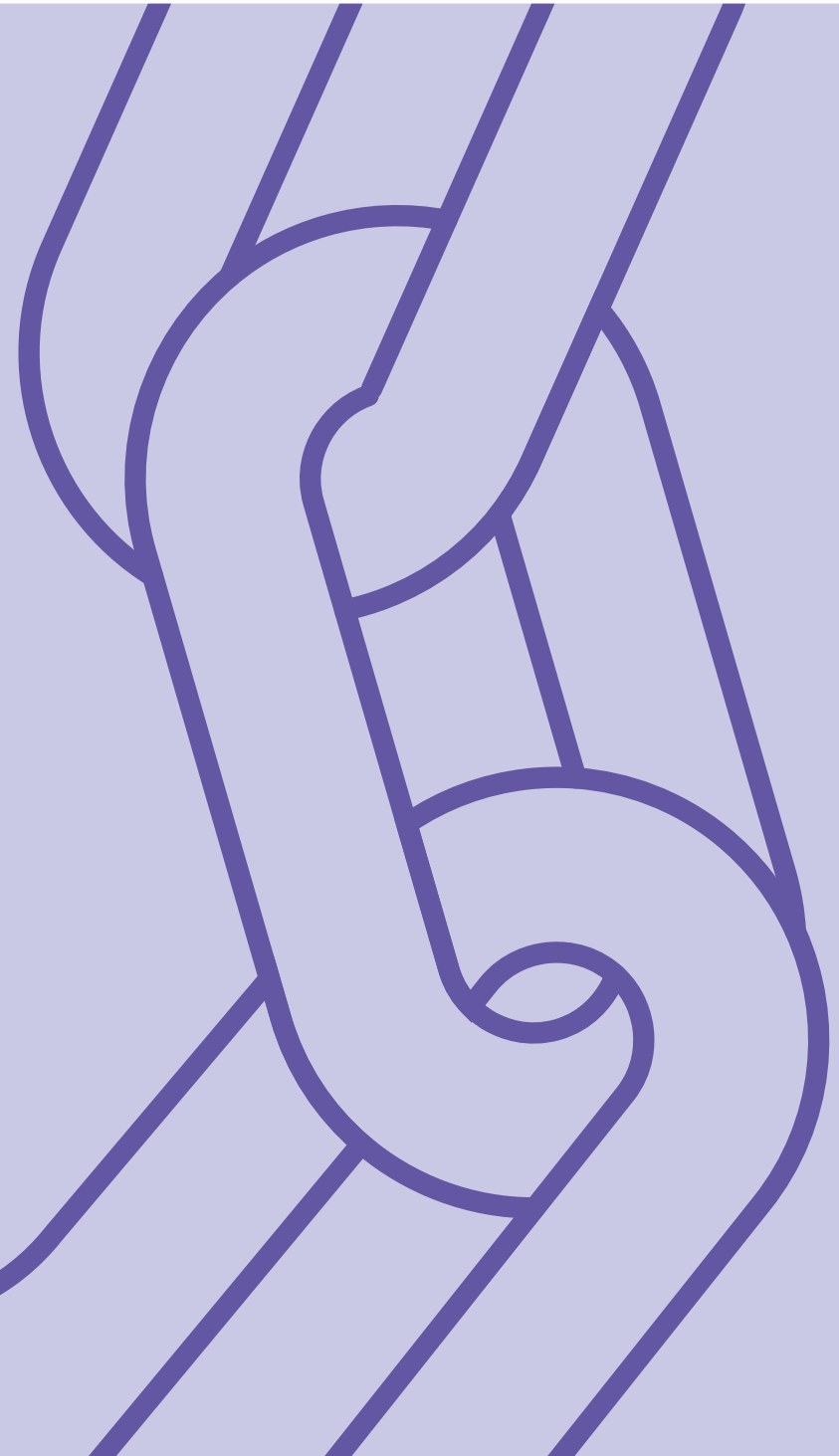


## RESPONSIBLE PROCUREMENT

The supply chain plays a critical role in maintaining and boosting our competitive advantage. We believe in developing mutually beneficial partnerships with our suppliers, and supporting one another to achieve common sustainability goals. Our comprehensive and sustainable supply chain framework ensures an environmentally responsible supply chain that complies fully with business ethics, and supports a safe and healthy working environment by respecting employee and labor rights.

Sustainable development across the supply chain is an important tenet of our corporate strategy, and the company's board of directors has been designated the highest decision-making body for supply chain management. The board regularly reviews sustainability-related practices and performance, formulates strategies, and actively develops supplier capabilities to build a more resilient, diverse and sustainable value chain.



## 2024 Key Performance



**229** Suppliers  
Supplier Sustainability  
Physical Assessment






**↑ 730** Suppliers  
NonTier-1 Suppliers  
Management



**369** Suppliers  
Conflict Minerals  
Suppliers' Survey



**100%**  
DRC Conflict-Free  
Products

SDGs	Business Actions	2024 Material Aspects	KPI	2024 Target	Status	2024 Performance	2025 Target	2030 Target
 	Ensure that all employees across the business and supply chain earn a wage that allows them to support the education of their dependents and ensure that there is zero child labor.	Sustainability Supply Chain	DRC Conflict-Free Product Lines of Packaging and Material Services (%)	100%	Achieved	100%	100%	100%
			DRC Conflict-Free Product Lines of Electronic Manufacturing Services (%)	100%	Achieved	100%	100%	100%
			Number of Supplier Sustainability On-site Assessment <sup>1</sup>	100	Achieved	229	120	120
			Non Tier-1 Suppliers Conduct Risk Assessment <sup>2</sup> (%)	>50%	Achieved	57.6%	>50%	>50%
	Substantially reduce emissions from our supply chain and our operations, in alignment with climate science.		The percentage of key carbon reduction suppliers <sup>3</sup> who have obtained GHG emissions verification (ISO 14064 or equivalent) (%) <sup>4</sup>	-	-	-	50%	100%
			The percentage of key carbon reduction suppliers who have obtained product carbon footprint verification (%) <sup>4</sup>	-	-	-	30%	80%

<sup>1</sup> On-site Assessment includes remote audit, on-site audit, RBA VAP and independent 3rd-party audit

<sup>2</sup> The percentage of non Tier-1 raw material suppliers conduct risk assessment are calculated based on their share of total procurement amount relative to Tier-1 raw material suppliers

<sup>3</sup> Key Carbon Reduction Suppliers: For ATM: (1) Top 10 raw material categories by carbon emissions; (2) Equipment suppliers with high procurement amount ; For EMS: (1) Top 5 raw material categories by carbon emissions; (2) Equipment suppliers with high energy consumption. In 2024, a total of 80 key carbon reduction suppliers were identified (53 raw material suppliers and 27 equipment suppliers)

<sup>4</sup> New Targets in 2025

## 7.1 Supply Chain Sustainability Management

ASEH is committed to become an advocator and an action maker with regard to corporate sustainability issues. Since 2015, ASEH has joined RBA and proactively participated in relevant conferences and training courses. In addition to complying with the RBA Code of Conduct, The ASEH Supplier Code of Conduct and Sustainability Assessment Questionnaire (SAQ) have been formulated based on the standards and guidelines of the RBA, OECD Guidelines for Multinational Enterprises, UN Guiding Principles on Business and Human Rights, UN Universal Declaration of Human Rights, ILO Declaration of Fundamental Principles and Rights at Work, ILO Fundamental Conventions and SA8000 in the management of labor, environment and ethics. ASEH also applies the code to its supply chain management to ensure the provision of a safe work environment, respect for workers, environmental protection, ethical conduct and actively applied to sustainability management in supply chain.

New suppliers are required to sign the Supplier Code of Conduct before any business engagement, and the relevant policies will also be stated clearly in our supplier e-platforms, to ensure full compliance. Suppliers' status of compliance with this Code will be a prerequisite for ASEH's evaluation of qualified suppliers and purchasing decisions. In parallel, we require approved suppliers to acquire certifications in ISO 9001, IATF 16949, ISO14001, ISO 45001, while key carbon reduction suppliers are required to acquire ISO 14064-1 (or equivalent third-party certification) or ISO 14067 certifications for continuous sustainability improvements and raising their competitiveness.

