

2020

可成科技

企業社會責任報告書
Catcher Corporate
Social Responsibility Report



Contents

Message from Management	4
About This Report	6
CSR Performance Highlights	8



1 Sustainable Communication

1 . 1 Catcher's CSR Commitment	11
1 . 2 Identification and Communication	13
1 . 3 Analysis of Material Issues	17

2 Corporate Governance

2 . 1 About Catcher	21
2 . 2 Responsible Governance	27
2 . 3 Responsible Governance	30
2 . 4 Best Customer Service	32
2 . 5 Honesty	36
2 . 6 Stability and Sustainable Operation	40

3 Corporate Governance

3 . 1 About Catcher	44
3 . 2 Human Resources Management	56
3 . 3 Technological Innovation	63
3 . 4 Safety & Health	68
3 . 5 Social Participation and Public Welfare	77

4 Environmental Harmony

4 . 1 Management System Operation	82
4 . 2 Environmental Pollution Prevention	84
4 . 3 Climate Change Strategy	92

5 Appendices

5 . 1 GRI Standards Indicators	98
Index Reference Table	
5 . 2 United Nations Global Compact Comparison Table	103

Message from Management

To our partners who care about catcher’s sustainability:

COVID-19 affected economic behavior and order globally in 2020. Catcher Technology made a critical decision to sell Taizhou Factory as part of its transformation. It maintains a stable management and flexible operations by developing diversified solutions and exploring new markets, as well as growing its client base and reducing the impact of internal/external factors. As the leading brand with the most comprehensive structure piece solution, Catcher has introduced new and highly competitive energy vehicles to clients and has become one of the major smart medical equipment manufacturers with long-term development and sustainable operations.

Since 2020, Catcher has remained being approved in the “FTSE4Good Taiwan ESGIndex” externally. In the 2020 corporate governance assessment organized by the Taiwan Stock Exchange Inc., Catcher ranked 2 points higher than that in 2019. With launching its Corporate Governance 3.0 Sustainable Development Roadmap domestically, Catcher consistently enhances its governance practices. In fact, it topped The Harvard Business Review’s (HBR) list of “Taiwan’s 100 Best Performing CEOs”, thereby ensuring the rights and interests of shareholders while continuing growth of its business going forward.

Amidst the COVID-19 pandemic, Catcher continuously facilitated the promotion and implementation of its corporate social responsibility and energy-related initiatives as a way of achieving sustainability. This report discusses Catcher’s performance and efforts in terms of employee relationship, social welfare and environmental protection programs in 2020. Catcher considers talents/employees as its most important asset. It received certificates in ‘Corporate Sports’ for 3 consecutive years, demonstrating its concern for its employees’ physical and mental health as well as balance. At the end of 2020 as the pandemic receded, Catcher organized a Family Day for more than 4,000 employees, in recognition of their efforts and hard work throughout the year, thus building harmony among families of employees.

 H B R
2020 Champion in Top 100 Taiwan CEO

 Awarded
S p o r t s
A d m i n i s t r a t i o n
M O E
Sports Corporate
Certification

 Keep the place
FTSE4Good Taiwan Sustainability Index Stock

Catcher is also committed to contributing to society and the community by consistently supporting marginalized groups. It continues to sponsor the cultivation of primary school students' logical thinking and reasoning in cooperation with the Education Bureau of Tainan City. Moreover, Catcher develops technologies in support of a circular economy by providing new applications and value in handling waste, optimizing processes and techniques to reduce air pollutants, reducing sludge weight using a sludge dryer system, recycling and reusing water, recycling and reusing waste heat from steam ovens and drainage, as well as heat water reflux pump with installed timer, etc., in order to create balance between business performance and environmental protection.

In 2015, Catcher created an Inventory Promotion Program Team in every factory with supervisors assigned as conveners to respond to climate change and responsible for handling inventory and management of green gas, assessing climate-based risks and developing countermeasures against risks or impacts in order to act and respond effectively and efficiently.

Catcher thanks all employees for their tireless efforts and the public for supporting the company's technological innovations, customer service, and sustainable operations. The company is fully confident and dedicated in continuously improving its capabilities, efforts and performance together with the help of its stakeholders in order to achieve its corporate social responsibility vision for a better future.



Chairman, Catcher Technology Co., Ltd.

About This Report

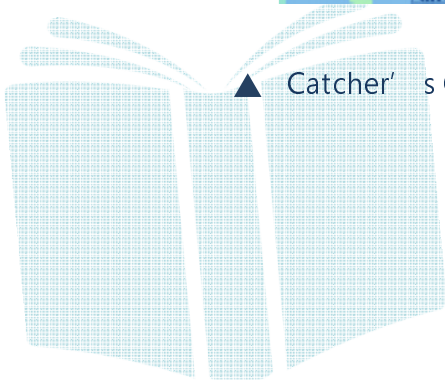
The purpose of this Report is to inform all stakeholders of Catcher's performance outcomes and future plans with regards to corporate social responsibility (CSR) in 2020. The information contained in this Report is presented in accordance with the Global Reporting Initiative Standards-Core Options. Based on the sustainability context and principles of stakeholder inclusiveness, preliminary screening of issues was performed, after which a stakeholder survey questionnaire was formulated for distribution to facilitate ranking of material issues, which serve as references for the extent of disclosure of each issue. In addition, a table of GRI Standards indicators with reference to the UN Global Compact is provided herein.

This Report covers the economic, social, and environmental practices of Catcher offices/factories in Taiwan (Ren Ai Factory, T.I.P. Factory, Y.K.I.P. Factory, and Taipei Operations Center) as well as Catcher Educational Foundation in the period between January 1, 2020 and December 31, 2020. The financial data of factories/offices in China are included in the scope of this Report. In other words, the financial information encompasses the business performance of the parent company and all subsidiaries within the Catcher Group. Please visit the Investor section of the Company's website for details on finance-related information (http://www.catcher-group.com/tw/investor_financial_psc.aspx) °



The financial information in this Report was sourced from the annual report that has been verified by the Company's accounting firm. The ISO 14001 Environmental Management System and ISO 45001 Occupational Safety and Health Management System have been verified by a third party verification unit. Estimation or calculation equations are presented below tables and figures when necessary. To enhance reliability, Catcher plans to obtain relevant statements of guarantee from verification units for future reports.

Catcher publishes CSR reports on an annual basis. An executive summary of the CSR report was published for the first time in June 2015. A complete version, which was published for the first time in June 2017, and the next issue will be published in June 2022. To ensure environmental conservation, Catcher CSR reports are published as electronic files (*.pdf) on the Company's official website (http://www.catcher-group.com/tw/csr_esh_more.aspx?ID=5) · We welcome all feedback and suggestions.



▲ Catcher's Corporate Social Responsibility Report in 2018 & 2019

CSR Performance Highlights

Governance

- Selected as “FTSE4Good Taiwan Sustainability Index Stock” consecutively.
- The President of Catcher is selected as the Champion of “Taiwan TOP 100 CEO” by HBR.



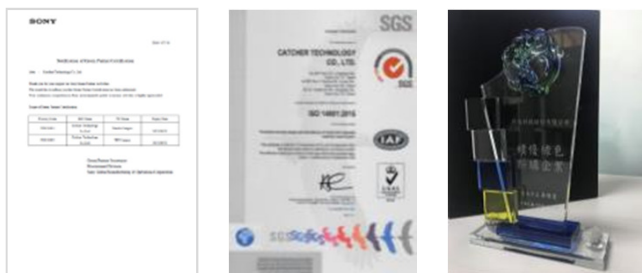
Society

- Certified with “Sport Company Award” by the Sports Administration, Ministry of Education in the 3rd year.
- Signed a memo of cooperation with Bureau of Education, Tainan City Government to promote the computational thinking project
- Certified by Occupational Safety and Health Management System (ISO 45001)
- Certified by Talent Quality-management System (TTQS)
- Certified by IATF 16949 Vehicle Industry Quality Management System
- Certified by Health Workplace-Health Promotion Badge
- Served as core enterprise of Catcher’s safety and health family program



Environment

- Certified by ISO 14001 Environmental Management System
- Certified as SONY GP(Green Partner)
- Certified as Taiwan Green Procurement Company in Excellence.



Certified with “Sport Company Award” by the Sports Administration, Ministry of Education in the 3rd year.

The purpose of the Sports Administration, the Ministry of Education launched the Sport Company Award is to encourage collaboration between company and government sectors in the construction of employee habit of regular exercise, supporting sport industry and revealing healthy human resources in a company and brand value. Catcher has passed the review with certificate expiration multiply, indicating sport culture rooted in the heart of employee without doubt.



▲ Awarded and certified as Sports Company by the Sports Department of Ministry of Education

Catcher internally encourages employee to be involved in sport class or sport-like society activities. Employee is gifted movie ticket or gift coupon, as well as the prize offered for participant in large-scale ball-like contests whenever he attends sport class for 3 times; these sport-like societies are granted with subsidy applied pursuant to the Management Measures, including extra prize for excellence in external games. In addition to the offer by system, Catcher also provides comfortable space for taking exercises, such as fitness center, Yuga Classroom, tennis tables etc., and also enters into specified contracts with external sporting stores to promote the concept of employee sports and be healthy against multilateral directions. Catcher and Catcher Education Foundation have sponsored sports activity in the school, public welfare sport group, base athlete and national athlete, expanding this awareness to the whole society.



▲ Awarded gift coupons to participants passing the test of sport class



▲ Fitness Center & society activity

In the face of changeable international political and economical environment, as well as competition amid industries, Catcher will keep optimizing human resource, focusing on employee care, building sports and healthy workplace to maintain growth with employee altogether.



1 Sustainable Communication

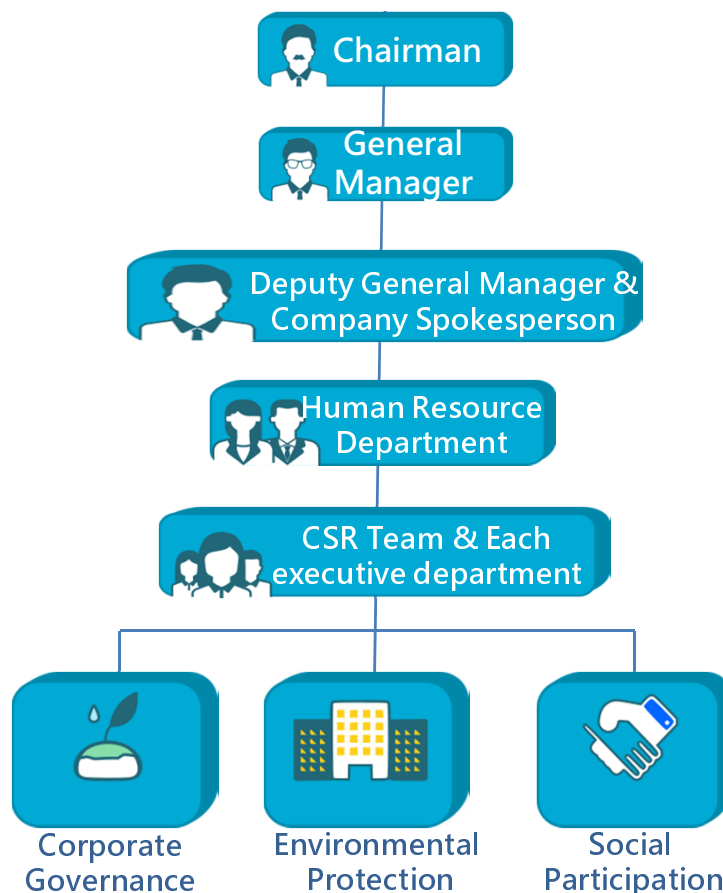
- 1.1 Catcher's CSR Commitment
- 1.2 Identification and Communication
- 1.3 Analysis of Material Issues



1.1 Catcher's CSR Commitment

In 2014, Catcher established a CSR Team subordinate to the Human Resource Department to work in collaboration with personnel from various departments in the handling of CSR-related matters. The Team is composed of members from Internal Audit Office, EHS, Human Resource Department, Strategic Procurement Department, Sales and Marketing Department, Investor Relations Department, and Quality & Reliability Assurance Department, and who are collectively responsible for formulating CSR performance indicators. As part of its routine operations, the Team ensures that the expectations of stakeholders are appropriately fulfilled. The implementation projects and performance of material issues are regularly reported directly to the Chairman.

Catcher's CSR reports contain issues of concern for all of the Company's stakeholders, and disclose Catcher's performance and future plans regarding CSR in order to ensure a mutually beneficial and reciprocal relationship. Meanwhile, CSR reports can also effectively facilitate the sound operation of internal management systems and advancement toward sustainable development. To demonstrate our determination in fulfilling our corporate social responsibility, Catcher has developed a CSR policy and ten major principles, which have been signed and announced by the Chairman. The Company adopts the latest behavioral guidelines of the Responsible Business Alliance (RBA) as the key reference for internal CSR implementation.



▲ CSR Organization of Catcher

Catcher establishes appropriate governance architecture, formulates and reviews CSR policy and related management guidelines.



Catcher's CSR policy is disclosed on the official website, and CSR management review meetings are held on an annual basis to review CSR related issues, compliance of international standards-Responsible Business Alliance (RBA) requirements, and handling of appealing cases, changes in domestic and international laws, etc., and review the needs to adjust and change CSR policy, goals, and management guidelines.

Catcher's CSR Policy

- **Regulatory compliance**
Comply with relevant regulations, and other related demands with Catcher's agreement. We are persistence in our pursuit of legal profits and implementation of social responsibility.
- **Environmental conservation**
In order to achieve our goals of green corporation and sustainable development, Catcher is committed to cherishing the natural resources and reducing environmental impacts.
- **Human-oriented management**
Respect workers' rights and focus on workers' health & safety. We build a appropriate management system and working environment. Moreover, we take care of humanities and society.
- **Advanced governance**
Through continuous improvement of performance management, we strive to balance interests between all stakeholders, and create the best value of Catcher.









Catcher's 10 Major CSR Principles

- Comply with laws and regulations and pursue reasonable profits.
- Create corporate value, maintain corporate transparency, ensure favorable corporate governance, and optimize shareholder interest.
- Practice integrity management, adhere to business ethics, and engage in fair competition.
- Respect human rights and basic labor principles, create a safe, healthy, harmonious, and fair workplace, and provide legitimate and reasonable salary and welfare systems.
- Protect the environment, conserve resources, and facilitate the sustainable development of the environment.
- Unite customers who are willing to make a difference, work together to invent outstanding products, and showcase the excellence of human craftsmanship.
- Encourage and reward innovation and R&D, and respect intellectual properties.
- Actively participate in governmental, social, and community events, establish favorable communication channels and interaction, and fulfill citizen responsibilities.
- Sponsor cultural, educational, and public welfare events, and encourage full employee participation.
- Integrate the principles and practices of CSR in supply chain management.

1.2 Identification and Communication


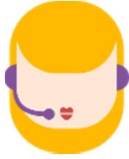
Catcher references the five key principles of AA1000 Stakeholder Engagement Standard included responsibility, influence, tension, diverse perspectives, and dependency, and then defines stakeholders as organizations or individuals who influence Catcher or are influenced by Catcher. Based on this definition, the CSR Team has identified the following major stakeholders: Employees, customers, suppliers, investors and shareholders, community residents, government agencies, non-profit/non-government organizations, and news media.

Catcher's primary stakeholders

Category	Importance	Main Responsible Units
 Employees	Employees are the most important asset because the devotion and harmony of employees can influence the atmosphere and operating performance.	<ul style="list-style-type: none"> Human Resource Department EHS
 Customers	The fundamental cause of normal operations and sustainable growth of Catcher is its customers	<ul style="list-style-type: none"> Major Responsible Department: Sales and Marketing Department Quality & Reliability Assurance Department
 Suppliers	The various products and services provided by Catcher must rely on the cooperation of high quality Suppliers.	<ul style="list-style-type: none"> Strategic Procurement Department
 Investors and shareholders	Investors and shareholders who hold shares are the basis for the existence of Catcher	<ul style="list-style-type: none"> IR Department
 Community residents	Catcher was founded in Tainan city and wants to do its best to give back to the local community.	<ul style="list-style-type: none"> Human Resource Department EHS Catcher Educational Foundation
 Governmental agencies	Catcher is a legitimate company, so its conduct and deeds must meet the requests of the regulations	<ul style="list-style-type: none"> Human Resource Department EHS Internal Audit Office
 NPO/NGO	Catcher is willing to share the achievements with non-government organizations to expand its influence and assist social development.	<ul style="list-style-type: none"> Human Resource Department Catcher Educational Foundation
 News media	The advice and suggestions of the news media can make Catcher find more defects and continue to work hard.	<ul style="list-style-type: none"> IR Department

Stakeholders and Their Communication Channels

To accurately identify the needs of our stakeholders, Catcher has established a suitable two-way communication channel through which to interact with stakeholders. Additionally, a Stakeholder section and CSR mailbox (csr@catcher-group.com) are provided on the Company's website. Through such diverse communication channels, Catcher can therefore adequately respond to CSR issues that are of interest to stakeholders and gain a better understanding of their expectations. These insights will in turn serve as references for the sustainable management of Catcher.

