

IBASE Technology Inc.

2022 ESG Report





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Message from the Management



In recent years, many companies have shifted their focus overseas due to cost considerations. However, we adhere to the fundamental strategy of operating in Taiwan. Even under the challenge of the COVID-19 pandemic, we continue to increase investment in Taiwan to strengthen local manufacturing capacity. In addition to the Pingzhen plant, which opened in 2022, business expansion needs of the Taipei main office led IBASE to purchase an additional 1,762 square meters of office space in Nangang Software Park in 2022. Our Pingzhen factory provides a friendly workplace environment, providing various leisure facilities and employee lounges to create a more comfortable, safe and high-quality humanized working environment. We constantly create job opportunities and promote local business prosperity, thereby creating more business value for the enterprise.

In response to the global trend of achieving net-zero carbon emissions by 2050 and in line with the "Climate Change Response Act" announced by the government, IBASE is launching a series of sustainable development initiatives, assessing carbon emission risks, strengthening environmental management and improving various environmental control operations to reduce the negative impact on the environment. We will gradually introduce the ISO 14064-1 greenhouse gas inventory standard and our Pingzhen factory will install a 430KW green energy power generation system in 2023, contributing to environmental sustainability.

In terms of supply chain management, IBASE has a complete supplier audit and evaluation system. We evaluate suppliers in Taiwan every year to ensure that they comply with regulations and requirements in terms of products, quality, technology, environmental safety and hygiene. Our raw material suppliers strictly comply with REACH and RoHs standards regarding restriction in the use of various chemicals and hazardous substances.

Cultivating talents has always been the foundation for IBASE's sustainable operations. We carry out various internal and external training programs to cultivate and enhance the knowledge and skills of employees, and to strengthen their core professional capabilities to promote the balanced development of employees' body, mind and spirit, and build extensive and rich human resources.

Looking forward to the future, IBASE will not only pursue corporate profit growth, but will also continue to strengthen corporate governance, safeguard shareholder rights, develop more green products to reduce negative impact on the environment, care for employees and take care of their physical and mental health and safety, and actively participate in various public welfare activities. These are our commitments in terms of ESG (environment, society, corporate governance) sustainable development.

IBASE Chairman

Chin Shi Lw





Editorial Philosophy

In pursuit of corporate sustainability and information transparency, IBASE has issued the 2022 Sustainability Report. Throughout the report, we aim to share with our stakeholders the measures we have taken and the performance we have achieved under the goal of sustainable management by continuously building of integrity governance, the implementation of environmental protection and occupational safety measures and the improvement of employees' salaries and benefits. At the same time, IBASE welcomes stakeholders to provide valuable suggestions and constructive criticism for us to make great strides in the implementation of sustainable business operations.



Boundaries and Scope of the Report

This report discloses business information covering the period from January 1, 2022 to December 31, 2022. The scope of the information in the report includes the factories and operations of IBASE in Taiwan, not including those of its subsidiaries. The checking and attesting of financial statements are in accordance with International Financial Reporting Standards (IFRS), consistent with the data disclosed in the company's individual financial reports. Other data are collected by the responsible departments and checked by their department heads using international common index calculation methods. If part of the content spans operating activities in different years or regions, such cases will be explained separately in the text of this report.



Basis of the Report

The information disclosed in this report is prepared in accordance with the core options of the Sustainability Reporting Standards 2021 (GRI Standards 2021, GRI Standards 2021) issued by the Global Reporting Initiative (GRI), Operating Measures for the Preparation and Reporting of Sustainability Reports by OTC Companies. An index of the content of the GRI Guidelines is provided in the appendix of this report. All production operations of IBASE are located in Taiwan: Sanchong, Xinzhuang and Pingzhen. All the three factories and the main office in Nangang, Taipei have earned ISO certifications.

All production operations of IBASE are located in Taiwan: Sanchong, Xinzhuang and Pingzhen. The greenhouse gas emission data in this report have been confirmed internally and have not been subject to external verification.

ISO Type	Validity Period	Scope of Certification
ISO 9001:2015	25/12/2022	Nangang, Sanchong, Xinzhuang and Pingzhen
ISO 13485:2016	28/02/2025	Nangang, Sanchong and Xinzhuang
ISO 14001:2015	30/10/2024	Sanchong and Pingzhen
ISO 27001:2013	14/10/2024	ERP system and the server room of Nangang, Xinzhuang and Pingzhen.



Issue Frequency

This is the second ESG report published in accordance with the Global Reporting Initiative (GRI) standards. IBASE Technology shall release an ESG report every year, which shall also be available on the company's website to enhance the transparency of corporation operations.

Current release date: September 2023

Next release date: June 2024



Feedback

If you have any suggestions or comments about this report, please contact us.

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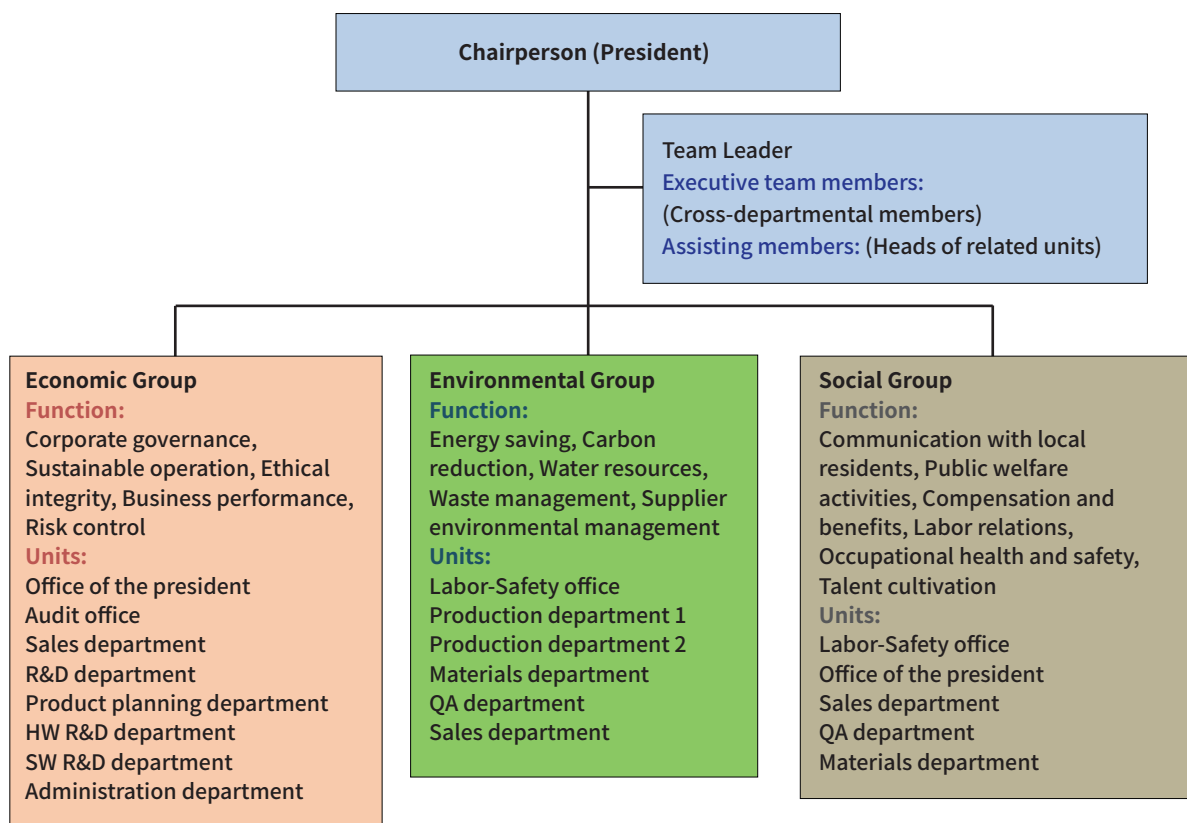
1. Identification of Stakeholders and Major Themes

1.1 Sustainability Team

The chairman of IBASE authorizes the president to set up the Sustainability Committee and appoints him as the Chairperson. The Sustainability Committee formulates the sustainable development policy and is responsible for its implementation within the company, gradually integrating the philosophy of sustainable business into the corporate culture of IBASE.

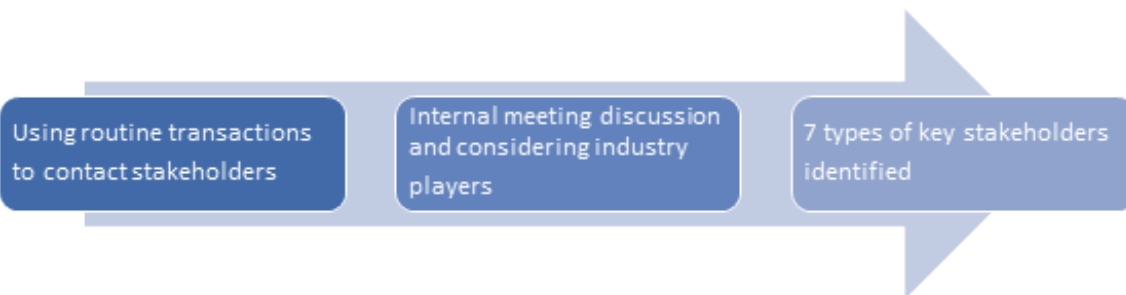
In response to sustainable development encompassing environmental, social and corporate governance and other areas, the Sustainability Committee has set up a special group that is responsible for collecting stakeholders' feedback regarding environmental protection, occupational safety, supply chain management, labor rights and working conditions and corporate governance. There is a special section in the company's website set up for stakeholders to voice their concerns and opinions on important sustainability issues. IBASE shall report the ESG implementation status to the Board of Directors each year to ensure that they are updated with the latest developments.

Sustainability Team



1.2 Identification of Stakeholders

Identification of Key Stakeholders



Stakeholders are groups of people or entities that influence or are highly impacted by IBASE. Each department in IBASE conducts preliminary screenings of stakeholders involved in routine business transactions. Seven categories were identified based on the interaction frequency, mutual influence and importance to each other and to IBASE and through internal meeting discussions. Key stakeholders include shareholders/investors, customers, employees, suppliers, contractors, local communities and government agencies.

1.3 Stakeholders Communication Channels and Issues of Concern

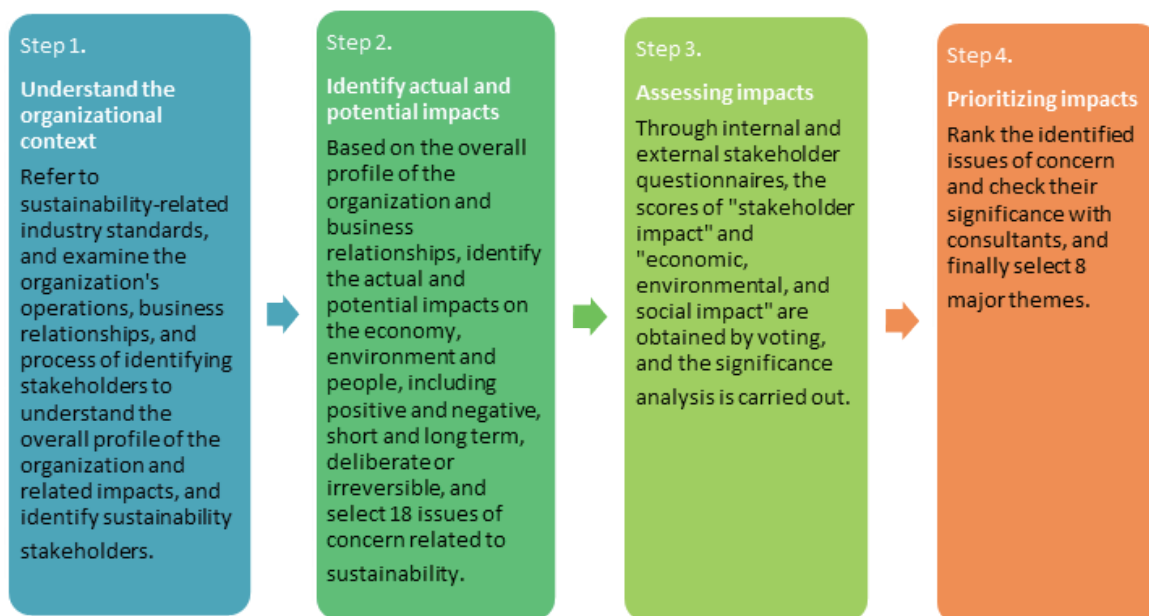
The main stakeholders of IBASE have different backgrounds and therefore pay attention to different aspects of the company. IBASE departments actively engage with stakeholders through various channels to ensure they understand the company's operation in a timely manner. At the same time, IBASE understands the requirements and expectations of stakeholders for the company and responds appropriately. The company reports the communication situation of major stakeholders to the Board of Directors each year.

Each department collects information regarding the concerns raised by the main stakeholders and forwards them to the Sustainability Committee. Using the 2021 edition of the GRI Sustainability Reporting Standards and the industry's ESG report as references, sustainability issues are summarized, encompassing economic, environment and societal aspects.

Major Keholders	Importance to The Company	Key Points	Communication Channel/Frequency
Shareholders/ Investors	Shareholders are the capital contributors of the company and the company protects the rights and interests of shareholders. IBASE treats all shareholders fairly and ensures that shareholders have the right to fully know, participate and make decisions on major issues of the company.	<ul style="list-style-type: none"> • Operation performance • Market image • Regulatory compliance 	<ul style="list-style-type: none"> • Annual General Meeting of Shareholders / once a year • Public information posting and company website to announce important information/ at any time • Company website email, telephone / at anytime • Contact window: Spokesperson, Acting spokesperson/ at anytime
Customers	Customers constitute the main source of the company's profits. The company is committed to ensuring good quality of products and maintaining good interaction with customers.	<ul style="list-style-type: none"> • R&D innovation • Regulatory compliance • Product quality • Supply chain management 	<ul style="list-style-type: none"> • Customer service satisfaction survey / every year • All locations of operations / at anytime • Company website, department phone numbers / at anytime • Contact window: customer service / at anytime
Suppliers	The company product relies on supplier partners to provide stable supply of raw materials and components for production.	<ul style="list-style-type: none"> • Supplier management • Regulatory compliance • Energy reduction and carbon reduction 	<ul style="list-style-type: none"> • Supplier evaluation / periodic • Confidentiality contract/ at business dealings • Contact window: Administration department / at anytime
Employees	Employees form the indispensable backbone of the company's operations. The company provides competitive salary and benefit packages to retain talented employees and is committed to creating a workplace environment that takes care of their physical wellbeing and boosts their mental health.	<ul style="list-style-type: none"> • Ethical integrity • Operations performance • Salary and benefits • Labor relations • Occupational health and safety 	<ul style="list-style-type: none"> • Labor-management meeting/quarterly • Department heads communication / at any time • Employee suggestion mailbox, telephone / at anytime • Contact window: Human resources manager / at anytime
Subcontractors	Outsourcing certain professional jobs to professional manufacturers to facilitate the smooth operation of the factory.	<ul style="list-style-type: none"> • Supplier management • Regulatory compliance • Occupational health and safety 	<ul style="list-style-type: none"> • Supplier evaluation / periodic • Confidentiality contract/ at business dealings • Contact window: Purchasing department / at anytime
The Local Community	The company implements environmental management and control measures against environmental pollution at operating sites that may lead to decline in the quality of life in nearby communities.	<ul style="list-style-type: none"> • Environmental regulatory compliance • Wastewater and waste • Environmental complaint mechanism • Community Investment 	<ul style="list-style-type: none"> • Complaint hotline/ at anytime • Company official website/at anytime • Onsite symposium/at anytime
Government Agencies	Government agencies monitor the company's compliance with various laws and regulations.	<ul style="list-style-type: none"> • Corporate governance • Legal compliance 	<ul style="list-style-type: none"> • Competent authority publicity meeting/ not fixed • Public information observatory/ not fixed • Company website/ not fixed • Telephone/ not fixed • E-mail/ not fixed • Written correspondence/ not fixed

1.4 Identification of Major Themes

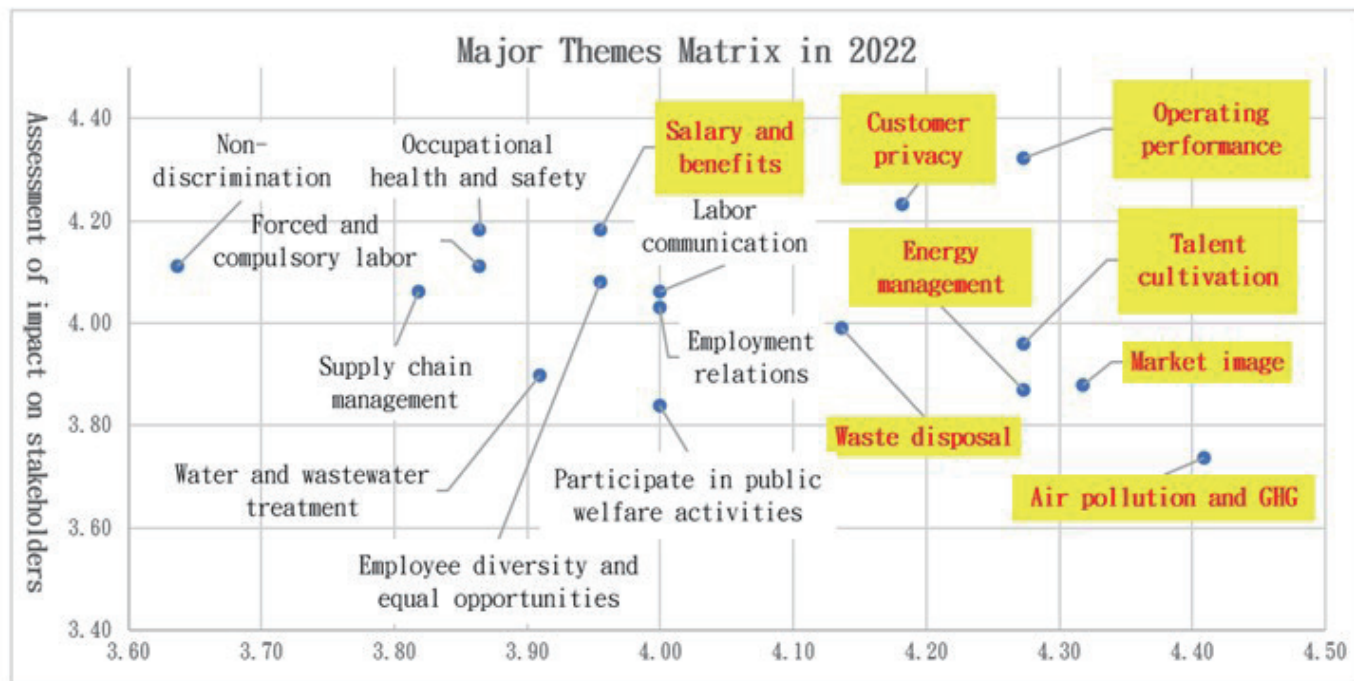
Identification Process of Major Themes



Aspects	Sustainability Issues
Environmental Aspect	Energy management, air pollution and greenhouse gases, water and wastewater treatment, waste treatment
Social Aspect	Salary and benefits, labor-management communication, labor-employment relations, occupational health and safety, non-discrimination, forced and compulsory labor, employee diversity and equal opportunities, customer privacy, talent cultivation, participation in public welfare
Economic Aspect	Operation performance, market image, anti-corruption, supply chain management

Note: Corporate governance, risk management and ethical integrity belong to the necessary disclosure areas of GRI Sustainability Reporting Standards 2021 (GRI Standards: 2021). Although they are not listed in the major themes this year, this report will still disclose relevant content.

