



ASSURANCE STATEMENT

SGS TAIWAN LTD.'S REPORT ON SUSTAINABILITY ACTIVITIES IN THE CORETRONIC CORPORATION'S ESG REPORT FOR 2022

NATURE AND SCOPE OF THE ASSURANCE/VERIFICATION

SGS Taiwan Ltd. (hereinafter referred to as SGS) was commissioned by CORETRONIC CORPORATION. (hereinafter referred to as Coretronic) to conduct an independent assurance of the ESG Report for 2022. The scope of assurance is based on the SGS Sustainability Report Assurance methodology and AA1000 Assurance Standard v3 Type 2 High level to assess whether the text and data in accompanying tables contained in the report and complies with the GRI Universal Standard (2021) and AA1000 Accountability Principles (2018) during on-site verification (2023/02/01~2023/06/07) in Coretronic headquarter. The boundary of this report includes Coretronic Taiwan and oversea operational and production or service sites' specific performance data included the sampled text, and data in accompanying tables, contained in the report presented. The assurance process did not include the evaluation of specific performance information outside the scope, such as climate-related financial disclosures (TCFD).

SGS reserves the right to update the assurance statement from time to time depending on the level of report content discrepancy of the published version from the agreed standards requirements.

INTENDED USERS OF THIS ASSURANCE STATEMENT

This Assurance Statement is provided with the intention of informing all Coretronic's Stakeholders.

RESPONSIBILITIES

The information in the Coretronic's ESG Report of 2022 and its presentation are the responsibility of the directors or governing body (as applicable) and management of Coretronic. SGS has not been involved in the preparation of any of the material included in the ESG Report.

Our responsibility is to express an opinion on the report content within the scope of verification with the intention to inform all Coretronic's stakeholders.

ASSURANCE STANDARDS, TYPE AND LEVEL OF ASSURANCE

The SGS ESG & Sustainability Report Assurance protocols used to conduct assurance are based upon internationally recognized assurance guidance and standards including the principles of reporting process contained within the Global Reporting Initiative Sustainability Reporting Standards (GRI Standards) GRI 1: Foundation 2021 for report quality, GRI 2 General Disclosure 2021 for organisation's reporting practices and other organizational detail, GRI 3 2021 for organisation's process of determining material topics, its list of material topics and how to manages each topic, and the guidance on levels of assurance contained within the AA1000 series of standards.

The assurance of this report has been conducted according to the following Assurance Standards:

Assurance Standard Options	Level of Assurance
A	SGS ESG & SRA Assurance Protocols (based on GRI Principles and guidance in AA1000)
B	AA1000ASv3 Type 2 High Level (AA1000AP Evaluation plus evaluation of Specified Performance Information)

SCOPE OF ASSURANCE AND REPORTING CRITERIA

The scope of the assurance included evaluation of quality, accuracy and reliability of specified performance information as detailed below and evaluation of adherence to the following reporting criteria:

Reporting Criteria Options

1	GRI Universal Standard (2021) (In Accordance with)
2	AA1000 Accountability Principles (2018)
3	SASB (HARDWARE)

- evaluation of content veracity of the sustainability performance information in relation to the determined material topics at a high level of scrutiny for Coretronic and moderate level of scrutiny for subsidiaries, joint ventures, and applicable aspect boundaries outside of the organization covered by this report;
- AA1000 Assurance Standard v3 Type 2 evaluation of the report content and supporting management systems against the AA1000 Accountability Principles (2018);
- evaluation of the report against the requirements of Global Reporting Initiative Universal Standard 2021 (GRI 2, GRI 3, 200, 300 and 400 series) claimed in the GRI content index as material and in accordance with; and
- evaluation of the report against the SASB Disclosures and Metrics included in the HARDWARE Sustainability Accounting Standard (VERSION 2018-10) and conducted alongside an evaluation of accuracy assurance at moderate level of scrutiny.

ASSURANCE METHODOLOGY

The assurance comprised a combination of pre-assurance research, interviews with relevant employees, superintendents, Sustainability committee members and the senior management in Taiwan; documentation and record review and validation with external bodies and/or stakeholders where relevant.

LIMITATIONS AND MITIGATION

Financial data drawn directly from independently audited financial accounts and Task Force on Climate-related Financial Disclosures (TCFD) has not been checked back to source as part of this assurance process.

