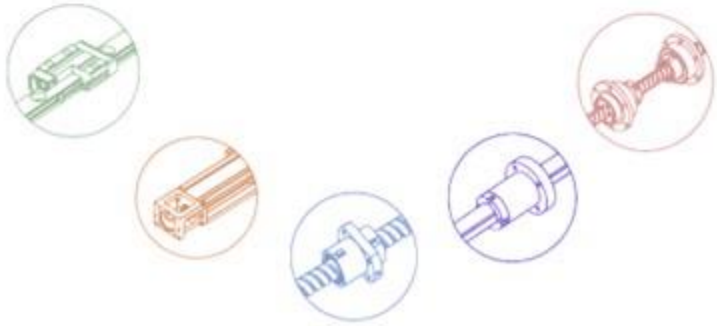


# TBI MOTION TECHNOLOGY CO., LTD.

2023 Sustainability Report



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## ■ Report Introduction

Dear Readers,

Welcome to the eighth edition of the Sustainability Report of TBI Motion Technology Co., Ltd. (referred to as "TBI Motion," "we," or "TBI MOTION"). This report marks our continued efforts in corporate sustainability since renaming our Corporate Social Responsibility Report to the Sustainability Report in 2022. We invite you to explore the outcomes and performances of our endeavors in sustainable corporate practices.

## ■ Report Scope

The scope of this report covers TBI Motion Technology Co., Ltd. and does not include subsidiaries. It discloses information on company governance, operational performance, product development, sustainable environment, partnership, employee rights, and social engagement across economic, environmental, and social dimensions.

## ■ Report Compilation

This report has not been externally assured. The issues disclosed in this report are derived from surveys conducted through various internal and external channels. The data sources are self-compiled and surveyed by TBI Motion; financial data is based on publicly disclosed information verified by PricewaterhouseCoopers. Some statistical data are obtained from publicly released information on government websites. Compared to the 2022 report, there is no significant difference in information recompilation or the scope of the report in the 2023 edition.

## ■ Reporting Period

The reporting period for the information disclosed in this report is from January 1, 2023, to December 31, 2023. To ensure the completeness of project and activity performances, some content may cover events prior to January 1, 2023.

## ■ Report Writing Principles

- ❑ Universal Standards 2021
- ❑ Task Force on Climate-related Financial Disclosures (TCFD)
- ❑ Sustainability Accounting Standards Board (SASB) Metrics
- ❑ United Nations Sustainable Development Goals (SDGs)

## ■ Contact Information

If you have any questions or suggestions regarding this report, please reach out to us through the following channels, and we will continue to improve and progress.

Questionnaire of TBI MOTION  
<https://www.tbimotion.com.tw/investors/investors-08>

Contact Window and Methods for Various Stakeholders  
<https://www.tbimotion.com.tw/investors/investors-05>

## ■ Reporting Cycle

- ❑ Previous version published: September 2023, in Chinese
- ❑ Current version published: August 2024, in Chinese
- ❑ Next version expected: August 2025, in Chinese

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Website: <http://www.tbimotion.com.tw>



## Letter from the Chairman

In 2023, we encountered a global supply chain crisis, instability in international affairs, and rapid shifts in market demand. This year undoubtedly presented numerous challenges for the manufacturing sector and was a year of significant tests for TBI Motion. Throughout these times, TBI Motion steadfastly adhered to its core principles, adjusting operational models in real time based on a solid foundation built over many years. By carefully and flexibly planning market strategies, we sought opportunities amidst challenges to maintain our competitiveness and ensure that stakeholders' interests were safeguarded even in adversity.


Moreover, leveraging its robust operational resilience, TBI Motion increased investments in R&D and pursued intelligent transformation and upgrading. In addition to enhancing proprietary technology and innovation, the company actively developed new products and technologies. Based on a business philosophy that aims to meet market demands, create cost advantages, and enhance overall quality, we implemented flexible organization structures, core technologies, and innovative thinking to differentiate from competitors, thus elevating both product quality and operational performance.

Simultaneously, TBI Motion continued to align its concrete actions with the United Nations Sustainable Development Goals and the emphasis on climate issues. Through our ESG task force, we vigorously advanced our sustainable mission in 'Environmental', 'Social', and 'Corporate Governance' aspects.

Looking ahead, we must prudently address the irreversible negative impacts of climate change by innovating and transforming our operational models to ensure the enterprise remains stable in the face of change. We encourage everyone to adopt a sustainability mindset and practice sustainability personally. TBI Motion remains true to its original aspirations, continually optimizing operational health and integrating ESG into every facet of the organization to ensure the implementation of our sustainability policies. Additionally, we leverage the strengths and resources of our core business in transmission components to exert influence and respond to our sustainability commitments and philosophy.



李清崑



## Letter from the CEO

In recent years, ESG (Environmental, Social, and Governance) awareness has been on the rise globally, becoming a crucial indicator driving corporate sustainability. ESG is now an essential course for enterprises, and even small and medium-sized enterprises find that their ESG performance directly affects the willingness of partners, customers, and investors to engage with them. Therefore, companies must demonstrate their commitment to environmental sustainability and social responsibility externally, while accelerating internal transformations to balance business development with environmental preservation. Meanwhile, the rise of ESG awareness brings challenges to corporate operations in terms of risk management, information disclosure, and cross-departmental integration.

We understand that ESG has become a key indicator for sustainable corporate operations. It not only helps us manage risks and enhance competitiveness but also meets the needs of investors and stakeholders. Thus, in 2023, we fully initiated our ESG sustainability strategy, marking an important step towards a better future.

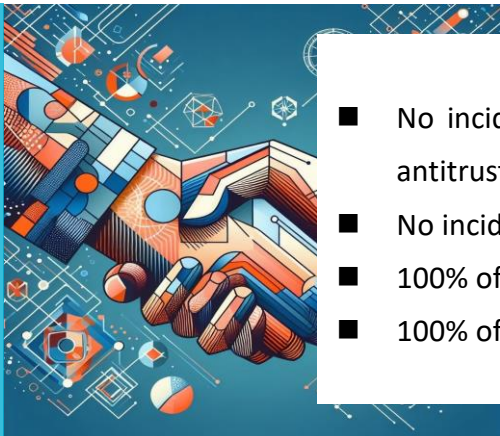
Over the past few years, we have spared no effort in promoting Corporate Social Responsibility (CSR) and have achieved notable results. Environmentally, we have installed solar power systems on the rooftops of all our facilities, reducing carbon emissions. In terms of social responsibility, we continue to care for local communities by organizing various community activities to promote social cohesion. Additionally, we actively collaborate with various technical and vocational institutions, launching industry-academia cooperation projects to develop technology and provide internship opportunities for students, thereby contributing to society.

The achievements of our past efforts have laid the foundation for our sustainable development this year. In the process of fully implementing our ESG strategy, we will not only continue to deepen these initiatives and incorporate them into our ESG management system but also start focusing on meeting various ESG indicators. In May 2023, we established a dedicated ESG task force, led by senior management, to set clear ESG goals and action plans. We will also strengthen communication with stakeholders, listening to their opinions and suggestions to jointly promote corporate sustainability.

Looking ahead, we remain committed to environmental, social, and governance responsibilities, striving to become a benchmark enterprise in ESG. I believe that through the collective efforts of all our colleagues, we can contribute to society and the planet.



Governance



- No incidents involving violations of integrity policies or illegal activities such as anti-competitive behavior, antitrust, or monopolistic practices, and no related complaints were reported.
- No incidents of information leakage, theft, or loss of customer data.
- 100% of first and second-tier suppliers passed the monthly assessment system.
- 100% of new suppliers completed the integrity commitment promotion.

Products



- The product quality system continues to be certified by the ISO 9001 international quality management system.
- The "GRH20VE Ball Chain Linear Guide" and the "SFJ1620 High Lead Silent Ball Screw" were honored with the Taiwan Excellence Award.
- Complied with RoHS:2011/65/EU and REACH-ECHA 224 inspections to ensure that 100% of product materials are free of toxic substances.
- Invested NT\$83,811 thousand in R&D in 2023, accounting for 3.26% of operating revenue.
- Developed the low-inertia ball screw rotary spline assembly.
- Holds 132 patents, including 61 domestic and 71 international.
- Established an R&D center.
- Conducted customer satisfaction surveys with 65 customers, achieving a 90.3% response rate. The overall satisfaction score for 2023 was 85.6, an increase of 4.5 points from 81.1 in 2022.

Employees



- Achieved the TTQS Bronze Certification (2023-2024).
- Won the 2023 National Talent Development Award - Outstanding Case Award.
- Total training hours reached 24,196 hours, with 4,575 participants, averaging 27 hours of training per employee.
- Employee performance appraisal completion rate reached 100%.
- Implemented and certified ISO 45001 and CNS 45001.
- 100% of employees received general health check-ups, with an additional 550 employees receiving special health check-ups, totaling NT\$879 thousand in subsidies.

Environment



- Implemented the ISO 14001 environmental management system.
- Conduct independent inventory based on "ISO14064-1: 2018 Standard"
- Total energy consumption decreased by 21% compared to the previous year, with energy intensity also decreasing by 21%.
- Self-installed solar panels generated an estimated 43,350 kWh.
- Energy-saving initiatives, such as process and air conditioning pipeline diversion for chillers, saved 118.077 gigajoules (GJ) and reduced CO2e emissions by 16.235 tons.
- No hazardous industrial waste was generated.
- Recycled 172.914 metric tons of used grinding wheels.

Social



- Invested a total of NT\$1,465,055 in social care activities, including elderly care, educational support, and environmental protection.
- Hosted the 7th "TBI Motion Intelligent Automation Creative Competition," with 11 winning teams.





# ***Sustainability Strategy and Management***

**1-1 Sustainable Governance Framework**

**1-2 Sustainable Goals**

**1-3 Materiality Analysis and Stakeholder Communication**

**1-4 Responding to the United Nations Sustainable Development Goals (SDGs)**



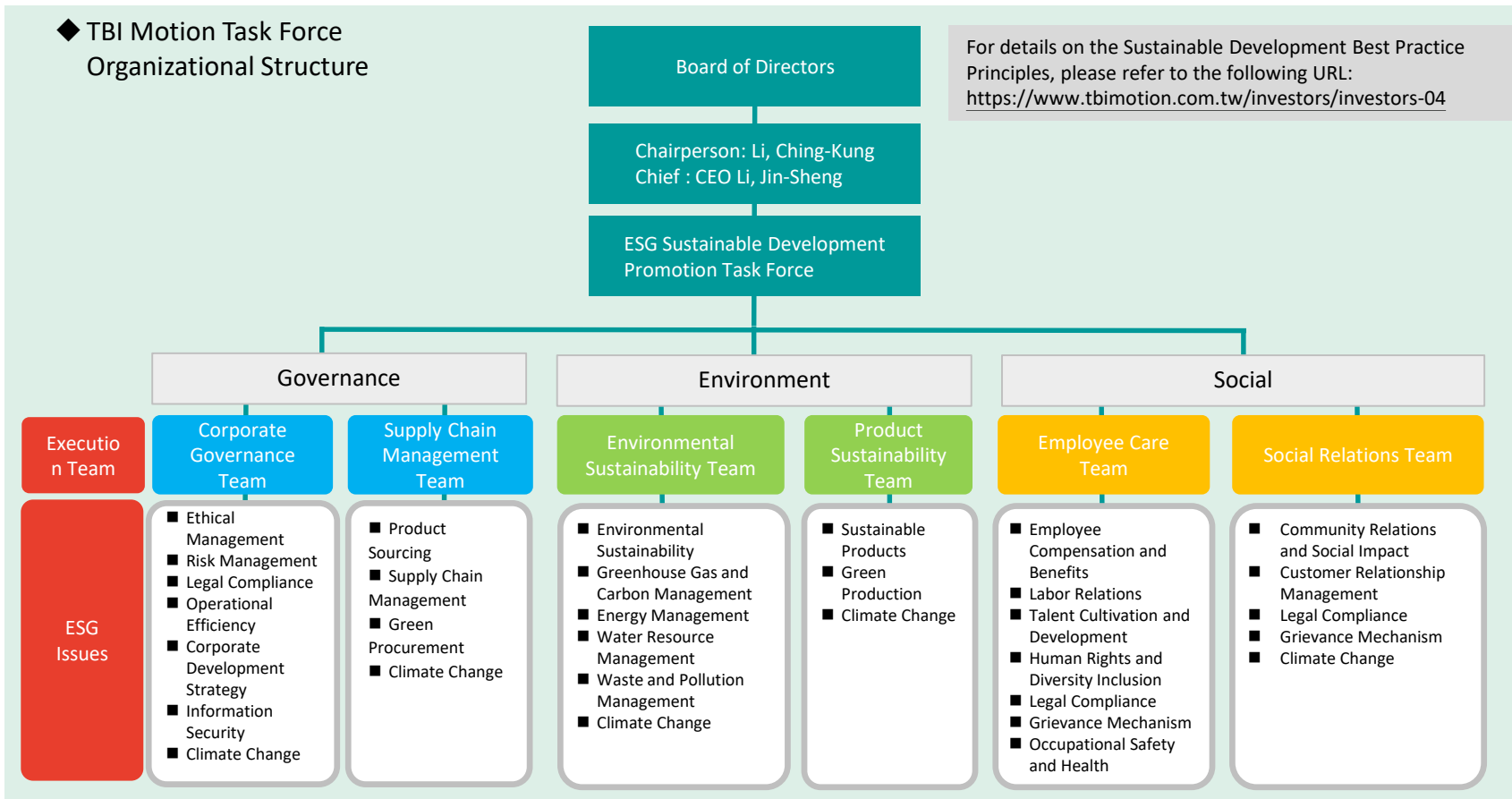
## 1-1 Sustainable Governance Framework

TBI Motion adheres to the principles of integrity management, steady growth, and sustainable development. The company has formulated the "Sustainable Development Best Practice Principles" and established the ESG Sustainable Development Task Force in May 2023. This task force manages corporate sustainability projects from the perspectives of governance, environment, and society. The Chairman, Mr. Ching-Kun Lee, serves as the advisory committee member, and the CEO, Mr. Chin-Sheng Lee, acts as the chief committee member. The highest-ranking executive of the Management Center serves as the executive committee member, with the highest-ranking executives of each management center as committee members, overseeing the operations of the Sustainable Development Task Force. The highest-ranking executive of the Human Resources Department serves as the executive secretary, responsible for coordinating and promoting cross-departmental corporate sustainability affairs, and regularly convenes meetings to report on the progress of performance indicators and corporate social responsibility reports.

The ESG Sustainable Development Promotion Task Force has established six execution teams: "Corporate Governance," "Supply Chain Management," "Environmental Sustainability," "Product Sustainability," "Employee Care," and "Social Relations." These teams are responsible for formulating relevant policies, systems, management guidelines, and specific promotion plans based on the company's development and its internal and external impacts. Once approved by the Board of Directors, these plans are implemented with the cooperation of other departments. The progress, performance, and disclosed information are regularly reported to the Board of Directors.

The six execution teams are led by the highest executives from the relevant departments, who also serve as the main committee members of the Task Force. Each execution team sets up task groups as needed to carry out related work effectively.

In 2023, four reports were submitted to the Board of Directors on the execution progress and performance of sustainability plans, greenhouse gas inventory and verification schedule planning, and the implementation status of the "Integrity Management Principles."



## 1-2 Sustainable Goals

TBI Motion has formulated the "Sustainable Development Best Practice Principles" (formerly the Corporate Social Responsibility Best Practice Principles), which were approved by the Board of Directors and published. These principles aim to concretely implement corporate governance, develop a sustainable environment, maintain social welfare, and enhance information disclosure. TBI Motion requires all its operational activities, as well as those of its group companies, to consider the impact on the environment, society, and the economy. Seven major goals have been established, not only to fulfill the company's social responsibility but also to actively engage in employee development, supply chain management, and social participation, working together with different stakeholders to create change.

### ■ Four Principles



### ▶▶▶ Seven Major Goals

For details on the Sustainable Development Best Practice Principles, please refer to the following URL: <https://www.tbimotion.com.tw/investors/investors-04>

- 1 Adhere to the Corporate Governance Best Practice Principles and Integrity Management Principles, establishing effective governance structures and related ethical standards and matters to improve corporate governance.

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- 2 Strive to enhance the efficiency of resource utilization and use low-impact recycled materials to ensure the sustainable use of Earth's resources.

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- 3 Build and strengthen relevant environmental protection facilities to prevent pollution of water, air, and land; and make every effort to minimize adverse effects on human health and the environment.

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- 4 Adhere to internationally recognized labor and human rights, such as caring for disadvantaged groups, prohibiting child labor, eradicating workplace bullying, eliminating all forms of forced labor and employment discrimination, and ensuring that human resource policies are non-discriminatory, implementing equality and fairness in employment, working conditions, compensation, benefits, training, assessment, and promotion opportunities.

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- 5 Create a good environment for employees' career development and establish effective career capability development training programs.

Seven Major Goals

6

Take responsibility for products and services, ensuring the transparency and safety of product and service information. Formulate and publicly disclose consumer rights policies and implement them in operational activities to prevent products or services from harming consumer rights, health, and safety.

7

Engage in activities related to community development and community education through business activities, donations, corporate volunteer services, or other public welfare professional services. Participate in related activities of civic organizations, charitable groups, and local government agencies to promote community development.

In September 2023, TBI Motion responded to the "ESun ESG Sustainability Initiative" and jointly signed the "Sustainable Development Initiative." This initiative was launched in 2021 by ESun Bank in collaboration with 32 like-minded enterprises to actively implement ESG through joint public advocacy. TBI Motion, committed to sustainable development, actively participates in and supports such initiatives to promote corporate social responsibility and sustainable development practices.



Caption: The chairman of ESun Financial Holdings, Mr. Huang Nan-Chou, along with over 100 quality enterprises from home and abroad, jointly advocate for efforts to achieve net-zero sustainability goals. (Image Source: ESun Financial Holdings)



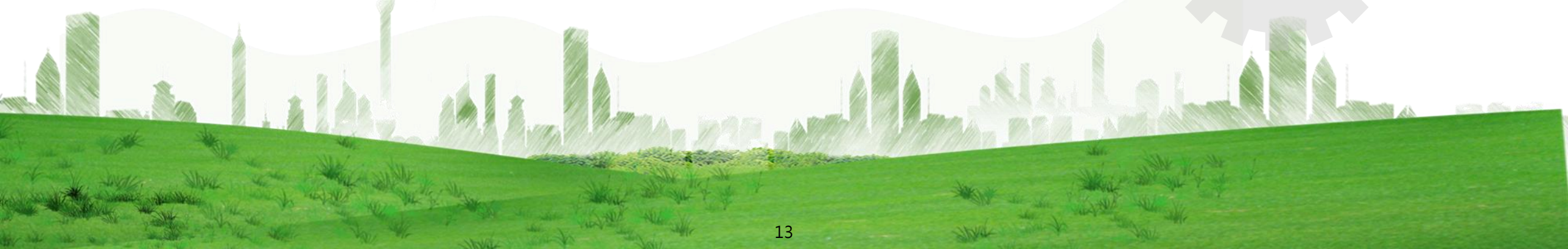
Caption: Sustainable Development Initiative

## 1-3 Materiality Analysis and Stakeholder Communication

TBI Motion references the GRI 2021 Standards and the AA1000 Stakeholder Engagement Standards to identify stakeholders and collect, identify, analyze, and evaluate key topics. These topics include the impact of each subject on the company's internal and external economic, environmental, and social aspects, serving as the main focus for sustainable development and the main theme for information disclosure in this year's report.



### 1-3-1 Stakeholder Identification




TBI Motion has established diverse, open, and transparent communication channels to cater to different stakeholders' habits. In addition to regularly publishing annual reports, financial reports, and sustainability reports each year, the company also actively builds effective two-way communication channels through the company website, complaint mailboxes, internal and external meetings, and other methods. The main communication targets include investors, suppliers (including contractors), society (communities, media, academic institutions, non-profit organizations), customers, government agencies, and employees.



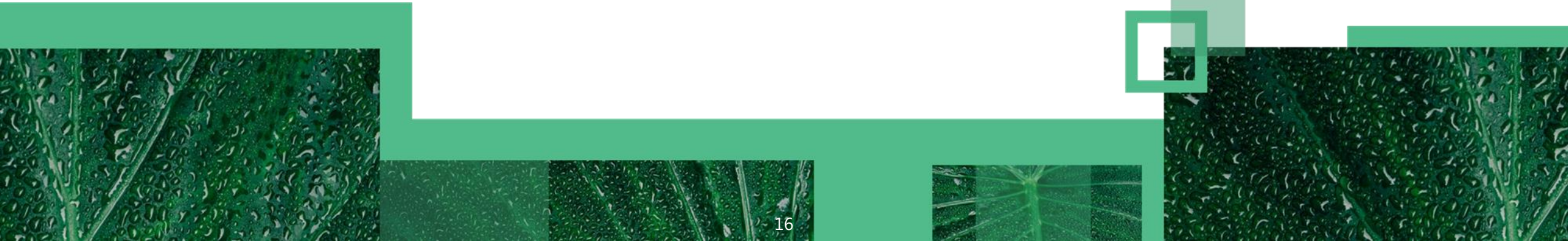
### 1-3-2 Stakeholder Communication

TBI Motion has identified six categories of stakeholders that are highly relevant to the company's operations. The company tracks the concerns of these stakeholders and establishes communication and engagement channels to respond to their expectations. The stakeholder communication status for 2023 is as follows:

Stakeholder	Significance to TBI Motion	Key Concerns	Communication Methods and Frequency	Responsible Unit	2023 Communication Status
 Employees	Employees are the most important partners in the company's sustainable development. In addition to guaranteeing employees' work rights and providing competitive compensation and benefits, it is also necessary to respect and care for employees to attract excellent talent.	<ul style="list-style-type: none"> <li>Occupational safety and health</li> <li>Talent recruitment and retention</li> </ul>	<ul style="list-style-type: none"> <li>Complaint mailbox (irregular)</li> <li>Internal announcements/emails (irregular)</li> <li>Labor-management meetings (quarterly)</li> <li>Department meetings (monthly/irregular)</li> <li>Employee welfare committee (quarterly)</li> </ul>	<ul style="list-style-type: none"> <li>Human Resources Department</li> <li>Occupational Safety Office</li> </ul>	<ul style="list-style-type: none"> <li>0 employee complaints</li> <li>4 labor-management meetings held</li> <li>4 safety committee meetings held</li> <li>4 employee welfare committee meetings held</li> <li>12 monthly management meetings held</li> </ul>
 Investors	Investors are the backbone of the company's sustainable development and operations.	<ul style="list-style-type: none"> <li>Economic performance</li> <li>Risk management</li> </ul>	<ul style="list-style-type: none"> <li>Annual general meeting (annually)</li> <li>Financial reports (quarterly)</li> <li>Public announcements on the Market Observation Post System (irregular)</li> <li>Company website (irregular)</li> <li>Investor conferences (quarterly)</li> </ul>	<ul style="list-style-type: none"> <li>Company spokesperson</li> <li>Finance Department</li> </ul>	<ul style="list-style-type: none"> <li>2 investor conferences completed, 1 general meeting of shareholders</li> <li>21 significant announcements published (Market Observation Post System)</li> <li>Quarterly financial reports published</li> </ul>

Stakeholder	Significance to TBI Motion	Key Concerns	Communication Methods and Frequency	Responsible Unit	2023 Communication Status
 Customers	TBI Motion is committed to providing excellent service and quality to meet customer needs.	<ul style="list-style-type: none"> <li>• Data security and privacy</li> <li>• Product quality and R&amp;D innovation</li> </ul>	<ul style="list-style-type: none"> <li>• Customer satisfaction survey (annually)</li> <li>• Customer service hotline (irregular)</li> <li>• Customer visits (irregular)</li> <li>• Emails (irregular)</li> </ul>	<ul style="list-style-type: none"> <li>• IT Department</li> <li>• Sales Support Department</li> <li>• Planning Team</li> </ul>	<ul style="list-style-type: none"> <li>• Overall customer satisfaction score in the 2023 survey was 85.6</li> <li>• Irregular communication with customers</li> </ul>
 Suppliers	Suppliers are important partners for the company, working closely together to pursue sustainable development.	<ul style="list-style-type: none"> <li>• Supply chain management</li> <li>• Energy management</li> <li>• Waste management</li> </ul>	<ul style="list-style-type: none"> <li>• Supplier evaluation meetings (annually)</li> <li>• Supplier audits (irregular)</li> </ul>	<ul style="list-style-type: none"> <li>• Procurement Department</li> <li>• Management Department</li> <li>• Occupational Safety Office</li> </ul>	<ul style="list-style-type: none"> <li>• Regular and irregular audits and communication with suppliers</li> </ul>
 Government	In addition to complying with relevant regulations and actively cooperating with policy implementation, TBI Motion maintains open two-way communication with government agencies to gain their trust, support, and cooperation. °	<ul style="list-style-type: none"> <li>• Integrity Management</li> <li>• Risk management</li> <li>• Energy management</li> <li>• Waste management</li> </ul>	<ul style="list-style-type: none"> <li>• Reporting to regulatory websites (regular)</li> <li>• Official documents (irregular)</li> <li>• Emails (irregular)</li> <li>• Government policy briefings (irregular)</li> </ul>	<ul style="list-style-type: none"> <li>• Finance Department</li> <li>• Management Department</li> <li>• Occupational Safety Office</li> <li>• Audit Office</li> </ul>	<ul style="list-style-type: none"> <li>• 708 electronic and paper communications</li> </ul>

Stakeholder	Significance to TBI Motion	Key Concerns	Communication Methods and Frequency	Responsible Unit	2023 Communication Status
 Society	TBI Motion actively engages with communities, media, and non-profit organizations to fulfill corporate social responsibility. °	<ul style="list-style-type: none"> <li>•Waste management</li> <li>•Supply chain management</li> </ul>	<ul style="list-style-type: none"> <li>•Disclosure of sustainability report and website information (regular)</li> <li>•Company website (irregular)</li> <li>•Community activities (irregular)</li> </ul>	<ul style="list-style-type: none"> <li>•Procurement Department</li> <li>•Management Department</li> <li>•Occupational Safety Office</li> </ul>	<ul style="list-style-type: none"> <li>•Sustainability report published annually</li> <li>•Adopt and manage Zhongliao Park, with daily cleaning and bi-monthly weeding</li> <li>•Monthly dining events with the elderly in Zhongliao, Wenlin, Sando, Baoan, Shude, and Ponai communities (1-2 times per month)</li> </ul>

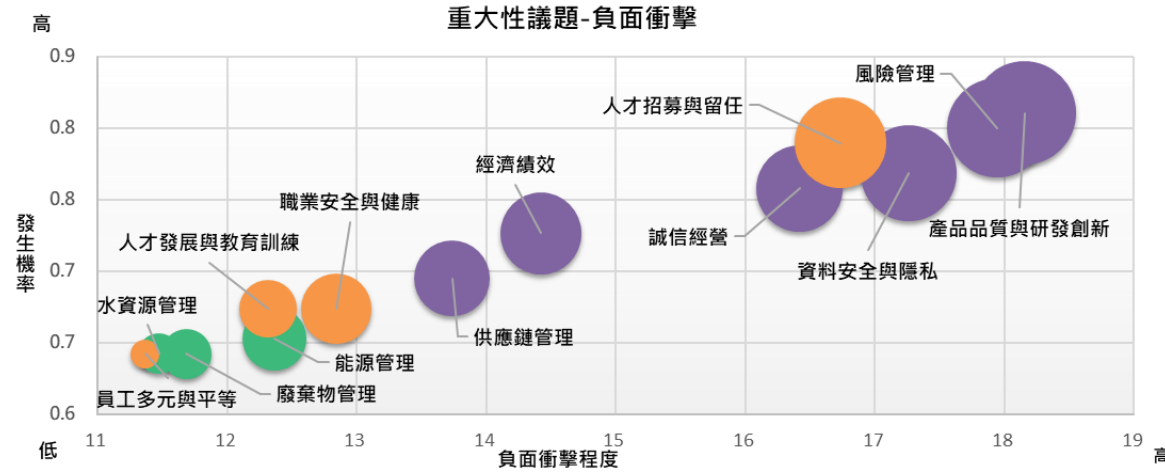
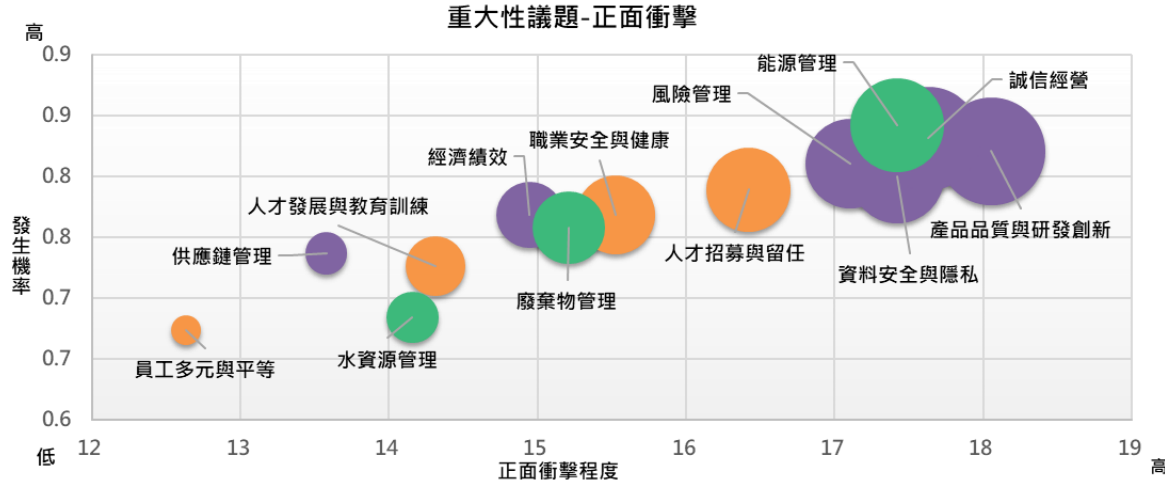