Category	Issues Concerned	Corresponding chapters /sections	Communication Channels
 Employees	Employee rights	3.1 Establishment of Employee–Employer Relations	<ul style="list-style-type: none"> Communicate information on bulletin boards, portal website, and Facebook Fan page Regularly convene labor negotiation meeting Regularly convene welfare committee/catering committee
	Employer–Employee Relations	3.1 Establishment of Employee–Employer Relations	<ul style="list-style-type: none"> Handle/inquire on the progress and status of handling employee feedback and grievances Conduct annual Catcher catering satisfaction survey Hold internal factory leisure events (e.g., Family Day, sports competition, book fair)
	Occupational safety and health management system	3.4 Safety & Health	<ul style="list-style-type: none"> Regularly/occasionally conduct educational training Each business department regularly/occasionally convene communication meetings and interviews Setup Stakeholder section on the company's website
 Customers	Customer relation management	2. Corporate Governance	<ul style="list-style-type: none"> Conduct customer audit and improve deficiencies Company website consulting service
	Supply Chain Management	2. Corporate Governance	<ul style="list-style-type: none"> Collect customer satisfaction survey questionnaire every year Manage customer complaints by following internal standard operating procedures
	Corporate Governance Capability	2. Corporate Governance	<ul style="list-style-type: none"> Setup contact window for immediate customer response and face-to-face communication Convene impromptu meetings in case of unexpected situations Setup Stakeholder section on the company's website



Category	Issues Concerned	Corresponding chapters/sections	Communication Channels
 Suppliers	Supply Chain Management	2.6 Stability and Sustained Operation	<ul style="list-style-type: none"> Provide product and governance related information on company's website Provide supplier consulting service on company's website Educate suppliers on CSR from time to time Dedicated window handle procurement matters Anti-corruption reporting mailbox Occasionally convene supplier business review meetings Conduct supplier evaluation and audit Setup Stakeholder section on the company's website
	Integrity and anti-corruption	2.5 Honesty	
 Investors and shareholders	Corporate Governance Capability	2. Corporate Governance	<ul style="list-style-type: none"> Regularly resolve company's material matters through shareholders' meeting Occasionally convene investor conference to present the company's business outcomes and prospects Disclose material business and financial information through stock exchange and company's website Occasionally release press to announce company's business operation or events Appoint dedicated personnel to handle and respond to investors' stock affairs Actively participate in seminars and investor forums of domestic and foreign investment institutions Setup Stakeholder section on the company's website
	Visions and Strategy of Sustainability	2.6 Stability and Sustained Operation	
	Communication with Stakeholders	1. Sustainable Communication	
 Community residents	Environmental pollution prevention	4.2 Environmental Pollution Prevention	<ul style="list-style-type: none"> Occasionally partake in community events for information exchange Provide CSR email and have dedicated personnel to reply emails Occasionally visit village chief, residents, schools, and economically disadvantaged groups located near factories Occasionally attend village meetings and sponsor village activities Setup Stakeholder section on the company's website
	Environmental management system	4.1 Management System Operation	
	Social engagement and public welfare	3.5 Social Participation and Public Welfare	



Category	Issues Concerned	Corresponding chapters/sections	Communication Channels
 Governmental agencies	Corporate Governance Capability	2. Corporate Governance	<ul style="list-style-type: none"> Annually disclose information on company's website in pursuant to government regulations Facilitate government audit inspections inside the factories when needed Every year, regularly confirm regulatory updates and state of compliance Every year, regularly conduct statistics and declare/report company information Every year, occasionally participate in projects or seminars/conferences held by the government Implement related matters in accordance with government regulations Deliver information through official letters and documents Setup Stakeholder section on the company's website
	Environmental pollution prevention	4.2 Environmental Pollution Prevention	
	Employee rights	3.1 Establishment of Employee–Employer Relations	
 NPO/NGO	Integrity and anti-corruption	2.5 Honesty	<ul style="list-style-type: none"> Occasionally sponsor projects and events Occasionally take part in NPO/NGO seminars and activities Provide Tainan school students (vocational high schools to graduates) job shadowing opportunities Provide opportunities of industry-university cooperative project and exchange for universities and colleges Setup Stakeholder section on the company's website
	Social engagement and public welfare	3.5 Social Participation and Public Welfare	
	Visions and Strategy of Sustainability	2. Corporate Governance	
 News Media	Corporate Governance Capability	2. Corporate Governance	<ul style="list-style-type: none"> Every month, regularly release news on operating revenue Occasionally hold media communication event, press conference or press release to announce future developments Provide spokesperson contact details to respond to media questions Accept press interviews and project planning
	Supply Chain Management	2.6 Stability and Sustainable Operation	

1.3 Analysis of Material Issues

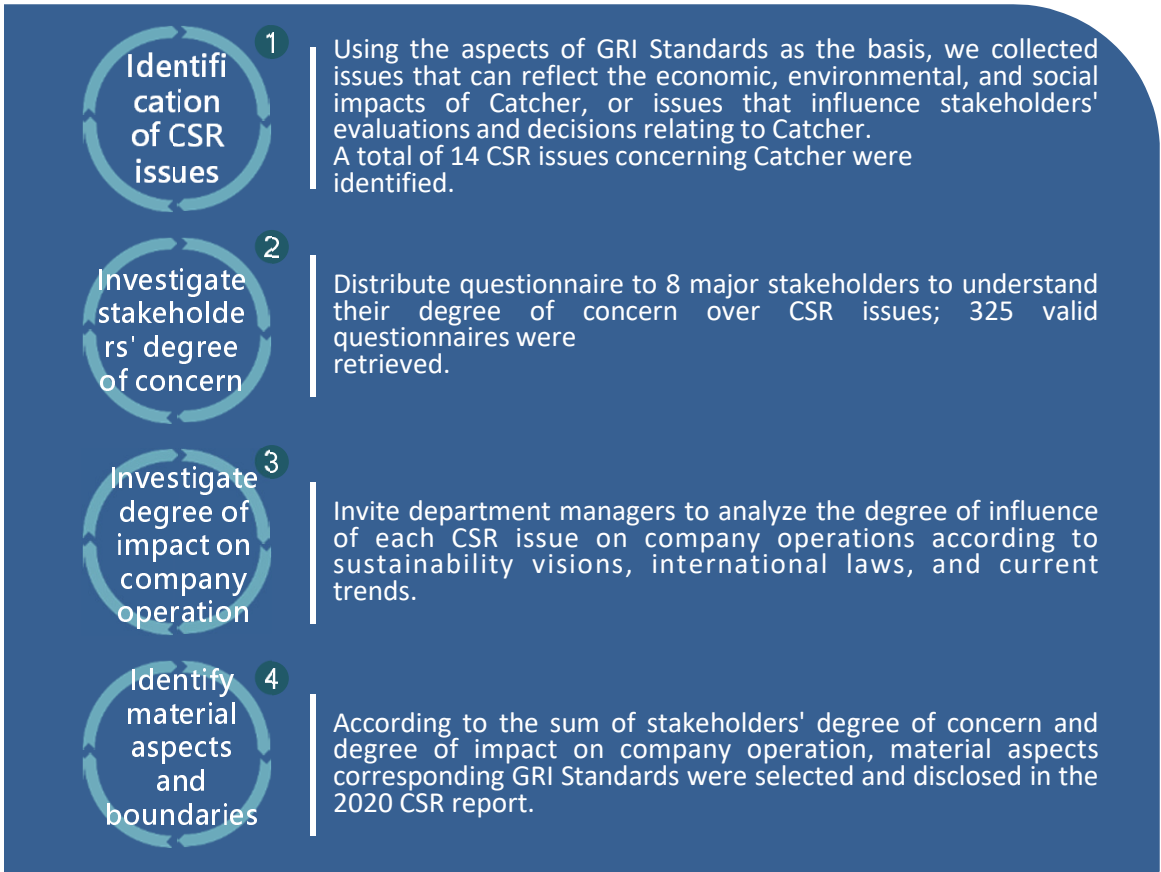
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Catcher's CSR Material Issues

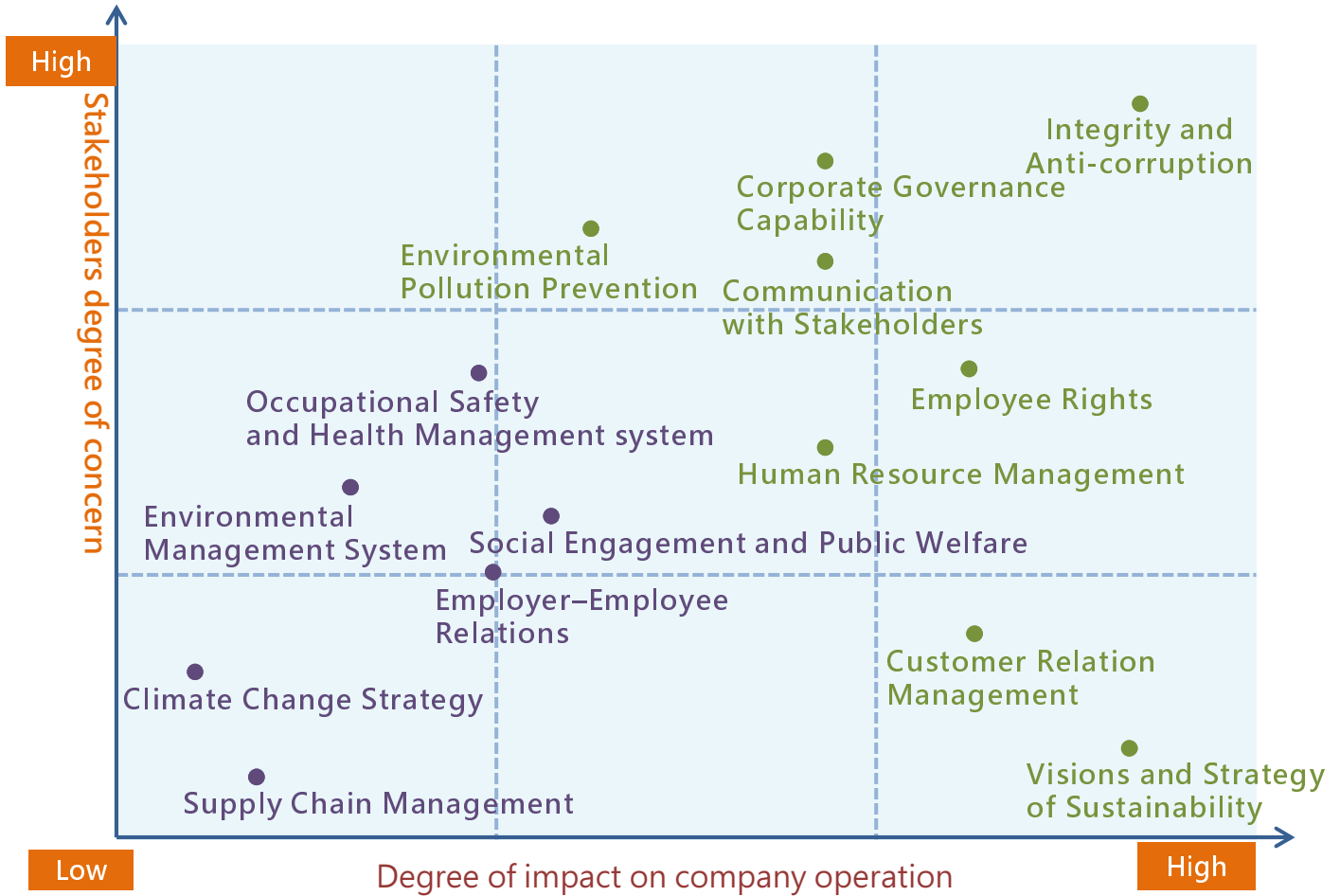
- Integrity and anti-corruption
- Corporate Governance Capability
- Communication with Stakeholders
- Employee rights
- Human Resources Management
- Environmental pollution prevention
- Customer relation management
- Visions and Strategy of Sustainability

To collect stakeholder opinions, Catcher not only continues to understand stakeholders through communication channels, but it also compiles a preliminary list of 14 CSR issues based on the aspects of GRI Standards and the background context for Sustainable development. Subsequently, questionnaire survey was conducted to identify the level of attention each stakeholder pays to CSR issues. This survey received the valid questionnaire of 325 copies and weighted by its importance of stakeholders, as well as the impacts of each CSR issue on company operations as assessed by executive management and CSR Team. Following analysis, Catcher's material CSR issues in 2020 are ranked as follows: "Integrity & Anti-corruption", "Corporate Governance Capability", "Stakeholders Communication", "Employee Rights and Interests", "Human Resource Management", "Environment Pollution Prevention & Control", "Customer Relationship Management" and "Sustainable Vision and Strategy".

Analysis of Material Issues



Catcher's Material Issues in 2020



Regarding the above issues, the value chain of Catcher is as follows with due consideration to the internal and external influence and impact on Catcher. Catcher discloses and provides corresponding responses in the CSR reports according to the principles of materiality and completeness.



Sustainable communication

CSR Issues	material Issues	Aspects to consider with respect to GRI Standards	Corresponding chapters /sections	Boundary Within the Organization		Boundary Outside the Organization		
				Taiwan	China	Customers	Suppliers	Community
Sustainable vision and strategy	★	Management guideline	Message from the Chairman Management Guideline across Issues	V	V			
Integrity & Anti-corruption	★	Anti-corruption	2.5 Integrity & Practice	V	V		V	
Corporate Governance Capability	★	Economic Performance	2. Corporate governance	V	V			
Employee Rights and Interests	★	No discrimination/ Grouping freedom & coordination/child labor/Forceful labor work/Human rights assessment	3.1 Building labor relationship	V	V		V	
Environment Pollution Prevention & Control	★	Water/waste water & wastes	4.2 Environment Pollution Prevention & Control	V	V		V	V
Stakeholder Communication	★	--	1. Sustainable communication	V		V	V	V
Customer Relationship Management	★	Customer privacy	2.4 Service to customers	V	V	V		
Human Resource Management	★	Labor relationship/Employee Diversification & Equality	3.2 Human Resource Management	V	V			
Environment Management System		Management guideline	4.1 Operation of Management System	V	V		V	
Occupation Safety & Hygiene Management System		Occupational Safety & Hygiene	3.4 Safety & Health Control	V	V			
Labor Relationship		Labor relationship	3.1 Build Labor Relationship	V	V			
Social Engagement & Public Welfare		--	3.5 Social Engagement & Public Welfare	V				V
Supply chain management		Supplier environment assessment/society assessment	2.6 Sustainability	V	V		V	
Climate change measures		Energy/Emission	4.3 Climate change measures	V	V			

Note: In addition to economic performance of the China plants within the organization, the other issues are not disclosed. Catcher plans to disclose within the next 3-5 years.



2 Corporate Governance

- 2.1 About Catcher
- 2.2 Responsible Governance
- 2.3 Technological Innovation
- 2.4 Best Customer Service
- 2.5 Honesty
- 2.6 Stability and Sustainable Operation





2.1 About Catcher

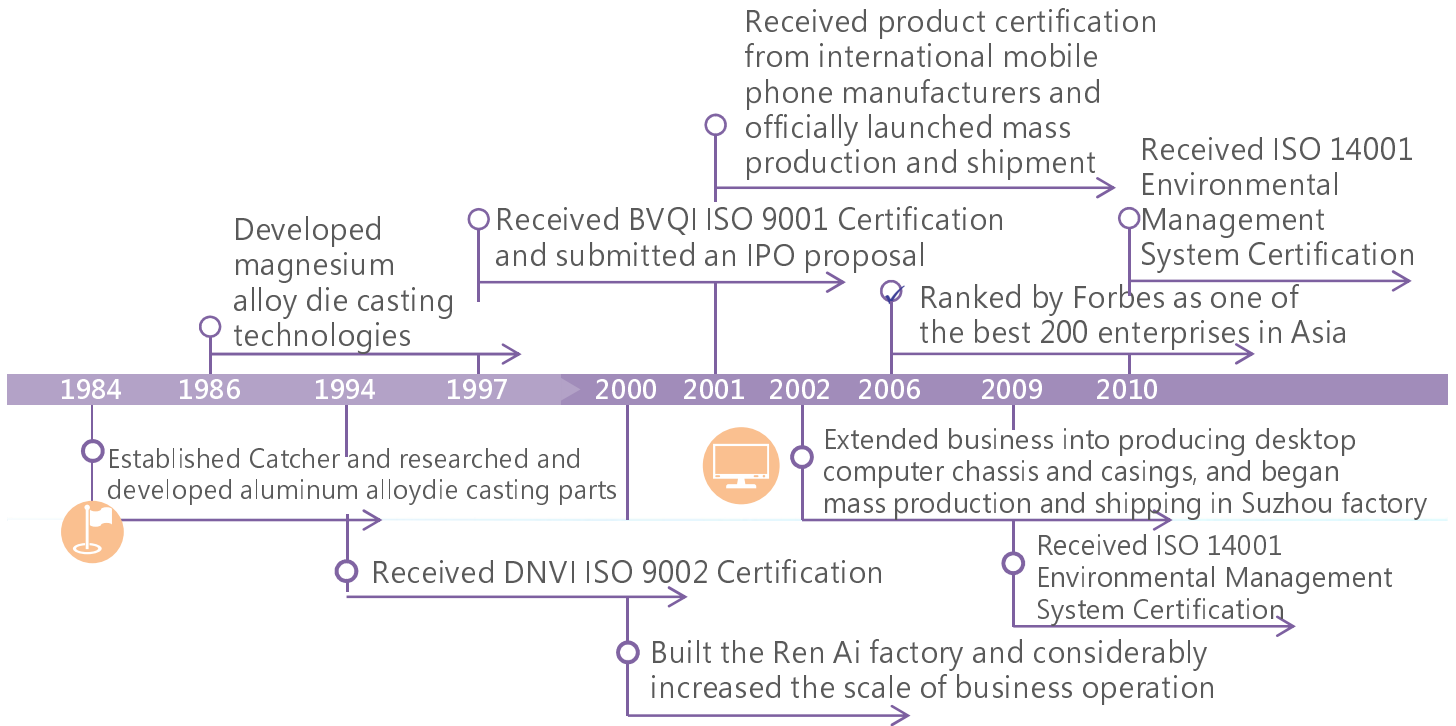
Catcher Technology Co., Ltd.

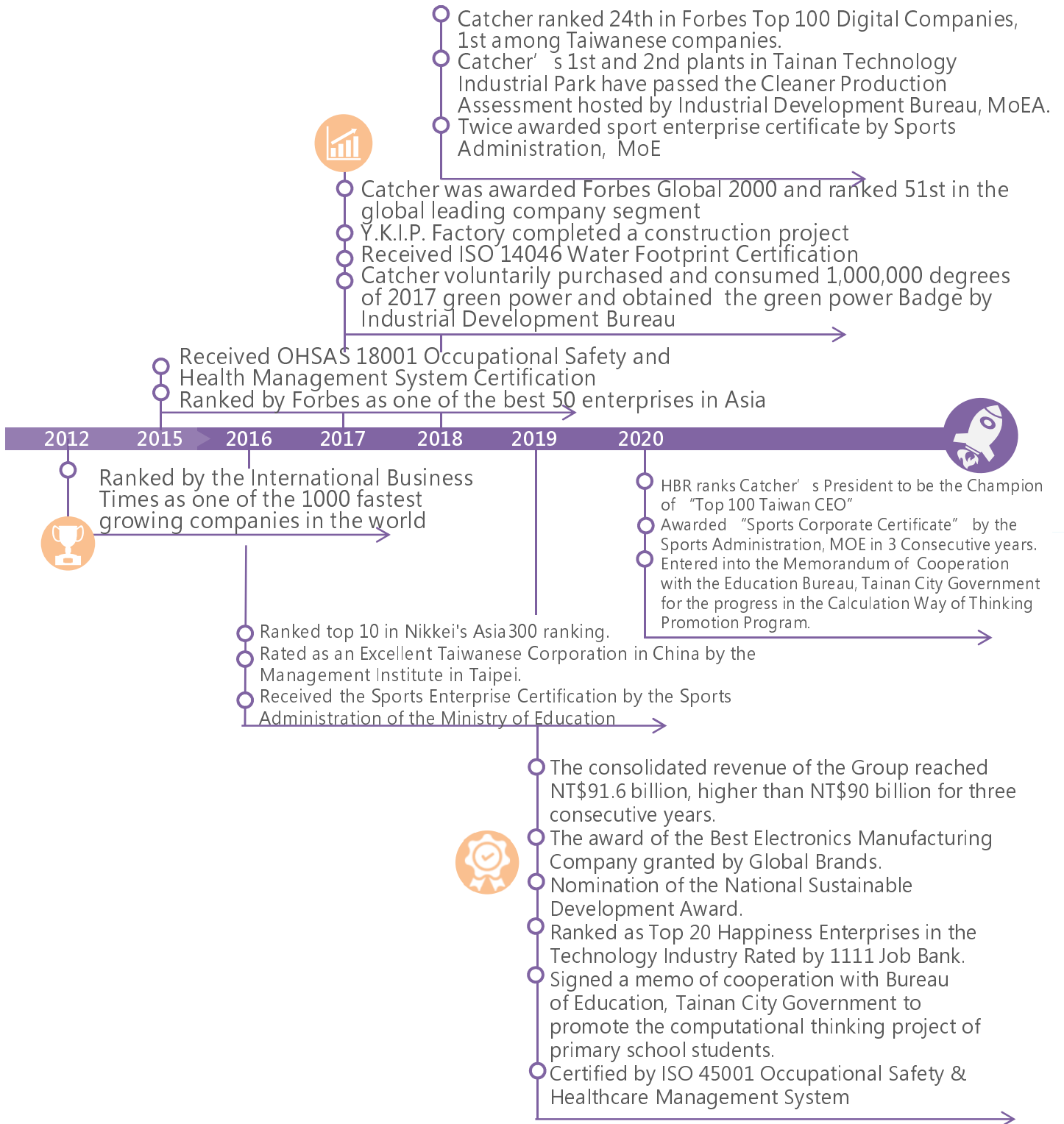
Address of Headquarters	➔ No. 398, Ren Ai Street, YungKang Dist, Tainan City
Registered Capital	➔ NT\$ 7,616,181,000
Primary products and services	➔ Casing and Internal Components
Sales Region	➔ America and other Domestic sales (1.34%) and overseas sales (98.66%, including Asia, regions)
2020 Net Sales	➔ NT\$ 82,506,032,000
2020 Production Capacity	➔ 92,800,000 units
2020 Production Output	➔ 66,879,000 units
Total number of employees in Taiwan	➔ 5,073 (Data as of December 31, 2020)