STATEMENT OF INDEPENDENCE AND COMPETENCE

The SGS Group of companies is the world leader in inspection, testing and verification, operating in more than 140 countries and providing services including management systems and service certification; quality, environmental, social and ethical auditing and training; environmental, social and sustainability report assurance. SGS affirm our independence from Coretronic, being free from bias and conflicts of interest with the organisation, its subsidiaries and stakeholders.

The assurance team was assembled based on their knowledge, experience and qualifications for this assignment, and comprised auditors registered with ISO 26000, ISO 20121, ISO 50001, SA8000, RBA, QMS, EMS, SMS, GPMS, CFP, WFP, GHG Verification and GHG Validation Lead Auditors and experience on the SRA Assurance service provisions.

VERIFICATION/ ASSURANCE OPINION

On the basis of the methodology described and the verification work performed, we are satisfied that the specified performance information included in the scope of assurance is accurate, reliable, has been fairly stated and has been prepared, in all material respects, in accordance with the reporting criteria.

We believe that the organisation has chosen an appropriate level of assurance for this stage in their reporting.

AA1000 ACCOUNTABILITY PRINCIPLES (2018) CONCLUSIONS, FINDINGS AND RECOMMENDATIONS

Inclusivity

Coretronic has demonstrated a good commitment to stakeholder inclusivity and stakeholder engagement. A variety of engagement efforts such as survey and communication to employees, customers, investors, suppliers, sustainability experts, and other stakeholders are implemented to underpin the organization's understanding of stakeholder concerns. For future reporting, Coretronic could undertake to allow full and balanced involvement by stakeholders in its varied decision-making processes related to sustainability.

Materiality

Coretronic has established effective processes for determining issues that are material to the business. Formal review has identified stakeholders and those issues that are material to each group and the report addresses these at an appropriate level to reflect their importance and priority to these stakeholders.

Responsiveness

The report includes coverage given to stakeholder engagement and channels for stakeholder feedback. Coretronic has responded in a way that addressed the needs, concerns and expectations of stakeholders.

Impact

Coretronic has demonstrated a process on identifying fairly encompass a range of environmental, social and governance topics from wide range of sources, such as activities, policies, programs, decisions and products and services, as well as any related performance. Impacts related to material topics were in place at target setting with qualitative and quantitative measurements and evaluation.

GLOBAL REPORTING INITIATIVE REPORTING STANDARDS CONCLUSIONS, FINDINGS AND RECOMMENDATIONS

The report, Coretronic's ESG Report of 2022, is adequately in accordance with the GRI Universal Standards 2021 and complies with the requirements set out in section 3 of GRI 1 Foundation 2021, where the significant impacts on the economy, environment, and people, including impacts on their human rights are assessed and disclosed following the guidance defined in GRI 3: Material Topic 2021, and the relevant 200/300/400 series Topic Standard related to Material Topic have been disclosed. It is considered a good practice for the highest governance body to actively engage in the review and approval of material issues. Their dedicated participation in the internal process demonstrates their commitment to ensuring the accuracy and integrity of the information presented. For future reporting, it is recommended to have more descriptions on how the organization has applied due diligence as a method for the identification and the evaluation of its impacts on the economy, environment, and people, including impacts on their human rights. When assessing impacts, Coretronic should consider sustainable challenges at local, regional, and global levels related to sectors and the geographic location of its activities and business relationships. It is strongly encouraged that Coretronic to provide more detailed disclosures of remuneration information, in alignment with GRI Indicator 2-21. Such disclosures enhance transparency and accountability, allowing stakeholders to gain a comprehensive understanding of the organization's remuneration policies, practices, and ratios.

SASB CONCLUSIONS, FINDINGS AND RECOMMENDATIONS

Coretronic has referenced with SASB's Standard, HARDWARE, VERSION 2018-10 to disclose information of material topics that are vital for enterprise value creation. The reporting boundaries of the disclosed information correspond to Coretronic's ESG Report of 2022 audited. Coretronic used SASB accounting and activity metrics to assess and manage the topic-related risks and opportunities, where relevant quantitative information was assessed for its accuracy and completeness to support the comparability of the data reported. Process to identify, assess, and manage topic-related risks and opportunities were integrated into Coretronic's overall management process. It is recommended that Coretronic adopts a practice of regular monitoring of peer disclosures to better understand evolving expectations among investors and other stakeholders. By staying abreast of peer disclosures, Coretronic can gain insights into industry trends, benchmarks, and evolving reporting practices. This monitoring process facilitates the identification of areas for improvement and ensures that Coretronic provides comparable information in its own reporting.

Signed:

For and on behalf of SGS Taiwan Ltd.



Stephen Pao
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Taipei, Taiwan
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