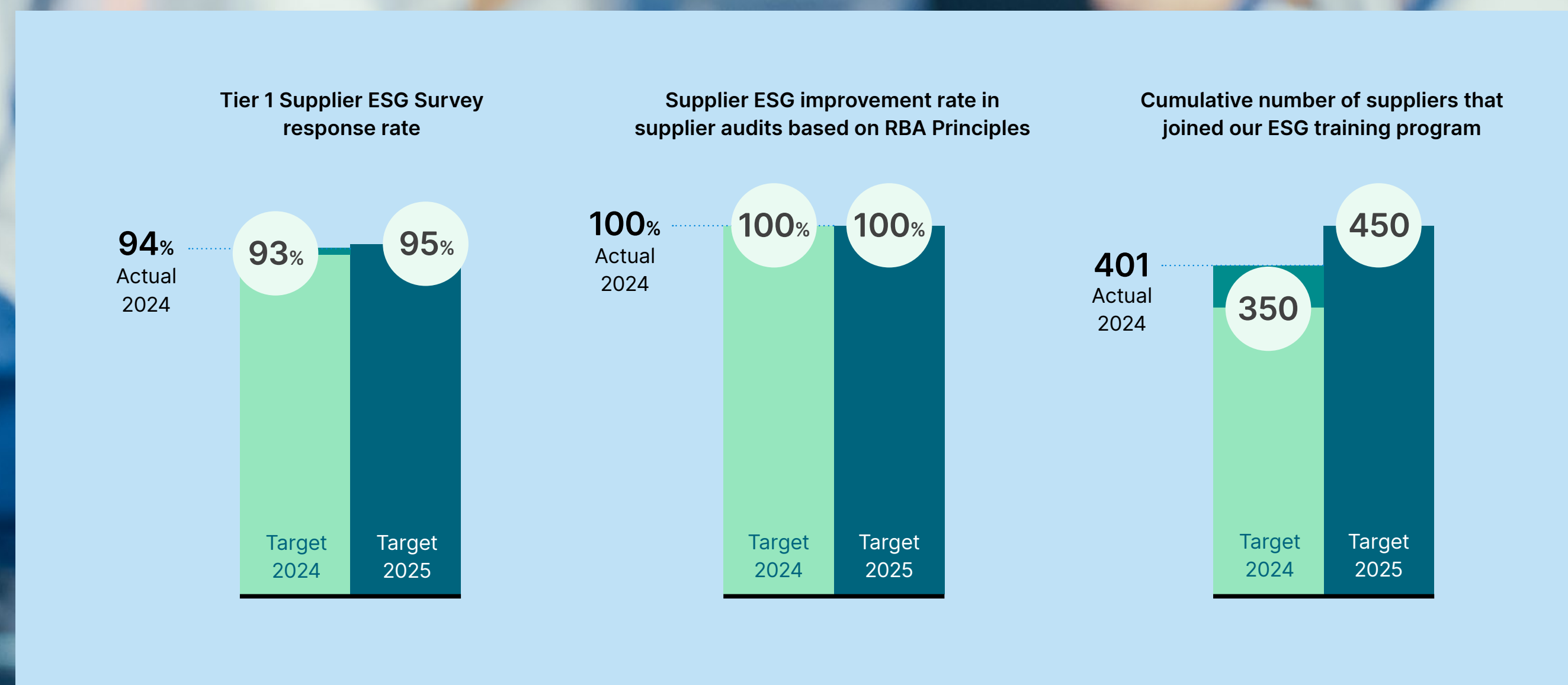
| Region   | Number of refineries |
|----------|----------------------|
| Asia     | 163                  |
| Europe   | 37                   |
| Americas | 44                   |
| Africa   | 20                   |
| Oceania  | 3                    |
| Total    | 267                  |

**Audits, shortcomings, and improvement plans for high-risk suppliers in 2024**  
No supplier relationships were terminated in 2024 because of our review. Further analysis of the audit results revealed that deficiencies in the six major aspects were primarily identified in the areas of labor rights and ethics, suggesting that some suppliers require improvement in employee management, working hour management, and ethical corporate governance. To ensure the ongoing development of the supply chain, we will continue to follow up on implementation progress after receiving improvement plans from suppliers and will provide appropriate guidance and resources as needed.