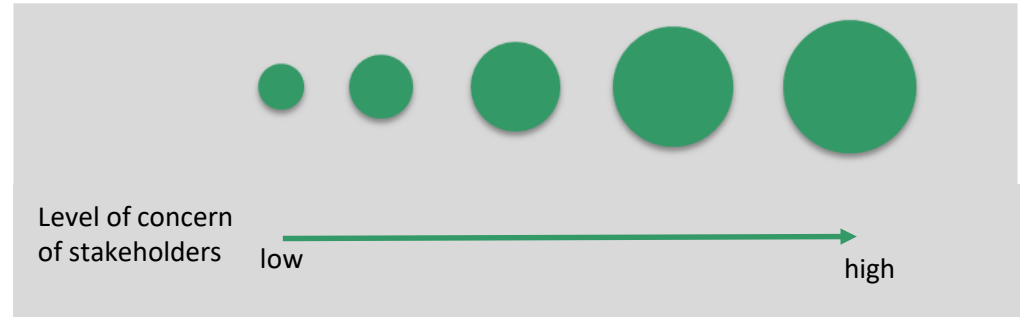
### 1-3-3 Materiality Analysis

<p><b>1</b></p> <p>Understanding the Organizational Context</p>	<p>(1) Identifying Stakeholders: TBI Motion identifies stakeholders related to sustainability issues based on international standards and trends, benchmark issues of domestic and international peers, sustainability ratings, and internal business goals. This includes analyzing the core business activities, business relationships, and the risks and impacts of domestic and international policies, regulations, economic and environmental trends.</p> <p>(2) Sources of Key Topics: We reference GRI Standards, SASB industry standards, domestic and international policy and regulatory trends, and TBI Motion's future development strategies. Ultimately, 13 topics that may have an impact were selected, covering economic/corporate governance, sustainable environment, product innovation, supplier management, and social participation.</p> <p>(3) Identifying 13 Sustainability Issues: These issues include: Integrity management, operational performance, risk management, supply chain management, data security and privacy, product quality and R&amp;D innovation, occupational safety and health, employee diversity and equality, talent recruitment and retention, talent development and education, energy management, water resource management, and waste management. These serve as the basis for materiality communication, analysis, and identification.</p>										
<p><b>2</b></p> <p>Identifying Actual and Potential Impacts</p>	<p>(4) Assessing Impact: The aforementioned 13 topics are evaluated by relevant departments, and the ESG Promotion Task Force further identifies the potential and actual positive/negative impacts of these sustainability issues on the external environment (environmental/social/economic).</p>										
<p><b>3</b></p> <p>Assessing the Significance of Impacts</p>	<p>(5) Impact Assessment: Through impact assessment questionnaires, the intensity, probability of occurrence, scale and scope of impact, and the effect on TBI Motion (e.g., operational/financial/strategic impacts) of the 13 significant issues related to operational activities are evaluated.</p>										
<p><b>4</b></p> <p>Prioritizing and Reporting the Most Significant Impacts</p>	<p>Prioritizing Reporting Order: After listing the 13 potential significant impacts/issues, they are ranked according to the impact assessment results. The ESG Promotion Task Force and senior management discuss and confirm the major topics for 2023, which continue from 2022, based on their importance to operations and relevance to the main sustainability themes.</p> <table border="0" data-bbox="410 1168 2127 1246"> <tr> <td>1.Product Quality and R&amp;D Innovation</td> <td>3.Data Security and Privacy</td> <td>5.Talent Recruitment and Retention</td> <td>7.Economic Performance</td> <td>9.Supply Chain Management</td> </tr> <tr> <td>2.Risk Management</td> <td>4.Integrity Management</td> <td>6.Energy Management</td> <td>8.Occupational Safety and Health</td> <td>10.Waste Management</td> </tr> </table> <p>For major topics, TBI Motion identifies their impacts on stakeholders and upstream and downstream, and reports management and practices in accordance with GRI Standards.</p> <div data-bbox="2142 1143 2456 1265" style="border: 1px solid gray; padding: 5px;"> <p>Contact Methods for Various Stakeholders : <a href="https://www.tbimotion.com.tw/investors/investors-05">https://www.tbimotion.com.tw/investors/investors-05</a></p> </div>	1.Product Quality and R&D Innovation	3.Data Security and Privacy	5.Talent Recruitment and Retention	7.Economic Performance	9.Supply Chain Management	2.Risk Management	4.Integrity Management	6.Energy Management	8.Occupational Safety and Health	10.Waste Management
1.Product Quality and R&D Innovation	3.Data Security and Privacy	5.Talent Recruitment and Retention	7.Economic Performance	9.Supply Chain Management							
2.Risk Management	4.Integrity Management	6.Energy Management	8.Occupational Safety and Health	10.Waste Management							

2023 Significant Issues Matrix Diagram



<p><b>Purple</b></p> <p>Indicates economic-related indicators</p>	Product Quality and R&D Innovation
	Risk Management
	Data Security and Privacy
	Integrity Management
	Economic Performance
<p><b>Green</b></p> <p>Indicates environmental-related indicators</p>	Sustainable Supply Chain Management
	Energy Management
	Waste Management
<p><b>Orange</b></p> <p>Indicates social-related indicators</p>	Water Resource Management
	Talent Recruitment and Retention
	Occupational Safety and Health
	Talent Development and Education Training
	Employee Diversity and Equality



## ■ List of Materiality Topics

Aspect	Materiality	Corresponding GRI Standards	Impact/Scope						Management Guidelines Corresponding Chapter
			TBI Motion	Employees	Investors	Suppliers (including contractors)	Government	Customers	
Economic Aspect	Integrity Management	2-27、205-3、206-1	●	●	●	●	●	●	2-4. Integrity Management
	Economic Performance	201-1、201-4	●		●	●			2-3. Economic Performance
	Product Quality and R&D Innovation	416-1、416-2、417-1、417-2、417-3	●	●	●	●		●	3. Product Quality and Research & Development Innovation
	Risk Management	N/A	●	●	●	●		●	2-5. Risk Management
	Data Security and Privacy	418-1	●			●	●	●	2-6. Information Security and Privacy
	Sustainable Supply Chain Management	2-6、204-1、308-1、308-2、414-1、414-2	●			●		●	2-7. Sustainable Supply Chain Management
Environmental Aspect	Energy Management	302-2、302-3、302-4、302-5	●			●	●		5-3 Energy Management and Greenhouse Gas Inventory
	Waste Management	306-1、306-2、306-3、306-4、306-5	●			●		●	5-4 Waste Management
Social Aspect	Talent Recruitment and Retention	2-26、2-30、201-3、401-1、401-2、402-1、405-2	●	●				●	4-2. Talent Recruitment and Retention
	Occupational Safety and Health	403-1、403-2、403-3、403-4、403-5、403-6、403-7、403-8、403-9、403-10	●	●					4-4. Occupational Safety and Health

### 1-3-4 Management Guidelines for Materiality Topics

Rank	Materiality Topics	Responsible Unit	Impact (Negative and Positive)	Policy and Commitment	Action Plan
1	Product Quality and R&D Innovation	Product Sustainability Team	Excellent quality and continuous product innovation are drivers for the industry's steady growth, the company's progress, and customer assurance. Conversely, poor quality control or inability to innovate may lead to reduced orders and customer loss, impacting the company's operations and suppliers, and potentially causing industry stagnation.	TBI Motion upholds the core values of "quality" and "innovation," continuously investing in R&D resources and talent development to meet market demands, collaborating with suppliers to be the best partner for high-quality professional manufacturing and solutions for customers.	<ol style="list-style-type: none"> <li>1. Establish R&amp;D centers and continuously invest in product and technology development to create higher value and maintain international competitiveness.</li> <li>2. Implement online real-time monitoring and regular reviews to improve product quality.</li> <li>3. Conduct employee training on new products to ensure product quality and reduce risks associated with unfamiliarity with new processes.</li> <li>4. Properly manage harmful substances or other environmental impact factors that may arise during the R&amp;D process, and strive to use environmentally friendly, non-toxic, and harmless materials.</li> <li>5. Actively comply with product and labeling regulations to protect customer rights.</li> </ol>
			Complaint Mechanism	<ul style="list-style-type: none"> <li>■ Contact: Planning Department</li> <li>■ email : Jack_hsu@tbimotion.com.tw</li> </ul>	
2	Risk Management	Corporate Governance Team	The relationship between corporate sustainability and risk management is inseparable. Risk management performance impacts the company itself and the entire value chain. Continuous risk assessment, short-term change analysis, long-term trend analysis, and the execution of related risk management strategies are essential to ensure stable business results and industry development, achieving sustainable development goals.	Solid risk management reflects TBI Motion's commitment to stakeholders, ensuring stable business performance and corporate social responsibility.	<ol style="list-style-type: none"> <li>1. Regularly identify various risks and develop response measures.</li> <li>2. Manage according to each risk response measure, such as timely information collection, establishing internal management methods, and conducting risk prevention drills.</li> <li>3. Disclose risk items and management status in the annual report for stakeholders' reference.</li> </ol>
			Complaint Mechanism	<ul style="list-style-type: none"> <li>■ Spokesperson: Business Management Center</li> <li>■ email : tbimotion_IR@tbimotion.com.tw</li> </ul>	

Rank	Materiality Topics	Responsible Unit	Impact (Negative and Positive)	Policy and Commitment	Action Plan
3	Data Security and Privacy	Corporate Governance Team	With technological and network advancements, corporate information systems are increasingly digitized, leading to frequent cybersecurity incidents such as theft of corporate secrets or customer data and hacker attacks on websites. When a company's internal information system is attacked, it may lead to operational shutdowns, impacting the company and its suppliers, causing significant losses. Information leaks can damage corporate image, reduce customer trust, and even trigger legal actions.	TBI Motion places high importance on information security. To ensure the security of company secrets and personal data, information security management measures and disaster recovery plans for information systems have been established to maintain and continuously enhance information security.	<ol style="list-style-type: none"> <li>Annual employee information security training.</li> <li>At least one social engineering drill per year.</li> <li>Two vulnerability scans and penetration tests per year.</li> </ol>
			Complaint Mechanism	TBI Motion website stakeholder contact channel <a href="https://www.tbimotion.com.tw/investors/investors-05">https://www.tbimotion.com.tw/investors/investors-05</a>	
4	Integrity Management	Corporate Governance Team	Integrity management is the cornerstone of the company's stable operations. Good integrity management not only protects investors' decision-making, enhances their trust in the company, and improves market stability, but also effectively prevents corruption and illegal incidents from impacting the company's reputation, investors' rights, and the capital market.	"Operate with integrity, create an advantageous environment and service, innovate customer needs to achieve a win-win situation" is TBI Motion's business philosophy. Policies such as the "Integrity Management Principles" and "Code of Ethical Conduct" are established to prevent dishonest and unethical behavior.	<ol style="list-style-type: none"> <li>Actively strengthen employees' understanding of integrity management standards and regulations through training, posters, and irregular promotional activities to ensure the implementation of corporate culture and business philosophy.</li> <li>Fully consider the legality and reputation of customers, suppliers, or other business partners before engaging in business transactions, avoiding dealings with those having records of dishonesty. Transactions will be stopped if any violations are discovered.</li> <li>The Board of Directors has an independent audit office that audits and supervises various internal management functions annually to reduce operational risks.</li> </ol>
			Complaint Mechanism	Reporting mailbox for illegal and unethical behavior (Whistleblower mailbox): <a href="mailto:tbicsr@tbimotion.com.tw">tbicsr@tbimotion.com.tw</a>	

Rank	Materiality Topics	Responsible Unit	Impact (Negative and Positive)	Policy and Commitment	Action Plan
5	Talent Recruitment and Retention	Employee Care Team	Stable human resource supply and maintenance are fundamental for the company's continuous operation and growth. Through diverse recruitment policies and comprehensive employee welfare systems, employee loyalty and cohesion are enhanced, ensuring operational momentum and helping to build a healthy workplace. Failure to continuously recruit and retain talent can lead to overwork, harming employees' physical and mental health, limiting production capacity, failing to meet customer demands, and ultimately damaging stakeholders' interests.	TBI Motion employs staff in compliance with labor laws and recruits through an open selection process based on equality principles, without discrimination based on "race, class, language, party affiliation, gender, sexual orientation, age, marital status, physical or mental disabilities, or previous union membership." The company recruits diverse talents and provides humane management and development systems	<ol style="list-style-type: none"> <li>1. Continuously conduct regular salary level surveys and implement salary adjustment systems.</li> <li>2. Provide career development opportunities, including new skill training, learning opportunities, promotion chances, or participation in challenging projects.</li> <li>3. Improve the work environment by incorporating ergonomic design into workflows to reduce physical strain.</li> <li>4. Continuously listen to employees' opinions and feedback, and maintain open communication to ensure they feel valued and understood.</li> </ol>
			Complaint Mechanism	Contact: Human Resources Department Email: <a href="mailto:tbahr@tbimotion.com.tw">tbahr@tbimotion.com.tw</a>	

Rank	Materiality Topics	Responsible Unit	Impact (Negative and Positive)	Policy and Commitment	Action Plan
6	Energy Management	Environmental Sustainability Team	<p>Effective energy management reduces energy costs, decreases reliance on limited energy resources, minimizes environmental impact, complies with regulations, and enhances competitiveness and operational efficiency. Conversely, poor energy management can lead to environmental degradation, social inequality, and health risks.</p>	<p>TBI Motion has established energy conservation policies and green energy policies, implementing smart grid systems and real-time monitoring systems to manage energy usage. Through technology and innovation, the company introduces new processes and equipment, and provides employee training to enhance environmental awareness.</p>	<p>■ Positive Impact Actions:</p> <ol style="list-style-type: none"> <li>1. Implement carbon inventory management systems: Establish a carbon inventory system that meets ISO 14064 standards to identify carbon hotspots and develop improvement plans.</li> <li>2. Invest in green energy: Increase investment in solar energy and purchase more green energy certificates.</li> <li>3. Promote energy-saving measures: Educate employees on the importance of saving energy to reduce waste and lower operational costs.</li> </ol> <p>■ Negative Impact Actions:</p> <ol style="list-style-type: none"> <li>1. Risk assessment and management: Assess energy usage risks, identify potential risks such as energy supply disruptions, price fluctuations, or regulatory changes, and develop strategies to mitigate adverse effects.</li> <li>2. Diversify energy supply: Reduce reliance on a single energy source by using multiple energy sources to mitigate the impact of supply disruptions on operations.</li> <li>3. Establish emergency response plans: Develop emergency plans for energy supply disruptions, equipment failures, or disaster events, including emergency generators, response measures, and recovery plans.</li> <li>4. Incident investigation and improvement: Investigate energy-related incidents to understand the causes and develop improvement measures to prevent recurrence.</li> </ol>
			Complaint Mechanism	<p>■ Contact: Management Department</p> <p>■ Email: tbiadmin@tbimotion.com.tw</p>	

Rank	Materiality Topics	Responsible Unit	Impact (Negative and Positive)	Policy and Commitment	Action Plan
7	Economic Performance	Corporate Governance Team	Economic performance is one of the company's main operational goals. By continuously investing in product R&D and obtaining product patents, reducing manufacturing costs, and improving quality, the company continually enhances the value of its products and services, strengthens core competitiveness, ensures operational growth and sustained profitability, and promotes industry development. This creates employment opportunities, returns to stakeholders, and practices corporate sustainability, creating a positive impact for TBI Motion, shareholders, suppliers, and other stakeholders.	<ul style="list-style-type: none"> <li>Operational decisions are made on the basis of legal compliance and sustainability.</li> <li>Care for employees, return to shareholders, focus on operations, and ensure continuous profitability and growth.</li> <li>Fairly, openly, and regularly disclose business performance.</li> </ul>	<ol style="list-style-type: none"> <li>Strengthen the benefit evaluation of product research expenditures and conduct regular tracking and reviews.</li> <li>Track various marketing and production indicators for continuous management.</li> <li>Implement budget systems for cost control</li> <li>Continuously promote lean management improvements to enhance overall operational efficiency and corporate health.</li> </ol>
			Complaint Mechanism	<ul style="list-style-type: none"> <li>TBI Motion website stakeholder contact channel <a href="https://www.tbimotion.com.tw/investors/investors-05">https://www.tbimotion.com.tw/investors/investors-05</a></li> </ul>	



Rank	Materiality Topics	Responsible Unit	Impact (Negative and Positive)	Policy and Commitment	Action Plan
8	Occupational Safety and Health	Employee Care Team	<p>Employees are important partners of the enterprise. Continuously creating a safe and healthy workplace, enhancing safety culture awareness, and providing comprehensive healthcare are fundamental requirements for sustainable business operations.</p>	<ul style="list-style-type: none"> <li>■ TBI Motion has established an "Environmental and Safety Health Policy" and upholds core values of "Integrity, Quality, Innovation, Cooperation, Professionalism." The company is committed to pollution prevention, enhancing safety, and promoting health, fulfilling corporate social responsibility. To achieve these goals, we commit to the following actions.</li> <li>■ Comply with government environmental protection, safety, and health laws, and strive to meet advanced international environmental, safety, and health standards.</li> <li>■ Strengthen the intrinsic safety of production activities, eliminate hazards, and reduce occupational safety and health risks, preventing injuries and diseases. Create a safe, healthy, and comfortable working environment to promote employee health.</li> <li>■ Implement communication, coordination, and environmental safety health education and training, continuously improving environmental safety health management performance.</li> </ul>	<ol style="list-style-type: none"> <li>1. Utilize hazard identification and risk management, and change management systems to control the safety of chemicals and machinery at the source. TBI Motion will implement corrective actions for the main types of occupational injury accidents in 2023, including strictly adhering to equipment maintenance and safe operation procedures, implementing a regular safety device inspection system to ensure the integrity and effectiveness of equipment and facilities, and continuously enhancing execution and safety training for equipment-related professionals.</li> <li>2. Conduct related knowledge learning and personnel certification training through courses, promotion meetings, and seminars organized by government agencies or safety and health-related associations' websites. This includes work environment monitoring, health management, self-inspection, COVID-19 prevention measures, employee physical examinations, and regular occupational safety and health training for new and existing employees.</li> </ol>
			Complaint Mechanism	<ul style="list-style-type: none"> <li>■ Contact: Occupational Safety Office</li> <li>■ Email: <a href="mailto:tbimotion@tbimotion.com.tw">tbimotion@tbimotion.com.tw</a></li> </ul>	

Rank	Materiality Topics	Responsible Unit	Impact (Negative and Positive)	Policy and Commitment	Action Plan
9	Sustainable Supply Chain Management	Supply Chain Management Team	TBI Motion regards midstream and upstream suppliers as important partners for mutual prosperity. Effective supplier management not only ensures product quality and processes to meet customer and legal requirements but also extends the company's influence on the environment and society, helping achieve sustainable development goals. Conversely, poor supply chain management can lead to increased costs, compromised product quality, and potential legal and reputational risks due to suppliers' violations of human rights or environmental regulations, impacting stakeholders' interests.	TBI Motion is committed to continually urging suppliers to adhere to business ethics and actively addressing labor rights, safety and health, and environmental protection through procurement management methods and supplier audit systems. Specifically, we focus on energy conservation, water conservation, waste reduction, and carbon reduction to mitigate the social impact and responsibility caused by climate change, aiming for sustainable resource circulation and pursuing sustainable corporate growth and a win-win sustainable supply chain.	<ol style="list-style-type: none"> <li>1. New Suppliers: Establish selection, testing, and adoption policies to ensure quality/technical/environmental safety and health compliance.</li> <li>2. Existing Suppliers: Implement a monthly evaluation system to regularly assess and track improvements in social and environmental management across six aspects. Encourage high-power-consuming suppliers to implement ISO 14064-1 greenhouse gas inventory.</li> <li>3. Promote raw material suppliers to sign conflict minerals statements based on customer requirements.</li> <li>4. Develop a supplier platform system to promote digitalization.</li> </ol>
			Complaint Mechanism	<ul style="list-style-type: none"> <li>■ Contact: Procurement Department</li> <li>■ Email: tbisupplier@tbimotion.com.tw</li> </ul>	
10	Waste Management	Environmental Sustainability Team	Waste has a significant impact on the natural environment. Proper waste management according to legal standards is crucial to prevent harmful substances from entering the soil, reduce environmental impacts, and mitigate the risk of corporate violations, which are key topics for sustainable development.	TBI Motion is committed to waste treatment and reduction. We strive not only to avoid the use of harmful substances but also to promote waste reduction and recycling solutions to minimize waste impact and enhance resource efficiency.	<ol style="list-style-type: none"> <li>1. Implement and continuously operate the ISO 14001 environmental management system: Through annual ISO 14001 audits, evaluate whether TBI Motion's waste management processes meet ISO standards or require optimization.</li> <li>2. Annually audit waste disposal contractors to ensure compliance with regulations during the disposal process.</li> </ol>
			Complaint Mechanism	<ul style="list-style-type: none"> <li>■ Contact: Occupational Safety Office</li> <li>■ Email: tbimotion@tbimotion.com.tw</li> </ul>	

Materiality Topics Evaluation and Goals

Rank	Materiality Topics	Responsible Unit	Evaluation Mechanism	2023 (Short-term) Goals	2023 Achievements	2024 (Short-term) Goals	Mid- to Long-term Goals
1	Product Quality and R&D Innovation	Product Sustainability Team	<ol style="list-style-type: none"> <li>Routine review mechanism and frequency for this topic</li> <li>Execute ISO 9001 International Quality Management System certification, and ensure materials and parts pass the EU RoHS and REACH 2022 224 SVHC chemical analysis items.</li> <li>Confirm product quality and innovation through customer satisfaction surveys, and develop improvement plans based on customer feedback to make products more competitive.</li> </ol>	<ol style="list-style-type: none"> <li>Total patent applications increased by 5</li> <li>R&amp;D investment accounted for 3%</li> <li>Increase trademark registrations by 10</li> </ol>	<ol style="list-style-type: none"> <li>Total patent applications increased by 5, achievement rate 10%</li> <li>R&amp;D investment accounted for 3.26%, achievement rate 100%</li> <li>Increase trademark registrations by 26, achievement rate 100%</li> </ol>	<ol style="list-style-type: none"> <li>Total patent applications increased by 5</li> <li>R&amp;D investment accounted for 3.5%</li> <li>Increase trademark registrations by 10</li> </ol>	<ul style="list-style-type: none"> <li>Mid-term Goals (2025):                             <ol style="list-style-type: none"> <li>Total patent applications increased by 15</li> <li>R&amp;D investment accounted for 4%</li> <li>Increase trademark registrations by 15</li> </ol> </li> <li>Long-term Goals (2030):                             <ol style="list-style-type: none"> <li>Total patent applications increased by 30</li> <li>R&amp;D investment accounted for 5%</li> <li>Maintain 130 trademark registrations</li> </ol> </li> </ul>
2	Risk Management	Corporate Governance Team	Regular internal audits to reduce potential operational risks. The HR department regularly reports sustainability-related risks and response measures to the Board of Directors.	Implement various risk management measures to minimize the impact of financial, production, or management risks on company operations.	In 2023, complied with internal management regulations and external laws in finance, production, and management, with no major incidents affecting company operations.	Implement various risk management measures and corporate governance to minimize the impact of financial, production, or management risks on company operations.	Implement various risk management measures and corporate governance to minimize the impact of financial, production, or management risks on company operations.

Materiality Topics Evaluation and Goals

Rank	Materiality Topics	Responsible Unit	Evaluation Mechanism	2023 (Short-term) Goals	2023 Achievements	2024 (Short-term) Goals	Mid- to Long-term Goals
3	Data Security and Privacy	Corporate Governance Team	Regular review by the IT Department of the achievement of short-, mid-, and long-term goals and the implementation of action plans, and execution of audit procedures.	By the IT Department, appointing a dedicated information security officer and specialized personnel	<ol style="list-style-type: none"> <li>Assign the IT Department Section Chief as the dedicated information security officer, and the IT Department system administrators as the execution personnel. Responsible for executing information security management planning, establishing and maintaining the information security management system, and overseeing the formulation, execution, risk management, and compliance auditing of information security and protection-related policies.</li> <li>Annual information security expenditure totaling 4.38 million NTD, including antivirus software, hacker defense systems, vulnerability scanning, penetration testing, VPN, and related account authority management systems.</li> <li>Complete vulnerability scanning of key systems, information system source code reports, and host vulnerability inspection reports to prevent threat intrusions</li> <li>Conduct information security education and training courses for 48 managers above the section level and ensure they pass the tests. Additionally, provide online information security training for 821 employees.</li> <li>Conduct social engineering drills via email, randomly sending to 252 personnel to prevent phishing and other social engineering threats.</li> <li>Complete annual disaster recovery drills for information systems to demonstrate disaster response capabilities and ensure continuous operation.</li> <li>Implement VPN multi-factor authentication to control remote connections and provide secure access for employees connecting to internal information systems from outside.</li> </ol>	<ol style="list-style-type: none"> <li>Implement SAP remote backup to prevent system failures due to irresistible local factors.</li> <li>Virtualize SAP DB to accelerate the recovery process and minimize service downtime.</li> <li>Procure asset management software and equipment to enhance asset transparency and prevent unauthorized software installations or malware intrusions.</li> <li>Conduct biannual vulnerability scans and penetration tests to prevent threat intrusions.</li> <li>Conduct monthly information security awareness campaigns.</li> </ol>	<ul style="list-style-type: none"> <li>Mid-term Goal: Core IT system availability above 99% (downtime/total operation hours &lt;= 1%)</li> <li>Long-term Goal: Core IT system availability above 99.5% (downtime/total operation hours &lt;= 0.5%)</li> </ul>

Materiality Topics Evaluation and Goals

Rank	Materiality Topics	Responsible Unit	Evaluation Mechanism	2023 (Short-term) Goals	2023 Achievements	2024 (Short-term) Goals	Mid- to Long-term Goals
4	Integrity Management	Corporate Governance Team	Establish effective accounting and internal control systems, with internal audit personnel regularly checking compliance with various systems and reporting to the Board of Directors regularly.	Zero incidents of illegal or non-compliant activities, ensuring all employees and business activities strictly adhere to the "Integrity Management Principles," "Code of Ethical Conduct," and laws and regulations.	No significant violations or remedial actions required in 2023.	Zero incidents of illegal or non-compliant activities, ensuring all employees and business activities strictly adhere to the "Integrity Management Principles," "Code of Ethical Conduct," and laws and regulations.	Zero incidents of illegal or non-compliant activities, ensuring all employees and business activities strictly adhere to the "Integrity Management Principles," "Code of Ethical Conduct," and laws and regulations.
5	Talent Recruitment and Retention	Employee Care Team	<ol style="list-style-type: none"> <li>Regular labor-management meetings.</li> <li>Annual turnover statistics</li> </ol>	Monthly average turnover rate below 3.0%.	Monthly average turnover rate of 3.66%. The main reason was economic factors such as fluctuations in the economy in the second half of the year, and decreased welfare and compensation affecting employee income, leading to higher turnover.	Monthly average turnover rate below 3.0%.	Monthly average turnover rate below 2.5%.

Materiality Topics Evaluation and Goals

Rank	Materiality Topics	Responsible Unit	Evaluation Mechanism	2023 (Short-term) Goals	2023 Achievements	2024 (Short-term) Goals	Mid- to Long-term Goals
6	Energy Management	Environmental Sustainability Team	<ol style="list-style-type: none"> <li>Annual Audit: Conduct annual audits on energy management to evaluate if energy usage meets the expected targets (1% reduction per year) and provide improvement suggestions.</li> <li>Inventory: Regularly inventory energy usage, including energy consumption and costs, to track energy efficiency and identify potential improvement projects.</li> </ol>	<ol style="list-style-type: none"> <li>Conduct carbon inventory training: Train internal carbon inventory personnel to enable the company to perform carbon inventory operations.</li> <li>Reduce greenhouse gas emissions: Reduce greenhouse gas emissions by 1% annually.</li> <li>Replace energy-saving equipment: Eliminate old, energy-consuming air compressors and purchase energy-efficient air compressors to increase energy efficiency.</li> </ol>	<ol style="list-style-type: none"> <li>Held greenhouse gas inventory courses with 21 participants, totaling 63 training hours.</li> <li>Complied with government renewable energy policies, reducing greenhouse gas emissions by 1% compared to 2022.</li> <li>Updated and adjusted the power supply for high-power-consuming equipment such as chillers and air compressors. Summer electricity consumption in 2023 decreased by 29.47% compared to summer 2022.</li> </ol>	<ol style="list-style-type: none"> <li>Conduct a carbon inventory and simulate audit operations.</li> <li>Reduce greenhouse gas emissions: Reduce greenhouse gas emissions by 1% annually.</li> </ol>	<ol style="list-style-type: none"> <li>Obtain carbon inventory certification: Achieve ISO 14064 certification and monitor company emission hotspots.</li> <li>Reduce greenhouse gas emissions: Reduce greenhouse gas emissions by 3% by 2027.</li> </ol> <p>Long-term Goals (2028-2030):</p> <ol style="list-style-type: none"> <li>Obtain and maintain carbon inventory validity: Achieve ISO 14064 certification and implement carbon reduction plans for hotspots.</li> <li>Reduce greenhouse gas emissions: Reduce greenhouse gas emissions by 8% by 2030.</li> </ol>

Materiality Topics Evaluation and Goals

Rank	Materiality Topics	Responsible Unit	Evaluation Mechanism	2023 (Short-term) Goals	2023 Achievements	2024 (Short-term) Goals	Mid- to Long-term Goals
7	Economic Performance	Corporate Governance Team	<ol style="list-style-type: none"> <li>Quarterly Board meetings to review financial performance reports and goals.</li> <li>Identify operational risks and conduct regular and irregular reviews and improvements.</li> <li>Continuously track and manage market share, financial balance, and profitability analysis.</li> </ol>	Continuous profit growth to provide long-term returns for shareholders and economic benefits to stakeholders.	Net operating revenue in 2023 was 2,958,659 thousand NTD, a decline of 19.8% compared to 2022. This was mainly due to the economic downturn in China and globally, ongoing Russo-Ukrainian war, high inflation, and high-interest rates, leading to lower end-consumer demand and higher upstream manufacturing inventory.	Continuous profit growth to provide long-term returns for shareholders and economic benefits to stakeholders.	Continuous profit growth to provide long-term returns for shareholders and economic benefits to stakeholders.
8	Occupational Safety and Health	Employee Care Team	<ol style="list-style-type: none"> <li>Monthly review and report occupational safety and health-related matters with supervisors.</li> <li>Quarterly review of occupational injury loss days, causes, and subsequent improvement measures through the Occupational Safety and Health Committee.</li> <li>Annual external audits of ISO 45001 &amp; CNS 45001</li> </ol>	<ol style="list-style-type: none"> <li>Continuous ISO 45001 Occupational Health and Safety Management System certification.</li> <li>Occupational injury prevention, review, and improvement of near-miss incidents, ensuring employees work with peace of mind.</li> </ol>	<ol style="list-style-type: none"> <li>Achieved ISO 45001 Occupational Health and Safety Management System certification.</li> <li>Held quarterly OSH review meetings in 2023, with the following content: <ul style="list-style-type: none"> <li>Labor-management consultation on OSH policies and management plans</li> <li>Implementation plans for safety and health education and training.</li> <li>Workplace environment monitoring plans and results.</li> <li>Autonomous inspection of business units.</li> <li>Safety and health audit matters.</li> <li>Review of occupational injury investigation reports.</li> <li>Evaluation of on-site safety and health management performance.</li> </ul> </li> </ol>	<ol style="list-style-type: none"> <li>Continuous ISO 45001 Occupational Health and Safety Management System certification.</li> <li>Occupational injury prevention, review, and improvement of near-miss incidents, ensuring employees work with peace of mind.</li> </ol>	<ol style="list-style-type: none"> <li>Promote a safety culture among all employees.</li> <li>Create a zero-accident environment, providing a safe workplace.</li> <li>Increase occupational safety and health-related training for employees by 5%.</li> <li>Continuously reduce the frequency (FR) and severity (SR) of disabling injuries.</li> </ol>


Materiality Topics Evaluation and Goals

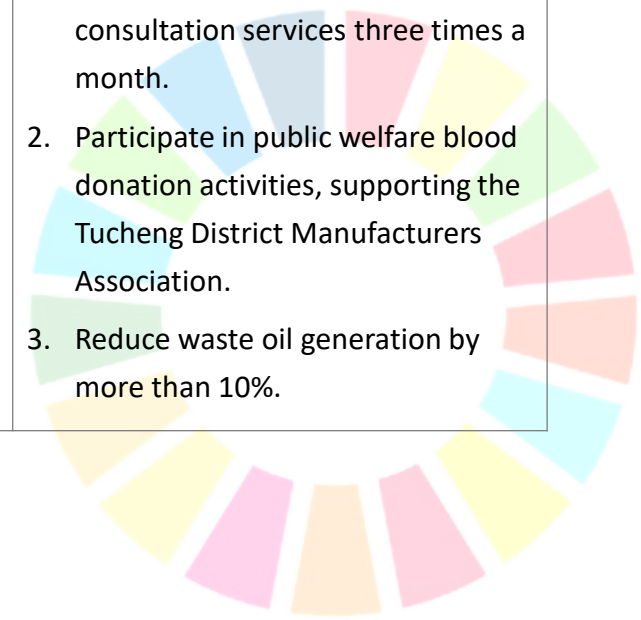
Rank	Materiality Topics	Responsible Unit	Evaluation Mechanism	2023 (Short-term) Goals	2023 Achievements	2024 (Short-term) Goals	Mid- to Long-term Goals
9	Sustainable Supply Chain Management	Supply Chain Management Team	Supplier selection and regular evaluations.	<ol style="list-style-type: none"> <li>100% advocacy for supplier integrity commitments</li> <li>100% achievement rate for qualified supplier assessments and environmental safety management evaluations</li> <li>100% achievement rate for signing non-use of hazardous substances certificates</li> <li>100% evaluation of raw material and outsourcing suppliers.</li> </ol>	<ol style="list-style-type: none"> <li>100% advocacy for supplier integrity commitments.</li> <li>100% achievement rate for qualified supplier assessments and environmental safety management evaluations</li> <li>100% achievement rate for signing non-use of hazardous substances certificates</li> <li>100% evaluation of raw material and outsourcing suppliers.</li> </ol>	<ol style="list-style-type: none"> <li>100% advocacy for supplier integrity commitments</li> <li>100% achievement rate for qualified supplier assessments and environmental safety management evaluations</li> <li>100% achievement rate for signing non-use of hazardous substances certificates</li> <li>100% evaluation of raw material and outsourcing suppliers.</li> </ol>	<ol style="list-style-type: none"> <li>Enhance supplier evaluation standards</li> <li>Gradually introduce a self-assessment questionnaire for sustainable supplier management</li> <li>Gradually introduce a supplier management platform to reduce paper usage</li> <li>Encourage high-energy-consuming suppliers to obtain ISO 14064 greenhouse gas inventory certification.</li> </ol>
10	Waste Management	Environmental Sustainability Team	<ol style="list-style-type: none"> <li>Implement and continuously operate the ISO 14001 Environmental Management System: Through annual audits and verifications of the ISO 14001 Environmental Management System, assess whether TBI Motion's waste management processes meet ISO standard procedures or need optimization</li> <li>Conduct annual audits of waste disposal contractors to ensure compliance with regulations.</li> </ol>	Reduce waste oil generation by 10% or more.	Increase waste oil reuse rate and reduce waste oil generation by 10% or more.	Increase waste oil reuse rate, such as reusing waste oil from the nut manufacturing process in the forging process, reducing waste oil generation by 10% or more.	Continuously seek eco-friendly recycled materials for use in processes to reduce industrial waste generation and replace non-eco-friendly recycled materials by 5% or more.