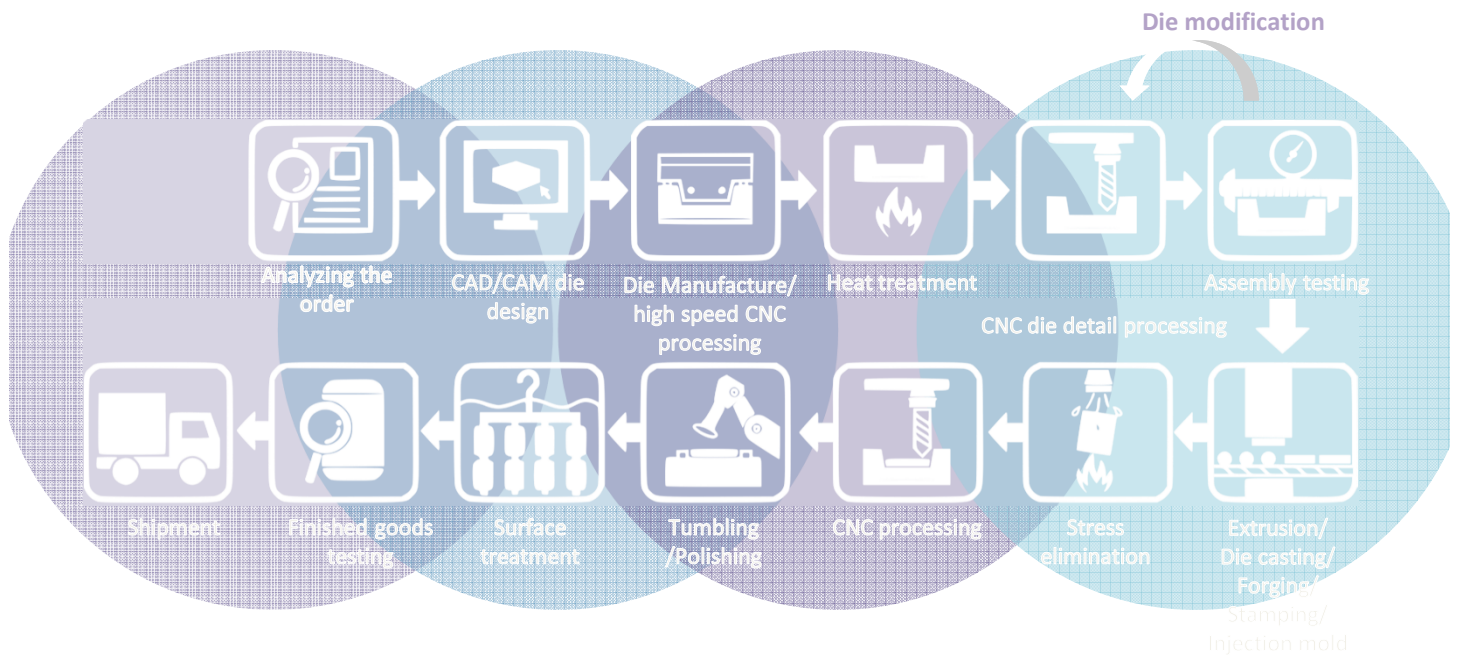
Catcher's Key Milestones





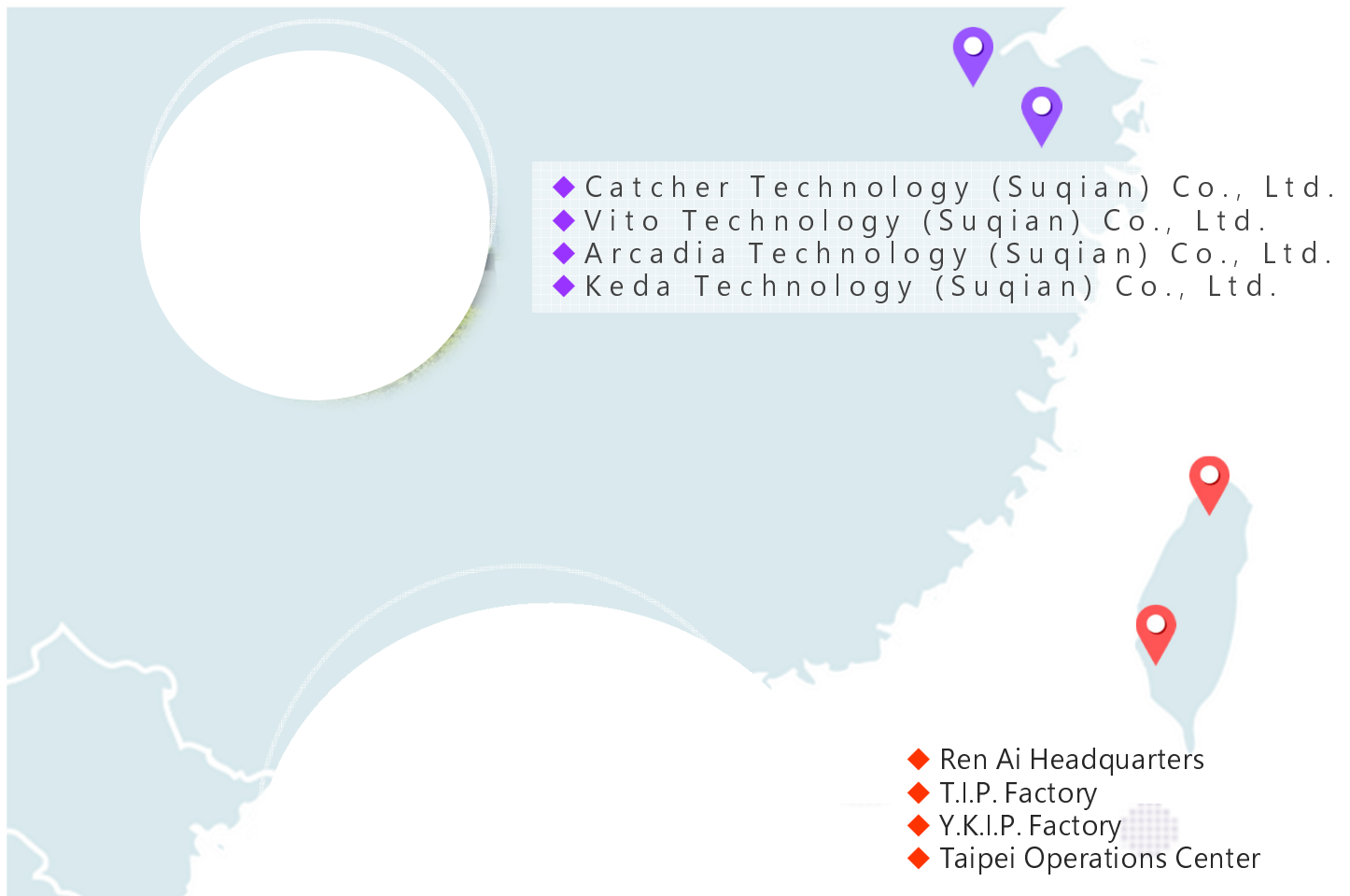
Intro to Manufacturing Process

Manufacturing technologies include Magnesium/aluminum alloy die casting, aluminum extrusion, forging, stamping, metal injection molding (MIM), injection, thermoforming, CNC processing, anode, PVD, and coating. The materials we deal with encompass aluminum alloy, magnesium alloy, stainless steel, composite materials of carbon fiber and glass fiber, and engineering plastics. Technologies and distinct binary processing methods are adopted depending on the materials involved. Finally, surface processing technologies are employed to create ultra-fine and aesthetically appealing mechanical parts.



Global Locations

As an industry leader, Catcher specializes in the production and development of casings and internal components. With its integration of core technologies and manufacturing processes, the Company has the capability to produce world-class products and provide total solutions to customers worldwide, as well as to major domestic and foreign manufacturers. In addition to its Ren Ai Headquarters in Tainan, the Company has also established manufacturing facilities in various locations like the Tainan Technology Industrial Park, Yongkang Technology Industrial Park, and China to achieve optimal distribution.



Operational Performance

In a rapidly changing market such as an electronic information industry, the relatively short product life cycle necessitates reliance on key innovation technologies and prospect governance capabilities in order to live up customer expectations and enhance financial performance. In 2020, COVID-19 affected economic behavior and order globally. The market was characterized by uncertainty, fluctuation and unpredictability with company operations subjected to a more severe environment. Catcher endeavored to mitigate the impact of COVID-19 and maintained stable operations. Thanks to the hard work of all employees, the company achieved NT\$82.5 Billion with a consolidated business profit rate of 27%. The consolidated net profit after tax reached NT\$21.13 billion with a basic surplus per share of NT\$27.65.

Business Achievement (Group)

Item (unit: NT\$1,000)	Amount		Percentage	
	2020	2019	2020	2019
	82,506,032	91,628,115	100%	100%
Business Income	21,919,251	22,266,895	27%	24%
Business Profit	14,935,168	14,109,148	18%	15%
Business Gains	40,847,189	19,983,261	50%	22%
Net profit before tax	21,129,820	11,272,124	26%	12%

(Unit: NT\$1,000)

Profitability (Group)

Item		2020	2019
Return on Assets (ROA)		9%	5%
ROE(Return On Equity)		14%	8%
Paid-up Capital Ratio	Business Income	196%	183%
	Net income before tax	536%	259%
Net profit rate		26%	12%
Surplus per share (NT\$)-Base		27.65	14.63

Please review Catcher's 2020 Annual Report for details on financial information on our Company website:

http://www.catcher-group.com/tw/investor_financial_ps.c.aspx

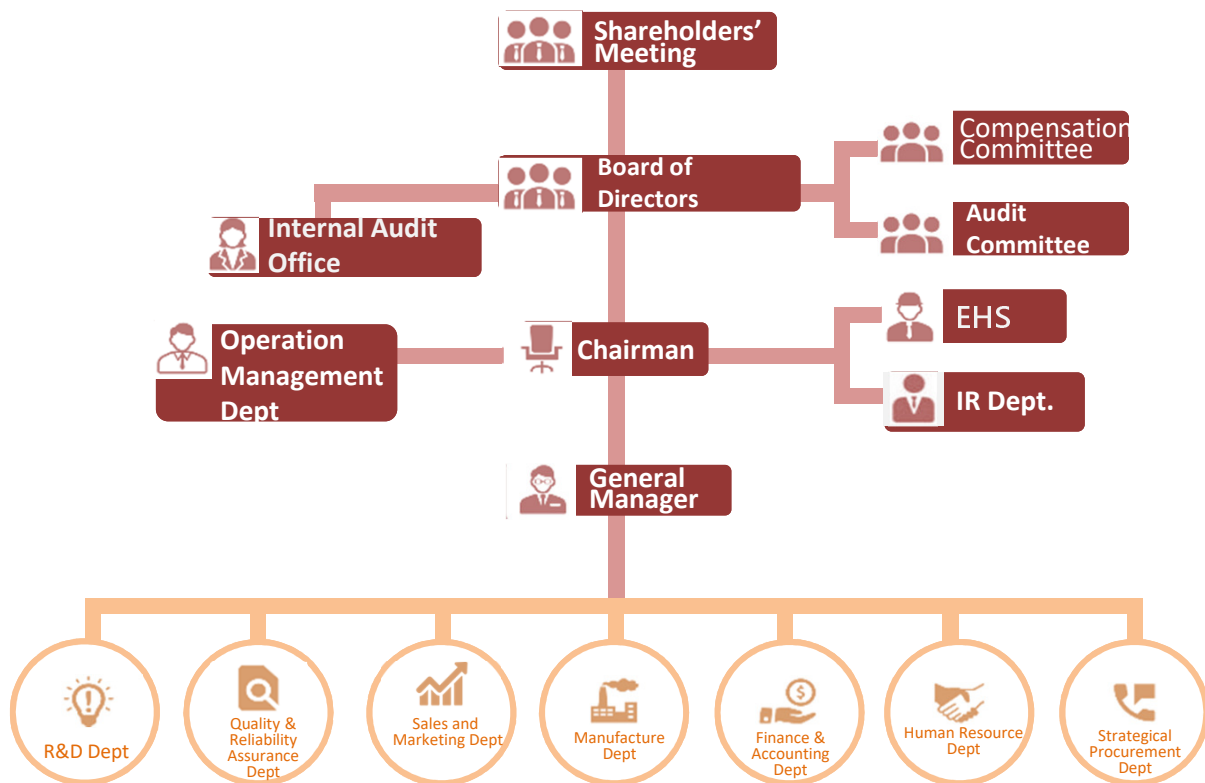


2.2 Responsible Governance

Catcher pays attention to business transparency as well as instant and consistent information disclosure. In addition to disclosing relevant information on the Market Observation Post System (MOPS) as mandated by the stock exchange, the Company has also established website available in Simplified Chinese, Traditional Chinese, and English, where financial report, management, corporate governance, CSR, investor conference, and other operations and governance situations are disclosed periodically or non-periodically to provide a reference for domestic and foreign investors. The Company has appointed a spokesperson, acting spokesperson, and investor relations service providers, all of whom are responsible for communicating issues of concern to stakeholders via postal mail, telephone, or email.

In accordance with the Company Act, the Securities and Exchange Act, and other relevant laws and regulations, Catcher has established a sound and efficient Board of Directors responsible for ensuring that each and every department of the Company performs its roles and duties. This facilitates the creation of a favorable governance framework for elevating the Company's business operation performance.

Organization Chart



➤ R&D Dept.	Research and development of advanced technologies, development of process technologies
➤ Quality& Reliability Assurance Dept.	Product quality inspection and assurance
➤ Sales and Marketing Dept.	Brand management, market research, business promotion and customer service
➤ Manufacturing Dept.	Manufacturing and processing of casings and internal mechanical parts
➤ Finance& Accounting Dept.	Financial accounting, investment planning, stock affairs management
➤ Human Resource Dept.	Human resource management and organizational development, corporate social responsibility
➤ Strategic Procurement Dept.	Group supplies planning, supplier resource management
➤ Operation Management Dept.	Determine, follow up and assess the operation management information and indicators
➤ Internal Audit Office	Internal audit and operation procedure management
➤ EHS	Safety and environmental inspection in the factory
➤ IR Dept.	Communication and relationship maintenance between shareholders and investors; the company' s external investment

The election of directors follows the candidate nomination rules. The directors are elected from among the candidates at the shareholders' meeting. The Chairman of the Board acts as the external representative of Catcher. Board meetings are held at least once every quarter. Unless otherwise provided for under the Company Act, resolutions of the Board of Directors are adopted by a majority of the directors at a meeting attended by a majority of the directors. Catcher selects directors by using standards that are superior to statutory standards. Occasionally, the Company also holds continuing education courses for directors to educate them on business, finance, and stock affair policies, laws and regulations, and professional knowledge. The Company hopes to perfect management decisions and enhance governance quality through the experience and professionalism of its directors. Every year, the Board of Directors will convene a shareholders' meeting at least once within 6 months after the end of the fiscal year, and when necessary, it will hold extraordinary general meetings of shareholders in accordance with the provisions provided under the Company Act. Unless otherwise regulated by the Company Act, a shareholders' meeting resolution is passed when more than 50% of all outstanding shares are represented in the meeting, and voted in favor by more than 50% of all voting rights represented at the meeting.

Catcher acknowledges the importance of conflicts of interest. A system requiring recusal due to conflict of interest is established in the Board of Directors Meeting Rules, mandating that if a conflict of interest exists for a director or the legal person they represent with regard to a specific matter on the agenda, then the director may not take part in the discussion and voting. The shareholders' meeting also operates in accordance with Article 12 of the Shareholders' Meeting Rules, which states that a shareholder who has a personal interest in the matter under discussion at a meeting, and which may impair the interest of the Company, may not participate in voting nor exercise their voting right on behalf of another shareholder.

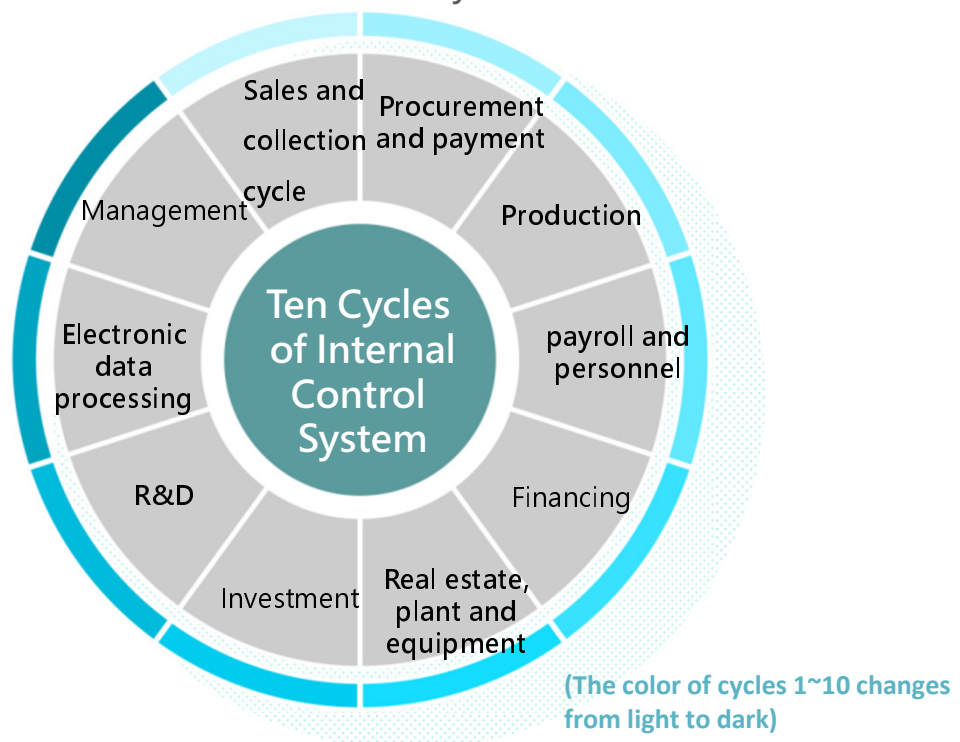
The Compensation Committee and Audit Committee established under the authorization of the Board of Directors to assist the Board with the exercising of its functions and duties. The organizational rules for the aforementioned two committees have been approved by the Board of Directors and are regularly reported to the Board. With an independent system of operation, the Board serves to improve the Company's governance capabilities. The status of operations is regularly disclosed on Catcher's annual report. Please refer to the 2020 Annual Report for details on the status of the corporate governance operations of the Board of Directors, shareholders' meeting, and committees: http://www.catcher-group.com/tw/investor_financial_psc.aspx °



In addition, to ensure the effectiveness and performance of the implementation of the corporate policies and system, the correctness and reliability of the internal reports, the compliance of laws and regulations, and the security and effective use of corporate resources and property, Catcher follows “Standards for Publicly Held Companies to Internal Control Systems” to determine whether the design of internal control is proper and the implementation is useful.

Catcher’s Internal Audit Office does review and formulate an annual audit plan based on the results of the risk assessment every year, including the 10 cycles of the internal control system: (1) Sales and collection cycle, (2) Procurement and payment cycle, (3) Production cycle, (4) Payroll and personnel cycle, (5) Financing cycle, (6) Real estate, plant and equipment cycle, (7) Investment cycle, (8) R&D cycle, (9) Electronic data processing cycle, and (10) Management cycle. Internal Audit Office has formulated a check list of anti-corruption and preventable & controllable management mechanism to identify the potential operational risks as soon as possible, thereby expanding the depth of internal audit and enhancing the effectiveness and value of the audit.

Ten Cycles of Internal control system



To further improve Catcher’s operational performance, Catcher has invested significantly on AUTO Production & Process for years, with which significant contribution generated in recent years. Catcher also optimizes Human Resource actively, reserves energy for development, keeps expanding applied markets for core products and technology, scaling up client bases, increase product categories to improve base for energy in near future. Catcher considers “Technological Innovation, Best Customer Service, Honesty, Sustainable Operation” as its highest business philosophy. We expect all of our employees to uphold these philosophies in resource allocation and management in order to exceed customer expectation and create greater value for Catcher. Regarding the four major aspects of the Company’s business philosophy, the relevant management and implementation outcomes are described in Chapters 2.3–2.6 :

2.3 Technological Innovation

Catcher's R&D team is committed to R&D beginning from the product design stage, and is responsible for determining what customers expects from new products. During R&D, special manufacturing processes and technologies are actively developed using existing processes and technologies to provide multidimensional product designs that can satisfy customer needs. Furthermore, different materials and processes are mixed and matched to manufacture unique all-in-one casings featuring special surface properties and textures. During R&D and manufacturing processes, the team thoroughly informs customers of all kinds of information, including product samples, materials, functions, packaging and mass production criteria, and environmental and social impacts.

