3 Carbon Reduction and Energy Saving

NEXCOM- Environmental Sustainability Process and Future Target Setting Planning

3.1 Energy Management

3.2 Greenhouse Gas Inventory

3.3 Water Resources Management

3.4 Waste Management

3.5 Climate Change Response

NEXCOM-Environmental Sustainability Process and Future Target Setting Planning

2005

- Obtained ISO 14001: 2004 environmental management system certification

2022

- Establish a Sustainable Development Committee
- Implement and Obtained ISO 14064-1 Greenhouse Gas Emission Verification
- Implement and Obtained ESG Sustainability Verification
- Reduction Target: Reduce carbon emissions by 1% annually, with increased carbon reduction efforts based on broader environmental conditions
- Reduction Target: Reduce carbon dioxide emissions to 55% in 2030
- Declared that carbon dioxide emissions will reach net zero by 2050 and achieve carbon neutrality

2023

- Initiate greenhouse gas emission inventory verification for the Taiwan subsidiaries
- Implement Task force on Climate-related Financial Disclosures (TCFD) in ESG sustainability reports
- Hua-Ya Factory introduces smart meters into its production process
- Achieve corporate carbon reduction thermometer of 1.5°C

2024

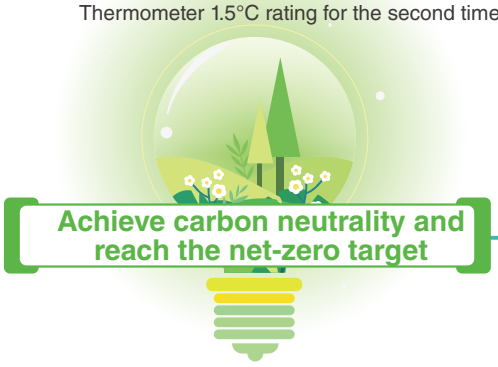
- Reduction Target: Reduce carbon dioxide emissions to 55% of 2022 levels by 2030
- Commit to achieving carbon neutrality by 2050 to meet the net-zero target
- Independent report on Task Force on Climate-related Financial Disclosures (TCFD)

2025

- Complete the greenhouse gas emissions inventory and verification of NEXCOM global business locations
- Completed water consumption inventory and verification
- Achieved the Corporate Carbon Reduction Thermometer 1.5°C rating for the second time

2030

- Reduce carbon dioxide emissions to 55% of 2024 levels



2050

Achieve carbon neutrality and reach the net-zero target

3.1 Energy Management

NEXCOM consistently considers the environmental impact brought by the enterprise in the process of operation. In order to achieve sustainable development, NEXCOM has developed an appropriate climate strategy and set a number of environmental targets and indicators such as carbon emissions and waste to reduce the environmental load at all stages of the product life cycle. In addition, process improvement and management measures have been invested to introduce environmentally friendly design and maximize energy and resource efficiency. NEXCOM will continue to promote environmental protection measures, actively improve the process and product design, and strive to achieve environmentally friendly green operations to ensure that our business operations have minimal negative impact on the environment and make more contributions to society and the environment.

Energy Statistics

Energy Consumption Statistics for Each Operation Site of NEXCOM Group (including subsidiaries):

Unit: GJ

Energy Type		2022	2023	2024
Electricity	Non-renewable (Purchased)	22,535.98	20,992.33	23,756.23
Fuel	Diesel	174.09	167.6	172.96
	Gasoline	919.73	1,098.29	1,325.16
Total Energy Consumption		23,629.80	22,258.21	25,254.35

Note:

(1) 1 kWh is approximately 3.6 million joules; diesel has an energy content of about 35.16 million joules per liter; gasoline has an energy content of about 32.65 million joules per liter; 1 GJ = 1 billion joule.

(2) Energy content values are based on the 2021 Energy Statistics Handbook by the Ministry of Economic Affairs, Energy Bureau.

(3) In 2024, the scope of energy consumption reporting was expanded to include overseas operational sites in the United States, Japan, and China.

(4) The installation of renewable energy is still under evaluation.

3.2 Greenhouse Gas Inventory

The greenhouse gas emissions of NEXCOM and its domestic and overseas subsidiaries are categorized into direct and indirect emissions based on their sources. Direct emissions are generated from company vehicle operations, emissions from production equipment at factory sites, the use of heating systems, and fugitive emissions from utility equipment. Indirect greenhouse gas emissions come from purchased electricity, which is sourced from Taiwan Power Company and Hua Ya Power Corporation, and various overseas power providers. Other indirect emissions from transportation are generated from business travel and employee commuting.

In 2024, the company's greenhouse gas inventory covered the following gases: carbon dioxide (CO_2), methane (CH_4), nitrous oxide (N_2O), hydrofluorocarbons (HFCs), perfluorocarbons (PFCs), sulfur hexafluoride (SF_6), and nitrogen trifluoride (NF_3). According to the statistics, category 1 emissions amounted to 213.7889 metric tons of CO_2 equivalent (CO_2e), accounting for 4.05% of the company's total emissions, Category 2 emissions totaled 4,348.6065 metric tons of CO_2e, accounting for 82.36%.