## 1-4 Responding to the United Nations Sustainable Development Goals (SDGs)



The United Nations Sustainable Development Goals (SDGs) are a global effort. As a key player in the machinery industry value chain, TBI Motion is committed to identifying and actively responding to seven relevant goals through its operational activities, sustainable governance strategies, and impact management action plans.

Key Response Goals	Corresponding Sub-goals	Materiality Topics	Response Actions	2023 Response
	<ul style="list-style-type: none"> <li>■ 3.4 By 2030, reduce by one-third premature mortality from non-communicable diseases through prevention, treatment, and promotion of mental health and well-being.</li> <li>■ 3.8 Achieve universal health coverage, including financial risk protection, access to quality essential health care services, and access to safe, effective, quality, and affordable essential medicines and vaccines for all.</li> <li>■ 3.9 By 2030, substantially reduce the number of deaths and illnesses from hazardous chemicals and air, water, and soil pollution and contamination.</li> </ul>	<ul style="list-style-type: none"> <li>■ Occupational Safety and Health</li> <li>■ Waste Management</li> </ul>	<ol style="list-style-type: none"> <li>1. Promote and maintain employee health-related benefits and activities, including regular health check-ups, health promotion seminars, and occupational disease prevention education.</li> <li>2. Implement water resource and waste management to reduce the potential negative impacts of operations on the environment and human health.</li> </ol>	<ol style="list-style-type: none"> <li>1. To ensure employee health, the company arranges for a company doctor to provide medical consultation services three times a month.</li> <li>2. Participate in public welfare blood donation activities, supporting the Tucheng District Manufacturers Association.</li> <li>3. Reduce waste oil generation by more than 10%.</li> </ol>



Key Response Goals	Corresponding Sub-goals	Materiality Topics	Response Actions	2023 Response
	<ul style="list-style-type: none"> <li>4.2 By 2030, ensure that all children have access to quality early childhood development, care, and pre-primary education so that they are ready for primary education.</li> <li>4.3 By 2030, ensure equal access for all women and men to affordable and quality technical, vocational, and tertiary education, including university.</li> <li>4.4 By 2030, substantially increase the number of youth and adults who have relevant skills, including technical and vocational skills, for employment, decent jobs, and entrepreneurship.</li> </ul>	-	<ol style="list-style-type: none"> <li>Develop comprehensive employee education and training programs to continuously enhance the professional capabilities needed for current workplace and future development.</li> <li>Promote long-term industry-academia cooperation projects through corporate internships, visits, and technical competitions to enhance students' employment skills and competitiveness.</li> <li>Provide long-term scholarships and equipment sponsorships to nearby junior high and elementary schools to ensure equal and adequate educational resources.</li> </ol>	<ol style="list-style-type: none"> <li>Since 2016, held 7 editions of the TBI Motion Intelligent Automation Creative Practice Competition.</li> <li>In 2022, co-organized the "7th TBI Motion Intelligent Automation Creative Practice Competition" with National Chin-Yi University of Technology, injecting creative vitality into intelligent automation technology and developing talent, attracting 30 teams nationwide, with 11 teams winning in the final held in May 2023.</li> <li>Sponsored NT\$120,000 for the badminton team of Shulin Elementary School, cultivating future national sports talent.</li> <li>Sponsored NT\$215,000 in scholarships for Wulin Elementary School, Sando Junior High School, and Zhonghu Elementary School, encouraging students to strive for excellence.</li> </ol>
	<ul style="list-style-type: none"> <li>5.5 Ensure women's full and effective participation and equal opportunities for leadership at all levels of decision-making in political, economic, and public life.</li> <li>5.6 Ensure universal access to sexual and reproductive health and reproductive rights as agreed in accordance with the Programme of Action of the International Conference on Population and Development (ICPD), the Beijing Platform for Action, and the outcome documents of their review conferences.</li> </ul>	Talent Recruitment and Retention	<ol style="list-style-type: none"> <li>According to the director election method, ensure that the rights to election and participation in operations are not differentiated by gender.</li> <li>Develop equal recruitment, retention, and welfare policies for employees, and continuously track the gender pay ratio for supervisors and non-supervisors.</li> <li>Establish childcare leave policies as per the law, and build comprehensive childcare and educational assistance benefits, including signing cooperation agreements with nearby kindergartens/daycare centers and providing scholarships for employees' children.</li> </ol>	<ol style="list-style-type: none"> <li>Employees who applied for childcare leave in 2022 and returned to work in 2023 remained employed until the end of 2023, achieving a 100% retention rate.</li> <li>Provided a total of NT\$120,500 in scholarships for employees and their children in 2023.</li> </ol>

Key Response Goals	Corresponding Sub-goals	Materiality Topics	Response Actions	2023 Response
	<ul style="list-style-type: none"> <li>6.3 By 2030, improve water quality by reducing pollution, eliminating dumping, and minimizing the release of hazardous chemicals and materials, halving the proportion of untreated wastewater, and substantially increasing water recycling and safe reuse globally.</li> <li>6.4 By 2030, substantially increase water-use efficiency across all sectors and ensure sustainable withdrawals and supply of freshwater to address water scarcity, and substantially reduce the number of people suffering from water scarcity.</li> <li>6.6 Support and strengthen the participation of local communities in improving water and sanitation management.</li> </ul>	<p>Waste Management</p>	<ol style="list-style-type: none"> <li>Through effective and compliant waste management mechanisms and strict control over suppliers and processes to ensure no use of hazardous substances, reduce the impact of waste on the environment.</li> <li>Improve water resource use efficiency and reduce waste through water-saving measures and programs.</li> <li>Adopt a community park, regularly clean and maintain the environment to enhance local sanitation.</li> </ol>	<ol style="list-style-type: none"> <li>Recycled 6,210 tons of water in 2023.</li> <li>Reduced waste oil generation by more than 10%.</li> <li>Adopted and managed Guanliao Park, cleaning the environment from Monday to Saturday, and weeding every two months.</li> </ol>
	<ul style="list-style-type: none"> <li>7.2 By 2030, increase substantially the share of renewable energy in the global energy mix.</li> <li>7.3 By 2030, double the global rate of improvement in energy efficiency.</li> </ul>	<p>Energy Management</p>	<ol style="list-style-type: none"> <li>Actively respond to government green energy development plans by providing the largest rooftop solar power system in New Taipei City in the factory area.</li> <li>Install solar panels to enhance power generation efficiency.</li> <li>Reduce energy waste and improve usage efficiency through energy policies and energy-saving and carbon reduction programs.</li> </ol>	<ol style="list-style-type: none"> <li>Installed solar panels to enhance power generation efficiency, with an estimated solar power generation of 43,350 kWh in 2023.</li> <li>Complied with government renewable energy policies, reducing greenhouse gas emissions by 1% compared to 2022.</li> <li>Updated and adjusted the power supply for high-power-consuming equipment such as chillers and air compressors. Summer electricity consumption in 2023 decreased by 29.47% compared to summer 2022.</li> </ol>

Key Response Goals	Corresponding Sub-goals	Materiality Topics	Response Actions	2023 Response
	<ul style="list-style-type: none"> <li>■ 8.1 Sustain per capita economic growth in accordance with national circumstances, and in particular, at least 7% gross domestic product (GDP) growth per annum in the least developed countries (LDCs).</li> <li>■ 8.2 Achieve higher levels of economic productivity through diversification, technological upgrading, and innovation, including through a focus on high-value-added and labor-intensive sectors.</li> <li>■ 8.6 By 2020, substantially reduce the proportion of youth not in employment, education, or training.</li> <li>■ 8.7 Take immediate and effective measures to eradicate forced labor, end modern slavery and human trafficking, secure the prohibition and elimination of the worst forms of child labor, including recruitment and use of child soldiers, and by 2025 end child labor in all its forms.</li> <li>■ 8.8 Protect labor rights and promote safe and secure working environments for all workers, including migrant workers, particularly women migrants, and those in precarious employment.</li> </ul>	<ul style="list-style-type: none"> <li>■ Product Quality and R&amp;D Innovation</li> <li>■ Occupational Safety and Health</li> </ul>	<ol style="list-style-type: none"> <li>1. Create continuous revenue growth to achieve the greatest benefits for stakeholders and society.</li> <li>2. Invest resources in product innovation and R&amp;D to meet market demands.</li> <li>3. Enhance youth training and employment opportunities through industry-academia collaboration.</li> <li>4. Adhere to ethical principles and regulations to avoid human rights violations by the company and suppliers.</li> <li>5. Establish a comprehensive occupational safety management system and action plans, including obtaining ISO 45001 certification and setting up an occupational injury reporting and handling process to reduce the incidence and impact of occupational injuries.</li> </ol>	<ol style="list-style-type: none"> <li>1. The company holds a total of 132 domestic and international patents in 2023.</li> <li>2. Passed ISO 45001 Occupational Health and Safety Management System certification.</li> <li>3. Zero major occupational injuries.</li> </ol> 

# *Corporate Governance*

2-1 Company Overview

2-2 Governance Organization

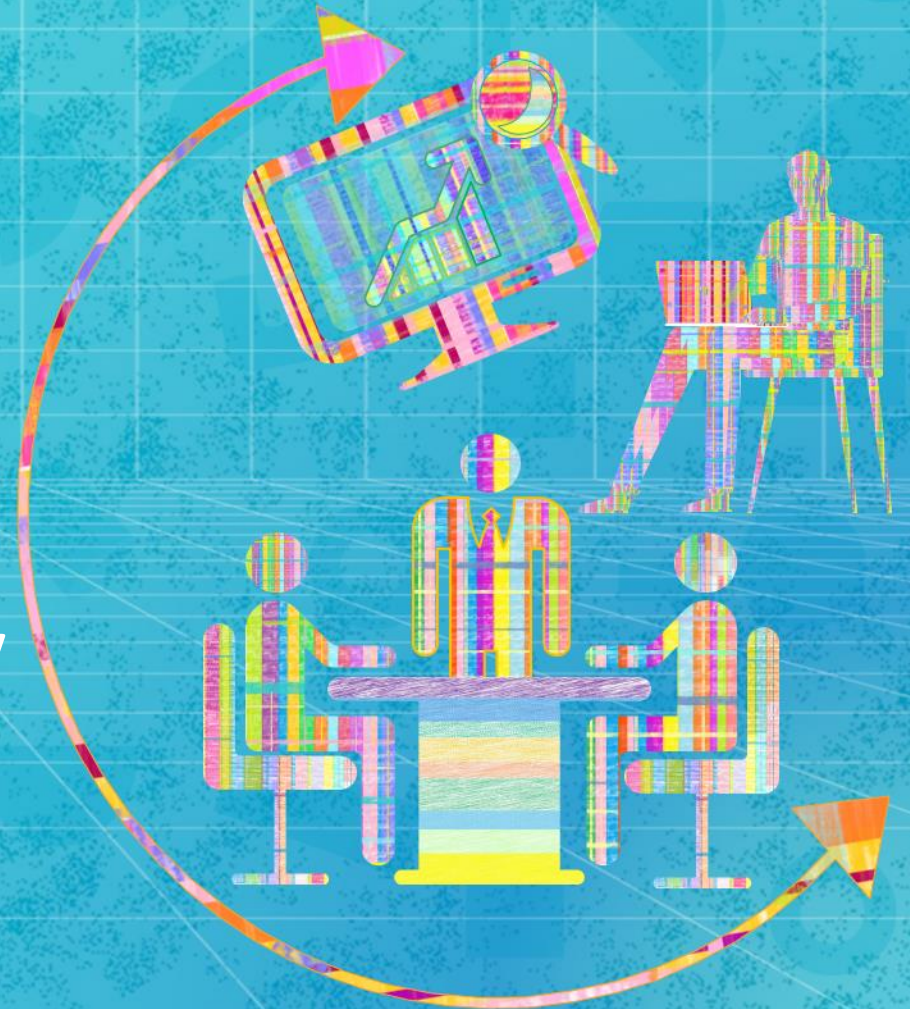
2-3 Economic Performance

2-4 Integrity Management

2-5 Risk Management

2-6 Information Security and Privacy

2-7 Sustainable Supply Chain  
Management



## 2-1 Company Overview

TBI Motion Technology Co., Ltd., established in 2010, previously known as Taiwan Ball Screw and Global Ball Screw, primarily produces precision ball screws and linear guideways. In recent years, the company has also actively developed ball splines, linear motion platforms, rotary screw splines, and other transmission component products. These products are widely used in the semiconductor industry, automation industry, robotics industry, industrial machinery, medical industry, green energy industry, machine tools, and automated storage systems.

TBI Motion upholds five core values: integrity, professionalism, cooperation, innovation, and quality. With over 30 years of technical expertise and innovative R&D spirit, the company is committed to becoming the best partner in providing customers with high-quality professional manufacturing and solutions. Based in Taiwan as the main operational headquarters, TBI Motion also has subsidiaries in Suzhou, China, and California, USA, with sales markets covering China, the Americas, Europe, Japan, and ASEAN regions.



Establishment Date	July 9, 2010
Chairman	Li, Ching-Kung
CEO	Li, Jin-Sheng
Capital	952 million NTD
Main Products	Ball screws, linear guideways, ball splines, and single-axis robots
Number of Employees	880
Headquarters	Shulin Plant (No. 123, Sando Road, Shulin District, New Taipei City)
Factory Area	66,120 square meters



Caption: Five Core Values

Company History Timeline

**1986**

**TBI**

Taiwan Ball Screw Industrial Co., Ltd. (TBI) was established.  
Established the Taipei Tucheng Plant: Became the first precision-formed ball screw factory in Taiwan.  
Established a specialized R&D center: Engaged in the development of precision-ground ball screws.

**1988**

Established the Taichung Fengyuan Plant: Specializes in producing precision-ground ball screws.

**1995**

Model Factory Award for SMEs

**1996**

National Invention Bronze Medal Award

**1998**

ISO:9001

**2002**

**COMTOP**

Established COMTOP as a professional marketing system, exporting worldwide.

**2005**

Expanded the Tucheng Plant

**2010**

**TBI TBIMOTION**

Established TBIMOTION: Integrated TBI's professional manufacturing technology and COMTOP's marketing system to lead the market with a new image.  
Established the TBI Motion Yingge Plant.

**2017**

- Held the third TBI Motion Electromechanical Creative Practice Competition.

**2016**

- Completed the Shulin Operations Headquarters.
- Held the second TBI Motion Electromechanical Creative Practice Competition.

**2015**

台灣精品

- Inaugurated the first TBI Motion Electromechanical Creative Practice Competition.
- Won Taiwan Excellence Awards:
  - High Dm-N Value Ball Screw SFY
  - High Precision Rotary Ball Screw Spline NSH/NSV.

**2014**

台灣精品

- Beam-raising ceremony for the new Shulin Plant. Officially listed on the Emerging Stock Market (4540).
- Launched a new product series of rotary ball screw splines.
- Established TBI Motion Technology Co., Ltd. Longhua R&D Center and Longhua University of Technology Creative Forming Center.
- Won Taiwan Excellence Award: Micro Ball Linear Guideway TM-N.

**2013**

台灣精品

- Groundbreaking ceremony for the new Shulin Plant.
- Won Taiwan Excellence Awards:
  - Ball Screws - S Series
  - Linear Guideways - TR Series
  - Ball Splines - SLF Series

**2012**

- Officially signed a contract for the Shulin Industrial Park.
- Officially listed on the stock market, stock code 4540.

**2018**

台灣精品

- Listed on the stock exchange; stock code 4540.
- Held the fourth TBI Motion Electromechanical Creative Practice Competition.
- Won Taiwan Excellence Award: Single-Axis Robot KP Series.

**2019**

TBI

- Established the company's brand image: Positioned the product brand.
- Held the fifth TBI Motion Electromechanical Creative Practice Competition.

**2020**

- Established a subsidiary in the United States.
- China subsidiary, Quan Chuan Technology (Suzhou) Co., Ltd., officially started operations.
- Held the sixth TBI Motion Electromechanical Creative Practice Competition.
- Won Taiwan Excellence Awards: Hollow Integrated Motor Screw Assembly, Micro High Lead Ball Screw for Electric Gripper XCKX00402.

**2021**

台灣精品

- Won Taiwan Excellence Awards:
  - Linear Guideway TRH Series
  - Ball Screw SFA

**2022**

台灣精品

- Taiwan subsidiary, Quan Chuan Intelligent Technology Co., Ltd., officially started operations.
- Won Taiwan Excellence Award: -Ball Screw SFYA

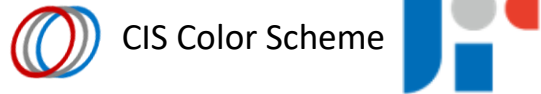
**2023**

台灣精品

- Won Taiwan Excellence Awards:
  - High Lead Silent Ball Screw SFJ
  - Ball Chain Guideway GR Series.
- Won the Gold Award in 1111 Job Bank's 2023 Happy Enterprise Voting.
- Won the 2023 National Talent Development Award.
- Held the seventh TBI Motion Intelligent Automation Creative Practice Competition.

### 2-1-1 Brand Value

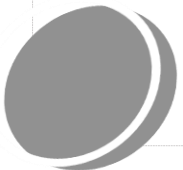
TBI Motion continually innovates by creating a new corporate image and new products while adhering to its five core values (integrity, quality, innovation, professionalism, cooperation). The company aims to create advantageous environments and services to meet customer needs and achieve a win-win outcome. In the field of transmission components, TBI Motion invests continuously in R&D innovation, including products, processes, equipment, capacity, channels, services, and talent development. The company strives to be the best partner for high-quality professional manufacturing and solutions, realizing the vision of infinite technological possibilities.



**Professionalism:**  
Represents the widespread reach of the company across the world, like the sky and the sea, enhancing company scale and internationalization, and expanding the market globally.



**Passion:**  
Symbolizes the energy of the company’s employees, who are dedicated to excelling in every task and challenge.



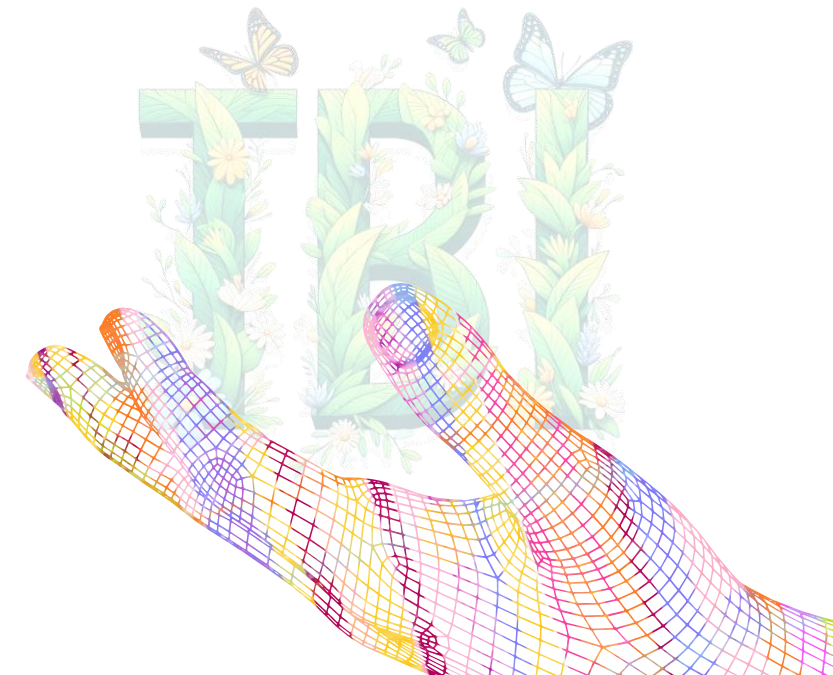
**Stability:**  
Transmission components are high-precision components, and the company provides customers with stable quality and high-tech products.



## 2-1-2 Participation in Associations and Chambers

TBI Motion actively participates in public affairs and is committed to promoting and supporting industry development. By participating in associations such as the Taiwan Association of Machinery Industry and the Taiwan Machine Tool & Accessory Builders' Association, the company assists the government in optimizing economic policies and industry-related regulations and facilitates technical cooperation and human resource connections within the domestic and international machinery industries. Additionally, TBI Motion actively engages in industry-academia cooperation with colleges and universities to cultivate future talent for the industry.

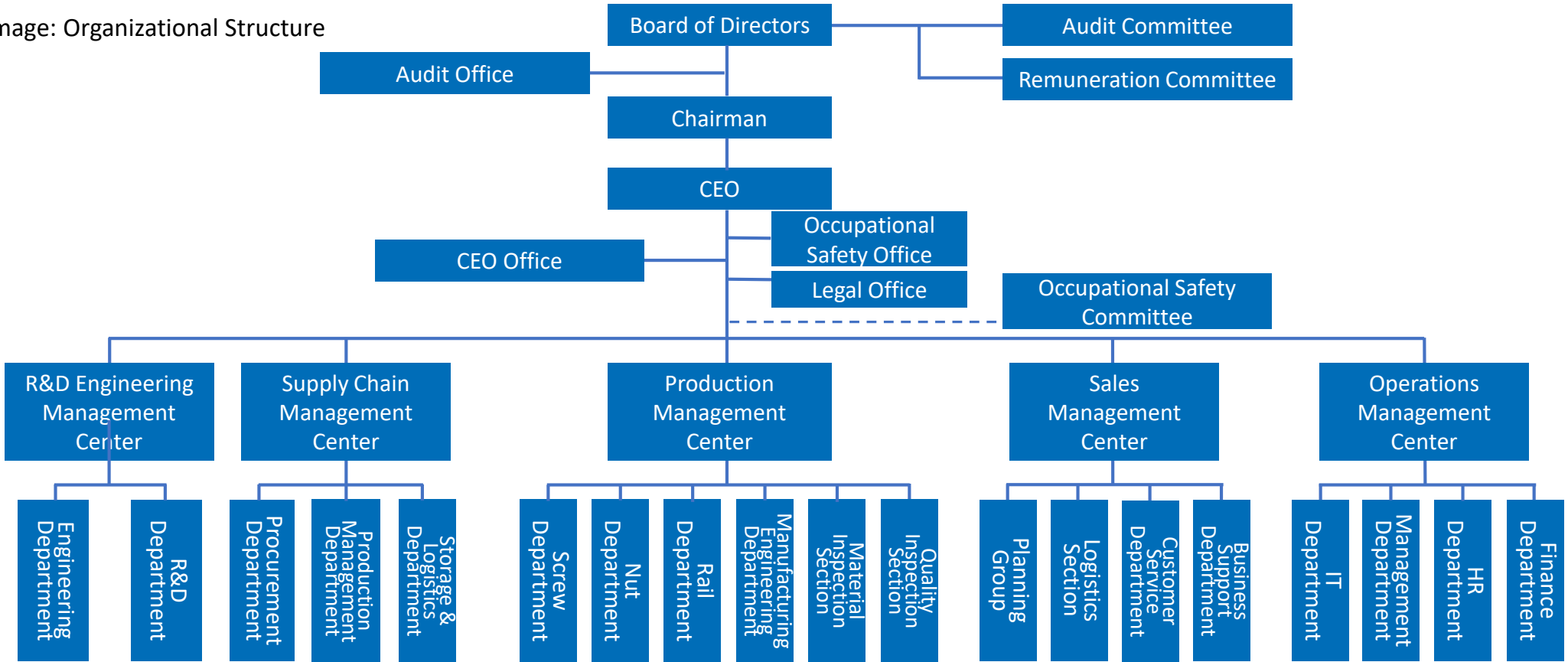
Organization Name	Role of TBI Motion
Taiwan Association of Machinery Industry	Director
National Chung Cheng University Academic Foundation	Director
Taiwan Machine Tool & Accessory Builders' Association	Member
Taiwan Electronic Equipment Industry Association	Member
Federation of All Taiwan Industries	Member
Taipei Importers and Exporters Association	Member
Taiwan Wind Energy Industry Association	Director
Taiwan Fluid Power Association	Member



## 2-2 Governance Organization

TBI Motion operates with the Board of Directors as the highest governance body, responsible for managing risk issues, impact items, and material topics. The Board approves and continuously supervises the effective operation of risk management mechanisms. In accordance with relevant laws and regulations and the powers conferred by the General Meeting of Shareholders, the Board formulates and adheres to various regulations and procedures, decides on important matters, and guides the management team. It is also responsible for supervising the overall operations and execution results of the company, as well as the positive and negative impacts of the company’s operations on the economy, environment, and society. This oversight ensures the protection of stakeholders' rights, fulfills corporate social responsibility, reduces operational risks, and meets the expectations of shareholders and stakeholders.

■ Image: Organizational Structure



## 2-2-1 Board of Directors

The Board of Directors is the highest governing body of the company, responsible for overseeing the overall operational responsibilities and policy implementation outcomes. TBI Motion values corporate governance by implementing a governance system, enhancing the functions of the Board, and leveraging the capabilities of functional committees to ensure that the internal control and audit systems operate effectively. According to the "Corporate Governance Best Practice Principles" and the "Director Election Procedures," the composition of the Board should be diverse, professional, and independent. The selection of Board members considers the candidates' qualifications, educational and professional backgrounds, statutory restrictions, and the company's operational and development needs. The selection process is presented to shareholders for reference without limitations on gender, age, or educational background.

### Board Members

The current Board consists of four directors and three independent directors, with an average age of 59, all of whom are male. The directors' professional backgrounds span industries, finance, accounting, technology, management, and law, providing the necessary knowledge, skills, and qualities for their roles.

Note: For detailed information on the directors' backgrounds, terms, and other details, please refer to the 2023 Annual Report of TBI Motion.

Board Members' Name	Nationality	Age	Gender	Core Diversity Criteria				
				Management & Operations	Leadership & Decision-Making	Industry Knowledge	Finance & Accounting	Legal Expertise
Te Yi Investment Co., Ltd. Representative: Li, Ching-Kung	R.O.C	70-75	Male	V	V	V		
Smartech and GreenCo., Ltd. Representative: Li, Jin-Sheng	R.O.C	60-65	Male	V	V	V		
Te Chang Investment Co., Ltd. Representative: Li, Fu-Lin	R.O.C	45-50	Male	V	V	V		
Yeh, Chun-Yen	R.O.C	55-60	Male	V	V	V	V	
Liu, I-Lin	R.O.C	50-55	Male	V	V	V	V	
Fang, Chung-Li	R.O.C	65-70	Male	V	V	V		V
Chou, Cheng-I	R.O.C	45-50	Male	V	V	V		V

Website-Board of Directors  
<https://www.tbimotion.com.tw/investors/investors-03>

## ■ Training and Development

In alignment with operational needs and trends, board training programs are arranged. In 2023, each board member participated in training sessions for at least 6 hours, including courses related to sustainable development such as "Challenges and Opportunities in Sustainable Development Pathways and Greenhouse Gas Inventory Introduction" and "ESG Sustainability Strategy Management."

## ■ Operations and Evaluation Mechanism

The Board of Directors of TBI Motion convened five meetings in 2023, with an actual attendance rate of 97%. To implement corporate governance and enhance the functionality of the Board, performance goals are established to improve the efficiency of board operations. The "Board Self-Evaluation or Peer Evaluation" management guidelines stipulate that the Board and its functional committees must conduct at least one internal self and peer performance evaluation annually. Additionally, every three years, an external independent expert is commissioned to perform the evaluation. The last external evaluation was conducted in 2021, and all directors completed and passed the internal performance evaluation in 2023.

### 2-2-2 Audit Committee

The Audit Committee is dedicated to ensuring the fair presentation of the company's financial statements, the selection (or dismissal) and independence and performance of certified public accountants, the effective implementation of the company's internal controls, compliance with relevant laws and regulations, and the management of existing or potential risks. The committee assists the Board in enhancing corporate governance performance. The Audit Committee is composed of three independent directors and held five meetings in 2023, with an actual attendance rate of 100%.

### 2-2-3 Remuneration Committee

The company has established the Remuneration Committee Charter to ensure a sound compensation system for directors and managers. The Remuneration Committee assists the Board in implementing and evaluating the company's overall compensation and benefits policies, including the performance evaluation and compensation policies for directors and managers. The committee provides timely recommendations to the Board to prevent behaviors that exceed the company's risk tolerance or lack independence in decision-making processes due to compensation policies. The Remuneration Committee is composed of three members and held three meetings in 2023, with an actual attendance rate of 100%. Directors' remuneration includes transportation allowances, business execution fees, and profit distribution compensation, which is handled according to the company's articles of association. The compensation for the CEO and financial officers includes salaries, bonuses, and employee compensation, mainly determined based on their responsibilities, performance, and contributions to the company, and benchmarked against industry standards.

## 2-3 Economic Performance

TBI Motion's net operating revenue for 2023 was NT\$2,958,659 thousand, a decline of 19.8% compared to 2022. This decrease was primarily due to the sluggish economy in China and globally, the ongoing Russia-Ukraine war, high inflation, and the high-interest rate era, which led to lower end-consumer spending. Consequently, upstream manufacturing inventories remained high, and demand was weaker than in previous years.