In 2020, Catcher invested NT\$ 1,584,650,000 in R&D, while enhancing its personnel' s level of education as a way of prioritizing R&D. To maintain its lead in the industry, the Company continuously expands the application of various materials, along with composite materials and materials with high intensity, high rigidity, low electromagnetic shielding, and high RF penetration. It also develops advanced technologies geared towards smart manufacturing which has been the Company' s work focus for many years. Capitalizing on its rich experience in basic material science and physical/chemical surface treatments, Catcher adopts different materials and processes in combination with a variety of secondary processing and surface treatments. It also utilizes a multilayer, multi-directional approach to develop products and in-house technology that have high precision, high value added, and high mass production capacity.

Over the past few years, Catcher has aggressively expanded special processes and technologies to incorporate into existing techniques, thus creating a Comprehensive Manufacturing Matrix. The matrix provides customers with design flexibility and achieves the goal of vertical integration. When integrating these processes into mass production, the Company taps new application possibilities that combine different processes, so as to manufacture unique and one-piece casings that manufacturers of single processes are unable to produce; these combinations can also create special surface treatments and textures for casing products.



To protect Catcher's business autonomy and strengthen its competitive edge, as of December 31, 2020, Catcher holds 37 valid global patents in total. In 2020, Catcher passes 1 patent, providing effective protection over the intellectual properties of Catcher and its customers. The current directions in research and development include special magnesium alloys, aluminum alloys, stainless steel, carbon (glass) fiber, plastics, powders and other metals used for product casings and structural design, as well as laser engraving of components, seamless welding, metal/plastic injection mold techniques, etching and multi-color surface treatment techniques, high precision extrusion techniques for large metal casing, carbon fiber composite panel, and glass fiber composite panel. In addition, the Company strives to expand into other niche products by utilizing an existing production technology for diversified planning of applied products.

Mobile devices that are developed with high frequency, high speed, and high computation design features are relevant to 5G and dissipation issues, which will bring challenges and opportunities for Catcher and other mechanical manufacturers. Catcher will also invest more R&D resources in this particular field.

Product & Process with success of development in recent years



2.4 Best Customer Service



Policies/Commitments

- **Protect the key assets from intentional or accidental threats internally and externally. Besides, improve satisfaction of customers and exceed their expectations continuously.**



Goals: Win customer trust

	2020	2019	2018
Total score on customer satisfaction survey: 80	91.3	88.9	80.7
Customer complaint case closing rate: 100%	100%	100%	100%
The rate of return: <2%	0.99%	0.85%	1.09%
Computer anti-virus software coverage rate: 100%	100%	100%	100%
Information service (machine room/server) maintenance rate: 99%	99.91%	99.89%	99.96%
Number of hours of information service (machine room/server) accountable abnormalities: 0	0	0	0

- **Medium-term and Long-term: Continue to expand the application market of core products and technologies, and consolidate the relationship with customers. And then expect to develop with customers at the same time in order to serve customers as soon as possible and properly protect confidential information of customers.**



Responsibilities

- According to the internal operational management procedure, Sales and Marketing Department is responsible for developing new cases, and managing the timeline of production, delivery and price. Quality & Reliability Assurance Department is responsible for ensuring quality of product. IT Department is responsible for establishing and promoting the protection of confidential information. All employees of Catcher follow the Information Security Policy.



Resources

- Dedicated personnel of sales and IT, all kinds of educational training, all kinds of devices of software and hardware to ensure information confidentiality



Grievance mechanisms

- Provide contact information on the company's website, operational procedure of customer complaint



Specific actions of 2020

✓ Reinforcing security in permission control and management

In terms of data protection improvement, server upgrade, antivirus system for office and client PC, Catcher showed progress in 2020. The company created a 24-hour constant surveillance by introducing a host-based monitoring hardware and real-time response mechanism for major servers and providing system administrators direct notifications to improve their protection mechanism against ransomware and new viruses.

Customer Relations

Catcher is the leading brand in providing total mechanical part solutions to iconic customers of the international electronics industry. With diversified materials, comprehensive processes, innovative designs, excellent process technology, complete vertical integration, leading automation capabilities, and the optimal cost, we've got multiple advantages, and grasped customer needs and product development trends. So we can continuously deliver products and results that satisfy customers. In 2020, Catcher actively explored new markets and customers in its business, demonstrating the operating advantages as the leading manufacturer in the industry.

To provide the best quality and services to our customers, Catcher manages its quality by following ISO9001 Quality Management System regulations and customer requirements to establish key performance indicators on an annual basis. Additionally, Catcher regularly convenes management review meetings and ensures that employees of all departments, including manufacturing, administration, and sales, comply with quality requirements. In terms of service management, Catcher as a customer relation management procedure in place to facilitate effective and flexible communications during the order processing and order delivery processes. In addition to sales personnel providing customers with instant feedback and face-to-face communication, web pages as consulting service platform are available, in hopes of rendering diverse range of convenience services. When customer complaints/appeals are received, Catcher is able to immediately ascertain the reason of complaint and relevant information such as non-conforming items and quantity and expected outcomes, notify the Quality & Reliability Assurance Department to make a response at the first instance, and when necessary set up a team to strengthen control or conduct investigations in person. Subsequently, internal responsibilities are determined, and actions are taken by the Quality & Reliability Assurance Department and production line defect unit to put an emergency stop to the production line and implement improvement measures. Involved units are tracked to monitor the effectiveness of the improvements, and necessary information is documented and archived to prevent similar problems from happening in the future. This series of steps is aimed at elevating product quality and protecting the company's reputation.



Operational
processes of
customer complaint



Catcher attaches a high level of importance to customer service, which is evident by its constant communication with customers during daily operations. At the end of the year, we also conduct customer satisfaction surveys to collect information serve as a reference for improving the future operations and management practices of Catcher. Any deficiencies identified by customers are used as the basis for formulating corresponding improvements, reflections and analyses, and improvement strategies. According to statistics, customer satisfaction in 2020 scored on average 91.3 points, and 0 cases of customer complaints closed. There were no incidents of product recall or quality-induced damage to customer interests, nor was there infringement of customer privacy, information leakage, or theft and loss of customer information. This performance highlights the outcomes of the improvements made and also how much Catcher values customer service.

The increasing complexity of product structures and high-end requirements for product appearance have prompted customers to impose stringent quality regulations. Catcher focused on the development of smart phone, laptops, tablets and wearable in the past. In the future, Catcher will make continuous improvements on any inadequacies, integrate advantages, and implement strengthened customer service management in order to exceed customer expectation, maintain a closer, better, and stronger partnership with our customers. Moreover, it plans to penetrate into the non-consumer electronic industry field, striving for the goal of diversification of products and customers, and finally increasing the Company's competitiveness.

Customer Satisfaction Survey Items and Results



Information Confidentiality

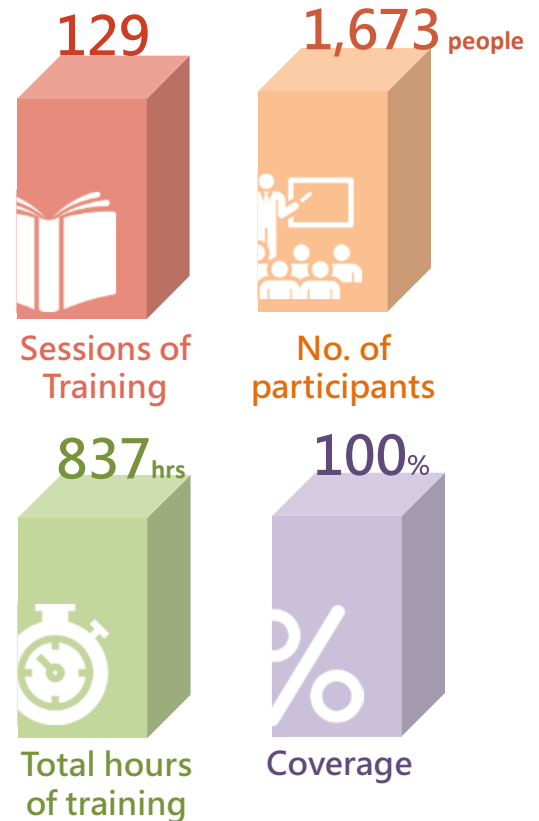
Catcher understands the importance of confidential information to the Company itself and to its customers, because our reputation and the trust our customers have in us all depend upon it. Improper management is likely to impose punishment or penalty, which is why Catcher is devoted to giving our all in respecting and protecting privacy and confidentiality. Externally, we request our customers, suppliers, contractors, verification companies, and other external parties to sign non-disclosure agreement, which is aimed to prevent losses due to disclosure of confidential information. In 2020, there were no violations of customer privacy rights or grievances with regards to damage to customer rights as a result of loss or disclosure of customer information. This achievement accentuates the effectiveness of Catcher's internal management.

Internally, Catcher implements control by building an information security management mechanism. The "Company Information Security Policy Operating Guidelines" and "Employee Information Security Regulation Operating Guidelines" specifically mandate the need for compliance in daily operations, and these two guidelines also serve as the basis of evaluation by internal independent auditing units. These measures ensure the effective implementation of management mechanisms and adequate use of advanced technologies to reduce the possibility of information leaks. For employees whose works involve the company's business secrets, Catcher requires such employees to sign an Undertaking of Confidentiality, install anti-virus software on their personal computers, and have their USB devices subject to collective management.

It is worth mentioning that IT Department set up a team of information security through internal selection from 2016. In addition to voluntary audit of information security, review of log record, risk control, new knowledge of information security, and training, the Team also used external major incidents of information security for reference (such as the attack event of computer virus of TSMC) to prevent immediately.

Catcher also comprehensively enforces strengthened educational training for employees. Not only does new employees need to undertake information security training and conduct evaluation examinations, but every month, current employees are also educated on information security regulations. Employees responsible for information security services are provided with internal continuing education to enhance their knowledge on information security and personal information filing maintenance, thereby establishing a positive information security culture.

▼ 2020 Outcomes of Information Security Training for New Employees in Taiwan



▲ Internal Regular Education of IT Department

2.5 Honesty



Policies/Commitments

- Catcher is dedicated to staying in line with the highest ethical requirements. Catcher 's internal management lead by example to practice the business philosophy of honesty, thereby following codes of ethics and refusing to provide and receive improper benefits.



Goals and targets: Ensure zero corruption

	2020	2019	2018
Number of reports filed for cases of corruption: 0	0	0	0
New employee ethics training rate: 95%	100%	100%	100%

- Medium-term and Long-term: Through regular education training and communication, Catcher continues to strengthen employees' and suppliers' knowledge of ethics to ensure zero corruption.



Responsibilities

- According to the internal operational management procedure, Human Resource Department is responsible for planning and conveying educational training of ethics. The Internal Audit Office is responsible for implementing the audit of honesty. All employees of Catcher follow the internal standard operating procedures.



Resources

- Dedicated personnel of educational training and audit, dedicated personnel of Internal Audit Office, all kinds of educational training



Grievance mechanisms

- Employee feedback and grievance channel, supplier grievance hotline

With "Ethics" and "Integrity" as the highest principles of our business philosophy, Catcher has always complied with the Company Act, Securities and Exchange Act, Business Entity Accounting Act, rules relevant to TWSE/GTSM listed companies, and other laws and regulations related to business conduct as well as Responsible Business Alliance (RBA) code of conducts. In 2020, Catcher did not directly or indirectly engage in monetary and non-monetary political contributions, nor involved in any legal actions for anti-competitive behavior, anti-trust, and monopoly practices. There were no cases of penalties, sanctions, and litigations for violations of corruption and accounting fraud regulations.

Members of the Board and executive managements are committed to realizing the codes of ethical conducts in order to establish a favorable role model in ethical management practices. Compliance in code of ethical conducts for all employees is based on the provisions given under the Social Responsibility Management Procedures and Work Rules as well as Employee Opinion Grievance and Recommendation Operating Guidelines. A grievance channel is provided for anonymous reporting of illegal activities so that management levels and all employees are able to comply with the highest level of ethical standards when performing their duties. Cases of violations of code of ethical conducts are handled following internal work rules according to the severity of the situation. Thus, managements and base-level employees are ensured to abstain from engaging in the acceptance of contracts, bribes, commission, rebate, or any other improper benefits of any form. In 2020, there were no cases or concerns reported through the ethical management grievance channel.

Catcher formulates the Honesty Policies including the practices and means to prevent unethical conducts

Honesty is an important core value in Catcher's business philosophy of "Innovative Technology, Customer Services, Honesty and Integrity, and Sustainable Development", and also plays a key role in promoting the five dimensions of corporate social responsibility: labor, health and safety, environment, ethics, and management system.

In addition to formulating relevant management procedures and operating regulations for honesty, a CSR management review meeting is held every year to formulate management plans for preventing unethical behaviors and following up the progress of implementation.

On the other hand, through the internal audit conducted by the corporate social responsibility team and the 10 circular anti-fraud mechanisms of the Internal Audit Office, it confirms and checks the compliance of relevant business ethics. In addition, internal and external complaint and whistle-blowing mechanisms are also set up to facilitate the reporting of illegal matters.

Catcher formulates the complaint system against illegal and unethical conducts, which are disclosed on the official website

As for the internal communication, Catcher specifies the internal reporting and grievance system in the orientation for new recruits and the "Manual for New Catcher's Employees". The main items include: workplace violence (anti-bullying), food advice, sexual harassment and occupational ethics. Employees can submit complaints or grievance cases through physical advice boxes, emails, phone calls, or Google forms.

Catcher assigns special personnel for handling and following up the complaints and grievance cases, and has an anti-retaliation mechanism to ensure the confidentiality of the reporter's identity, and to protect the employees' rights of complaints and grievance.

For external stakeholders, the complaints and grievance channels are available on the official website and the supplier service area, so that suppliers or stakeholders can propose their suggestions in a timely manner to ensure no illegal (including corruption) and unethical conducts.



Employee Channels of Compliant for Occupational Ethics

Ren Ai Headquarters
T.I.P. Factory
Y.K.I.P. Factory

Ethics (bribes, commission, rebate ...)

Tel : (06)253-9000#1103
 Fax : (06)253-9989
 Email : mingyu.deng@catcher-group.com

Physical advice box

- | | | |
|---|---|---|
| <ul style="list-style-type: none"> • Building B, canteen (B2F) • Building B, 4F outside of office | <ul style="list-style-type: none"> • Building I, foreign canteen • Building C near the card machine • Building F, canteen (2F) | <ul style="list-style-type: none"> • Building of administration, 4F outside of office (4F) • Building of canteen near the bulletin board (1F) • Building of canteen near the bulletin board (2F) • Building of dormitory near the bulletin board (1F) |
|---|---|---|

E-mail (All types)

580@catcher-group.com (I help you)

Employee suggestion platform

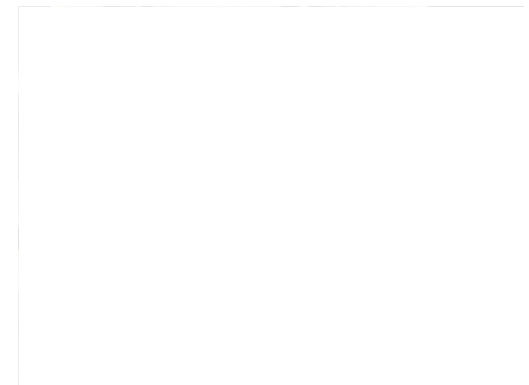


Suppliers' Ethics Grievance Channel

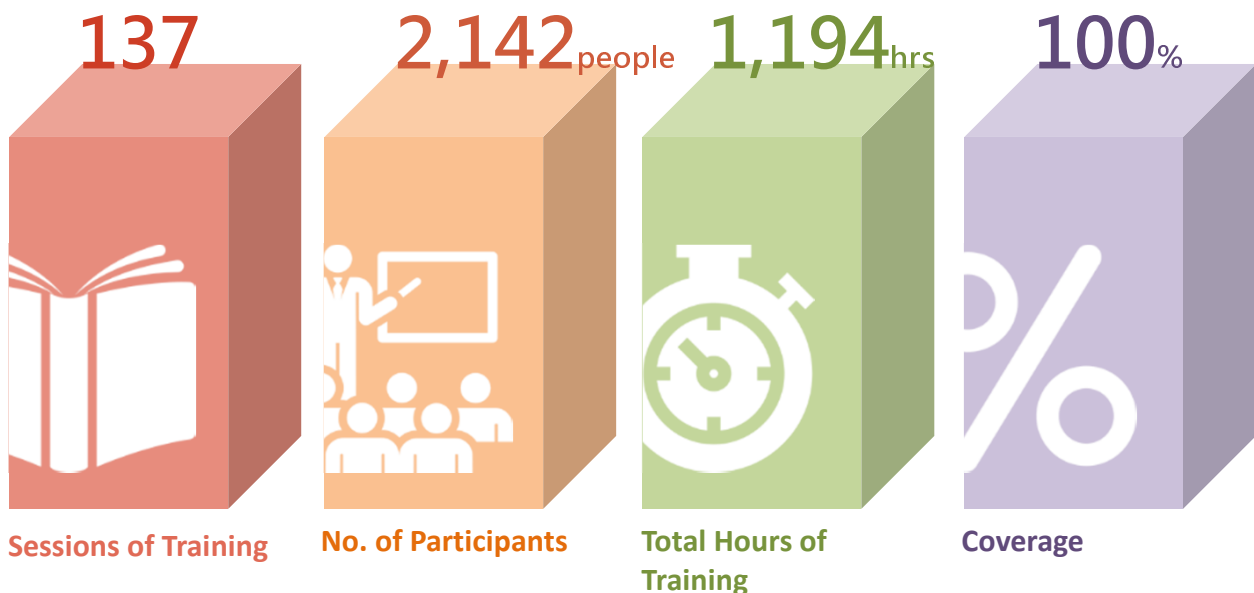
- Tel : 06-253-9000*1103
- Fax : 06-253-9989
- E-MAIL : mingyu.deng@catcher-group.com

Catcher periodically conducts ethics risk assessment on all business locations in Taiwan. The assessment result for 2020 indicated no involvement in major risks. Effective accounting systems and internal control systems are already in place for low-risk operating activities (e.g., business integrity and information disclosure). The Internal Audit Office affiliated to the board of directors is responsible for promoting corporate honesty, and making an overall plan of honesty and audit. The head of the Internal Audit Office is responsible for devising annual audit plans and allocating audit assignments.

In addition to placing high standards upon ourselves, Catcher takes the initiative to raise the awareness of suppliers on anti-corruption concepts and encourage ethical conducts among suppliers. In 2020, 926 partnering vendors had completed ethics awareness training on the official website. According to the Catcher's requirements of honesty. If the supplier violates the requirements, Catcher has the right to terminate or cancel the contract, and punish or claim to the fine, in order to prevent dishonesty behavior at all levels. Our suppliers are expected co-create a business environment that embraces mutual respect for one another.



▲ Honesty & Ethics Training Course



▲ 2020 Outcomes of Ethics Training for Employees in Taiwan

2.6 Stability and Sustainable Operation

Catcher continues to work toward the goal of becoming a world leader in provider of total solutions, and remain committed to product innovation, business model optimization, production technology enhancement, and cost structure improvement in order to maintain the leading position. Hence, it does not matter how the business environment changes in the future, we have the ambition, confidence, and determination to toward long-term sustainable development.

Legal Compliance

Catcher has invariably adhered to foreign and domestic laws and regulations, as well as the supplier rules of international customers. The Company closely monitors major laws and policies in finance, business, environmental, and social aspects that may influence the company's business operations. In addition, relevant management procedures and internal audits are formulated in accordance with laws and regulations to prevent potential legal violations. In 2020, there is no serious illegal incident (the fine is more than NT\$1,000,000).