### Supplier Code of Conduct

To ensure ASEH's core sustainability value can be extended throughout our supply chain. ASEH's suppliers are expected to comply with our Supplier Code of Conduct which requires them to comply with local laws and regulations where they operate, and conduct business in a manner that meets labor, health and safety, environment, business ethics, management and various corporate compliance standards. The suppliers are required to drive their suppliers to meet such standards and oversee their compliance status. ASEH also applies the code to its supply chain management to ensure the provision of a safe work environment, respect for workers, environmental protection and ethical conduct. ASEH forbids the use of child labor or forced labor by its suppliers, and shall terminate its relationship with suppliers involved in serious violations although no such instances were found in 2024.

Please visit: <https://www.aseglobal.com/en/pdf/aseh-supplier-coc-en.pdf>

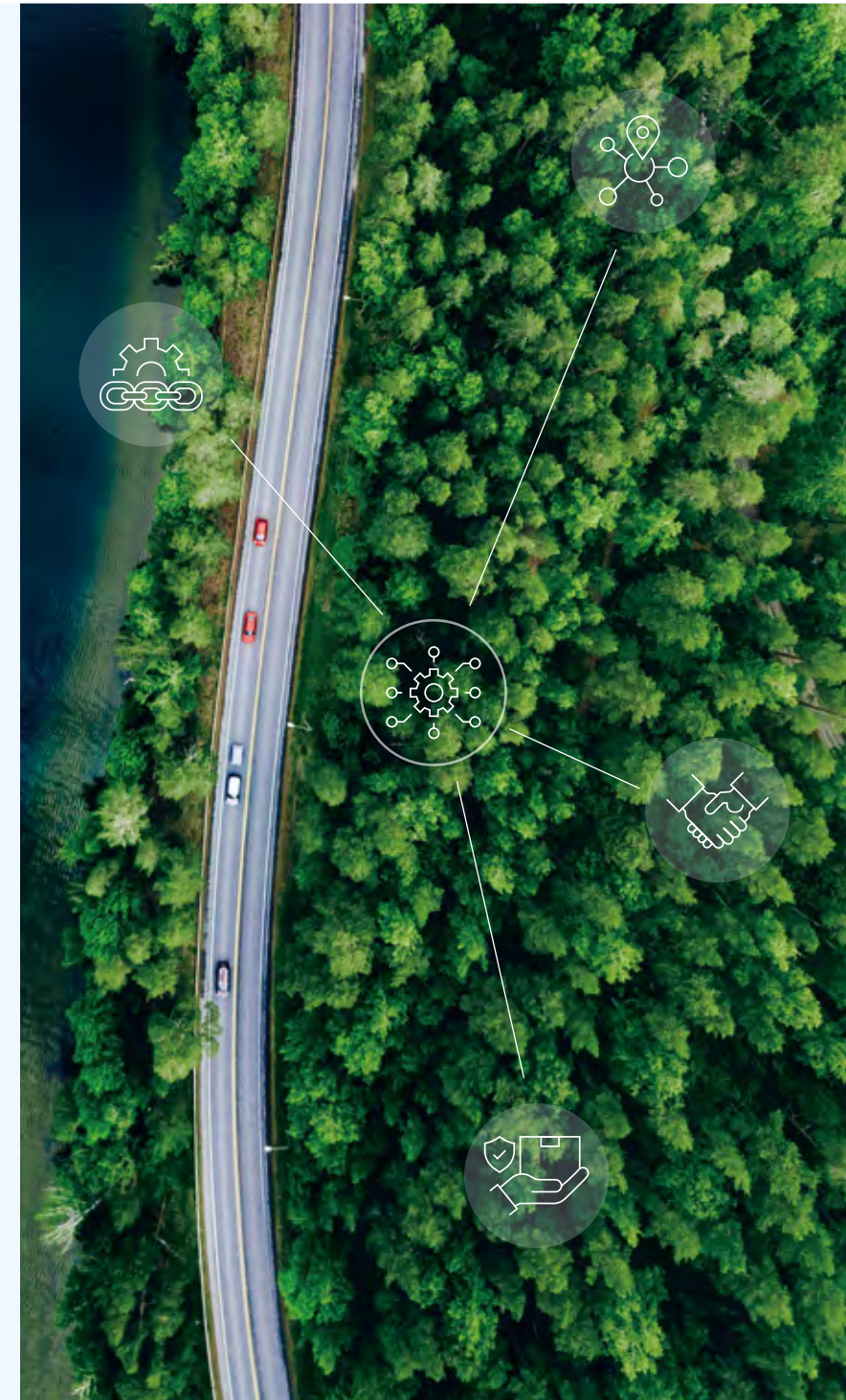
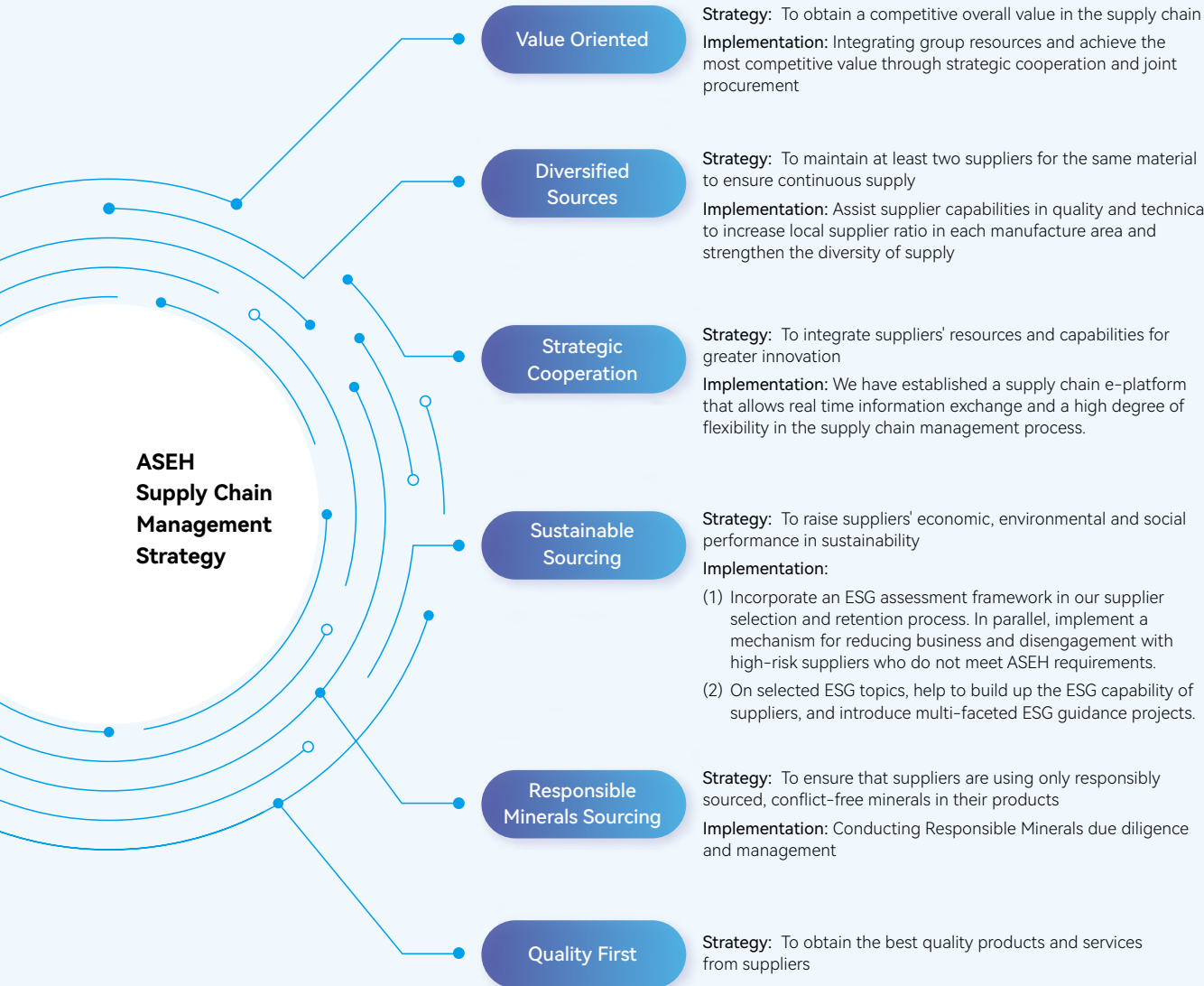
### Purchasing and Supply Chain Development Policy

The ASEH corporate purchasing and supply chain development policy is published on our official website. We are committed to working closely with our suppliers to innovate and develop sustainable technologies that enable us to offer high-quality products and services to our customers.