### ■ Direct Economic Value Generated and Distributed by the Organization (2021-2023)

(Unit: NT\$ Thousand)

Items		2021	2022	2023
Direct Economic Value (A)	Operating and Other Income	3,263,047	3,705,210	2,988,846
Distributed Economic Value (B)	Operating Costs	1,925,576	2,210,040	1,832,390
	Employee Salaries and Benefits	768,537	840,405	758,032
	Payments to Shareholders	106,782	172,692	211,887
	Payments to Government	73,269	100,092	(55,990)
	Community Investments	2,014	2,163	1,321
	Total Distributed Economic Value	2,876,178	3,325,392	2,747,640
	Retained Economic Value (A-B)	Direct Economic Value (A) - Distributed Economic Value (B)	386,869	379,818

NT\$ thousand / Earnings per share: NT\$

Items \ Year	2021	2022	2023
Net Operating Revenue	3,248,927	3,689,632	2,958,659
Operating Costs	2,559,658	2,933,386	2,564,982
Gross Profit	689,269	756,246	393,677
Operating Expenses	444,989	436,620	294,827
Operating (Loss) Profit	244,280	319,626	98,850
Net Non-operating Income (Expenses)	58,553	54,402	(267,425)
Net (Loss) Profit Before Tax	302,833	374,028	(168,575)
Income Tax (Benefit) Expense	65,533	90,017	(64,963)
Net (Loss) Profit After Tax	237,300	284,011	(103,612)
Earnings (Loss) Per Share After Tax	2.52	3.02	(1.09)

In addition to income tax subsidies, TBI Motion actively responds to the Ministry of Labor's employment counseling and vocational training subsidy programs to cultivate industry talent and enhance employee skills. The company also utilizes subsidy resources to participate in exhibitions and expand the market. In 2023, the total financial subsidies received from the government amounted to NT\$16,505 thousand.

Subsidy Project Name	Subsidy Amount (NT\$ Thousand)
Ministry of Economic Affairs: Large-to-Small Manufacturing Low Carbon and Smart Upgrade Transformation Subsidy	\$6,236
Ministry of Economic Affairs: Science and Technology Research and Development Project - A+ Enterprise Innovation and R&D Training Program - Encourage Domestic Enterprises to Establish R&D Centers in Taiwan - Advanced Manufacturing and Application R&D Center for Motion Components Project	\$3,082
Ministry of Digital Affairs, Digital Industry Agency: Communication Innovation Technology Application Development and Infrastructure Establishment Project - 5G Private Network Innovation Application Diffusion Plan	\$2,200
Industrial Development Bureau: Industrial Innovation Project - TBI Supply Chain Digital Streaming and AI Application Plan	\$3,500
iPAS: Enterprise Digital Talent Practical Training Program	\$1,144
Workforce Development Agency: Northern, Taipei, Yilan, Hualien, Kinmen, Matsu - Recharging and Taking Off Project	\$343

## 2-4 Integrity Management

TBI Motion upholds "Integrity Management" as the core of its business philosophy. To enhance the overall awareness of integrity and compliance culture within the company, we have established ethical standards and behavioral guidelines for directors, managers, employees, and other stakeholders to follow. These regulations cover integrity management, legal compliance, and anti-corruption, and are implemented in company policies and work practices. We continuously promote and educate these standards to protect the company's reputation, customer interests, and employee rights, ensuring the company's long-term stable development. The finance department regularly reports the progress of these initiatives to the board of directors. Additionally, we have set up a whistleblowing mechanism and reward system to protect whistleblowers' rights, encourage reporting, and prevent conflicts of interest, dishonesty, and unethical incidents. In 2023, no whistleblowing cases were reported, and no company members were involved in illegal activities violating integrity policies.

Name of Regulation	Applicable Targets	Brief Description
Integrity Management Principles	Directors, Supervisors, Managers, Appointees, Employees, or Individuals with Substantial Control	Defines dishonest behaviors and the scope of business activities, detailing the responsibilities of the authority unit, internal control establishment processes, training assessments, and reward and punishment systems. Requires all directors, managers, and employed staff to commit to the integrity management policy.
Code of Ethical Conduct	Directors, Managers, and Other Employees	Regulates ethical behaviors to prevent conflicts of interest, ensure fair trade, and protect company assets. Includes whistleblowing reward system procedures and disciplinary measures.
Board Meeting Regulations	Directors	Regulates the disclosure, recusal, and voting restrictions for directors who have conflicts of interest with the matters discussed at meetings, either personally or representing a legal entity.
Employee Work Rules	All employees	Regulates behaviors to avoid during business execution and related disciplinary actions. Includes prohibitions against bribery, accepting bribes, providing illegal political donations, improper charitable donations or sponsorships, receiving unreasonable gifts, hospitality, and other improper benefits, and prohibitions against infringing on intellectual property rights. Employees involved in corruption or illegal bribery will be dismissed.
Implementation of a Single Point of Contact and Clean Policy	Suppliers	Provides this policy to all new suppliers, requiring them not to engage in non-clean behaviors such as giving gifts or inviting procurement staff to meals. Severe violations will result in the revocation of supplier qualifications and disciplinary actions against procurement staff.

## 2-4-1 Regulatory Compliance

TBI Motion complies with relevant business conduct laws such as the Company Act, Securities Exchange Act, Political Donations Act, and the Anti-Corruption Act. Compliance issues are also included in standard contract provisions. To continuously enhance compliance awareness, necessary legal information is communicated to employees through announcements and training sessions to strengthen their understanding of regulations and ensure adherence.

In 2023, TBI Motion had one violation due to mechanical equipment not meeting TS standard requirements, resulting in a fine of NT\$40,000. Measures meeting TS standards have been implemented to ensure employee safety. There were no legal proceedings related to anti-competitive behavior, antitrust, or monopoly actions in 2023.





## 2-5 Risk Management

TBI Motion systematically identifies, evaluates, and manages risks, assessing and analyzing the short, medium, and long-term impacts of various risks on company operations and the value chain. Comprehensive response strategies are developed to supervise and strictly control the risk management mechanisms, reducing the potential negative impacts of market environment or trend changes on stakeholders. Effective risk management measures are expected to enhance operational management efficiency and corporate resilience in response to risks.

In 2023, the US-China tech dispute, the Russia-Ukraine war, inflation, and high interest rates impacted the global economy, presenting direct and indirect challenges to company operations as the overall industry faced slowing demand. TBI Motion continues to monitor risks at all levels, actively expanding markets, focusing on product development and innovation, and strengthening customer relationships. These efforts, coupled with effective risk management measures, aim to overcome difficulties and create new opportunities for steady growth. The identified risks and response measures for this year are as follows:

Risk Items	Response Measures
Interest Rate Risk	TBI Motion's interest rate risk primarily stems from liabilities incurred during operations. The company mitigates the potential impact of interest rate fluctuations on its operations by continuously monitoring interest rate changes, actively collaborating with banks to secure the best interest rates, and reducing the debt ratio.
Exchange Rate Risk	In 2023, TBI Motion's export ratio reached 79%, with the primary trading currency being the US dollar. The company effectively manages the impact of exchange rate fluctuations through measures such as adjusting export prices based on exchange rate changes, continuously adjusting US dollar-denominated debt positions, and engaging in forward foreign exchange transactions.
Investment Risk	By establishing internal management procedures such as the "Procedures for Acquisition or Disposal of Assets" and the "Regulations Governing Lending of Funds to Others," the company provides guidelines for employees engaged in related business activities. The company's derivative financial instruments are aimed at hedging and do not involve high-risk investment projects.
Purchase and Sales Concentration Risk	Procurement: Through strict screening and auditing processes, the company selects suitable suppliers and establishes a long-term, multi-source, and flexible supply chain, particularly for key raw materials like steel. Sales: Based on the existing customer base, which is diverse and has long-term stable cooperation, the company actively develops European, American, and emerging markets to reduce the impact of economic fluctuations and regional politics on sales.

Risk Items	Response Measures
Climate Change Risk	To mitigate the impact of greenhouse gases on the global environment and company operations, TBI Motion actively implements energy-saving and carbon reduction measures, provides educational training, installs environmental protection and energy-saving devices, and promotes these initiatives throughout the supply chain. These efforts aim to reduce the environmental damage caused by company operations and production, balancing the risks posed by climate change.
Regulatory Change Risk	In response to stricter sustainability regulations, TBI Motion may need to increase capital expenditures on environmental improvement projects or incur additional costs to comply with regulations. The management team continuously monitors regulatory changes, assesses their impact on the company, and adjusts internal processes and policies accordingly to ensure all operations meet the latest regulatory requirements.
Information Security Risk	With the increasing frequency of cyber-attacks, the rise of ransomware, and evolving attack methods, information security risks have surged. TBI Motion focuses on three main cybersecurity protection goals: anti-virus, anti-hacking, and anti-leakage. The company has established firewalls, intrusion detection systems, anti-virus systems, and numerous internal control systems to enhance its ability to defend against external attacks and ensure the protection of internal confidential information.



## 2-6 Information Security and Privacy

To address information security risks, TBI Motion has established an information security risk operation management mechanism and corresponding internal control system. The IT department is responsible for managing information security operations and integrating information security into daily operations. This approach aims to effectively reduce the risk of damage to information systems in advance and ensure a quick response afterward to protect the company's operational resources and efficiency.

### 2-6-1 Information Security Management

TBI Motion's information security management measures can be divided into three categories: information security management measures, equipment management, and disaster recovery. Each category has specific countermeasures and prevention mechanisms tailored to different scenarios and potential risks.

Information Security Management Measures

Ensuring the safety of data, systems, equipment, and networks while protecting user rights involves implementing an information security plan for the following areas:

1. Personnel Management: Assign different access rights based on user functions. Revoke original permissions in case of resignation or transfer.
2. Regularly conduct social engineering drills, hold information security education and training sessions, and regularly announce and promote information security to raise employee awareness.
3. Periodically perform network vulnerability scans and penetration tests.
4. Install antivirus software.
5. Set up firewalls.
6. Prohibit the use of unauthorized and unknown software/hardware.

Equipment Management

- Assign storage units/personnel for computer data and equipment.
- Erase confidential, sensitive data, and licensed software before scrapping storage devices.

Disaster Recovery

Prevent and quickly recover to normal operational levels in case of natural disasters, human errors, or malicious damage to information systems. Take necessary steps to ensure resources, employees, and business processes can continue operating promptly. Regularly conduct biannual drills to ensure data can be fully restored and systems can return to normal operations. The expected outcome for the 2023 drill is that critical data remains intact and undamaged, systems recover within the stipulated time, and employees' response time and actions in emergencies meet expectations.

In 2023, there were no information security incidents involving data breaches, theft, or loss of customer information.



Image: 2023 Information Security Training Courses



## 2-7. Sustainable Supply Chain Management

TBI Motion's primary products are ball screws, linear guides, ball splines, and single-axis robots. The main suppliers are categorized into three types: raw materials and materials, subcontracted processing, and consumables and general affairs. These suppliers provide alloy steel, medium carbon steel, stainless steel, and materials for the upstream production chain, processing services for the midstream, and consumables needed for daily operations. Through close collaboration with suppliers, TBI Motion supports the development of downstream industries such as automation, robotics, semiconductors, and green energy. In 2023, there were 276 collaborating suppliers, 99.6% of which were from Taiwan. For green procurement, approximately 83.3% of the purchased steel is green carbon-neutral steel.

Supplier Category		2022		2023	
		Number of suppliers	Procurement amount ratio	Number of suppliers	Procurement amount ratio
First	Raw materials	21	100%	24	100%
	Materials	57	100%	71	100%
Second	Subcontracted processing	80	100%	61	100%
Third	Consumables and general affairs	85	100%	120	100%

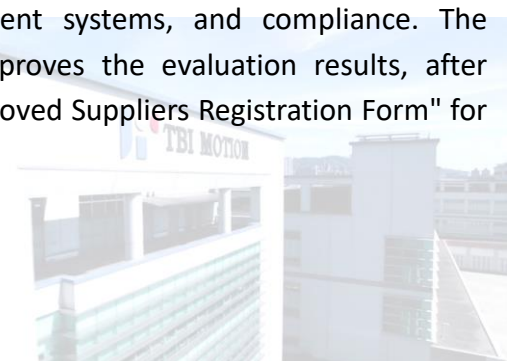
### 2-7-1 Supplier Management

TBI Motion has established the "Supplier Management Procedures," primarily targeting first and second category suppliers (note), to regulate the selection, supervision, and audit of suppliers.

Note: The third category suppliers mainly provide daily production and packaging consumables, small measuring tools, and general affairs items. Their impact on the company's production process is minimal, and they mostly provide standardized products with little strategic difference. Therefore, the procurement department only investigates and understands these suppliers without undergoing new or existing supplier evaluation processes.

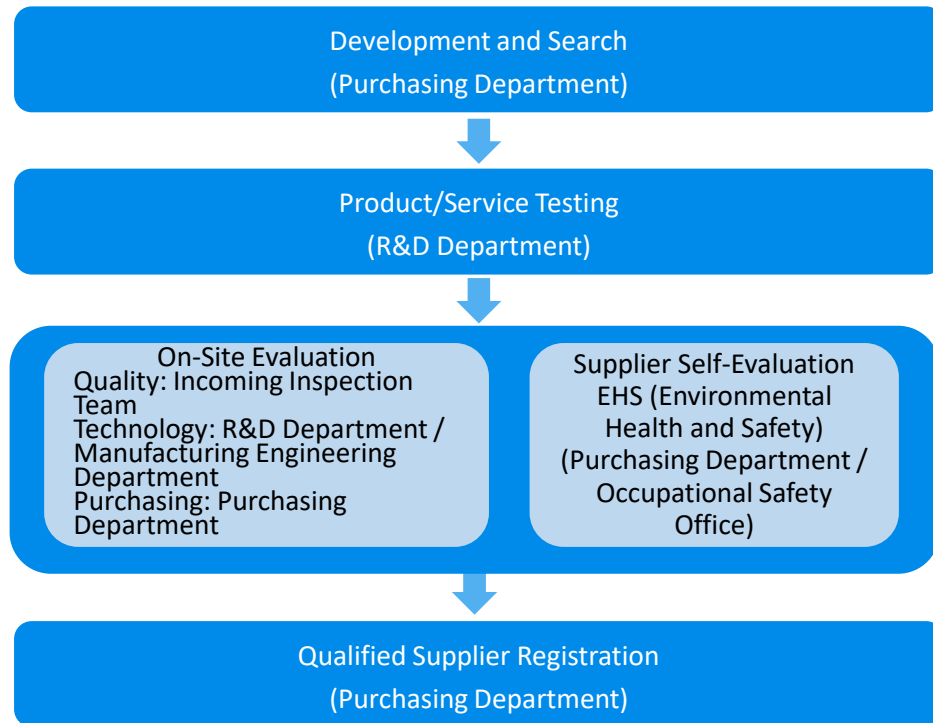
### 2-7-2 New Suppliers

For new first and second category suppliers, the procurement department collects basic information based on production needs. The R&D department tests to ensure quality meets TBI Motion's standards. An evaluation team is then assembled to conduct on-site evaluations focusing on quality, technology, and procurement aspects using the "Third-Party Evaluation Form." Suppliers are also required to self-evaluate using the "Supplier Environmental and Occupational Health and Safety Management Evaluation Form." The comprehensive assessment covers technology and procurement management, employee rights and training, occupational health and safety management, environmental management systems, and compliance. The procurement department consolidates and approves the evaluation results, after which the suppliers can be included in the "Approved Suppliers Registration Form" for future selection.



For specific raw material suppliers, the Procurement Department requires them to present a "Non-use of Hazardous Substances Certificate" during development to effectively manage the potential negative environmental impacts of the supply chain.

◆ New Supplier Evaluation and Selection Process



### 2-7-3 Existing Suppliers

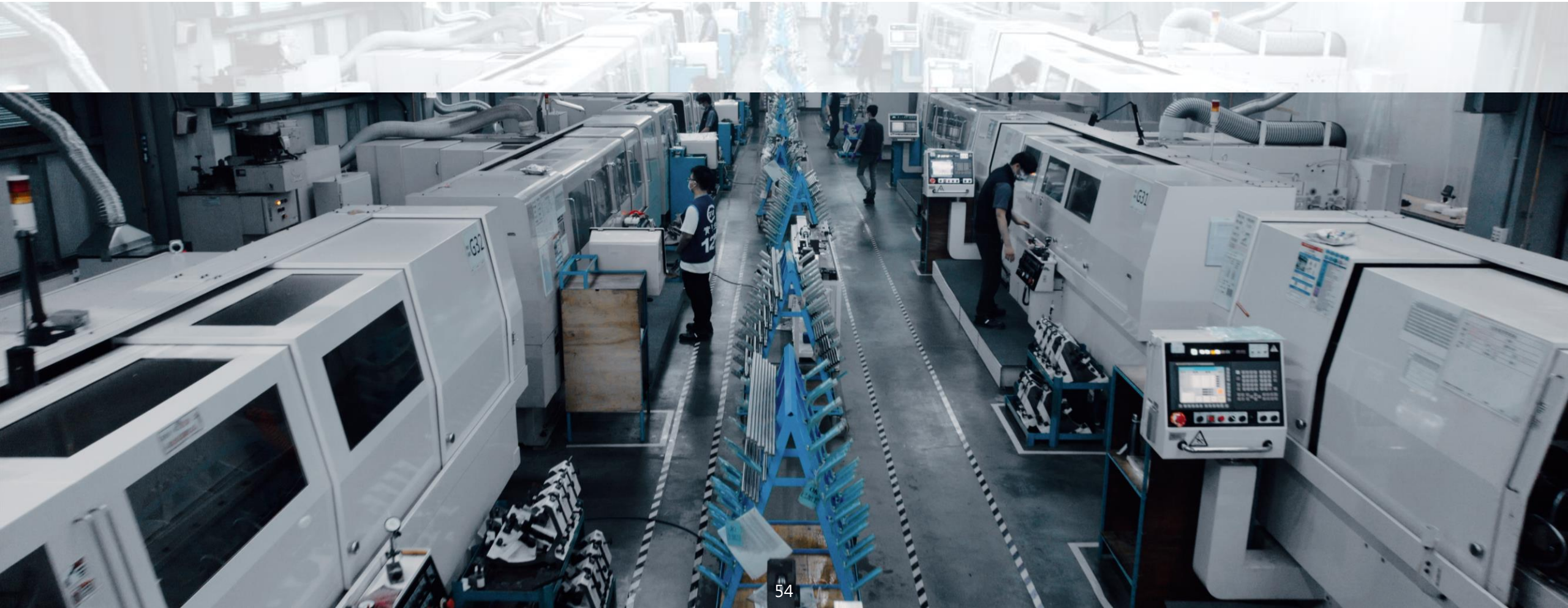
For first and second category existing suppliers, TBI Motion has established a monthly evaluation system. Assessments are conducted on quality, delivery, service quality, and packaging. Non-compliant items are continuously tracked for improvement, and cooperation is terminated if improvements cannot be made. TBI Motion also optimizes evaluation standards annually, including adding new evaluation items and raising passing standards, aiming to pursue progress and create excellence with suppliers. In 2023, all new suppliers in the first and second categories were evaluated according to the above standards and passed 100%. All existing suppliers also passed the monthly evaluation system, with no significant negative environmental or social impacts identified.

■ Supplier Evaluation Aspects (Social and Environmental Standards)

Social Standards	Environmental Standards
<ul style="list-style-type: none"> <li>Establishment of occupational safety management units and methods</li> <li>Implementation of occupational safety education, training, and awareness programs</li> <li>Management mechanisms and equipment for operational sites</li> <li>Violations and corrective measures</li> <li>Employee rights and welfare measures (e.g., physical examinations, overtime work)</li> <li>Employee education and training</li> <li>Child labor and human rights-related items</li> </ul>	<ul style="list-style-type: none"> <li>ISO 14001 Environmental Management System certification and implementation</li> <li>Permits, disposal, and legal compliance tracking for environmental pollutants (emissions, wastewater, waste)</li> </ul>

## 2-7-4 Conflict Minerals

To uphold human rights, protect the environment, and fulfill corporate social responsibility, TBI Motion is committed to not using conflict minerals illegally mined from the Congo and adjacent conflict regions. In line with customer requirements and in accordance with TBI Motion's procurement management procedures, we require upstream raw material suppliers to sign or issue a "Conflict Minerals Policy Statement," aiming to continuously and comprehensively build a sustainable supply chain.



# *Product Quality and Research & Development Innovation*

**3-1 Product Technology Services**

**3-2 Product Quality and Regulations**

**3-3 Research and Development Innovation**

**3-4 Customer Service Management**

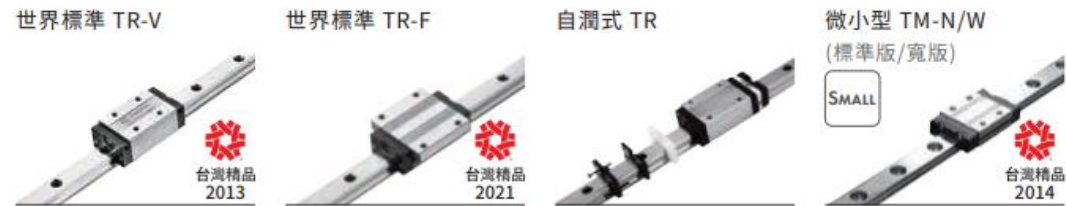
### 3-1 Product Technology Services

The main products of TBI Motion are single-axis robots, rotary series, ball splines, ball screws, and linear guides. These transmission components are the core elements of machinery; without them, machinery cannot function. Therefore, these products are widely applied in various industries, including automation, robotics, semiconductor manufacturing, machine tools, medical-grade industries, green energy equipment, and parking facility equipment.

#### 3-1-1 Product Features and Applications

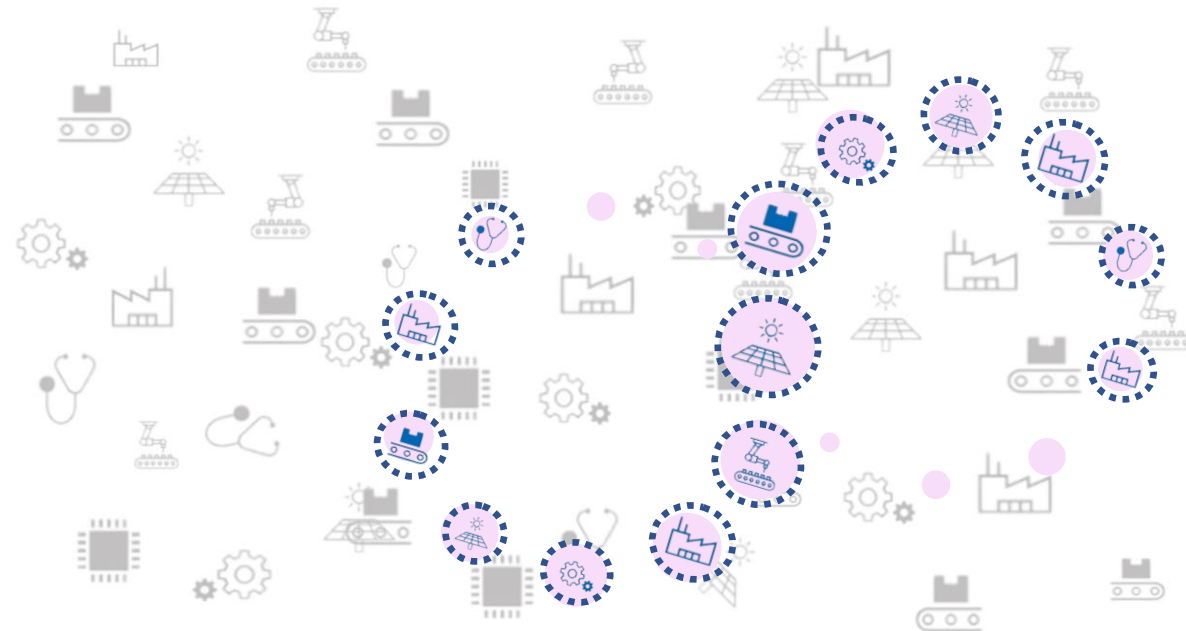
##### Linear Guides

Linear guides feature high smoothness, high stability, high durability, and high convenience, effectively enhancing the smoothness of the guide assembly. The special contact point design includes an automatic adjustment function that evenly distributes the load in all directions, thereby extending the lifespan and precision of the guide assembly.



##### Ball Splines

Ball splines, with their large contact angles and high rigidity, have a significant load capacity in both radial and torque directions. Their simple assembly makes them suitable for use in support seats, preventing rotational direction gaps in tight spaces.





### Ball Screws

Ball screws are mechanical components that convert rotational motion into linear motion using internal steel balls. Compared to traditional screws, ball screws offer a longer lifespan, environmental benefits, and more stable operation.



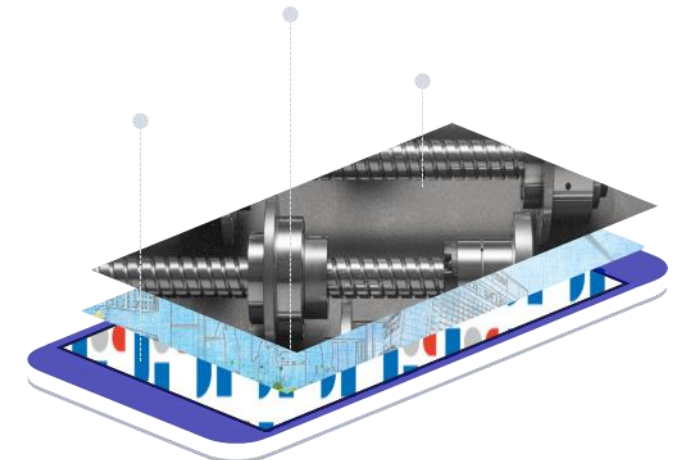
### Rotary Series

The rotary series can combine ball nuts, splines, and bearings to change the motion direction of the product, allowing a single axis to perform rotational, helical, and linear movements. This series features easy installation, high rigidity, and zero backlash in the rotational direction.



### Single-axis Robots

Single-axis robots are a combination of ball screws and linear guides. Compared to traditional linear platform devices, the single-axis robot series offers economic value, easy installation, quick integration, high rigidity, and a smaller size, thereby reducing the time and space required for customer applications.



### 3-1-2 Recognition and Honors

TBI Motion Technology has been deeply involved in the research and manufacturing of motion components, dedicating itself to creating high-quality and innovative products. Since 2013, the company has continuously received the Taiwan Excellence Award for multiple products over the years. The Taiwan Excellence Award is a national recognition for products with the most innovative value. Following the award for its ball screws in 2022, TBI Motion Technology was once again honored in 2023 with the 31st Taiwan Excellence Award for the "GRH20VE Ball Chain Slider Rail Set" and the "SFJ1620 High Lead Quiet Ball Screw Set," providing an outstanding and alternative choice for the automation machinery industry.



**Ball Chain Slider Rail Assembly**

- High Flexibility Chain Design
- High Coverage Chain Design

This rail assembly features a high flexibility chain design that enhances the coverage area of the chain on the balls. While the balls roll at high speed, it effectively reduces rolling noise and isolates noise release. The design uses special polymer materials to separate the balls, preventing collisions during rolling, which extends the lifespan of the balls and maintains the overall precision and durability of the rail assembly.



**High Lead Silent Ball Screw Assembly**

- End Cap Components with Enclosing Structure Design
- Low Vibration Material Circulator
- High Precision Fixed Circulation Path Design
- This product uses a circulator made of special nylon composite material. In addition to maintaining existing strength and rigidity, the flexibility of the nylon material effectively reduces noise generated by ball collisions. The high precision fixed circulation path design strengthens the circulation structure, ensuring the balls maintain a stable circulation path during rolling, which enhances overall smoothness and stability of the movement.

## 3-2 Product Quality and Regulations

TBI Motion adheres to the principle that "quality is cultivated through habits" and promotes the concept that "everyone is responsible for quality." We actively implement Total Productive Management (TPM) with the goals of "zero accidents, zero failures, and zero defects." The core of this initiative is "production maintenance" and "full participation," promoting eight management measures including equipment efficiency, establishing an autonomous maintenance system, and implementing education and training. Through TPM activities, not only is the belief in product responsibility among front-line employees strengthened, but unnecessary losses due to rework and scrap within the company are significantly reduced. This also prevents external costs associated with customer complaints and loss of customers. All company departments strive to make "producing consistently high-quality products" their primary goal.

### 3-2-1 Quality Management System

In addition to implementing TPM, the quality system at TBI Motion is also certified by the ISO 9001 international quality management system. By adopting the ISO system and using the PDCA (Plan-Do-Check-Act) continuous improvement model, we are customer-oriented, enhancing production efficiency and reducing various production losses and defects.

Furthermore, all production materials at TBI Motion comply with RoHS regulations. From the raw material intake, we strictly control quality, ensuring that raw materials and production oils do not use conflict minerals and meet the requirements of the European Union's RoHS II, which includes 10 hazardous chemical substances, and the 224 SVHC chemical analysis items announced by the European Chemicals Agency (ECHA) in 2022. This ensures that our products do not contain any toxic substances, aligning with both domestic and international industry standards and product regulations, thereby reducing the impact on environmental and health safety.

Currently, the EU's Restriction of Hazardous Substances Directive (RoHS) allows exemptions for lead in materials such as steel alloys, aluminum alloys, and copper alloys. To respond to global environmental trends, the EU is gradually tightening permissible lead conditions. To meet these evolving requirements, TBI Motion must accelerate the evaluation of lead-free material transitions. To fully comply with the EU RoHS regulations, we need to continuously monitor to ensure adherence to EU lead content standards and further evaluate and plan for lead-free product improvements to meet regulatory requirements.

In 2023, TBI Motion did not have any violations related to the health and safety of products and services, information and labeling, or marketing communications.

#### ◆ Product Evaluation Standards

Product Evaluation Standards	Adoption Date	Evaluation Frequency	Evaluation Aspects	Evaluated Product Types
ISO 9001:2015	2021/4	1-year cycle	Quality Management	Steel, Plastics, Rubber
RoHS:2011/65/EU	2022/2	2-year cycle	Toxic Substance-Free Materials	Steel, Plastics, Rubber
REACH-ECHA 224 Items Inspection	2022/8	As per REACH updates	Toxic Substance-Free Materials	Steel



Image: ISO 9001:2015 Certificate

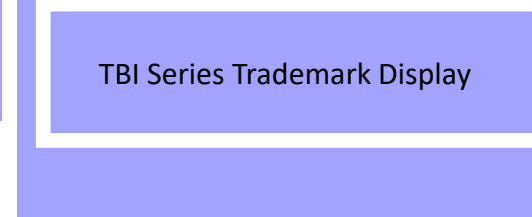
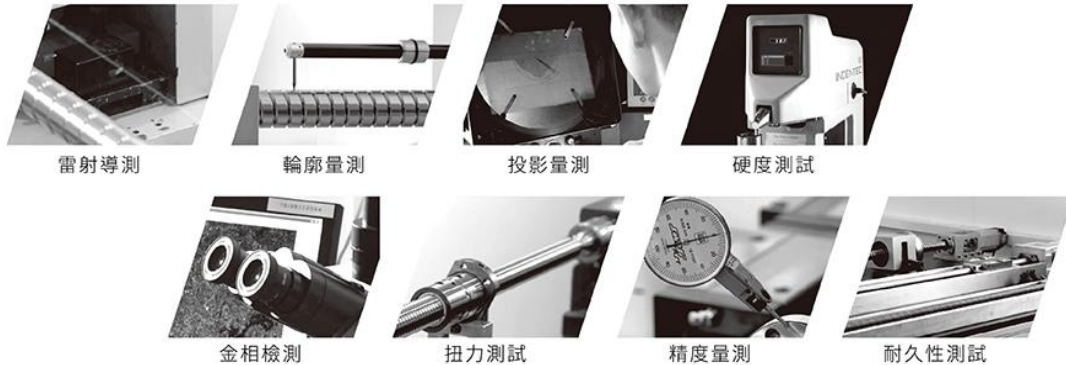
### 3-2-2 Product Testing and Evaluation

During the production and manufacturing process until the final product packaging, TBI MOTION conducts eight product tests: laser measurement, profile measurement, projection measurement, hardness testing, metallographic inspection, torque testing, precision measurement, and durability testing. These comprehensive and detailed inspection processes strictly control product quality.