The IBASE Sustainability Committee formulated 18 sustainability issues and asked major stakeholders to fill in the online questionnaire. To get the main stakeholders' attention to various sustainability issues, a total of 142 valid questionnaires were collected, including 13 from shareholders/investors, 8 from customers, 33 from employees, 34 from suppliers, 13 from contractors, 9 from local communities and 32 from government agencies. Also, an online questionnaire was distributed to 22 company directors to fill in the impact of each sustainability issue. After combining the two scores, the major themes matrix was obtained. After discussion by the Sustainability Committee, the top 6 sustainability issues in the three aspects of environment, society and economy were listed in the this year's major themes. A total of eight major themes in environmental, social and economic aspects were identified, including operational performance, market image, salaries and benefits, waste disposal, customer privacy, air pollution and greenhouse gases, talent cultivation, and energy management. IBASE will explain the management policy of each major theme and related disclosure items in this report. At the same time, in order to take into account the balance of information in the Sustainability Report, the results of IBASE's commitment to public welfare will be supplemented.



Significant economic, environmental and social impacts

Key Themes for 2021	Key Themes for 2022	Comparison
Operational performance	Operating performance	-
Customer privacy	Customer privacy	-
Compliance with environmental	Talent cultivation	Up by 3
Socio-Economic compliance	Market image	Up by 1
Market image	Salary and benefits	Newly added
Talent cultivation	Energy management	Newly added
	Waste disposal	Newly added
	Air pollution and GHG	Newly added

Aspect	Major Theme	Importance to IBASE	Internal Boundary	External Boundary			Compliance to GRI Guidelines	Report Disclosure
			Company	Supplier	Customer	Local Communities		
Economy	Operation performance	Pursuing maximum profit is the goal of IBASE's continuous efforts, in addition to enhancing the confidence of investors, employees, supply partners and customers, creating mutual benefit, common prosperity and the path towards sustainable operation.	●	●	●		201 Economic Performance: 2016 (201-1)	3.4 Operation performance
Economy	Market image	Actively strengthen the reach of existing products, expand the market area, towards the US, mainland, Japan, New Zealand and Australia markets with high growth opportunities, use agents to promote new projects and continue to focus on different key industries to become technological innovations leader in the integration, promotion and sales of software and hardware technologies.	●	●	●		202 Market status: 2016	3.5.2 Customer Relations 5.2 Fit-For-Purpose
Environment	Waste treatment	We uphold the highest environmental standards as a core value of our enterprise and provide the necessary support to fulfill our environmental protection responsibilities.	●	●		●	GRI 306: Waste: 2020	4.4 Waste
Environment	Air pollution and Greenhouse gas	We uphold the highest environmental standards as a core value of our enterprise and provide the necessary support to fulfill our environmental protection responsibilities.	●	●		●	GRI 305: Emissions: 2016	4.3 Carbon emissions
Environment	Energy management	We uphold the highest environmental standards as a core value of our enterprise and provide the necessary support to fulfill our environmental protection responsibilities.	●	●		●	GRI 302: Energy: 2016	4.1 Energy Management

Aspect	Major Theme	Importance to IBASE	Internal Boundary	External Boundary			Compliance to GRI Guidelines	Report Disclosure
			Company	Supplier	Customer	Local Communities		
Society	Customer privacy	IBASE considers R&D technology and customer confidentiality to be vital components of the company's operations. Through the information security management mechanism, colleagues raise awareness of information security risks and implement various information security management and control measures to ensure that confidential information are not leaked.	●	●	●	●	GRI 418 Customer Privacy: 2016	3.5.3 Customer privacy
Society	Talent cultivation	Improve employee functions, improve work efficiency and work quality to implement human resource development	●		●		GRI 404 Training and Education: 2016	5.2 Fit-For-Purpose
Society	Salary and benefits	Improve employee salary and benefit packages to remain competitive, fair, and motivating, thus strengthening employees' sense of identity with the company, and to share the company's operating results with employees, creating a win-win for employees and the company.	●				GRI 401: Employment Relations: 2016	5.2.1 Salary and benefits

1.5 Sustainability Development Goals

The United Nations Sustainability Development Goals (SDGs) is a plan released by the United Nations in 2015, which proposes 17 Sustainability Development Goals and 169 sub-targets as guidelines in the practice of sustainable development by member states and global enterprises until 2030.

IBASE integrates Sustainability Development Goals into the company's business strategy, expanding the company's previous focus on economic performance to take into account environmental protection and other regulatory compliance, improving employee treatment to retain outstanding talents, addressing various inequalities in the workplace and reducing the discharge of wastewater and greenhouse gases, and inviting suppliers to work together to improve the environment and workplace. In the future, IBASE will continue to contribute more to the Sustainable Development Goals and fulfill its corporate social responsibility.

SDGs	Target	IBASE's Response
	1.4 Ensure that all men and women, especially the poor and disadvantaged, have equitable rights and access to economic resources.	<ul style="list-style-type: none"> • Provide competitive salary and benefits that surpass the requirements of laws and regulations, so that employees can work with dignity and improve their economic standards of living. • Adjust employee salary according to company revenue and profitability, and foster a sense of unity within the company.
	4.5: Eliminate the education gap and ensure that disadvantaged groups have access to education and vocational training at all levels, including people with disabilities, indigenous people, and disadvantaged children. 4.7: Promote sustainable development education, sustainable lifestyle, human rights, gender equality, peace, and non-violence.	<ul style="list-style-type: none"> • Arrange functional training for employees with different business attributes to ensure that each colleague receives vocational training opportunities. • Plan courses on sustainable development, workplace gender equality, and labor rights, and encourage colleagues to participate. Plan courses on sustainable development, workplace equality and labor rights and encourage employee participation.
	5.1 End all forms of discrimination against women. 5.4 Recognize and value the care and domestic work of women through the provision of social protection policies.	<ul style="list-style-type: none"> • Avoiding the use of gender as a criterion for staff appointment, assessment, and promotion. • Respecting the rights of employees, regardless of gender, in relation to parental leave.
	8.5 Achieve full and productive employment and decent work for all women and men, including young people and persons with disabilities. 8.7 Prohibit child labor and eliminate forced labor. 8.8 Protect labor rights and promote safe and secure working environments for all workers, including migrant workers, in particular women migrants and those in precarious employment.	<ul style="list-style-type: none"> • Not using gender in the criteria for staff appointment, assessment and promotion. • Adjust employee salary according to company revenue and profitability and develop solidarity in the company. • Respect labor rights, including prohibition of child labor and any form of workplace discrimination. • Female workers during maternity shall have the ability to adjust their workload in compliance with the law. • Implement an occupational safety and health management system to enhance employee safety.
	9.5 Encourage innovation and increase the number of R&D staff and R&D expenditure.	<ul style="list-style-type: none"> • Increase the ratio of R&D expenditure to revenue by more than 4.5% each year.
	10.2 Promote the social, economic and political inclusion of all, irrespective of age, sex, disability, race, ethnicity, origin, religion or economic or other status. 10.3 Ensure equal opportunity and reduce inequalities by eliminating discriminatory practices.	<ul style="list-style-type: none"> • The company's recruitment, assessment and promotion mechanism does not use physical or psychological differences of employees as the assessment criteria. • A reporting channel exists for employees in the reporting process to protect whistleblowers.
	12.2 Achieve sustainable management and efficient use of natural resources. 12.5 Waste management through prevention, reduction, recycling and reuse.	<ul style="list-style-type: none"> • The development of a fanless system design not only reduces wires and eliminates the use of fans and other consumables but also improves reliability. It reduces the problem of increased system maintenance rates due to fan damage, thereby reducing system maintenance costs and eliminating dust and noise problems. This helps achieve the purpose of energy saving and carbon reduction and complies with the requirements of environmental protection policies. • Continuously improve production processes to reduce waste output.
	16.6 Develop effective, accountable and transparent institutions at all levels. 16.7 Ensure responsive, inclusive, participatory and representative decision-making.	<ul style="list-style-type: none"> • Strengthen corporate governance, ensure employees comply with the company's various norms through internal control and establish independent reporting channels and a comprehensive reporting process. • Communicate with stakeholders to understand employees' requirements and expectations for the company and report to the Board of Directors on a regular basis.

2. About Us

2.1 Company Profile

IBASE is a professional manufacturer of industrial motherboards, embedded systems, industrial panel PCs, digital signage systems and network communication products for industrial computing and Industrial Internet of Things (IIoT) applications. Since its establishment in 2000, IBASE has been committed to producing high-quality products and providing excellent services. IBASE is publicly listed on the Taipei Exchange and has become a global leader in innovative industrial embedded computing products.

IBASE specializes in industrial computer design and manufacturing services and tailors products to the needs of individual customers. In addition to OEM services, we also provide original design manufacturing (ODM) and joint design manufacturing (JDM) services, including motherboard/system specification design, software design, manufacturing, verification and after-sales service to meet customers' needs and expectations. With experienced R&D and project managers, in-house manufacturing and after-sales service teams, IBASE can fully fulfill the design, solutions and manufacturing needs of customers, from the original concept to the design, product development and production.

IBASE attaches great importance to research and development and has continued to invest in manpower and resources to create innovative and high-quality products and provide customers with the best solutions. IBASE's R&D department includes hardware and software R&D professionals, of which 50% have more than 20 years of R&D experience and 45% have more than 5 years of work experience in related fields. Over the years, IBASE has established a complete set of innovative core technologies and has maintained excellent technical service capabilities. Keeping up with the latest technology trends, IBASE's R&D team can always quickly apply the most advanced technology to develop various ODM/OJM customized products.

Company Name	IBASE Technology Co., Ltd.
Headquarters Location	Nangang District, Taipei City
Capital (Unit: NT\$ 1,000)	1,949,966
Revenue for the Year (Unit: NT\$ 1,000)	6,774,831
Number of Employees	Group/Global: 905 (total) Taiwan Head Office: 685

Operating Base	Taiwan (Nangang, Sanchong, Xinzhuang, Pingzhen) China United States United Kingdom Singapore Italy
Main Products/Services	Industrial Motherboards Embedded Systems Industrial Panel PCs Digital Signage Players Network Appliances RISC Platform Intelligent Transportation Systems
Target Markets	Worldwide

Global Operations



Please refer to the company's official website



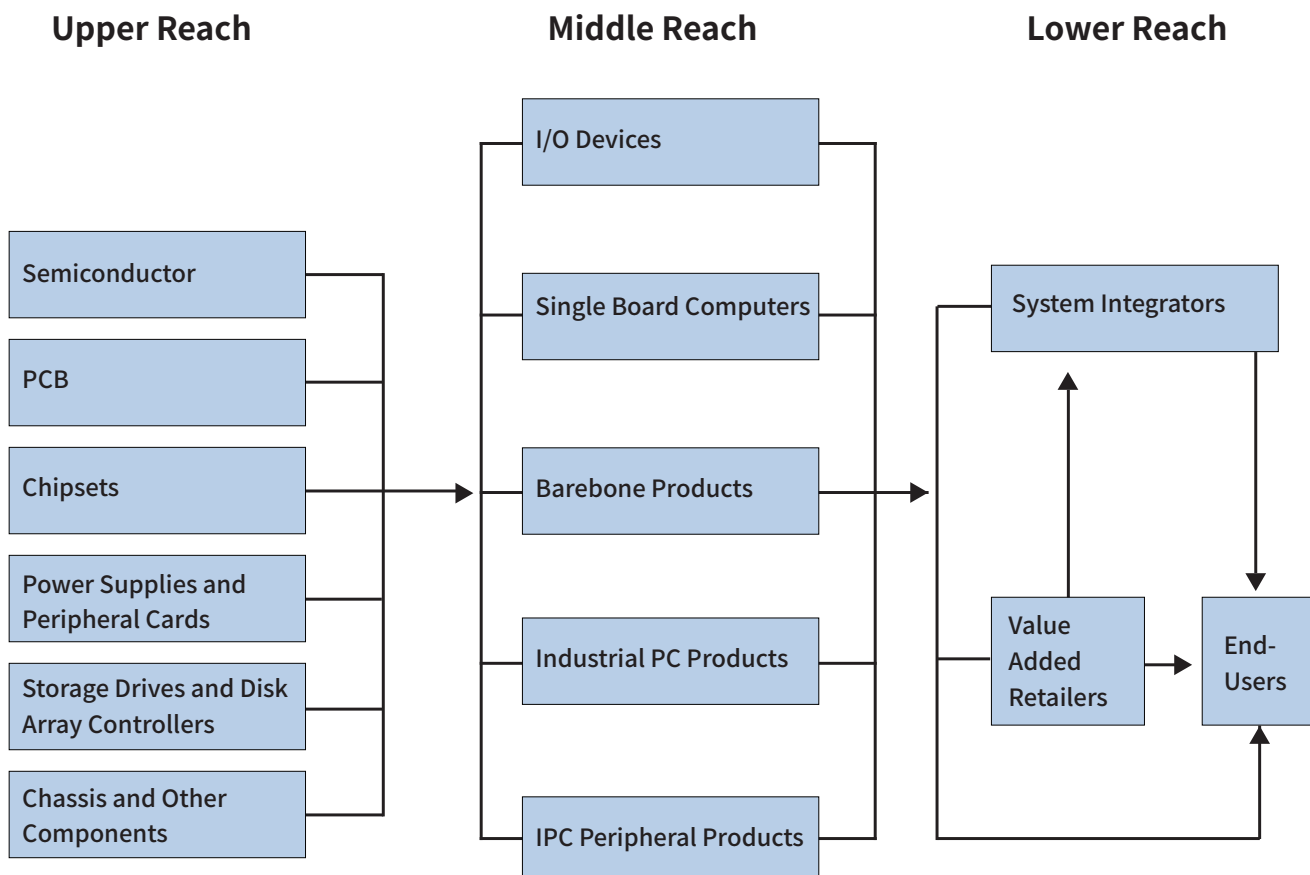
The Relationship Between the Upper, Middle and Lower Reaches of The Industry

The main products of IBASE are single-board computers and industrial computing systems. The upper and middle reaches of the products are similar to those of commercial motherboard and computer system suppliers, but the downstream or sales targets are different. Single-board computers or industrial computers are usually sold to system integrators for final system integration, or to distributors with engineering backgrounds who are in contact with local customers. The relationship between the upper, middle and lower reaches is shown in the figure below.

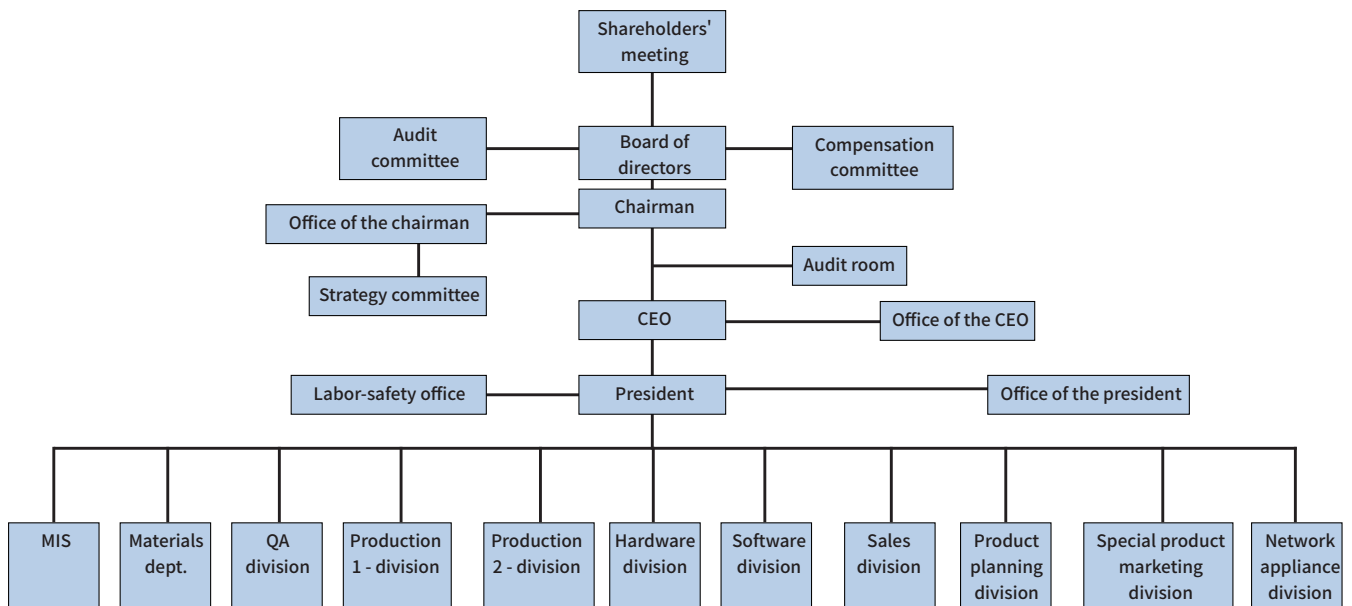
Upper reach: Suppliers of semiconductors, connectors, software, printed circuit boards, storage drives, power supply and other electronic components.

