



Ability Enterprise Co., LTD. and its affiliates

Corporate Sustainability Policy

Ability adopts its corporate social responsibility that cover environment (E), social (S), and governance (G) aspects. The objects of corporate governance responsibility are the stakeholders such as government, shareholders, customers, employees, suppliers, etc.; the objects of sustainable environmental responsibility are natural ecology, environmental resources, and green products; the objects of social welfare responsibility are company employees and public affairs related to society. To seek sustainable corporate operation and development, fulfill corporate social responsibility, satisfy social requirements, specifications, and value, and return to society, Ability has established its sustainability policy for observation.

- Observe social responsibility specifications and comply with regulations and customer requirements
- Maintain favorable corporate governance and strictly adhere to business ethics and specifications
- Green products with energy-saving, environmental protection, toxic-free, and recyclable designs
- Provide safe work environments and actively invest in social welfare



Sustainable Policy in Environmental Aspect

- **Product life cycle development Policy**

Ability is committed to providing low-carbon, low-power solutions in product development and production. Our product design is based on the principles of easy disassembly, recyclability and green design, and lists environmental sustainability as the most important and important goal. We are committed to considering the product life cycle concept during product design and production, reducing the impact of products and services on the environment throughout their entire life cycle, and improving the social and economic performance of products and services, from the production and extraction of raw materials and energy, to the production and use process, and to the final stage of disposal or recycling. We support the research and development and production of sustainable innovative products, avoid the use of harmful materials and chemicals in product design to ensure the production and use of sustainable products, reduce carbon emissions and other negative impacts on the environment, and encourage employees to actively participate in and promote Ability's sustainable innovation policy, emphasizing environmental and social responsibility in corporate culture and values.

- **Chemicals and hazardous substances use and management Policy**

To protect the health of our employees and the safety of the environment, Ability takes a cautious attitude towards the use of chemical substances and complies with the regulations on specific chemical substances in relevant regulations, strictly requiring the restriction or prohibition of the use of listed hazardous chemical substances. The chemicals used by Ability must be classified, labeled and used in accordance with the "Hazardous Chemical Labeling and General Knowledge Rules" of the Occupational Safety and Health Act, and relevant corresponding and supporting implementation methods must be planned. At the same time, Ability attaches great importance to the management of the restriction of hazardous substances. It has introduced the GPMS (Green Product Management System) green product management system and implemented response measures in advance in terms of management and technology, including adjusting the internal division of labor and related responsibilities; formulating, issuing and implementing relevant green management standards, formulating technical standards for banned substances, establishing an electronic green information platform, and announcing relevant banned substance requirements and standards on the Green Supply Chain Management Platform (GSM) for suppliers to follow.

- **Energy and greenhouse gas management policies**

Ability is committed to improving energy efficiency, implementing energy efficiency programs, reducing energy demand in buildings, manufacturing, daily operations, transportation, electronic equipment and service provision or other purposes, and reducing greenhouse gas emissions. Other efforts are also being made to promote the sustainable use of renewable resources such as solar, geothermal, hydroelectric, tidal, wind and biomass.

- **Water resources Policy**

Access to safe and reliable supply of drinking water and sanitation is a basic human need. Ability is committed to saving, reducing and reusing water in routine operations and promoting water conservation within its sphere of influence.

- **Waste Policy**

Ability is committed to continuously promoting green product design and waste management measures, establishing a standard process for waste treatment, and proposing improvement plans to reduce waste generation. Through strict classification and management mechanisms, we ensure that waste is stored, transported, recycled or ultimately incinerated and buried to minimize impact on the environment, and to increase the recycling and reuse of sustainable resources, to achieve the goals of effective management and waste reduction.



- **Climate change management Policy**

Ability is responsible for greenhouse gas emissions (directly or indirectly) and are affected by climate change in one way or another. Ability commits to taking preferred measures to gradually reduce and minimize direct and indirect greenhouse gas emissions within its control and to encourage similar actions within its sphere of influence; to consider future climate projections to identify risks and integrate climate change adaptation into its own decision-making process; to identify opportunities to avoid or minimize damage related to climate change and, where possible, to take advantage of opportunities to adjust to changes; and to plan for climate change (adaptation) where it makes sense for the organization. Adapting to climate change will contribute to society through impacts on health, prosperity and human rights.

- **Environmental monitoring and communication Policy**

Ability has the responsibility to protect and maintain the overall environment. We promise to regularly monitor environmental performance indicators, objectively measure the impact of Ability's environmental policies and actions, regularly or irregularly participate in dialogue and communication with internal and external stakeholders to promote a common understanding of environmental issues, considerations and performance, and report the results to senior management to enable them to decide on necessary actions to achieve environmental policies and goals.