### 3-2-3 Product Trademark

TBI MOTION is a key provider of essential components for machine tools, industrial machinery, and automation equipment, playing an indispensable role in various devices. We use "TBI" as our primary brand, firmly believing in the quality of our products. Every product is marked with our trademark or printed on the packaging, reflecting our commitment. As of 2023, we have registered 132 trademarks domestically and internationally, demonstrating our ongoing achievements in brand building.

Image: Product Testing Items



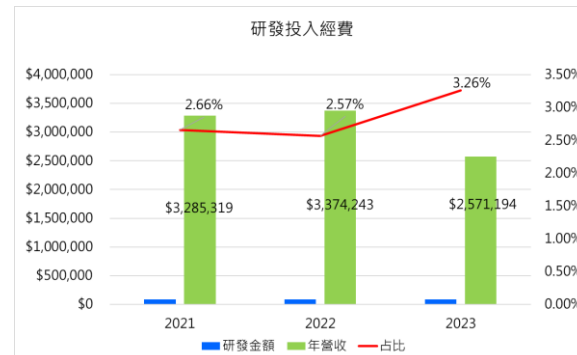
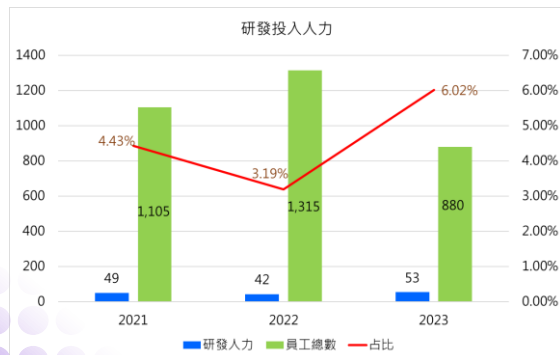
### 3-3 Research and Development Innovation

TBI Motion Technology focuses on innovative research and design, continually developing applications for equipment and automated production across various industries. The company actively invests in R&D project development and innovative talent cultivation, aiming to drive growth in the smart machinery key components market.

#### 3-3-1 Research and Development Capabilities

To become the best partner for high-quality professional manufacturing and solutions, realizing the vision of infinite technological possibilities, TBI Motion Technology invests 2-4% of its annual revenue in product R&D. In 2023, 6.02% of the total workforce was dedicated to R&D, continuously enhancing the company's software and hardware capabilities. The company has obtained multiple special patents and is actively developing green products, hoping to leverage core expertise to create positive value for society, the economy, and the environment.

#### ◆ Annual R&D Expenses and Personnel Statistics (2021-2023)



#### ◆ Important Products Developed Over the Years

2021

##### Milestones in Innovative R&D

OFU3205 Integrated Double Nut Screw Assembly

Originally composed of three pieces, now integrated into a single unit



Image: Integrated Double Nut Screw Assembly

SFYA1632 Ultra-High Lead Ball Screw

Increased lead multiples



Image: Ultra High Lead Ball Screw

2022

##### Increased lead multiples

GRH20VE Silent Linear Rail Assembly

Low-vibration material recirculator, high-precision recirculation path, end components with encapsulating structure design

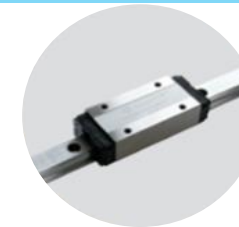


Image: Silent Linear Guideway

SFJ1620 Silent Ball Screw Assembly



Image: Silent Ball Screw

2023

Milestones in Innovative R&D

High Lead Silent Ball Screw Assembly

1. Encapsulating structure design and low-vibration material recirculator to reduce noise
2. High-precision fixed recirculation path design, extending the product lifespan and maintaining the accuracy of the overall guideway assembly.



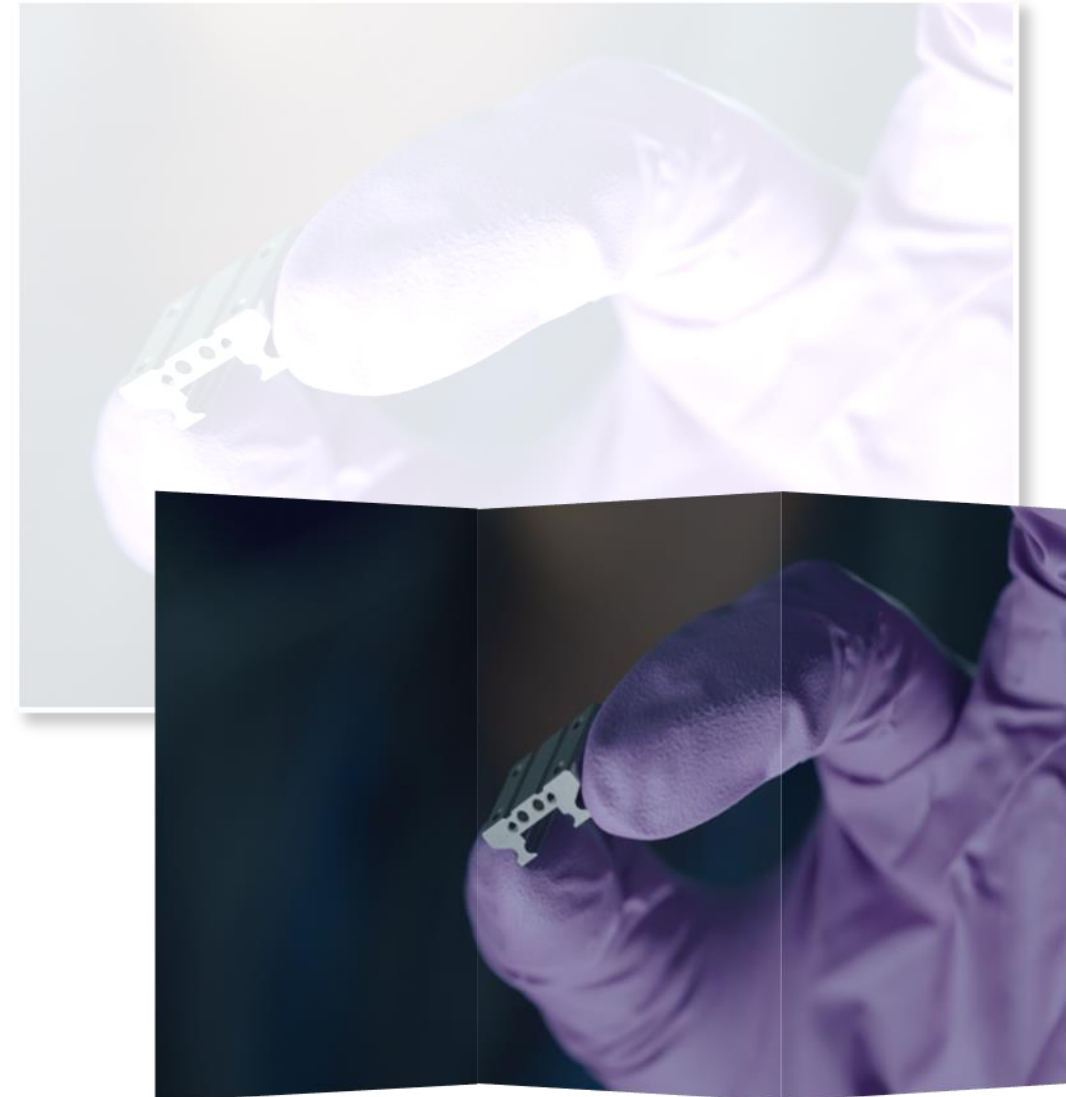
Image: SFJ1620 High Lead Silent Ball Screw Assembly

Ball Chain Type Linear Guideway Assembly

1. High-flexibility chain design to enhance the smoothness of the ball bearings
2. High-encapsulation chain design to reduce noise



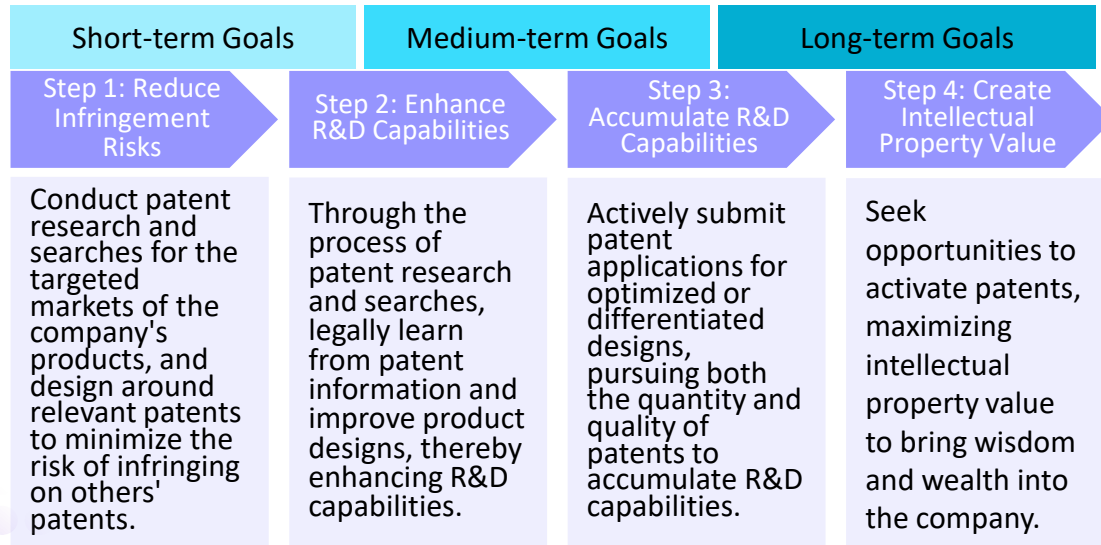
Image: GRH20VE Ball Chain Type Linear Guideway Assembly



### 3-3-2 Patents and Intellectual Property Rights

To comply with the corporate governance policies of regulatory authorities and protect the outcomes of our R&D efforts, TBI Motion Technology Co., Ltd. has devised an intellectual property strategy aligned with the company's operational goals. This strategy is implemented in short-term, medium-term, and long-term phases. In the short term, the primary objective is to reduce the company's intellectual property risks. In the medium term, the focus is on actively accumulating the company's intellectual property assets. In the long term, the aim is to realize the value creation of

Website - Intellectual Property Management:  
<https://www.tbimotion.com.tw/investors/investors-06>

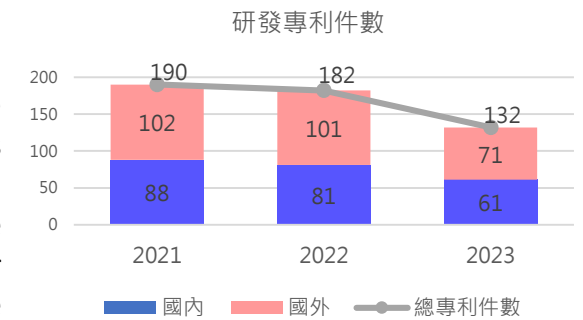


Through the intellectual property management system, we aim to enhance the key competitive advantages of our technological products and protect the freedom of the company's operations. Additionally, this system increases resilience to both internal and external risks, thereby creating opportunities for operational growth.

TBI Motion executes this through four steps: reducing infringement risks, enhancing R&D capabilities, accumulating R&D assets, and creating intellectual property value. When facing risks of counterfeiting or theft of product or technology patents, our top priority during R&D or technology introduction is "not infringing on others' intellectual property rights." We have established patent regulations, non-infringement policies, and intellectual property ownership policies to protect the company's and inventors' intellectual property rights and patents. The Legal and Intellectual Property Office oversees this process, assisting in patent application procedures. Before a proposal is granted a patent, all relevant personnel and proposal-related information are bound by confidentiality obligations. Once a patent is granted, contributing employees can apply for rewards based on their professional value and contribution level.

In 2023, the company held a total of 132 patents, including 61 domestic and 71 international patents. The decrease in the total number of patents was primarily due to the expiration of some patents. Additionally, TBI Motion has recently developed special standard products to meet customer needs. While these products aim to satisfy customer requirements, they did not meet the criteria for patent applications, leading to a reduction in the total number of patents.

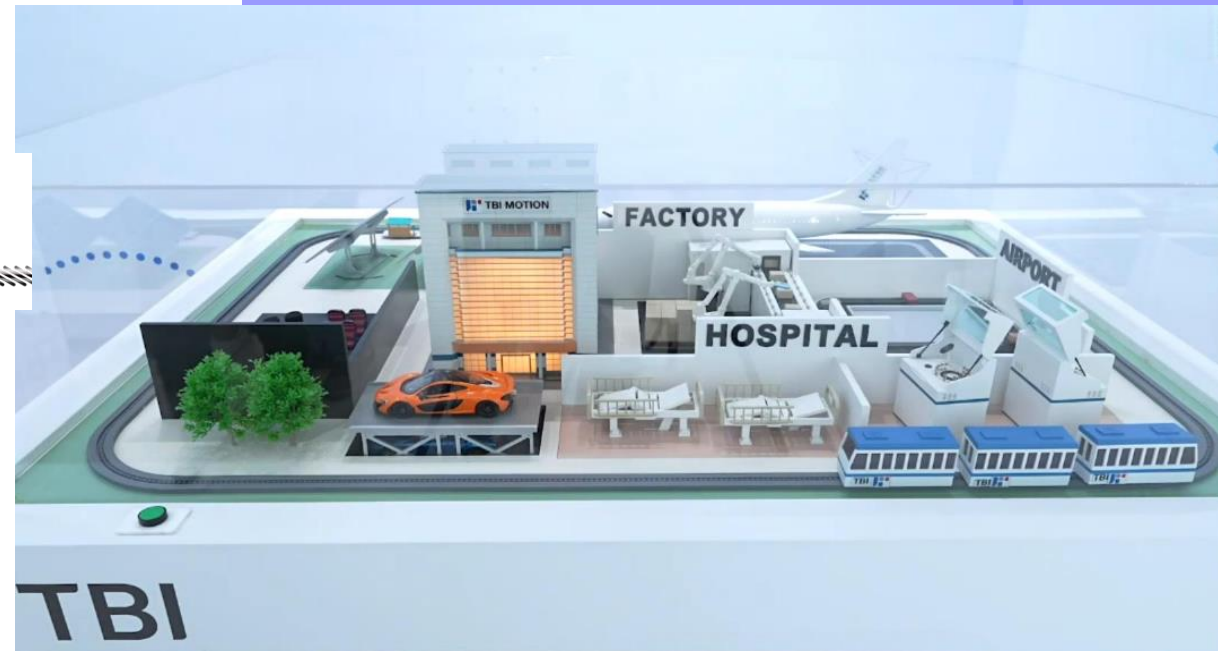
◆ Number of R&D Patents (2021-2023)



TBI Motion has established an R&D center by applying for the Ministry of Economic Affairs Technology Research and Development Project, continuously acquiring talent and resources. The company plans its mid-term business strategy for the next 3 to 5 years, focusing on market, technology, R&D innovation, and branding. From the already drafted product blueprint, TBI Motion aims to propose innovative and forward-looking patents to increase the number of patent applications.

### 3-3-3 Green Products - Low Inertia Ball Screw Rotary Spline Assembly

While improving the performance of its products, TBI Motion also considers environmental impacts. The company not only pursues product durability and stability but is also dedicated to developing energy-efficient green products. One such product is the low inertia ball screw rotary spline assembly. This product uses size and lightweight design to reduce raw material usage and achieve low inertia, which shortens cycle times and reduces motor load by mitigating heat generation issues, thereby extending operation time and achieving energy savings.





### 3-4 Customer Service Management

TBI Motion offers a variety of services guided by product development and customer needs to ensure smoother product application.

#### 3-4-1 Service Process

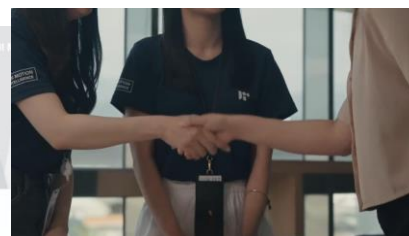
TBI Motion provides a comprehensive service process, including product selection on the website, inquiry handling, quotation, order establishment, product manufacturing, quality control, packaging, and final delivery. Dedicated personnel are involved at every stage, aiming to be the best partner in the motion component field for solving customer problems.

#### 3-4-2 Customer Satisfaction



■ Caption: Service Process

TBI Motion is committed to providing excellent customer service. To enhance service quality, the company conducts satisfaction surveys, offers pre-sales consultation, provides after-sales service, visits customers, and participates in exhibitions to understand customer satisfaction and engage in brand communication, ensuring customers can confidently choose TBI Motion products and jointly improve market competitiveness.

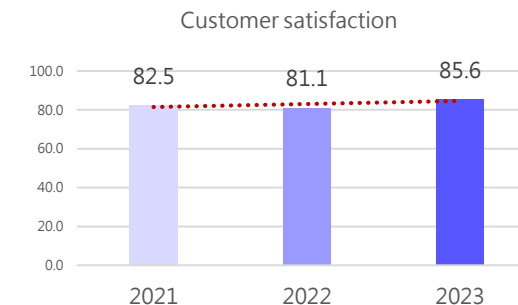


Every year, TBI Motion distributes customer satisfaction questionnaires to clients. The feedback from these surveys helps identify customer needs and suggestions, which are then communicated across departments to formulate improvement measures. The progress and results of these improvements are regularly reviewed.

In 2023, a satisfaction survey was conducted with 72 customers, receiving 65 responses, resulting in a 90.3% response rate. The overall satisfaction score for 2023 was 85.6, an increase of 4.5 points from 81.1 in 2022. The analysis of satisfaction results showed higher scores in service efficiency, service enthusiasm, and accuracy of shipping documents. Lower satisfaction scores were noted in the introduction of new products and the speed of new product development. The feedback and scores collected through the satisfaction survey help to understand customer issues and needs. Meetings are held for each product, and cross-departmental optimization policies and plans are formulated to enhance product and service quality. In the future, TBI Motion will continue to understand customer needs and build stable and positive customer relationships.

Year	2021	2022	2023
Score	82.47	81.08	85.56

Note: Customer satisfaction is measured out of a total score of 100 points.



# *Creating a Friendly and Harmonious Workplace*

4-1 Employee Structure and Analysis

4-2 Talent Recruitment and Retention

4-3 Talent Cultivation and Development

4-4 Occupational Safety and Health



## 4-1 Employee Structure and Analysis

Employees are TBI Motion's important partners and indispensable assets for sustainable operations. In addition to adhering to the principle of equality and recruiting a diverse workforce, we actively establish a safe workplace environment and provide comprehensive welfare and training systems. In 2023, TBI Motion had a total of 880 employees, all of whom were full-time. The employee count decreased by 33% compared to the previous year, mainly due to changes in the market environment and the implementation of lean operations, along with adjustments in human resources to respond more effectively to market challenges.

Most of TBI Motion's employees are from Taiwan, but to establish a diverse and inclusive workplace, we also employ foreign workers from countries such as Vietnam, the Philippines, and Thailand. Foreign employees account for 19% of the total workforce.

TBI Motion is committed to creating an inclusive and friendly work environment, encouraging employees to overcome limitations and maximize their potential. Through job analysis and needs interviews, we tailor suitable job content for individuals with disabilities. Adhering to government regulations on the employment of individuals with disabilities, in 2023, we employed 11 people with disabilities, including 2 in managerial positions, aiming to establish equal opportunities for promotion.

### ◆ Number of Employees by Gender and Age Group

Category	< 30 years (excluding 30 years)		30-50 years		50 years (excluding 50 years)		Total
	Male	Female	Male	Female	Male	Female	
Supervisors	23	1	107	28	18	3	180
Non-supervisors	258	42	270	96	13	21	700
Total	281	43	377	124	31	24	880
Percentage (by gender)	40.78%	22.51%	54.72%	64.92%	4.50%	12.57%	100%
Percentage (by age group)	36.82%		56.93%		6.25%		100%

In addition to the full-time employees hired by TBI Motion, we actively cultivate future talent and have recruited 45 interns to achieve sustainable corporate development and talent reserve plans.

Education Level	Supervisors	Non-supervisors	Subtotal	Percentage
Master's and Doctoral	19	15	34	4%
Bachelor's	74	242	316	36%
Associate Degree	27	69	96	11%
High School (inclusive) and below	60	374	434	49%
Total	180	700	880	100%



## 4.2 Talent Recruitment and Retention

TBI Motion complies with labor laws to hire employees through an open selection process, adhering to the principle of equality. Recruitment criteria are not influenced by factors unrelated to job performance such as "race, class, language, political affiliation, gender, sexual orientation, age, marital status, disability, or previous union membership." We recruit diverse talents and provide humane management and development systems.

The company is committed to protecting and ensuring the basic human rights of employees and creating a work environment with dignity. To this end, we strictly adhere to local laws where we operate and support and comply with international human rights standards, including the International Bill of Human Rights, the United Nations Universal Declaration of Human Rights, and the UN Global Compact. We also follow the spirit of the UN Guiding Principles on Business and Human Rights and the fundamental principles and rights at work declared by the International Labor Organization, formulating and implementing relevant human rights policies to ensure that employees' economic, social, and cultural rights are fully respected and protected.

### 4-2-1 New and Departing Employees

In 2023, there were 231 new employees, accounting for 26% of the total number of employees at the end of the year, with the majority being under 30 years old.

The number of departing employees in 2023 was 664, resulting in a turnover rate of 4.26%, an increase compared to 2022 (3%). The economic downturn affected the market environment, indirectly impacting employees economically. To mitigate the negative impact of labor shortages, TBI Motion improved work processes and developed multi-skilled workers to ensure a stable supply of human resources.

The notice period for resignation follows the regulations of the Labor Standards Act. Exit interviews are conducted to understand the reasons for leaving, analyze talent management policies, and optimize the workplace environment, serving as a reference for the company's recruitment and retention strategies.

### ◆ 2023 New and Departing Employees

Gender	Age	Total Number	New Employees		Departing Employees	
			Number	Proportion	Number	Proportion
Male	<30 years old	281	109	39%	373	133%
	30-50 years old	377	90	24%	195	52%
	>50 years old	31	5	16%	8	26%
	Total	689	204	30%	576	84%
Female	<30 years old	43	15	35%	49	114%
	30-50 years old	124	12	10%	35	28%
	>50 years old	24	0	0%	4	17%
	Total	191	27	14%	88	46%

### 4-2-2 Employee Welfare

Employees are the cornerstone of corporate operations. TBI Motion Technology continues to uphold the spirit of mutual benefit, aiming to enhance the quality of life, happiness, and job satisfaction of its employees. Through the establishment of the Employee Welfare Committee, the company assists in providing a good working environment, competitive and fair internal compensation, and diverse and meaningful welfare programs. This approach strengthens employee cohesion and loyalty, becoming a source of sustainable development for the company.

### 4-2-3 Employee Compensation and Benefits

TBI Motion Technology is committed to offering compensation that is not below the market rate to attract and retain talent. Compensation is determined based on employees' educational and professional backgrounds, skills, job categories, and performance, while also considering the overall salary levels of the industry. A fair salary adjustment system is established, ensuring no discrimination based on gender, race, religion, marital status, etc.

◆ 2023 TBI Motion Technology Female/Male Salary Ratio (Female: Male)

Employee Category	Basic Salary	Annual Salary
Supervisor	100:100	92:100
Non-Supervisor	100:100	101:100

In addition to compensation, TBI Motion Technology is dedicated to providing comprehensive and diverse employee benefits. Besides offering subsidies for festivals, travel, funerals, and disasters, the company also provides group meals, health checks, and regular on-site health management by factory doctors, aiming to be the best support for employees in their daily lives and work.

Employee Welfare	Item
Comprehensive Insurance/Health Check	<ol style="list-style-type: none"> <li>Free annual health check for employees (general/special health check)</li> <li>Free group insurance for employees</li> <li>Discounted group insurance premiums for family members</li> </ol>
Company Benefits	<ol style="list-style-type: none"> <li>Free lunch</li> <li>Free car/motorcycle parking spaces</li> <li>Free summer/winter uniforms</li> <li>Year-end bonus</li> <li>Dragon Boat Festival and Mid-Autumn Festival bonuses</li> <li>Performance bonuses</li> <li>Proposal bonuses</li> <li>Injury condolence money</li> <li>Supervisor gift subsidy</li> <li>Employee stock ownership trust</li> </ol>



Employee Welfare	Item
Employee Benefits	1. Labor Day gift money
	2. Birthday gift money
	3. Marriage and funeral subsidies
	4. Childbirth subsidies
	5. Hospitalization subsidies
	6. Departmental gatherings
	7. Birthday celebration dinners
	8. Mid-Autumn BBQ party
	9. Year-end celebration party
	10. In-service employee education scholarships
	11. Scholarships for employees' children's education



Image: 2023 Year-End Celebration Party



Image: Health Check

### 4-2-4 Parental Leave Benefits

TBI Motion takes care in nurturing the next generation with its employees, supporting them through parental leave, breastfeeding facilities, and bonuses, ensuring that employees can balance work and family life.

In terms of breastfeeding and childcare facilities, in addition to providing a well-equipped lactation room, the Employee Welfare Committee has selected qualified daycare centers and kindergartens near the company and signed special agreements for convenient drop-off and pick-up, allowing employees to work without worries. Additionally, there are scholarships for employees' children, providing tangible support for the next generation's education.

The company legally offers a parental leave system to establish a friendly workplace culture, aiming to be a strong supporter of employees' families, and encourages all employees, regardless of gender, to take advantage of parental leave. Notably, employees who applied for parental leave in 2022 and returned to work in 2023 remained employed by the end of 2023, achieving a retention rate of 100%, reflecting the employees' approval of the company's comprehensive childbirth and parental leave benefits.

Items	Male Number	Female Number	Total
Total number of employees eligible for parental leave in 2023 (A)	8	5	13
Total number of employees who actually used parental leave in 2023 (B)	3	2	5
Total number of employees scheduled to return from parental leave in 2023 (C)	3	2	5
Total number of employees who actually returned from parental leave in 2023 (D)	3	2	5
Total number of employees who returned from parental leave in 2022 (E)	2	1	3
Total number of employees who remained employed 12 months after returning from parental leave in 2022 (F)	2	1	3
Parental leave application rate (B/A)	37.5%	40%	38.5%
Return rate (D/C)	100%	100%	100%
Retention rate (F/E)	100%	100%	100%



### 4-2-5 Retirement System

TBI Motion Technology follows the Labor Pension Act for Taiwanese employees by implementing a defined contribution retirement plan. For employees who opt for the Labor Pension system as stipulated by the Labor Pension Act, the company contributes 6% of their monthly salary to their individual accounts managed by the Bureau of Labor Insurance. The retirement pension is disbursed either as a monthly pension or a lump sum, depending on the accumulated amount in the employee's individual pension account and its returns. In 2023, the retirement plan cost was recognized at NTD 26,000, ensuring employees' rights to claim their retirement benefits in the future.

### 4-2-6 Employee Stock Ownership Trust

To attract and retain talents essential for the company's development, incentivize long-term service, and enhance employees' loyalty and sense of belonging, TBI Motion Technology has established an Employee Stock Ownership Trust Plan. This plan aims to create mutual benefits for the company and its shareholders. For more details, please refer to the annual report.

### 4-2-7 Employee Communication Channels

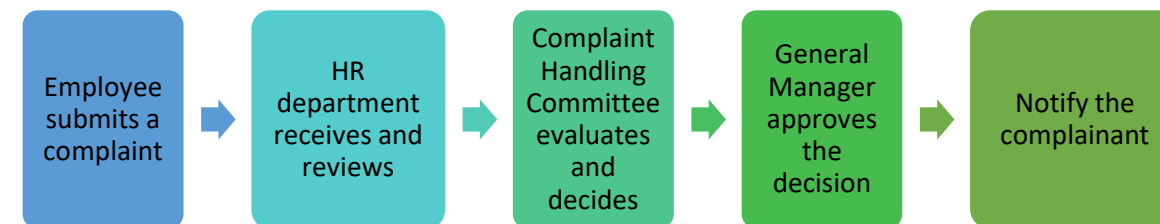
TBI Motion Technology does not have a labor union or collective agreement. To effectively listen to and gather employee feedback, quarterly labor-management meetings and Welfare Committee meetings are held. These meetings provide a platform for employee representatives to voice the opinions and suggestions of their colleagues in a timely manner.

Any issues concerning labor rights and interests are discussed in meetings, where both labor and management fully communicate to reach a consensus, ensuring smooth communication. An internal grievance hotline and email have been established by the Human Resources Department to collect and consolidate employee suggestions and feedback. These are then reviewed and handled by the "Grievance Handling Committee" and submitted to the CEO for approval.

In response to unlawful incidents, including sexual harassment, the company has formulated the "Prevention Measures, Grievance, and Disciplinary Actions for Unlawful Infringement (including Sexual Harassment) While Performing Duties." This document outlines the grievance procedures, responsible units, grievance channels, and related protective measures, ensuring the fairness and confidentiality of the grievance process. Employees are protected from unfair treatment due to filing grievances or reports.

The company is committed to creating an open communication environment, actively addressing employee disputes, and providing appropriate care for colleagues. Consequently, there were no employee grievances reported in 2023.

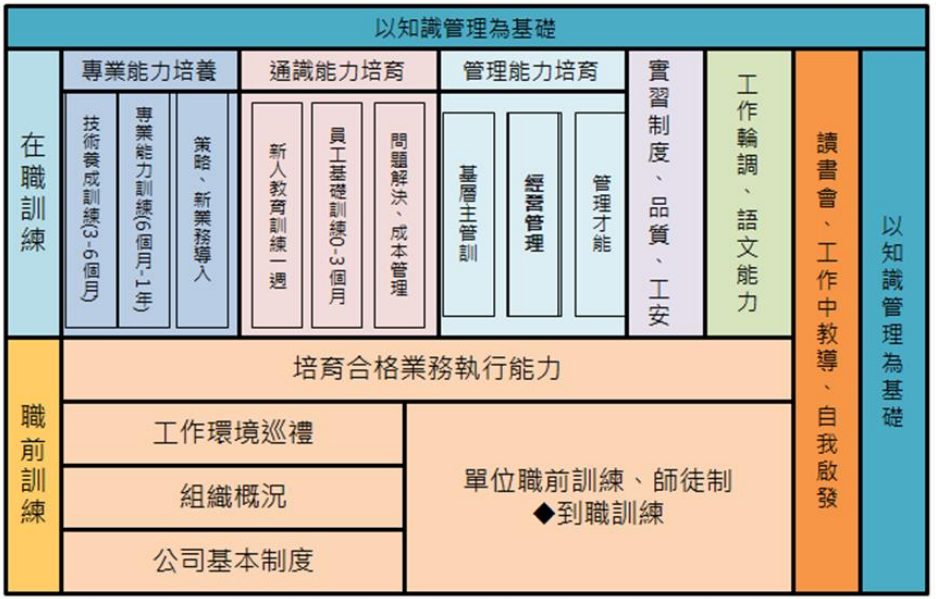
#### ◆ Employee Grievance Procedure



Employee Grievance Section  
<https://www.tbimotion.com.tw/investors/investors-05>

### 4-3 Talent Cultivation and Development

Employees are TBI Motion's most valuable asset, with professional, innovative, and excellent talent being the cornerstone of the company's progress. TBI Motion regards employee cultivation and development as a crucial development project, aiming to enhance employee competencies and effectively utilize human resources as its training policy. The company encourages employees to proactively explore their potential and creates an environment for continuous self-directed learning. Each year, substantial resources are invested in employee training and education. The company has implemented the Talent Development Quality Management System (TTQS), focusing on three dimensions: On-the-Job Training (OJT), Off-the-Job Training (Off-JT), and Self-Development. By referencing internal surveys and external issues to design course content, a comprehensive training system and learning environment are constructed, including new employee training, core competency training, professional competency training, and management competency training. This ensures that employees acquire essential skills for their roles and are prepared for future development and advancement opportunities.