Middle reach: Suppliers of I/O equipment, single-board computers, industrial computer products, system products and peripheral equipment.

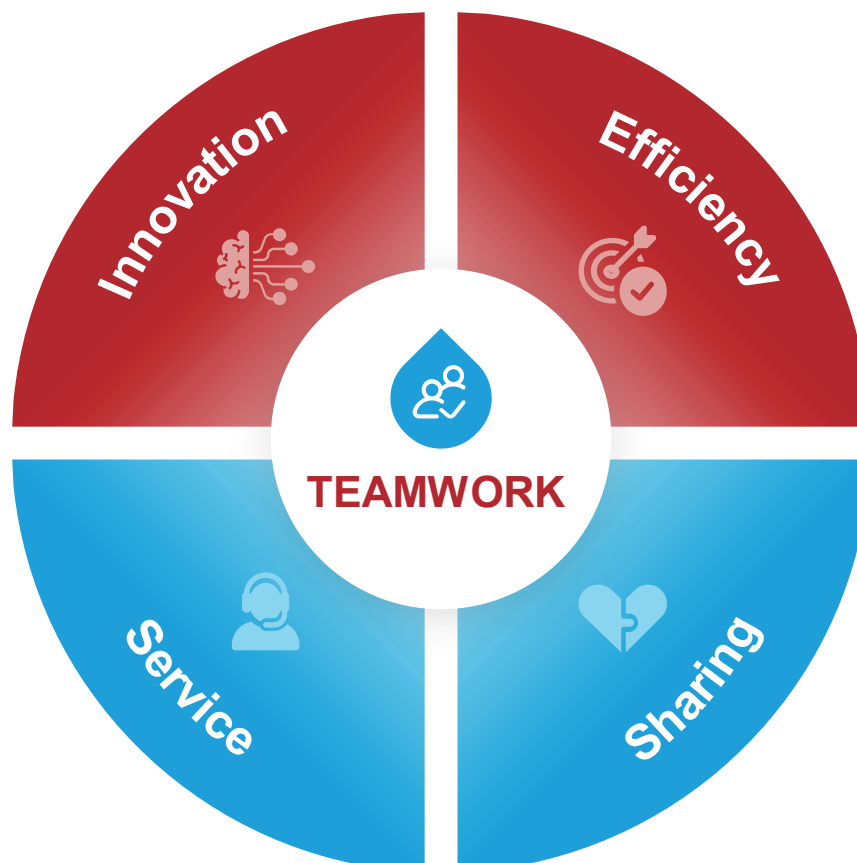
Lower reach: System integrators distributors, end users.



Organizational Structure



2.2 Business Philosophy



Business Philosophy

Teamwork

IBASE attaches great importance to teamwork and effective communication among employees at all levels, facilitating talent cultivation and promoting teamwork ethics for the mutual growth of the organization. IBASE has long been an investor in talent cultivation and in building a diversified database, while encouraging all employees to work together towards the same goal by respecting different values and introducing various systems and activities.

Innovation

In the last 23 years since its establishment, IBASE has built a complete set of innovative core technologies based on the professional knowledge and experience accumulated over the years. Substantial resources in manpower and investment have been allocated in R&D to achieve successful technological innovation and innovation speed, which are critical to the creation of products that meet the latest market demands and provide customers with the best solutions.

Efficiency

IBASE has built a complete ERP (Enterprise Resource Planning) and MES (Manufacturing Execution System) management information system to improve operation and production performance. Making good use of ERP and MES management information systems will improve the quality of decision-making, enhance operational management performance, and benefit the company's future development and digital transformation. With the company, from R&D and design to production and manufacturing, led directly by the chairman, the vertically integrated production model ensures optimal quality management and operational efficiency.

Sharing

Up to 15% of the revenue surplus are distributed as dividends to employees each year. Employees receive year-end bonuses, Mid-Autumn Festival bonuses, and quarterly bonuses for achieving profit targets. Benefits also include employee travel subsidy, year-end party and sports events that are held twice a year.

Service

The core management team of IBASE has more than 30 years of experience in the field of industrial computing, covering R&D design, production and manufacturing, marketing planning, management, customer relations and supply chains. With quality products and services that achieve world-class standards, IBASE is able to meet customer demand and expectations and cooperate with major manufacturers and international clients around the world.

Corporate Social Responsibility

- a. Every Chinese New Year, the company welfare committee makes purchases from disadvantaged groups (Children Are Us Foundation, mountain fruit farmers, etc.) and participate in charity work together with employees and manufacturers.
- b. Our social investment also includes providing meals to the elderly who are living alone during the Chinese New Year for them to feel full of warmth in the cold winter.

Business Philosophy

Promoting Energy Saving and Carbon Reduction

- a. The raw materials and components purchased by the company comply with EU environmental protection directives. Suppliers are required to provide test reports to ensure compliance with the reduction of environmental impact policies.
- b. The QA department is responsible for ensuring that the quality policies used in the testing of incoming and outgoing materials to adhere to the EU environmental protection directives.
- c. The R&D department gives staff training in connection with ErP directives in the context of EU environmental protection, keeping an eye on the latest trends and gradually achieving the goal of low energy consumption.
- d. IBASE implements a digital information system to reduce paper usage and promotes lower electric power consumption at its facilities by using energy-efficient equipment in compliance with European Union environmental initiatives.
- e. In 2022, the Xinzhuang factory introduced the "energy and facility monitoring system" in both the factory area and the office areas.
- f. In compliance with the regulations on waste classification and reduction measures promoted by the Nangang Software Park Phase II Management Committee and announced by the Environmental Protection Agency, IBASE implements recycling, classification and reduction.
- g. The three factories of IBASE continue to replace LED lamps, responding to the concept of energy saving and carbon reduction, to fulfill environmental protection responsibilities in line with environmental policies.
- h. The Pingzhen factory has strengthened garbage classification in order to achieve garbage reduction and to fulfill environmental protection responsibilities in accordance with environmental policies.
- i. The Pingzhen factory has added solar-powered searchlights in the employee parking area to maintain the safety of employees at work for energy saving and carbon reduction.

2.3 Award System

IBASE is a Titanium-level member of the Intel Partner Alliance. Throughout the years, it has continuously signed up for various product competitions held at home and abroad to enhance its brand image through the affirmation of awards. By 2022, it has garnered 36 local and international awards. It has earned three awards from the renowned German iF Product Design Awards and actively participated in the Taiwan Excellence Awards held by the Ministry of Economic Affairs since 2010. By 2022, it has won 22 Taiwan Excellence Awards, with awards received for five consecutive years from 2018 to 2022.



Model	Description	Award Name
IKS2700	Smart 27-inch self-service Kiosk	Taiwan Excellence 2022
MPT-500R	Railway intelligent transportation computing system	Taiwan Excellence 2022
CMB100M	Industrial-grade high-speed AI computing system	Taiwan Excellence 2022
SP-63E	Video wall digital signage player with 24 displays	Taiwan Excellence 2021
AMI230	Industrial AI computing system	Taiwan Excellence 2021
MRD-286	EN50155 certified 28.6-inch Bar Type Panel PC	Taiwan Excellence 2021
MPT-1000R	Intelligent traffic control computer	Taiwan Excellence 2021
MPT-8000AR	Intelligent traffic image acceleration computer	Taiwan Excellence 2021
VINO2100	AI image recognition self-service machine	Taiwan Excellence 2021
SW-101-N	Outdoor digital signage system with IP68 rating	Taiwan Excellence 2020
SI-324	UHD 4x4K digital signage player	Taiwan Excellence 2019
MAI602-M4D80	UHD 4x4K digital signage player	Taiwan Excellence 2019
MPT-3000RP	EN50155 certified IP67 railway computer	Taiwan Excellence 2019
DRD-037PC	Ultra-wide 21:6 dual-screen bar-type computer	Taiwan Excellence 2019
UMT-7211	21.5-inch multi-function medical panel PC	Taiwan Excellence 2018
SI-623-N	4K digital signage player with triple output	COMPUTEX d&i awards 2017
MPT-3000R	Fanless railway computer system	Best Choice Award 2016
SI-613	3x 4K UHD digital signage system	COMPUTEX d&i awards 2016
ASTUT-W153-PC	Industrial all-in-one panel PC	Taiwan Excellence Award 2016
FWA5104	Compact & slim fanless network appliance	Taiwan Excellence Award 2016
SI-304	4x 4K HDMI digital signage player	Taiwan Excellence Award 2016
SI-60E	12-HDMI 8K digital signage player	Taiwan Excellence Award 2016
		Best Choice Award 2015
		2015 BC Buyer's Choice Award

Model	Description	Award Name
SE-92	Outdoor robust digital signage player	iF Design Award 2015
		Computex d&i awards 2015
ARTSI-32TM	Transparent double-screen digital signage display system	Taiwan Excellence Award 2015
BST-1850	Capacitive multi-touch panel PC for bedside terminal	Taiwan Excellence Award 2013
SI-38	Digital signage player system	iF product design award 2013
		2012 Computex Taipei design & innovation Gold Award
		2012 Annual Industrial Innovation Achievement Commendation Award (Ministry of Economic Affairs)
AFB100-D25	Fanless eFlex embedded system	2012 Computex Taipei design & innovation Award
SI-24S	Digital signage player system	iF product design award 2010
		Taiwan Excellence Award 2010
		2009 Computex Taipei design & innovation Gold Award

In 2022, IBASE won two awards in the international Asia Pacific Enterprise Awards. The APEA Asia-Pacific Outstanding Enterprise Award, which enjoys a high reputation in the business circle, is sponsored by the non-governmental organization Asia Enterprise Chamber of Commerce, and honors those who continuously contribute to corporate social responsibility. IBASE chairman, Mr. CS Lin, participated for the first time and won the Master Entrepreneur Award. IBASE Technology was also awarded the coveted "Corporate Excellence Award" for its strength in the field of industrial computers for more than 20 years.



ISO Certifications for Each IBASE Operating Location

IBASE encourages continuous innovation to improve the company's products, services and processes, while prohibiting the use of materials with harmful substances and providing customers with competitive products that yields the highest value.

ISO 9001



ISO 14001



ISO 13485



ISO 27001



2.4 Participation in External Organizations

IBASE actively communicates with stakeholders from various sectors of the society, participating in industry-related associations to interact with the members and keep up with the latest developments in the industry.

Name of Association	Status
Taipei Computer Association	Member
Foreign Trade Development Association of Taiwan	Member
Smart Industry Computer AIoT Association	Member
AVIXA (Audiovisual and Integrated Experience Association)	Bronze Member
PICMG (PCI Industrial Computer Manufacturers Group)	Member

3. Integrity Governance

A perfect corporate governance should include a sound Board of Directors, rigorous internal control system and stable financial control in order to reduce the company's operating risks, enhance competitiveness and create brand value. Corporate governance should be influenced by an ethical corporate culture that permeates the whole company at all levels as articulated in the mission statement to ensure compliance with laws and regulations and to safeguard the rights and interests of investors and stakeholders.

The corporate governance system has been established in accordance with the Taiwan Securities Exchange Act and related norms. To protect shareholders' rights and interests, strengthen the function of the Board of Directors and improve information transparency, members of the Board of Directors are nominated through a rigorous selection process. Independent directors are set up to enhance the management and supervision functions of the Board of Directors, prohibiting directors, managers and employees and other insiders to profit from information that is not available in the market. IBASE respects the principles of fair disclosure rules by establishing a complete information disclosure system and providing information periodically regarding operations, finance, board agendas and shareholders' meetings on the company's website to ensure shareholders get the latest information about the company.

3.1 Governance Practices

The shareholders' meeting is the body of shareholders that makes decisions on major issues of the company. It reviews reports from the Board of Directors and assesses the financial performance to ensure the company complies with laws and improves its corporate governance practices. The Board of Directors has set up an audit committee and a remuneration committee to assist the Board of Directors. The chairman of the Board of Directors, as the chief strategy officer, guides the future direction of the company's business strategy to increase operating efficiency and facilitate effective decision-making. An independent audit office regularly audits operations and reports the audit results to the audit committee and the Board of Directors.

IBASE pays great importance to corporate governance, pursues sustainable growth and integrity management, continuously strengthens the corporate governance structure, upholds information transparency, and safeguards the rights and interests of stakeholders with an effective internal control system. IBASE establishes internal control system handling standards in accordance with public offering companies, evaluates the company's overall operating activities, designs internal control systems and implements them, and reviews them at any time to respond to changes in the internal and external environment. In the future, the company will also improve the overall synergy of corporate governance and strengthen the trust of the stakeholders.

The company's financial statements are entrusted to an accounting firm that checks the attestation signature and ensures that the disclosure of various information required by laws and regulations can be completed in a timely manner. The firm is responsible for the external disclosure of the company's information. A spokesperson system has been established to ensure timely and fair disclosure of major information, including financial and operation related information, to shareholders and stakeholders. IBASE shall focus on strengthening the structure and operation of the Board of Directors, increasing information transparency and incorporating sustainable governance to achieve the goal of sustainable development.

3.1.1 Board of Directors

The Board of Directors draws up the company's business strategy and is responsible to shareholders and other stakeholders. The directors perform their duties as managers and prudently exercise their powers in the execution of the company's operation and the arrangement of various governance systems. Except for matters that should be decided at the shareholders meeting according to the law or the articles, all matters are decided by the Board of Directors. The Articles of Association stipulates that the election of directors is carried out through a candidate nomination system. Re-election is based on the principle of employing talents. According to the company's governance practices, the Board of Directors should not exceed one-third of the number of directors except for those serving as company managers. It is advisable to consider the criteria of membership diversity, including but not limited to the standards of fundamental conditions and values, professional knowledge and skills. IBASE plans to give priority to the appointment of at least one female director who has a background in law, accounting, or finance to the Board of Directors. There are currently nine directors (including three independent directors) with a term of three years. According to the law, board meetings shall be held at least once every quarter. A total of seven board meetings were held in 2022.

Members of the Board of Directors

Position		Name	Experience/Education	Current Position
1	Director	Chiu-Shi Lin	Kaohsiung Technical College Electrical Engineering Department Taiwan Mycomp senior vice president	Chairman and Chief Strategy Officer of IBASE
2	Director	Jeff Hsu	Department of Business Administration, University of Phoenix Chairman and CEO of Technoland	Division Senior General Manager of IBASE
3	Director	Yu-Nan Chen	Electronics Division of Sihai Engineering College Manager of R&D Department of Mikan (Shares) Company	President of IBASE
4	Director	Shih-Hsiung Chen	Taipei Institute of Technology Electronics Division Project Manager of R&D Department of Mikan (Stock) Company	CEO of IBASE
5	Director	Yung-Shun Chuang	Honorary Doctor of Engineering, National Taiwan University of Science and Technology Chairman of AAEON Technology Co., Ltd.	Chairman of AAEON Technology Co., Ltd.
6	Director	Ying-Chen Li	Ph.D. in Electrical Engineering, National Taiwan University Chairman of Jingda Optoelectronics Co., Ltd. and Chief Strategy Officer of AAEON Technology Co., Ltd.	Chairman of Jingda Optoelectronics Co., Ltd. and Chief Strategy Officer of AAEON Technology Co., Ltd.
7	Independent Director	*Kun-Chih Chen	Ph.D. in Accounting, Southern California Assistant Professor, Department of Accounting, National Taiwan University	Assistant Professor, Department of Accounting, National Taiwan University
8	Independent Director	Yao-Chang Shen	Zhili Business Specialist International Trade Division: Manager of the Finance Department of Mingdong (Shares) Company	Professional Land Registry Agent
9	Independent Director	Ding-Bing Lin	Ph.D., Electrical and Radio Group, National Taiwan University Professor, Department of Electronic Engineering, National Taiwan University of Science and Technology Professor, Department of Electronic Engineering, Taipei University of Technology	Professor, Department of Electronic Engineering, National Taiwan University of Science and Technology

Note: 1. Please refer to the company's annual report for the experience (education) qualifications, concurrent positions and list of major shareholders of IBASE directors.

2. * Director Kun-Chih Chen resigned on October 4, 2022.

IBASE Board of Directors

Diversity Metrics			2020		2021		2022	
			No.	Ratio	No.	Ratio	No.	Ratio
Director	Sex	Male	9	100%	9	100%	9	100%
		Female	0	0%	0	0	0	0%
	Age	Under 50 years old	1	11.1%	1	11.1%	1	11.1%
		Over 50 years old	8	88.9%	8	88.9%	8	88.9%
	Education	Graduate school	4	45%	4	45%	4	45%
		College and university	5	55%	5	55%	5	55%
		Below high school	0	0%	0	0%	0	0%

Board of Directors Meeting Attendance Statistics

Title	Name	Number of Attendance (A)	Actual Number of Seats (B)	Number of Delegated Attendance	Attendance Rate (%) 【 B / A 】
Chairman	Chiu-Shi Lin	7	7	0	100%
Director	Yu-Nan Chen	7	7	0	100%
Director	Jeff Hsu of Chun Bao Investment Co., Ltd. Representative	7	7	0	100%
Director	Shih-Hsiung Chen	7	7	0	100%
Director	Yung-Shun Chuang of AAEON Technology Inc. Representative	7	7	0	100%
Director	Ying-Chen Li of AAEON Technology Inc. Representative	7	7	0	100%
Independent Director	Yao-Chang Shen	7	7	0	100%
Independent Director	Ding-Bing Lin	7	7	0	100%
Independent Director	Kun-Chih Chen	4	4	0	100%

To build sound corporate governance and a comprehensive supervision structure and ensure that independent directors maintain independence and professionalism in their oversight role, the Board of Directors clearly defines the scope of responsibility of independent directors. The directors should uphold a high degree of self-discipline to avoid any conflict of interests. If directors have an interest in the proceedings of the Board of Directors and the legal person it represents, they should not be allowed to participate in the discussion and voting. To improve the decision-making quality of the Board of Directors, the Board of Directors also adopted the "Board of Directors Performance Evaluation Method". An annual internal evaluation of the performance of the Board of Directors, individual board members and functional committees is conducted and self-evaluation forms are issued to board members. The results of the performance evaluation can be used as a reference for future selection or nomination of directors and for determining their individual salaries.