Risk Management

As the macro environment becomes more complex, risk management becomes the key to sustainable operation, because proper identification and prevention of risks ensure immediate response and reduction of risk-induced loss. Catcher risk identification and management respond to environmental trend, including market develop, regulations, technologies, policies, and exchange rate. Please refer to the 2019 Annual Report (http://www.catcher-group.com/tw/investor_financial_psc.aspx).

Most importantly, Catcher also takes into account international CSR trends, and forward-looking issues, such as adaptations of climate change, and then adds to the scope of risk management in order to meet stakeholders' requirements. Risks and severity level, probability of occurrence, and extant control mechanisms are evaluated to propose countermeasures for high-risk items and plan short-, mid-, and long-term preventive measures, so as to greatly mitigate the effect of risks on corporate operations and facilitate the adoption of valid response measures for risk mitigation. For climate change-based issues, please refer to the description in "4.3 Climate Change Countermeasures" of this Report.



Supply Chain Management

Policies/Commitments

- Through supplier evaluation and audit management, suppliers provide products and services that meet Catcher's expectations. Thus, Catcher will build partnerships with the supply chain.

Goals and targets: Build great partnership

	2020	2019	2018
100% Meets the requirements of supplier management of Responsible Business Alliance (RBA)	100%	100%	100%
Ratio of local suppliers: 80%	87.5%	87.5%	91.6%

- Medium-term and Long-term: Continue to increase influence, and cooperate with suppliers to conform to domestic and international CSR regulations. Otherwise, promote assistance plan of supply chain to achieve the goal of supplier optimization.

Responsibilities

- According to the internal operational management procedure, Strategic Procurement Department is in charge, and other departments of Catcher assist in coordinating.

Resources

- Dedicated personnel of procurement, Suppliers' online system, Suppliers' conference, Suppliers' audit

Grievance mechanisms

- Grievance channel of suppliers

Specific actions of 2020

- ✓ **Continuously promoted CSR audit of main suppliers**
Catcher has remarkable success. carried out supplier risk identification in the manufacturing and service industries based on customer type and transaction scale since 2015. In 2020, a total of 9 suppliers were selected for on-site inspections to address issues such as suppliers' labor, remuneration and benefits, working hours, anti-discrimination, health and safety, environmental protection, ethical conduct, etc. For aspects that need improvement, the Company developed action plans and urged all suppliers to comply with their corporate social responsibility commitments. In this way, Catcher does not only increase awareness and establish an international sustainable development trend for suppliers, but it also strengthens partnership with suppliers. Thus far, these efforts achieved

Catcher is dedicated to the production and development of casings and internal mechanical parts based on the customer's requirements. The main partners of the supply chain are manufacturers of electronic parts and mechanical parts. 87.5% of the suppliers that conducted transaction with us in 2020 were local technology-intensive or labor-intensive enterprises in Taiwan. Catcher will continuously promote localized procurement to ensure stable source of supply, reduce transportation costs and boost local employment opportunities.

Regarding cooperation with suppliers, Catcher not only takes into account the factors such as delivery, quality, and cost-effectiveness, but also requests suppliers to fully understand Catcher's management systems and its belief with regards to labor (including compulsory labor, child labor, working hour, wages and overtime pay, anti-discrimination, and freedom of association), safety and health, environmental protection, and ethical management. These requirements ascertain the maximization of the positive benefits of CSR. Therefore, Catcher has established and continued to optimize supplier management procedures, conducting comprehensive assessment of the social responsibility practices of new suppliers. The goals of the assessment are to ascertain that our partnering suppliers are equipped with the ability to meet Catcher's CSR requirements.

When a supplier is sanctioned for violation of relevant regulations by the competent authority or is found to have imposed negative impacts on the society and environment, such supplier must adhere to Catcher's improvement requests. In severe cases, Catcher holds the right to terminate the contract and cancel orders in hopes of achieving the goal of supplier optimization.



Catcher formulates supplier management policies and requires suppliers to follow relevant regulations related to environmental protection, safety or health

The CSR related regulations that the suppliers are required to follow are posted on Catcher's official website, including Catcher's CSR requirements, supplier's management regulations for restricted hazardous substances, and Catcher's statement of no conflict mineral, etc., which are also detailed in the supplier Service Area. In addition, Catcher selects at least five suppliers for annual audit to confirm their social responsibility compliance.



3 Social Harmony

3.1 Establishment of Employee Employer Relations

3.2 Human Resources Management

3.3 Training and Development

3.4 Safety & Health

3.5 Social Participation and Public Welfare



3.1 Establishment of Employee–Employer Relations



Policies/Commitments

- Catcher not only supports and respects the international labor rights related standards, but promises to implement Responsible Business Alliance (RBA) and the Labor Standard Act. In order to maintain a harmonious working relationship, Catcher takes the initiative to care for employees’ needs, and protect employee rights.



Goals and targets: Provide employees with “assurance”

	2020	2019	2018
Rate of response to employee grievance within 7 days: 90%	100%	100%	100%
Number of labor dispute lawsuits filed: 0	0	0	0

- Medium-term and Long-term:**
 - Catcher is committed to providing employees with “assurance” and ensuring their rights of work
 - All operating activities are in compliance with the standards of international human rights



Responsibilities

- Human Resource Department is responsible for ensuring all employees enter into a formal “employment agreement”, formulating and implementing human rights policies, collecting and handling employees’ opinions, calling employee welfare committee meetings, conducting food satisfaction survey, implementing employee benefits, and supervising the practices of human rights policies.



Resources

- Human Resource Department is responsible for implementing labor-related matters, providing multiple communication channels, food satisfaction surveys, post-training satisfaction surveys and improvements, welfare providing, and employees’ activities (such as exhibition sale, family day, and so on).



Grievance mechanisms

- Employee feedback and grievance channel





Specific actions of 2020

✓ Organizing a Family Day at the E-DA Theme Park

As a result of the pandemic in 2020, gatherings and outdoor activities were prohibited, as well as outbound trips. At that time, Catcher remained committed to its policy and organized the largest ever "E-DA FUN TOGETHER" Family Day on December 6, 2020. It was also the company's first time to choose E-DA Theme Park, a scenic location at Dashu in Kaohsiung, just outside Tainan. Many employees and their families participated in the activity. There was a record-breaking number of people (at least 5,000), which was 2.5 times of the number (2,000 persons) in 2019.

The company observed three major safety and prevention protocols at the park: "measuring body temperature, wearing masks indoors and keeping distance whenever outdoors" to protect the health of employees, while participating in the fun activities.

Employees who have tirelessly worked for the company had the opportunity to bring their families for some fun and relaxation, which benefits domestic travel industry in time.

Funny and Exciting recreational facility



Drawing activity in "Catcher CSR" FB Fans Page



Parental trip for fun



Excellent tour show

Feedback from employees

- ZHOU, O-PING** ▶ Catcher organizes an activity every year. The E-DA Fun Trip - 2020 Catcher Technology Family Day allowed employees and their families (especially the kids) to have fun the whole day. So cool~
- HONG, O-LING** ▶ It was really wonderful to visit the E-DA Theme Park on the 2020 Catcher Family Day. We thank Catcher for a well-organized activity and God for a beautiful, sunny day. We also thank all staffs for their hard work!
- HSIEH, O-FEI** ▶ The Family Day on December 6 was a truly memorable experience. We had fun throughout the day thanks to E-DA's friendly and caring service, which was all worth it. Thanks Catcher for this wonderful family activity.
- LI, O-MIN** ▶ Thanks Catcher for hosting such a wonderful event! The Family Day was a happy and fun gathering for families and friends ♥




Specific actions of 2020

✓ **New core talents' counseling project**
 In order to assist new employees in adapting Catcher's culture and environment, new employees belong to core departments have been introduced "New core talents' counseling project" since February 2017. This project aims at assigning counselors to provide one-by-one life assistance and work guidance. In addition, after one week of employment, Human Resources Department will assign a dedicated personnel to interview with the new employees, to ensure the implementation status of each department. Moreover, the supervisor of the new employees will also interview with the new employees once every two weeks, to give counseling and feedback to the new employees. The achievement rate of the target object is 89.73%. It is quite obvious that this project improves us to pay more attention to the needs of new employees, creates a stable Employee-Employer Relation, and achieves the purpose of talent retention.

▲ One-to-one core talent counseling

Employee-Employer Communication

Catcher emphasizes the importance of labor-management harmony. To show employees that we care, Catcher has established multiple communication channels to collect employee feedback, which can help improve work efficiency and labor condition, facilitate stable business growth, and prevent major incidents impacting company's productivity and labor protest, thereby creating win-win situations for both parties. Our communication channels are as follows:

Diversified Catcher Channels for Communication 	
Communication Channel	Frequency
Labor-Management meetings	▶ At least once every quarter
Employee Welfare Committee meetings	▶ At least once every quarter
Employee feedback and grievance	▶ As needed
Catering committee satisfaction survey	▶ At least once every year
Post-training questionnaire feedback	▶ As needed
Bulletin board and electronic announcements	▶ As needed





Labor-Management Meetings

Catcher has no union organization in Taiwan. It regularly holds labor-management meetings in accordance with the Labor Standard Act and the Regulations for Implementing Labor-Management Meeting. At these meetings, employer representatives composed of executive managers and labor representatives elected from base-level employees communicate face to face to express and share their opinions. Nine sessions of labor-management meetings were held in 2020 during which employee-related topics were discussed. There were no incidences of company losses caused by labor disputes. All operating activity regulations are in compliance with the Labor Standard Act. In the event of material changes to business operations (e.g., factory expansion, recruitment, and major operation changes), Catcher will notify employees in advance in pursuant to local laws and regulations, and obtain their consensus to avoid influencing employee rights.



Employee Welfare Committee

To boost employee morale and promote harmonious labor-management relations, Catcher adheres to the Organization Regulations on Employee Welfare Committee, and cooperates with employees to collectively contribute employee welfare benefits as employee welfare Measures. In 2020, seven employee welfare committee meetings were held, where employees and employers were encouraged to collectively discuss matters regarding employee welfare and effective use of welfare resources for elevating employee benefits.

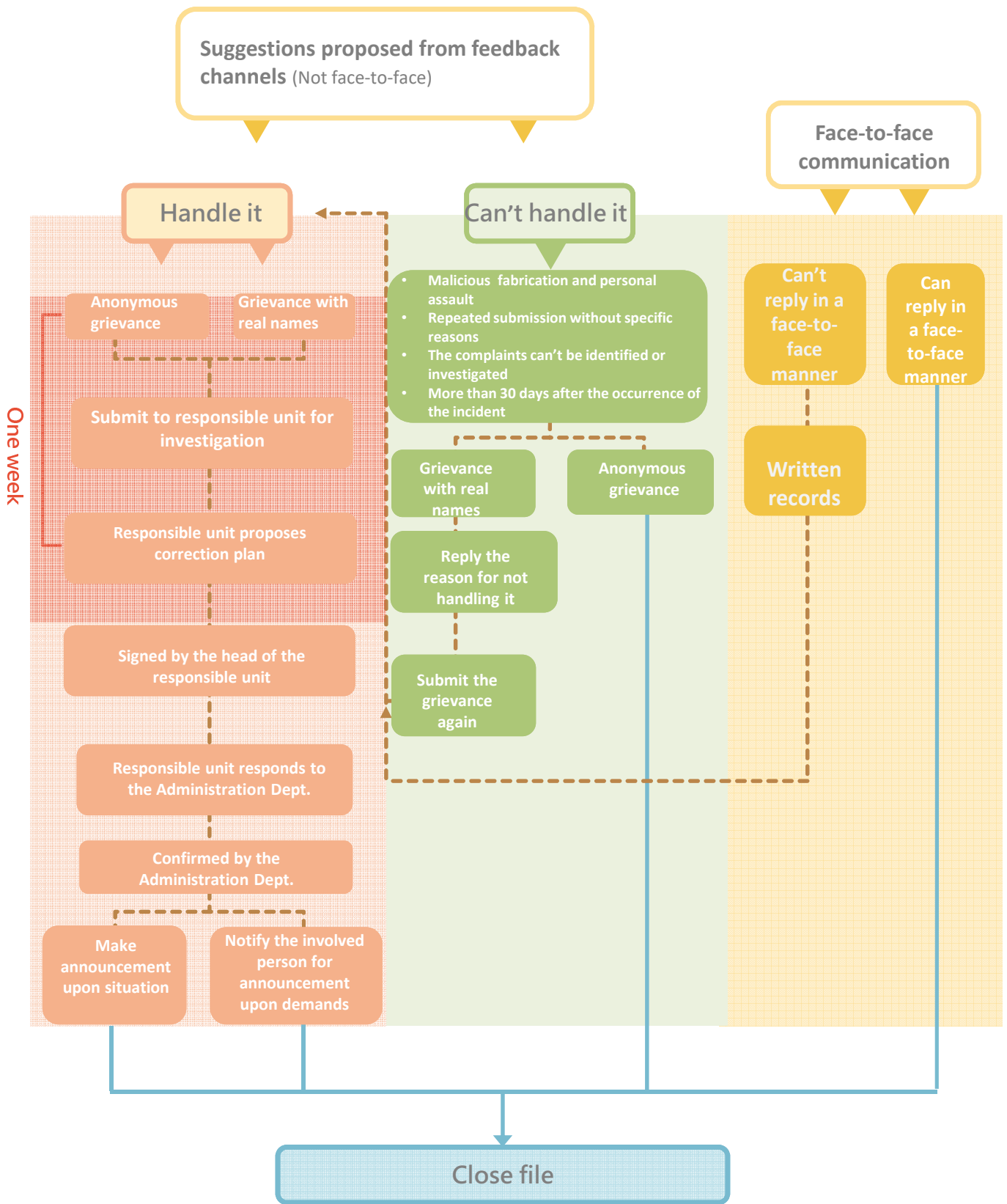


Employee Grievance Channel

Catcher values employees' opinions. Catcher added an email ["580@catcher-group.com"](mailto:580@catcher-group.com)(Sounds like "I help you") and anonymous electronic forms scanned by QR code to provide more multiple communication channels. Employees can speak their mind by using employee feedback mailbox, hotline, fax, and the above-mentioned email. Regarding employee grievances, accountable units are requested to provide response and improvements at the first instance. If immediate response or resolution cannot be provided, such grievances are filed, an investigation will be carried out, and a response is set to be provided within a week after the investigation. Therefore, Catcher takes employees' opinions seriously, the rate of case completed is 100% in 2020. All employees can speak freely in a more convenient and privacy-protected way.

Employee Feedback and Grievance Channels

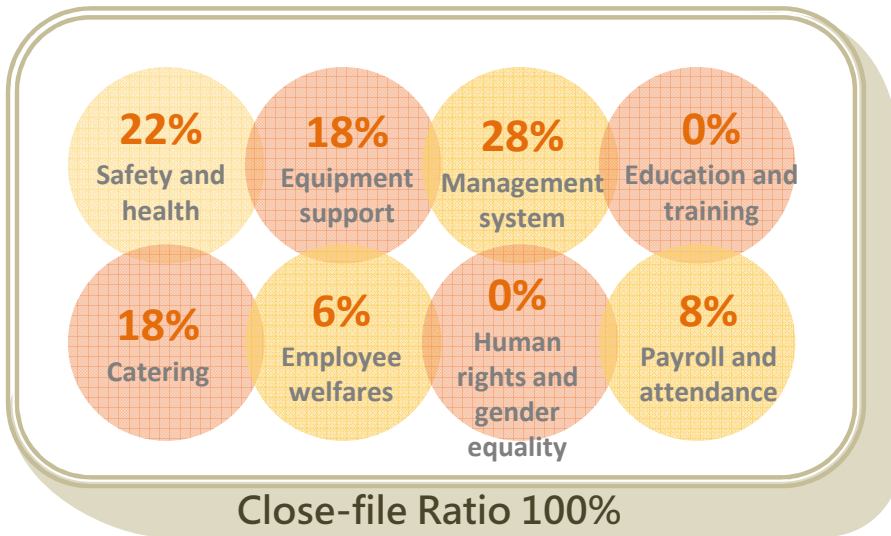
	Ren Ai Headquarters	T.I.P. Factory	Y.K.I.P. Factory
Workplace Violence (body, language, psychology)	(06)253-9000 #2104、#2106	(06)384-2727 #2103、#2105	(06)203-9900 #2104、#2123
Catering	(06)253-9000 #2105	(06)384-2727 #2104	(06)203-9900 #2105
Sexual Harassment	(06)203-9900#2101 Faz: (06)203-0123 jinnifer.lin@catcher-group.com		
Business Conduct (bribery, commission, rebate)	(06)253-9000#1103 Faz: (06)253-9989 mingyu.deng@catcher-group.com		
Advice box	<ul style="list-style-type: none"> 1. Building B, canteen (B2F) 2. Building B, 4F outside of office 	<ul style="list-style-type: none"> 1. Building I, foreign canteen 2. Building C near the card machine 3. Building F, canteen (2F) 	<ul style="list-style-type: none"> 1. Building of administration, 4F outside of office (4F) 2. Building of canteen near the bulletin board (1F) 3. Building of canteen near the bulletin board (2F) 4. Building of dormitory near the bulletin board (1F)
E-mail(All types)	580@catcher-group.com (I help you)		
Employee feedback platform (scan and then enter into anonymous electronic forms)			



▲ Workflow for handling employee grievance



Percent of employee grievance categories in 2020



Catcher has established measures for preventing retaliation against employee grievances to facilitate "instant communication, convenience and convenience, fair and responsive handling, and recurrence prevention." The Company also measures the effectiveness of employee grievance handling every year. If any issues are subject to long-term improvement, Catcher will continue to monitor the progress of implementation.



Catering Supervisory Committee



There are employee canteens in Catcher's Tainan factories. To provide meals that live up to employees' expectation, Catcher has setup a Catering Supervisory Committee comprising office-level manager, caterers, and professional nurses. Food satisfaction survey is conducted every year to grant employees the chance to provide recommendations, which will serve as basis for determining whether to continue working with the catering group. This measure is conducive to improving meal provision.




Training Opinions and Feedback



Catcher continues to make optimization and improvements by setting up internal educational training courses in conjunction with satisfaction mechanism to encourage employees to offer suggestions or feedback after training. Thus, employees could express their opinions and simultaneously provide feedback to training organizers, which can be a reference for determining future course improvement. The quality of training can be improved to not only enhance employees' related knowledge or competency but also enable employees to enjoy attending these training courses.