Images: TTQS Bronze Certificate



Images: 2023 Annual Goals Presentation for Each Management Center



4-1. Employee Structure and Analysis

4-2. Talent Recruitment and Retention

4-3. Talent Cultivation and Development

4-4. Occupational Safety and Health

**Core Competency Training**

Target: All Employees

Courses are driven by the company's core values and operational strategies, such as communication skills, innovative thinking, teamwork, time management, and work improvement skills, aimed at enhancing workplace core competitiveness and improving employee capabilities and quality.



Image: TPS Lean Improvement Training

**Professional Competency Training**

Target: Direct Unit Employees and Indirect Unit Employees (Note)

Based on the specific functions and professional abilities required by each department, as well as competency gap analysis, we offer internal and external training courses that meet professional domain requirements. These include production line technical training, operational process training, departmental professional skills, and industry lectures.

Note: Direct unit employees refer to production line workers, while indirect unit employees refer to office staff.



Image: Material Inspection Unit Training Course - Sampling Inspection and Sampling Plan

**Management Competency Training**

Target: Management Level

Courses are designed to equip each level of management with the necessary knowledge, skills, abilities, and attitudes. These include strategic management, management capabilities, leadership skills, and other managerial competencies. The company not only designs relevant management courses but also provides books and magazines for continuous learning. Through nurturing and promoting talents, we aim to elevate high-potential managers to the next management level, fostering excellent talents for TBI Motion.



Image: Mid-level Management Skills Training - Accountability Leadership

**Occupational Safety and Health Training**

Target: All Employees

According to ISO 45001, training is arranged for occupational safety and health, including safety and health concepts, standard operating procedures, emergency response handling, and special operations training.



Image: Emergency Response Drill

**Corporate Governance Courses**

Target: All Employees

Courses cover trade secrets, information security, and the promotion of integrity management principles.



Image: Prevention of Trade Secret Theft and Information Security Awareness Promotion

**New Employee Training**

Target: New Employees

Courses focus on company history, corporate culture, business philosophy, company policies, environmental health education, and product introduction. This comprehensive training ensures new employees have a thorough understanding of the company. Through the New Training Center and the mentorship system, new employees are gradually guided in their job positions. This approach, involving care and guidance, shortens the adaptation period, significantly enhances retention rates of new members, and improves the company's image.



Image: New Employee Orientation Training

In 2023, TBI Motion received the TTQS Bronze Certification. The company was also awarded the National Talent Development Award - Outstanding Case Award for its "Solid Foundation for Future Success - Industry-Academia Collaboration to Nurture Intelligent Automation Talent" program.

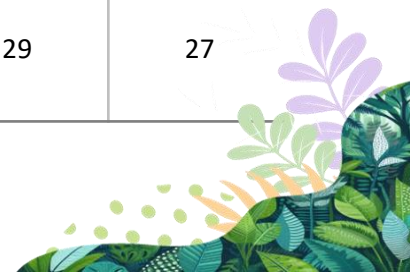


Image: Award Ceremony for the National Talent Development Award - Outstanding Case Award

In 2023, TBI Motion conducted the planned courses, including in-person training, online courses, and practical work, with a total training time of 24,196 hours and 4,575 participants. Each employee received an average of 27 hours of training, with a total investment of NT\$2,680,000. Besides the regular training programs, high-level executive training sessions were held this year to strengthen leadership and management efficiency through specialized management courses, driving employee progress and cohesion from the top down.

Year	2021	2022	2023
Total Training Hours (hrs)	34,796	36,016	24,196
Total Training Costs (NT\$ thousands)	\$1,989	\$3,258	\$2,680

Employee Categories	Gender		Unit		Position	
	Male	Female	Direct Unit	Indirect Unit	Supervision	Non-Supervision
Total Training Hours Received (hrs)	19,837	4,359	11,463	12,733	5,189	19,007
Total Number of Employees	689	191	671	209	180	700
Average Training Hours per Employee (hrs)	29	23	17	61	29	27



- Additionally, for employees who have been with the company for more than three months, there are three regular assessments each year. These assessments evaluate employee performance based on their job performance and provide rewards (bonuses) or implement performance improvement plans based on the results. In 2023, the number of employees who should participate in performance evaluations was 874, with an actual participation rate of 100%.

2023 Course Highlights



Image: 2023 Consensus Camp



Image: TPS Problem Solving Practical Class



Image: Basic Supervisor Training



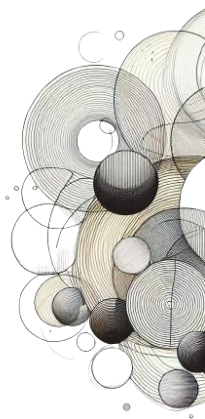
Image: 2023 Consensus Camp



Image: National Taipei University USR x TBI MOTION\_SASB and TCFD Course



Image: Internal Instructor



## 4-4 Occupational Safety and Health

TBI MOTION cares about occupational safety and health issues, strictly adhering to occupational safety and health regulations and other relevant laws, hoping that all colleagues can grow in a friendly working environment.

### 4-4-1 Occupational Safety and Health Management Philosophy

TBI MOTION has established an occupational safety and health management system, complies with occupational safety and health related laws, and adheres to the spirit of continuous improvement and prevention of pollution and disasters. Specific actions include arranging environmental safety and health education and training to enhance awareness and reduce the risk of accidents. The improvement actions are guided by the principles set in the environmental and safety health policy to create a "zero occupational accident" workplace.

#### Occupational Safety and Health Management System Certification

Since 2019, TBI MOTION has implemented ISO 45001 and CNS 45001 standards and obtained certification, covering the Shulin plant. This plant includes all employees and workers of TBI MOTION.



### 4-4-2 Safety and Health Management

On-site Internal Audit Mechanism: An audit team, composed of qualified auditors, conducts internal audits once a year according to the internal audit plan.

Implementation in 2023:

Quarter	Number of Internal Audit Non-compliance Issues
Q4 2023	8

External Audit: An external verification company conducts an annual audit of the site certified under ISO 45001.

Implementation in 2023:

Quarter	Number of External Audit Non-compliance Issues
Q4 2023	3

### 4-4-3 Internal Organization Operations

TBI MOTION has established an Occupational Safety and Health Committee dedicated to managing various safety and health-related matters within the plant, reducing the likelihood of occupational hazards, and creating a friendly and safe workplace environment. The committee comprises 21 members, including 8 labor representatives, making up more than one-third of the total members. The committee holds quarterly meetings, and in 2023, four meetings were conducted. The meeting agendas included labor-management consultations on occupational safety and health policies and management plans; implementation plans for safety and health education and training; work environment monitoring plans and results; self-inspection of business units; safety and health audits; and reviews of occupational accident investigation reports, as well as assessments of on-site safety and health management performance.

In addition to the Occupational Safety and Health Committee, the Safety Office has also established the "Global Safety Information Exchange Area" on Line, which includes supervisors at the squad leader level or higher from direct units and section chiefs or higher from indirect units. This platform allows for the immediate reporting of near-miss incidents and accidents in the workplace to the Safety Office. Upon receiving such reports, the Safety Office will promptly confirm and address the issues to mitigate the risk of escalating damage and injuries. The Safety Office reports on the occurrence and handling process of incidents in the quarterly Occupational Safety and Health Committee meetings.

### 4-4-4 Occupational Safety and Health Risk Identification and Management

To effectively execute safety and health management across all plants and avoid potential harm or accidents related to operations, activities, products, services, and facilities that may cause injuries to workers,

TBI MOTION has established the "Hazard Identification and Risk Assessment Management Measures." Each unit conducts risk assessments related to their business activities and equipment, with unit supervisors emphasizing the hazards in the work environment and preventive measures. The Safety Office conducts irregular inspections and provides recommendations and improvement measures based on identified risks. Through continuous hazard identification, risk assessment, and the implementation of appropriate preventive or necessary control measures, the company aims to evaluate and manage the risks or opportunities within the occupational safety and health management system.

The Safety Office conducts hazard identification risk assessments during the initial establishment of the management system, annually, and when new operations are introduced. Risk levels are determined based on the frequency of hazards, severity, and the effectiveness of risk control measures. Risk control planning is then established, particularly for high and significant risks. Each department is required to consider regulatory compliance, stakeholder concerns, control levels, and the impact on business operations. Safety and health management plans, operational controls, emergency response measures, education and training, or protective equipment measures are then implemented to reduce the frequency and impact of hazardous incidents.

- Note: A risk is determined to be significant if it meets any of the following conditions:
1. Severe non-compliance with legal and regulatory requirements.
  2. Direct observation of potential major risks (indicating the possibility of an emergency).
  3. Risks involving past fatal accidents, serious incidents, and more than three minor injuries without effective control measures.
  4. Repeated complaints or urgent demands from stakeholders.

◆ Hazard Identification and Risk Management Process



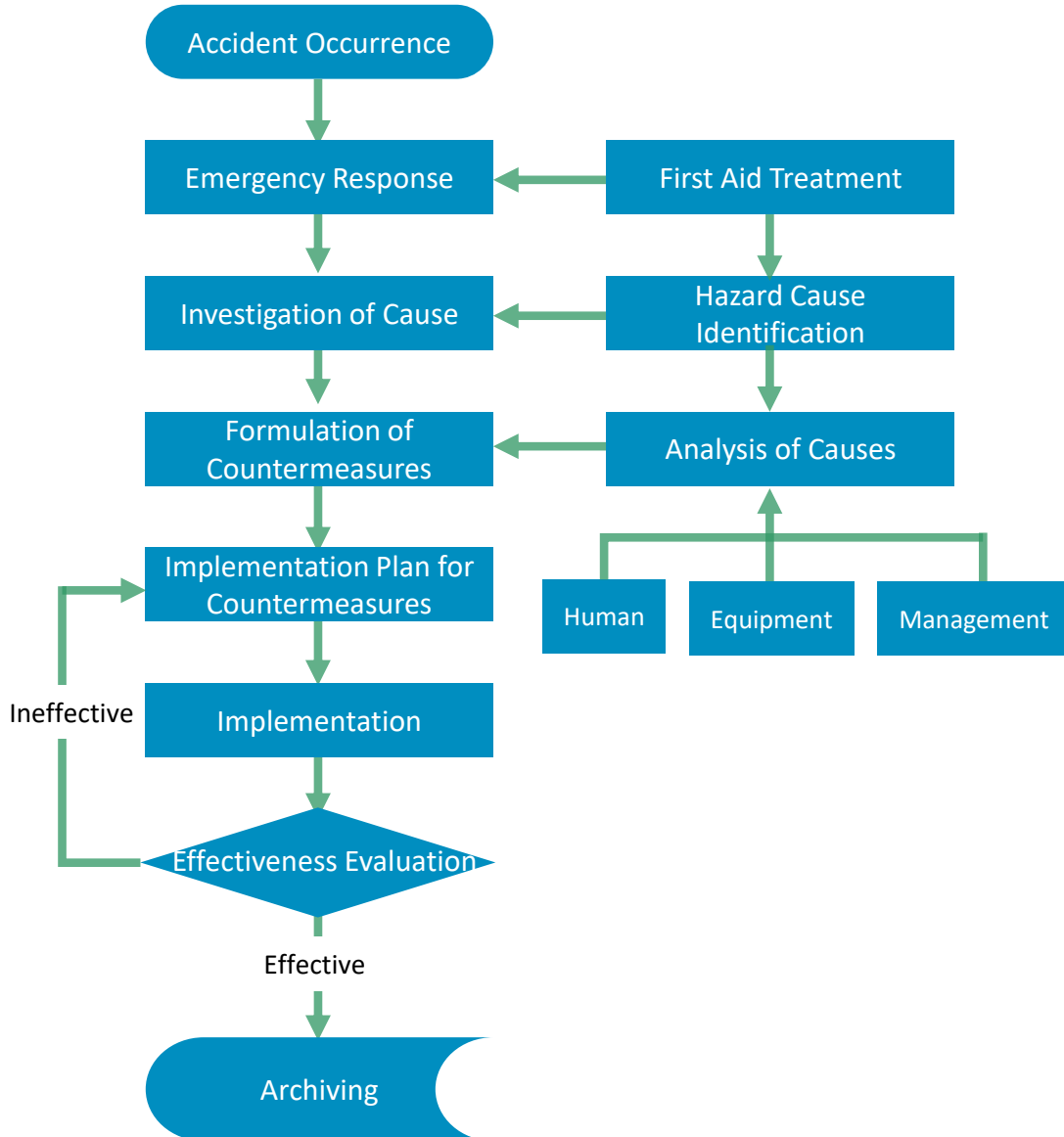
4-4-5 Hazard Incident Handling Procedure

In the event of a hazard incident, TBI MOTION has established the "Accident Reporting and Management Procedures" to accurately grasp the causes and impact of the incident. This procedure standardizes the types of potential occupational safety and health incidents and the reporting process, ensuring thorough investigation and analysis of the sources of hazards for effective control. It also ensures that the occurrence of workplace injuries is thoroughly documented to prevent similar incidents from happening again, thereby reducing potential financial losses and cost increases for the company and individuals.

Incident Types	Definitions
Fire and Explosion Incidents	Incidents involving fire or explosions within the plant.
Chemical Spill Incidents	Incidents where equipment leaks chemicals that may pose a safety or health hazard to personnel.
Natural Disaster Incidents	Severe natural disasters such as typhoons, earthquakes, or floods that result in safety hazards or property loss.
Personnel Injury Incidents	Injuries requiring medical attention by a doctor or professional, resulting in lost work hours, disability, or fatality.
Traffic Incidents	Incidents involving injuries, disability, or fatalities occurring during commutes to or from work.
Near Miss Incidents	<ol style="list-style-type: none"> <li>Events with no disease, personnel injuries, property loss, process interruption, personnel evacuation, or other losses.</li> <li>Equipment malfunctions corrected before an incident occurs.</li> <li>External air causing odors that trigger personnel alarm without evacuation.</li> <li>Natural disasters (earthquake, typhoon, etc.) causing no injuries or losses, only alarm without evacuation.</li> <li>Minor injuries requiring simple first aid and no lost work hours.</li> <li>False alarms from fire or other detection systems.</li> </ol>
Other Environmental Abnormalities	Any other environmental abnormalities occurring in the workplace.



◆ Environmental, Health, and Safety (EHS) Incident Investigation Workflow Diagram



4-4-6 EHS Management Measures

In addition to establishing procedures for handling incidents, TBI Motion actively implements the following measures during daily operations to prevent occupational safety incidents:

- 1 Access Control: Access control card systems are installed at the entrances of each floor, regulating entry and exit according to personnel category and access privileges. Security personnel work in shifts 24 hours a day, carrying out safety control procedures for individuals and items entering and leaving the premises, and conducting day and night security patrols inside and outside the plant.
- 2 Plant Inspections: The Safety Office conducts daily inspections of production lines to ensure the effective implementation and operation of the Environmental, Health, and Safety (EHS) management system, maintaining a safe and healthy working environment for plant workers.
- 3 Work Environment Monitoring: Semi-annual assessments of the plant's work environment are conducted by certified agencies. If abnormal data is detected, the Safety Office devises hardware improvement plans or administrative measures to ensure employees work in a safe environment. The reports from these assessments are archived by the Safety Office and used as references for special health checks for workers and job assignments by unit supervisors to prevent occupational diseases within the plant.
- 4 Personal Protective Equipment (PPE): Employees are provided with various types of PPE based on their job positions and actual work requirements, with reminder signs placed in each area. A dedicated unit is responsible for PPE training and supervision, effectively enhancing employees' personal protection awareness.
- 5 Safety Signage: All machinery is equipped with safety devices and enhanced with hazard warnings and cautionary labels.

6

**Emergency Response Drills:** An emergency response team is established, with procedures and plans for handling various crises. Annual drills are conducted for different crisis scenarios to enhance employees' crisis management skills and emergency response awareness.

7

**Safety and Health Education:** Training programs include safety and health education for new employees, regular safety and health training for current employees, and education for contractor employees. The content covers safety production regulations, safety production knowledge, hazard prevention, first aid knowledge, and special operations training for workers operating production machinery or equipment, construction vehicles, aerial work platforms, and hoists. These workers must undergo special operations training and obtain certification before operating such equipment. Additionally, training sessions on common production line risks and employee mental health are held.

In 2023, apart from legally required courses or those planned by the company for the year, the following special key courses related to safety and health were offered:

Course Name	Content	Participants
In-service Training	<ol style="list-style-type: none"> <li>Overview of regulations related to occupational safety and health</li> <li>Concepts of occupational safety and health and safety work rules</li> <li>Automatic inspection before, during, and after operations</li> <li>Standard operating procedures</li> <li>Emergency incident response handling</li> <li>Firefighting and first aid knowledge and drills</li> <li>Other safety and health knowledge related to labor operations</li> </ol>	1336 participants
Myofascial Meridian Medical Lecture	Meridian acupoint massage for self-care	
Lecture on preventing shoulder and neck pain	Posture courses to relax and prevent shoulder and neck pain	
Lecture on the importance of health management	Diet control for preventing three highs (high blood pressure, high cholesterol, high blood sugar)	
Noise Control and Dust Health Lecture	Education on noise control and hearing protection, prevention of pneumoconiosis from dust operations	
Chinese Medicine Health Preservation Lecture for Autumn and Winter	Scraping therapy and flu prevention	
AED Administrator Training	Training employees on correct first aid procedures and drills	



Image: Myofascial Meridian Medicine Seminar



In addition to the measures for TBI Motion employees, we have established a contractor management system, requiring contractors to complete the following documents before commencing operations on-site. This ensures that all employees and workers entering TBI Motion's facilities possess adequate professional safety awareness and training.

- Contractor Safety, Health, and Environmental Commitment Statement
- Contractor Joining Agreement Organization Application Form
- Contractor Worker's Entry Hazard Notification Acknowledgment Form
- Contractor Labor Safety Discipline Commitment Statement
- Contractor Hazard Notification Education Training Registration Form
- General Work Permit Application Form or Hazardous Work Permit Application Form
- Safety and Health Education Training Certificate

◆ Statistics of Employee Occupational Injuries Over the Years

Year		2021	2022	2023
Total Number of Employees		1093	1,315	880
Total Man-Hours Worked		2,183,040	2,524,800	1,795,411
Number of General Occupational Injuries		6	8	4
Number of Major Occupational Injuries		0	0	0
Number of Lost Days		149	25	62
Disabling Injury Frequency Rate (FR)	(Number of Disabling Injuries * 1,000,000) / Total Man-Hours Worked	2.75	3.17	2.23
Disabling Injury Severity Rate (SR)	(Number of Lost Days * 1,000,000) / Total Man-Hours Worked	68.25	9.9	34.53
Average Lost Days per Disabling Injury	SR/FR	24.82	3.12	15.48
Overall Injury Index	$\sqrt{((FR * SR) / 1000)}$	0.43	0.18	0.28
Occupational Injury Fatality Rate	Explanation: (Number of Occupational Injury Deaths * 200,000) / Total Man-Hours Worked	0	0	0
Near-Miss Frequency Rate (NMFR)	Explanation: (Number of Near-Miss Events * 200,000) / Total Man-Hours Worked	0	0	0



Image: Emergency Response Drill

Note: Based on the data reported to the Ministry of Labor's Safety and Health Performance Cloud.

In 2023, there were 4 cases of occupational injuries among workers, all of which were general occupational injuries. The disabling injury frequency rate was 2.23, and the disabling injury severity rate was 34.53. These occupational injuries were primarily due to cutting injuries caused by unsafe employee actions. The relevant high-risk and unacceptable risk factors were identified through the risk assessment form by the station's management. Continuous improvement methods have been employed to reduce these risks to acceptable levels.

According to regulations, TBI Motion has not identified any specific occupational diseases. However, for musculoskeletal injuries that may be caused by lifting heavy objects, appropriate assistive devices and equipment have been installed to reduce the likelihood of such injuries. Additionally, special examination items are included in employee health checks, with continuous monitoring for high-risk groups. The company also arranges for factory doctors to visit three times a month, allowing employees to consult with them about their recovery status.

#### 4-4-7 Health Promotion Activities and Measures

In 2023, 100% of TBI Motion employees received general health checks. Besides the standard labor health check items, abdominal ultrasound and glycated hemoglobin tests were added. Additionally, 550 employees engaged in noise and dust operations underwent special health checks. The company subsidized 879,000 NTD for employees to receive both general and special health checks in 2023. Besides the annual health checks, TBI Motion actively promotes health through activities and care measures to prevent occupational injuries and enhance employee health knowledge and awareness, aiming to build a sustainable foundation with employees.

#### ◆ 2023 Health Care Measures

Health Care Measures	Content	Participants
Occupational Health Clinic Service	Monthly employee care interviews	120
Maternity Health Protection Management	Health education consultations for pregnant and breastfeeding colleagues	3
Hearing Protection Program	Annual hearing tests and hearing protection lectures	8
Overload Management	Annual overload questionnaire survey and follow-up	3
Return-to-Work Management	Includes return-to-work scope for occupational injuries, musculoskeletal hazards, maternity protection, etc.	10

# *Sustainable Green Environment*

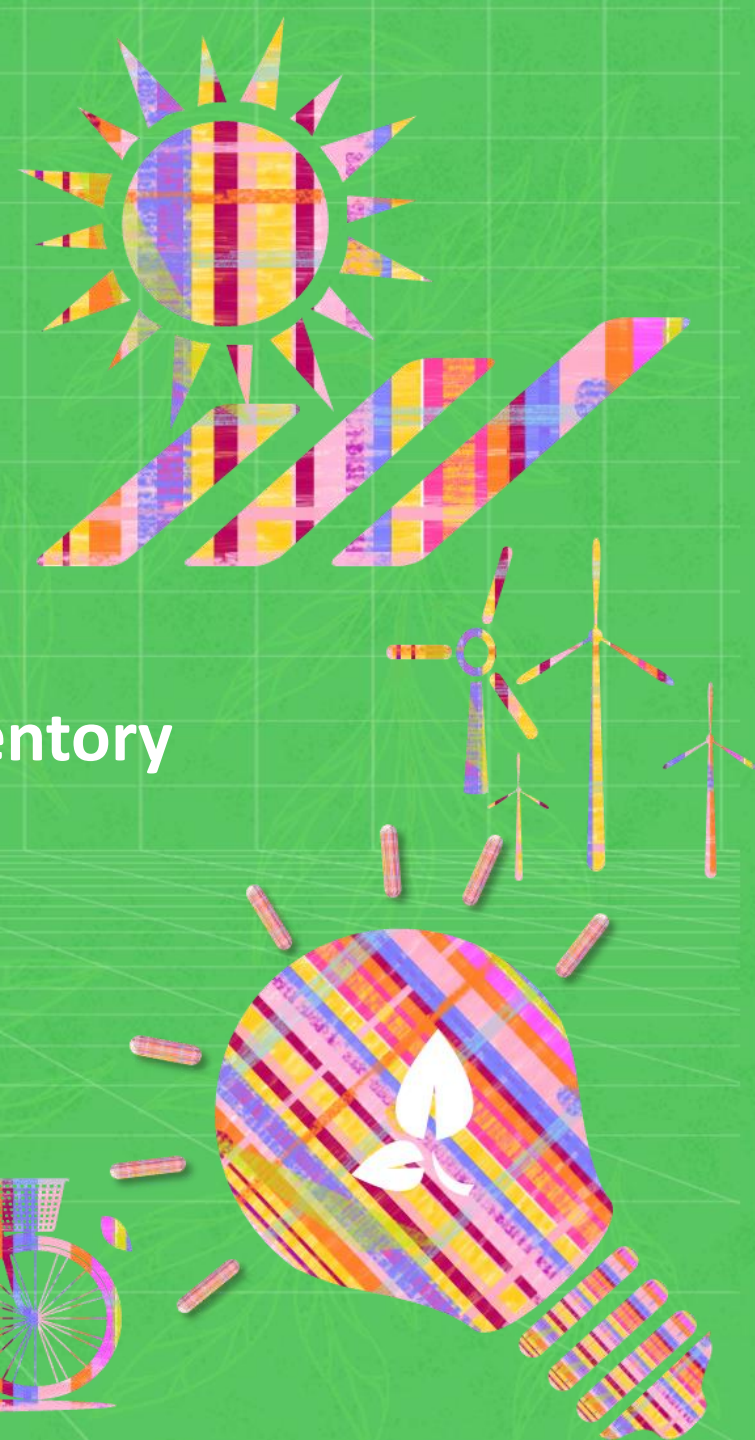
5-1 Environmental Protection Policies

5-2 Climate Governance and Actions

5-3 Energy Management and Greenhouse Gas Inventory

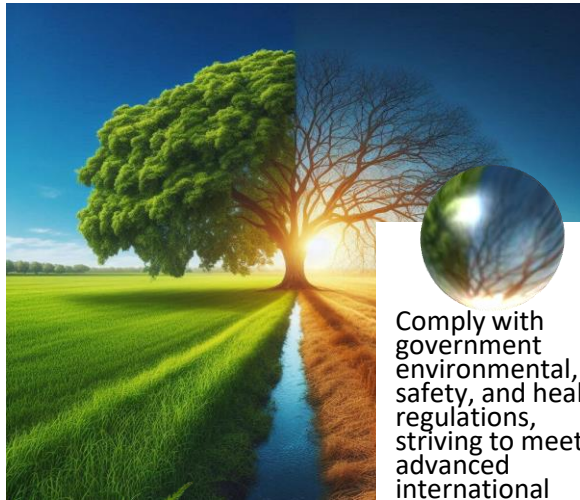
5-4 Waste Management

5-5 Water Management



### 5-1 Environmental Protection Policies

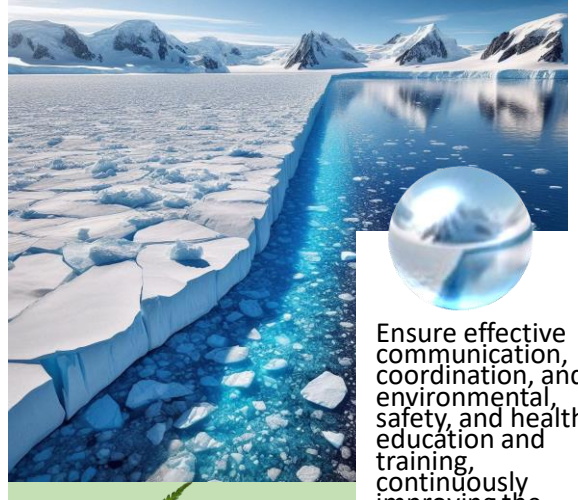
TBI Motion integrates the concept of sustainable development into its manufacturing practices by implementing the ISO 14001 Environmental Management System and establishing environmental policies. We aim to balance production with environmental protection and commit to the following environmental protection strategies for pollution prevention and environmental conservation:



Comply with government environmental, safety, and health regulations, striving to meet advanced international standards in environmental, safety, and health norms.



Conserve energy resources, implement waste reduction measures, and prevent and reduce pollution emissions to protect the Earth's ecological environment.



Ensure effective communication, coordination, and environmental, safety, and health education and training, continuously improving the performance of environmental, safety, and health management.



Image: ISO 9001:2015 Certificate

## 5-2 Climate Governance and Actions

### 5-2-1 TCFD Climate-Related Financial Disclosures

As the impacts of climate change intensify, it has become one of the significant global risks. According to the World Economic Forum (WEF) in its annual "Global Risks Report," the failure to adapt to and mitigate climate change is among the most significant long-term global risks. To address the risks posed by climate change, TBI Motion followed the Task Force on Climate-Related Financial Disclosures (TCFD) guidelines for the first time in 2023. This involved promoting climate change management and disclosure based on the four core elements of TCFD: governance, strategy, risk management, and metrics and targets.

### 5-2-2 Climate Governance Structure

The Board of Directors is the highest authority in TBI Motion for risk management and decision-making. It is responsible for approving and supervising risk management policies and tracking the progress and achievement of action plans. To implement climate change governance, TBI Motion's Sustainable Development Task Force integrates relevant resources, formulates climate change adaptation and mitigation management plans, reviews progress, and discusses future plans. The highest-ranking official of the Sustainable Development Task Force reports to the Board annually on the identification of climate risks and the effectiveness of various control and mitigation measures.

### 5-2-3 Climate-Related Risk and Opportunity Identification

In 2023, TBI Motion's Sustainable Development Task Force held a TCFD Climate Change Workshop, gathering the R&D Engineering Management Center, Supply Chain Management Center, Production Management Center, Marketing Management Center, and Business Management Center, as well as various departments, to assess the significance of various climate-related risks and opportunities and define their likelihood and impact.

Following internal climate risk and opportunity identification, TBI Motion categorized the issues into three main categories based on the TCFD framework: transition risks, physical risks, and opportunities. These issues were then assessed for their significance based on "likelihood" and "impact" and mapped onto a risk and opportunity matrix. Ultimately, TBI Motion identified two high-risk issues and one significant opportunity issue for 2023, totaling three key climate-related risks and opportunities.

TBI Motion has now incorporated climate change into the company's risk management procedures. Moving forward, the company will regularly reference the latest international research reports, domestic and international government regulations, and benchmark enterprise risk identification results to identify climate-related risks. In addition to formulating response strategies and targets for each climate issue based on these assessments, TBI Motion will periodically review the achievement of these strategies and targets and report the implementation results to the Board at least once a year.



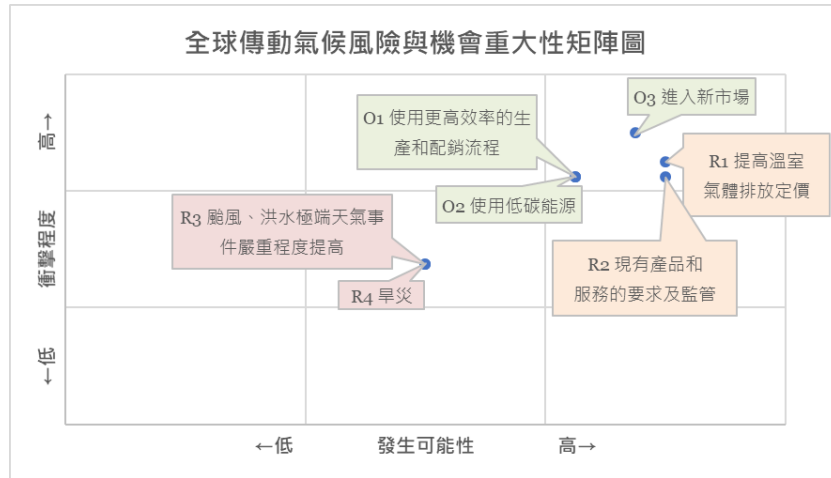


Image :Climate Risk and Opportunity Materiality Matrix

### 5-2-4 Climate Change Response Strategy

TBI Motion follows TCFD guidelines to analyze and summarize potential risks and opportunities brought by climate change. The significant climate transition risks identified for the company are "Increased pricing of greenhouse gas emissions" and "Regulation and demand for existing products and services"; the climate opportunity issue is "Entering new markets," with a total of two transition risks and one opportunity. The impact and response strategies for each climate issue identified this year are detailed in the table below.