The aim is for Delta to introduce the company’s accumulated ESG knowledge and management resources into the supply chain by sharing experience, building suppliers’ capabilities, and providing practical guidance, thereby helping suppliers enhance their capacity for sustainable operations.

## Our supply chain worker targets

Our targets are focused on supplier sustainability management. Delta views its suppliers as critical long-term partners in the promotion of a sustainable supply chain.





# Business conduct

|                                                    |    |
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| Business conduct policies and corporate culture    | 69 |
| Management of supplier relationships               | 71 |
| Prevention and detection of corruption and bribery | 72 |
| Political engagement and lobbying                  | 73 |

# Business conduct

Ethical business conduct is a critical factor, both to the long-term success of our company and in achieving the stakeholder trust necessary to make our mission to provide innovative, clean, and energy-efficient solutions for a better tomorrow a success.

At Delta, we are committed to upholding the very highest standards of integrity across our operations. We do so through robust governance structures, ISO 37001-certified anti-bribery systems, and transparent supplier engagement.

Guided by a culture of accountability, continuous training, and clear policies, we work to prevent misconduct, safeguard whistleblowers, and foster responsible partnerships, each of which we view as essential strategies for sustaining ethical growth in a rapidly evolving and global industry.

0

Number of litigations or losses involving corporate governance, anti-corruption and bribery, or competition laws in 2024

73,977

Number of employees undertaking training on ethical corporate management in 2024

# Business conduct policies and corporate culture

## Ethical corporate management

Ethical corporate management is a core Delta value and deeply rooted in our corporate culture and systems. To integrate the resources of the departments more effectively, we set up the Ethical Management Committee in 2022 as the dedicated unit for promoting ethical corporate management.

The Ethical Management Committee reports the progress on our ethical corporate management policies and plans to the Board of Directors once each year. It regularly reviews implementation results and continues to make improvements to ensure the implementation of ethical corporate management policies.

Our CEO serves as the chair of the Ethical Management Committee, and the General Counsel is responsible for leading the promotion group and members in the implementation of ethical corporate management plans and affairs.



## Best Practice Principles

We established the 'Ethical Corporate Management Best Practice Principles' to clarify our policies. They are disclosed on the company website and apply to all members of Delta, including subsidiaries, directors, managers, and employees.

We also established operating procedures and management regulations such as the 'Ethical Corporate Management Risk Assessment and Prevention Regulations', 'Whistleblower System Management Regulations', and 'Management Regulations for Rewards and Penalties' to prevent unethical conduct. Delta will review and optimize the procedures and regulations in accordance with ISO 37001 requirements.

## Code of Conduct

Our [Code of Conduct](#) ensures that all actions reflect integrity, accountability, and respect, building a responsible and trustworthy global enterprise. The Code guides ethical and lawful behavior for all Delta employees, managers, and affiliates worldwide, supporting integrity, compliance, and corporate reputation. The key codes include, amongst others:

- Integrity in business:** All employees must uphold honesty and integrity in all business dealings, refraining from bribery, corruption, and dishonest behavior. Delta mandates full compliance with anti-bribery, anti-corruption, and anti-money laundering laws globally.
- Conflicts of interest:** Employees must avoid any activities or relationships that could impair their objectivity or interfere with the best interests of our company. Any potential conflicts must be disclosed and approved in advance.
- Gifts and entertainment:** Delta employees may not accept or give gifts, favors, or entertainment that could influence business decisions, unless they are within reasonable limits and customary business practices. Any questionable situations must be reported and evaluated by a superior.
- Political donations, participation, and charitable donations:** Employees may not use our name or resources for personal political activities and must follow legal and internal guidelines when making political or charitable donations. Any political activity must avoid suggesting Delta’s endorsement or involvement.