Board Performance Evaluation			
Self-Assessment (Questionnaire)	2020	2021	2022
Board of Directors	4.97	4.85	4.91
Board Members	4.95	4.86	4.90
Audit Committee	5.00	5.00	5.00
Remuneration Committee	4.98	4.98	5.00
Remarks	1. Annual questionnaire self-evaluation 2. The full score is 5 points		

In implementing effective risk management and improving the willingness of talented individuals to serve as directors, IBASE provides liability insurance for its directors to protect them from personal losses if they are sued by any parties and to free them from worries in their service.

IBASE ensures that directors are familiar with relevant laws and governance practices, knowledge that is essential to participate in the company's business decision-making process, by encouraging and arranging training for the directors. In 2022, all directors had a total of 28 hours of training. The appointed governance director shall increase directors' training on corporate sustainability. Under the leadership of the Board of Directors with integrity governance and extensive industry experience, the company shall continue to make great strides on the road to sustainable development.

3.1.2 Functional Committees

IBASE has established an Audit Committee and Remuneration Committee in accordance with law to exercise supervisory duties and strengthen the function of the board. All committees shall be responsible to the Board of Directors except for those that exercise their powers independently and submit proposals to the Board of Directors for resolution.

The Audit Committee

The Audit Committee assists the Board of Directors in fulfilling its oversight responsibilities in the matters of accounting, auditing, financial reporting processes, and financial controls and submits the evaluation results to the Board of Directors. The IBASE Board of Directors has adopted the "Organization Regulations of the Audit Committee" to set up an audit committee on the Board of Directors. Three independent directors serve as the audit committee. One of them is the convener and at least one person has accounting or financial expertise. At least one meeting is held every quarter. A total of 5 audit committee meetings were held in 2022, with an attendance rate of 100%.

Independent directors have direct communication channels with internal audit supervisors and certified public accountants. Accountants, audit supervisors and related supervisors are invited to attend the regularly convened audit committee. When reviewing the financial report, the independent directors discuss the relevant financial and business issues in the financial report with the accountants and the accountants make recommendations on internal control and legal compliance. Important notes are set out in the minutes of the company's meeting.

2022 Audit Committee Meeting Attendance Statistics

Title	Name	Number of Attendance (A)	Actual Number of Seats (B)	Number of Delegated Attendance	Attendance Rate (%) 【 B / A 】
Independent Director	Kun-Chih Chen	4	4	0	100%
Independent Director	Ding-Bing Lin	5	5	0	100%
Independent Director	Yao-Chang Shen	5	5	0	100%

Remuneration Committee

To improve the salary and remuneration system of directors and managers, IBASE evaluates the performance of directors and managers and ensures the remuneration they receive is fair and reasonable. The Board of Directors has adopted the "Organization Regulations of the Remuneration Committee" and has set up a remuneration committee in the Board of Directors. The members of the committee should include at least one independent director. Currently, all three members are serving as independent directors. A total of 5 meetings were held in 2022 and the attendance rate was 100%.

The functions and powers of the Remuneration Committee are to formulate and regularly review the performance-based remuneration system and standards for directors and managers and to evaluate the remuneration of directors and managers on a regular basis. The remuneration committee comprehensively considers the following evaluation principles: the company's remuneration should comply with relevant laws and regulations and be able to attract talented individuals. The performance evaluation and remuneration of directors and managers should be based on the standard remuneration level in the industry and should consider factors such as time invested, responsibilities, achievement of personal goals, performance in other positions, salary given to the same position in recent years, achievement of short-term and long-term goals, the financial status of the company and other future risks. The proportion of short-term performance compensation for directors and senior managers and the timing of payment should be determined by the characteristics of the industry and the nature of the company's business.

In actual operation, the Remuneration Committee implements the policies, systems, standards, and structures for the performance evaluation and remuneration of directors and managers, regularly conducts assessments to determine the remuneration of directors and managers, and submits recommendations to the Board of Directors. At present, the company's ESG goals and performance have not yet been linked with the Board of Directors' and managers' personal compensation, but the company will continue to pay attention to this issue, and discuss it as ESG matures.

2022 Remuneration Committee Meeting Attendance Statistics

Title	Name	Number of Attendance (A)	Actual Number of Seats (B)	Number of Delegated Attendance	Attendance Rate (%) 【 B / A 】
Convener	Yao-Chang Shen	5	5	0	100%
Committee Member	Ding-Bing Lin	5	5	0	100%
Committee Member	Kun-Chih Chen	3	3	0	100%
Committee Member	Min-Chang Hong	1	1	0	100%

3.1.3 Internal Audit

The purpose of internal audit is to assist the Board of Directors and managers in checking and reviewing deficiencies in the internal control system, measuring the effectiveness and efficiency of operations, and providing improvement recommendations to ensure the effective implementation of the internal control system. In accordance with the 'Public Issuing Companies Establishing Internal Control System Handling Standards,' IBASE pays attention to its activities and those of its subsidiaries as a whole. It establishes an effective internal control system and reviews and improves it as needed to respond to changes in the company's internal and external environment. It shall ensure that the internal control system remains effective. To enable auditors to conduct factual checks and independent audits, IBASE has established an independent audit office under the Board of Directors and appointed full-time auditors.

IBASE regularly implements the self-assessment of the internal control system. The Board of Directors and management review the results of self-assessment of each department and the audit report of the audit office at least annually. They attend the audit committee meeting quarterly and report to the independent directors on the implementation of the company's internal audit and internal control operations.

Secondly, the audit office reviews the internal control system self-assessment report of each unit and every subsidiary of the company every year and provides the Board of Directors and the president of any internal control deficiency to improve the effectiveness of the overall internal control system. To strengthen the professionalism of the auditors and improve their auditing quality and competence, IBASE arranges internal audit trainings held by institutions designated by competent authorities.

IBASE continuously monitors the company's implementation of various operations through auditors, establishes good governance practices and risk control mechanisms to create a sustainable business environment. In 2022, the auditors made a total of 57 audits with an audit compliance rate of 100% and all non-conforming items have been corrected and closed within the deadline.



3.1.4 Ethical Integrity

IBASE upholds the company's core values with legal compliance and integrity at the forefront of its business operations. To implement the business philosophy of integrity within the company, it gives attention to the morality of employees. The administration department is responsible for the registration of new employees, familiarizing them with the company's internal integrity regulations and requiring them to sign the "Personal Data Use Consent", "Confidentiality Commitment" and "Declaration Commitment" forms to cultivate a sense of integrity in the shaping the company's overall integrity culture.

IBASE has a administration department that promotes the integrity management policy, formulates the "Code of Ethics", "Code of Integrity Management", "Management Measures for Related Party Transactions" and "Rules for the Scope of Responsibilities of Independent Directors" and aligns the "Director Election Method" with the requirements of corporate governance that are approved by the Board of Directors. The office discloses the internal integrity regulations on the company's official website for stakeholders' reference and sets up a contact window for stakeholders to express their opinions. Consultation with the administration department can be made by email and through the telephone.

IBASE has established multiple reporting channels to enable stakeholders to submit reports confidentially through the stakeholders' area, the grievance mailbox in the company's official website. The administration department assigns a specialist to investigate reported cases and collects related information such as the name of the accused, the time of the incident, the venue and the circumstances surrounding the case. The company protects whistleblowers who expose any breach of laws or corporate ethics and protects them from malicious or physical threats in the work place.

IBASE has a set of code of conduct that it expects its employees to follow as they carry out their duties in the work place, whereas suppliers are required to sign a supplier statement to create a fair and transparent trade environment. It emphasizes integrity in all business activities and prohibits employees from accepting gifts, bribes, or inappropriate gains. When procuring supplies, purchasing staff shall act responsibly by explaining to the other party the policies and regulations that should be adhered to when conducting business dealings with IBASE. They shall avoid engaging in business transactions with agents, suppliers, customers or other business partners involved in dishonest conduct. Any dishonest activity shall be recorded and the involved party shall be blacklisted and refused to have any future dealings with the company.

In order to deeply instill the concept of ethical integrity in IBASE employees, the administration department plans to conduct online integrity training for employees in the workplace. Members of the management regularly use meetings to publicize the importance of corporate integrity culture. IBASE also checks and evaluates the effectiveness of the preventive measures established in the implementation of integrity management, and reports the implementation results to the Board of Directors every year. On the other hand, the audit office supervises the company's overall integrity implementation and reports to the Board of Directors as necessary.

Whistleblower Channels	Cases Accepted for The Year
Company Official Website	0
Grievance Mailbox	0
External Grievance Phone	0

Corporate Governance



Please refer to the company's official website.
<https://www.ibase.com.tw/tw/ir/corporate>

3.2 Risk Management

The IBASE risk management structure is centered on each responsible department to carry out relevant risk assessment, assess the probability of risk occurrence and the impact on IBASE and report specific high risks to ensure the sustainable operation of the company.

IBASE Risk Management

Risks	Responsible Dept.	Risk Operations
Strategic Risk	Office of The CEO	Formulate the company's future operating policies.
Operational and Market Risk	Office of The President	Implement product research and development, production and sales and strive to improve production technology, improve quality and reduce costs, so as to increase the company's profits.
Financial and Liquidity Risk	Finance Department	Hedging of interest rates and exchange rates, bank quota management and relationship maintenance.
Customer Credit Risk	Finance Department	Customer credit limit establishment and review, accounts receivable management and collection.
Legal Risk	Administration Department	Review contracts, company authorizations and reduce corporate legal risks and protect the tangible and intangible assets of the company.
Environmental Safety and Health Risks	Labor Safety Department	For the safety and health hazards and specific risk factors that may be caused by the working environment, follow the safety and health policies to implement safety and health management.

IBASE Risk Management Strategy

Risk Category	Description	Risk Management Strategy
Sustainable Environment	Increased greenhouse gas emissions	<ol style="list-style-type: none"> 1. The ISO 14064-1 greenhouse gas emission inventory management system will be introduced in 2023 to conduct inventory and identify major emission sources. 2. Set carbon reduction targets and management plans for reducing greenhouse gas emissions.
	Increased waste disposal / decreased recycling rate	<ol style="list-style-type: none"> 1. Raw materials must comply with green materials (RoHS, REACH. etc.) to increase material recovery rate 2. Simply product packaging design to reduce waste generation.
	Inefficient in saving energy	<ol style="list-style-type: none"> 1. Promote energy-saving measures in offices. 2. Improve frequency conversion and power saving of air-conditioning units. 3. Import EMS (Energy Saving Management System).
	Violation of environmental regulations	<ol style="list-style-type: none"> 1. Carry out ISO 14001 environmental management system and identify environmental laws and regulations to ensure compliance 2. Regularly conduct third-party audits.
Employee Care	Occupational accident (including the impact of COVID-19)	<ol style="list-style-type: none"> 1. Establish relevant work rules to prevent occupational disasters in accordance with the "Occupational Safety and Health Law", "Fire Management Measures" and "Chemical Hazardous Materials Management Measures". 2. Each factory will introduce the ISO 45001 occupational health and safety management system and ensure the continuous and effective operation of the company's management system through third-party audits. 3. In response to COVID-19 prevention, the company has set up relevant measures and cooperated with government authorities to implement relevant epidemic prevention measures.
	Excessive turnover / insufficient labor	<ol style="list-style-type: none"> 1. There are clear policies for employee promotion and transfer, employee assessment, employee reward and punishment, staff management norms, salary and remuneration policies that have been effectively formulated. 2. If there is a profit in the fiscal year, 1% to 15% bonus rewarded will be allocated to employees.
Operation Performance	Violation of socioeconomic and legal compliance	<ol style="list-style-type: none"> 1. Through the establishment of a governance organization and the implementation of an internal control mechanism, IBASE ensures that all employees and operations abide by relevant laws and regulations. 2. IBASE has introduced ISO 9001, 14001 and other management systems to ensure that relevant regulations are effectively identified and managed.
	Information security incident	<ol style="list-style-type: none"> 1. IBASE has passed ISO 27001 and established information security operating procedures to standardize the company's computer information security management mechanism, covering the MIS room, network, email, information application management system, network attack and response, software and hardware asset management. It also has set up a firewall and installed anti-virus software and enabled automatic update of programs and virus codes and stipulated against the use of pirated software. 2. IBASE regularly performs information application system disaster recovery drills and social engineering drills to train employees regarding information security prevention, enhance the vigilance of E-mail users and prevent users from browsing spam and malicious E-mails that may potentially affect network security and cause data leak.

3.3 Regulatory Compliance

Regulatory compliance is the foundation of IBASE's business operations in addition to promoting the integrity of internal regulations and signing agreements and declarations of commitment with new colleagues. Various departments are informed of changes to laws and regulations in a timely manner. Both internal and external trainings for employees are conducted to ensure company operations comply with various regulations.

In terms of corporate governance, IBASE has set up functional committees to supervise the company's financial operations and internal control system. It has also adopted the "Board of Directors Performance Evaluation Method" to encourage the Board of Directors to actively participate in the decision-making process for important company proposals. IBASE assigns a person as the head of corporate governance to assist in the operations of the Board of Directors and provide professional advice to strengthen its functions.

Regarding staff management, IBASE has established relevant internal regulations on integrity and consistently emphasizes that the company values integrity through the formulation, implementation, self-examination, and reporting channels of various regulations. Additionally, measures are in place to protect whistleblowers, and a mechanism has been established to ensure compliance with laws. Management leads by example and requires all employees, regardless of their position, rank, or location, to comply with laws, company policies, and internal regulations in all business activities. Compliance is reviewed through an annual self-assessment questionnaire and internal audits.

IBASE has a set of guidelines that employees must adhere to in the execution of their jobs. These guidelines include the "Code of Ethical Conduct," "Code of Integrity Management," "Management Measures for Transactions with Relatives," and "Independent Directors' Responsibilities." These guidelines cover areas such as equal opportunities in the work environment, confidentiality clauses, the prohibition of part-time jobs, avoidance of conflicts of interest, guidelines for giving or receiving gifts, respecting employees and customers, and procedures for reporting and protecting whistleblowers. This commitment to ethical conduct helps build public trust, enhance the corporate image, and ensure the sustainable operation and development of the company. The company also participates in industrial competition based on principles of integrity and fairness, creating a corporate culture that adheres to laws and regulations, ultimately establishing a trustworthy and respected company reputation.

In terms of environmental safety and health, IBASE has developed supervision, measurement, and performance management methods to ensure the company's compliance with environmental protection and occupational safety regulations throughout the product life cycle. It identifies potential issues throughout the management cycle and takes timely corrective measures.

Regarding overall legal compliance practices, IBASE had no major violation records in 2022 related to corporate governance, securities trading, environmental protection, labor rights, occupational safety, customer privacy breaches, marketing labels, or product liability.

3.4 Operation Performance

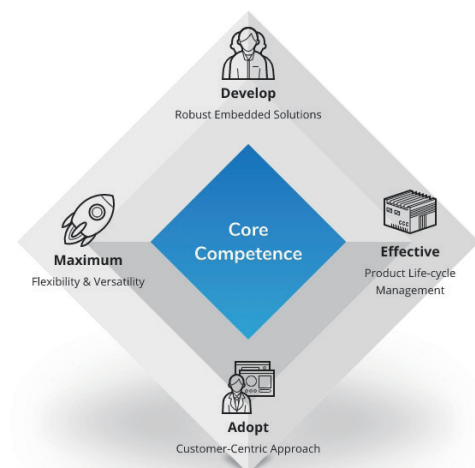
Major Themes	Operation performance
Importance to the Company	<ol style="list-style-type: none"> 1. Expand the global market. 2. Research and develop new products. 3. Group resource integration to create maximum value.
Policy/ Commitment	IBASE provides solutions for industrial computing and other applications to meet customer requirements in various fields.
Target	<ol style="list-style-type: none"> 1. Strengthen product planning capabilities to stay updated with market and product trends. 2. Enable R&D to design products by combining innovation, speed, and technology to create advanced and cutting-edge new products. 3. Implement an "all-round quality system" to continuously improve product quality and enhance customer service. 4. Expand the production base to increase competitiveness in production capacity, delivery time, quality, and cost, thereby boosting product market growth. 5. Introduce talented staff, integrate internal resources, and actively promote the sales and marketing of system products to increase their sales ratio. 6. Effectively utilize the information management system to enhance company performance and gain a competitive advantage.
Invested Resources and Specific Results for the Year	<ol style="list-style-type: none"> 1. Investment in R&D expenses in 2022: Over NT\$ 266,937,000 2. Operating income in 2022: with 18.71% increase compared with the amount in 2021
Responsible Department/ Grievance Mechanism	<ol style="list-style-type: none"> 1. Regularly conduct legal briefings for stakeholders to familiarize them with company operations. 2. Provide communication channels for whistleblowers on the official website.
Evaluation Mechanism/ Outcome	<ol style="list-style-type: none"> 1. Hold quarterly board meetings to approve financial reports and conduct regular monthly internal meetings to review business performance and improvement strategies. 2. There was no major violation in 2022.