- **Conflict Minerals Policy**

Ability continues to pay attention to the issue of conflict minerals and is committed to conducting a thorough investigation of the supply chain, fulfilling its corporate citizenship responsibilities, not using or purchasing metal minerals from conflict areas and human rights violations in the Democratic Republic of the Congo ("conflict minerals"), and taking relevant measures to avoid the use of such conflict minerals in products, including requiring suppliers to conduct a thorough investigation of whether the sources of gold (Au), tantalum (Ta), tungsten (W), tin (Sn), cobalt (Co) and mica (Mica) in their products come from conflict areas in the Democratic Republic of the Congo and neighboring countries, and requiring suppliers to provide information obtained from the investigation when necessary, requiring suppliers to commit to using responsible sources of minerals and strive to ensure that the minerals used in the products will not bring profits to armed conflicts and infringe on human rights.



Sustainable Policy in Social Aspect

● **Human Rights Policy**

1. Protecting human rights in the workplace
Ability prohibits the employment of child labor, discrimination, sexual harassment, forced labor and other human rights violations. Ability complies with relevant laws and industry standards on working hours, advocates diversity and equality, employs employees with disabilities, and provides employees with indigenous identity with the right to take leave during seasonal festivals in accordance with the law, in order to create a diverse, open, equal and discrimination- and harassment-free work environment.
2. Implement equal pay for equal work
In addition to not discriminating against employees based on gender or sexual orientation, Ability also continues to pay attention to issues related to gender pay gaps and fulfills its corporate social responsibility.
3. Promote labor-management harmony
Ability provides diverse and smooth labor-management communication channels and holds labor-management meetings regularly to discuss employee rights and welfare issues in order to protect employee rights, promote labor-management harmony, enhance labor-management relations, and create a friendly workplace environment.
4. Personal Data Protection
Ability strictly abides by the relevant laws on personal data protection and ensures that the collection, processing and use of personal data are in compliance with the laws and regulations to safeguard and protect the rights and interests of personal data.
5. Human rights and social responsibility
Human rights are basic rights enjoyed by everyone, and respect for human rights is essential to achieving the rule of law and social justice and fairness. Ability accepts its responsibility to respect human rights, including within its sphere of influence.

● **Diversity and inclusion Policy**

1. Gender-friendly
Our company provides diversified employment and inclusiveness to enable employees to live and work in peace and contentment. We provide birth gifts to encourage employees to go all out for the long-term development of the company. In addition to providing employees with statutory rights such as parental leave without pay and reduced working hours for children under three years old who need to take care of their children, we also provide a comprehensive leave management system so that employees can use it flexibly to take care of their children. There is a nursing room for employees to use, and a breastfeeding policy is in place to encourage and support breastfeeding. If a colleague needs a long-term leave due to military service, personal training, serious injury or illness, he or she may apply for leave without pay and then apply for reinstatement after the period expires, so as to balance the needs of personal development and family care.
2. People with disabilities
Caring for the disadvantaged in society, Ability employs disabled people to help them integrate into the society.
3. Eliminate discrimination and prohibit child labor
Ability insists that every employee should be treated fairly and respected, respects and supports internationally recognized human rights norms and principles, and formulates corporate social responsibility regulations and relevant employee rights protection operating procedures. Provide equal job opportunities to job seekers and every employee, protect employees' basic human rights; promote the Gender Equality Act and various policies and measures for the prevention of sexual harassment, and create an environment of gender equality in the workplace. Ability also strictly abides by the labor laws of the national governments of each factory area, and prohibits the company and all suppliers of the group from employing child labor. If found, they will be punished.



- **Salary and benefits Policy**

Ability has a good business philosophy, corporate image and salary and benefits system, which can attract outstanding talents and retain them. Ability adjusts salaries based on market salary levels, economic trends and individual performance to maintain overall salary competitiveness and retain outstanding talent. In order to attract and retain outstanding talents and enable employees to share operating results with the company, Ability provides dividends, performance bonuses and benefits to employees based on their job responsibilities, combined with company operations and personal performance, so that they can work together to achieve profit sharing for Ability's operating performance. In addition, Ability provides a variety of employee relations activities, including high-quality working environment, welfare committee subsidies, welfare measures, physical, mental and spiritual growth activities, irregular seasonal activities, etc., so that employees can enjoy their work and be more energetic.

- **Talent development and training Policy**

Ability adheres to the concept that talent is the foundation of the enterprise and provides employees with diverse and flexible learning channels and information. Through the On-Job, Off-Job, e-Learning education and training system and the library reading room, e-book/magazine resources, we help employees develop their talents and enhance their competitiveness. Under the concept of "continuous learning" and "pursuit of excellence", we integrate internal and external resources to provide employees with learning and growth opportunities, so that employees and Ability can learn and grow together and pass on Ability's long-term accumulated expertise and technology. Ability also provides transparent promotion systems and opportunities to facilitate the sustainable development of talents and enterprises. We uphold the principles of fairness and objectivity, and promote outstanding talents based on their personal abilities and diversity. Every year, based on performance appraisal results and seniority chains, we draft promotion proposals for senior management to review and announce promotions regularly to ensure that outstanding talents receive appropriate rewards and retain talents to create a better future with Ability.

