

Promotion of Sustainable Development and Deviations from the “Sustainable Development Best Practice Principles for TWSE/ TPEX Listed Companies”

Promoted Items	Implementation Status (Note 1)			Deviations from the Sustainable Development Best Practice Principles for TWSE/ TPEX Listed Companies and the Reason(s)
	Yes	No	Summary	
1. Has the Company established a governance structure to promote sustainable development and set up an exclusively (or concurrently) dedicated unit to promote sustainable development, and has the Board of Directors authorized senior management to deal with and supervised the promotion of sustainable development?	√		<p>The ESG Committee is the highest-level sustainability management unit of Delta. Since its establishment in 2007, it has continuously transformed in response to sustainability trends. Furthermore, Delta created the position of CSO in 2019 for the promotion and in-depth sustainable development of the Company. The implementation results are reported to the Board of Directors on a quarterly basis.</p> <p>The ESG Committee has Mr. Bruce Cheng, founder and honorary Chairman of Delta, as the honorary chairperson and Mr. Yancey Hai, Chairman of Delta, as the chairperson. The committee is composed of board members including the Vice-Chairman, the CEO, and the COO, as well as the CSO and top executives from regional and functional management. It has subordinate assistance and execution units, including a regions ESG Committee, various task forces and the Corporate Sustainability Development Office. In addition, the Delta Electronics Foundation is invited to attend the meetings. Among them, the “Corporate Sustainability Development Department” serves as the secretariat which is responsible for analyzing international trends in sustainable development and understanding stakeholder expectations to identify material topics. It carries out project management and promotion to address the possible impacts of material topics such as environment, social, and governance on operations and jointly plans application strategies and execution plans with various function subcommittees. Each year, it also drafts the ESG Report which is approved by the Board of Directors for issuance.</p> <p>The CSO reports the implementation results and future work plans for sustainable development on behalf of the Company to the Board of Directors on 22 February, 27 April, 31 July and 31 October ,2023. The proposals reported at the meetings included: (1) sustainable development issues and project progress reporting; (2) internationally important rating analysis; (3) stakeholders’ material issues of concern; and the (4) international initiative process. The Board of Directors reviews and oversees the progress of sustainable development strategies and various projects, and provides guidance.</p>	Compliant with the Sustainable Development Best Practice Principles for TWSE/ TPEX Listed Companies
2. Has the Company conducted risk assessments on environmental, social and corporate governance issues related to the Company’s operations in accordance with the materiality principle, and formulated relevant risk management policies or	√		<p>Delta and our subsidiaries communicate with internal and external stakeholders by multiple means and have established the three major steps of identification, analysis, and confirmation. These steps are in accordance with the principles of GRI Standards 2021, to identify and analyze Delta and our subsidiaries’ material issues, while taking corresponding and necessary measures to enhance information disclosures.</p> <p>The Company’s Board of Directors has adopted the Delta Corporate Social Responsibility Best Practice Principles, which have clearly defined</p>	Compliant with the Sustainable Development Best Practice Principles for TWSE/ TPEX Listed Companies

Promoted Items	Implementation Status (Note 1)		Deviations from the Sustainable Development Best Practice Principles for TWSE/ TPEX Listed Companies and the Reason(s)
	Yes	No	
strategies?			<p>the four main principles of: implementing corporate governance, developing a sustainable environment, maintaining social welfare, and enhancing corporate sustainability information disclosures. The scope of the material ESG issue analysis refers to the subsidiaries included in the consolidated financial statements for which owing control power. As per the results of the analysis, if there are issues related to Delta's risks, they will be included in Delta's risk management process for risk assessment. Delta's risk management system is operated in a qualitative or quantitative manner through risk identification, risk assessment, risk control, risk monitoring, and communication. For the environmental aspect, Delta strives to promote environmental protection and energy conservation based on its business mission of "To provide innovative, clean, and energy-efficient solutions for a better tomorrow." The Company's Corporate Sustainability Development has identified possible risks and impacts of climate change on business operations, and developed adaptation and mitigation strategies as well as an execution plan, which include SBTs, reduction of greenhouse gas emissions, energy conservation, water conservation, and waste reduction. For the social aspect, Delta values the balanced development of employees and is committed to providing a safe and healthy work environment. We identify potential risks in daily operating activities of all departments and continuously enhance prevention mechanisms, such as engineering control and operations management. We also conduct risk control by regularly identifying hazards and performing risk assessments to ensure safe operating procedures. In addition, we are committed to developing and manufacturing products in compliance with international environmental protection regulations. We have established a product-related substance management system and management regulations. We also engage in discussions with employees from different departments regarding materials, quality, and procurement, and regularly conduct evaluation of our supply chain management (environmental, social, and governance) as well as ESG sustainability assessment to identify suppliers with high risk, while auditing and providing guidance to them. For the governance aspect, the Board of Directors adopted the Delta Group Risk Management Policy in 2020 and established the Risk Committee composed of all independent directors in 2023, which also has been approved to be combined with the Audit Committee to be the "Audit and Risk Committee". The Board of Directors and Audit and Risk Committee are responsible for approving the risk management policy, procedure, and organization, supervising that the risk management policy is consist with the operational strategy, supervising the establishment of a proper risk management mechanism and risk management culture. We also have a corporate governance officer in place to assist our directors with compliance with laws and regulations. Please refer to Chapter 4 of the</p>