IBASE is a global leader in the design and manufacturing of industrial computing products and embedded systems, with board-level products exhibiting the strongest core competitiveness. It focuses on niche products with challenging design requirements, high power, and high integration features, leveraging its strong R&D capabilities to outperform competitors in launching innovative new products. Built with strict quality control and quality assurance, IBASE's standard and ODM products have been certified by well-known international manufacturers worldwide.

Through long-term cooperation with internationally renowned manufacturers, IBASE has continuously improved its technological expertise and upgraded its quality

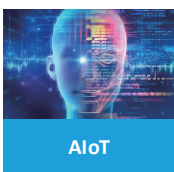
control capabilities, expanding its market coverage and enhancing its reputation day by day. As an Titanium-level member of the Intel Partner Alliance, it supplies complete digital signage software and hardware solutions to leading digital signage software manufacturers such as Omnivex, Scala, PDC and Quividi.

One of the core competencies that IBASE possesses is its in-house manufacturing and strict quality control, enabling it to supply excellent industrial computing products that are 100% designed and manufactured in Taiwan. In addition to standard products, IBASE also specializes in ODM/JDM manufacturing, offering full customization design services and exclusive products that meet the specific needs of customers.

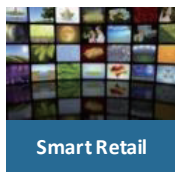


Products For Vertical Market Applications

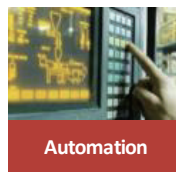
- IBASE has invested heavily and succeeded in the development of industrial computers for the automation market.
- IBASE has invested in software/hardware R&D resources to target a wide range of vertical application markets, including AIoT, smart factories, network communications, digital signage, smart transportation, marine, retail (POS), medical, gaming, kiosk and automotive markets.
- For network communication products, IBASE continues to be a main producer of complete systems for an international cybersecurity company that markets security solutions.
- For automation control products, IBASE continues to manufacturer systems used by a major local manufacturer of electric vehicles.



AIoT



Smart Retail



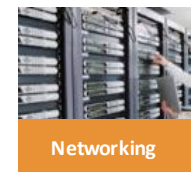
Automation



Medical



Transportation



Networking

Revenue and Expenditure

(Unit: NT\$ 1,000)			
Items	2020	2021	2022
Income	2,779,674	3,875,022	5,815,663
Operating Cost	2,324,059	3,174,251	4,257,048
Employee Salary and Benefits	396,173	475,166	696,717
Payments to Funders	360,947	323,537	38,2748
Payment to the Government	19,013	12,596	59,545
Community Investment	100	400	100

Consolidated Income Statement

Financial Information for the Last Five Years (Note 1)					
Items / Year	2018	2019	2020	2021	2022
Operating Income	2,723,538	2,952,318	2,779,674	3,875,022	5,815,663
Operating Profit	528,967	588,254	452,629	701,861	1,544,031
Operating Profit and Loss	47,509	116,019	16,166	252,806	929,493
Non-Operating Income and Expenses	276,020	150,771	83,964	108,060	406,607
Net Profit Before Tax	323,529	266,790	100,130	360,866	1,336,100
Continuing Business Unit	307,134	255,432	88,412	312,547	1,135,052
Profit and Loss	0	0	0	0	0
Profit and Loss of Closed Units	307,134	255,432	88,412	312,547	1,135,052
Net Profit (Net Loss) for the Current Period	(85,737)	(2,098)	63,947	9,296	53,626
Other Comprehensive Gains and Losses for The Current Period	221,397	253,334	152,359	321,843	1,188,678
Total Comprehensive Profit and Loss for The Current Period	221,397	253,334	152,359	321,843	1,188,678

Note : The financial information has been verified and certified by an accountant.

3.5 Product Service

IBASE mainly provides products and solutions for industrial-grade computers and various applications, including board-level products and complete systems. Product offerings cover:

1. Embedded Computing

Board Design, System Design, Integrated Vertical Application.

1.1. Embedded Intelligent Systems

5G Industrial AI Edge Computing Systems, IoT Gateway Computers, Compact-size Expandable Fanless Systems, Automatic Control Systems, IIoT and Smart Automation Solutions. IBASE provides integrated design and manufacturing services for related applications such as factory automation testing, smart transportation and charging stations.

1.2. Industrial Motherboards

3.5" Single Board Computers, Industrial Motherboards (Mini-ITX, ATX, Micro ATX Motherboards), Embedded Computer Modules and Carrier Boards (COM Express, ETX, Qseven and SMARC), PICMG 1.3 CPU Cards and Backplanes.

2. Digital Signage Players

Entry-level dual-output digital signage systems (Entry-Level Signage Players), advanced 2~4 video output digital signage systems (Mid-Range Signage Players), high-end 4~16 video output digital signage systems (Extreme Performance / Multi-port Signage) Players, Outdoor/Waterproof Signage Players, AIO Bar-Type Panel PC, LED Video Wall Signage Player.

3. Network Appliances

Performance 2U/1U Network Appliances, Enterprise 1U Network Appliances, Entry 1U Network Appliances, uCPE/SD-WAN Appliances, Desktop Network Appliances, Network Interface Modules.

4. Industrial Panel PCs

Smart Retail Panel PCs, Self-Service Panel PCs, Heavy-duty Panel PCs, Compact Panel PCs, Outdoor Panel PCs, Stainless Steel Panel PCs, ARM-based Panel PCs.

5. Intelligent Transportation Solutions

EN50155 Certified Railway Computers, E-mark Certified In-Vehicle Computers, Transportation Panel PCs, Bar-Type PIS Panel PCs.

6. AIoT Solutions

Integrated artificial intelligence, deep learning and machine learning and other related applications, including hardware (image acceleration processing, IP camera, frame capture card, NVIDIA, Jetson Xavier NX module, ARM, Qualcomm, VXP, SOC) and related software (Intel OpenVINO, Caffe, TensorFlow and other algorithms related to artificial intelligence applications); currently used in Smart Retail, Smart Classroom and Smart Automation applications.

7. ODM Customized Design Solutions and OEM Manufacturing Solutions

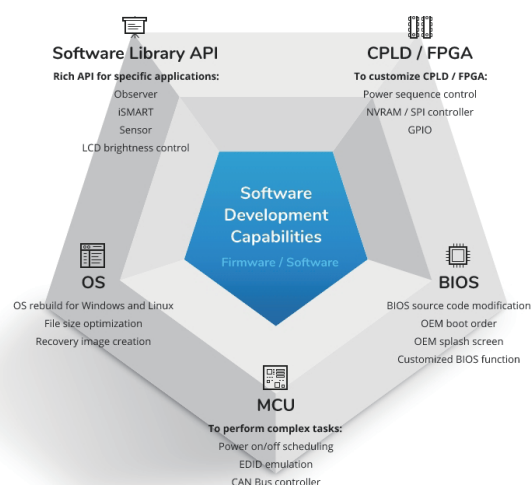
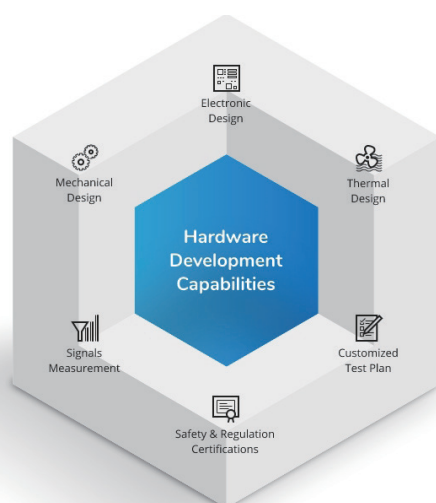
3.5.1 Innovative R&D

IBASE attaches great importance to intellectual property (IP) management and utilizes information security technologies to appropriately protect core technologies, thereby improving the company's competitiveness. Intellectual property serves as the foundation of innovation and is protected by copyrights, patents, non-disclosure, and confidentiality agreements. The quality management system (QMS) of intellectual property rights is based on the QMS of ISO 9001 standards.

IBASE continues to review and improve the processes of the intellectual property management system to enhance the company's value. Confidential information related to intellectual property and core technologies is managed by the document management unit to prevent data leakage or data loss. Managing intellectual property (IP) in a timely manner can secure numerous market opportunities. Intellectual property protection also impacts sustainable innovation and encourages R&D to develop new and better products that yield higher profit for the company.

IBASE's exclusive technologies :

1. iSMART is an intelligent environmental protection and energy saving technology developed by IBASE. The technology greatly reduces energy consumption of motherboards and system products to effectively implement environmental protection policies.
2. The main functions of iSMART include: EuP/Erp energy saving, automatic power on/off scheduling, automatic power recovery, low temperature monitoring and automatic system recovery
3. iSMART is compatible with most digital signage software in the market developed by world-renowned software manufacturers such as SCALA, Omnivex, DISE, Stinova and YCD.



R&D Expenses in the Past Three Years

Items	2020	2021	2022
R&D Expenses	187,717	186,085	266,937
Net Operating Income	2,779,674	3,875,022	5,815,663
R&D Expenses to Net Revenue Ratio (%)	6.75%	4.80%	4.59%

Note: Industrial computer manufacturers have invested 4% to 6% of their revenue in research and development over the years.

Patent Rights & Number of Patents

Type of Patent	Quantity
Taiwan New Patent	14
Taiwan Invention Patent	13
Taiwan Design Patent	3
New Patent in China	2
Invention Patent in The Usa	6
Total	38

3.5.2 Customer Relations

Major Themes	Market Status
Importance to the Company	Improving brand image and reputation through effective customer relationship management is a top priority for IBASE.
Policy/Commitment	In addition to maintaining excellent product quality, IBASE is committed to providing customers with comprehensive after-sales services to ensure they receive exceptional support and become loyal, repeat customers.
Target (Out Of 50)	Satisfaction rating of 40
Invested Resources and Specific Results for the Year	<ol style="list-style-type: none"> 1. The company website features a robust customer service management system with dedicated personnel to handle customer complaints. For general technical or quality issues, our engineers respond within 24 hours. In more complex situations, we provide an initial status update within one day and keep the customer informed of the progress. 2. Every year, IBASE allocates approximately 1% of its annual revenue to product promotion. We carefully assess market development status and trends to identify niche target markets for product promotion initiatives.
Responsible Department/ Grievance Mechanism	Marketing Department/ Telephone extension and Email
Evaluation Mechanism/ Outcome	Satisfaction rating of 41.9, achieving the 2022 target.

All IBASE factories have received quality management system certifications. Control measures are established at all stages of the product development life cycle from the early stages to ensure product quality. To achieve high customer satisfaction level, the company pays great importance to the quality of all operations from sales and marketing, product development, manufacturing and after-sales service. Customer satisfaction surveys are conducted to get customer feedback and provide solutions to any reported issue.

With intelligent Internet of Things (AIoT) and artificial intelligence (AI) becoming one of the most promising technological trends today, IBASE is developing more system products for customers using these new technologies to actively enhance R&D capabilities in software, hardware and system design to provide customers with more complete solutions, improving both added value and product reliability. To this end, we have laid out a comprehensive business development model:

- Strengthening our R&D capability by investing resources in software, hardware and system design in order to provide products that offer enhanced added value for customers.
- Understanding customer needs, improving customer satisfaction and establishing long-term close partnership with a win-win philosophy.
- Constructing upper reach and downstream strategic alliances, establishing a highly stable supply chain, achieving technical cooperation and creating performance growth.
- Enhancing design quality, manufacturing quality and service quality to meet customer needs and customer satisfaction.
- Promoting online marketing to increase company exposure and drive sales.
- Recruiting and cultivating marketing and product planning talents for vertical application markets.
- Building strategic alliance with invested companies and sharing resources to create synergy.

Satisfaction Survey Results

Year	2020	2021	2022
Customer Satisfaction Score	43.55	43.15	41.90

Note: Perfect score is 50 points.

In handling customer complaints through the customer service process, IBASE contacts customers in real-time, initiating internal and external communications to promptly resolve reported issues. Due to reduced customer visits resulting from the COVID-19 pandemic, IBASE has conducted various technical exchanges and seminars through remote online meetings to interact with customers and gather feedback. Insufficient supply caused by the shortage of raw materials led to a decline in customer satisfaction. It is expected that the supply will return to normal and stabilize in the future.

3.5.3 Customer Privacy

Major Themes	Customer Privacy
Importance to the Company	Pay attention to information security and establish a complete information security protection and data protection mechanism to prevent leakage of confidential information.
Policy/Commitment	Maintain the confidentiality, integrity and availability of IBASE information assets and protect the privacy of user data.
Target	Zero customer data leakage
Invested Resources and Specific Results for the Year	<ol style="list-style-type: none"> 1. Passed ISO 27001 information security management system verification. 2. Established information security operation procedures and standardized the company's computer information security management mechanism covering the computer room, network, email, information application management system, network attack and response, software and hardware asset management. 3. Set up a firewall and installed anti-virus software and enabled automatic update of programs and virus codes. Prohibits the installation of illegal software and unknown software to prevent malware and hacker attacks. Prohibits the use of information system equipment without authorization for matters not related to the company and external transmission of company information without permission. 4. The information application management system is determined by competent authorities. The information application system disaster recovery drill and social engineering drill are carried out annually to provide awareness among employees regarding information security prevention and improve the vigilance of E-mail users and not to compromise network security that can cause information leakage due to spam and malicious emails.
Responsible Department / Grievance Mechanism	Information department/Appeal channel: Phone/E-mail
Evaluation Mechanisms/ Outcomes	Zero customer data leakage

IBASE has established a complete information security protection and data protection mechanism to avoid leakage of confidential information or data damage. The backup mechanism undergoes restoration tests regularly to ensure that the information system can be successfully restored, thereby reducing the risk of system interruption caused by natural disasters or human negligence.

IBASE's ISO 27001 information security management system effectively manages risks to the security of the company's information by preserving the confidentiality, integrity and availability of information. It prevents the improper use and leakage of company secrets in the event of human negligence, deliberate destruction or damage of equipment, or natural disasters, which could adversely affect the company's operations and interests. In 2022, there was no occurrence of customer information leakage.

4. Sustainable Environment

Climate change cannot be stopped and IBASE is aware of the environmental impact of the company's operations. Therefore, the company formulates and implements climate-friendly policies and strategies by setting a number of environmental goals and indicators for carbon emission and waste reduction at each stage of the product life cycle. IBASE is investing in process improvement, management measures and the introduction of environmentally friendly design, optimizing energy and resource utilization efficiency, implementing green practices in the company and maximizing the shared benefits to the environment.

IBASE is committed to maintaining the highest environmental standards as a core value of the company to fulfil its responsibility in environmental protection and promote the harmonious development between man and nature. IBASE recognizes environmental protection as a subject that requires cooperation and shall continuously improve environmental performance to achieve the goal of sustainable operation.

4.1 Energy Management

Major Themes	Energy management
Importance to the Company	To maintain the highest environmental standards as a core value of the enterprise, and provide the necessary support to achieve of environmental protection goals
Policy/Commitment	To continuously improve environmental performance by identifying environmental aspects and establishing goals through a consistent perspective.
Short-Term Target	Construction of energy and facilities monitoring system Establishment of Greenhouse Gas Inventory System
Medium/Long-Term Target	Conservation of energy Reduction of general waste generation
Invested Resources and Specific Results for the Year	1. Use energy-saving products to reduce electricity consumption 2. The project was executed in 2022
Responsible Dept./Grievance Mechanism	Labor Safety Office / Telephone extension and Email
Outcome	The implementation of the energy-saving plan in Pingzhen plant in 2022 will reduce energy consumption by 4,143kWh

The factories of IBASE in Sanchong, Xinzhuang and Pingzhen are actively implementing various energy reduction measures, selecting equipment with high energy efficiency and energy-saving design to optimize the use of energy. The company continues to promote energy conservation and carbon reduction. The Sanchong Plant won the Environmental Protection Agency's Carbon Reduction Action Award in 2015 and has introduced the "Energy and Facility Monitoring System" in June 2020. The Xinzhuang and Pingzhen factories introduced the "Energy and Facility Monitoring System" respectively in April 2022 and June 2023.

Energy Consumption Data

Energy Consumption Data(Mwh)	Headquarters	Sanchong Factory	Xinzhuang Factory	Pingzhen Factory	Total
2020	2,254.85	5,565.40	4,618.08	689.76	13,128.09
2021	5,343.49	3,518.31	5,715.72	4,331.87	18,909.38
2022	5,343.49	3,433.77	5,285.52	8,985.77	23,048.55

Note: 1. GJ unit calculation: 1 degree of electricity = 0.0036GJ

2. Energy data are collected for calculating electricity consumption in each region.

3. The Pingzhen plant commenced production in August 2020.

4. Due to differences in the calculation basis of electricity consumption by the head office, the data for 2021 will be updated to reflect the current situation.

Energy Consumption of Company Vehicles (GJ)	Gasonline	Diesel
2020	0	0
2021	0	0
2022	209.51	93.52

Note: 1. IBASE started to calculate the oil consumption of company vehicles from April 2022.

