

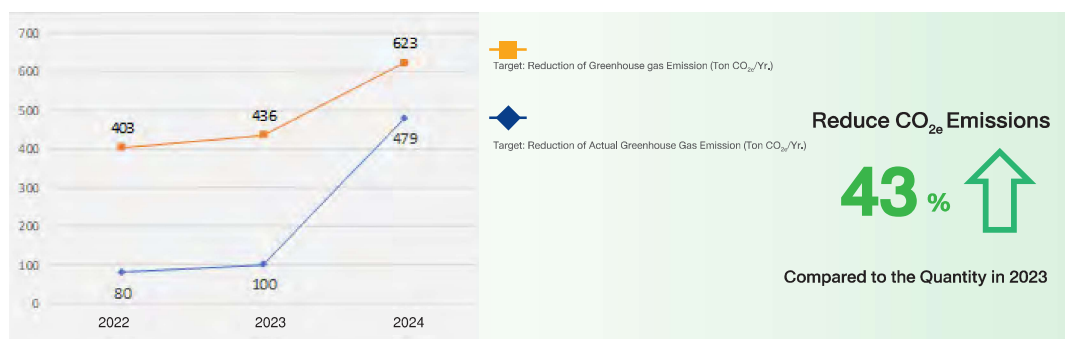
Greenhouse Gas Reduction Management

The company prioritizes greenhouse gas (GHG) reduction management. It has identified that the business activities with the highest greenhouse gas emissions are electricity consumption from air conditioning systems in office buildings and fuel consumption from company vehicles.

To address this, the company has implemented continuous maintenance measures for air conditioning systems as part of its energy conservation plan throughout 2024. Additionally, the company has installed a Solar Rooftop system to reduce electricity consumption in production processes. This initiative helps lower greenhouse gas emissions resulting from electricity generation.

Greenhouse Gas Emission Activities

The company's business activities contribute to greenhouse gas emissions across the entire value chain, from upstream to downstream. However, emissions occur solely through direct emissions, with no indirect emissions involved. The results of the company's GHG reduction efforts are summarized as follows:



Goals, approaches, and strategies to reduce greenhouse gas emission from future business operations.

Reducing greenhouse gas emissions	Year 2022	Year 2022	Year 2024
Greenhouse gas emission reduction target (Ton CO ₂ e/Yr.)	80	100	479
Actual Greenhouse Gas Emission Reduction (Ton CO ₂ e/Yr.)	403	436	623

Note: The company has calculated CO₂e emissions based on the guidelines provided by its customers as the primary criteria for implementing greenhouse gas reduction measures.

The company categorizes greenhouse gas emissions into two scopes, covering both direct and indirect emissions, as follows:

Energy consumption	unit	Evaluation results
Scope 1 Greenhouse Gas Emissions	Tons of carbon dioxide equivalent (Ton CO ₂ e)	153
Scope 2 Greenhouse Gas Emissions	Tons of carbon dioxide equivalent (Ton CO ₂ e)	2,511

Goals, Strategies, and Approaches for Future Greenhouse Gas Reduction in Business

Goal

In 2024, the company aims to reduce greenhouse gas (CO₂e) emissions by 10% compared to 2023 while identifying all potential sources of emissions within the organization. The key strategies include:

- Upgrading machinery and electrical equipment with low energy efficiency to high-efficiency alternatives to reduce energy consumption, such as replacing hydraulic injection molding machines with electric ones.
- Exploring the expansion of Solar Rooftop installations in 2024 to generate electricity for production machinery.

Company Policies and Approaches to Innovation

The company has implemented an automatic gate-cutting system using Take-out Robots to enhance production efficiency. This innovation helps reduce labor dependency and improves precision in part cutting.

Results Achieved:

1. Increased process stability - Robots ensure high-precision gate-cutting, reducing errors caused by worker fatigue and improving product consistency.
2. Reduced cycle time & increased productivity - More parts can be produced per hour, enhancing overall production efficiency.
3. Addressed labor shortages - Many industries face workforce shortages, and automation helps reduce reliance on manual labor, decreasing turnover rates and absenteeism in production lines.
4. Minimized human errors (Human Error Reduction).

Sustainability Performance Indicators (ESG Metrics)

Sustainability Performance Indicators (SPIs) are essential tools for measuring and evaluating an organization's economic, social, and environmental performance under Environmental, Social, and Governance (ESG) principles. These indicators are categorized into:

1. Environmental (E)

Focus on Resource Management & Environmental Impact

- Carbon Footprint Reduction - Measures annual CO₂ emissions.
- Renewable Energy Usage - Percentage of clean energy usage compared to total energy consumption.
- Waste Management - Recycling rates or waste reduction measures.
- Efficient Water Usage - Water consumption per unit of production.
- Pollution Reduction - Controls over air pollution, noise, and chemical emissions.

2. Social (S)

Focus on Employee, Community & Stakeholder Responsibility

- Workplace Safety - Measures accident rates (Lost Time Injury Frequency Rate - LTIFR).
- Employee Satisfaction - Engagement and satisfaction survey results.
- Diversity & Inclusion - Workforce diversity in terms of gender, age, and inclusion policies.

- Community Development - Budget and projects aimed at improving community well-being.
- Human Rights Protection - Policies against child labor and discrimination.

3. Governance (G)

Focus on Transparent & Ethical Business Operations

- Board Structure - Percentage of independent directors and female board members.
- Anti-Corruption Measures - Number of employee training sessions on ethics and compliance.
- Financial Transparency - Compliance with international financial disclosure standards.
- Risk Management - Number of risk mitigation plans tested.
- ESG Integration - ESG principles incorporated into corporate strategies.

Applying ESG principles contributes to long-term economic value creation:

- Economic Value Added (EVA) - Net profit after deducting capital costs.
- Green Revenue - Revenue from environmentally friendly products/services.
- Local Employment - Percentage of local employees in the workforce.
- Sustainable Supply Chain - Number of suppliers assessed under ESG criteria.