Promoted Items	Implementation Status (Note 1)			Deviations from the Sustainable Development Best Practice Principles for TWSE/ TPEX Listed Companies and the Reason(s)
	Yes	No	Summary	
			2023 Annual Report for more details.	
3. Environmental issues				Compliant with the Sustainable Development Best Practice Principles for TWSE/ TPEX Listed Companies
(1) Has the Company established environment management systems based on its industrial characteristics?	√		Overall production plants have passed third-party certification of the ISO 14001 environmental management system, and parts of the plants have also promoted the ISO 50001 energy management system and ISO 45001 occupational health and safety management system standards.	
(2) Is the Company committed to improving the utilization efficiency of various resources and using recycled materials with low environmental impacts?	√		We continue to implement energy management and renewable energy applications as well as recycle electricity, heat, water, and packaging materials. We also improve the energy resource use efficiency through energy conservation, water conservation, waste reduction, and green design. Meanwhile, we adopt green packaging materials, including corrugated fiberboard/cardboard, paper boxes, and wooden boxes for transportation, and recycle and reuse discarded packaging materials. In 2011, Delta established a cross functional energy management committee, and an Energy-Saving Technology Team was further organized within the Committee. Over the years, the team has implemented various energy conservation and improvement measures for public facilities. In 2023, a total of 48,499 thousand kWh of electricity was saved. Delta announced in 2021 that it has joined the global renewable electricity initiative RE100 as a Gold Member, and pledged to achieve the goal of 100% renewable electricity by 2030 for all of Delta's global operation sites. In 2023, the use of renewable electricity at global business locations reached 76%. Total electricity consumption was around 750 million kWh, including around 570 million kWh of renewable electricity.	
(3) Has the Company assessed the present and future potential risks and opportunities of climate change for the entity, and taken measures to respond to climate-related issues?	√		We identify climate change risks and opportunities in accordance with the TCFD framework announced by the Financial Stability Board, conduct a complete assessment again every three years, and update them per year. We completed the latest climate risk assessment in the beginning of 2023. We compiled each business group and each functional group's experiences, analyzed material climate risks from 22 climate risks, and examined the paths, examples, impacts, and likelihood of such impacts, as well as the impact on our finances. To reduce such risks, we identified feasible opportunities and management approaches at the same time. The main results are summarized in the implementation of relevant climate actions under the section 3.4.6 "Climate Related Information for Listed and OTC companies" of the 2023 annual report and the 2023 Delta ESG Report.	
(4) Has the Company calculated its GHG emissions, water consumption and total waste weight in the past two years, and formulated policies for	√		The Company has long been practicing its mission of "To provide innovative, clean, and energy-efficient solutions for a better tomorrow." We continue to implement energy conservation and carbon reduction measures within the organization and improve the performance of energy and resource efficiency, waste reduction, and pollution prevention. Details	

Promoted Items	Implementation Status (Note 1)			Deviations from the Sustainable Development Best Practice Principles for TWSE/ TPEX Listed Companies and the Reason(s)
	Yes	No	Summary	
energy conservation, carbon reduction, GHG and water consumption or other waste management?			<p>are disclosed in the 2023 Delta ESG Report.</p> <p>Greenhouse Gas Management</p> <p>Since 2010, Delta has been participating in the CDP and disclosing its greenhouse gas emissions. Since 2017, overall production plants have been verified annually according to ISO 14064-1 standards. Additionally, since 2022, global operation sites have been undergone annual verification according to ISO 14064-1 standards.</p> <p>In 2021, Delta achieved its science-based target set in the year 2017, four years ahead of schedule. Furthermore, in the year 2022, we set a net-zero science-based target in accordance with the 1.5°C trajectory, based on the net-zero standard. Using the year 2021 as the base year, by the year 2030, absolute emissions from Scopes 1 and 2 across global operation sites will be reduced by 90%, and emissions from Scope 3 will be reduced by 25%. By the year 2050, we aim to achieve net-zero emissions. Our carbon reduction strategies are promotion of energy conservation projects, application of renewable electricity, promotion of green buildings, investment in low-carbon innovations, investment in high integrity carbon credits and permanent carbon removal, and implementation of internal carbon fee mechanism. In 2023, the Scope 1 and 2 greenhouse gas emissions (market-based) across global operation sites amounted to 132,275 metric tons of carbon dioxide equivalent*, representing a reduction of 39.0%* compared to the base year's emissions of 216,891 metric tons of carbon dioxide equivalent. Additionally, the Scope 3 greenhouse gas emissions amounted to 7,160,049 metric tons of carbon dioxide equivalent*, reflecting an increase of 37.6%* compared to the base year's emissions of 5,203,942 metric tons of carbon dioxide equivalent.</p> <p>Water Management</p> <p>Delta has been participating in the CDP Water Security Questionnaire since the year 2017, disclosing our water security management practices. These practices encompass measures such as clean water consumption, efficiency improvements, smart monitoring, and pollution reduction. Using the year 2020 as the base year, Delta established targets to reduce the water productivity intensity for overall production plants and the water consumption intensity of buildings by 10% by the year 2025. The water productivity intensity of production plants is 340 metric tons per million USD, representing a reduction of 26.9% compared to the base year. Similarly, the water consumption intensity of buildings is 18 metric tons per number of people, reflecting a decrease of 18% compared to the base year's water consumption intensity of 22 metric tons per number of people.</p> <p>Waste Management</p> <p>Delta initiated the adoption of the UL 2799 Zero Landfill Waste Management program in 2019. Presently, our production plants in</p>	