Please visit: [https://www.aseglobal.com/en/pdf/2019\\_aseth\\_purchasingandsupplychaindevelopmentpolicy.pdf](https://www.aseglobal.com/en/pdf/2019_aseth_purchasingandsupplychaindevelopmentpolicy.pdf)

## Supply Chain Management Strategy

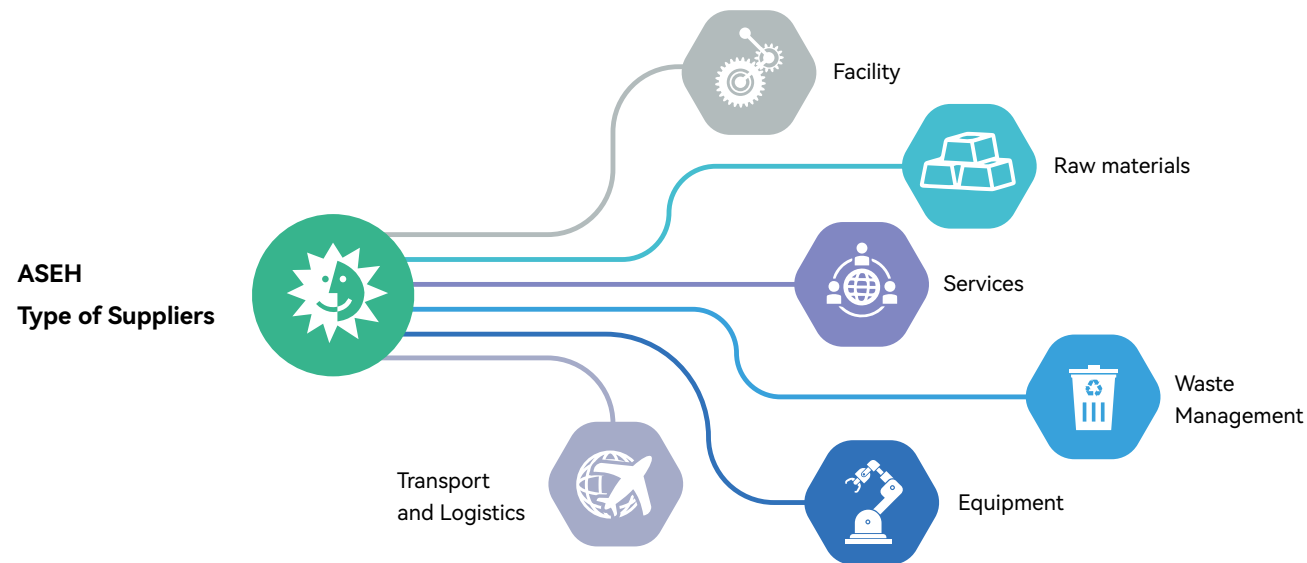
ASEH is committed to building solid supplier relationships and engaging in responsible procurement practices. While cost and quality are primary factors influencing our procurement decisions, we place an equally high emphasis on the overall sustainable value provided by the supply chain. We actively address emerging sustainability issues and risks in the supply chain, develop detailed management strategies, implement them through realistic action plans, and conduct dynamic and timely risk and opportunity assessments. In recent years, we have designed innovative programs that encourage supplier collaboration on sustainability topics. This further strengthens supplier resilience and collaboration for a win-win ecosystem.





## 7.2 Supply Chain Overview

As a global leader in semiconductor assembly and testing services as well as a key systems and core technology integrator, ASEH primarily provides assembly, testing and material (ATM) services and electronics manufacturing services (EMS). With an aim to continuously elevate customer trust, we strengthen our service globally by providing manufacture base throughout Taiwan, China, Japan, South Korea, Malaysia, Singapore, Vietnam, the U.S.A. and Mexico. Our procurement is classified into raw materials, equipment, facility, engineering, waste management, services, transport, logistics and subcontract services. We require all our suppliers to strictly follow the Supplier Code of Conduct and the company's risk assessment policies.



The supplier of raw material and equipment has the most direct impact on ASEH's day-to-day operations and manufacturing. Raw material suppliers are classified into two categories according to their attributes: direct material suppliers (suppliers of materials directly related to manufacturing) and indirect/packaging material suppliers (suppliers of packaging materials or materials indirectly related to manufacturing). To enhance supply chain resilience, we have established different levels of requirements and management policies according to the grade of importance of each operation. To manage our resources effectively, we place a high level of focus on raw material and equipment suppliers that regularly conduct business with us. Essentially, regular suppliers whose annual sale to us is in excess of a certain amount are classified as Tier-1 suppliers<sup>1</sup>, and subjected to greater oversight. On the other hand, suppliers who have recorded major infractions or significant incidents, or potential negative ESG exposures, are also classified as significant suppliers and subjected to higher levels of scrutiny and supervision.

<sup>1</sup> Definition of a Tier-1 supplier: (1) Raw material supplier: Annual procurement spend of over US\$0.2 million with 2 consecutive years of business with ASEH. (2) Equipment supplier: Among the top 80% of annual procurement amount, and 2 consecutive years of active transactions with the company. In 2024, a total of 904 Tier-1 suppliers were identified



## Significant Supplier (Tier-1 and non Tier-1)<sup>1</sup>

### Significant Tier-1 Supplier

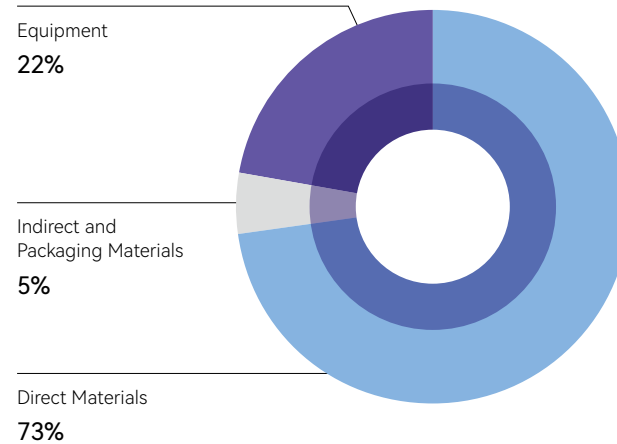
- (1) Top 85% of raw material and equipment procurement amount with 2 consecutive years of business with ASEH
- (2) Sole-source or irreplaceable
- (3) Records of major incidents or violations
- (4) Potential ESG risks (Environmental: hazardous substance management ; Social: child labor, forced labor ; Governance: corruption, bribery, supply disruptions)



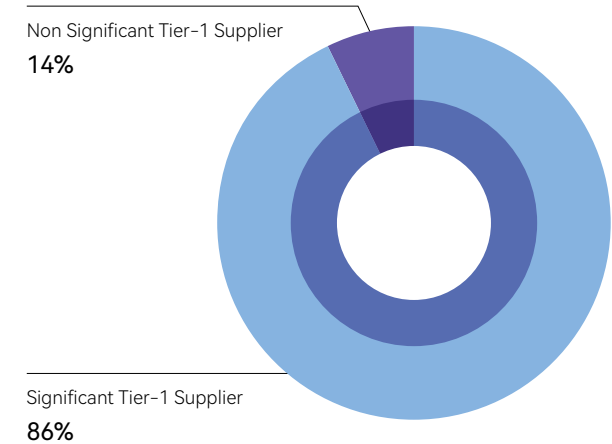
### Significant non Tier-1 Supplier

- (1) ATM: Top 5 suppliers of critical raw materials; EMS: Raw material producers for Tier-1 critical raw material suppliers
- (2) Records of major incidents or violations
- (3) Potential ESG risks (Environmental: hazardous substance management ; Social: child labor, forced labor ; Governance: corruption, bribery, supply disruptions)