Category		Climate Issue Item	Risk Scenario	Financial Impact	Estimated Impact Period	Action Plan
Transition Risk	Policy and Regulation	R1 Increased pricing of greenhouse gas emissions	<ul style="list-style-type: none"> <li>EU Carbon Border Adjustment Mechanism (CBAM): CBAM entered the pre-implementation transitional phase in October 2023. Products exported to EU countries require importers to provide carbon emission data, and carbon tariffs are expected to be formally levied starting in 2026. Currently, the company's products imported into Europe are not listed as taxable items, but regulatory adjustments may increase taxable items in the future, leading to higher costs.</li> <li>Taiwan Carbon Fee Collection: Taiwan announced the draft "Carbon Fee Collection Regulations" in December 2023, which are expected to use 2024 carbon emissions as a baseline and begin formal charges in 2025 for large carbon emitters with annual emissions exceeding 25,000 tons. The estimated charge is NT\$300 per ton of carbon emissions, aligning with international standards over time.</li> </ul>	Increased operational costs	Mid-term	<ul style="list-style-type: none"> <li>TBI Motion implemented ISO 14064-1 greenhouse gas inventory in 2023 and identified high-carbon emission hotspots to implement management and reduction action plans.</li> <li>TBI Motion has installed 44.6kWp solar panels for self-use and will gradually plan to increase the use of green electricity according to regulations.</li> </ul>



Category		Climate Issue Item	Risk Scenario	Financial Impact	Estimated Impact Period	Action Plan
Transition Risk	Policy and Regulation	Requirements and regulations for existing products and services	<ul style="list-style-type: none"> <li>TBI Motion will continue to monitor climate change risk-related regulations set by various countries.</li> <li>For details on the EU Restriction of Hazardous Substances Directive (RoHS), please refer to the "Product Quality and R&amp;D Innovation" section of this report.</li> </ul>	Increased operational costs and capital expenditure	Short-term	<ul style="list-style-type: none"> <li>Continue to respond to market demand and regulatory requirements of various countries by investing in R&amp;D resources and talent cultivation to become the best partner for customers.</li> <li>Plan to use smart meters to monitor the electricity consumption of production equipment.</li> <li>Prioritize the development of low-carbon products.</li> </ul>
Opportunity	Market	Entering new markets	<ul style="list-style-type: none"> <li>The application of low-carbon products and services in emerging markets can meet the low-carbon trend in society, aiding entry into new business models.</li> </ul>	Increased revenue	Short-term	<ul style="list-style-type: none"> <li>Currently evaluating the use of green label products or carbon footprint products (e.g., using green steel) as base materials for design and development. The current proportion of green steel procurement is approximately 83.3%, with an expected annual growth of 1-2%.</li> <li>TBI Motion is developing smart sensing component modules: using magnetic sensing linear slides paired with a backend controller setup can achieve positioning functions. When combined with intelligent sensing components, it can send early warnings when the lifespan of the transmission components is nearing the end, notifying customers for pre-maintenance or replacement, thereby reducing unnecessary periodic maintenance and losses or hazards caused by unexpected failures.</li> </ul>

### 5-2-5 Metrics and Targets

In alignment with the international net-zero trend and the timetable for greenhouse gas inventory disclosure set by the Financial Supervisory Commission's "Sustainable Development Roadmap for Listed Companies," TBI Motion will conduct a greenhouse gas inventory for the previous year in 2024 based on the "ISO 14064-1:2018 Greenhouse Gas Inventory Standards." Following the inventory results, the company will identify emission hotspots in its processes and formulate carbon reduction plans and targets accordingly. Moving forward, TBI Motion will continue to independently complete annual greenhouse gas inventories and plan to verify the results to ensure the accuracy of the greenhouse gas inventory.

Stage	Content
Short-term Goals (2024)	<ol style="list-style-type: none"> <li>Complete Greenhouse Gas Inventory: In 2024, complete the 2023 organizational greenhouse gas inventory based on ISO 14064-1. The inventory scope covers the company's individual financial statements, including direct greenhouse gas emissions (Scope 1) and indirect greenhouse gas emissions (Scope 2).</li> <li>Conduct Carbon Inventory Education and Training: Train internal personnel with professional carbon inventory capabilities, enabling the company to continuously carry out carbon inventory operations.</li> <li>Greenhouse Gas Reduction Target: Reduce annual greenhouse gas emissions by 1% compared to the previous year.</li> </ol>
Mid-term Goals (2025-2027)	<ol style="list-style-type: none"> <li>Perform Carbon Inventory Verification/Assurance: Conduct ISO 14064-1 verification to ensure the accuracy of the results.</li> <li>Greenhouse Gas Reduction Target: Reduce greenhouse gas emissions by 3% by 2027.</li> <li>Formulate Carbon Reduction Action Plan: Monitor and formulate related carbon reduction plans for emission hotspots identified in the carbon inventory.</li> </ol>
Long-term Goals (2027 and Beyond)	<ol style="list-style-type: none"> <li>Maintain ISO 14064-1 Certification Validity: Continuously maintain the validity of the certification.</li> <li>Electricity Conservation Target: Reduce electricity consumption by 10% by 2034, according to the Ministry of Economic Affairs' Energy Bureau regulations.</li> <li>Greenhouse Gas Reduction Target: Reduce greenhouse gas emissions by 8% by 2030.</li> </ol>



### 5-2-6 Climate Change Risk - Scenario Analysis and Cost Estimation

Preliminary Analysis : The initial analysis focuses on the major climate risk of "increased greenhouse gas emission pricing" as identified in Section 5-2-4. The risk stage in the value chain is "direct operations." Under the domestic regulatory scenario (government's net-zero pathway), the financial impact on the company is assessed as follows:

Scenario Assumptions	Content	Evaluation of Emission Sources		Evaluation Period	
Government's Net-Zero.	Pathway: Based on Taiwan's current net-zero targets and policy assumptions	Scope 1 + Scope 2 (focused on Taiwan operational sites)		Short-term (2023-2026) Mid-term (2027-2030)	
Climate Change Risk	Parameter Assumptions for Operational Cost	Short-term (2023-2026) Impact on Revenue		Mid-term (2027-2030) Impact on Revenue	
Increased Greenhouse Gas Emission Pricing	<b>Carbon Fee Pricing:</b> Based on climate change legislation, it is expected that from 2024, Scope 1 and Scope 2 greenhouse gas emissions will be taxed at a rate of NT\$100-300 per ton; for 2030, NT\$1,500 is used as the baseline assumption. <b>Carbon Fee Threshold:</b> Short to mid-term evaluations use a threshold of 25,000 tons of CO2 equivalent; long-term uses a threshold of 10,000 tons of CO2 equivalent. <b>Revenue Growth:</b> Evaluated as stable (steady growth) and optimistic (robust growth in the industrial automation market).	Stable Operations	Optimistic Operations	Stable Operations	Optimistic Operations
		0%	0%	0.002%	0.05%-0.51%

Future Plans:

We will refer to the Taiwan Climate Change Projection and Adaptation Knowledge Platform, the National Science and Technology Council, and the National Science and Technology Center for Disaster Reduction data to evaluate the operational sites in Taiwan and quantify physical risks.

### 5-3 Energy Management and Greenhouse Gas Inventory

Energy and climate change have become critical global issues that must be addressed. TBI Motion aims to have a positive impact on the environment, society, and humanity by properly managing energy. TBI Motion has established the following energy-related policies:

Energy Conservation and Emission Reduction	Optimize energy efficiency, reduce energy waste, and lower greenhouse gas emissions to minimize environmental impact.
Sustainable Energy Use	Increase the proportion of renewable energy usage, reduce dependence on non-renewable energy sources, and promote energy transition and carbon neutrality goals.
Resource Management	Ensure efficient allocation and utilization of resources to prevent waste and overconsumption.
Continuous Improvement	Conduct regular evaluations and monitoring to ensure optimal energy efficiency and environmental benefits.
Training and Education	Enhance employees' awareness and knowledge of energy conservation and sustainable energy, fostering a culture of energy management.
Regulatory Compliance	Ensure that the company's energy management practices comply with legal requirements and actively participate in relevant certifications and audits.

#### 5-3-1 Energy Consumption

In 2023, TBI Motion's total energy consumption was 54,881.728 GJ, a decrease of 21% compared to the previous year, which is approximately 14,992.64 GJ less. The energy intensity was 16.26

GJ/MNTD, also a 21% decrease compared to the previous year. The reduction in total energy consumption is primarily due to the weakened economic conditions in mainland China and globally, as well as high inflation and exchange rate factors, which have led to reduced end-user demand and decreased production capacity, resulting in lower electricity usage. Furthermore, ongoing energy-saving measures, including turning off lights for an hour at noon, separating process cooling water pipes and air conditioning cooling water pipes, replacing energy-saving air compressors, and establishing a smart grid system to clearly monitor energy usage, have contributed to the continuous reduction of energy consumption and improvement of usage efficiency.

#### ◆ Historical Energy Consumption (2021-2023)

Total Internal Energy Consumption		Year 2021	Year 2022	Year 2023
Non-Renewable Energy:	Gasoline (GJ)	415.2868	608.1903	379.5040
	Diesel (GJ)	42.1659	46.5918	60.1659
	Purchased Electricity (GJ)	74,266.1923	69,075.2502	54,285.9623
Renewable Energy:	Solar Power (GJ)	75.3220	144.3353	156.0955
Grid Electricity Ratio (%)	%	99.3%	98.9%	98.9%
Renewable Energy Ratio (%)	%	0.1%	0.2%	0.3%
Total Energy Consumption (GJ):		74,798.967	69,874.368	54,881.728
Energy Intensity (GJ/MNTD):		22.77	20.71	16.26

Note 1: Diesel calorific value = 8400 kcal/L, automotive gasoline calorific value = 7800 kcal/L, electricity calorific value = 860 kcal/kWh. Source: Ministry of Economic Affairs Energy Bureau Unit Calorific Value Table for Energy Products.

Note 2: Energy Intensity (GJ/MNTD) = Total Absolute Energy Consumption (GJ) / Annual Revenue (MNTD).

### 5-3-2 Renewable Energy

Green energy is the new engine driving economic development for the future. The central government has accelerated the development of the green energy industry to enhance energy independence, integrating it into the "Forward-looking Infrastructure Development Program." The aim is to combine local potential companies with top international firms to invest in Taiwan, boosting future industrial competitiveness and promoting national sustainable development.

TBI Motion has responded to the "New Taipei City Green Energy Roof Citizens Participation Program," collaborating with Kaiyang Energy Co., Ltd. to engage in green energy initiatives. TBI Motion has installed solar power systems on the rooftops of its entire Shulin plant. Additionally, smaller factory buildings have been equipped with standalone solar panels for TBI Motion's own use. In 2023, the calculated solar power generation amounted to 43,350 kWh. By implementing solar power systems, TBI Motion not only enhances the efficiency of renewable energy generation but also provides shading effects, lowering indoor temperatures and reducing air conditioning energy consumption, thereby decreasing overall energy losses.

Furthermore, TBI Motion strictly mandates that solar energy facilities must have structural safety certifications, including reinforced and rust-proof steel structures, to ensure the safety of the surrounding environment and the local community.

Unit: Kilowatt-hour (kWh)

Year	Year 2021	Year 2022	Year 2023
Self-Generated Electricity Calculation	20,918	40,084	43,350

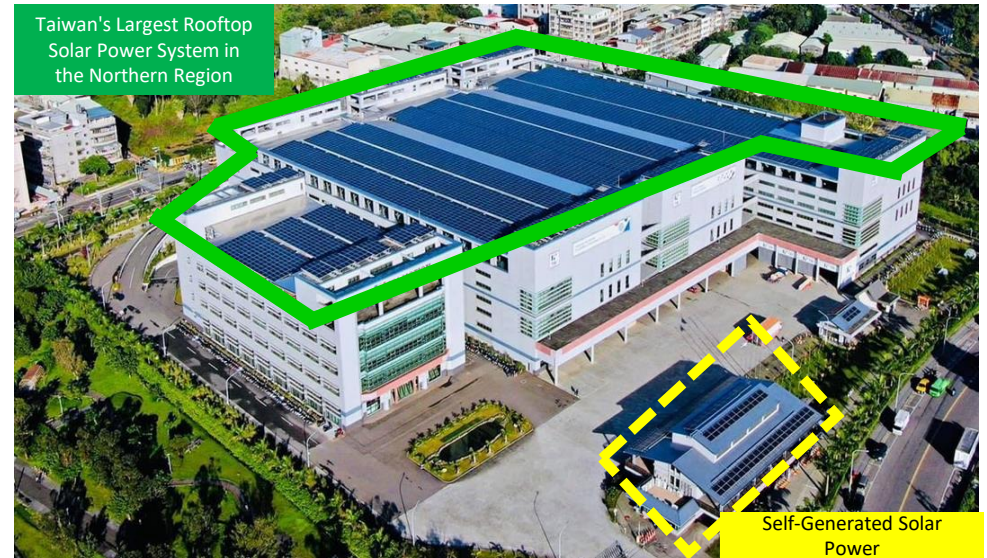


Image: TBI Motion's Largest Rooftop Solar Panel Installation in the Local Area

### 5-3-3 Energy Saving and Carbon Reduction Plan

In addition to the use of renewable energy, TBI Motion actively implements energy-saving and carbon reduction initiatives through equipment improvement and employee awareness programs, comprehensively enforcing energy policies.

Energy Saving Action Plan	Air Conditioning Energy Saving Plan
Content of the Plan	<p>Increase the outlet temperature of the office chiller to reduce the energy consumption of the chiller.</p> <ol style="list-style-type: none"> <li>1. Adjust the Set Temperature: Set the outlet temperature of the chiller within a suitable range based on actual needs to avoid wasting energy with overly low temperatures.</li> <li>2. Optimize Operating Hours: Schedule the operation of the chiller reasonably to avoid running it when the office is not in use or when there are fewer people, reducing ineffective energy consumption.</li> </ol> <p>The office has two 180RT chillers with the chilled water temperature set at 7°C, expected to be raised to 8°C. According to statistics, raising the chilled water outlet temperature by 1°C can save approximately 3% of electricity (source: Industrial Energy Saving Service Network). Chiller 1 operates for 2,061 hours per year, and Chiller 2 operates for 976 hours per year, totaling 3,037 operating hours per year.</p>
Summer Electricity Savings (kWh)	32799.6
Energy Savings (GJ)	118.077
Carbon Reduction (tons CO <sub>2</sub> e)	16.235

Note 1: Summer Electricity Savings = 2022 Chiller Power Consumption 1,592,023 kWh - 2023 Chiller Power Consumption 1,920,019.6 kWh

Note 2: Electricity Carbon Emission Factor (as per the Bureau of Energy, 21st June 2023 announcement) = 0.495 kg/kWh

### 5-3-4 Greenhouse Gas Management

In 2023, TBI Motion conducted its first greenhouse gas inventory and quantification, following the ISO 14064-1:2018 standard. Through the inventory process and results, we identified feasible greenhouse gas reduction measures for each operating site. To enhance the credibility of the greenhouse gas inventory information and reports, and improve the quality of the inventory, we employed professional consultants to assist in the verification process after completing internal verification. This ensured no emission sources were overlooked, and the annual greenhouse gas emissions data was reasonable.

Greenhouse gas emissions were calculated using the operational control approach and the GWP values from the IPCC Sixth Assessment Report (2021). To effectively monitor greenhouse gas emissions, TBI Motion uses greenhouse gas intensity (metric tons CO<sub>2</sub>e/total combined revenue in thousands of NTD) as the greenhouse gas management indicator.



Image: Carbon Inventory Training Course

TBI motion's total GHG emissions in 2023 would be 9882.7976 mtCO<sub>2</sub>e. In type 1, the main sources of direct greenhouse gases are fixed emissions and fugitive emission sources, with a total emission of 386.8648 mtCO<sub>2</sub>e, accounting for 3.91% of the company's total greenhouse gas emissions. The total indirect energy emissions of Category 2 are 7,516.0800 mtCO<sub>2</sub>e, accounting for 76.05% of the company's total greenhouse gas emissions.

We will set carbon reduction targets, plan reduction plans, and evaluate and plan the development of multi-faceted climate response actions through greenhouse gas inventory operations. In the future, we will reduce greenhouse gas emissions from customers or suppliers by developing new products and services.

■ The company's greenhouse gas emissions in 2023 (Category 3 to Category 6) are as follows:

type of emission	The amount of emission(mtCO <sub>2</sub> e)	proportion(%)
Type 1_direct GHG emissions (mtCO <sub>2</sub> e/year)	386.8468	3.91%
Type 2_Indirect GHG emissions from purchased energy (mtCO <sub>2</sub> e/year)	7,516.0800	76.05%
Type 3_Indirect GHG emissions from upstream supplier transport	403.1032	4.08%
Type 4_Indirect GHG emissions from products used by the organization	1,576.7676	15.95%
Type 5_Indirect GHG emissions from the use of organization-related products	Not quantified	
Type 6_Other indirect emissions	Not quantified	
Total	9,882.7976	100%
Type 1 + type 2(mtCO <sub>2</sub> e/year) (A)	7,902.927	
Total consolidated revenue (unit : thousand NT dollar) (B)	2,988,846	
Type 1 + Type 2 Total greenhouse gas emission intensity (mtCO <sub>2</sub> e /Total consolidated revenue )	0.0026	

Note: The inventory boundary is the Shulin plant of TBI, and the geographical location includes the company's operating bases.

## 5-4 Waste Management

In order to effectively manage waste, TBI Motion has established relevant procedures to improve environmental hygiene, prevent secondary pollution, and achieve waste control and reduction objectives.

### 5-4-1 Waste Management Policy

To effectively reduce waste, TBI Motion implements thorough waste classification, recycling, reuse, and proper disposal methods. The company continually improves waste storage, transportation, and treatment processes to minimize environmental impact. All waste is reported online and properly documented. The Safety and Health Office is responsible for waste management. Before signing contracts at the end of each year, the office ensures that waste removal and treatment agencies possess valid permits and codes and verifies compliance through audit measures.

Most waste produced by TBI Motion is recyclable or reusable, with no hazardous industrial waste generated. All waste is handled off-site by certified processors, with non-recyclable general industrial waste being incinerated. In 2023, TBI Motion had no violations of the Basel Convention, no waste transported overseas, and no incidents of hazardous substances contaminating soil, demonstrating the company's commitment to reducing environmental impact from production.

◆ Waste Statistics Table

Unit: Metric Tons

Waste Types	Items	Year 2021	Year 2022	Year 2023
Non-Hazardous Industrial Waste	General Garbage	261.58	318.31	252.54
	Waste Filter Cloth	23.00	22.98	34.69
	Waste Oil-Water	25.99	32.72	30.32
	Wire Cut Wastewater	4.93	32.04	35.1
	Waste Oil Sludge	594.89	383.91	220.08
	Waste Grinding Wheels	41.14	35.07	15.51
	Waste Paper	32.98	34.06	22.02
	Waste Wood	16.58	10.84	9.93
	Waste Iron	459.31	505.92	351.89
Hazardous Industrial Waste	-	-	-	-
<b>Total</b>	<b>Total</b>	<b>1460.40</b>	<b>1375.85</b>	<b>972.08</b>



### Waste Value Chain Flow Chart

In 2023, TBI MOTION utilized approximately 164,564 tons of steel and 203,040,400 steel balls to produce TBI MOTION products, parts, and non-hazardous industrial waste. The non-hazardous industrial waste is primarily treated through incineration and recycling processes. Some waste (such as scrap iron) is recycled through the value chain, sent back to upstream steel mills for re-refining, thus reducing metal mining.

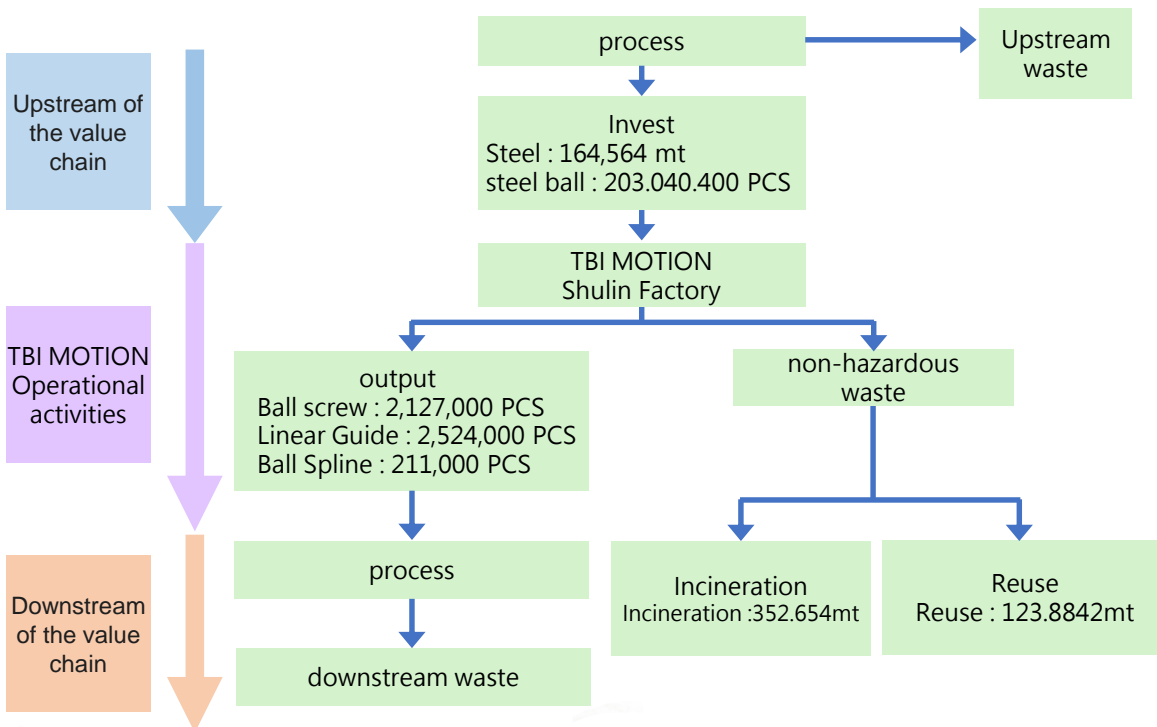


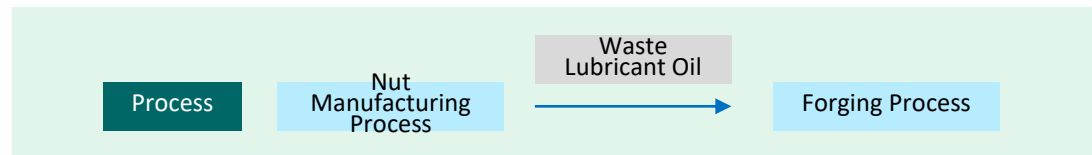
Diagram: Waste Value Chain Flow Chart

### 5-4-2 Waste Reuse

Facing the increasing amount of waste, TBI MOTION is committed to finding solutions through waste recycling or multiple uses of materials, including scrap iron, scrap copper, waste oil, grinding wheels, and waste lubricants, to reduce the amount of waste.

#### ■ Reuse of Waste Lubricant Oil

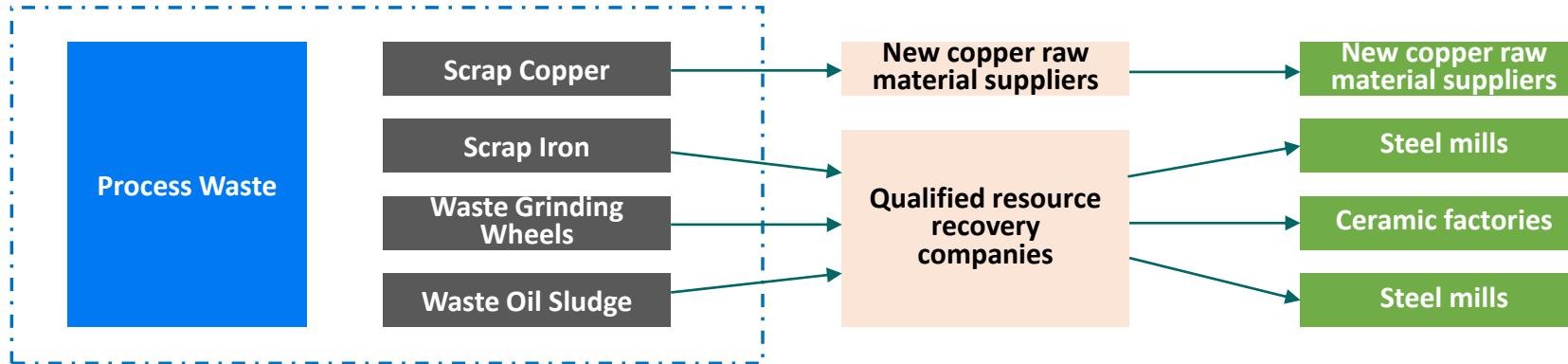
TBI MOTION uses brand new lubricant oil for manufacturing nuts, but the forging process does not require high-purity lubricant oil. Therefore, waste lubricant oil generated from the nut manufacturing process is handed over to the forging process for secondary use, reducing the amount of waste lubricant oil and production costs.



#### ■ Reuse of Grinding Wheels

TBI MOTION collaborates with waste reuse companies to evaluate and reuse waste grinding wheels as brick or cement ingredients, replacing landfill disposal methods. From 2018 to 2023, a total of 172.914 tons of waste grinding wheels have been incorporated into resource recycling and reuse.

Additionally, scrap iron, scrap copper, and waste oil sludge are entrusted to qualified recycling companies for recovery and reuse, aiming to maximize resource utilization and minimize waste.

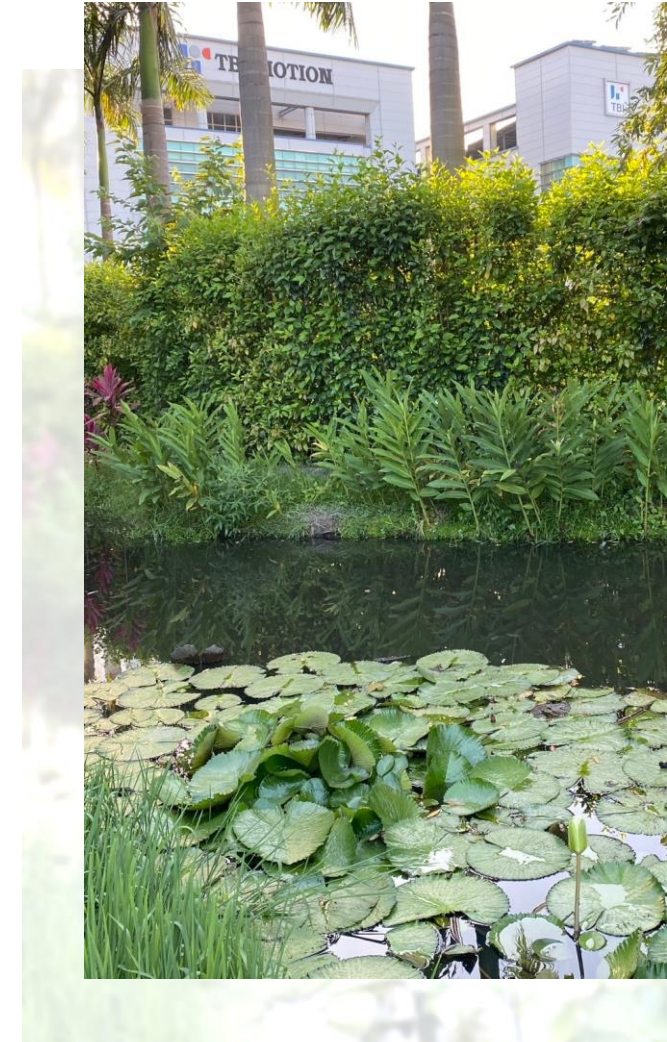


### 5-4-3 Waste Audit Management

The Occupational Safety Office conducts at least one unscheduled audit annually on the waste disposal operations to ensure the accuracy and compliance of the disposal process. TBI Motion's audit personnel are present throughout the transportation process carried out by the waste disposal contractor to verify that all waste has been delivered to the waste treatment plant as per the contract, with no items left behind, and that the transportation process adheres to safety and health regulations. The entire audit process is documented in the "Waste Disposal Contractor Audit Record." In 2023, TBI Motion completed three waste disposal audits.



Caption: TBI Motion audit personnel supervising the operations of the waste disposal contractor

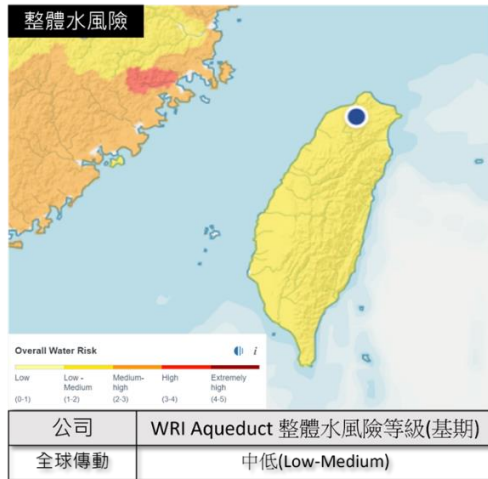


## 5-5 Water Management

Water resources are indispensable for TBI Motion, and we address water resource issues by using the World Resources Institute (WRI) Water Risk Atlas to identify the company's water resource risks. The assessment results indicate a medium to low risk. TBI Motion's factories are located in the Shulin Industrial Park, having no significant impact on the local community.

### 5-5-1 Water Use and Management

To mitigate the potential impacts and risks associated with water extraction and usage, TBI Motion actively reviews process water usage and explores recycling opportunities, including the installation and planning of rainwater harvesting systems. By increasing recycled water usage, we aim to achieve water balance and establish a sustainable production model.



TBI Motion's primary water source is municipal water, used mainly for processes, cooling towers, and daily activities. In 2023, the total water usage was approximately 48,689 kiloliters. All water supplied by third parties comes from local water companies, with no alternative extraction methods. Additionally, water meters are installed to monitor water consumption and to plan water recovery equipment.

Unit: Million Liters

Water Resource Usage	Year 2021	Year 2022	Year 2023
Water Withdrawal	58.726	49.578	48.689

Note 1: Water withdrawal data is based on water utility bills.