- **Occupational safety and health Policy for employees and workers**

Our company maintains an occupational safety and health management system and establishes the concept of preventive cost in internal management. We are committed to eliminating hazards and reducing safety and health risks to avoid accidents. We manage each operation from the source with a process-oriented approach, and do preparation and prevention work first, so that everything is done right the first time to prevent losses caused by personal injury. We establish good participation and consultation channels, and comply with safety and health-related laws and regulations and obligations. Ability also provides safe and hygienic working conditions and personnel safety and health promotion activities, and implements a reasonable and step-by-step continuously improved safety and health system.

- **Social communication and public welfare Policy**

Ability supports and participates in social care activities. Through external demands or volunteer units, we understand the needs of disadvantaged groups in various sectors and plan for sustainable operations. In addition to donating money, materials, and camera products to charity groups, Ability also participates in volunteer activities, participates in social care, actively encourages employees to participate in and respond to government corporate volunteer advocacy, and continuously plans and participates in regular and irregular charity activities. It started with volunteer activities of "community service" and "care for the disadvantaged", and gradually extended its tentacles to other areas that need care. We hope to gather Ability's cohesion through employees' spontaneous participation in charity activities and fulfill our corporate social responsibility through practical actions.



Sustainable Policy in Governance Aspect

- **Corporate Governance Policy**

Ability actively promotes and practices sustainable governance, formulates relevant policies, management guidelines and specific implementation plans to enhance the sustainable value of the enterprise. In order to establish a good corporate governance culture, we comply with laws and policies and formulate various codes of conduct, such as the "Corporate Governance Code of Practice" and the "Sustainable Development Code of Practice".

- **Integrity management and anti-corruption Policy**

Ability conducts business activities based on the principle of integrity and good faith and abides by the laws of the place where it does business. In order to effectively promote the integrity management policy, Ability has established the "Integrity Management Code" and "Code of Ethical Conduct", which have been approved by the Board of Directors to regulate Ability's relevant personnel, including directors, managers, employees and those with actual control capabilities. In the course of engaging in business activities, they shall not directly or indirectly provide, promise, request or accept any improper benefits, or engage in other acts that violate integrity or conflicts of interest. When employees join Ability, they are given guidance and training on work rules, management systems, integrity and professional ethics. At the same time, suppliers are required to sign the Supplier Social Responsibility Agreement, which stipulates that they must abide by the amfori BSCI Code of Conduct and engage in ethical business practices, and there must be no fraud, money laundering, corruption or violation of fair trade. Ability also actively cooperates with customers' requirements for corporate social responsibility and is committed to anti-corruption ethical standards.

- **Risk management Policy**

Ability guards against various unpredictable potential risks through the Risk Management Operating Procedures, assesses the possibility of risk occurrence, provides appropriate risk management to stakeholders, minimizes possible risks, and ensures Ability's continued operation and sustainable development.

- **Information Security Policy**

In order to maintain the confidentiality, integrity, availability and legality of Ability's information and protect information assets from damage from both inside and outside, whether it is man-made, intentional or accidental, which may affect Ability's operations or damage the company's rights and interests, an information security policy is formulated as a standard for implementing various information security measures.

1. Protect information from unauthorized use.
2. Prevent information disclosure to unauthorized persons and maintain information confidentiality.
3. Prevent unauthorized persons from tampering with information and protect the integrity of information.
4. Legitimate users obtain the required information in a timely manner.
5. Comply with relevant laws and regulations on information security and avoid using illegal software.
6. Establish a system backup mechanism to maintain the sustainable operation of Ability's business.
7. Provide information security training to employees to enhance overall security awareness.
8. Build information security control equipment to detect security loopholes in a timely manner to prevent computer hacker intrusion and virus damage.
9. Establish an instant notification system so that timely response measures can be taken when a security incident occurs.



- **Sustainable supply chain/supplier sustainable procurement Policy**

1. Suppliers (including contractors, outsourcers, etc.) provide Ability with good parts and/or services. Before cooperating with suppliers, in addition to considering quality, price, delivery, production and technology (QCDST) factors, Ability also requires suppliers to be committed to environmental protection, occupational safety and health, and labor human rights, and to continuously strive towards "green design", "clean production" and "energy saving and carbon reduction" in design, supply chain management and manufacturing to fulfill their corporate social responsibility.
2. To protect the rights and interests of those who use our products, Ability is committed to maintaining the safety of our products, providing safe and convenient warehousing and operational safety management, and conducting regular/irregular safety training, performing security threat risk assessment and risk management processes, and evaluating and implementing necessary risk reduction and control measures to improve supply chain safety management.
3. Ability continues to promote the localization of the supply chain and encourages suppliers to join the green electronic information platform of e-procurement system platform and green supply chain management (GSM) to reduce transportation costs and achieve paperless purpose. In accordance with customer requirements, laws and regulations and international trends, Ability has formulated internal procedures including promotion, requirements, audits and evaluations of suppliers to carry out a sustainable supply chain management cycle. Through sustainable supply chain management, Ability can reduce business risks, help Ability fulfill its social responsibilities, comply with ESG international trends, and achieve the goal of sustainable business operations.