- Insider trading and confidentiality:** Employees are strictly prohibited from using or sharing non-public information for securities trading or personal gain. All confidential and proprietary information must be protected during and after employment.
- Fair competition:** All employees must comply with antitrust and competition laws and avoid any actions that would restrict fair trade, such as price-fixing or market allocation. Any interactions with competitors must avoid discussions of sensitive or competitive information.
- Responsible use of company resources:** Our company assets must be appropriately used and reserved solely for business purposes, with accurate and complete recordkeeping. Misuse, waste, or unauthorized use of resources is strictly forbidden.
- Whistleblower channels and protection:** Delta provides multiple channels for reporting misconduct, guaranteeing confidentiality and protection from retaliation. Whistleblowers are encouraged to report violations and will be safeguarded throughout the investigation process.
- Compliance and reporting:** All Delta Members are responsible for knowing and following our Code and must report any violations through proper channels. Breaches may result in disciplinary action, including termination and legal accountability.



Our Code of Conduct serves as a guiding framework to support ethical behavior, enhance performance, protect company assets, and uphold our reputation.

## Management of supplier relationships

Delayed payments or disputes with suppliers over payment practices strain supplier relationships and may result in supply disruptions and increased procurement costs.

Delta is leveraging relationships with suppliers to foster collaboration in manufacturing processes and sustainability initiatives by signing the Delta Integrity Declaration, the Responsible Business Alliance (RBA) Code of Conduct, fair competition, and anti-trust clauses. Delta does not have an overarching late payment policy for our group, and agreements with suppliers are made on a case-by-case basis depending on specific situations.

Delta also evaluates supplier sustainability when selecting suppliers. For more information on our supplier selection process, please refer to [S2 Workers in the Value Chain](#).



# Prevention and detection of corruption and bribery

## Anti-bribery management

We introduced an ISO 37001-compliant anti-bribery management system for our Head Office in Taiwan, and passed certification in 2023. The introduction of these standards will continue to enhance the structure of ethical corporate management and optimize the integrity management system. We also plan to implement stronger controls and training for employees assigned duties that are classified as medium- and high-risk in the corruption and bribery risk assessment to enhance their anti-corruption and anti-bribery awareness. The relevant system is now being progressively expanded to business units, business groups, and subsidiaries, supporting continuous improvement and reinforcing Delta's commitment to integrity across its operations.

## Training and Communication

We require new employees to attend orientation training for ethical corporate management, and our attendance rate is currently 100%. Employees and directors also take online refresher courses on both ethical corporate management and our Code of Conduct each year. In 2024, 73,977 employees worldwide completed the course, and the completion rate was 93.1%.

Following the launch of the ISO 37001 anti-bribery management system in 2023, all employees within the certified scope were required to complete comprehensive ISO 37001 training to enhance their understanding of anti-corruption and anti-bribery, and prevent dishonest behavior.

## Conflicts of interest

Integrity is embedded as a core value and in our employee performance evaluations. Each year, the company publishes an announcement on conflict of interest regulations, encouraging all employees to proactively submit declaration forms. In addition, all departments conduct annual integrity risk assessments to ensure compliance with relevant ethical standards. In 2024, a total of 3,304 employees globally submitted conflict of interest declarations.

## Whistleblower protection

The company provides a reporting channel. If any illegal or dishonest business practices are discovered, the whistleblower has the option of a) reporting to a supervisor via a dedicated mailbox, b) filing a named report or an anonymous report, or c) using various other channels. At Delta, we maintain strict confidentiality of reported information to protect whistleblowers from retribution or inappropriate treatment. Any breach of confidentiality will be punished in accordance with our regulations.

According to our Whistleblower System Management Regulations, if a report is verified as true and its contribution generates significant economic benefits, the whistleblower may be provided with a suitable amount of rewards based on local regulations.



In 2024, Delta had no litigation or losses involving corporate governance, anti-corruption and bribery, or competition laws.

## Political engagement and lobbying

We participate in associations and organizations to promote our business, expand sectors of concern, meet business development conditions, meet regulatory requirements, enhance networking, cultivate talent, and demonstrate our leading position in the industry. We mainly join organizations as members and serve as either a director or chairperson in associations. As associations themselves have their own goals and intentions, our participation does not imply that we agree with all their opinions.