### 2024 Significant Tier-1 Supplier Category (by Procurement Amount)



### 2024 Significant Tier-1 Supplier and Non Significant Tier-1 Supplier Distribution (by Procurement Amount)



<sup>1</sup> In 2024, a total of 218 significant suppliers (182 significant Tier-1 suppliers and 36 significant non Tier-1 suppliers)

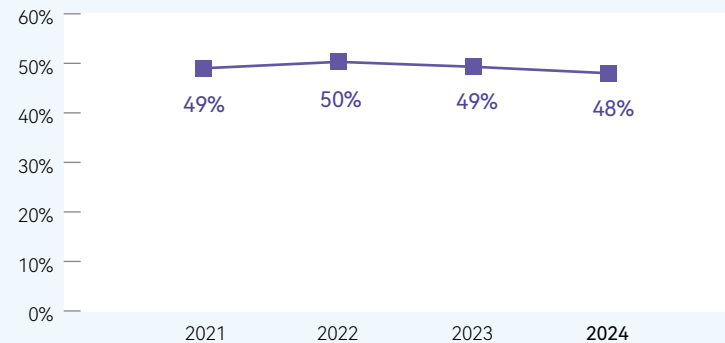
## Non Tier-1 Suppliers Risk Management

Our scope of risk management was also expanded to non Tier-1 suppliers. There are currently over 730 non Tier-1 raw material suppliers which accounted for 57.6% of Tier-1 supplier's total procurement amount. Initial risk assessments were conducted on non Tier-1 suppliers by geographic locations as well as material type. We identified non Tier-1 significant suppliers by preliminary risk assessments, which were based on geographical locations and the types of materials supplied, as well as business relationships with their Tier-1 raw material suppliers, major accident records, and potential negative ESG impacts. ASEH shall continue to monitor our suppliers' performance closely, and pursue greater risk control measures. Moreover, to further reduce supply chain risks, ASEH has begun to implement sustainability risk management for non Tier-1 suppliers. In 2024, we conducted sustainability surveys on 23% of our non Tier-1 suppliers, of which 6% had undergone on-site/remote audits or RBA VAPs. We will continue to expand the integration of our sustainability risk management processes for non Tier-1 suppliers so that we can achieve a more robust and resilient supply chain.

## Supporting Local Suppliers

In 2024, procurement from local suppliers<sup>1</sup> is accounted for approximately 48.1% of our total procurement amount while local procurement is account for 52% in main operation base, Taiwan. The close collaboration between ASEH and its local suppliers help to boost product quality and technological capabilities. Besides lowering carbon emissions and creating more job opportunities within the domestic market, local procurement also provides cost advantages and a shorter cycle time. Overall, a robust local procurement strategy contributes to the advancement of a highly efficient and competitive semiconductor industry chain.

Local Purchasing Spends (%)



<sup>1</sup> Local supplier refers to the supplier's register location is located at the same country where our manufacturing facility is located. For example, if the supplier's factory is registered in Taiwan, it is regarded as local procurement for ASE's Taiwan








## 7.3 Supply Chain Resilience

ASEH believes that proactively assisting suppliers in enhancing their capabilities is critical to the prosperity of the supply chain and progress toward a sustainable future. As part of our supply chain growth strategy, we have formulated a wide range of programs that provide suppliers a variety of resources and information, such as the annual sustainability forums, sustainability enhancement programs, and ESG workshops and educational training. These programs aim to drive stronger partnerships, allowing us to respond quickly to changing environments.

### Building Low-Carbon Supply Chain

As we race towards net-zero, enhancing the integrity of carbon emissions data and targeted reduction measures across the supply chain are key approaches to our supply chain decarbonization. Our strategy comprises 5 key pillars: establishing low-carbon strategies, enhancing carbon data transparency, driving low-carbon supply chain transformation, implementing low-carbon transportation solutions, and building a low-carbon supply chain.

#### 5 Key Pillars of a Low-Carbon Supply Chain

Establishing a Low-Carbon Strategies 	Enhancing Carbon Data Transparency 	Driving Low-Carbon Supply Chain Transformation 	Implementing Low-Carbon Transportation Solutions 	Building a Low-Carbon Supply Chain 
<ul style="list-style-type: none"> <li>Establishing a low-carbon supplier selection and retention system</li> <li>Supply chain emissions hotspot analysis and decarbonization target setting</li> </ul>	<ul style="list-style-type: none"> <li>Developing a supplier carbon data platform</li> <li>Improving supplier carbon data transparency and promoting third-party verification</li> <li>Inviting suppliers to join the CDP supply chain program</li> </ul>	<ul style="list-style-type: none"> <li>Promoting the use of low-carbon materials</li> <li>Designing low-energy and high-efficiency equipment</li> <li>Facilitating supplier adoption of renewable energy through joint procurement initiatives</li> </ul>	<ul style="list-style-type: none"> <li>Encouraging suppliers to adopt low-carbon vehicles and fuels</li> </ul>	<ul style="list-style-type: none"> <li>Enhancing carbon management awareness and reduction actions among sub-tier suppliers</li> </ul>



### Establishing Low-Carbon Strategies

Carbon emissions performance metrics are integrated into our supplier selection and retention criteria, framed together with a clear set of reduction targets to guide supplier engagement and accountability. Suppliers are also classified into different categories with attention prioritized on managing those providing high volumes of goods and services to the company, as well as suppliers with substantial carbon footprints. For these category of suppliers, we require them to set short- and medium-term carbon reduction goals and implement decarbonization measures.

### Enhancing Carbon Data Transparency

We conducted a thorough analysis of emission hotspots across our supply chain to identify key decarbonization partners (suppliers of high-emission raw materials, high procurement volume of goods and services, and energy-intensive equipment) from the ATM and EMS sectors. These critical suppliers are expected to obtain ISO 14064-1 greenhouse gas inventory verification or equivalent third-party certification by 2030. Additionally, designated raw materials must undergo verification in accordance with ISO 14067 for product carbon footprint assessment. We are stepping up our engagement with suppliers to strengthen capabilities and performance in carbon management (including responses to climate risk and opportunities) by setting decarbonization targets and actions. In 2025, the company is collaborating with CDP to launch a Supply Chain Climate Change and Water Security questionnaire. ASEH's suppliers are highly encouraged to participate in the CDP Supply Chain Program, which aims to improve the quality and transparency of supply chain carbon data.

Since 2022, ASEH has invested in resources as well as partnered with external consultants to help suppliers develop GHG and product carbon footprint management systems that meet regulatory requirements. We are also providing online and on-site guidance to our suppliers in developing ISO 14064 and ISO 14067 inventory capabilities and obtaining third-party verification. As of 2024, we have supported 28 raw material and equipment suppliers to achieve external certification successfully. By continuously expanding our collaboration with suppliers, we aim to enhance carbon management capabilities collectively through identifying carbon hotspots across our supply chain and driving the development of emission reduction plans. Suppliers who have successfully obtained GHG and carbon footprint verification are publicly commended at the ASEH annual supplier conference. Through peer-sharing and healthy competition, we can confidently influence suppliers to incorporate robust carbon management in their business operations.