Promoted Items	Implementation Status (Note 1)		Deviations from the Sustainable Development Best Practice Principles for TWSE/ TPEX Listed Companies and the Reason(s)																																	
	Yes	No		Summary																																
			<p>Dongguan, Wujiang, Cytotec Hsinchu and Huafeng have all received UL 2799 Certification. We also commit to achieving a 100% waste diversion rate for overall production plants by the year 2025. The waste diversion rate for overall production plants in the year 2023 was 99%.</p> <p>Delta's Global Operation Sites Emissions Data</p> <table border="1"> <thead> <tr> <th>Category</th> <th>2022</th> <th>2023</th> </tr> </thead> <tbody> <tr> <td>Scope 1 and 2 Greenhouse Gas Emissions (tons CO₂e) – Location-based</td> <td>434,254</td> <td>490,474*</td> </tr> <tr> <td>Scope 1 and 2 Greenhouse Gas Emissions (tons CO₂e) – Market-based</td> <td>187,645</td> <td>132,275*</td> </tr> <tr> <td>Carbon Intensity (tons CO₂e/ production value in MUSD) – Market-based</td> <td>17.1</td> <td>11.3*</td> </tr> <tr> <td>Carbon Intensity (tons CO₂e/ Revenue in Million NTD) – Market-based</td> <td>0.49</td> <td>0.33*</td> </tr> <tr> <td>Volume of Water Withdrawn (excluding rainwater) (cubic meters)</td> <td>4,310,300</td> <td>4,195,100</td> </tr> <tr> <td>Water Intensity (cubic meters/ production value in MUSD)</td> <td>392</td> <td>359</td> </tr> <tr> <td>Water Intensity (cubic meters/ revenue in million NTD)</td> <td>11.21</td> <td>10.46</td> </tr> <tr> <td>Total Weight of Waste (tons)</td> <td>54,162.9</td> <td>49,304.4</td> </tr> <tr> <td>Waste Intensity (tons/ production value in MUSD)</td> <td>4.9</td> <td>4.2</td> </tr> <tr> <td>Waste Intensity (tons/ revenue in million NTD)</td> <td>0.14</td> <td>0.12</td> </tr> </tbody> </table> <p>* The greenhouse gas emissions data from Delta's global operation sites for the year 2023 are currently undergoing assurance.</p>	Category	2022	2023	Scope 1 and 2 Greenhouse Gas Emissions (tons CO ₂ e) – Location-based	434,254	490,474*	Scope 1 and 2 Greenhouse Gas Emissions (tons CO ₂ e) – Market-based	187,645	132,275*	Carbon Intensity (tons CO ₂ e/ production value in MUSD) – Market-based	17.1	11.3*	Carbon Intensity (tons CO ₂ e/ Revenue in Million NTD) – Market-based	0.49	0.33*	Volume of Water Withdrawn (excluding rainwater) (cubic meters)	4,310,300	4,195,100	Water Intensity (cubic meters/ production value in MUSD)	392	359	Water Intensity (cubic meters/ revenue in million NTD)	11.21	10.46	Total Weight of Waste (tons)	54,162.9	49,304.4	Waste Intensity (tons/ production value in MUSD)	4.9	4.2	Waste Intensity (tons/ revenue in million NTD)	0.14	0.12
Category	2022	2023																																		
Scope 1 and 2 Greenhouse Gas Emissions (tons CO ₂ e) – Location-based	434,254	490,474*																																		
Scope 1 and 2 Greenhouse Gas Emissions (tons CO ₂ e) – Market-based	187,645	132,275*																																		
Carbon Intensity (tons CO ₂ e/ production value in MUSD) – Market-based	17.1	11.3*																																		
Carbon Intensity (tons CO ₂ e/ Revenue in Million NTD) – Market-based	0.49	0.33*																																		
Volume of Water Withdrawn (excluding rainwater) (cubic meters)	4,310,300	4,195,100																																		
Water Intensity (cubic meters/ production value in MUSD)	392	359																																		
Water Intensity (cubic meters/ revenue in million NTD)	11.21	10.46																																		
Total Weight of Waste (tons)	54,162.9	49,304.4																																		
Waste Intensity (tons/ production value in MUSD)	4.9	4.2																																		
Waste Intensity (tons/ revenue in million NTD)	0.14	0.12																																		
<p>4. Social issues</p> <p>(1) Has the Company formulated appropriate management policies and procedures according to relevant regulations and the International Labor and Human Rights?</p>	√		<p>The Company complies with relevant labor laws and regulations. We have formulated employee policies and relevant management rules based on international labor and human rights standards, including the RBA Code of Conduct, Universal Declaration of Human Rights, International Labor Office Tripartite Declaration of Principles, and OECD Guidelines for Multinational Enterprises. We have implemented a fair employment system, and conduct a human rights due diligence survey of employees at least once every three years. We have disclosed the policies in the Corporate Governance section of the Company's official website and disclosed the management results in the annual ESG Report and the modern slavery statement. Please refer to the 2023 Delta ESG Report.</p>	Compliant with the Sustainable Development Best Practice Principles for TWSE/ TPEX Listed Companies																																