At Delta, we have long focused on businesses and sectors including electronics and electrical machinery, automation, renewable energy, green building, healthy and smart buildings, electric vehicles, communication power supplies, leadership development, human resources, and corporate sustainability. Our total global expenditures for participation in associations in 2024 totaled approximately \$540,000 USD, and the list of associations is disclosed on our website.

### Our participation in associations includes:

- Business Council for Sustainable Development of Taiwan (BCSD Taiwan)
- Center for Corporate Sustainability
- Taiwan Association of Green Energy Transition
- Taiwan Power Electronics Association
- Taipei Computer Association (TCA)
- Taiwan Climate Partnership (TCP)
- China Power Supply Society
- Beijing Association of Taiwan Investment Enterprises
- Shanghai Environment and Energy Exchange Carbon Neutral Action Alliance
- Federation of Thai Industries
- Electric Vehicle Association of Thailand
- EV100 Initiative of the Climate Group
- RE100 Initiative of the Climate Group
- U.S. Green Building Council (USGBC)





# Appendix

| ESRS number | Related ESRS disclosure requirements | Title                                                                                                                               | Reference in report                                               | Explanation & notes                                                                                                                                          |
|-------------|--------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------|
| ESRS 2      | BP-1                                 | General basis for preparation of sustainability statements                                                                          | Page <a href="#">19</a>                                           | This is the undertaking's first sustainability report prepared in accordance with ESRS, no specific circumstances have been identified.                      |
| ESRS 2      | BP-2                                 | Disclosures in relation to specific circumstances                                                                                   |                                                                   |                                                                                                                                                              |
| ESRS 2      | GOV-1                                | The role of the administrative, management and supervisory bodies                                                                   | Page <a href="#">20</a> , <a href="#">21</a>                      |                                                                                                                                                              |
| ESRS 2      | GOV-2                                | Information provided to and sustainability matters addressed by the undertaking's administrative, management and supervisory bodies | Page <a href="#">20</a> , <a href="#">21</a>                      |                                                                                                                                                              |
| ESRS 2      | GOV-3                                | Integration of sustainability-related performance in incentive schemes                                                              | Page <a href="#">31</a>                                           |                                                                                                                                                              |
| ESRS 2      | GOV-4                                | Statement on due diligence                                                                                                          | Page <a href="#">22</a>                                           |                                                                                                                                                              |
| ESRS 2      | GOV-5                                | Risk management and internal controls over sustainability reporting                                                                 | Page <a href="#">20</a>                                           |                                                                                                                                                              |
| ESRS 2      | IRO-1                                | Description of the process to identify and assess material impacts, risks and opportunities                                         | Page <a href="#">24</a> , <a href="#">26</a>                      |                                                                                                                                                              |
| ESRS 2      | IRO-2                                | Disclosure requirements in ESRS covered by the undertaking's sustainability statement                                               | You are here                                                      | This appendix serves as the list of disclosure requirements.                                                                                                 |
| ESRS 2      | SBM-1                                | Strategy, business model and value chain                                                                                            | Page <a href="#">23</a>                                           |                                                                                                                                                              |
| ESRS 2      | SBM-2                                | Interests and views of stakeholders                                                                                                 | Page <a href="#">25</a> , <a href="#">51</a> , <a href="#">62</a> |                                                                                                                                                              |
| ESRS 2      | SBM-3                                | Material impacts, risks and opportunities and their interaction with strategy and business model                                    | Page <a href="#">24</a>                                           | 2024 marks our first year for reporting using the ESRS, we aim to conduct more in-depth assessments on the interaction with our strategy and business model. |
| E1          | E1-1                                 | Transition plan for climate change mitigation                                                                                       | Page <a href="#">29</a>                                           |                                                                                                                                                              |
| E1          | E1-2                                 | Policies related to climate change mitigation and adaptation                                                                        | Page <a href="#">30</a>                                           |                                                                                                                                                              |
| E1          | E1-3                                 | Actions and resources in relation to climate change policies                                                                        | Page <a href="#">31</a> , <a href="#">32</a> , <a href="#">33</a> |                                                                                                                                                              |
| E1          | E1-4                                 | Targets related to climate change mitigation and adaptation                                                                         | Page <a href="#">34</a>                                           |                                                                                                                                                              |
| E1          | E1-5                                 | Energy consumption and mix                                                                                                          | Page <a href="#">37</a>                                           |                                                                                                                                                              |
| E1          | E1-6                                 | Gross Scopes 1, 2, 3 and Total GHG emissions                                                                                        | Page <a href="#">37</a> , <a href="#">38</a>                      |                                                                                                                                                              |
| E1          | E1-7                                 | GHG removals and GHG mitigation projects financed through carbon credits                                                            | Page <a href="#">36</a>                                           |                                                                                                                                                              |