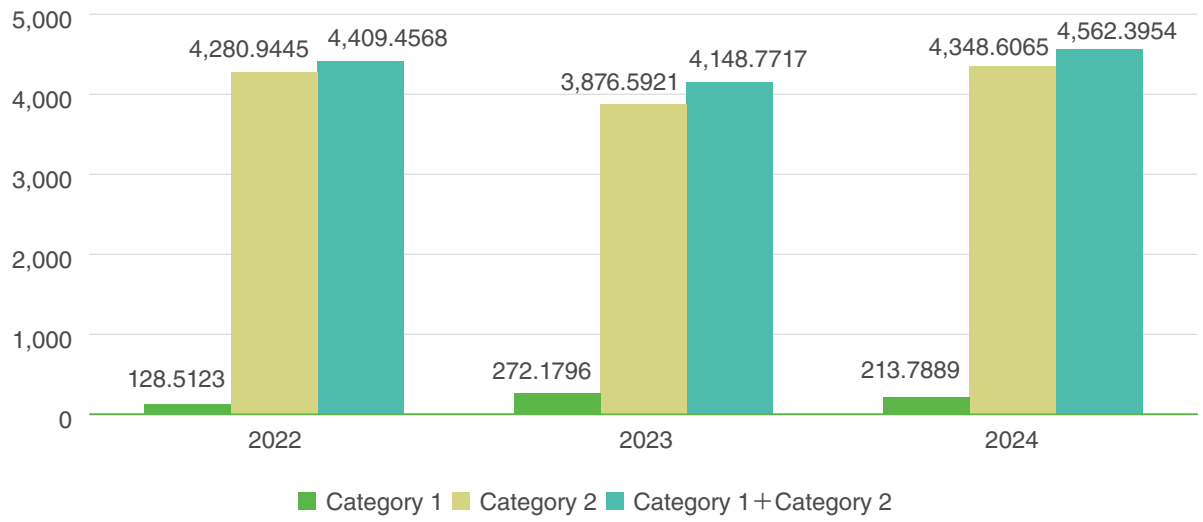
There were no biogenic CO_2 emissions in this inventory.

Greenhouse gas emissions for the past three years are listed below:

(Unit : Metric Tons of CO_2e)

Scope	2022	2023	2024
Category 1 Direct Emissions	128.5123	272.1796	213.7889
Category 2 Indirect Emissions from Energy Consumption	4,280.9445	3,876.5921	4,348.6065
Category 3 Indirect Emissions from Transportation	82.1602	549.4184	717.3427
Total	4,491.6170	4,698.1901	5,279.7381
(Note) Greenhouse Gas Emission Intensity: metric tons of CO_2e per million TWD of revenue	0.57	0.81	0.97

Greenhouse Gas Emissions from 2022 to 2024



Note:

1. Use operating control approach method.
2. Scope of statistics for Category 1 and Category 2: Emissions from process equipment, consumption of gasoline and diesel, consumption of natural gas, refrigerants, fire extinguishers, and fugitive emissions from septic tanks, electricity consumption (based on Taiwan Power Company bills, Hua Ya Power Corporation power readings, and electricity bills from power companies of overseas subsidiaries).
3. Category 2 Electricity Emission Factors: In 2022, the carbon emission factor of Taiwan Power Company was 0.509 kg CO_2e/kWh, and the emission factor of Hua Ya Power Corporation was 0.9208376436 kg CO_2e/kWh. In both 2023 and 2024, the carbon emission factor of Taiwan Power Company was 0.494 kg CO_2e/kWh, while the emission factor of Hua Ya Power Corporation remained at 0.9208376436 kg CO_2e/kWh.
4. Global Warming Potential (GWP): The values for 2022, 2023, and 2024 are based on the IPCC Sixth Assessment Report (2021).
5. Greenhouse Gas Emission Factors: Quoting the Greenhouse Gas Emission Factor Management Table 6.0.4 of the Environment Protection Administration.
6. Starting in 2024, the greenhouse gas inventory has been expanded to include overseas subsidiaries in the United States, Japan, and China.
7. In 2023, data on employee commuting activities under Category 3 became available, leading to the inclusion of employee commuting emissions in the inventory.

2024 Category 3 - Indirect Greenhouse Gas Emissions from Transportation Statistics

Category 3 emissions amounted to 717.3427 metric tons of CO_2 equivalent (CO_2e) in total, with employee commuting accounting for 390.9958 metric tons CO_2e (54.5%) and business travel accounting for 326.3469 metric tons CO_2e (45.5%).

Emission Source	Calculation Category	2023	2024
Employee Commuting	Employee Commuting (Car)	103.0028	128.1021
	Employee Commuting (Motorcycle)	200.8906	169.2706
	Employee Commuting (High-Speed Rail)	2.3362	1.3924
	Employee Commuting (Train)	21.2317	20.6912
	Employee Commuting (Long-distance Bus)	5.4127	10.1779
	Employee Commuting (Urban Bus)	8.1184	8.1884
	Employee Commuting (Taipei Metro)	0	53.1733
Business Travel	Business Travel (High-Speed Rail)	13.6118	15.6021
	Business Travel (Plane)	152.0800	264.6677
	Business Travel (Taxi)	2.8097	2.9423
	Business Travel (Private Car for Official Use)	39.9246	43.1349

Note: Only business travel was accounted for in 2022; therefore, 2022 is not included in this table. Employee - commuting data became available in 2023. Beginning in 2024, the inventory boundary has been expanded to include overseas subsidiaries in the United States, Japan, and China, and employee commuting in Taiwan now incorporates Taipei Metro statistics.

Energy Conservation and Carbon Reduction Improvements

NEXCOM continues to implement energy-saving and carbon reduction initiatives through equipment replacement, process optimization, and energy management measures to gradually enhance energy efficiency year by year. From 2022 to 2024, a cumulative 236,780 kWh of electricity was saved, resulting in a carbon reduction benefit of 126.4784 metric tons CO_2e. Compared to the baseline year 2024 total emissions of 5,279.7381 metric tons CO_2e, this represents a 2.4% reduction, demonstrating the company's tangible results in improving energy efficiency and taking climate action.