Promoted Items	Implementation Status (Note 1)			Deviations from the Sustainable Development Best Practice Principles for TWSE/ TPEX Listed Companies and the Reason(s)
	Yes	No	Summary	
(2) Has the Company formulated and executed reasonable employee benefits measures (including remuneration, leaves, and other benefits), and had the operating performance or results properly reflected in employee compensation?	√		<p>The Company's compensation packages are above that of the technology industry and talents are retained through a competitive compensation structure. We also pay special attention to the employee salary design reasonableness and the relevance between business performance and employee salary. In the year 2023, we continued to be listed in the High Pay 100 Index. To enhance birth rates and alleviate parental stress in the workplace, starting from October 2022, Taiwan began providing a monthly childcare subsidy. Each eligible birth receives a maximum subsidy of US\$ 12,300. As of the end of 2023, a total of 3,143 Delta babies have benefited from this program, amounting to approximately US\$ 5.4 million in total expenditure. In addition, we have implemented a flexible working hours system and allow employees with specific needs to apply for telecommuting, enabling them to better manage their work-life balance. Furthermore, we provide a vacation policy that exceeds legal requirements, including annual leave for travel and a subsidy of NT\$10,000 for travel expenses, thus ensuring the well-being of our employees and promoting a balanced lifestyle.</p> <p>In 2023, Delta provided annual salary adjustments ranging from 3% to 8% for all employees. In addition to their fixed monthly salary, Taiwanese employees also receive three types of bonuses: year-end bonuses, performance bonuses, and profit-sharing bonuses. Through comprehensive performance management, we closely link organizational goals, individual objectives, and talent development, collectively pursuing improvements in corporate performance. To grasp emerging technologies and accelerate smart manufacturing, Delta continues to expand its technological investments and enhance global R&D capabilities. Regarding R&D talent, we consistently adapt to local market conditions, providing tailored retention measures for key R&D personnel globally. In 2023, the manufacturing facilities in mainland China have enhanced the market positioning of indirect personnel's fixed salaries, continuously adjusted the salary structure to improve market competitiveness, and effectively retained manufacturing talents. Furthermore, Delta upholds a policy of diverse employment as part of its sustainability efforts, actively promoting gender equality and environmental awareness. We track and enhance the implementation of these initiatives annually, aiming to increase workforce diversity. In 2023, female employees accounted for 48.7% of the total workforce, with female executives comprising 32%. For further details, please refer to the 2023 Delta ESG Report.</p>	
(3) Has the Company provided employees with a safe and healthy work environment as well as offered classes on safety and health to	√		<p><u>Occupational Health and Safety Policy</u></p> <p>The Company is dedicated to establishing and maintaining a safe, healthy, and conducive work environment by formulating an Environmental, Health, and Safety (EHS) policy. This policy encompasses seven key management aspects, demonstrating Delta's commitment and</p>	

Promoted Items	Implementation Status (Note 1)		Abstract Illustration	Deviations from the Sustainable Development Best Practice Principles for TWSE/ TPEX Listed Companies and the Reason(s)
	Yes	No		
employees on a regular basis?			<p>determination, summarized as follows: compliance with legal regulations, implementation of environmental protection and energy conservation measures, promotion of safety and health, management of EHS risks, fulfillment of product responsibilities, enhancing overall awareness, and strengthening internal and external communication. For the complete policy details, please refer to the Company's official website.</p> <p><u>Occupational Accident Statistics</u></p> <p>In the year 2023, Delta's employees in Taiwan worked over 24 million hours. There were no recorded deaths or reportable occupational diseases due to occupational accidents or illnesses. The severe occupational injury rate was 0%, and the recordable occupational injury rate was 0.56, meeting the target of 0.94 for the recordable occupational injury rate in 2023. There were 11 cases of lost-time occupational accidents, involving 11 employees, which accounted for 0.09% of the total workforce at the end of 2023. The lost-time occupational accident rate was 0.44. Additionally, there were no casualties or injuries resulting from fire incidents.</p> <p>(Occupational accident statistics are calculated according to the definitions outlined in the Occupational Safety and Health Act and the Global Reporting Initiative (GRI) guidelines for reporting significant disabling injuries.)</p> <p>Each occupational accident event should be investigated according to regulations, and improvement and preventive measures should be implemented based on the causes of the accidents. These measures include installing anti-rollback devices, machine safety interlocks, implementing smart management systems, revising operating standard procedures, and strengthening safety promotion and educational training.</p> <p><u>Employee Workplace Monitoring</u></p> <p>Delta adheres to regulatory requirements by regularly commissioning accredited occupational environmental monitoring organizations to conduct work environment monitoring. Based on the results, engineering controls and administrative measures are implemented to reduce the incidence of occupational diseases.</p> <p><u>Occupational Health and Safety Assessment</u></p> <p>Delta has implemented protocols for managing occupational health and safety inspections. Our occupational health and safety management team conducts both routine and spontaneous inspections of factory facilities. Moreover, we schedule annual cross-factory safety and health audits to foster mutual learning and observation opportunities. These audits facilitate improved communication and interaction among factory personnel regarding safety and health management practices.</p>	