2024 Best Supplier Award Ceremony – Recognition of suppliers who have achieved carbon inventory verification

## Driving Low-Carbon Supply Chain Transformation

To support ASEH's net-zero emissions goal, we are committed to reducing the climate impact of our supply chain, making Scope 3 emissions reduction a critical priority. ASEH has launched tailored low-carbon initiatives for different categories of suppliers. For raw material suppliers, our focus is on reducing their production-related emissions by enhancing material use efficiency, requiring the adoption of low-carbon manufacturing processes or the substitution of low-carbon materials, and increasing the use of recycled minerals to reduce dependence on virgin metal resources. In addition, we have asked key raw material suppliers engaged in carbon reduction initiatives to achieve a 20% reduction in greenhouse gas emissions by 2035. For equipment suppliers, we have jointly released the Equipment Energy Management White Paper and incorporated energy-saving requirements into new equipment procurement specifications. In 2025, we have launched the Equipment Supplier Energy-Saving Project, which introduces energy management and efficiency design standards for packaging and testing equipment. Through the white paper and innovative design efforts, we will partner with suppliers to develop the next generation of low-energy, and high-efficiency equipment with the goal of reducing energy consumption per unit output by 20% by 2030. ASEH also promotes a joint renewable energy procurement initiative across the supply chain. By surveying suppliers' renewable energy needs and helping them expand their renewable sourcing, we are working to build a low-carbon and resilient supplier ecosystem.

## Facilitating Low-Carbon Transportation

Upstream and downstream emissions from transportation have a direct impact to ASEH's Scope 3 emissions. To reduce emissions, we optimize procurement strategies and delivery schedules for products and equipment, favoring sea freight over air freight and promoting local sourcing. Additionally, we encourage suppliers to progressively adopt low-carbon transportation methods, including the use of low-carbon fuels, to lower transportation-related emissions across the supply chain.



2024 Best Supplier Award Ceremony – Launch ceremony for the Equipment Supplier Energy-Saving Project





## Sustainable Supply Chain Development Program

### Annual Sustainability Forum

In 2024, USI hosted the Annual Sustainability Forum, bringing in a total number of 500 participants from suppliers

USI

- Communicate USI Corporation's requirements for supplier sustainability risk management
- Promote USI Corporation's green products, conflict minerals policy and management requirements, and sustainable raw material requirement
- Sharing ESG Experiences by Suppliers
- Featured Topic - Green Ocean Business Opportunities in the Supply Chain Market

### Sustainable Capacity Building Program

#### Carbon Reduction and Water Conservation Guidance Project

Target: Raw material supplier

To reduce the waste of resources and enhance green sustainability awareness, since 2021, ASE Kaohsiung has provided support to suppliers in reducing GHG and water resource consumption and, at the same time, established a 3% reduction target for both GHG and water resources. In 2024, a total of 61 critical suppliers committed to this endeavor and worked with ASE to set reduction targets and action plans. In 2024, we successfully reduced GHG emissions by 840,226 tons of CO<sub>2</sub>e across our supply chain, equivalent to a 3.04% annual reduction, and reduced water consumption by 4,875,629 tons, equivalent to 3.38% annual water saving. Both reduction outcomes exceeded our established target of 3% for 2024.

To enhance suppliers' carbon reduction performance, ASE Kaohsiung invited experts to conduct online classes to help suppliers identify carbon hotspots and provide relevant recommendations. In 2025, expert teams will be scheduled to conduct on-site support to strengthen our suppliers' carbon reduction and water conservation efforts.

#### Information Security Evaluation and Management

Target: Raw material and Equipment supplier

As a response to the increasing digitalization of the supply chain and cybersecurity threats, we established a supplier information security evaluation system in 2022 to ensure supply chain resilience. Evaluation of key suppliers are conducted in four steps: current status assessment, improvement support, results confirmation, and cyclical review. In 2024, we completed cybersecurity evaluations for 96 equipment suppliers, identifying their cyber risks and weaknesses. A support team, formed by our subsidiaries, provides prioritized improvement suggestions and conducts follow-up site visits the following year to track the improvement results. This comprehensive supply chain cybersecurity management ensures the operational safety of ASEH and enhances the overall cybersecurity resilience of the supply chain.

## ESG Workshops and Educational Training

We believe in sharing and communicating with our suppliers to promote our commitment of a sustainable value chain and expectations on sustainability management and ESG performance. In tandem, we hold regular workshops on sustainability topics and training sessions adapted to the different attributes of each supplier category. Establishing effective platforms for dynamic two-way communication with our suppliers help foster continuous cooperation on sustainable development and boost the agility of the supply chain in responding to sustainability trends and risks.

Supplier ESG Academy	Number of total participants: nearly 1000
ASE – Kaohsiung Target: Raw material supplier, Equipment supplier	In 2024, ASE Kaohsiung launched the Supplier ESG Academy and established an online learning platform to support supplier ESG development. The platform offers a series of video-based courses aligned with international sustainability trends, enabling suppliers to access training at any time and from anywhere, with the flexibility to revisit content as needed. To ensure structured learning, our ESG project team has developed a customized curriculum of 10 ESG courses, organized into 3 levels: foundational, intermediate, and advanced. Suppliers are required to complete a minimum of 3 hours of ESG training annually. The platform also tracks supplier learning progress, allowing us to provide timely support and enhance supplier sustainability capabilities.
ESG Workshops – Sustainable Supply Chain Transformation Program	Number of total participants :62
ASE – Kaohsiung Target: Raw material supplier, Equipment supplier	<ul style="list-style-type: none"> <li>• Knowledge sharing of global net-zero trends</li> <li>• Sharing practical techniques for greenhouse gas and product carbon footprint inventory</li> <li>• Sharing of SBTi, renewable energy, and supply chain net-zero best practices</li> </ul>
Regular Educational Training	Number of total participants: 11,900
ASE – Kaohsiung, Chungli, ASE Shanghai (Material), Wuxi, and Korea USI Target: Raw material supplier, Facility, and Waste management supplier, Recruitment agency and Service provider	<ul style="list-style-type: none"> <li>• Corporate sustainability requirements</li> <li>• Promote health and safety, food safety, and environmental health and safety policies</li> <li>• Disseminate knowledge on fire management, fire rescue, and fire emergency response mechanism</li> <li>• Hazard identification</li> <li>• Waste management carbon inventory</li> </ul>

## ASEH Supplier Sustainability Awards

As part of the company's endeavor to drive sustainable development across the supply chain, ASEH launched the Supplier Sustainability Awards in 2017 to recognize suppliers with outstanding sustainability performance. In 2020, we launched the Supplier Sustainability Awards, a brand new category that aligns with 2 of our core sustainability strategies – low-carbon and circular. The program encourages suppliers to submit sustainability partnership projects of between 1–2 year duration, for reviewed by ASEH and independent third parties. The submitted projects undergo a rigorous selection process based on the implementation timeframe and efficacy, and selected projects will be funded by the ASE Environmental Protection and Sustainability Foundation. At the second Supplier Sustainability Awards event held in 2023, we presented recognition plaques to 2 suppliers – one for the low carbon achievement and another for the circular achievement. We have currently completed on-site supplier audits through external consultants, and will conduct third-party verifications throughout 2025 on the supplier progress and performance. Funding will be provided based on the progress of the projects.

Sustainable Strategies	Selected Suppliers	Collaboration Project	2024 Achievements
Low Carbon	Hwa Shu Enterprise Co., Ltd.	Introduction of energy-saving electric heating system	<ul style="list-style-type: none"> <li>• Electricity savings: 955,197.4 kWh</li> <li>• Carbon emissions reduction: 471.8 tCO<sub>2</sub>e</li> </ul>
Circular	Chiu Tze Chemical Co., Ltd.	Waste liquid recycling and reuse	<ul style="list-style-type: none"> <li>• Waste liquid recovery and reuse rate: 90%</li> <li>• Reduction in plastic drum usage through circular packaging: 6,128 units</li> </ul>



## 7.4 Supply Chain Management Framework

### Supply Chain Management Organization

The supply chain plays an indispensable role in ASEH's corporate sustainability development. The ASEH board of directors is the highest decision making body of our supply chain management, and is responsible for endorsing key strategies and execution plans. To further our sustainability goals, the Corporate Sustainability and Information Security Committee was established to plan and supervise the company's sustainability management, submit progress and status reports to the board of directors, and establish the sustainability management policies and goals of the three subsidiaries. The Board of Directors formally approved the appointment of a Chief Procurement Officer (CPO). Mr. Andrew Tang, a board member, was elected to the post and is responsible for the development of group-wide sustainable supply chain strategies and overseeing the execution and performance of critical initiatives. He will also lead regular reviews of key sustainability targets and the corresponding implementation across the three major subsidiaries. Each subsidiary has its own Supply Chain Management Team tasked with driving action plans related to supply chain sustainability and advancing ASEH's mid-to long-term sustainability goals. The CPO and the subsidiary teams will jointly assess ESG-related supply chain issues and risks, providing necessary support, advocacy, and training to all sites as part of daily internal management.