Greenhouse Gas Emission Reduction Performance

Year	2022	2023	2024
Electricity Saved (kWh)	47,393	194,562	236,780
Carbon Emissions Reduced (metric tons CO_2e)	31.1908	105.6225	126.4784

Energy Saving and Carbon Reduction Improvement Plan

(1) Headquarters - Energy Saving and Power Reduction Project

Target: Reduce lighting electricity consumption on the 13th floor office by 30%.

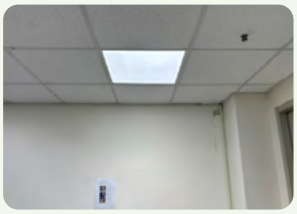
The T5 lighting fixtures used in the Zhonghe Headquarters office area have been in service for over 10 years, and their brightness has gradually declined due to lumen depreciation, which can cause eye strain. In response to government environmental policies, the recycling and disposal fees for fluorescent tubes have increased by 300%, resulting in higher material costs.

Improvement Methods:

1. Planned replacement of LED light fixtures and tubes on the 13th floor of the Zhonghe Headquarters.
2. Calculated the electricity savings, cost savings, and carbon emission reductions after the upgrade.
3. Regular inspection and maintenance.

Improvement Outcome:

After verification, the annual electricity consumption was reduced from 18,036 kWh before the improvement to 7,392 kWh after the improvement, achieving a 59.02% reduction. The target has been successfully met.



(2) Manufacturing Sanmin Factory - Energy Saving and Power Reduction Project

Target: Replace the heat recovery adsorption dryer to reduce air compressor electricity consumption by 20%

The F200A refrigerated air dryer located in the rooftop air compressor room (installed in 2006) can no longer effectively cool compressed air and consumes a high amount of electricity.

Improvement Methods:

1. Plan to replace it with a heat recovery adsorption dryer in the SMT area.
2. Calculate electricity savings, cost reductions, and carbon emission reductions after the upgrade.
3. Perform regular maintenance and adjustments.

Improvement Outcome:

After verification, monthly electricity consumption was reduced from 3,740 kWh before the improvement to 1,108.8 kWh after the improvement, achieving a 70.4% reduction. The target has been successfully met.

Office Energy Saving Measures

To achieve the goal of balancing economic development and environmental protection, NEXCOM is committed to implementing an office energy-saving plan. We are focusing on energy conservation and carbon reduction awareness promoting, avoid energy waste in office and fully realizing energy-saving practices. The ultimate goal is to effectively reduce unnecessary energy consumption and enhance overall usage efficiency.

Air Conditioner

1. Install automatic controllers for air cooled water chillers to enable automatic switching, reducing energy waste.
2. Regularly clean air filters to maintain cooling efficiency.
3. Install circulation fans to enhance air circulation for areas near windows which will reduce power consumption.
4. Use curtains on office windows to shield from direct sunlight for reducing air-conditioning usage.
5. Set thermostat at the range of 26~28°C with circulation fans where needed for comfortable temperature range in office.

lighting Fixture

1. Using LED lights to reduce energy consumption.
2. Set up zone controlling in the office to reduce unnecessary power consumption.
3. Turn off unnecessary lighting during lunch breaks.
4. Use motion-sensing lighting in unmanned areas of the warehouse.

Operations

1. Implement e-documentation where it is applicable, such as document approvals, procurements.
2. Set computer to sleeping mode after being idled for 10 minutes. Powered off the computer and peripheral devices if they are not to be used for an extended period.
3. Use energy-efficient photocopiers with power-saving functions that can automatically entering a power-saving mode when idle.

3.3 Water Resources Management

NEXCOM has been paying attention to the issue of water resources, energy conservation and environmental protection for many years, and considering that water resources are a major concern for international sustainability, water-saving measures are taken to reduce the impact of the reduction of water resources, and at the same time, strengthen the publicity of water conservation related information to prevent the crisis of water shortage in the dry season in advance.

Our water consumption in 2024 is 8,939 degrees, and the water source is tap water. The company's water needs are mainly for air conditioning, drinking water, cleaning and group meals. The users are employees, visitors and contractors. There is no process water demand and the impact on the environment is small.

Water Consumption and Intensity of Each Factory Area

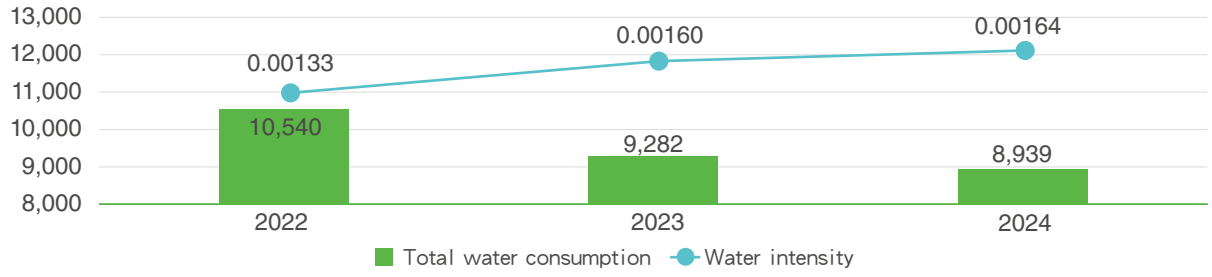
(Unit: Degree)

Year	Each Factory Area			Total Water Consumption	Water Use Intensity
	Headquarters	Sanmin Factory	Hua-Ya Factory		
2022	0	7,823	2,717	10,540	0.001331364
2023	0	7,444	1,838	9,282	0.001609919
2024	0	6,988	1,951	8,939	0.001648938

Note:

1. The water used by the headquarters is for domestic use and uses public water in the building, so there is no relevant data.
2. Water intensity = Total water consumption (m^3) / Revenue (NTD thousands).