Promoted Items	Implementation Status (Note 1)			Deviations from the Sustainable Development Best Practice Principles for TWSE/ TPEX Listed Companies and the Reason(s)																
	Yes	No	Summary																	
(4) Has the Company established effective career and competence development and training plans?	√		<p><u>Facility and Equipment Safety and Health Management</u></p> <p>In addition to regular inspections and maintenance, Delta ensures the safety and health of its facilities and equipment by implementing procurement and change management processes for new installations or modifications. Before procurement or changes are made, safety assessments and control measures are conducted to guarantee a safe working environment and employee health.</p> <p><u>Occupational Health and Safety Education and Training</u></p> <p>To enhance employees' knowledge and preparedness in occupational health and safety, we not only provide mandatory safety training courses in compliance with regulations and operational requirements but also utilize various methods such as email communication, posting posters on bulletin boards, and organizing safety knowledge quizzes. These initiatives aim to increase employees' awareness of workplace hazards, improve their understanding of safety and health concepts necessary for disaster prevention, and ultimately mitigate the occurrence of occupational accidents.</p> <p><u>Delta Taiwan's Occupational Health and Safety Education and Training over the Past Three Years</u></p> <table border="1"> <thead> <tr> <th>Year</th> <th>Number of Training Participants/Times</th> <th>Training Hours per Participant</th> <th>Number of Awareness Campaigns</th> </tr> </thead> <tbody> <tr> <td>2023</td> <td>13,003</td> <td>32,485</td> <td>159</td> </tr> <tr> <td>2022</td> <td>7,486</td> <td>17,489</td> <td>129</td> </tr> <tr> <td>2021</td> <td>7,166</td> <td>17,033</td> <td>171</td> </tr> </tbody> </table> <p><u>Emergency Response</u></p> <p>Delta holds multiple scheduled and unscheduled emergency response and evacuation drills each year at each of its facilities. In addition to fire emergency response and evacuation drills, comprehensive accident emergency response drills are also conducted.</p> <p><u>ISO45001 Verification Status</u></p> <p>Most of our facilities have successfully passed the ISO 45001 Occupational Health and Safety Management System verification, remaining within the certification validity period in 2024. For detailed information, please refer to the 2023 Delta ESG Report.</p> <p>To adapt to global market trends and achieve sustained globalization of business activities, Delta has implemented various policies aimed at effectively utilizing international labor, promoting workforce diversity, expanding the international perspectives of high-potential employees, and fostering international leadership. In January 2023, Delta officially announced and implemented the "Global International Rotation Policy", complemented by flexible deployment measures in various locations and offering flexible benefits for international assignments to enhance their</p>	Year	Number of Training Participants/Times	Training Hours per Participant	Number of Awareness Campaigns	2023	13,003	32,485	159	2022	7,486	17,489	129	2021	7,166	17,033	171	
Year	Number of Training Participants/Times	Training Hours per Participant	Number of Awareness Campaigns																	
2023	13,003	32,485	159																	
2022	7,486	17,489	129																	
2021	7,166	17,033	171																	

Promoted Items	Implementation Status (Note 1)			Deviations from the Sustainable Development Best Practice Principles for TWSE/ TPEX Listed Companies and the Reason(s)
	Yes	No	Summary	
(5) Does the Company comply with relevant regulations and international standards in terms of customer health and safety, customer privacy, and marketing and labeling of products and services and formulate relevant consumer protection policies and complaint procedures?	√		<p>attractiveness. Consequently, the total number of global deployments in 2023 increased by 1.5 times compared to 2022. In terms of skills improvement and career support, Delta's global occupational development committees drive the enhancement of professional skills across different job functions, with 12 committees established worldwide by 2023. Additionally, initiatives such as promoting job rotations, key talent development programs, and emerging talent development programs accelerate the development of personnel at all levels. For more details, please refer to the 2023 Delta ESG Report.</p> <p>All the Company's products are in compliance with international safety or environmental standards. We also label relevant information, such as compliance, on products or packaging in accordance with environmental regulations at the destination of the shipment. In addition, we indicate information related to conformity with environmental marks or labels, such as the US Energy Star or 80 PLUS, on product labels in line with clients' requirements for green product marketing. We also have product contact points and customer service emails in place and have formulated a product safety and warranty policy to protect clients' and consumers' rights and interests. The customer service website: https://www.deltaww.com/zh-TW/customerService is available on the Company's official website. Delta abides by the personal data protection policy, is committed to protecting the personal data collected from clients, and takes the initiative to inform them of the use of the collected personal data.</p>	
(6) Has the Company formulated supplier management policies that require suppliers to follow relevant regulations on issues, such as environmental protection, occupational safety and health, or labor rights, and the implementation results?	√		<p>We have formulated the Delta Supplier Code of Conduct in alignment with international supply chain management development trends, clients' requirements, and local laws and regulations, and it is based on our years of experience in promoting corporate sustainability. It regulates suppliers' compliance with local regulatory requirements and internationally applicable codes of conduct (such as the Responsible Business Alliance (RBA) Code of Conduct) in the aspects of climate change, labor rights, health and safety, environment, ethics, and management systems. We support the suppliers to implement the improvement measures according to the results of the due diligence research.</p>	
5. Has the Company referred to the internationally accepted report preparation standards or guidelines for its preparation of ESG or other reports which disclose the Company's non-financial information? Has the aforementioned reports obtained a third-party assurance	√		<p>The Company's ESG Report has been verified and assured by a third party. The third-party verification statement and assurance report are expected to be received before July, 2024.</p> <p>Verification: The Company appointed SGS Taiwan to verify the report in accordance with the core options of GRI Standards and high-level assurance of AA1000 AS v3 Type II. In addition, Delta obtained SGS's assurance according to the Sustainability Accounting Standards Board (SASB) standard.</p> <p>Assurance: The Company appointed PwC Taiwan to conduct a limited</p>	Compliant with the Sustainable Development Best Practice Principles for TWSE/ TPEX Listed Companies