| ESRS number | Related ESRS disclosure requirements | Title                                                                                                                                                                                          | Reference in report                                                                    | Explanation & notes                                                                                                                                      |
|-------------|--------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------|
| E1          | E1-8                                 | Internal carbon pricing                                                                                                                                                                        | Page <a href="#">35</a>                                                                |                                                                                                                                                          |
| E1          | E1-9                                 | Anticipated financial effects from material physical and transition risks and potential climate-related opportunities                                                                          |                                                                                        | The exclusion is based on the phase-in provision in the ESRS, which does not mandate inclusion until the second year of the compliance period for Delta. |
| E5          | E5-1                                 | Policies related to resource use and circular economy                                                                                                                                          | Page <a href="#">41</a> , <a href="#">42</a>                                           |                                                                                                                                                          |
| E5          | E5-2                                 | Actions and resources related to resource use and circular economy                                                                                                                             | Page <a href="#">43</a> , <a href="#">44</a>                                           |                                                                                                                                                          |
| E5          | E5-3                                 | Targets related to resource use and circular economy                                                                                                                                           | Page <a href="#">45</a>                                                                |                                                                                                                                                          |
| E5          | E5-4                                 | Resource inflows                                                                                                                                                                               | page <a href="#">45</a>                                                                |                                                                                                                                                          |
| E5          | E5-5                                 | Resource outflows                                                                                                                                                                              | Page <a href="#">46</a>                                                                |                                                                                                                                                          |
| E5          | E5-6                                 | Anticipated financial effects from resource use and circular economy-related impacts, risks and opportunities                                                                                  |                                                                                        | The exclusion is based on the phase-in provision in the ESRS, which does not mandate inclusion until the second year of the compliance period for Delta. |
| S1          | S1-1                                 | Policies related to own workforce                                                                                                                                                              | Page <a href="#">49</a> , <a href="#">50</a>                                           |                                                                                                                                                          |
| S1          | S1-2                                 | Processes for engaging with own workforce and workers’ representatives about impacts                                                                                                           | Page <a href="#">51</a>                                                                |                                                                                                                                                          |
| S1          | S1-3                                 | Processes to remediate negative impacts and channels for own workforce to raise concerns                                                                                                       | Page <a href="#">49</a> , <a href="#">50</a> , <a href="#">51</a> , <a href="#">52</a> |                                                                                                                                                          |
| S1          | S1-4                                 | Taking action on material impacts on own workforce, and approaches to managing material risks and pursuing material opportunities related to own workforce, and effectiveness of those actions | Page <a href="#">52</a>                                                                |                                                                                                                                                          |
| S1          | S1-5                                 | Targets related to managing material negative impacts, advancing positive impacts, and managing material risks and opportunities                                                               | Page <a href="#">53</a>                                                                |                                                                                                                                                          |
| S1          | S1-6                                 | Characteristics of the undertaking’s employees                                                                                                                                                 | Page <a href="#">54</a> , <a href="#">55</a>                                           |                                                                                                                                                          |
| S1          | S1-7                                 | Characteristics of non-employees in the undertaking’s own workforce                                                                                                                            | Page <a href="#">55</a>                                                                |                                                                                                                                                          |
| S1          | S1-8                                 | Collective bargaining coverage and social dialogue                                                                                                                                             | Page <a href="#">55</a>                                                                |                                                                                                                                                          |
| S1          | S1-9                                 | Diversity metrics                                                                                                                                                                              | Page <a href="#">55</a>                                                                |                                                                                                                                                          |
| S1          | S1-10                                | Adequate wages                                                                                                                                                                                 | Page <a href="#">55</a> , <a href="#">56</a>                                           |                                                                                                                                                          |
| S1          | S1-11                                | Social protection                                                                                                                                                                              | Page <a href="#">56</a>                                                                |                                                                                                                                                          |
| S1          | S1-12                                | Persons with disabilities                                                                                                                                                                      | Page <a href="#">56</a>                                                                |                                                                                                                                                          |
| S1          | S1-13                                | Training and skills development metrics                                                                                                                                                        | Page <a href="#">56</a>                                                                |                                                                                                                                                          |