Water Consumption and Intensity in Each Year



3.4 Waste Management

NEXCOM has established a waste management plan objectives based on fundamental principles and framework of ISO 14001 environmental management system. Effectiveness of waste management are regularly supervised and analyzed to ensure all measures taken are effectively comply with relevant environmental regulations. Moreover, NEXCOM takes a proactive approach to use recyclable and environmentally friendly materials as the first choice for products and packaging to achieve waste minimization from source controlling. Efforts are also devoted to establishing management standards and promoting communication to ensure that all NEXCOM employees are participating waste materials sorting to avoid improper disposal.

The waste generated by NEXCOM is divided into general industrial waste and hazardous industrial waste. General industrial waste is mainly incinerated. Hazardous industrial waste is physically disposed of by incineration and electrostatic separation followed by crushing. Headquarters and its subsidiaries are in the same building. The main domestic waste produced is uniformly processed by the building's qualified removal suppliers. The general and hazardous waste generated by each business unit after product development is classified and stored, and then handed over to Sanmin Factory conducts unified cleaning and transportation.

Waste electronic materials, solder paste cans, and waste liquids are generated from the production processes of Sanmin and Hua-Ya Factory. In addition, domestic waste and waste wood (packaging materials), waste cartons, waste plastics and other waste not generated by the manufacturing process are entrusted to be handled by qualified removal suppliers, and a removal contract is signed with the removal suppliers in accordance with legal requirements. Manage waste removal situations. In terms of waste liquid removal and treatment, due to the small output, it is temporarily stored in the factory. When the removal volume is met, qualified manufacturers are then entrusted with removal and incineration treatment, with an average of 1 to 2 times a year.

Waste Statistics

Unit: Metric Tons

Site Area	Category		2022	2023	2024
Headquarters Sanmin Factory Hua-Ya Factory	Household Waste		1.13	1.20	1.20
	General Business Waste		38.614	32.98	33.58
	Hazardous Industrial Waste	Spent Liquids	6.425	10.516	7.88
		Electronic Waste	1.1	0.87	2.01
	Total		47.269	45.566	44.672

Note: The increase in waste liquid in 2024 was due to the replacement of the steel plate cleaning solvent with an environmentally friendly water-based cleaning solution, which resulted in an increase in both the types and volume of waste liquid generated.

Waste Disposal

Unit: Metric Tons

Category	Disposal Method	2022	2023	2024
Hazardous Industrial Waste	Incineration	1.1	0.87	2.01
	Physical Shredding Treatment	6.425	10.516	7.88
General Business Waste	Incineration	39.744	15.895	21.82
	Reuse	0	17.085	11.76
Total		47.269	44.366	43.472

3.5 Climate Change Response

The impacts of global climate change and extreme weather are intensifying. To proactively address the risks and opportunities arising from climate change, NEXCOM follows the Task Force on Climate-related Financial Disclosures (TCFD) framework to identify the company's climate change risks and opportunities. This enables effective response and management. Based on the four core elements of the TCFD recommendations, NEXCOM has established a risk framework to identify significant risks and opportunities that could affect operations and develop corresponding response strategies.

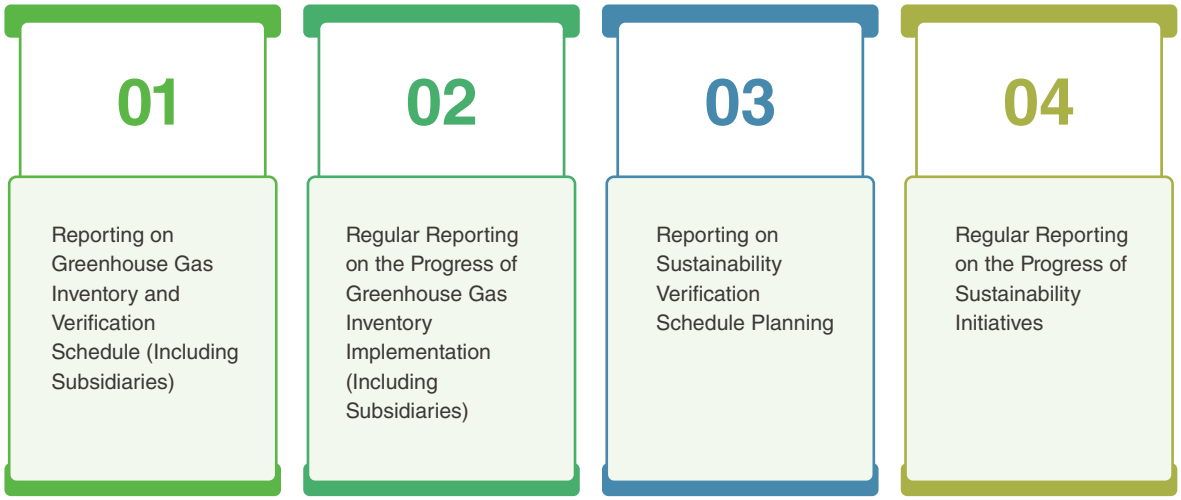
3.5.1 Sustainable Development Management Committee

NEXCOM has established the Board of Directors as the highest governance body for addressing climate change. To enhance the Board's oversight responsibilities on sustainability matters and to promote and implement its sustainability vision, the company formed a Sustainability Committee in 2022. The Chairman of the Board serves as the convener of the Sustainability Committee, which is responsible for reviewing various sustainability policies and decisions, and overseeing the advancement of sustainability-related initiatives.