Employee benefits

In addition to a competitive remuneration system, Catcher has formulated wide range of welfare measures to retain skilled employees. These measures can put employees at ease to stay devoted to work, continue to improve, and achieve physical, mental, and spiritual balance. The employee benefits Catcher adopted in 2020 except for holiday cash gifts/vouchers and bonuses are as follows:

Item	Description	年度成果	
➤ Fully Subsidized Meals	<p>There are employee canteens in Tainan factories where employees may enjoy free meals. The Catering Supervisory Committee is responsible for controlling the quality of the meals provided, and it inspects the catering company as needed.</p> 	Number of persons benefited	5,073
		Average Employee Satisfaction	82.4
➤ Work Uniform for Free	<p>Uniforms are designed based on direct or indirect work requirements to achieve both comfort and functionality. Every year, new long-sleeved and short-sleeved tops are given to employees for them to replace their old ones.</p>	Number of persons benefited	5,073
➤ Departmental meal subsidies	<p>In order to bring employees into harmony, and increase the knowing between departmental colleagues, Catcher provides subsidies for departmental meals quarterly.</p>	Number of persons benefited	5,073

Item	Description	Annual achievements
<p>➤ Employee Health Checks</p>	<p>Every year, Catcher holds employee free health checks and consultations to make employees have awareness of their health information.</p> 	<p>Number of persons benefited 5,073</p> <hr/> <p>Average Employee Satisfaction 91</p>
<p>➤ Cash Gift on Birthday ➤ Marriage Allowance ➤ Childbirth Allowance ➤ Funeral Subsidy ➤ Cash Gift for Relocation ➤ Scholarships /student Support for Employees' Children</p>	<p>In an important stage of the employee's life, Catcher provides employees with various allowances/subsidies/grants/scholarships to express congratulations or condolences.</p>	<p>Number of persons benefited 5,073</p>
<p>➤ Activities for Physical and Mental Balance</p>	<p>Catcher arranges a series of leisure activities for its employees so that they can maintain balance between work and life. These activities include holding the family days (families and friends can also participate for free), encouraging employees to establish social clubs and providing subsidies, promoting exercise courses(employees join 3 times can get gift vouchers or movie tickets), and organizing sports competitions.</p>  <p>▲ Rewards for employees who joined the exercise courses for 3 times</p>	<p>Number of persons benefited 5,073</p>

Item	Description	Annual achievements
<p>➤ Art Performance Tickets for free or discounted</p>	<p>Catcher and the Catcher Educational Foundation uphold the spirit of "giving back to our society," and continue to sponsor many art performances. Some art performance tickets discounted or free, such as concerts, dramas and lectures, will be regarded as subscription or rewards for employees to cultivate the artistic culture of employees.</p>  <p>▲ Catcher invites employees to watch music drama (Grandma's Song Book)</p>	<p>Number of persons benefited</p> <p>726</p>
<p>➤ Care for Foreign Employees</p>	<p>Catcher shows extra care for foreign employees by not only respecting their culture, but also hosting suitable events on special occasions such as celebration of the New Year, Chinese New Year Banquet, or pray-related activities. Sports competition suitable for foreigners are also held to enrich the lives of those working in a foreign country.</p>  <p>▲ New Year Banquet for Foreign Employees</p>	<p>Number of persons benefited</p> <p>1,737</p>

Protecting Employee Rights

Catcher values human rights and will do its best to prevent infringement of human rights; therefore, the Company strictly adheres to the code of conduct of RBA, and requires all employees to sign the Employment Agreement. Catcher has also developed relevant management procedures such as Work Rules, Social Responsibility Management Procedures, Employee Opinion Grievance and Recommendation Operating Guidelines, Operating Guidelines for (Sexual) Harassment, Discrimination, and Torture Prevention, Grievance, and Punishment, Child Labor and Adolescent Protection Operating Guidelines, and Employee Club Establishment and Subsidy Management Regulations. These procedures serve to protect employees against infringement of the basic labor and human rights and work interests and to establish an excellent workplace environment. Under the regulations of the aforementioned policies, there were no infringement of local human rights in Taiwan in 2020, nor were there reports of grievances pertaining to human rights.

To enhance employees' knowledge on human right policies, Catcher has, since 2014, started including RBA labor code of conducts in training courses for new hires, and also opened up courses on labor and human rights for in-house employees every year. Also, Catcher regularly reports to executive managements and continues to develop practices for human right protection every year. The outcomes of implementation of matters relating to employee rights and interests are summarized below:



Prohibition of Compulsory Labor

- Pursuant to the law, Catcher signs Employment Agreements with its employees, which states that employees are protected from the use of forced, bonded or debt bondage, indentured labor or involuntary prison labor, slavery or trafficking of persons, and that all work is voluntarily completed and employees are free to leave work at any time or terminate their employment. Catcher also communicates the prohibition of compulsory labor to its partnering workforce agencies to make sure that they comply with the requirements of Catcher and local regulations.

Prohibition of Use of Child Labor and Protection of Adolescents

- Catcher has defined minimum age requirement (16 years-old). During recruitment, it will verify employees' proof of identity to prevent as much as possible the misuse of child labor. Additionally, the Company has established remedial measures in the event that child labor is misused. For young workers under the age of 18 years, Catcher has defined requirements on nature of work and working hours, while promising them that they will not engage in works that are detrimental to their health and safety. In 2020, there were no records of misuse of child labor in Taiwan.





Reasonable Working Hours and Remuneration

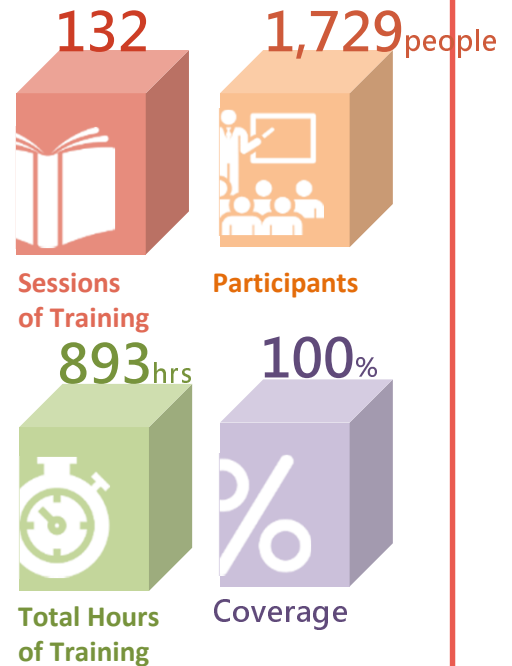
- Concerning working hours, Catcher adheres to the Labor Standard Act and customer requirements, using work hour control system and meetings to implement control over the amount of time employees spend on working. Catcher has also established competitive remuneration and welfare policies, which are superior to statutory and industry standards. It does not use salary deduction as a form of punishment.

Freedom of Association

- In conformance with local laws and regulations, Catcher respects the right of employees to form and join trade unions of their own choosing, to bargain collectively, and to engage in peaceful assembly as well as respect the right of employees to refrain from such activities, in order to avoid potential violations or severely endangering employees' right to freedom of association and collective bargaining. Catcher has no union organization, but with the negotiation mechanism of labor-management meetings, employees are able to communicate concerns with management regarding working conditions and management practices without fear of discrimination, reprisal, intimidation or harassment.

Prohibition of Inhumane Treatment and Discrimination

- Catcher has an employee grievance channel in place and protects the complainant against improper retaliation. It is committed to creating a workplace environment free of prejudice, discrimination, harassment, as well as inhuman treatments including violence, abuse, harassment, sexual harassment, corporal punishment, mental or physical coercion or verbal abuse. Catcher also complies with the convention of the International Labour Organization (ILO) regarding prohibition of discrimination based on race, status, language, religion, political affiliation, ethnicity, country of birth, national origin, gender, sexual orientation, color, age, marital status, appearance, facial features, disability, nationality, gender identity, or previous union membership in hiring and employment practices. Employees or potential employees should not be subjected to medical tests or physical exams that could be used in a discriminatory way. There were no incidents of discrimination in 2020.



▲ 2020 Outcomes of Labor and Human Rights Training for Employees in Taiwan

3.2 Human Resources Management



Policies/Commitments

- Catcher establishes a perfect management system, and maximizes the benefits of human resources. Catcher is committed to assisting each talented employee in finding their niche, and show their talents.



Goals and targets: Retain talents

	2020	2019	2018
Number of employees with physical disabilities higher than statutory requirements	Y	Y	Y
Rate of reinstatement after maternal/parental leave: 60%	47.92%*	91%	70%
Total number of employees promoted: 8%	7.04%	7.46%	9.15%

Note: Due to the pandemic in 2020, a number of employees filed for parental leave to prevent any risk that could endanger the health of their children at home. There is a low reinstatement rate since employees choose to remain at home until the pandemic is under control.

- Medium-term and Long-term: Catcher is committed to attracting talented people and retaining them for a long time, thereby creating operation success together
- Labor risk is estimated to be highly unacceptable level<5%



Responsibilities

- Human Resource Department is responsible for organizing the needs of human resource, planning and recruiting talented people, and deciding on remuneration, training, retention, and retirement. And other departments of Catcher assist in proposing the needs of human resource, and implementing management system of human resource



Resources

- Dedicated personnel of recruitment & salary& attendance, perfect human resource management system



Grievance mechanisms

- Employee feedback and grievance channel



Specific actions of 2020

✓ Expand Talent Quality

In response to our customers' demands for production capacity, Catcher provided many different jobs, including R&D, engineering, and administration to continue to expand the scale of operations and talent pool. In 2020, Catcher invited teachers and students from universities/colleges to visit its plant, providing on-campus opportunities that allow students to have workplace experience in order to enhance their competitiveness. The company also joined the Focus Industry Advanced Talent Training & Job Program promoted by the government's Technology Division, which facilitates the recruitment of Ph. D. students for in-service training as well as international talents (overseas Chinese students) to help increase Catcher's visibility.



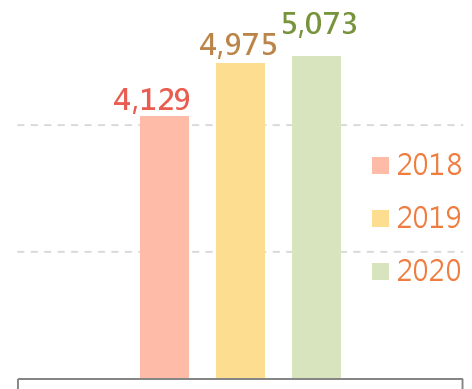
▲ Internship activity held by Catcher

Talent is the most valuable resource in an organization's operations. For selected talents, Catcher provides competitive salary and benefits that are above the mandatory minimum wage based on job vacancy, education, experience, professional seniority, etc. as well as an external salary survey & market assessment. In order to facilitate employee retention, Catcher provides compensation for employees, which includes high bonuses and dividends based on the company's financial and operational status, performance, industry standards and periodic assessments, as well as contributions that add overall value to the company.

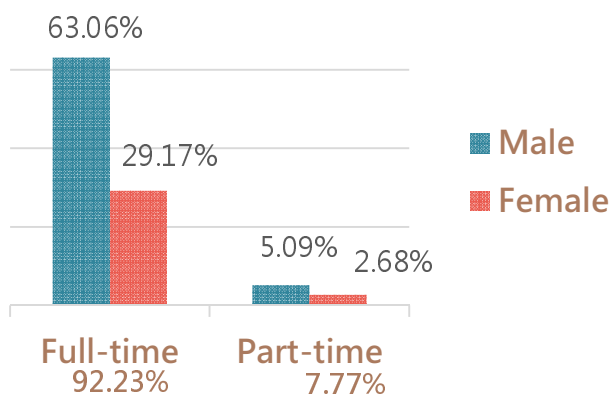
Catcher also trains employees according to their different positions, professional skills and knowledge, and plans professional development for outstanding talent, such as task rotation, overseas appointment, cross-functional task assignment, to cultivate employees' ability to solve problems comprehensively so that each talented employee can find their niche and apply their skills.

Human Resource Structure

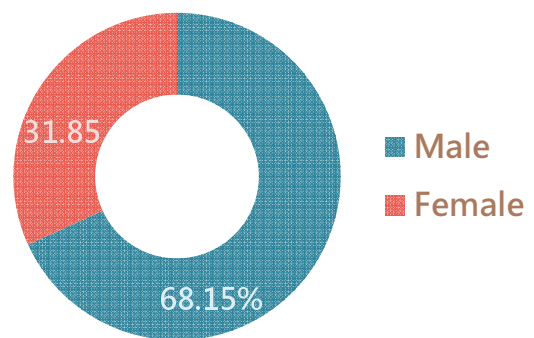
Employees are Catcher's most precious assets. As at the end of December 31, 2020, Catcher hires 5,073 employees in Taiwan. Compared with 2018, about 1.97% growth due to our customers' demands for production capacity and the expansion plan. Full-time employees accounted for 92.23% while part-time employees (contract and dispatched workers) accounted for 7.77% of all employees. Particularly, 68.15% of male employees and 31.85% of female employees work full-time and part-time; this male-female difference is attributed to the nature of work involved rather than the giving of precedence to any specific gender.



Total Number of Employees in Taiwan in 2018-2020



▲ Ratio of Full-Time to Part-Time Employees in Taiwan in 2019



▲ Ratio of Male to Female Employees in Taiwan in 2019

Catcher started out in Tainan and has been operating for decades. More than 99.23% of its full-time employees work in the Tainan factories (including Ren Ai Headquarters, T.I.P. Factory and Y.K.I.P. Factory), and because of the special nature of their work, the remaining less than 1% employees are spread across Taipei to serve investors and customers. Regarding age distribution, almost 80% of the full-time employees are aged 21–40 years, averaged at 33.32 years, with 4.32 years of service experience on average.

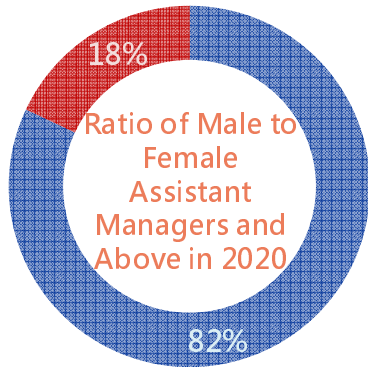
Internal employee management is based on the type of job involved (e.g., production line and non-production line of work), taking into consideration the knowledge, skills, and competency require. Therefore, different job positions and educational backgrounds are specified to meet the requirement of company development. Statistics show that full-time employees in 2020 are largely made up of base-line technicians, whereas 6.46% of the employees work full-time, hold Master's degree or higher, and assume post in R&D or other professional management. Under the regulations of performance and promotion systems, Catcher prohibits discrimination, granting all capable employees equal opportunity to promotion. In 2020, the male-to-female ratio of assistant managers and above in Taiwan was approximately 4:1.

Catcher constantly contributes to local employment opportunities, which is evident in our hiring of local personnel (64%) as assistant managers or above to implement talent localization. Moreover, hiring locals facilitates understanding of local needs to enhance our market image. Additionally, to support government initiatives in increasing employment of individuals with physical and mental disabilities and provide these individuals with the opportunity to apply their skills, in 2020, we did better than what is required by law and hired 55 individuals with hearing impairment and physical disabilities, providing disadvantaged groups with suitable job opportunities.

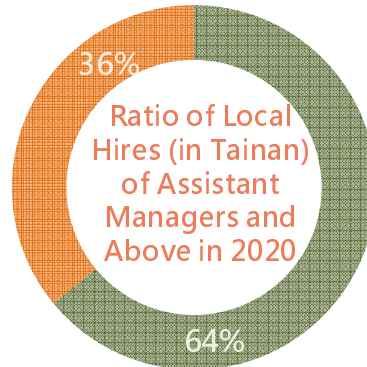
Labor Structure of Full-Time Employees in Taiwan in 2020

Category	Item	Male (%)	Female (%)	Subtotal (%)
Work Location	Tainan	68.37	31.39	99.76
	Taipei Operations Center	0.07	0.17	0.24
Age	18-20	0.60	0.15	0.75
	21-30	27.95	12.91	40.86
	31-40	31.55	13.66	45.20
	41-50	7.31	3.72	11.03
	51-60	0.85	1.13	1.99
	61-70	0.11	0.06	0.17
Position	Management	6.73	0.79	7.52
	Engineer	12.01	1.52	13.53
	Administrator	1.90	2.61	4.51
	Tecjnician	47.72	26.72	74.44
Education	PhD	0.28	0.02	0.30
	Masters	5.04	1.11	6.16
	College and University	39.75	14.58	54.33
	Vocational High School and Below	23.30	15.92	39.22

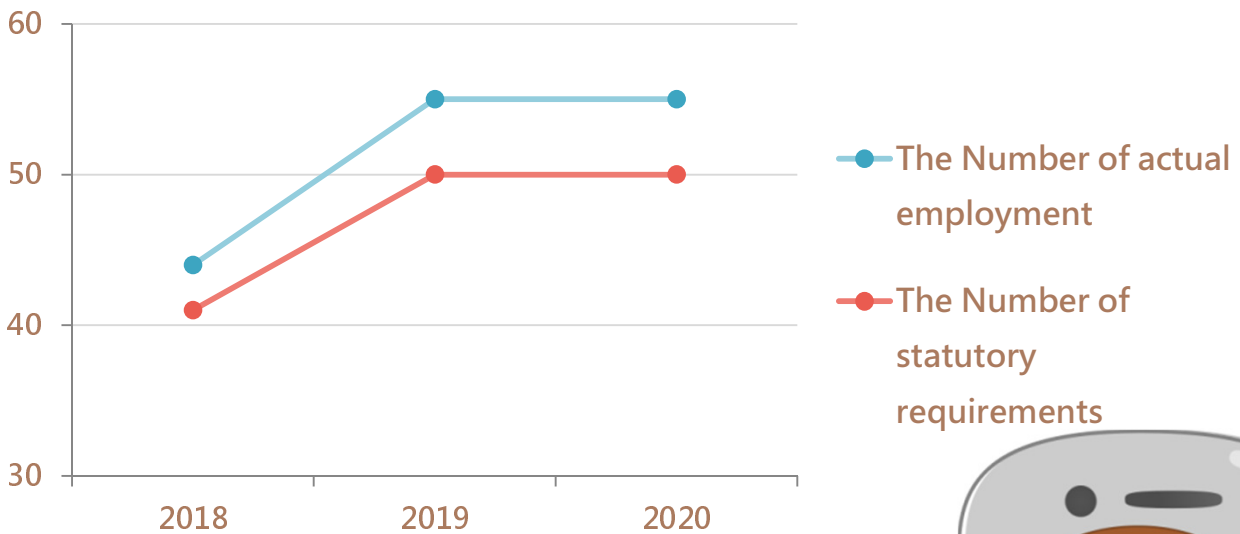
(Continued)



Male
Female



Local
Non-local



▲ Number of employment of individuals with physical and mental disabilities in Taiwan in 2020



Talent Turnover and Retention

Catcher strictly adheres to local labor laws and the principle of choosing the right people and the right skills. To facilitate our business performance and job requirements, Catcher has hired 708 new full-time employees in 2020. Particularly, 66.10% of male employees and 33.90% of female employees work full-time, mostly aged between 21 and 30 years, and are located in Tainan.

Category	Item	Male (%)	Female (%)	Subtotal (%)	Labor Structure of New Full-Time Employees in 2020
Work Location	Tainan	65.96	33.76	99.72	
	Taipei Operations Center	0.14	0.14	0.28	
Age	18-20	1.27	0.56	1.84	
	21-30	40.11	19.49	59.60	
	31-40	21.33	12.43	33.76	
	41-50	3.39	1.41	4.8	
	51-60	0	0	0	

In 2020, 659 full-time employees had resigned (71.02% of male and 28.98% of female employees). In view of this, Catcher optimized the management systems such as the remunerations, welfares, and working environment. When employees submit their resignation, their direct supervisors or the HR department will have a talk with the employee to determine their reason for resigning. This process is aimed at reducing talent turnover. In some cases however, employees are assessed for their capability and intention after the meeting. Depending on the results, they may be transferred to other job posts. Thus, a win-win situation for the company and employees is created.

Category	Item	Male (%)	Female (%)	Subtotal (%)	Labor Structure of Full-Time Employees Who Resigned in 2020
Work Location	Tainan	71.02	28.68	99.70	
	Taipei Operations Center	0	0.30	0.30	
Age	18-20	0.15	0.15	0.30	
	21-30	39.91	15.78	55.69	
	31-40	21.85	9.86	31.71	
	41-50	8.35	2.28	10.62	
	51-60	0.76	0.76	1.52	
	61-70	0	0.15	0.15	

In order to motivate employees to pursue growth, and evaluate their performance effectively, Catcher sets up an internal management procedure of performance appraisal. At the beginning of the year, the supervisors and the subordinates work together to set goals, track regularly and assess quarterly. The quarterly performance appraisal is based on the comprehensive assessment of attendance, work ability, development potential, work effectiveness, spirit and attitude, relevant reward and punishment records, thereby influencing employees' adjustment of salary, promotion or bonuses. For those with poor performance, the head of the unit and the HR Department will assist the employees in discussing and planning improvement plans to enhance the performance.

Item	2019	2020	Difference from that in previous year (2020-2019)	The Number of Full-time Employees in Non-Managerial Positions and Their Salary in 2019-2020
Number of full-time employee in non-supervisor position (unit: person)	4,122	4,512	390	
Average salary of full-time employee in non-supervisor position (unit: NT\$1,000)	663	669	6	
Intermediate salary of full-time employee in non-supervisor position (unit: NT\$1,000)	570	574	4	

Child Care Applications

Catcher has maternity and paternity leave system in place, and to promote family harmony, Catcher educates employees on how child care leaves are used. In 2020, 121 employees were on child care leave, 40.18% of whom were on unpaid leave, and 47.92% of employees were reinstated after unpaid child care leave, indicating 45.10% in average retention rate.