| ESRS number | Related ESRS disclosure requirements | Title                                                                                                                                                                                                     | Reference in report                          | Explanation & notes                                                                                                                                                                                   |
|-------------|--------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| S1          | S1-14                                | Health and safety metrics                                                                                                                                                                                 | Page <a href="#">57</a>                      |                                                                                                                                                                                                       |
| S1          | S1-15                                | Work-life balance metrics                                                                                                                                                                                 |                                              | Work-life balance is briefly addressed on page <a href="#">56</a> under social protection, and page <a href="#">57</a> under family-related leave. However, specific metrics are not yet established. |
| S1          | S1-16                                | Remuneration metrics (pay gap and total remuneration)                                                                                                                                                     | Page <a href="#">57</a>                      |                                                                                                                                                                                                       |
| S1          | S1-17                                | Incidents, complaints and severe human rights impacts                                                                                                                                                     | Page <a href="#">57</a>                      |                                                                                                                                                                                                       |
| S2          | S2-1                                 | Policies related to value chain workers                                                                                                                                                                   | Page <a href="#">60</a> , <a href="#">61</a> |                                                                                                                                                                                                       |
| S2          | S2-2                                 | Processes for engaging with value chain workers about impacts                                                                                                                                             | Page <a href="#">62</a> , <a href="#">63</a> |                                                                                                                                                                                                       |
| S2          | S2-3                                 | Processes to remediate negative impacts and channels for value chain workers to raise concerns                                                                                                            | Page <a href="#">62</a>                      | Annual supplier ESG questionnaires and risk management processes are in place; potential enhancement to two-way communications are being explored.                                                    |
| S2          | S2-4                                 | Taking action on material impacts on value chain workers, and approaches to managing material risks and pursuing material opportunities related to value chain workers, and effectiveness of those action | Page <a href="#">64</a> , <a href="#">65</a> |                                                                                                                                                                                                       |
| S2          | S2-5                                 | Targets related to managing material negative impacts, advancing positive impacts, and managing material risks and opportunities                                                                          | Page <a href="#">66</a>                      |                                                                                                                                                                                                       |
| G1          | G1-1                                 | Business conduct policies and corporate culture                                                                                                                                                           | Page <a href="#">69</a> , <a href="#">70</a> |                                                                                                                                                                                                       |
| G1          | G1-2                                 | Management of relationships with suppliers                                                                                                                                                                | Page <a href="#">71</a>                      |                                                                                                                                                                                                       |
| G1          | G1-3                                 | Prevention and detection of corruption and bribery                                                                                                                                                        | Page <a href="#">72</a>                      |                                                                                                                                                                                                       |
| G1          | G1-4                                 | Incidents of corruption or bribery                                                                                                                                                                        | Page <a href="#">72</a>                      |                                                                                                                                                                                                       |
| G1          | G1-5                                 | Political influence and lobbying activities                                                                                                                                                               | Page <a href="#">73</a>                      |                                                                                                                                                                                                       |
| G1          | G1-6                                 | Payment practices                                                                                                                                                                                         | Page <a href="#">71</a>                      | Supplier payment practices are briefly discussed on page <a href="#">71</a> . However, specific metrics are not yet established.                                                                      |



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