Board Oversight of Climate-Related Issue

NEXCOM continuously incorporates climate change-related issues into the Board of Directors' decision-making process to ensure that the company demonstrates leadership and sustainability in addressing climate change.

2024 Board of Directors - Key Climate-Related Proposals and Reports



3.5.2 Risk and Opportunity Identification and Assessment Process

To mitigate the impacts of climate change, the members of the Sustainability Committee at our company have identified significant risks and opportunities related to climate change. This identification process takes into account the specific characteristics of the company and its supply chain relationships, referencing the TCFD framework's categories of transition risks, physical risks, and opportunities. Subsequently, different scenario analyses are conducted to evaluate these risks and opportunities. Based on these assessments, response strategies are developed to mitigate potential financial losses from these risks. Additionally, some strategies may transform potential crises into opportunities, thereby creating greater benefits for the company.

Risk and Opportunity Identification and Assessment Process

Climate-Related Risk and Opportunity Information Collection and Screening	Based on company operations, industry characteristics, and management interviews, a list of relevant climate-related risks and opportunities has been screened and identified, referencing TCFD risk and opportunity topics.
Identification and Assessment	Assess the risks and opportunities based on impact, likelihood, and timing. Evaluate significant risks and opportunities in the short, medium, and long term by considering their impact and likelihood, as well as their relevance to the company's business.
Draw a Risk and Opportunity Matrix	Summarize the identification results and produce a climate risk/opportunity matrix diagram.
Assess the Financial Impact of Significant Risks and Opportunities	For major risks and opportunities with high impact and high likelihood, conduct scenario simulations to assess their potential financial effects on the company.
Discuss Response Measures	For major risks and opportunities, relevant departments will review and develop response measures.potential financial effects on the company.

Risk and Opportunity Assessment Benchmarking

Based on NEXCOM's internal operational conditions, financial impact and risk likelihood are determined to assess the significance of risk values. The company categorizes likelihood and financial impact into 5 levels each. The risk impact level is calculated as Risk Impact = Likelihood x Financial Impact (see diagram below).

Likelihood Scale

Likelihood Level	Expected Probability	Score
High	Greater than 95%	5
Medium-High	75%~95%	4
Medium	50%~75%	3
Medium-Low	20%~50%	2
Low	Less than 20%	1

Financial Impact Scale

Financial Impact Level	Impact Amount (NTD)	Score
High	Greater than 50 million	5
Medium-High	Greater than 10 million, less than 50 million	4
Medium	Greater than 5 million, less than 10 million	3
Medium-Low	Greater than 1 million, less than 5 million	2
Low	Less than 1 million	1

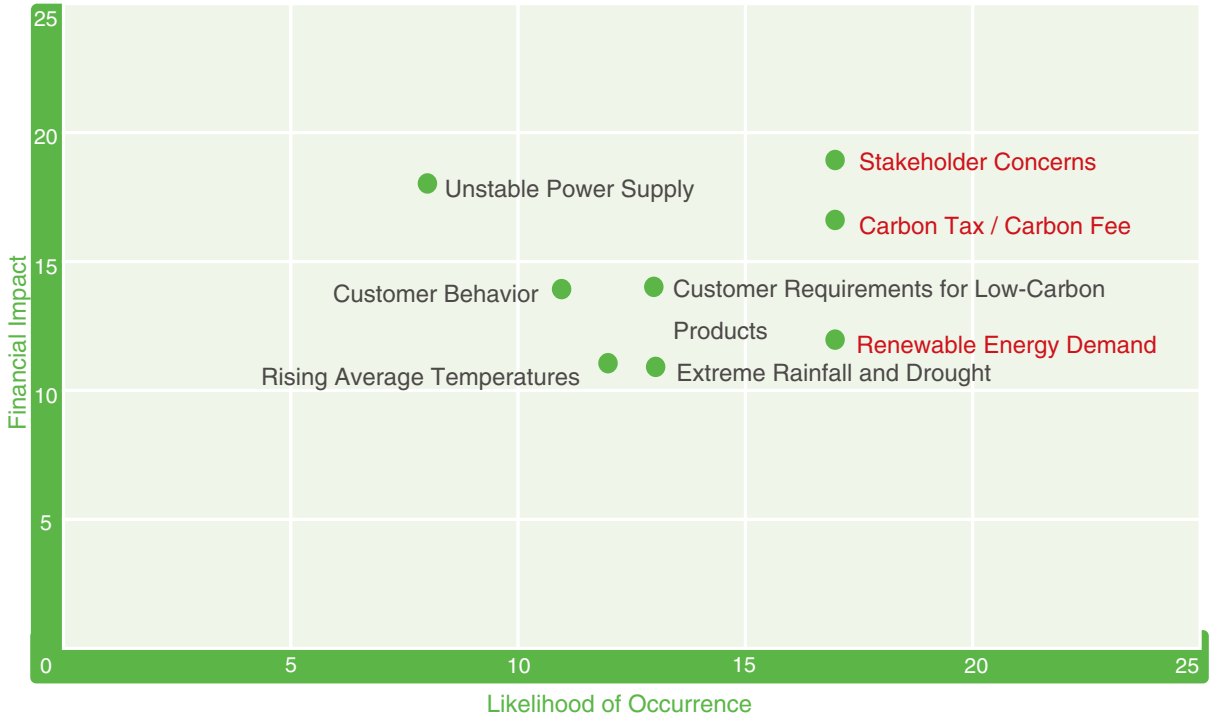
Risk Impact Level

Risk Level	Risk Value	Description
High Risk	15~25	Risk tolerance requires prioritizing corresponding management plans and regularly tracking performance.
Medium Risk	5~14	Risk tolerance does not require immediate action; continuous monitoring of changes.
Low Risk	1~4	Risk tolerance is acceptable.