### 5-5-2 Discharge and Management

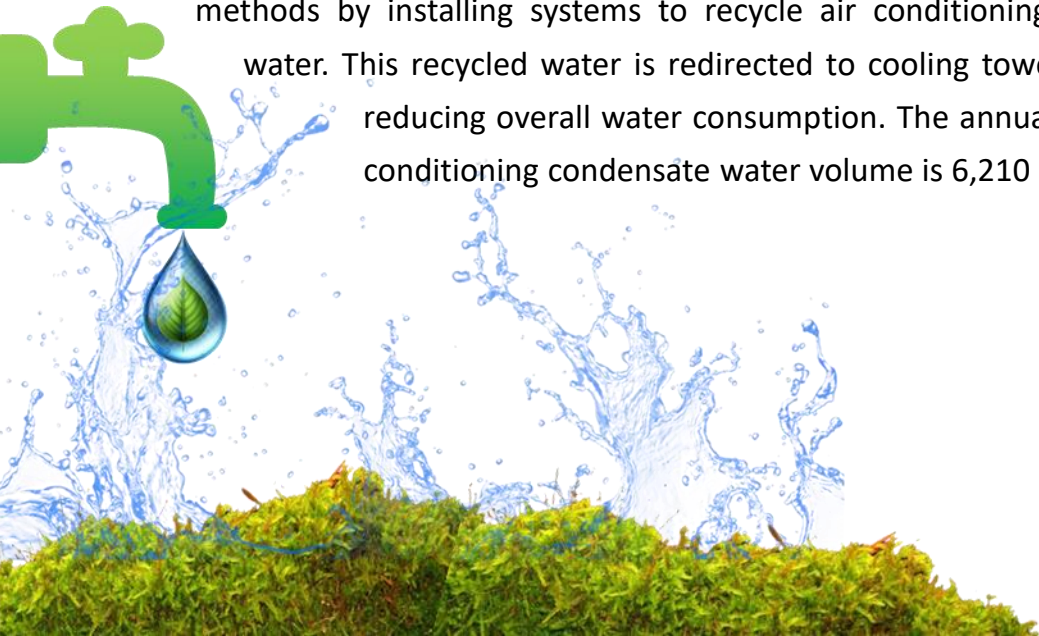
The Shulin plant of TBI Motion is not subject to regulatory requirements for applying for sewage discharge outlets, as all discharged wastewater is domestic sewage, which is released into the Dahan River and ultimately flows into the Tamsui River. Every month, the plant conducts water quality tests through institutions recognized by the Environmental Protection Administration. The water discharge quality complies with national effluent discharge standards.



### 5-5-3 Water Conservation Measures

TBI Motion requires a significant amount of cooling water for the heat treatment process, making it a high-water-consumption industry. To implement effective water resource management, we treat and recycle process water to extend its usability.

Additionally, to prevent water wastage, TBI Motion employs various water-saving measures in employee daily water use. When planning and constructing the new plant in 2016, water conservation was a key consideration. The entire facility was equipped with water-saving faucets, which can reduce water usage by over 70%. Starting in 2021, we expanded our water resource management methods by installing systems to recycle air conditioning condensate water. This recycled water is redirected to cooling towers for reuse, reducing overall water consumption. The annual recycled air conditioning condensate water volume is 6,210 metric tons



# ***Social Participation***

**6-1 Social Care**

**6-2 Industry-Academia Cooperation**



### 6.1 Social Care

TBI Motion actively engages in local community care, fulfilling its social responsibility through tangible actions. Committed to local operations and proactively providing resources, the company embodies the spirit of "giving back to society." Focusing on three main pillars: "Elder Care, Educational Support, and Environmental Protection," TBI Motion continuously contributes through material donations, scholarships, and active participation by employees, striving to create a positive impact on the surrounding community.

Respect for the Elderly

**Elderly Communal Meal Program:** Consistently support Shulin District Office by organizing 1-2 communal meals per month for the elderly in Qiangliao, Wenlin, Sando, Bao'an, Shude, and Ponei neighborhoods.



Images: Communal meal event for the elderly in Wenlin neighborhood

Education

**Talent Development:** Annually sponsor the Shulin Elementary School badminton team to cultivate future national sports talents.  
**Scholarships:** Regularly provide scholarships to students from Wulin Elementary School, Sando Junior High School, and Zhonghu Elementary School to encourage academic excellence and character building.



Images: Sponsorship for the Shulin Elementary School badminton team

Environmental Protection

**Park Adoption:** Adopt and manage Qiangliao Park, performing environmental cleaning from Monday to Saturday and weeding every two months. Collaborate with the community to maintain the natural environment and public facilities for the benefit of residents.



Images: Qiangliao Park adoption activities

In 2023, in addition to regular projects such as communal meals for the elderly, scholarships, and park adoption, TBI Motion also supported community care activities and Double Ninth Festival celebrations in Qiangliao Village, donating gift boxes to disadvantaged elders to celebrate the festival together. Furthermore, TBI Motion actively addressed public safety and health issues by participating in a public blood donation event organized by the Tucheng District Industrial Association. A total of NTD 1,465,055 was invested in social care activities in 2023.

Additionally, at the beginning of 2023, TBI Motion purchased charity gift boxes from the Down Syndrome Foundation. The foundation's mission is to provide individuals with Down syndrome and other disabilities opportunities for independent and dignified living. Since 1998, the foundation has offered comprehensive services including professional consultation, early intervention, daycare placement, medical rehabilitation, vocational training, sheltered employment, health management, community integration, and emergency assistance. Through purchasing charity gift boxes, TBI Motion not only rewarded its employees and celebrated the New Year together but also demonstrated its commitment to social responsibility through tangible actions.



Images: Purchase of New Year gift boxes from the Down Syndrome Foundation of Taiwan, distributed to employees.

## 6-2. Industry-Academia Cooperation

TBI Motion integrates industry, government, academia, and research to sustain and mutually benefit human capital. By promoting various industry-academia collaboration programs with relevant departments, the company supports the sustainable development and transformation of industries, driven by the principle of "taking from society, giving back to society."

Through diverse recruitment policies, comprehensive welfare systems, and systematic training mechanisms, TBI Motion aims to select, retain, and nurture talent. The company offers internships, plant visits, and creative competitions to enhance students' learning motivation, enrich their industry knowledge, and accumulate practical experience. This approach helps align academic learning with industry needs, fostering competitive future talent for Taiwan and the machinery industry.

### 6-2-1 Internship Program

In response to the Workforce Development Agency's talent cultivation strategy, TBI Motion collaborates with several universities to develop various industry-academia cooperation programs, such as dual-track flagship plans, industry-academia training programs, industry-academia cooperation plans, and step-by-step cooperative education programs. TBI Motion arranges practical job training while schools provide academic education, creating an environment that combines theory and practice. Students participating in these programs gain valuable work rotation experience, professional certification, and government tuition subsidies, which enhance their post-graduation employment prospects. For TBI Motion, this approach effectively reduces the gap between academic education and workplace skills, lowers recruitment costs and risks, and enhances corporate competitiveness.

### 6-2-2 Corporate Visits

TBI Motion irregularly organizes corporate visits, allowing students to understand product features and applications through product introductions and plant tours. By observing and receiving explanations on-site, students can combine classroom knowledge with workplace practices, using this experience as a foundation for their future career planning.

### 6-2-3 Industry Competitions

To effectively promote industry-academia cooperation and cultivate talents for related industries, TBI Motion has held the "TBI Motion Intelligent Automation Creative Implementation Competition" seven times from 2016 to 2023. Over the years, this competition has attracted talented youths from various schools and departments across Taiwan. Participants challenge themselves to use TBI Motion's key components creatively and professionally to develop intelligent automation projects for both life and industrial applications.



Images: Champion of the 7th TBI Motion Intelligent Automation Creative Implementation Competition



Images: Award Ceremony of the 7th TBI Motion Intelligent Automation Creative Implementation Competition



In 2022, TBI Motion, in collaboration with National Chin-Yi University of Technology, co-organized the "7th TBI Motion Intelligent Automation Creative Implementation Competition," injecting creative energy into intelligent automation technology and fostering talent development. The competition attracted 30 teams from across the country, with the finals held in May 2023, resulting in 11 winning teams.

Over the course of more than a year, the competition utilized mechanisms such as group participation and research workshops to encourage participants, comprising both teachers and students, to harness their endurance, creativity, learning ability, and teamwork skills. This initiative showcased the spirit of interdisciplinary research, enabling the transformation of theoretical concepts into highly refined and rigorously tested projects.

The finalist teams received substantial support from 12 domestic companies, including material and component subsidies, processing service sponsorships, and application consulting services. Additionally, the winning teams were awarded prizes, positively reinforcing their learning motivation.



Image: Award Ceremony of the 7th TBI Motion Intelligent Automation Creative Implementation Competition

校名	隊名	作品名稱	獎項
國立中興大學	Tacophant	具隨形夾取功能之仿生連續體機械手臂	冠軍
國立中興大學	Suicopath	自動洗發牌機	亞軍
國立臺北科技大學	微孔天下太平	可移動式主軸之微細孔放電加工機	季軍
國立臺北科技大學	放開我的孔	可旋轉式線放電加工機	佳作
南臺科技大學	倒轉乾坤	多項次全檢系統開發	佳作
國立聯合大學	貓狸石虎隊	倉儲式中藥粉劑自動調配系統	佳作
國立暨南大學	隊長說的都隊	具智動定位功能之高準確度廣域影像量測系統	最佳創投獎
大葉大學	AI異音檢測	AI異音檢測	創新獎
南臺科技大學	Team01	無線傳輸微型智慧感測系統	創新獎
南臺科技大學	光樹	自動化光譜量測平台	最佳人氣獎
南臺科技大學	田編控憨吉	電阻式觸控應用於高分子透明材料於紫外線光下之機械性質探討	最佳人氣獎

Image: Winning Teams of the 7th TBI Motion Intelligent Automation Creative Implementation Competition

At the same time, through the donation of prize money, we support schools in organizing skills competitions. Since 2021, we have consecutively sponsored Yingge Vocational High School students' skills awards for three years, aiming to inspire potential and showcase excellent skills on the competition stage, striving for outstanding achievements.



Image: In the 112th academic year, students from New Taipei City Yingge Vocational High School participated in the National High School Vocational and Technical Skills Competition and won a total of 2 gold medals and 4 merit awards. (Image source: New Taipei City Yingge Vocational High School FB)



Additionally, TBI Motion and Yingge Vocational High School jointly held the "When Technology Meets Art: 'TBI Motion x Yingge Vocational High School' - Pottery Craft Apprenticeship Exhibition." The exhibition was held on June 23, 2023, at the TBI Motion factory, showcasing the teaching achievements and creations of 11 masters and 5 students. This exhibition highlighted the unique apprenticeship teaching results of Yingge Vocational High School, presenting the exquisite works of local pottery masters and students. Master Xu Xulun, selected as a master of the "Taiwan Craft Home" by the Ministry of Culture, also exhibited his work "Green Earth Golden Parrot Teapot Set."

Mr. Jin-Sheng Li, the General Manager of TBI Motion, stated that TBI Motion mainly produces precision machinery tools, while pottery creation is a completely different field. This joint pottery exhibition with Yingge Vocational High School aims to allow colleagues to appreciate different types of creations in their spare time and inject new creativity into product development.

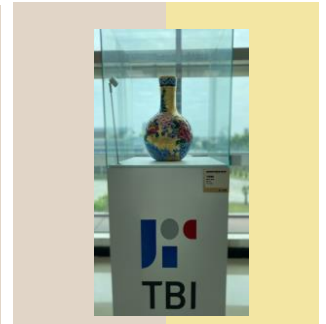
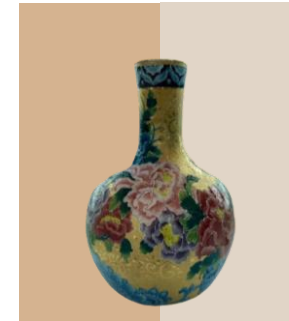
During the opening ceremony of the pottery exhibition, there was also a donation ceremony for the ceramic piece "Flower Blooming Wealth" by national master Zhang Meiyun and the picture book "Little Ceramic God" by President Wang Hongyi. These activities help promote the art and culture of local ceramics in Yingge, while also fostering students' interest and understanding of pottery.



Image: Xu Xulun, selected as a master of the "Taiwan Craft Home" by the Ministry of Culture, exhibits his work "Green Earth Golden Parrot Teapot Set."



Image: "Flower Blooming Wealth" ceramic piece by Master Zhang Meiyun.



TBI Motion has a deep emotional connection with Yingge and hopes that through this pottery exhibition and donation activities, more outstanding technical and vocational talents can be cultivated, achieving sustainable prosperity for the enterprise, school, and pottery industry.



Image: A group photo of TBI Motion and the Yingge Vocational High School pottery exhibition



Image: Yingge Vocational High School President Wang Hongyi donates the "Little Ceramic God" picture book.



TBI Motion Technology Co., Ltd. is committed to responding to global sustainability challenges through the implementation of sustainable strategies. Starting in July 2023, we have collaborated with the USR project of the College of Business at National Taipei University. With the assistance of the professional team from the Center for Corporate Sustainability at National Taipei University, we actively strengthen our ESG information disclosure. Additionally, we conduct TCFD, SASB, and risk management training courses.

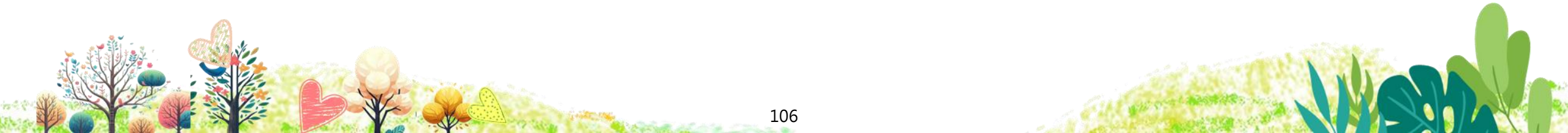
Through this collaboration, we strive to enhance the transparency and effectiveness of our sustainability reporting, ensuring that our operations comply with regulations and global sustainability standards. We have also established a stakeholder questionnaire to gain a deeper understanding of stakeholder needs, promoting communication and improving our sustainability strategies. Furthermore, we have strengthened the ESG section on our official website to provide the latest sustainability information in both Chinese and English and have published an English sustainability report, demonstrating our commitment to sustainable development.



Image: TBI Motion Technology and National Taipei University College of Business USR Project - SASB and TCFD Courses



Image: Group Photo of TBI Motion Technology and National Taipei University College of Business USR Project



# ***Appendix***

**7-1 GRI Content Index (following GRI Standards)**

**7-2 SASB Standards Index**

**7-3 TCFD Index Table**



GRI Standards	Disclosure	Corresponding Section/Additional Notes	Page
<b>General Disclosures</b>			
GRI 2 : General Disclosure (2021)	2-1	Organizational Details	2-1   Company Overview   38
	2-2	Entities Included in the Organization’s Sustainability Reporting	About the Report   3
	2-3	Reporting Period, Frequency, and Contact Point	About the Report   3
	2-4	Restatements of Information	About the Report   3
	2-5	External Assurance	About the Report   3
	2-6	Activities, Value Chain, and Other Business Relationships	2-1   Company Overview   38
			2-7   Sustainable Supply Chain Management   52
	2-7	Employees	4-1   Employee Structure and Analysis   67
	2-8	Workers who are not Employees	4-1   Employee Structure and Analysis   67-68
	2-9	Governance Structure and Composition	2-2   Governance Organization   42
	2-10	Nomination and Selection of the Highest Governance Body	2-2-1   Board of Directors   43
	2-11	Chair of the Highest Governance Body	In 2023, the Chairman did not concurrently hold the position of CEO/General Manager   -
	2-12	Role of the Highest Governance Body in Overseeing the Management of Impacts	1-1   Sustainable Governance Framework   10
	2-13	Delegation of Responsibility for Managing Impacts	1-1   Sustainable Governance Framework   10
1-3-3   Materiality Analysis   20-26			
2-14	Role of the Highest Governance Body in Sustainability Reporting	1-1   Sustainable Governance Framework   10	

[7-1. GRI Content Index \(following GRI Standards\)](#)
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GRI Standards	Disclosure	Corresponding Section/Additional Notes	Page	
<b>General Disclosures</b>				
GRI 2 : General Disclosure (2021)	2-15	Conflicts of Interest	2-4 Integrity Management	47
	2-16	Communication of Critical Concerns	1-1 Sustainable Governance Framework	10
	2-17	Collective Knowledge of the Highest Governance Body	2-2-1 Board of Directors	44
	2-18	Evaluation of the Performance of the Highest Governance Body	2-2-1 Board of Directors	44
	2-19	Remuneration Policies	2-2-3 Remuneration Committee	44
	2-20	Process to Determine Remuneration	2-2-3 Remuneration Committee	44
	2-21	Annual Total Compensation Ratio	In 2023, the total annual compensation of the highest-paid individual in the organization was 12.05 times the median of the total annual compensation of all employees. The percentage increase in the total annual compensation of the highest-paid individual was 0.92 times the percentage increase in the median of the total annual compensation of all employees.	
	2-22	Statement on Sustainable Development Strategy	Message from the Management	4-5
	2-23	Policy Commitments	1-2 Sustainable Goals	11-12
	2-24	Embedding Policy Commitments	2-7-4 Conflict Minerals	54
	2-25	Processes to Remediate Negative Impacts	2-4 Integrity Management	47
			1-3-3 Materiality Analysis	20-26
			4-2-7 Employee Communication Channels	73
	2-26	Mechanisms for Seeking Advice and Raising Concerns	1-3-3 Materiality Analysis	20-26
	2-27	Compliance with Laws and Regulations	2-4-1 Regulatory Compliance	48
2-28	Membership Associations	2-1-2 Participation in Associations and Chambers	41	
2-29	Approach to Stakeholder Engagement	1-3 Materiality Analysis and Stakeholder Communication	13-16	
2-30	Collective Agreements	The company has not established a labor union or signed any collective agreements.		

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GRI Standards		Disclosure		Corresponding Section/Additional Notes		Page
<b>Materiality</b>						
GRI 3 : Material Topic Disclosure 2021	3-1	Process to Determine Material Topics	1-3-3	Materiality Analysis	17-18	
	3-2	List of Material Topics	1-3-3	Materiality Analysis	19	
	3-3	Management of Material Topics	1-3-4	Management Guidelines for Materiality Topics	20-32	
<b>Economic Performance</b>						
GRI 3 : Material Topic Disclosure 2021	3-3	Management of Material Topics	1-3-4	Management Guidelines for Materiality Topics	24	
GRI 201 : Economic Performance 2016	201-1	Direct Economic Value Generated and Distributed	2-3	Economic Performance	45	
	201-4	Financial Assistance Received from Government	2-3	Economic Performance	46	
<b>Ethical Business</b>						
GRI 3 : Material Topic Disclosure 2021	3-3	Management of Material Topics	1-3-4	Management Guidelines for Materiality Topics	21	
GRI 205 : Anti-corruption 2016	205-3	Confirmed Incidents of Corruption and Actions Taken	2-4	Integrity Management (In 2023, no incidents of corruption involving breaches of integrity policies occurred.)	47	
GRI 206 : Anti-competitive Behavior 2016	206-1	Legal Actions for Anti-Competitive Behavior, Anti-Trust, and Monopoly Practices	2-4-1	Regulatory Compliance (In 2023, no legal actions were taken for anti-competitive behavior, anti-trust, or monopoly practices.)	48	
<b>Risk Management (Company-specific Topic)</b>						
GRI 3 : Material Topic Disclosure 2021	3-3	Management of Material Topics	1-3-4	Management Guidelines for Materiality Topics	20	
			2-5	Risk Management	49-50	
<b>Data Security and Privacy</b>						
GRI 3 : Material Topic Disclosure 2021	3-3	Management of Material Topics	1-3-4	Management Guidelines for Materiality Topics	21	
GRI 418 : Customer Privacy 2016	418-1	Substantiated Complaints Concerning Breaches of Customer Privacy and Losses of Customer Data	2-6	Information Security and Privacy (In 2023, no information security incidents involving data breaches, theft, or loss of customer data occurred.)	51	

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GRI Standards		Disclosure	Corresponding Section/Additional Notes		Page
<b>Sustainable Supply Chain Management</b>					
GRI 3 : Material Topic Disclosure 2021	3-3	Management of Material Topics	1-3-4	Management Guidelines for Materiality Topics	26
GRI 204 : Procurement Practices 2016	204-1	Proportion of Spending on Local Suppliers	2-7	Sustainable Supply Chain Management	52
GRI 308 : Supplier Environmental Assessment 2016	308-1	New Suppliers That Were Screened Using Environmental Criteria	2-7-3	Existing Suppliers	53
	308-2	Negative Environmental Impacts in the Supply Chain and Actions Taken	2-7-3	Existing Suppliers	53
GRI 414 : Supplier Social Assessment 2016	414-1	New Suppliers That Were Screened Using Social Criteria	2-7-3	Existing Suppliers	53
	414-2	Negative Social Impacts in the Supply Chain and Actions Taken	2-7-3	Existing Suppliers	53
<b>Product Quality and R&amp;D Innovation</b>					
GRI 3 : Material Topic Disclosure 2021	3-3	Management of Material Topics	1-3-4	Management Guidelines for Materiality Topics	20
			3-1	Product Technology Services	56-57
GRI 416 : Customer Health and Safety 2016	416-1	Assessment of the Health and Safety Impacts of Product and Service Categories	3-2	Product Quality and Regulations	59
	416-2	Incidents of Non-compliance Concerning the Health and Safety Impacts of Products and Services	3-2	Product Quality and Regulations (In 2023, no incidents of non-compliance concerning the health and safety impacts of products and services occurred.)	59
GRI 417 : Marketing and Labeling 2016	417-2	Incidents of Non-compliance Concerning Product and Service Information and Labeling	3-2	Product Quality and Regulations (In 2023, no incidents of non-compliance concerning product and service information occurred.)	59
	417-3	Incidents of Non-compliance Concerning Marketing Communications	3-2	Product Quality and Regulations (In 2023, no incidents of non-compliance concerning marketing communications occurred.)	59

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GRI Standards		Disclosure	Corresponding Section/Additional Notes		Page
<b>Talent Recruitment and Retention</b>					
GRI 3 : Material Topic Disclosure 2021	3-3	Management of Material Topics	1-3-4	Management Guidelines for Materiality Topics	22
GRI 201 : Economic Performance 2016	201-3	Defined Benefit Plan Obligations and Other Retirement Plans	4-2-5	Retirement System	73
GRI 401 : Employment 2016	401-1	New Employee Hires and Employee Turnover	4-2-1	New and Departing Employees	69
	401-2	Benefits Provided to Full-time Employees that are Not Provided to Temporary or Part-time Employees	4-2-3	Employee Compensation and Benefits	69-72
	401-3	Parental Leave	4-2-4	Parental Leave Benefits	72
GRI 402 : Labor/Management Relations 2016	402-1	Minimum Notice Periods Regarding Operational Changes	4-2-1	New and Departing Employees	69
GRI 405 : Diversity and Equal Opportunity 2016	405-2	Ratio of Basic Salary and Remuneration of Women to Men	4-2-3	Employee Compensation and Benefits	70
<b>Occupational Health and Safety</b>					
GRI 3 : Material Topic Disclosure 2021	3-3	Management of Material Topics	1-3-4	Management Guidelines for Materiality Topics	25
GRI 403 : Occupational Health and Safety 2018	403-1	Occupational Health and Safety Management System	4-4	Occupational Safety and Health	78
	403-2	Hazard Identification, Risk Assessment, and Incident Investigation	4-4-4	Occupational Safety and Health Risk Identification and Management	79
	403-3	Occupational Health Services	4-4-7	Health Promotion Activities and Measures	84
	403-4	Worker Participation, Consultation, and Communication on Occupational Health and Safety	4-4-3	Internal Organization Operations	79



GRI Standards		Disclosure	Corresponding Section/Additional Notes		Page
<b>Occupational Health and Safety</b>					
GRI 403 : Occupational Health and Safety 2018	403-5	Worker Training on Occupational Health and Safety	4-4-6	EHS Management Measures	82
	403-6	Promotion of Worker Health	4-4-7	Health Promotion Activities and Measures	84
	403-7	Prevention and Mitigation of Occupational Health and Safety Impacts Directly Linked by Business Relationships	4-4-6	EHS Management Measures	83
	403-8	Workers Covered by an Occupational Health and Safety Management System	4-4	Occupational Safety and Health	78
	403-9	Work-related Injuries	4-4-6	EHS Management Measures	83
	403-10	Work-related Ill Health	4-4-6	EHS Management Measures	84
<b>Energy Management</b>					
GRI 3 : Material Topic Disclosure 2021	3-3	Management of Material Topics	1-3-4	Management Guidelines for Materiality Topics	23
GRI 302 : Energy 2016	302-1	Energy Consumption within the Organization	5-3-1	Energy Consumption	91
	302-3	Energy Intensity	5-3-1	Energy Consumption	91
	302-4	Reduction of Energy Consumption	5-3-3	Energy Saving and Carbon Reduction Plan	93
GRI 305 : Emissions 2016	305-1	Direct (Scope 1) GHG Emissions	5-3-4	Greenhouse Gas Management	93-94
	305-2	Energy Indirect (Scope 2) GHG Emissions	5-3-4	Greenhouse Gas Management	93-94
	305-4	GHG Emissions Intensity	5-3-4	Greenhouse Gas Management	93-94

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GRI Standards		Disclosure	Corresponding Section/Additional Notes		Page
<b>Waste Management</b>					
GRI 3 : Material Topic Disclosure 2021	3-3	Management of Material Topics	1-3-4	Management Guidelines for Materiality Topics	26
GRI 306 : Effluents and Waste 2016	306-1	Waste Generation and Significant Waste-related Impacts	5-4	Waste Management	95-96
	306-2	Management of Significant Waste-related Impacts	5-4-3	Waste Audit Management	97
	306-3	Waste Generated	5-4	Waste Management	95
	306-4	Waste Diverted from Disposal	5-4	Waste Management	95
	306-5	Waste Directed to Disposal	5-4	Waste Management	95
<b>Other Topics</b>					
<b>Employee Diversity and Equality</b>					
GRI 405 : Diversity and Equal Opportunity 2016	405-1	Diversity of Governance Bodies and Employees	2-2-1	Board of Directors	43
			4-1	Employee Structure and Analysis	67
<b>Talent Development and Training</b>					
GRI 404 : Training and Education 2016	404-1	Average Hours of Training per Year per Employee	4-3	Talent Cultivation and Development	76
	404-2	Programs for Upgrading Employee Skills and Transition Assistance Programs	4-3	Talent Cultivation and Development	75
	404-3	Percentage of Employees Receiving Regular Performance and Career Development Reviews	4-3	Talent Cultivation and Development	77

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GRI Standards		Disclosure	Corresponding Section/Additional Notes		Page
Water Resources Management					
GRI 303 : Water and Effluents 2018	303-1	Interactions with Water as a Shared Resource	5-5	Water Management	98
	303-2	Management of Water Discharge-related Impacts	5-5	Water Management	98
	303-3	Water Withdrawal	5-5	Water Management	98
Community Engagement					
GRI 413 : Local Communities 2016	413-1	Operations with Local Community Engagement, Impact Assessments, and Development Programs	6-1	Social Care	101

[7-1. GRI Content Index \(following GRI Standards\)](#)
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SASB Standards	code	Practice Guidance	Type	Unit	Year 2022	Year 2023	Corresponding Section	Page	Notes
Energy Management	RT-IG-130a.1.	Total Energy Consumed	Quantitative	GJ	69,874.37GJ	54,881.72GJ	5-3 Energy Management and Greenhouse Gas Inventory	92	-
		Percentage of Grid Electricity	Quantitative	%	98.90%	98.90%	5-3 Energy Management and Greenhouse Gas Inventory	92	-
		Percentage of renewables	Quantitative	%	0.20%	0.30%	5-3 Energy Management and Greenhouse Gas Inventory	92	-
Employee Health and Safety	RT-IG-320a.1	Total Recordable Incident Rate (TRIR)	Quantitative	Rate	3.17	2.23	4-4-6 EHS Management Measures	83	Due to changes in market conditions and organizational growth needs, adjustments in human resources were made, resulting in a reduction in total employee hours, which led to differences in the lost-time injury rate over the two years.
		Work-related Fatalities Rate	Quantitative	Rate	0	0	4-4-6 EHS Management Measures	83	-
		Near Miss Frequency Rate (NMFR)	Quantitative	Rate	0	0	4-4-6 EHS Management Measures	83	-
Fuel Economy & Emissions in Use-phase	RT-IG-410a.1.	Sales-weighted Fleet Fuel Efficiency for Medium- and Heavy-duty Vehicles	Quantitative	L/100ton -km	Not applicable. All TBI Motion products are stationary/movable/generator equipment that is not fuel-powered.				
	RT-IG-410a.2.	Sales-weighted Fuel Efficiency for Non-road Equipment	Quantitative	L/hr					
	RT-IG-410a.3.	Sales-weighted Fuel Efficiency for Stationary Generators	Quantitative	L/hr					
	RT-IG-410a.4.	Sales-weighted emissions of: (1) nitrogen oxides (NOX) and (2) particulate matter (PM) for: (a) marine diesel engines, (b) locomotive diesel engines, (c) on-road medium- and heavy- duty engines, and (d) other non- road diesel engines	Quantitative	g/KJ					

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SASB Standards	code	Practice Guidance	Type	Unit	Year 2022	Year 2023	Corresponding Section	Page	Notes
Materials Sourcing	RT-IG-440a.1.	Description of Risks Associated with the Use of Critical Materials	Qualitative	-	TBI Motion is committed to non-conflict procurement in the supply chain, requiring new and existing suppliers to sign the "Conflict Minerals Policy Statement" to ensure that tin (Sn), tantalum (Ta), tungsten (W), gold (Au), and cobalt (Co) are not sourced from mines controlled by armed groups in the Democratic Republic of the Congo and its adjoining countries. In the future, we will continue to review the conflict minerals policies and actions of our suppliers to fulfill TBI Motion's commitment to using conflict-free minerals.				
Remanufacturing Design and Services	RT-IG-440b.1.	Revenue from Remanufactured Products and Services	Quantitative	Currency	The company currently does not recycle sold products into remanufactured products.				
Activity Indexs	RT-IG-000.A.	Number of Units Produced by Product Category	Quantitative	Number	Ball Screws 2,821,000PCS  Linear Guides 2,915,000PCS  Ball Splines 225,000PCS	Ball Screws 2,127,000PCS  Linear Guides 2,524,000PCS  Ball Splines 211,000PCS	-	-	-
	RT-IG-000.B.	Number of Employees	Quantitative	Number	1,315人	880人	4-1 Employee Structure and Analysis	67	Due to changes in market conditions and organizational growth needs, lean improvements in operations were implemented, and human resources adjustments were made to more effectively respond to market challenges while ensuring the sustainable development of the organization.

Aspect	Disclosure	Corresponding Section	Page
Governance	a) Describe the board’s oversight of climate-related risks and opportunities.	1-1 Sustainable Governance Framework	87
	b) Describe management’s role in assessing and managing climate-related risks and opportunities.	1-1 Sustainable Governance Framework	10、87
Strategy	a) Describe the climate-related risks and opportunities the organization has identified over the short, medium, and long term.	5-2 Climate Governance and Actions	88~89
	b) Describe the impact of climate-related risks and opportunities on the organization’s businesses, strategy, and financial planning.	5-2 Climate Governance and Actions	88~89
	c) Describe the resilience of the organization’s strategy, taking into consideration different climate-related scenarios, including a 2°C or lower scenario.	5-6 Climate Change Risk - Scenario Analysis and Cost Estimation	91
Risk Management	a) Describe the organization’s processes for identifying and assessing climate-related risks.	5-2 Climate Governance and Actions	87~88
	b) Describe the organization’s processes for managing climate-related risks.	5-2 Climate Governance and Actions	87
	c) Describe how processes for identifying, assessing, and managing climate-related risks are integrated into the organization’s overall risk management.	5-2 Climate Governance and Actions	49~50、87
Metrics and Targets	a) Disclose the metrics used by the organization to assess climate-related risks and opportunities in line with its strategy and risk management process.	5-2 Climate Governance and Actions	90
	b) Disclose Scope 1, Scope 2, and, if appropriate, Scope 3 greenhouse gas (GHG) emissions and the related risks.	5-3 Energy Management and Greenhouse Gas Inventory	94~95
	c) Describe the targets used by the organization to manage climate-related risks and opportunities and performance against targets.	5-2 Climate Governance and Actions	90

# LINEAR MOTION SOLUTION PROVIDER



Linear Guide | Ball Screw | Ball Spline | Rotary Series | Single Axis Actuator



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