Promoted Items	Implementation Status (Note 1)			Deviations from the Sustainable Development Best Practice Principles for TWSE/ TPEX Listed Companies and the Reason(s)
	Yes	No	Summary	
or verification statement?			assurance engagement on specific key performance information in accordance with ISAE3000.	
<p>6. If the Company has stipulated its own sustainable development principles according to the Sustainable Development Best Practice Principles for TWSE/ TPEX Listed Companies, please describe the implementation by the Company and deviations from the prescribed best practices: The Company has formulated the Delta Corporate Social Responsibility Best Practice Principles, which is implemented in day-to-day operations in terms of corporate governance, sustainable environment, social welfare, and ESG information disclosure. Please see Chapter 3 "Corporate Governance Report" of this Annual Report for the information on corporate governance. Please see Chapter 4 "Corporate Sustainability" of the 2023 annual report for the information on sustainable environment, social welfare, and ESG information disclosure.</p>				
<p>7. Other material information that can help to understand how sustainable development is promoted in the Company: Please see Chapter 4 "Corporate Sustainability" of the 2023 annual report for more information.</p>				

Climate Related Information for Listed and OTC Companies

Climate-related actions

Project	Implementation
<p>1. Describe the Board of Directors and management's oversight and governance of climate-related risks and opportunities.</p>	<p>Board of Directors Oversight: The members of Delta's Board of Directors pay close attention to the cutting-edge developments in international climate change. Climate change-related expertise is deeply integrated into the professional capabilities of the Board, overseeing issues including climate strategies, climate transition plans, greenhouse gas inventory and reduction, Internal Carbon Pricing, as well as related budgeting and implementation outcomes. The top management team members in the board of directors are Delta's Global ESG Committee Board of Directors. They represent the highest level of internal oversight for climate risks and opportunities within Delta. They actively participate in the Delta ESG Committee, as well as important meetings of sub-committees related to energy conservation, water conservation, waste reduction, and renewable energy. They directly supervise Delta's climate change risk and opportunity management.</p> <p>Management Responsibilities: The Delta ESG Committee, overseen by the Board of Directors, oversees 10 subcommittees or projects. Examples include the Carbon Management project incorporating SBT (Science-Based Targets), RE100, and EV100, among others. The Energy Conservation, Water Conservation, and Waste Reduction Committee supervises energy, water conservation and waste reduction initiatives in plants, buildings, data centers, and more. The Supply Chain ESG Committee coordinates and promotes Delta's greenhouse gas inventory and climate change response throughout the supply chain.</p> <p>The Chief Sustainability Officer reports to the Board of Directors on a quarterly basis, providing updates on climate change-related trends, as well as management progress on Delta's climate-related management. These reports include important trends, key performance, greenhouse gas reduction management, results of external ratings, and the overall effectiveness of energy and carbon management budget execution.</p>
<p>2. Describe how the identified climate risks and opportunities affect the business, strategy, and finances of the business (short, medium, and long term).</p>	<p>Short-term risk: In terms of risk groups, the current risks related to policies and regulations are mostly short-term risks, such as domestic and foreign greenhouse gas reduction requirements, carbon tax collection and related regulations, changes in customers' supplier selection criteria, greenhouse gas reduction requirements for suppliers, and the increasing severity of extreme weather events, and regulations concerning renewable energy. Delta currently has very few imports, and exports products impacted by the carbon border adjustment mechanism. If regulatory scope were to expand, it may lead to increased operating costs, increased administrative expenses, changes in renewable energy strategy, or lack of policy transparency, thereby failing to respond in time and to even being fined.</p> <p>Medium-term risk: Such as voluntary norms, uncertainties in regulations and policies, mandatory regulations for products and services, replacement of products and services by other low-carbon products and services, the cost of transitioning to low-carbon technologies, changes in product specifications by customers, increased raw material costs, consumers switching to low-carbon products, changes in rainfall patterns, drastic changes in weather patterns, and increased average temperatures span technical risks, market risks, some physical risks, and some policy and regulatory domains. The low-carbon period will bring business opportunities, but the technical needs brought about by climate change and the assessment of technical feasibility cannot be based on past experience, so there may be errors. In addition, the technical layout requires a certain amount of time and capital investment, which may cause risks such as misjudging industry trends and drawn-out payback.</p>