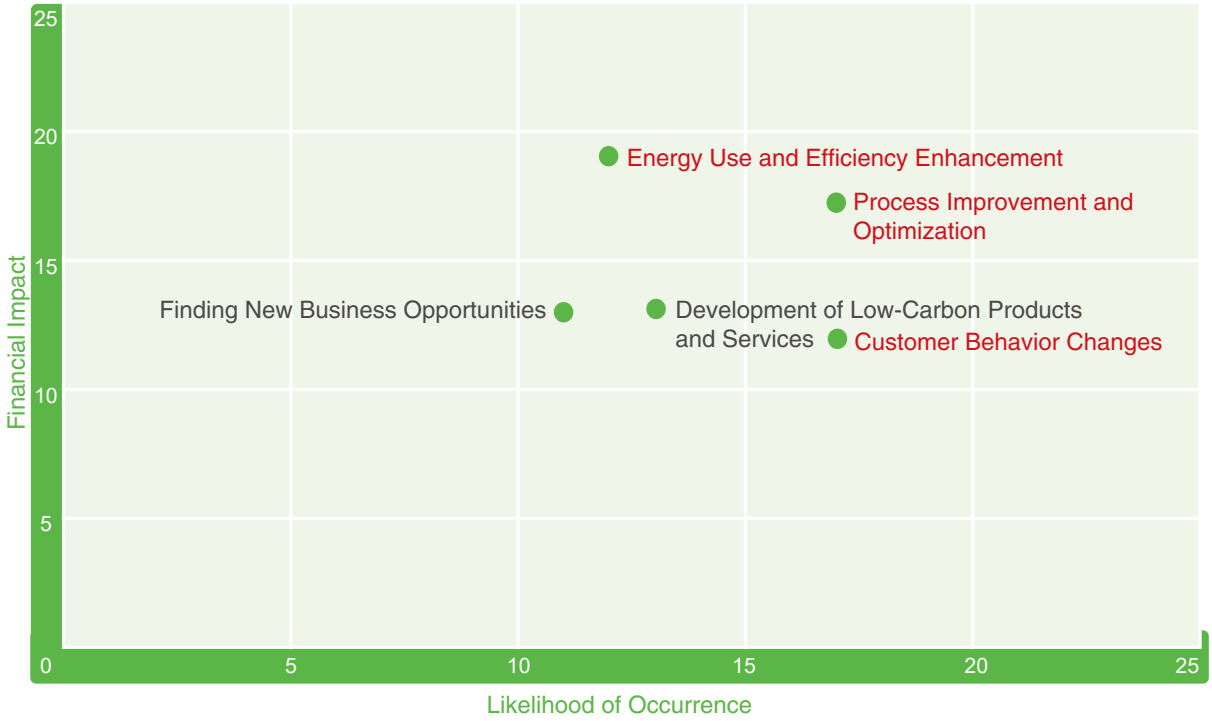
3.5.3 Climate-Related Risk and Opportunity Matrix

Each team member evaluates the likelihood and financial impact of various climate-related risks and opportunities. The risk values are averaged to create the risk and opportunity matrix (see the detailed diagram below).

Climate-Related Risk Matrix



Climate-Related Opportunity Matrix



3.5.4 Identification Results of Climate Change Risks and Opportunities

Based on the results of the risk and opportunity matrix, there are a total of 3 major risks and 3 major opportunities with risk and opportunity values greater than or equal to 12 points. The relevant management strategies and impact explanations are shown in the table below:

Major Risks

Risk Type	Risk Item	Occurrence Time	Potential Financial or Operational Impact	Actions/Responses
Transition Risk	Stakeholder Concerns	Mid-term	If stakeholder expectations are not met, the group's reputation may be affected, potentially impacting market value or leading to a decrease in investor funding.	• Engage proactively with stakeholders to understand their expectations and suggestions regarding NEXCOM's climate-related issues. • Regularly provide stakeholder feedback to the Group Sustainability Committee to effectively grasp external expectations. • Actively participate in ESG forums and other environmental sustainability activities to inform stakeholders about NEXCOM's climate-related operations.
	Renewable Energy Demand	Mid-term	• Higher green electricity prices increase production costs. • Difficulty in obtaining renewable energy limits production. • Suppliers may pass on renewable energy costs, increasing procurement costs.	• Evaluate purchasing green electricity certificates or renewable energy power. • Assess the feasibility of installing additional renewable energy generation devices. • Promote energy management and reduction planning to key suppliers.
	Carbon Tax / Carbon Fee	Short-term	• Increased indirect costs. • Suppliers may pass on carbon tax/carbon fee costs, increasing procurement costs. • Limits on capacity expansion.	• Set a target for the entire company to achieve net zero emissions by 2050. • Provide guidance on carbon emission sources and reduction projects for key suppliers. • Execute the ISO 14064-1 greenhouse gas inventory management system, completing two energy-saving projects in 2024, saving 42,210 kWh of electricity and reducing greenhouse gas emissions by 20.856 metric tons CO_2e. • Gradually phase out high-energy-consuming equipment to reduce electricity consumption.