2. The calorific value of energy is calculated using a fixed value; Diesel: 8400Kcal/L, Gasoline: 7800Kcal/L, 1 joule = 0.239 cal

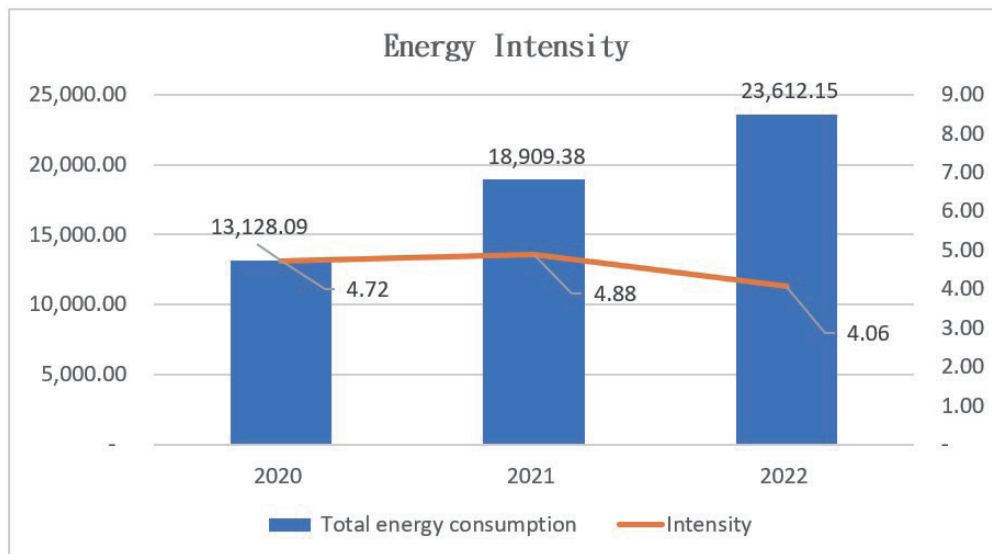


Energy and facilities monitoring system at the Xinzhuang factory



Energy and facilities monitoring system at the Sanchong factory

Energy Intensity



Note: Energy intensity = (Total energy consumption GJ) / Sales (NT\$ 1M)

Regarding energy conservation, IBASE has taken the following measures:

1. The company has implemented an electronic information system in office processes to reduce paper usage. It also utilizes low-energy, green-energy office supplies and equipment that comply with EU environmental protection directives.
2. The R&D department has initiated staff training on the European Union's ErP directive to achieve low-energy product design goals.
3. In terms of energy-saving projects in 2022, the Xinzhuang plant implemented energy monitoring systems, while the Pingzhen plant adopted SMT automation equipment (smart racks), an assembly line automatic handling system, and a self-propelled pallet wrapping machine (PE). IBASE will continue to focus on various energy-related issues and carry out energy-saving improvements. In 2019, the Sanchong factory introduced the "Energy and Facility Monitoring System" and installed inductive lighting and environmental control equipment to effectively reduce electricity consumption.



Energy Rack



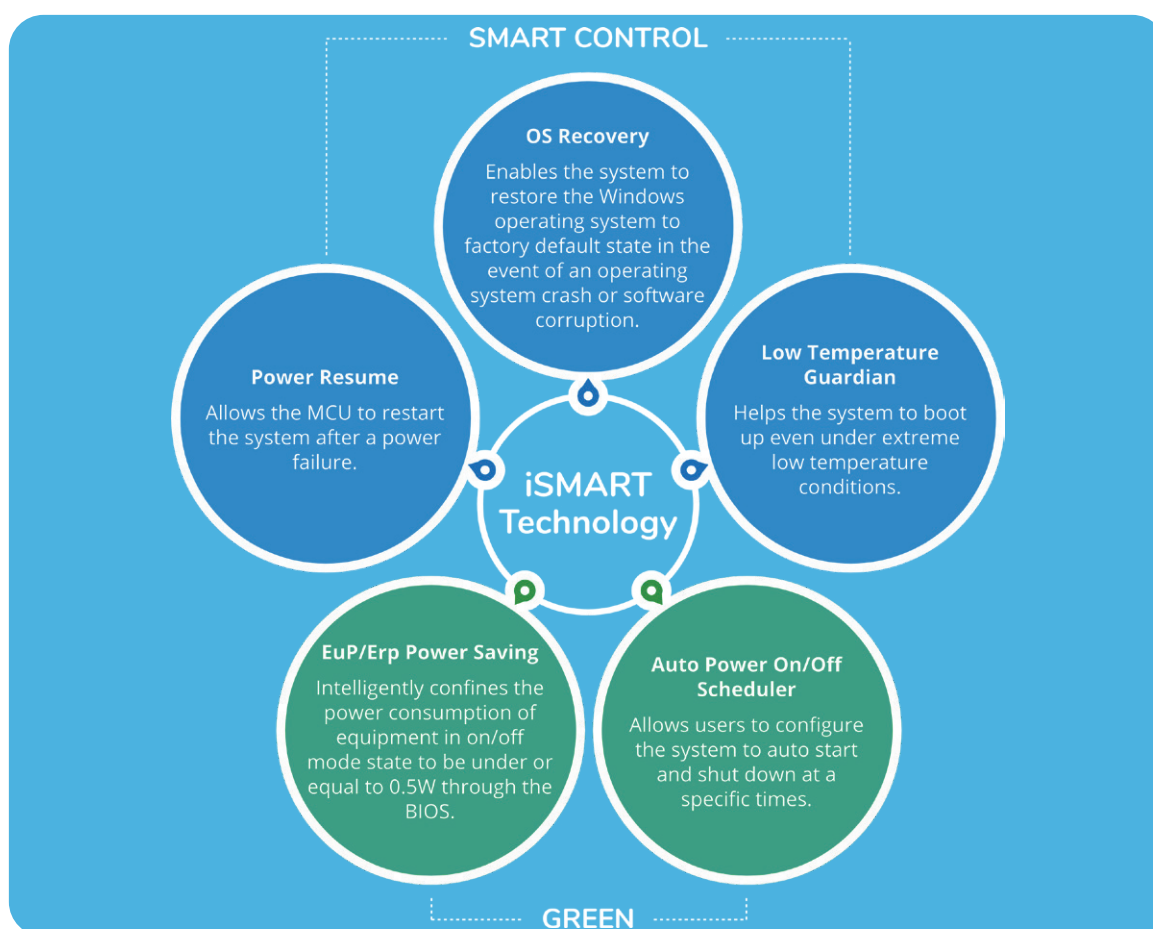
Assembly Line Automatic Handling System



Pallet Wrapping Machine

The R&D department will eliminate unnecessary packaging materials in the design, considering their environmental impact, as well as factors such as energy efficiency, carbon reduction, and environmental protection. In addition to complying with EU environmental regulations such as RoHS and REACH, strict incoming material inspections are conducted during product design to ensure the highest product quality and reliability. IBASE also integrates a lead-free process throughout the production cycle to achieve environmental protection and green energy goals.

IBASE adopts lightweight design whenever possible to minimize material usage. Additionally, IBASE's exclusive iSMART intelligent environmental protection and energy-saving technology supports automatic power scheduling, significantly reducing energy consumption. iSMART includes Eup/Erp energy-saving features, automatic power recovery, low-temperature monitoring, and system automatic recovery functions. Many IBASE products feature cable-free and fanless system designs, which not only reduce cable usage but also eliminate the need for fans and other consumables.



4.2 Material Management

In addition to energy-saving and carbon reduction efforts, waste and material recycling for reuse are necessary to mitigate the impact of production on the environment. Tin slag is an inevitable by-product in the production process, and solder dross can be recovered through processes that comply with lead-free production requirements. Packaging carton materials, wooden pallets, and empty drums can be recycled and reused to reduce waste and alleviate the strain on the Earth's natural resources. A reduction in the use of paper at IBASE's offices is being achieved with the introduction of a digital document system for a more sustainable environment.

4.3 Carbon Emission

Major Themes	Air Pollution and Greenhouse Gases
Importance to the Company	To maintain the highest environmental standards as a core value of the enterprise, and provide the necessary support to achieve of environmental protection goals
Policy/Commitment	To continuously improve environmental performance by identifying environmental aspects and establishing goals through a consistent perspective.
Short-Term Target	1. Construction of energy and facilities monitoring system 2. Establishment of Greenhouse Gas Inventory System
Medium/Long-Term Target	1. Energy conservation and pollution prevention. 2. Continuous improvement and sustainable management.
Invested Resources and Specific Results for the Year	1. Use energy-saving products to reduce electricity consumption. 2. The project was executed in 2022.
Responsible Dept./Grievance Mechanism	Labor Safety Office /Extension and Email
Outcome	In 2022, the Pingzhen plant's energy-saving plan reduce 2,235kg CO ₂ e.

The rise in greenhouse gases causes global warming with catastrophic effects around the world. To help mitigate the impact of climate change, IBASE promotes energy saving and carbon reduction in its factories by conforming to ethical codes for environmental protection. Greenhouse gas emissions are divided into direct and indirect emissions according to the source of emissions. Indirect greenhouse gas emissions come from purchased electricity which IBASE purchases from Taiwan Power Company. Greenhouse gas emissions from the company's operations are disclosed below.

4.3.1 Emission

Greenhouse Gas Emission Intensity (Emission, Emission Intensity)

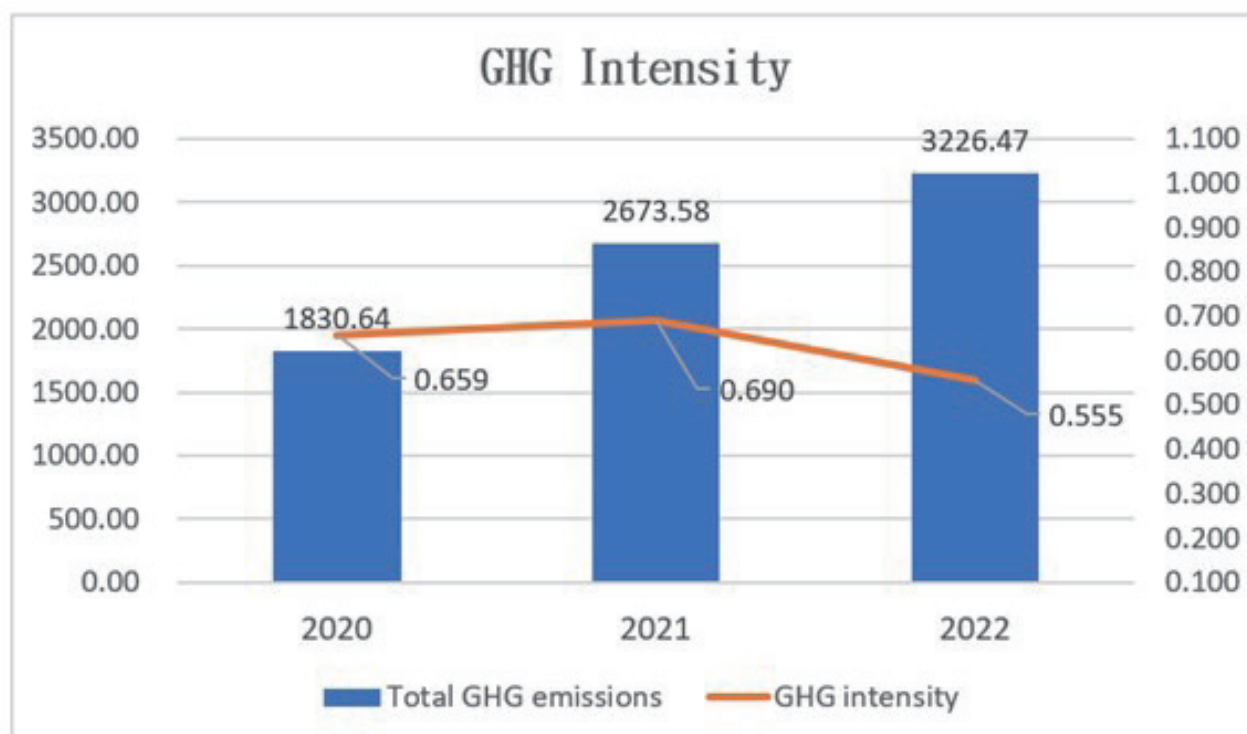
Year	CO ₂ e (tons) Emission	Sales (NT\$1M)	Greenhouse Gas Emission Intensity
2020	1,830.64	2,779.67	0.659
2021	2,673.58	3,875.02	0.690
2022	3,226.47	5,815.66	0.555

Greenhouse Gas Emission (Category One / Category Two)

Greenhouse Gas Emission (Metric Tons CO ₂ e)	Category One	Category Two
	Direct Emissions	Indirect Emissions
2020	0	1830.64
2021	0	2673.58
2022	21.46	3205.01

- Note 1. CO₂e is calculated based on the emission factor published by Taiwan's Bureau of Energy: 0.502 kg CO₂e/kWh in 2020, 0.509 kg CO₂e/kWh in 2021, and 0.495 kg CO₂e/kWh in 2022.
2. Starting from April 2022, the fuel consumption of company vehicles will be recorded.
3. Due to the difference in the calculation basis of the head office's electricity consumption, the data for 2020 and 2021 will be updated according to the current situation.

4.3.2 Greenhouse Gas Emission Intensity



Note: Intensity of greenhouse gas emissions; Total greenhouse gas emissions/Sales (NT\$ 1M)

4.4 Waste Management

4.4.1 Waste Management Plan

Major Themes	Waste disposal
Importance to the Company	To maintain the highest environmental standards as a core value of the enterprise, and provide the necessary support to achieve of environmental protection goals
Policy/Commitment	To continuously improve environmental performance by identifying environmental aspects and establishing goals through a consistent perspective.
Target	1. Comply with environmental regulations. 2. Energy conservation and pollution prevention. 3. Continuous improvement and sustainable management.
Invested Resources and Specific Results for the Year	1. Waste declaration information 2. Source reduction
Responsible Dept./Grievance Mechanism	Labor Safety Office / Telephone extension and Email
Outcome	The declaration meets the legal requirements

In terms of waste management, IBASE not only aims to minimize waste output but also mandates the Nangang Head Office and each factory to categorize waste and implement control measures to prevent indiscriminate disposal, which can lead to disposal problems. Furthermore, IBASE manages the source of materials to control waste and categorizes waste generated in the manufacturing process based on their nature, implementing recycling and reuse measures

4.4.2 Waste Disposal Method

Waste generated by IBASE includes general business waste and hazardous business waste. General business waste is mainly managed through incineration and recycling treatments, while hazardous business waste is handled through recycling and physical treatments. The daily waste generated by employees at the head office and the Sanchong factory is managed by a qualified cleaning and transportation company assigned by the building management committee.

Waste generated in the manufacturing process includes electronic waste, tin slag, and liquid waste. Non-process waste, such as general household waste, office waste, packaging materials, and containers, is cleaned and managed by qualified cleaning and transportation companies for processing in accordance with related laws and regulations.

Waste at the Sanchong Factory

Waste Category (Metric Tons)	2020	2021	2022	Recycling	Handling Method
Hazardous Business Waste (Liquid Waste)	56	93	50		Recycling
Hazardous Business Waste (PCB Waste)	287	307	327	V	Physical processing
Tin Waste	4,061	6,092	7,544	V	Manufacturer recycling
Wire and Cable Wastes	17	0	0		Physical processing

Note: The general business waste (employee household waste) at the Sanchong factory is disposed of by the Clevo Building.

Waste at the Xinzhuang Factory

Waste Category (Metric Tons)	2020	2021	2022	Recycling	Handling Method
Hazardous Business Waste (PCB Waste)	-	0.009	66	V	Physical processing
Plastic Waste	0.8	3.26	0	V	Manufacturer recycling
Wire and Cable Waste	-	0.002	19		Physical processing

Note: 1. General business waste (including employee household waste) at the Xinzhuang factory is handled by qualified removal and transportation companies.
 2. There is no tin waste output from the DIP production lines at the Xinzhuang factory.
 3. Starting in 2021, due to process adjustments at the Sanchong factory, PCB waste and wire and cable waste were handled by the Xinzhuang factory.

Waste at the Pingzhen Factory

Waste Category (Metric Tons)	2020	2021	2022	Recycling	Handling Method
General Business Waste (Household Waste)	-	10.0	10,934		Incinerator
Hazardous Business Waste (PCB Waste)	-	0	956.4	V	Physical processing
Tin Waste	-	0	1,028	V	
Plastic Waste	-	-	0	V	
Wire and Cable Waste	-	0	956.4		Physical processing

Note: 1. The construction of the Pingzhen factory started in June 2020. During the construction phase (from June 2020 to December 2020), business waste was handled by the construction company.
 2. In the Pingzhen factory, the output of PCB waste, wire and cable waste, and tin waste in 2021 was small and stored in the factory. It will be cleaned up starting in 2022.
 3. Plastic waste was recycled by qualified transporting companies.

4.5 Sustainable Supply Chain

While conventional supply chain management pays attention to the speed and cost of operations, sustainable supply chain management also upholds environmental and societal values. IBASE conducts regular review meetings and audits, replacing unsuitable suppliers as it sees fit. IBASE selects raw materials and components suppliers that meet relevant EU environmental protection directives. Suppliers are required to submit product-related test reports to minimize the environmental impact and ensure compliance with environmental laws and regulations. IBASE evaluates existing suppliers once a year, and the evaluation items are quality, delivery time, and service.

IBASE shall distribute environmental, social, and corporate governance questionnaires to new suppliers and existing major raw material suppliers in 2023, and will continue to pay attention if suppliers meet their ESG responsibilities.

Supplier Selection Criteria:

- With business registration certificate and factory registration.
- Must have a good reputation and no major violation of laws and regulations.
- Compliance with EU directives on the restriction of the use of hazardous substances.
- Certified with ISO management systems such as ISO 14001 and QC080000.

4.6 Climate Change Risk Management and Response

IBASE supports the Task Force on Climate-related Financial Disclosure (TCFD) and its recommendations and is working to address and disclose climate change risks and opportunities in line with the TCFD framework. The core elements included in the TCFD report are governance, strategy, risk management and metrics and targets.

Core Element	Description	Activities
Governance	The sustainable development committee is responsible for the governance of climate-related risks and opportunities.	IBASE has established an ESG promotion team, with the President serving as the Chairperson. In the annual ESG meeting, the team discusses climate change risks that may arise in the company's operations, as well as energy and resource utilization efficiency, and various environmental effects related to the product life cycle. The team reports climate change issues and implementation status to the Board of Directors every year.
Strategy	Considering climate-related risks and opportunities in relation to the organization's investment strategy and funding strategy.	<p>Climate-related risks and opportunities:</p> <ol style="list-style-type: none"> 1. Transition risks: <ol style="list-style-type: none"> (1) Changes in local laws and regulations leading to higher operating costs. (2) Changes in customer demand leading to a decrease in orders. (3) Increased R&D spending. 2. Physical risk: <ol style="list-style-type: none"> (1) Rising temperature. (2) Water shortage. (3) Power rationing. (4) Typhoon disasters. 3. Opportunities: <ol style="list-style-type: none"> (1) Reduce energy consumption, (2) Improve the efficiency of resource usage. (3) Develop new products/technologies with lower energy consumption.

