



Delta Group's Product Carbon Footprint Strategies

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Delta Electronics, Inc. (including but not limited to Delta's affiliates, hereinafter collectively referred to as "Delta Group"), living up to the business mission of "To provide innovative, clean and energy-efficient solutions for a better tomorrow", attaches great importance to the impact of products and solutions on the environment during their life cycles and is committed to reducing their carbon footprint at each life cycle stage and inviting value chain partners to jointly reduce carbon emissions, thereby achieving the net zero goal. Since 2010, Delta Group has selected representative products to conduct carbon footprint research with the life cycle assessment methodology and has obtained the PAS 2050 and the ISO 14067 statements. Delta's Supply Chain ESG Committee has joined hands with various business groups to comprehensively launch the Delta Group Product Carbon Footprint System Project in 2022, and the project members need to regularly report to the ESG Committee. The specific strategies adopted include:

1. Paying close attention to international trends for carbon border taxes and taking inventory of and calculating the carbon footprint of products in accordance with international standards to ensure that the methodology used and data quality are aligned with the requirements.
2. Establishing a business group product carbon footprint task force to enhance the concept and knowledge of the carbon footprint for each functional group at each stage of the life cycle, thereby developing low-carbon products in the long term.



3. Adopting an international carbon factor database, while requiring material suppliers to provide carbon emissions data to continuously update Delta's material carbon emissions database.
4. Analyzing product carbon footprint hotspots and carbon reduction opportunities and planning carbon footprint reduction actions by taking into account circular business models, product green designs, collaboration with low-carbon raw material suppliers, plants' energy efficiency and renewable energy powered-operations, establishment of green logistics, and waste management.
5. Achieving short-, mid- and long-term strategic goals:
 - Short-term: implement the pilot projects of various business groups' products.
 - Mid-term: have each business group independently enhance its ability to promote product carbon footprints, launch quantification programs, and establish mechanisms to respond to clients' requirements for product carbon footprints.
 - Long-term: include all important products in Delta's product carbon footprint counting system to accelerate low-carbon products development and product carbon footprint reduction that aligns with international trends, client requirements, and relevant regulations. Furthermore, engage, communicate with and encourage business partners to reduce their product carbon footprints.

Chief Operations Officer

Simon Chang



Appendix: Term Definition

Life Cycle Assessment (LCA)

LCA refers to an assessment of the potential impact of the input and the output on the environment during the life cycle from raw material acquisition through final disposal in the product system.

Product carbon footprint (PCF)

PCF refers to the calculation of the greenhouse gas emissions from a product throughout its life cycle, from raw material acquisition, product manufacturing (or service provision), transportation and delivery, use to final disposal and recycling, with the LCA methodology, and the result is presented in carbon dioxide equivalent (CO₂e).