Major Opportunities

Opportunity Type	Opportunity Item	Occurrence Time	Potential Financial Opportunities	Actions/Responses
Products & Services	Customer Behavior Changes	Mid-term	• Changes in product mix accelerate the positive development of the overall supply chain. • Obtain orders, expanding revenue. • Enhancing order stability, reducing revenue fluctuations. • Improving corporate goodwill.	• Promote new product design in to meet customer needs. • Increase the portfolio of green or low-energy products. • Establish a carbon emission information platform for product carbon footprint and carbon emission statistics, setting product carbon emission optimization plans. • Respond to customer requests for energy-saving and carbon reduction. • Stay updated on domestic and international sustainability issues, improving transparency and goodwill in sustainability practices.
Resource Efficiency	Process Improvement and Optimization	Mid-term	• Reduce carbon emissions, decreasing carbon tax/carbon fee expenses. • Obtain orders and expand revenue.	• Continuously invest in energy-saving and carbon-reduction measures for process equipment. • Encourage suppliers to innovate and optimize their processes to reduce product carbon footprints, thereby enhancing product competitiveness.
Toughness	Energy Use and Efficiency Enhancement	Short-term	• Reduce production and operating costs. • Enhance sustainability reputation, increasing customer trust and potential order revenue.	• In 2024, multiple energy-saving projects were planned, including the replacement of the heat recovery adsorption dryer, the gradual replacement of lighting with LED fixtures, and the phase-out of outdated equipment to promote energy efficiency. • Continue implementing energy-saving measures in office spaces, such as adjusting air conditioning on/off times and evaluating regional air conditioning control to improve energy use efficiency. • Continuously invest in energy improvement measures for various equipment.

3.5.5 Climate Change Scenario Analysis

NEXCOM follows the TCFD recommended guidelines, utilizing both transition and physical risk types to address the worst-case scenario. The analysis results are incorporated into the strategy resilience assessment.

Transition risks are referenced from the 2016 World Energy Outlook 450 Scenario published by the International Energy Agency (IEA WEO 450 Scenario, 2016) and the Nationally Determined Contribution (NDC) targets set by the locations of each manufacturing site. Taiwan, in its Intended Nationally Determined Contribution (INDC) report, has set a target to reduce greenhouse gas emissions by 50% from the Business as Usual (BAU) scenario by 2030.

Transition Risk	● IEA WEO 450 Scenario ● Intended Nationally Determined Contribution (INDC)	Reduce greenhouse gas emissions by 50% from the Business as Usual (BAU) scenario by 2030.

Physical risks reference the Taiwan Climate Change Projection Information and Adaptation Knowledge Platform (TCCIP) and the National Science and Technology Center for Disaster Reduction. Analyses are conducted based on scenarios RCP2.6, RCP4.5, and RCP8.5 to project temperature rise, precipitation, flooding, and drought conditions for the period 2020-2040.

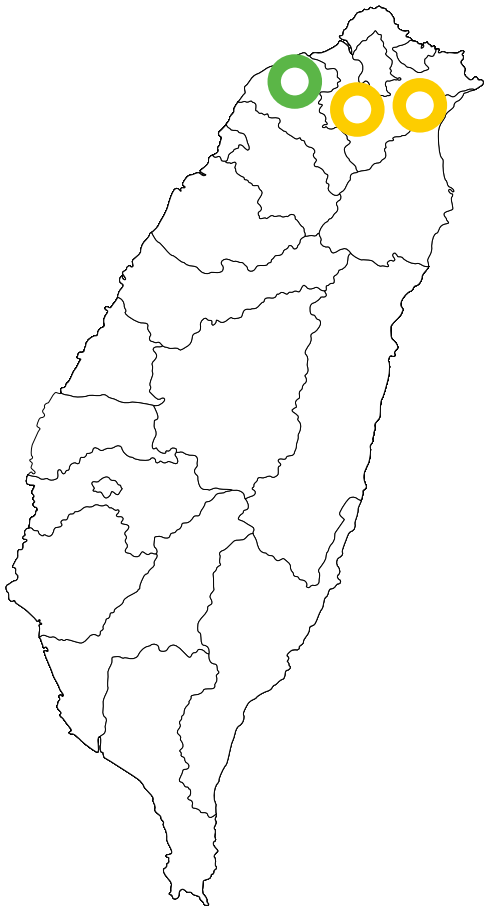
Physical Risk	TCCIP and the National Science and Technology Center for Disaster Reduction (RCP2.6, RCP4.5, RCP8.5)	Project the conditions for 2020-2040, including sea level rise, areas below tidal lines, areas below the 2050 flood level, temperature rise, average drought duration, changes in precipitation rates, maximum consecutive rainy days, and total rainfall.