Project	Implementation
	<p>Long-term risks:</p> <p>Such as renewable energy regulations, encountering litigation, failure to invest in new technologies, lack of climate change contribution by companies, ESG ratings affecting investors and banks' willingness to invest, industry stigma, negative climate change news affecting the Company's image, and the rise of average sea level, may result in ineffective strategies with long-term investment costs already sunk in, or increased risk severity due to lack of adaptation measures.</p>
<p>3. Describe the financial impact of extreme weather events and transformative actions.</p>	<p>Physical risks may lead to material or cargo transportation interruption, an impact on employee commuting, reduction of employee productivity due to high temperatures, suspension of production lines due to flooding or water outage, as well as an increase in the air-conditioning cost of chillers in the plants, the cost of flood control measures, building maintenance frequency, and maintenance costs. Self-generation of solar energy for self-use is one of Delta's renewable power strategies, while weather pattern changes result in changes in the amount of sunshine, or extreme temperatures may lead to wildfires, increasing air pollutants and affecting the performance of solar panels. This will all affect the amount of renewable power generated. Transition actions will lead to an increase in expenditures or liabilities or a decrease in capital, cause an impact on or have assets scrapped, or result in financing setbacks due to the adoption of adjustment and mitigation measures or investment in low-carbon business development. However, a successful transition can also create long-term profits and lead to sustainable business development.</p> <p>Delta invested approximately US\$70 million in 2023 through its internal carbon pricing mechanism to promote investment in renewable energy and energy technology development, energy and resources management, and low-carbon innovation and initiatives. In addition, Delta took climate change factors into account, particularly in the areas of uninterruptible power system (UPS) and electric vehicle components (Auto Power), to analyze possible climate-related financial impacts. For a detailed analysis of climate risks and financial impacts, please refer to the 2023 Delta ESG Report.</p>
<p>4. Describe how climate risk identification, assessment, and management processes are integrated into the overall risk management system.</p>	<p>Climate change is one of the official issues of risk management for Delta Group Risk Management. It is integrated into overall risk management through regular risk identification, assessment, control, supervision and communication and other management procedures. Due to the unique nature of climate change, the Board of Directors has also appointed the Sustainability Committee to be responsible for identifying and managing climate risk opportunities under the TCFD framework and driving relevant response measures and solutions.</p>
<p>5. If scenario analysis is used to assess resilience to climate change risks, the scenarios, parameters, assumptions, analysis factors and major financial impacts used should be described.</p>	<p>Delta selects important topics for scenario analysis and management each year and discloses the monetary amounts of all impacts in the CDP questionnaire. For the scenarios, parameters, assumptions, analysis factors and major financial impacts used, please refer to the ESG Report of previous years.</p>
<p>6. If there is a transition plan for managing climate-related risks, describe the content of the plan, and the indicators and targets used to identify and manage physical risks and transition risks.</p>	<p>Delta's management indicators include internal carbon fund implementation efficiency, energy conservation, water conservation, and waste reduction benefits, RE100 achievement rate, and SBT achievement status. These are achieved through promoting energy conservation, water conservation, and waste reduction programs, introducing renewable electricity, promoting green buildings, investing in carbon reduction and permanent carbon removal, implementing internal carbon pricing to levy carbon fees, and investing in low-carbon innovations, and others.</p> <p>Key practices include actively implementing carbon reduction goals. Delta has established a climate-related product classification tree based on product characteristics, customer application methods, and reference to the EU Taxonomy. In addition to quantifying low-carbon revenue and</p>

Project	Implementation
	costs for the current year, Delta has also set annual expenditure targets for investment-driven renewable energy and energy technology development, energy resource management, and low-carbon innovation and initiatives.
7. If internal carbon pricing is used as a planning tool, the basis for setting the price should be stated.	Since 2021, Delta has officially introduced an internal carbon fee mechanism. The internal carbon price is set at \$300 per metric ton based on the internal and external carbon costs of global manufacturing plants, including regulatory penalties, emission trading prices, international enterprise benchmark cases, as well as the Company's investment in renewable energy solutions and purchase costs of renewable electricity. This price is consistent with the expected carbon price of 1.5°C by 2030 as stated in the IPCC Sixth Assessment Report and it has been implemented under the supervision of the Board of Directors and the Sustainability Committee. Delta's internal carbon pricing initiative supports five key decarbonization strategies towards achieving net-zero emissions: promoting energy conservation, water conservation, and waste reduction programs; adopting renewable energy; advocating for green buildings; investing in low-carbon innovation; and investing in carbon offsetting and permanent carbon removal. The three main application areas of internal carbon fees include supporting the development of renewable energy and energy technologies, resource management, and low-carbon innovation, and initiative. These efforts aim to uncover opportunities within technology, provide decision-making support for business units, and integrate carbon cost management.
8. If climate-related targets have been set, the activities covered, the scope of greenhouse gas emissions, the planning horizon, and the progress achieved each year should be specified. If carbon credits or renewable energy certificates (RECs) are used to achieve relevant targets, the source and quantity of carbon credits or RECs to be offset should be specified.	In 2022, Delta established net-zero science-based targets aligned with a 1.5°C reduction pathway. Using the year 2021 as the base year, our targets aim for a 90% reduction in absolute emissions for Scopes 1 and 2 by the year 2030, and a 25% reduction for Scope 3 emissions. By 2050, we aim to achieve net-zero emissions. In the year 2023, the global emissions of greenhouse gases (market-based) for Scopes 1 and 2 amounted to 132,275 metric tons of carbon dioxide equivalent*, representing a reduction of 39.0%* compared to the base year. The primary reduction strategies include the installation of on-site solar power generation facilities, entering into long-term agreements for direct purchase of renewable energy, purchasing green electricity products, and acquiring 179,662 thousand kWh of unbundled energy attribute certificates. The emissions of greenhouse gases in Scope 3 were 7,160,049 metric tons of carbon dioxide equivalent*, an increase of 37.6%* compared to the base year. Please refer to the 2023 Delta ESG Report for detailed progress on each indicator.
9. Greenhouse Gas Inventory and Verification Status and Reduction Targets, Strategies, and Specific Action Plans (fill in 1-1 and 1-2 additionally).	Since 2017, Delta's overall production plants have been verified annually according to ISO 14064-1. Since 2022, all global operation sites have been verified annually according to ISO 14064-1. For greenhouse gas inventory data, please refer to the 2023 Delta ESG Report.