### Enhancing Sustainability in Procurement through Education and Training

To improve the skillsets of ASEH's procurement teams at each subsidiary, we conduct regular systematic training that aims to increase the teams' sustainability awareness. This ensures that the teams have a deeper understanding of the company's yearly supply chain sustainability goals as well as effectively execute ASEH's procurement and supply chain development policies and strategies. The internal trainings instill the importance of sustainability in corporate procurement, and team interactions allow procurement teams from different entities to exchange ideas and foster a corporate culture of sustainability.

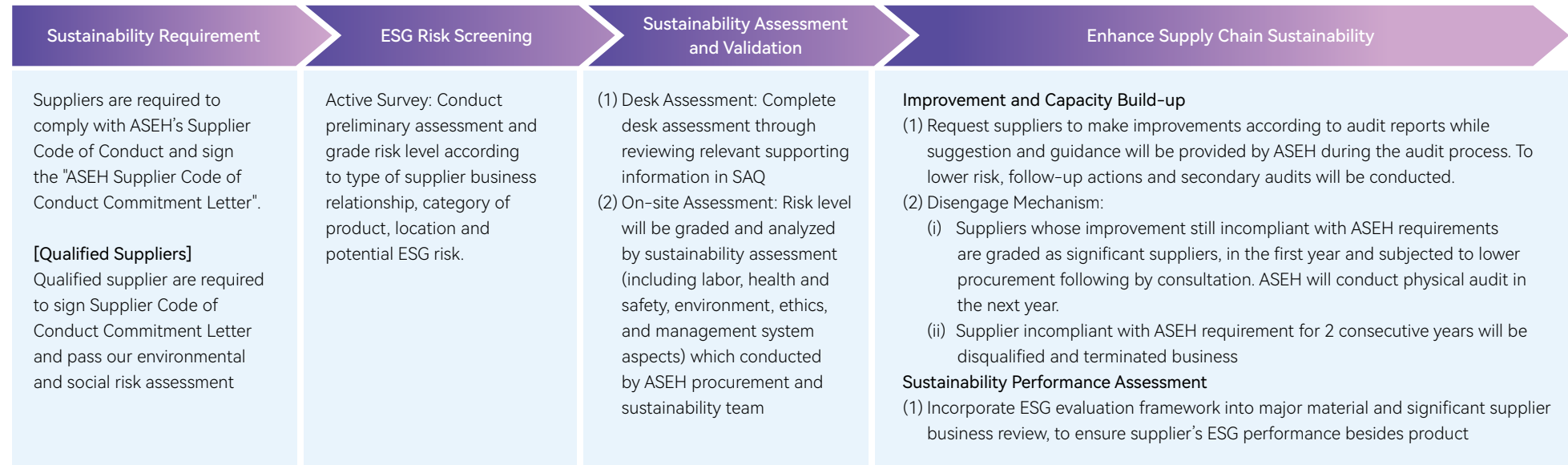
#### 2024 procurement education and training focus:

- Sustainable supply chain management organization
- Sustainable supply chain management mechanism and performance
- ASEH's net-zero commitment and supply chain engagement strategy and mid/ long- term goals
- Stakeholders' concerns on sustainability topics
- Supply chain information security management



## Supplier Sustainability Management Approach

As part of the ASEH Procurement and Supply Chain Development Policy and Commitment, we established a four-stage sustainability supply chain management process that is run repeatedly to ensure supplier compliance and enhance their sustainability performance. We have also established a series of supplier programs that aim to guide, and help build up our suppliers' ESG capabilities, so as to create a more sustainable supply chain together. We have also formulated mechanisms to closely monitor ESG performance for rewarding or disengaging with suppliers.



## Sustainability Assessment

ASEH is committed to continuously improving the sustainability and resilience of its supply chain. We incorporate ESG indicators into the evaluation of key raw materials and critical suppliers, accounting for 10%. ESG indicators are integral factors influencing our selection in addition to quality, cost, delivery time, and technology. We drive our suppliers diligently to adopt sustainable practices through proactive management strategies. Suppliers with the best ESG performance are recognized at our annual supplier day, and invited to share their expertise in sustainability development with other suppliers at the annual supplier forum. Outstanding suppliers also receive priority in our procurement selection policy.

### ESG Assessment Indicators

- Carbon Management: Greenhouse Gas Emission, Product Carbon Footprints, Carbon Reduction Target, Renewable Energy Target
- Environmental and Occupational Health Safety
- Responsible Minerals Management
- Penalty Record



2024 Supplier Conference – Best Supplier Award

## 7.5 Supply Chain Sustainability Management Performance

### Supplier ESG Risk Assessment

To better manage supplier risks, we established a 3-phase process to evaluate any underlying ESG risks at our suppliers. For suppliers that exhibit high levels of ESG risks, ASEH will closely monitor and supervise them through periodic audits and guidance to mitigate and control the risks effectively.

Phase I: Active Risk Assessment – Suppliers trading directly with ASEH	Phase II: Sustainability Assessment – Tier-1 Suppliers & Significant High-Risk Suppliers	Phase III- Supplier Sustainability Performance Improvement – Suppliers with Audit Findings
We conduct a preliminary risk assessment for all direct suppliers based on the procurement amount, business relationship, industry classification, and negative impacts on ESG performance (governance, environment, and society).	<p>Conduct desk assessments of all Tier-1 suppliers, focusing on supplier location, product-specific risks, and procurement amount. On-site assessments will be conducted based on the desk assessment results.</p> <ul style="list-style-type: none"> <li>• <b>Desk Assessment:</b> Conduct SAQ surveys on Tier-1 suppliers and request supporting documentation.</li> <li>• <b>On-site Assessment:</b> Based on the aforementioned assessment results, identify suppliers' potential impact and close business relationship with ASEH, and initiate on-site sustainability assessments and counseling.</li> </ul>	Performance Improvement: Regarding audit findings, on-site or remote support has been implemented to help suppliers develop corrective action plans and complete improvements within a specified timeframe.

#### Phase I: Active Risk Assessment – Suppliers trading directly with ASEH

We base our selection on the business relationship with our company and the purchase amount of all direct trading suppliers, we then assess the procurement category (eg. raw material, facility, equipment, contract services) and potential ESG risks.

Category	Assessment Methodology
Business Closeness	Conduct preliminary assessment by reviewing purchase amount and category of supplier (including material, facility, equipment supplier and service contractor)
Environment	(1) Major incidents or governmental, environmental, or social violation record (2) Potential negative impact (Environmental: hazardous substance management; Social: child labor, forced labor; Governance: corruption, bribery or supply disruption risk)
Social	
Governance	
Location/Country	Employ localized and high-risk regional controls at the supplier location. Identify risks according to geopolitics, regional conflicts and high-risk country factors.
Sector-specific	Identify industry specific risks by designing different types of sustainability assessment questionnaires focusing on specific risk topics
Commodity-specific	Screen key materials containing hazardous substances by material properties.

## Phase II: Sustainability Assessment - Tier-1 Supplier and Significant High-Risk Supplier

To cater for a diverse and complex supplier base, we have customized our sustainability self-assessment questionnaire (SAQ) according to the industry classification, and ESG risk assessments for different categories of suppliers. Facility, waste disposal, and service contractors are required to carry out annual sustainability risk assessments, based on our procurement amount and business relationship.