Scenario Analysis Results

Risk type	Physical risk	**Scenario**	RCP8.5
Hazard Level	Hazard Vulnerability Level 1 Level 2 Level 3 Level 4 Level 5		

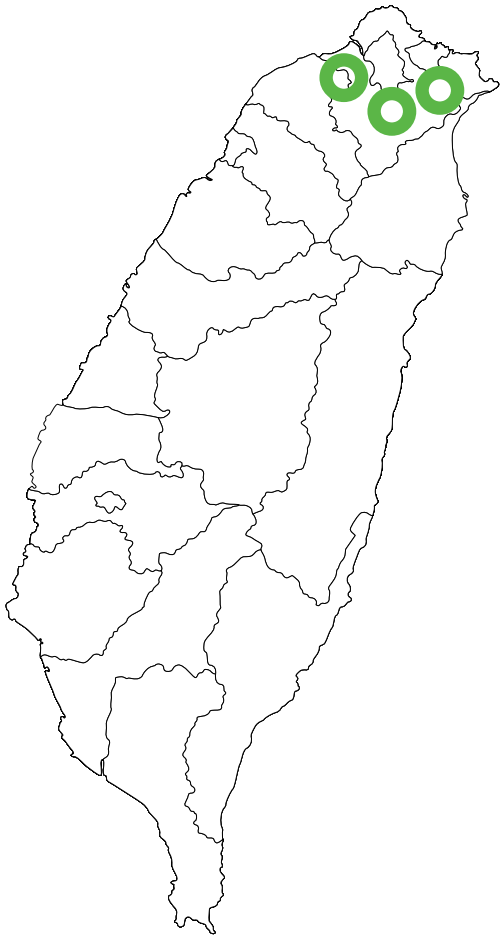
Flood risk assessment classification:

The risk of flooding in two of the company sites (Zhonghe Headquarter and Sanmin Factory) is assessed as moderate risk, and the risk tolerance level is to take no action at the moment and continue to monitor changes.



Drought risk assessment classification:

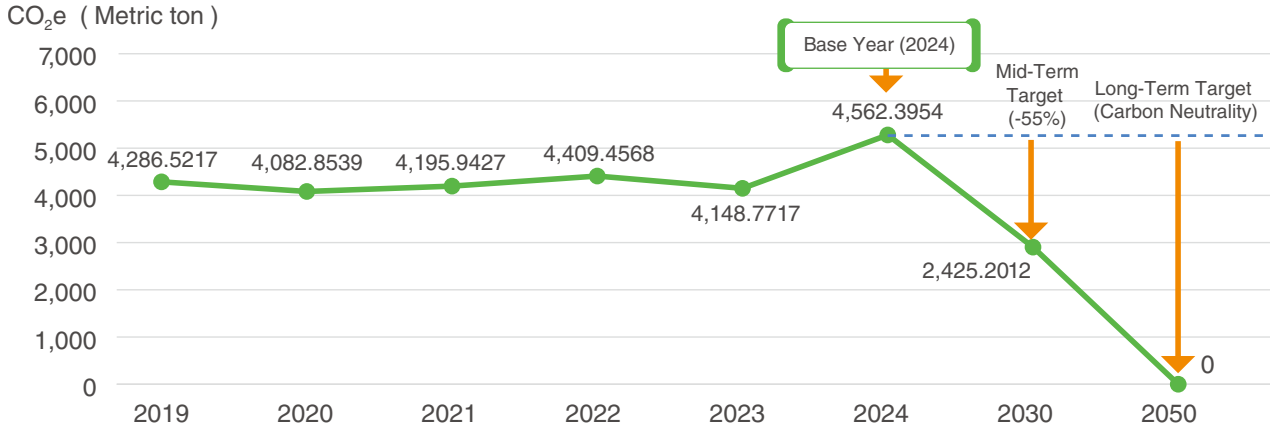
The drought risk in three of the company's sites (Zhonghe Headquarter, Sanmin and Hua-Ya Factory) was assessed as low risk, and the risk tolerance was acceptable.



3.5.6 Indicators and Target

Carbon Reduction Targets

To achieve the vision of a low-carbon economy transition, NEXCOM has set a long-term target of reaching carbon neutrality by 2050. Internally, it has established mid-term and long-term indicators (for 2030 and 2050) to monitor progress toward this target. The timeline and target emissions are as follows:



Note: These statistics cover Category 1 and Category 2, with data sourced from NEXCOM, Taiwan subsidiaries, and overseas subsidiaries.

Performance Achievement and Targets

To achieve NEXCOM vision of a net-zero future, the group has committed to green protection targets across multiple areas, including greenhouse gas emission management, energy management, Risk management, and supply chain management. In addition to the overall corporate targets, specific targets are set for each operational site. The performance is monitored, and results are reviewed regularly.

Topic	2024 Performance Results	Future Direction and Targets
Greenhouse Gas Emission Management	• Completed NEXCOM Group's ISO 14064-1 greenhouse gas emission third-party verification. • Completed greenhouse gas verification for overseas subsidiaries, exceeding regulatory requirements. • Achieved the Corporate Carbon Reduction Thermometer 1.5° C rating for the second time.	• Achieve net-zero greenhouse gas emissions by 2050. • Reduce emissions by 55% from the 2024 base year by 2030. • Continue implementing energy-saving and carbon-reduction measures for various equipment.
Energy Management	• Replaced office lighting with LED fixtures, resulting in a total electricity saving of 10,600 kWh. • Replaced the heat recovery adsorption dryer in the factory, resulting in a total electricity saving of 31,500 kWh.	• Continue to propose and implement energy-saving management plans annually. • Continuous investment in energy improvement measures for various equipment.
Risk Management	• Independent report on Task Force on Climate-related Financial Disclosures (TCFD)	• Conducts annual assessments of transition and physical risks on an ongoing basis.
Supply Chain Management	• Completed the signing of the "Code of Conduct for Corporate Social and Environmental Responsibility" by new suppliers, achieving a 100% response rate. • Completed the "Supplier Social Responsibility Questionnaire" survey, with a 100% response rate.	• Continuously implement various environmental sustainability requirements for suppliers.