* The greenhouse gas emissions data from Delta's global operation sites for the year 2023 are currently undergoing assurance.

1-1 Recent Two-Year GHG Inventory and Assurance Efforts

1-1-1 Greenhouse Gas Inventory

Specify the emissions (metric tons CO₂e), intensity (metric tons CO₂e/NT\$ million), and data coverage for the greenhouse gases in the past two years.

The greenhouse gas emissions information of our company is shown in the following table:

Category	2022	2023
The Company and Subsidiaries		
Scope 1 and 2 Greenhouse Gas Emissions (metric tons CO ₂ e) - by Location-based	434,254	490,474*
Scope 1 and 2 Greenhouse Gas Emissions (metric tons CO ₂ e) - by Market-based	187,645	132,275*
Carbon Intensity (metric tons CO ₂ e/Production value MUSD) - by Market-based	17.1	11.3*
Carbon Intensity (metric tons CO ₂ e/Revenue NT\$ million) - by Market-based	0.49	0.33*
The Company		
Scope 1 and 2 Greenhouse Gas Emissions (metric tons CO ₂ e) - by Location-based	49,356	53,551
Scope 1 and 2 Greenhouse Gas Emissions (metric tons CO ₂ e) - by Market-based	32,275	14,214
Carbon Intensity (metric tons CO ₂ e/Revenue NT\$ million) - by Market-based	0.39	0.16

1-1-2 Greenhouse Gas Assurance Efforts

Explanation of the assured situation for the two most recent fiscal years as of the printing date of the annual report, including the scope of assurance, assurance institutions, assurance criteria, and assurance opinions.

The greenhouse gas emissions in Scope 1 and Scope 2 of the Company in 2022 and 2023 were 100% verified by SGS. The details are as follows:

Scope of Assurance: The Company

Assurance Institutions: SGS Taiwan Ltd.

Assurance Criteria: ISO 14064-3

Assurance Opinion: Reasonable Level of Assurance

The greenhouse gas emissions of our global operation sites in 2022 and 2023 were 100% verified by SGS. The details are as follows (currently undergoing assurance):

Scope of Assurance: Global operation sites including the Company and subsidiaries.

Assurance Institutions: SGS Taiwan Ltd.

Assurance Criteria: ISO 14064-3

Assurance Opinion: Limited Level of Assurance

1-2 Greenhouse Gas Reduction Targets, Strategies, and Action Plans

Provide information on the base year and data, reduction targets, strategies, specific action plans, and the achievement of reduction targets for greenhouse gas emissions.

GHG Reduction Targets: In 2022, our Company established net-zero science-based target aligned with a 1.5°C reduction pathway. Using the year 2021 as the base year, our targets aim for a 90% reduction in absolute emissions for Scopes 1 and 2 by the year 2030, and a 25% reduction for Scope 3. By 2050, we aim to achieve net-zero emissions.

Strategy and Action Plan: Our Company actively aligns with international initiatives. Since 2015, we have been implementing the We Mean Business approach, which includes “Adopt a Science-Based Target”, “Report Climate Change Information in Mainstream Reports as A Fiduciary Duty”, “Responsible Corporate Engagement in Climate Policy”, and the transition to electric vehicles and expansion of charging facilities. In 2021, we also pledged to “use 100% renewable electricity” and joined the “Business Ambition for 1.5°C” campaign to actively respond to the United Nations’ Race to Zero initiative. By continuously promoting energy-saving solutions, adopting renewable electricity, promoting green buildings, implementing internal carbon pricing, investing in low-carbon innovation, carbon offset, and permanent carbon removal and other strategies, we are committed to limiting global temperature rise to 1.5°C above pre-industrial levels and achieving net-zero emissions by 2050.

Achievement of Targets: In 2023, the global operation sites’ greenhouse gases emissions (market-based) in Scope 1 and 2 were 132,275 metric tons of carbon dioxide equivalent*, a reduction of 39.0%* compared to the base year’s emissions of 216,891 metric tons of carbon dioxide equivalent. The emissions of greenhouse gases in Scope 3 were 7,160,049 metric tons of carbon dioxide equivalent*, an increase of 37.6%* compared to the base year’s emissions of 5,203,942 metric tons of carbon dioxide equivalent.

* The greenhouse gas emissions data from Delta’s global operation sites for the year 2023 are currently undergoing assurance.