Core Element	Description	Activities
Risk Management	Meetings are convened to discuss the identification, assessment and management of climate-related risks	<p>The company discusses the risks and opportunities and proposes action plans, including:</p> <ol style="list-style-type: none"> 1. Transition risk response: <ol style="list-style-type: none"> (1) Check company compliance with the latest laws and regulations and develop various measures to meet the requirements. (2) Integrate the concept of reducing environmental impact into all stages of the product life cycle and work with the supply chain to continuously develop energy-saving products. 2. Response to physical risks: The company continues to pay attention to energy consumption issues, to collect relevant data, to identify equipment with high energy consumption and to make continuous improvements to reduce risks to a controllable level. 3. Response to climate change opportunities: Actively improve high-energy-consuming equipment (such as heat recovery of air conditioners) and continue to pay attention to energy-saving technologies.
Metrics and Goals	Indicators and targets for assessing and managing climate-related risks and opportunities	<ol style="list-style-type: none"> 1. Product energy consumption improvement: In accordance with government policies, the R&D department has focused on energy consumption reduction with product design to improve the energy saving performance of the company's products. 2. IBASE is not mandated to disclose the greenhouse gas emissions. It plans to conduct greenhouse gas inventories in 2023. 3. Due to the addition of data from the Pingzhen plant, the greenhouse gas data may not show a significant reduction in 2022. 4. Scope 1 of carbon emissions in 2022 according to IBASE statistics: 21.46 metric tons of CO₂e. Scope 2: 3205.01 metric tons of CO₂e. 5. The industrial computing industry is not covered by CBAM.

5. Social Care

IBASE promotes the labor rights and interests of employees by creating a happy and safe workplace, providing employees with equal work opportunities, implementing gender equality policies and building an atmosphere of mutual respect. Low staff turnover has enabled the company to steadily grow throughout the years. Transparent promotion channels allow employees to anticipate the possibility of future career development. IBASE has a complete education and training system, holding various training courses to enrich the professional skills of employees and strengthen their development capabilities.

Employees are encouraged to participate in labor-management meetings and with various communication channels to ensure that the opinions and suggestions of all employees can be fully conveyed to the company, that the rights and interests of employees are protected and to adequately communicate and resolve labor-management disputes.

Finally, repaying the society is part of the company culture. IBASE works with social welfare group to invest in public welfare activities, and takes care of disadvantaged groups to fulfill its social responsibilities.

5.1 Employee Profile

IBASE treats employees equally and applies various affirmative measures to eliminate any labor conditions that may cause inequality in the workplace and protect the labor rights of employees.

5.1.1 Human Rights Protection

To fulfill our corporate social responsibility and protect the basic human rights of all employees, IBASE complies with universal values and respects internationally recognized basic human rights policies including freedom of association, caring for disadvantaged groups, prohibiting child labor, eliminating all forms of forced labor, eliminating employment discrimination, among others. There is no difference in treatment regardless of gender, sexual orientation, race, socioeconomic status, age, marriage, family status, language, religion, political party, appearance, physical and mental disabilities.

IBASE has also created complaint channels for employees to report any illegal or improper behavior. A special staff will handle reports, make appropriate responses and ensure the confidentiality of reporting employees. To protect whistleblowers, complaints will be handled with confidentiality throughout the entire process. For 2022, IBASE has not received any reports of illegalities.

5.1.2 Employee Statistics

As a world leader in the field of industrial computing products, IBASE has achieved significant revenue growth and substantially improved factory production efficiency over the years. With the increasing demand for human resources, IBASE offers competitive salaries to attract outstanding talents. In 2020, the Pingzhen factory was established and expanded its production capacity, resulting in a high demand for manpower.

IBASE is a technology company that not only contributes to the national economy but also enhances the quality of life for its employees and their families. The number of female employees has been increasing each year, now accounting for 54.29% of the workforce. Employees can be categorized as direct labor at our production bases and indirect labor. Due to the nature of production line operations, most direct labor employees are female. Indirect labor employees work in departments such as R&D, quality assurance, and

sales, where male employees are predominant. In terms of age distribution, regardless of direct or indirect labor, approximately 78% of employees are under the age of 50. This indicates that IBASE currently has a workforce dominated by middle-aged employees, with experienced senior managers leading the younger team members.

There are a total of 9 non-employees hired for cleaning and security roles, which is an increase of 2 compared to 2021. This increase is primarily attributed to the expansion of the Pingzhen plant in 2022. IBASE operates bases that employ local talents as senior executives, demonstrating its commitment to cooperating with the local community for manpower recruitment. This approach has garnered recognition from the local community and has contributed to the local economy.

Statistics on the Number and Category of Employees in Taiwan

Year		2020		2021		2022	
Taiwan Region Total Number of Employees (Note 1)		516		539		687	
Employment Contract (Note 2)		Indefinite	Definite	Indefinite	Definite	Indefinite	Definite
Age	Male	269	0	267	0	276	0
	Female	235	0	249	0	263	0
Employment Type		Fulltime	Parttime	Fulltime	Parttime	Fulltime	Parttime
Age	Male	267	0	276	0	314	0
	Female	249	0	263	0	373	0

Note: 1. Statistics are based on the end of the current year.

2. Employment contracts are categorized into two types: indefinite contract employees (regular jobs) and fixed-term contract employees (temporary, short-term, seasonal, specific nature).

Statistics on the Ratio of Female Employees

2022	Female Employees	All Employees
Total	373	687
%	54.29%	100%

Statistics on Diversity of Employees in Taiwan

Diversity Statistics / Annual				2020		2021		2022	
				Number	%	Number	%	Number	%
EMPLOYEES	DIRECT	Gender	Male	48	25.7%	56	27.3%	76	24.2 %
			Female	139	74.3%	149	72.7%	238	75.8%
		Age	>30	73	39.0%	68	33.2%	98	31.2%
			30>50	78	41.7%	103	50.2%	169	53.8 %
			<50	36	19.3%	34	16.6%	47	15.0%
		Education	Higher Education	0	0.0%	0	0.0%	1	0.3 %
			College/ University	54	28.9%	62	30.2%	79	25.2%
			Below High School	133	71.1%	143	69.8%	234	74.5%
	INDIRECT	Gender	Male	219	66.6%	220	65.9%	238	63.8 %
			Female	110	33.4%	114	34.1%	135	36.2 %
		Age	>30	51	15.5%	51	15.3%	57	15.3%
			30>50	209	63.5%	202	60.5%	216	57.9%
			<50	69	21.0%	81	24.3%	100	26.8%
		Education	Higher Education	37	11.2%	37	11.1%	40	10.7%
			College/ University	233	70.8%	238	71.3%	270	72.4%
			Below High School	59	17.9%	59	17.7%	63	16.9%

Note: The calculation method is as follows:

1. The percentage of direct employees under the age of 30 = (the total number of direct employees under the age of 30 at the end of the year / the total number of employees at the end of the year) * 100%.
2. The percentage of indirect staff with graduate degrees = (total number of indirect staff with graduate degrees in the current year / total number of employees at the end of the year) * 100%.

Statistics of New Employees

New Employee Statistics/Annual		2020		2021		2022	
		Total	Ratio (Note 2)	Total	Ratio (Note 2)	Total	Ratio (Note 2)
Total Number of Employees for the Year (Note 1)		516	18.6%	539	28.6%	687	41.5%
Age	<30	47	48.96%	52	33.77%	95	33.3%
	30<50	38	39.58%	87	56.49%	163	54.9%
Gender	<50	11	11.46%	15	9.74%	27	8.7%
	Male	43	44.79%	72	46.75 %	107	35.8%
	Female	53	55.21 %	82	53.25%	178	58.6%
Education	Higher Education	6	6.25%	6	3.90%	14	4.9%
	College/University	45	46.88%	76	49.35 %	112	20.1%
	Below High School	45	46.88%	72	46.75%	159	35.8%

Statistics Of Resigned Employees

Resigned Employee Statistics/ Annual		2020		2021		2022	
		Total	Ratio (Note 2)	Total	Ratio (Note 2)	Total	Ratio (Note 2)
Total Number of Employees for the Year (Note 1)		516	16.5%	539	23.4%	687	19.9%
Age	<30	45	8.7%	44	8.2%	45	32.8%
	30<50	35	6.8%	67	12.4%	77	47.8%
Gender	<50	5	1.0%	15	2.8%	15	9.9%
	Male	45	8.7%	60	11.1%	69	46.9%
	Female	40	7.8%	66	12.2%	68	48.2%
Education	Higher Education	2	0.4%	6	1.1%	10	7.3%
	College/University	55	10.7%	61	11.3%	63	23.9%
	Below High School	28	5.4%	59	10.9%	64	31.8%

Note 1: The total number of employees up to the end of the year (12/31) according to statistics.

Note 2: New Recruitment Rate = (Total number of new employees of the specific category of the year / Total number of employees of the specific category at the end of the year) * 100%.

- (1) For example, the rate of new female employees = (the total number of new female employees in the year / the total number of female employees at the end of the year) * 100%.
Turnover rate = (the total number of employees who leave the specific category in the current year / the total number of employees in the specific category at the end of the current year) * 100%.
- (2) For example, the rate of resigned employees under the age of 30 = (the total number of resigned employees under the age of 30 in the current year / the total number of employees under the age of 30 at the end of the current year) * 100%.

Local Talents Employed as Senior Executives at Ibase Operating Bases

Main Operating Base	Senior Executives (Managers and Above)	Local Residents Employed as Senior Executives	Ratio
Taiwan area	28	28	100%

Note 1: Calculation method - Number of local residents employed as senior managers at each base / the total number of senior managers at each base) * 100%.

5.2 Fit-For-Purpose

Sound human resources management is key to the sustainable operation of IBASE. To attract outstanding talent, the company offers market-competitive salaries and benefits and rewards employees for good performance and long-term contributions. The company promotes equality through fair recruitment practices and provides fair treatment during employment, with transparent performance assessments. A reward and punishment system fosters a healthy competitive atmosphere that nurtures talent and encourages employees to be more committed to the company, actively participating in company affairs. Transparent and open company promotion policies provide opportunities for employees with good job performance to continue developing their talents. The company also arranges education and training for employees to improve their abilities and grow in their professional fields. Employees are encouraged to voluntarily communicate suggestions, concerns, or work-related opinions, and multiple channels and platforms are available to facilitate timely employee communication, fostering harmonious labor-management relations.

5.2.1 Salary and Benefits

Major Theme	Salary and Benefits
Importance to The Company	Provide employee salaries and benefits that are competitive, fair, and motivating to strengthen employees' sense of identity with the company and to share the company's operating results with employees, creating a win-win performance for labor and capital.
Policy / Commitment	To motivate employees toward better performance and productivity, the company has formulated a salary system based on "ability and performance" and conducts surveys to review employees' salary levels for timely adjustments.
Short-Term Goal	Based on employees' individual performance contributions, the salary structure is adjusted annually in a timely manner.
Medium and Long-Term Goals	The goal is to allow employees to work with peace of mind, grow steadily, contribute their expertise, and achieve economic security, thus supporting both employees and the company's sustainable operation.
Investment Resources and Specific Results in the Current Year	The goal is to allow employees to work with peace of mind, grow steadily, contribute their expertise, and achieve economic security, thus supporting both employees and the company's sustainable operation.
Responsible Department / Grievance Mechanism	Administration department / Telephone extension and Email

IBASE determines employee salaries based on the annual operating target achievement rate and the company's profit performance. The level of salaries surpasses those of relevant labor laws and market salary standards. Employee performance is regularly evaluated and considerations cover actual versus target results, skills assessment and overall job performance. Regular evaluations help employees better understand what's expected of them and serve as a guide for their career advancement and development. The evaluation results are a key consideration for promotions, bonuses and raises. Evaluating employee job performance and productivity can create benefits for management and employees, creating career growth and improving performance of employees, increasing employee engagement and clarifying expectations.

In general, employees' salaries are based on years of service, educational background, professional knowledge and skills, length of professional experience and individual performance, not taking into account their nationality, gender, race religion, marital status and political affiliation.

The gender wage gap in Taiwan is a prominent issue of concern. IBASE distinguishes between direct-labor staff and indirect-labor employees with regards to gender. Comparing the ratio of basic salary to overall salary among the direct-labor staff at Taiwan operating bases, the basic salary of men and women is about equal and the overall salary gap between men and women is narrowing year by year. As for indirect-labor staff, the significant gap in basic salary and overall salary between male and female is due to the fact that male staff are mostly engaged in R&D and sales operations, while female staff are in administrative and other positions. However, in line with diversification and the principle of equality, salaries comply with regulatory requirement.

Furthermore, IBASE encourages employees to improve their work efficiency by providing them a good working environment and regular corporate activities that enhances positive interaction among colleagues, as well arranging visually-impaired massage professionals to come to the company to help colleagues relieve their pressure, simultaneously contributing to public welfare.

To secure the financial planning of employee retirement, a comprehensive pension system has been implemented since July 1, 2004 in conjunction with the implementation of the Labor Pension Act (hereinafter referred to as "the new system"). After the service years of employees who started to work after the implementation of the new system, their service years will be changed to a fixed allocation system. Their pension payment will be paid by the company on a monthly basis at a rate not less than 6% of salary, which is saved in the personal account of labor pension.

According to the provisions of the company's employee retirement regulations, all employees who have served the company for 15 years and are over 55 years old can apply for voluntary retirement. If and employee continues to stay and work for the company, he can still apply for retirement even when he is 60 years old.

Employee Benefits:

- (1) Labor Insurance: Applied from the first day of employment.
- (2) National health insurance: Applied from the first day of employment.
- (3) Food allowance.
- (4) Employees subsidy provided in accordance with regulations for events related to marriage, funeral, etc. in accordance with regulations.
- (5) Gift certificates on occasions such as the Dragon Boat Festival and Mid-Autumn Festival.
- (6) Chinese New Year dinner and lottery activities.
- (7) Group insurance.
- (8) Regular 2-3 day local tours.
- (9) Subsidy for international travel.
- (10) Birthday gifts with gift certificate.
- (11) Self-rental parking allowance.
- (12) Year-end bonuses and employee dividends.

Average and Median Salary for Full-Time Employees Not in Senior Executive Positions

Item/ Year		2021	2022	Difference
Non-Full-Time Employees in Senior Executive Positions (Unit: Person)		514	659	145
Annual Salary of Full-Time Employees not in Senior Management Positions (Unit: NT\$ 1,000)	Average	561.9	589	28
	Median	450.3	465	15

Gender	Ratio of Standard Salary to Local Basic Salary		
Male	1.27		
Female	1.07		

Employee Welfare Benefits



Company Year-End Party



Company Tour Banquet



Employee Tour



Employee Tour



Sports Day Activity



Breast-Feeding Room



Visually impaired masseurs are hired to relieve stress, eliminate fatigue and improve the work efficiency of employees.



Employee Health Checkup

5.2.2 Talent Cultivation

Major Themes	Talent Cultivation
Importance to the Company	The sustainable operation and growth of IBASE depends on the contribution of employees' professional and management skills. Through training and development at different levels, employees and managers stay highly competitive, making IBASE a global leader in the industrial computing industry.
Policy/ Commitment	IBASE sets up teams responsible to provide relevant training and learning resources for employees at various levels and positions to assist in their job functions and career development.
Target	<ol style="list-style-type: none"> 1. 100% training of new recruits. 2. 100% compliance of licensed training staff. 3. Improved supervisory management to meet future company challenges. 4. In response to changes in the environment, re-examine the blueprint for managers' training and cultivate leaders who can face future challenges. 5. Provide employees with professional training to assist their career development.
Invested Resources and Specific Results for the Year	Arranged and implemented annual trainings according to plan.
Responsible Dept / Grievance Mechanism	Administration department/ Telephone extension and Email
Evaluation Mechanism /Outcome	<ol style="list-style-type: none"> 1. Achieve the number of annual training hour standards. 2. Satisfaction survey after each training.

IBASE pays great attention to the training of employees and regards continuous learning and growth of employees as an essential factor for enterprise development. It actively develops the professional skills of its employees and helps employees improve the skills required for their career development. To meet annual goals and different operational needs, IBASE has established a complete education and training system comprising on-the-job training, new recruits training, professional level training and management-level training.

When a new employee checks-in, an assigned staff will provide him with information related to company internal rules and regulations and occupational safety. He will be given a relevant training by the department where he has been assigned to. IBASE actively encourages employees to take professional courses through a variety of learning channels to upgrade their skills and performance for continuous growth. Each department develops its own education and training plans and implements them according to their own needs each year. Employee advanced training is divided into internal and external trainings.

Internal training is arranged by each department according to actual operation needs. Participation in courses organized by external institutions can be done with the approval of the company. After attending a training course, an employee shares his training experience with other colleagues in the department so that other staff can also learn and apply the knowledge gained. In response to the trend of diversification of education and training in recent years, IBASE encourages employees to attend language courses and general knowledge training to build up employees' potentials in other areas.

As the Pandemic started to slow down in 2022, IBASE has resumed education and training courses so the average training hours are close to the level of previous years. However, all are encouraged to learn and upgrade their professional skills continuously. Since direct-labor staff are mainly female colleagues and indirect-labor staff are mostly male, the average training hours of male employees is higher than those of female employees. Direct-labor staff are those in the production line operations, while the indirect-labor staff are engaged in R&D, sales, administration, and management, and also need various special trainings. The training hours of indirect-labor staff are significantly higher.