	Male	Female	Total
A. No. of employees on child care leave in the current year (including maternity and paternity leaves)	79	42	121
B. No. of employees that actually applied for unpaid child care leave in the current year	7	38	45
Child care leave application rate (B/A×100%)	8.86%	90.48%	40.18%

C. No. of employees expected to be reinstated in the current year	7	41	48
D. No. of people actually reinstated in the current year	0	23	23
Rate of reinstatement after unpaid child care leave (D/C×100%)	0%	56.10%	47.92%

E. No. of employees reinstated following unpaid child care leave in 2019	2	49	51
F. No. of employees reinstated from unpaid child care leave in 2019 year and who have worked for one year since	2	21	23
Retention rate after unpaid child care leave (F/E×100%)*	100%	42.86%	45.10%

Retirement System

To ensure a secure retirement for employees, Catcher has set up a Labor Pension Supervision Committee and implements Labor Retirement Measures pursuant to the Labor Standard Act and Labor Pension Ordinance. It regularly appropriates 2% of the total salary of an employee based on a seniority system and deposits the amount to the employee's account with the Central Trust Bureau to protect employee rights and interests. Since July 1, 2005, the company has adopted a new version of the government's retirement measures and provides 6% of an employee's total salary which is deposited to his/her own personal account-based pension. The pension of an employee is granted within 30 days from the date of retirement. A pension payment voluntarily made by an employee is deducted from the monthly salary and deposited to the employee's personal pension account with the Labor Bureau.



3.3 Training and Development



Policies/Commitment

- Consider “diversified training and continuous learning” as Catcher’s educational training policy to promise that employees will be cultivated the ability of comprehensive and diversified problem-solving. Through a holistic lesson plan of training and development, employees will enhance the knowledge, skills and stimulate potential ability, and Catcher's competitiveness will also be enhanced.



Goals and targets: Diversity and learning

	2020	2019	2018
Hours of training per person on average: 8	7.58 hours*	10.24 hours	13.15 hours
Total hours of in-service training: 28,000 hours	24,578.8 hours*	33,959.4 hours	37,637 hours
Training satisfaction: 90%	94%	94%	94%

*Note: Due to COVID-19 in 2020, most classes were extended or cancelled to avoid the risk of infection among groups; hence, the average training hours for each person and in-service training failed to reach the target. The original target may be achieved if the pandemic wanes in 2021.

- Medium-term and Long-term: Provide learning resources to properly integrate training plan into business strategies, improve the functional development of all employees, and create a workplace of right people and the right skills.
- The achievement rate of supervisors participating in management courses: 100%
- Employees receive in-service training courses: 100%
- The achievement rate of estimated courses: 90%



Responsibilities

- Human Resource Department is responsible for planning, organizing, checking and implementing Catcher's annual education and training, planning, implementing and reviewing new recruits and the class training, assisting and checking the implementation of each department, reviewing performance of educational training, as well as maintaining and saving record files. Other departments assist in proposing the needs of annual training, planning, implementing, changing and reviewing training, and supervising employees to receive the training required.



Resources

- Allocate appropriate funds to study resources, such as course, lecturer training, training activities. Otherwise, specialists of educational training are employed to provide comprehensive training support and administrative integration.



Grievance mechanisms

- Provides a feedback mechanism for employees and regards the same as employee feedback and grievance' s level. Dedicated personnel is requested to provide responses of improvement to the trainees' feedback within a week.



Specific actions of 2020

✓ Online Learning Project

When face-to-face classes were prohibited to avoid the risk of COVID-19 infection among groups, Catcher facilitated an online learning class through Leadercampus.com that enables supervisors to enhance their innovative, digital, leadership, operating, marketing, and management capabilities as well as international vision, in order to acquire new knowledge and trends, and to develop an operational mindset across industries, thereby improving their management thinking. There is also a video animation that teaches the concept of quality assurance and enables flexible and voluntary learning on the platform. Since the pandemic is far from over, digital learning has become the best solution for continuous learning and Catcher intends to use this method for the meantime.



▲ CWLC Platform



▲ Online Class for all employees' concept of quality control

To maintain innovation and competitiveness, Catcher places a great level of emphasis on employee training and development. By following the principles and regulations of the TTQS, Catcher plans diversified educational training system, and every year, the Company systematically formulates annual training plan for all employees to bridge the gap between the company's business development and employees' work skills and encourage employees to partake in various internal and external training courses. Internal courses are focused on the core and professional competencies of employees, specializing in the learning of in-service training, work instructions, and position transfers. External courses are based on job requirements and include professional seminars and training courses provided by training institutions and well-known universities in Taiwan and overseas. The purpose of these courses is to improve employees' competitiveness in the workplace and enhance the company's management performance.



Overall, through continuous training courses, employees obtain supports from professional knowledge, management skills, and tension relief. Our learning training courses include: orientation training for new hires, training for supervisors, professional function training, internal lecture training, and general education course, all of which provide employee access to suitable learning resources, with the expectation that the professional talents can be trained to meet the needs of the production line or new process development and the rapid development of the technology industry, and employees can also find a point of balance in life.



Orientation Training for New Hires



On the first day of their work, new employees are arranged to attend a day of training courses to inform them of the company's system and rules, corporate value, corporate culture, information security and personal information protection, quality system, process introduction, workplace safety, and CSRs (including labor and human rights, freedom of association, prevention of sexual harassment, integrity management, and anti-corruption) to help employees quickly assimilate in the work environment.

Professional Function Training System



Professional techniques and training courses that each department requires are provided. These courses involve principles and theories, troubleshooting, and instructions on machinery operations, such as automated processes and professional skills for entry/basic/intermediary levels. Catcher also arranges seminars on product applications, inviting multiple external vendors in 2020 (including equipment, raw materials, and consumables) to give talks on technology applications and development trends and inspire employees to apply their skills in process and procedural optimization, thereby further improving their work skills.

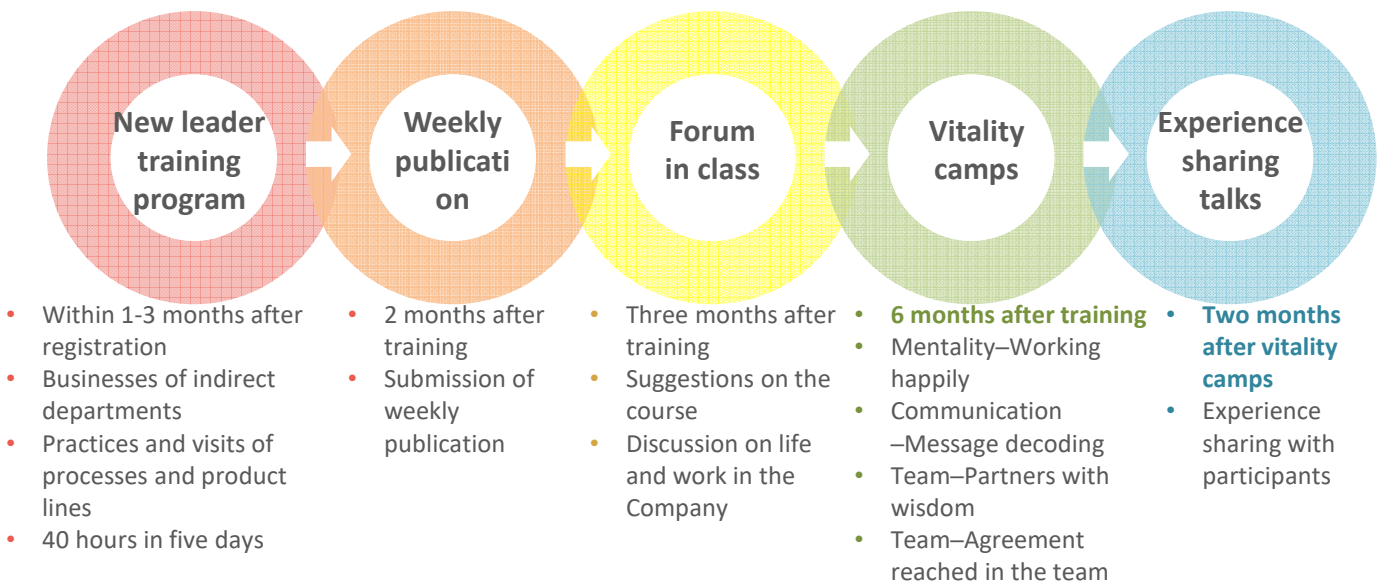
Training for Competency of Supervisors



To strengthen management skills, Catcher offers different competency courses for different stages of management to help supervisors quickly adjust their mentality and capability in the event of a job promotion. In the management training for all levels, Catcher focuses on the importance of responsibilities, target control, continuous improvement and enhancement of communication skills.



Besides, the new leader training program launched since 2014 invited the internal elites to share their experiences in class, on weekly publications, seminar interviews, vitality camps for junior managers, and experience sharing talks, which facilitate increasing professional knowledge, management skills, and employee solidarity to build a pool of talent.



Internal Lecturer Training



To improve the teaching abilities of internal lecturers so that they can fulfill their duties, all internal lecturers must complete a series of internal training courses that focus on the concepts and practices of being a lecturer, and corporate training for internal lecturers. Each person must complete at least 18 hours training to build the required knowledge and attitude of being a lecturer. Therefore, potential lecturers can present their teaching materials in a logical manner, and properly utilize different teaching methods and skills to inspire learner motivation and transfer their knowledge and skills.

In addition to training courses, each new lecturer must give a test run of their lecture before opening of actual classes. Relevant experts and senior lecturers are invited to provide their opinions and feedback, which can help new lecturers prepare for their classes and demonstrate favorable teaching performance.

127

Total no. of qualified lecturers through internal

24,003

Total no. of employees taught by internal lecturers

71%

Qualified rate of internal lecturer

General Education Courses



Catcher organizes general education courses as needed, which are aimed at equipping employees with the basic skills they need for extensive development. These courses include topics on employee care and assistance, health seminars and sports, English, and travel. The series of courses offer employees the chance to learn things other than their work profession, thereby achieving self-enhancement and balance in physical and mental development.



3.4 Safety & Health



Policies/Commitments

- Consider “regulatory compliance, ongoing improvements, disaster prevention, implementation of education, active communication” as our management philosophy to convey the policy of “all employees focus on industrial safety so that we can work safe and sound” thereby continuing to implement occupational safety and health management system.



Goals and targets: zero occupational injuries

	2020	2019	2018
Safety and health audit improvement rate: 100%	100%	100%	100%
Case management rate of high-risk employees of level-A : 100%	100%	100%	100%
Absenteeism by Occupational sickness rate <1.5%	0.43%	0.95%	0.75%
Occupational Deaths: 0	0	0	0

- Medium-term and Long-term: Continue to achieve the goal of occupational safety and health management system optimization, and create zero occupational injuries



Responsibilities

- EHS Office and the occupational physician review the employees’ workplaces regularly, and make recommendations for improvement, such as engineering, and redistribution of work. All employees review their working environment and propose risk identification and assessment.



Resources

- Dedicated personnel of safety & health, dedicated nursing personnel, all equipment and engineering to prevent risks, health promotion resources, all kinds of educational training



Grievance mechanisms

- Public grievance, employee feedback and grievance channel





Specific actions of 2020

✓ Strengthened the Safety & Health Family Program

Catcher was received an invitation of Labor Affairs Bureau of Tainan City Government to set up the Safety & Health Family Program in September 2017. In 2020, Catcher strengthened the Safety & Health Family Program through organizing events, sharing & consultation, participation of activities, and enhancement of communication channels. Thus, Catcher fully took advantage of the model "Big Plants Leading Small Plants" for mutual cooperation and experience sharing. Catcher assisted the members of the Safety & Health Family Program in improving the workplace and achieving zero occupational injuries. The labor safety and health could be protected actively.

✓ Approaches to Strengthen the Safety & Health Family Program

1. **Launch a class: Safety & Health in Supply Chains** in line with Occupational Safety Laws & Regulations and case study on occupational accidents; Occupational Safety & Health Department supervisors of the Ministry of Labor were invited to share their professional knowledge on safety and health, risk awareness, disaster prevention, laws and regulations as well as practices.
2. **Participation in activities:** Catcher participated in safety & health family activities hosted by the competent authority, including reports of core contact, safety and health forums for senior supervisors, core enterprise education and training, walking to fitness, great assembly of safety & health family, AI Pioneer Labor Right & Occupational Safety New Vision Meeting, National Occupational Safety & Health Award Achievement Presentation and others, totaled to 9 rounds.
3. **Enhancement of communication channels:** By the communication platforms such as E-mail or Line, Catcher exchanges ideas of safety & health information and legal requirement with the members of the Safety & Health Family Program timely.

Catcher implements ISO 45001 Occupational Safety & Health Management System. In order to implement occupational safety and health management, the plans and emergency response procedures have been formulated based on on-site hazard identification and risk assessment mechanism for reducing the occurrence of manmade and non-manmade disasters. In addition to employee safety, employee health is also a major concern of Catcher. The Company regularly provides professional medical consultation service, health checks, and suitable health-promoting plans to protect employees against occupational diseases and injuries and ensure employee health and safety.



Catcher activates anti-pandemic system

In 2020, there was a global spread of the coronavirus. When this happened, Catcher launched an anti-pandemic plan by setting up teams, convening anti-pandemic meetings on a regular basis, developing an anti-pandemic policy to reduce employee health risk, and providing a safe and healthy work environment for its employees.



Protection of taking meal environment

Planning ability to stagger employee meals by setting clapboards on the table, adjusting distance between seats and requesting employee not to talk during meals and not to stay after meals.



Wear masks

Wearing masks is mandatory in enclosed environments, including elevators, classrooms, meeting rooms, and dining areas.



Diligent setting across workplaces

Maintaining cleanliness in public areas, assigning cleaners to disinfect surfaces such as door knobs, elevator buttons, light switches etc.; placing sanitizer spray bottles along the hall, dining area, production area, office etc. for the use of employees, customers and suppliers



Manufacturer Visitor Control

Manufacturers and customers need to register and provide their contact information and time of factory entry and exit. They also need to have their temperatures checked, disinfect by spraying alcohol, wear masks etc. in compliance with anti-epidemic policies.



Track travelling footprints

Investigate and monitor inbound/outbound employees; the government has issued a directive with regard to local tours, suspended employee overseas trips, and reduced the frequency of domestic/overseas business trips.



Deliver anti-pandemic information

Sending information regarding the pandemic via e-mail to every contact group from time to time, posting pandemic updates in public areas; issuing government announcements, anti-pandemic policies of the company, and other messages for acknowledgement and compliance of employees.

Safety and Health Promotion Organization

Ren Ai Headquarters, T.I.P. Factory, and the Y.K.I.P. Factory have Safety and Health Management Committees in place; quarterly meetings are convened to discuss the implementation effectiveness and improvement practices for various safety and health operations. The committee is chaired by the factory manager, and composed of members from department managers, labor representatives and EHS. The labor representatives from Ren Ai Headquarters, T.I.P. Factory, and the Y.K.I.P. Factory account for 37.9%, 33.3%, and 40% of the committee, which complies with Article 11 of the Occupational Safety & Health Act. This composition enables the management and employees to communicate safety and health related issues face-to-face.



▲ Fire Protection, Earthquake, Leakage and Disaster Prevention Education and Drilling

Furthermore, the factory manager convenes weekly environmental safety and health meetings, during which each factory division engages in discussions on safety issues (safety of mechanical equipment operation, proper rate of fire facilities, measurement of electric disk temperature, noise detection of manufacturing processes, internal and external investigation of occupational injuries, etc.), and health issues (hyperglycemia, hyperlipidemia, and hypertension control, occupational medicine doctor's consultation and training, stop & restart work evaluation, etc.) of the factory, in order to increase communication frequency and improve the efficiency with which problems are handled. These meetings highlight how much Catcher values employees' safety and health.

Safety and Health Management Practices

When planning and executing matters relating to the safety of operating environment, Catcher complies with relevant laws and regulations such as the Occupational Safety & Health Act and its enforcement rules, Labor Health and Safety Facilities Regulation, and Guidelines for Implementation of Labor Workplace Environmental Monitoring. In addition to local regulations, Catcher is also dedicated to staying in line with international development trends and customer requirements. First, we identify and record the activities of different work sites, the raw materials, machineries, equipment, tools, and risk factors involved, and how monitoring is performed. Then, risks are assessed on three dimensions of frequency of occurrence, severity, and risk control effectiveness. Finally, appropriate designs, engineering, administrative control, and continuous training are employed to control the various types of hazard that may arise during machinery operations, use of automated equipment, and handling of chemicals, combustible dust, ergonomic applications. Each factory implements environmental monitoring every year in pursuant to law so as to protect the safety and health of employees and ensure the quality of work environment.



Additionally, to prevent latent risks, dedicated personnel is appointed to conduct daily patrol and inspection for effective control over high-risk operations and common deficiencies. Catcher has an emergency response management procedure and response taskforce in place to facilitate mediation of emergency situations in the event of earthquakes, fire hazards, and chemical leaks. The Company has also joined the National Toxic Hazard Joint Defense System of the Environmental Protection Administration, regularly appointed employees to attend toxic hazard drills, provide mutual support and resource allocation, and increase the company's first-aid capacity. The purpose of these activities are to reduce the scale of disaster impacts and achieve pollution control.

Occupational Injury Statistical Analysis and Safety and Health Awareness

Catcher takes occupational hazard problems very seriously. We appoint dedicated nursing personnel to record and perform statistics on the types of common occupational hazards and the department in which these hazards frequently occur, according to the statistical indicators of the Ministry of Labor. These statistics are used as a basis for developing improvement strategies and training courses. Additionally, management situations are regularly reported to competent authorities and factory managers.

Occupational accidents in 2020 were mainly pinch injury and press injury. Through hazard identification and risk evaluation, Catcher conducts cause analysis for the accidents, and review the software and hardware facilities and SOPs for improvement. We expect continuous improvement in the working environment and safety to reduce the risk of disaster occurrence. In the part of contractor safety control, only one incident occurred in 2019 in which a male contractor in the factory didn't park his motorcycle properly and suffered a crush, which resulted in the fracture of his right ankle. In the future, we will continued to conduct control through notification of hazards at the entry of the factory and construction safety inspections.

2020 Occupational Injury Statistical Analysis

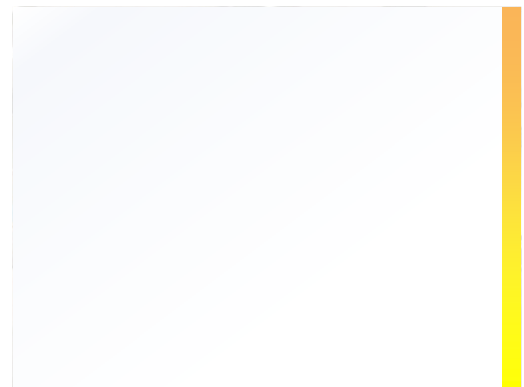
		Tainan Factory		Taipei Operations Center	
		Male	Female	Male	Female
Categories of Occupational Injury	Falling	8%	8%	0%	0%
	Slash Injury	8%	0%	0%	0%
	Hit Injury	4%	4%	0%	0%
	Pinch/crush injury (included rolled in)	44%	0%	0%	0%
	Burning	8%	4%	0%	0%
	Chemical exposure (Including burns, splashes, contact with hazardous substance)	12%	0%	0%	0%
	Occupational Diseases	0%	0%	0%)	0%
Injury Rate(IR)		2.52	1.06	0	0
Occupational Diseases Rate (ODR)		0%	0%	0%	0%
Lost Day Rate (SR)		53.53	7.71	0	0
Absentee Rate (AR)		0.65%	1.50%	0.52%	2.35%
Total No. of Occupational Deaths		0	0	0	0

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Note:

- Occupation disaster category excludes car accidents outside the factory
- Public injury rate (IR) = Number of person with disability injury x 1,000,000/ total working hours (Frequency of disability injury (FR), where the number of day with loss starts from 24 hours of the accident, excluding less than one day and accident outside the factory)
- Occupational Diseases Rate (ODR) = Total number of ODR cases x 200,000/ total working hours *100%
- Lost day rate (LDR) = Total number of days with loss x 1,000,000/ Total working hours (Severity Rate(SR, where the number day with loss starts from 24 hours of the accident, excluding less than one day and accident outside the factory)
- Absentee Rate (AR) = Total AR hours (excluded sick leave and public injury loss, as well as car accident outside the factory)/ Total working hours *100%

Every year, Catcher continues to arrange safety and health-related training to establish a culture of workplace safety. In 2020, 221 sessions were held and attended by 6,172 employees. Through safety and health awareness, employees are fully equipped to comply with safety and health policies, and therefore, Catcher establishes the correct concepts, and works together toward building a safe workplace.