### Supplier Category and Sustainability Assessment Aspects

- **Raw Material and Equipment Supplier:** Labor, Health and Safety, Environmental Protection, Sustainable Governance and Risk Management, and Supply Chain Management
- **Facility and Waste Management Suppliers:** Labor, Health and Safety, Environmental Protection, Ethics, and Sustainable Management System
- **Service Providers:** Labor, Health and safety, Ethics, and Sustainable Management System

### Sustainability Risk Assessment Factors

#### Governance and Economic

- Flexibility, Quality, Cost, Service and Technology
- Sustainability Management Policies and Organization
- Risk Management
- Business Ethics
- Information Security
- Conflict Minerals Management
- Supply Chain Management



#### Environment

- Environmental Management System
- Renewable Energy Management
- Carbon Management and Reduction Strategy
- Water Management
- Waste Management
- Biodiversity
- Plastic Management

#### Social

- Occupational Health and Safety Management System
- Emergency Preparedness
- Labor Rights
- Labor Management System
- Human Rights
- Social Involvement



## Desk Assessment

We've conducted sustainability assessment questionnaire to all Tier-1 suppliers<sup>1</sup>. Suppliers are required to self-assess risk and provide corresponding supporting document in accordance with their responses to the question. To improve the completeness and response rate of the supplier sustainability risk assessment questionnaire, we've launched an E-platform which build up a sharing and analyzing sustainability information database for ASEH subsidiaries. With the E-platform, the progress of the questionnaire can be effectively managed and tracked. The response rate for the supplier sustainability assessment questionnaire is exceeded 81% in 2024 with a number of 729 suppliers. 40 suppliers with high risk potential have been identified<sup>2</sup>.

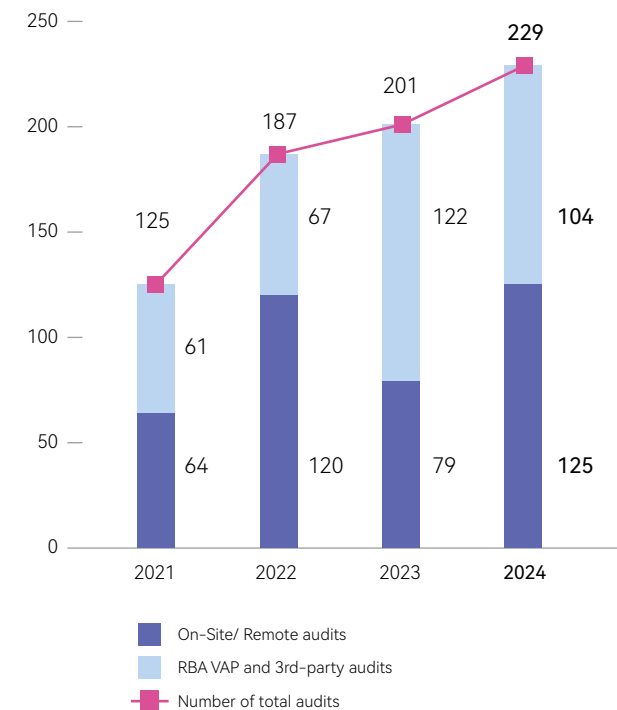
## 2024 Supplier Sustainability Risks

Category	Risk Gap Description	
Governance and Economic	Risk and Business Continuity Management	Procedures for the identification of regulatory risks affecting business operations have yet to be established
	Personal Data and Privacy Management	Privacy and personal data risk management procedures have yet to be established
	Information Security Management	Regular internal/external information security audits, as well as employee education and training, have yet to be conducted
	Supplier Sustainability Management	Procedures for managing sustainability risks in the supply chain have yet to be established A regular sustainability audit and improvement mechanism for the supply chain have yet to be established
Environment	Climate Change and Carbon Management	Procedure for climate risk evaluation, mitigation, and adaptation measures have yet to be established Mechanisms to measure GHG inventory and reduction targets have yet to be established
	Waste Management	Reduction targets and recycling mechanisms in waste management have yet to be established
Social	Occupational Health and Safety	Risk assessment processes to evaluate employees' health and safety have yet to be established
	Human Rights Management	Commitment or policies related to human rights management have yet to be established
	Labor Rights	A system for the assessment of labor-related risks and impact has yet to be established

## On-Site Assessment <sup>3</sup>

The results of the sustainability risk assessment questionnaire allow us to accurately identify suppliers with potential impact and close business relationship with ASEH. Then we conduct on-site sustainability assessment and counselling to ensure supplier's risk circumstance and continually reduce risk level. In 2024, we conducted on-site sustainability assessments (on-site/ remote audit and RBA VAP) on 229 suppliers.

Number of Supplier Sustainability Audit



<sup>1</sup> In 2024, among 904 Tier-1 suppliers, 824 had completed desk assessments

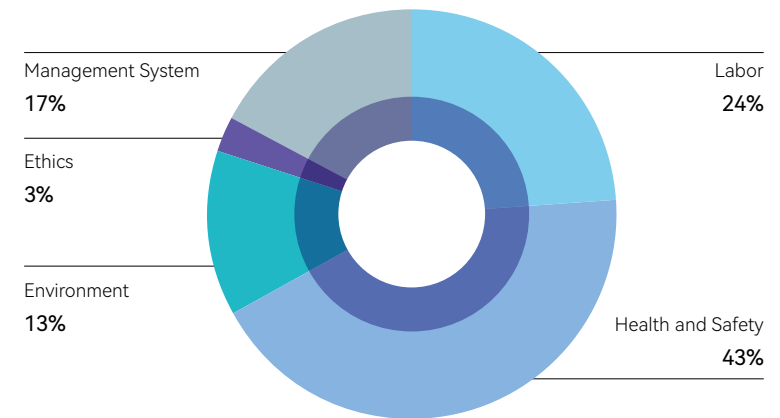
<sup>2</sup> Among Tier-1 suppliers with high ESG risk potential, there are 37 Tier-1 significant high-risk suppliers and 3 non Tier-1 significant high-risk suppliers

<sup>3</sup> On-Site Assessment: 2nd and 3rd party assessment and supplier assessments with industry initiative

## Phase III- Supplier Sustainability Performance Improvement<sup>1</sup>

Upon completion of the sustainability assessment, we will inform suppliers of any discrepancies and their assessment results. We will also inform them of the benchmark ESG performance across the same supplier category, and request corrective action plans as well as provide support to underperforming suppliers. The corrective action plans must be mutually agreed upon and reviewed during the next assessment to close all gaps. For suppliers with persistent underperformance despite corrective engagement, we will provide another year's grace period of support, where we will also consider a gradual reduction of our procurement volumes and include them in the supplier watch list. To fulfill our commitment to sustainability, suppliers will be removed from our qualified supplier list if they fail to meet expectations in the second year, and all dealings with them will be suspended. In 2024, 229 Tier-1 raw material suppliers, who conducted on-site sustainability assessments, have taken corrective actions and 100% completed supplier improvements. No supplier was terminated for non-compliance.