Employee Education and Training Hours Statistics

Statistics/Annual		2020	2021	2022
Average Training Hours Per Employee (Note 1)		11.57	7.04	10.42
Average Number of Hours of Training Employees By Gender (Note 2)	Female	8.73	4.24	5.92
	Male	14.22	9.70	15.77
Average Hours of Staff Training by Category (Note 3)	Direct	6.93	3.54	4.09
	Indirect	14.22	9.19	15.75

- Note: 1. The average number of training hours per employee: the total number of training hours for all employees in the current year / the total number of employees at the end of the year.
2. The average number of training hours per female employee: the total number of training hours of female employees in the current year / the total number of female employees at the end of the year.
3. The average number of training hours of each category of employees: the total number of training hours of the category of employees in the current year / the total number of employees of the category at the end of the year.

5.2.3 Labor-Management Communication

Smooth communication between employers and employees helps to promote cooperation and enables employees to understand the company's production plans, business overview and market conditions. IBASE complies with laws and regulations and its administrative staff comply with local labor laws and regulations of each operating location. According to the law, labor-management meetings are to be held at least every three months. The management representatives include the president, corporate governance director and human resources department director. Regular communication and dialogue between the two parties promote labor-management cooperation, allowing employees to express their opinions and for improved labor conditions within the company. IBASE also has multiple communication channels for employees to voice their opinion and for the company to timely respond and convert suggestions into policies for implementation in a timely manner. IBASE consistently has harmonious labor relations and no labor disputes.

5.3 Occupational Safety and Health

In managing a sustainable workplace, IBASE is committed to protecting the lives of workers, putting safety first, fulfilling social responsibilities, abiding by various regulatory requirements and continuously improving workplace safety and hygiene.

5.3.1 Occupational Safety and Health Management

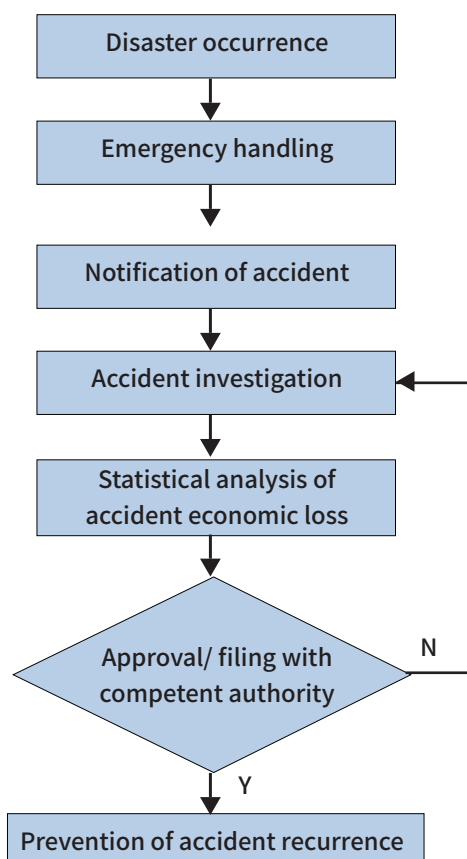
To effectively control Occupational Safety and Health risks in the factory area and improve a healthy and safe working environment, IBASE is in the process of implementing the ISO 45001 Occupational Safety and Health management system (certification is in progress). This system covers all company employees and contractors, totaling 706 individuals. Currently, ISO 45001 External Verification has not yet been implemented. IBASE follows the Occupational Safety and Health Hazard Identification Risk Assessment Management Procedure. It conducts hazard identification and risk assessment and plans relevant improvement measures based on the risk level score to reduce the risk of occupational hazards and improve workplace safety. In 2022, the identification of physical, chemical, and other related risks and hazards for 169 operations was completed.

Regarding employee healthcare, the company conducts health checks for all employees every two years and a special health check annually.

The company has put appropriate countermeasures in place against occupational disasters and accidents. According to the company's established Occupational Safety and Health Incident Investigation Management Procedure, incidents are classified with corresponding investigation procedures. Simultaneously, corrective measures are taken to prevent recurrence.

Accident investigation is a crucial aspect of occupational safety. When an accident occurs, the scene is controlled to prevent secondary disasters, and first aid or medical treatment is provided to the injured as necessary. Except for necessary first aid or rescue, the scene is preserved intact, and the labor safety department is immediately notified. The labor inspection agency is notified within eight hours. After the accident has been investigated and recorded in the Occupational Safety and Health Accident Report Form, the labor safety department formulates improvement measures, using accident records as safety and health training materials.

Accident Notification Process



5.3.2 Occupational Safety Committee

According to Occupational Safety and Health regulations, IBASE has established an Occupational Safety and Health Committee, which meets quarterly. Labor representatives, accounting for 56% of the overall committee members, review changes in external and internal issues related to the Occupational Safety and Health management system, regulatory identification, Occupational Safety and Health Policy, Occupational Safety and Health Goal Achievement Process, and Occupational Safety and Health Performance Information, including Occupational Hazards and Work Environment Monitoring Review.

Percentage of Occupational Safety and Health Committee Members and Labor Representatives

Members	Labor Representative	Percentage of Labor Representatives
25	14	56%

5.3.3 Occupational Injuries and Occupational Disease

IBASE had one occupational injury in 2022 and no occupational diseases. Each time an accident occurs, an immediate investigation is launched, and measures are taken to strengthen on-site infrastructure equipment and management systems. The injury that occurred was a burn. The staff was not careful while cleaning the machine and got burned by the high-temperature residue in the machine. Personal protective equipment has been purchased and is now required to be worn during cleaning.

Statistics on Occupational Injury and Occupational Disease Statistics

Statistics/Year		2020	2021	2022
Total Working Hours		902,488	1,050,352	1,217,120
Number of Fatal Accidents due to Occupational Injuries	Number	0	0	0
	Ratio	0	0	0
Serious Occupational Injuries	Number	0	0	0
	Ratio	0	0	0
Number Of Recordable Occupational Injuries	Number	0	0	1
	Ratio	0	0	0.82
Occupational Disease	Number	0	0	0
	Ratio	0	0	0
Number Of Recordable Occupational Diseases	Number	0	0	0
	Ratio	0	0	0

Note: Proportion of recorded occupational injuries (FR: Frequency of incapacitating injuries) = (Number of recordable occupational injuries x 1 million work hours) / Total number of work hours

5.3.4 Occupational Safety Training

To promote a safety culture and strengthen employees' safety awareness, the labor safety department produces safety and health promotion materials, including accident investigation. Additionally, regular work-related internal or external safety and health training sessions are conducted. IBASE hires professional lecturers for training and validates the effectiveness of the training through tests, practice, or training certificates.

Occupational Safety Training Statistics

Item/ Year	Internal Training			External Training		
	2020	2021	2022	2020	2021	2022
Trained Staff	556	132	233	151	10	7
Hours	1,668	396	699	574	57	84

Emergency Response Drill Statistics

Item/Year	2020	2021	2022
Number of Emergency Response Rills (Fire Fighting)	151	10	7
Emergency Response Drill Hours	574	57	84

5.3.5 Employee Health Management and Health Program

In accordance with labor health protection regulations, physicians conduct regular on-site visits and provide health consultations to employee. In all factory areas, first aid kits and other contingency equipment are available for employees in the event of emergencies. There are staff assigned to manage and regularly update and replenish the items in the first aid kit.

All IBASE employees are entitled to regular general checkups every two years and yearly special health checkups. Employee health checkups were conducted in 2022. The resident physician would follow up health management plans based on the results of the health checkups.

IBASE has created a warm and friendly space for breastfeeding, using soft tones for a most relaxing and comfortable atmosphere. The breastfeeding room has a sofa, a refrigerator, a lockable door, and a notice board to indicate that the room is in use. At the same time, spare breast milk bags, glass feeding bottles, nursing pillows, wipes, feeding bottle sterilizers and other items are provided free of charge. For postpartum employees, breastfeeding-related information and consultation services are available.



Nursing Room



Medical Room

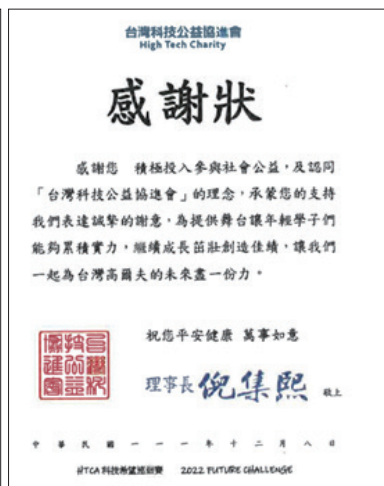
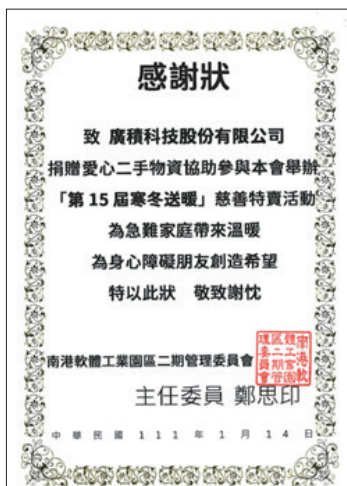
5.3.6 Preventive Measures for Occupational Safety and Health Program

The occupational safety officer collects major occupational safety incidents in the country and the industry from time to time and reports them for discussion to understand whether there are similar problems or risks in the factory. Automated equipment is used to reduce the number of staff entering high-temperature areas to improve the operating environment. MIS room temperature and humidity control and equipment emergency switch settings are used to protect equipment.

IBASE communicates with suppliers and contractors on environmental protection, safety and health issues to improve environmental protection, safety and health performance. Before a contractor starts a project, the labor safety and health committee will inspect equipment for any defect or damage. This is also done through pre-service inspections. Contractors must take corresponding measures to prevent occupational safety incidents. If a contractor fails to comply with safety and health regulations, a safety report will be issued to the contractor, requiring the contractor to take relevant improvement measures. If the contractor does not regard the occupational safety of the staff, the work of the contractor shall be stopped immediately.

5.4 Public Welfare Participation

As a member of the society as a whole, an enterprise is interdependent with investors, employees, local communities and other stakeholders. IBASE fulfills its social responsibilities and cooperates with local groups at various operating locations to ensure that resources are provided to those who need help. In addition to participating in public welfare activities, IBASE has responded to calls for donations to charitable foundations and made the most effective use of resources in its commitment to making society a better place.



Appendix

GRI Guidelines Content Index

* Topics Related to Major Issues

Statement of Use	IBASE has complied with the GRI guidelines for coverage from January 1st to December 31st, 2022
GRI 1 Used	GRI 1: Basic 2021
Applicable GRI Industry Code	No industry guidelines applies

Topic	Disclosure	Item	Chapter	Page	Reason for Omission/ Necessary Explanation	GRI Industry Code Disclosure Items In Reference Number
GRI 2: General Disclosure 2021						
Organization and Reporting Practices	2-1	Organization Details	2.1 Company Profile	15		
	2-2	Entities Included in Organizational Sustainability	Editorial Guidelines	5		
	2-3	Reporting Period, Frequency and Contact Person	Editorial Guidelines	5		
	2-4	Reorganization of information	Editorial Guidelines	5		
	2-5	External Assurance/ Confirmation	Editorial Guidelines	5		
Activities and Workers	2-6	Activities, Value Chain and Other Business Relationships	2.1 Company Profile	15		
	2-7	Employees	5.1.2 Employee Statistics	54		
	2-8	Non-Employee Workers	5.1.2 Employee Statistics	54		
Governance	2-9	Governance Structure and Composition	3.1 Governance Practices	24		
	2-10	Nomination and Selection of the Highest Governance Unit	3.1 Governance Practices	24		
	2-11	Chairman of the Highest Governing Body	3.1 Governance Practices	24		
	2-12	The Role of the Highest Governance Body in Overseeing Impact Management	3.1 Governance Practices	24		
	2-13	Head of Impact Management	3.1 Governance Practices	24		
	2-14	The Role of The Highest Governance Body in Sustainable Reporting	1.1 Sustainability Team	7		
	2-15	Conflict of Interest	3.1 Governance Practices	24		
	2-16	Communicate Key Milestones	3.1 Governance Practices	24		

Topic	Disclosure	Item	Chapter	Page	Reason for Omission/ Necessary Explanation	GRI Industry Code Disclosure Items In Reference Number
GRI 2: General Disclosure 2021						
Governance	2-17	Crowd Intelligence of the Supreme Governance Unit	3.1 Governance Practices	24		
	2-18	Performance Evaluation of the Highest Governance Unit	3.1 Governance Practices	24		
	2-19	Salary Policy	3.1 Governance Practices	24		
	2-20	Salary Decision Process	3.1 Governance Practices	24		
	2-21	Annual Total Compensation Ratio			Confidentiality Policy/Salary is Company Confidential	
Strategies, Policies and Practices	2-22	Statement of Sustainable Development Strategy	Message from the Management	4		
	2-23	Policy Commitment	3.1.4 Ethical Integrity	31		
	2-24	Incorporate Policy Commitments	3.1.4 Ethical Integrity	31		
	2-25	Procedures for Remediating Negative Impact			Not Applicable / Did Not Occur in the Current Year	
	2-26	Mechanisms for Seeking Advice and Raising Concerns	3.1 Governance Practices	24		
	2-27	Compliance	3.3 Regulatory Compliance	34		
	2-28	Associations Membership	2.4 Participation in External Organizations	23		
Stakeholder Agreement	2-29	Stakeholder Negotiation Policy	1.2 Identification of Stakeholders	8		
			1.3 Stakeholders Communication Channels and Issues of Concern	8		
	2-30	Corporate Agreement			Not Applicable / Did Not Occur in the Current Year	
GRI 3: Major Theme 2021						
Major themes	3-1	Process of Determining Major Themes List	1.4 Identification of Major Themes	10		
	3-2	Major Themes List	1.4 Identification of Major Themes	10		

Topic	Disclosure	Item	Chapter	Page	Reason for Omission/ Necessary Explanation	GRI Industry Code Disclosure Items In Reference Number
Economic Aspect						
* Economic Performance						
GRI 3: Major Theme 2021	3-3	Major Theme Management	3.4 Operation Performance	35		
GRI 201: Economic Performance 2016	201-1	Direct Economic Value Generated and Distributed by the Organization	3.4 Operation Performance	35		
	201-2	Financial Impacts and Other Risks and Opportunities of Climate Change	4.6 Climate Change Risk Management and Response	52		
* Market Position						
GRI 3: Major Theme 2021	3-3	Major Theme Management	3.5.2 Customer Relations	41		
GRI 202: Market Position 2016	202-1	The Ratio of the Standard Salary of Entry-Level Staff of Different Genders to the Local Minimum Salary	5.2.1 Salary and Benefits	58		
	202-2	Proportion of Local Residents Employed as Senior Management	5.1.2 Employee Statistics	54		
Innovative R&D						
Custom Theme		Innovative R&D	3.5.1 Innovative R&D	39		

Topic	Disclosure	Item	Chapter	Page	Reason for Omission/ Necessary Explanation	GRI Industry Code Disclosure Items In Reference Number
Environmental Aspect						
* Energy						
GRI 3: Major Theme 2021	3-3	Major Theme Management	4.1 Energy Management	43		
GRI 302: Energy 2016	302-1	Energy Consumption Within the Organization	4.1 Energy Management	43		
	302-2	Energy Consumption Within the Organization	4.1 Energy Management	43		
	302-3	Energy Intensity	4.1 Energy Management	43		

Topic	Disclosure	Item	Chapter	Page	Reason for Omission/ Necessary Explanation	GRI Industry Code Disclosure Items In Reference Number
GRI 302: Energy 2016	302-4	Reducing Energy Consumption	4.1 Energy Management	43		
	302-5	Reduce Energy Demand for Products and Services	4.1 Energy Management	43		
* Emissions						
GRI 3: Major Theme 2021	3-3	Major Theme Management	4.3 Carbon Emission	47		
GRI 305 : Emissions 2016	305-1	Direct (Scope 1) Greenhouse Gas Emissions	4.3 Carbon Emission	47		
	305-2	Energy Indirect (Scope 2) Greenhouse Gas Emissions	4.3 Carbon Emission	47		
	305-4	Greenhouse Gas Emission Intensity	4.3 Carbon Emission	47		
* Waste						
GRI 3: Major Theme 2021	3-3	Major Theme Management	4.4 Waste	49		
GRI 306: Waste Management 2020 Guidelines	306-1	Waste Generation and Significant Waste-Related Impacts	4.4 Waste	49		
	306-2	Management of Significant Impacts Related to Waste	4.4 Waste	49		
GRI 306: Waste 2020	306-3	Waste Generation	4.4 Waste	49		
	306-4	Disposal and Transfer of Waste	4.4 Waste	49		
Supplier Environmental Assessment						
GRI 308: Supplier Environmental Assessment 2016	308-2	Negative Impact of the Supply Chain on the Environment, and Countermeasures	4.5 Sustainable Supply Chain	51		

Topic	Disclosure	Item	Chapter	Page	Reason for Omission/ Necessary Explanation	GRI Industry Code Disclosure Items In Reference Number
Society Aspect						
*Employee-Employer Relations						
GRI 3: Major Theme 2021	3-3	Major Theme Management	5.2.1 Salary and Benefits	58		
GRI 401: Employee-Employer Relations 2016	401-1	New and Departing Employees	5.1.2 Employee Statistics	54		
	401-2	Benefits Offered to Full-Time Employees (Not Including Temporary or Part-Time Employees)	5.2.1 Salary and Benefits	58		
	Salary	The Number of Full-Time Employees Who are not in Supervisory Positions, the Average and Median Salaries of Full-Time Employees Who are not in Supervisory Positions, and the Differences Between the First Three and the Previous Year Shall be Disclosed	5.2.1 Salary and Benefits	58		
Occupational Safety and Health						
GRI 403: Occupational Safety and Health 2018 Management Policy 403-1	403-1	Occupational Safety and Health Management System	5.3.1 Occupational Safety and Health Management	63		
	403-2	Hazard Identification, Risk Assessment, and Accident Investigation	5.3.1 Occupational Safety and Health Management	63		
	403-3	Occupational Health Services	5.3.5 Employee Health Management and Health Program	66		
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