Supplier Sustainability Audit Findings by Category in 2024



## Tier-1 Raw Material Supplier Audit Results and Corrective Actions in 2024

Category	RBA Code of Conduct	Major Findings	Improvement Actions
Labor	Wages and Benefits	<ul style="list-style-type: none"> <li>Salary deductions used as a disciplinary action</li> </ul>	<ul style="list-style-type: none"> <li>Ensure the company's labor policy prohibits salary deductions as a form of disciplinary action</li> </ul>
Health and Safety	Occupational Health and Safety	<ul style="list-style-type: none"> <li>High-risk areas lack necessary safety signage and warning labels</li> <li>First aid personnel's certifications have expired, and no refresher training has been conducted</li> </ul>	<ul style="list-style-type: none"> <li>Conduct regular inspections to ensure that safety signage and warning labels are properly placed in visible locations within high-risk areas, ensuring compliance with regulations</li> <li>Establish a re-certification expiry reminder system to ensure continued compliance with regulatory requirements</li> </ul>
	Emergency Preparedness	<ul style="list-style-type: none"> <li>Firefighting equipment not regularly inspected</li> <li>Emergency exits and fire safety facilities blocked</li> </ul>	<ul style="list-style-type: none"> <li>Conduct regular inspections to ensure firefighting equipment is fully operational and emergency exits remain unblocked</li> </ul>
Environment	Hazardous substances	<ul style="list-style-type: none"> <li>Lack of comprehensive tracking and recording system for hazardous substances</li> </ul>	<ul style="list-style-type: none"> <li>Establish a process for tracking and recording the sourcing, storage, usage, and disposal of hazardous substances</li> </ul>
	Solid Waste	<ul style="list-style-type: none"> <li>Lack of comprehensive waste management system</li> </ul>	<ul style="list-style-type: none"> <li>Establish a comprehensive waste management system with regular audits</li> </ul>
Ethics	Protection of identity and from retaliation	<ul style="list-style-type: none"> <li>Lack of an anonymous reporting, complaint, and anti-retaliation mechanism</li> </ul>	<ul style="list-style-type: none"> <li>Establish internal and external anonymous reporting mechanisms and channels</li> </ul>
Management System	Legal and Customer Requirements	<ul style="list-style-type: none"> <li>Lack of a comprehensive mechanism has been established to identify applicable laws and regulations, and procedures for regulatory review and update</li> </ul>	<ul style="list-style-type: none"> <li>Establish procedures for identifying applicable laws and regulations, and designate a responsible unit to track regulatory updates and ensure continued compliance with regulatory requirements</li> </ul>
	Risk Assessment and Risk Management	<ul style="list-style-type: none"> <li>Lack of a comprehensive risk identification process</li> </ul>	<ul style="list-style-type: none"> <li>Establish a management mechanism and procedures for the regular identification of potential risks to business continuity</li> </ul>
	Supplier Responsibility	<ul style="list-style-type: none"> <li>Lack of supplier ESG risk assessment procedures and audit systems</li> </ul>	<ul style="list-style-type: none"> <li>Establish supplier ESG risk assessment procedures and audit systems</li> </ul>

<sup>1</sup> In 2024, we have set a target for 100% of assessed Tier-1 significant high-risk suppliers to implement and complete their corrective actions

## 7.6 Responsible Minerals Compliance

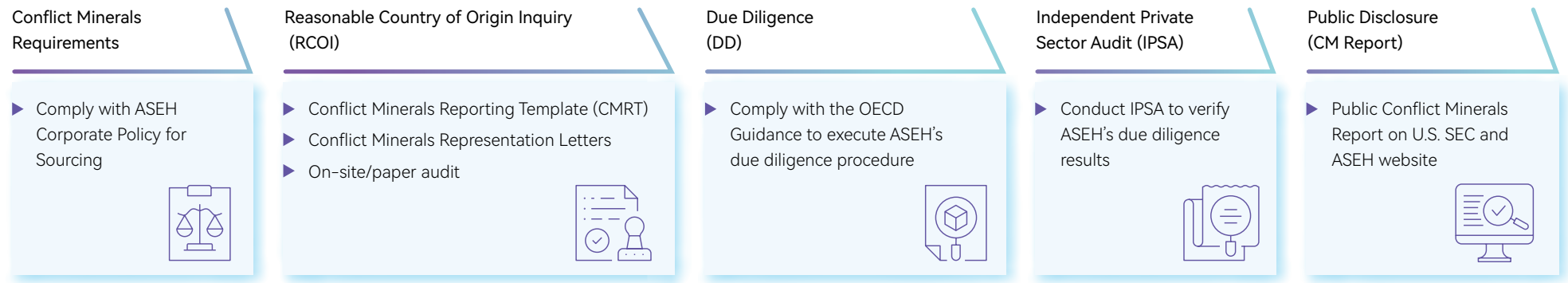
To prevent the unintentional use of any conflict mineral such as tantalum, tin, tungsten and gold (3TG) from the Democratic Republic of the Congo and its neighboring countries, we have established the ASEH Corporate Policy for Sourcing Conflict Minerals, joined the Responsible Minerals Initiative (RMI)<sup>1</sup>, and participated in the RMI Mineral Reporting Templates (MRT) Teams and Due Diligence (DD) Practices Team to resolve conflict minerals issues in the supply chain and support responsible sourcing.

To communicate ASEH's conflict minerals management requirements, the ASEH Corporate Policy for Sourcing Conflict Minerals is posted on our company website, please visit: <https://www.aseglobal.com/csr/responsible-procurement/conflict-minerals-compliance/>

### Responsible Minerals Management

ASEH communicates conflict mineral policies to our suppliers through our website. The suppliers are required to comply with ASEH Corporate Policy for Sourcing Conflict Minerals and establish their own conflict minerals policies and to their own suppliers. We also require our suppliers to actively assess and validate their supply chain, and encourage them to source minerals from Smelters or Refiners (SoRs) that have received "conflict-free" designations by the Responsible Minerals Assurance Process (RMAP), or other independent third-party audit program.

### Responsible Minerals Management Approach



Each year, ASEH performs RCOI to identify and validate the sources of 3TG in our packaging and material services and electronic manufacturing services and products, and whether they come from conflict affected regions.

Our RCOI includes two steps:

1. Identify sources of 3TG SoRs through CMRT by conducting supplier survey.
2. Suppliers are asked to sign the Representation Letters of compliance with ASEH Corporate Policy for Sourcing Conflict Minerals and to fully reveal the source of the SoRs they sourced from.

<sup>1</sup> ASE took the initiative to join the RMI in 2015 and has continued its participation as ASEH to this day



# 100%

Conflict Minerals  
Compliant Suppliers  
in 2018-2024

## 2024 Due Diligence Results

SEH designed its DD measures to conform to the Organization for Economic Co-operation and Development Due Diligence Guidance for Responsible Supply Chains of Minerals from Conflict-Affected and High-Risk Areas (the "OECD Guidance") and we also adopted the OECD Guidance to not only identify/ assess supplier risks and mitigate these identified risks, but also to design a conflict minerals audit form for ASEH's suppliers. We were therefore able to provide guidance through both on-site/remote and off-site audits to help suppliers set up management mechanisms that complied with OECD Guidance.

In 2024, we have identified 249 SoRs from more than 369 suppliers. According to the supplier survey we conducted in 2024, 100% of our suppliers are compliant with ASEH's requirement for sourcing DRC conflict-free minerals. With regard to critical materials, we have expanded our scope of investigation to cover suppliers for cobalt and mica, in addition to 3TG. In 2024, 217 suppliers used cobalt and 1 suppliers used mica, identified 84 cobalt smelters and 1 mica smelters. In 2023, we start intensified our efforts to investigate the sources of copper, iron, nickel, aluminum, and other metals, and disclosed smelter sources to customers.

## Independent Private Sector Audit (IPSA) and Public Disclosure

We undertake an IPSA on our Conflict Minerals Report and DD procedure to ensure they are in compliance with the requirements set forth by the U.S. Securities and Exchange Commission (SEC). Each year, the Conflict Minerals Report is also disclosed publicly<sup>1</sup>. Based on our RCOI analysis and DD measures in 2024, we reasonably believe that the identified SoRs used for all of our packaging and materials services products are DRC Conflict-Free. Given the large number of suppliers for our electronic manufacturing services, we developed a sampling program to select material suppliers for the purpose of identifying SoRs. We believe that our due diligence performed based on the sampling program is sufficient and appropriate to provide a reasonable basis for our determination. Therefore, we reasonably believe that such SoRs used for all of our electronic manufacturing services products are DRC Conflict-Free.

<sup>1</sup> For complete file of ASEH SEC Conflict Minerals Filing, please visit our website at <https://www.aseglobal.com/ch/csr/responsible-procurement/conflict-minerals-compliance/> or SEC's website at [https://www.sec.gov/Archives/edgar/data/1122411/000095010323008127/dp193728\\_ex0101.htm](https://www.sec.gov/Archives/edgar/data/1122411/000095010323008127/dp193728_ex0101.htm)