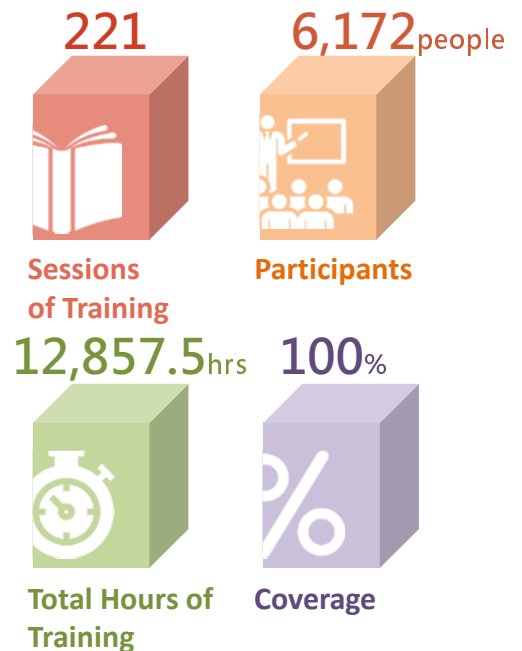


▲ Stomatology health course

List of Courses

- Safe Environment**
1. Noise Operation Occupational Safety In-service training
 2. Powder/dust Operation Occupational Safety In-service training
 3. User instruction of danger object public awareness and chemicals
 4. Traffic safety propaganda
 5. Disaster Prevention Educational Training & Exercises in fire services, earthquake, leakage
 6. Emergent evacuation for fire service exercise (dormitory)

- Hygiene**
1. First-aid safety & health trainings
 2. CPR & AED operational training
 3. Metabolic syndrome prevention training
 4. Food poisoning health educational training
 5. Sugar endangers health training
 6. Introduction to certifiable disease and description of report within factory
 7. Introduction to common occupational muscle/bone disease and prevention
 8. Kettlebell workout
 9. Communication & management skills (starter)
 10. Danger prevention of interpersonal relationship in workspace



▲ 2020 Outcomes of Safety and Health Training for Employees in Taiwan

Health Checks and Health-Promotion Programs

Catcher cooperates with occupational disease specialists from National Cheng Kung University Hospital to provide medical consultations and referrals for employees through the medical window in the factory, and actively assess the health hazards that may be caused by the working environment. Catcher cooperates with professional medical institutions every year to host health checks for employees who handle general and special hazardous operations. The frequency and items of health checks that we offer are superior to local statutory requirements. It establishes the risk level based on the results of the health check report, and arranges physicians for following up. In 2020, the full-time nursing staff were assigned to provide appropriate health education and care based on the health check reports of employees, with a total of 650 employees under management. With the occupational disease specialists for on-site service, Catcher provides employees with health consultation services.



▲ Medical consultation service for employees provided by Catcher in the factory

According to employees' health check results over the years, we found that a majority of employees in all age groups exhibited slightly higher body fat level. To comprehensively, continuously and actively promote the physical and mental health of the employees, diverse physical exercise and health courses were opened in 2020 under the support of managements. The professional training coaches were invited to provide lessons at the factory. The topics including kettlebell, workout. In this way, Catcher promotes the employees of health knowledge and habits and help them fight against obesity and chronic disease. In other words, helping employees to stay healthy is our long-term goal.

42 dynamic & non-dynamic courses

1,010 participants



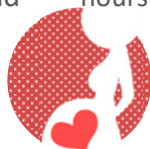
▲ 2020 Employees' Health Promotion Performance in Taiwan

Protection of Maternity in the Workplace

For the female employees responsible for specific job may hazard their health, Catcher evaluates and controls the risks, arranges doctor's interview, risk level management, arranges work distribution properly, and other related measures. The implementation is regularly tracked by professional nurses. In 2020, the protection of maternity in the workplace includes risk assessment, risk level management, hazard control, and work re-assignment according to occupational disease physician's advice. In addition, Catcher provides female employees with health guidance, health information, parking spaces, breastfeeding room, and so on, to properly protect maternity and breed health next generation.

Promotion of Maternity in the Workplace

- **Health Risk Assessment**
Focus on pre-pregnancy, pregnancy, childbirth, and breastfeeding employees. Catcher implements health risk assessment in the workplace, and ranks and manages risks, and control hazard
- **Breastfeeding Room**
Build a breastfeeding room in each factory
- **Doctor's Interview**
Arrange interviews with the doctor and nurse, provide health guidance, health information
- **Exclusive Parking Space**
Set up Exclusive parking space for pregnant women in each factory
- **Work re-assignment**
Female employees classified as the third level of health risk rating will follow the recommendations of occupational medical doctor, such as working environment change, working hours adjustment, and jobs re-assignment



Occupational Safety & Health Implementation

By continuously implementing occupational safety & health management measures and assigning safety personnel at every plant, Catcher builds a safe and healthy environment where employees can work with ease. It also carries out operational environment monitoring, onsite inspections and equipment checks.

Environment Surveillance on Labor work

In compliance with the Implementation on Monitoring Labor Work Environment Measures, Catcher's Work Safety Office has developed a work environment monitoring plan with officers in the factory, labor representatives of every process and work environment monitoring institute, certified by the central competent authority pursuant to operational patterns (sampled once quarterly or every half year) annually. This process included danger identification and data collection, grouped setting of similar exposure, planning and implementation of sampling strategy, sample analysis, data analysis and evaluation etc.

An approved third party unit was invited to implement chemical factor monitoring in the work environment to master real-time conditions of labor work and evaluate exposure and report the analysis to the information system designated by the central competent authority. In addition, Catcher also sends every round of sampling data statistics for analysis, and optimizing working environment for employees via engineering process.

Patrolling inspection and follow-up improvement

Catcher introduces patrol checks data entry system and safe environment audit & defect entry system where data entries are input and studied in the frequency as follows: joint patrol checks more than twice each month by top supervisors in the factory, more than twice each week by the Chief of Manufacturing, more than once each day by work safety unit, more than once each day by field unit, more than twice each weekend by security guards and other project-based safety checks, and performance is tracked via instant improvement and calling for services.

Equipment Safety Management

Catcher introduces Equipment Maintenance & Checkup Retry System (設備保養檢點登錄系統) and the person-in-charge of equipment is requested to accomplish self checks before starting work every day. and the result is requested to input into the system for continuous operation, same rule applies to monthly and annual maintenance.

Professional Work Safety Managers

Each factory is set with the Member of Labor Safety Organization in compliance with laws and regulations, and operators are requested to implement jobs with related correspondent licenses pursuant to each pattern of process. With license management system, the expiration of licenses by every unit of staff, notice of earlier return for training, appointment for staff in transit and out of service, along with license replacement. For training and assigning first-aid personnel, Catcher assigned professional, licensed staff to ensure implementation and supervision of safety operations, following strict guidelines and procedures.

3.5 Social Participation and Public Welfare

Upholding the spirit of "giving back what is taken from society," Catcher is committed to social welfare and continues to establish partnerships with local residents, disadvantaged groups, and other stakeholders, invest monetary contributions and resources to facilitate social development. Catcher and the Catcher Educational Foundation engage in a wide variety of social events that cover aspects such as talent cultivation, music and art, and social concern, with the total sponsorship amount reaching up to NT\$13,516,430 in 2020. Meanwhile, Catcher is also an active member of chamber of commerce, associations, and national institutions to facilitate communication with external stakeholders and enhance corporate image and influence.

Participation in External Organization

	Membership	Date of Entry	Management positions	Stakeholders involved
Tainan Technology Industrial Park Association of Commerce	General member	Membership No. 71		Government agencies and community residents
Tainan Industry Association	General member	2008/10		Government agencies
Taiwan Electrical and Electronic Manufacturers' Association	General member	2014/4/9		Customers, government agencies
Straits Economic & Cultural Interchange Association	Group member	2013/2/8	Director	Government agencies, news media
Taiwan Light Metal Association	Group member	2012/3/1	Director (Candidate)	Customers, employees
Taipei Computer Association	General member	2013/7		Customers, government agencies
Taiwan Composite Material Industry Association	General member	2014/4/1		Customers, government agencies
Taiwan Mergers & Acquisitions and Private Equity Council	Individual member	2016/10/1		Investors, shareholders
The Third Wednesday Club	General member	2016/5/27		Investors, shareholders
Kaohsiung Personnel Representative Association	General member	2016/7		Employees, government agencies
Institute for Biotechnology and Medicine Industry	Group member	2019/9/3	Director	Government agencies, news media
Tainan City Nurses Association	Registered nurses/Licensed practical nurses	2016/8/11		Employees, government agencies
Great Tainan Nurses Association	Registered nurses/Licensed practical nurses	2011/2/23		Employees, government agencies

Important Activities of Social Participation

Continue Implementation of computational thinking promotion project

Catcher keeps in step with the initiative of the Tainan City Primary School Calculation Way of Thinking Promotion Project in 2020, helping local students improve capabilities of logical thinking and proper use of information. As advanced countries adopt computational learning into their main curriculum for primary schools, Taiwan has continuously enhanced its IT education to help students receive programming language courses in early education to prepare and provide for a better future. This year, Catcher continues its reinforcement on the depth of computer and technological learning and advancement by training educators across 20 schools to improve their teaching methods and practices by , sponsoring incentives and annual competitions for teachers and students to foster competitiveness and enhance their learning skills. future.



▲ James Wu, vice president of Catcher signed a memo of cooperation with Bureau of Education, Tainan City Government

Promotion of Volunteer Services

Catcher continuously promoted the volunteer services system in 2019. By cooperating with the organizations such as Tainan City Government, schools in rural areas and disadvantaged groups, every year Catcher encouraged employees to invest in volunteer services during regular work hours or weekends. Affected by COVID-19 pandemic in 2020, Catcher cooperated with Government's anti-pandemic policy by avoiding chance of union and volunteer activity reduced significantly than before. Waiting until the pandemic slowdown, Catcher will also continue led employees into the society to implement the social responsibilities of local enterprises.

Investment to Volunteer Activity in 2020

2020.01.17

Chinese New Year Gift

Since 2015, Catcher began co-organization of care events with private TAINAN HOME OF PHILANTHROPY in the neighborhood. In the "2020 Chinese New Year Warm Love for Good Year", the children of orphanage fill out wish lists, then employees try to fulfill these wish lists by preparing gifts for the children, showing their care and support. A total of 32 well thought out gifts and NT\$36,000 in cash were collected and donated.



2020.06.21

Care for Dragon Boat Festival of Sanmin Li

Catcher's continued participation in the "Forever Warm & Love in Zongzi-smelled Dragon Boat Festival" at Sanmin Li, Yung Kang Dist., Tainan City called upon colleagues to volunteer and have fun with residents, experiencing the joy of wrapping and steaming the zongzi. Together with the Head of Neighboring Area/Chief of Village, the zongzi are handed out to the elderly population, living alone and to disadvantaged families.



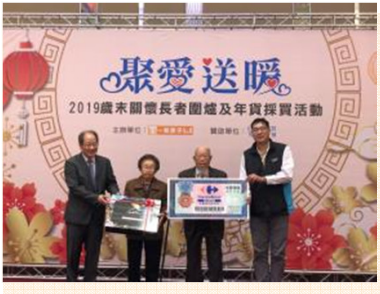
Enhance Safety & Health in borrowing/reading books



▲ Certificate of Appreciation awarded by Tainan City Mayor

With the threat of ongoing COVID-19 pandemic, continued efforts to improve safety and health for the public was initiated by Catcher Education Foundation. It has donated 2 units of sterilizers to the library, one for Annan Library of Annan District and the other one for Dongshan Library of Dongshan District, Tainan city. which are used to sterilize books as an enhanced safety measure before they are loaned out for public use.

Constant warm and love with A Kernel of Wheat Foundation



▲ A KERNEL of WHEAT year-end Banquet

Catcher's 4th sponsored event, "End-of-2019 Warm and Love for the Elderly surrounding the stove & new year shopping" organized by A Kernel of Wheat Foundation, where disadvantaged elderly and disabled individuals were invited to surround the stove in a hotel at Chinese New Year and were given gift vouchers. This initiative aimed to foster care and support.

Student Aid in Rural Area



▲ Shuangtsun Primary School Thankgiving Meeting

Since 2014, Catcher Technology has started to support the plan of "Plant a seed of reading for children" built up by Global View Educational Foundation. Thus the students of 158 elementary schools in rural area of Tainan can read the latest monthly magazines "Future Teenagers". In 2020, Catcher visited one of the donation: Shuangtsun Elementary School in Beimen District in Tainan. Through the interaction with teachers and students, Catcher knew the actual needs of children. Most importantly, Catcher hopes that the local students can convert their knowledge to the power, open their new page and enhance the competitive power.

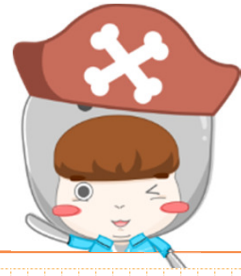
Blood Drives

Catcher has been working with Tainan Blood Center to host blood donation activities since 2015, where a bloodmobile is stationed inside the factory, and employees are encouraged to donate their bloods and help those in need. Catcher also offered gift vouchers as incentives in hopes of inspiring more employees to donate their blood. The blood donation events were participated in by 582 people and 224,000 cc blood collected in 2020. These activities helped Catcher establish a positive public image.



Art & Literature Promotion

Catcher Educational Foundation is committed to charity, education, and art and literature promotion for many years. We do our best to support various music and art performances. In addition to donation of these performances, Catcher has provided tickets to the employees and disadvantaged groups in recent years. Thus, ordinary people can appreciate these beautiful music and art talents, expand the vision of music and art, and support the fine performers.



List of 2020 Large-scale Art Performances participated/sponsored by Catcher

- **02.01**
Organized by: Art Museum, Tainan City
《Year-end Music Concert—Signed Romantic. Spring warms Tainan》



- **08.07**
Organized by: Wan Sha Performing Arts Center
《Clown World-Always for fun》



- **10.17**
Organized by: Ming Hwa Yuan Arts & Cultural Center
《Kunshen Volume》



- **12.19**
Organized by: Catcher Education Foundation, Jenshi Culture & Art Foundation
《Grandma's Song Book 2.0》





4 Environmental Harmony

- 4.1 Management System Operation
- 4.2 Environmental Pollution Prevention
- 4.3 Climate Change Strategy

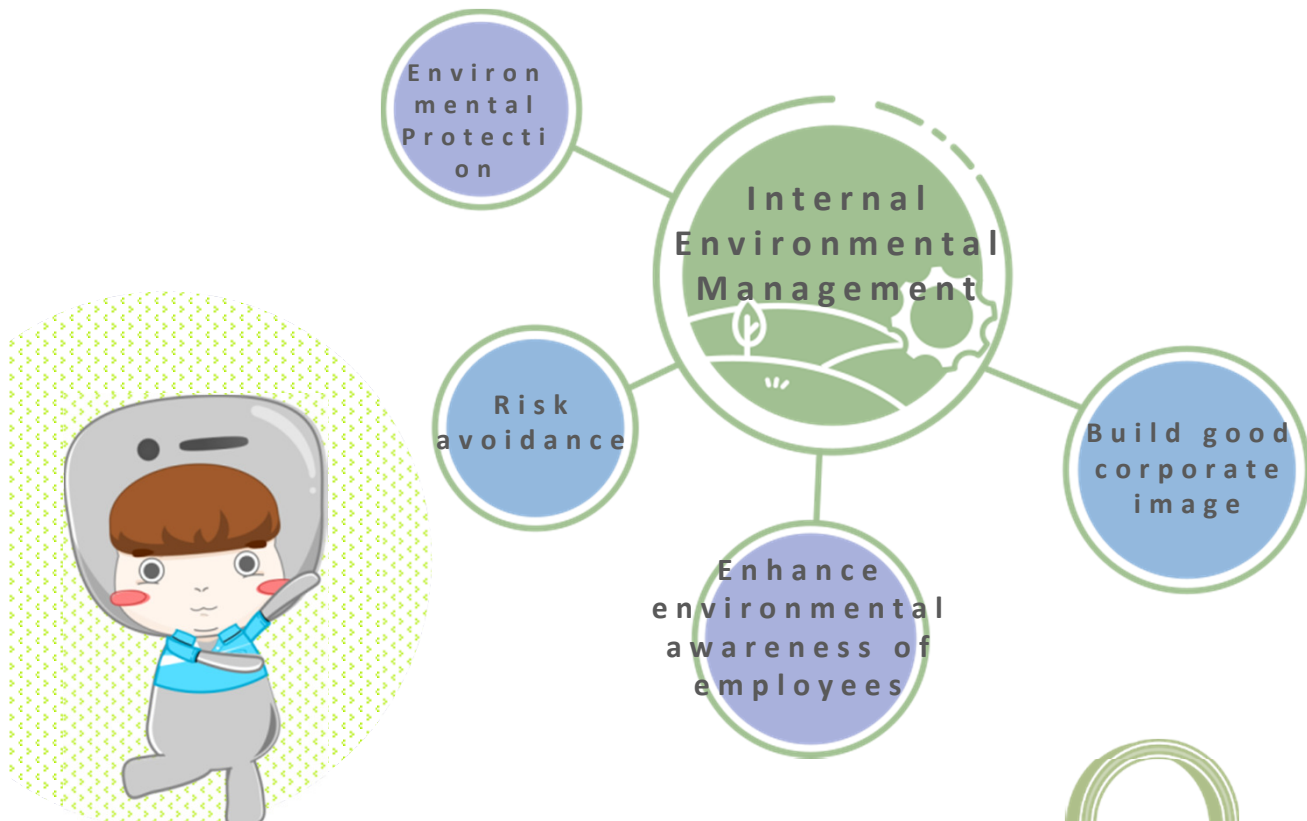


4.1 Management System Operation

Catcher has obtained the ISO 14001 Environmental Management System verification since 2009, and every year, it is subject to third-party verification and certificate replacement in pursuant to ISO standard regulations. By employing management systems, Catcher has constructed internal environmental management model to protect the environment, prevent risks, raise environmental awareness, and build a good corporate image, thereby fulfilling its environmental responsibilities. Under normal operation of management systems, the Management Review Meeting in 2020 was convened at the beginning of 2021 to inspect the appropriateness and validity of the company's management systems.

The scope of Catcher's environmental management system includes all Catcher products, production process, and peripheral activities and services, as well as the arising pollution situations, raw material use, pollutant handling, and matters stipulated by relevant laws and policies. To ensure absolute implementation, a Management Promotion Committee has been setup, with the Chairman acting as the highest authority who announces management policies and commitments, and invites all units to elect committee members who can work together to achieve effective management. The formation of such committee demonstrates how much Catcher values environmental management. Additionally, schedule time sheet is planned and implemented, while management review meetings are held periodically to monitor and track implementation effectiveness.

In 2020, Catcher did not receive any judicial or administrative punishment for violating environmental laws or regulations, nor did it receive official reports of environmental grievances, both showing Catcher's capability to produce satisfactory environmental performance, which facilitates normal business operation and reduction of penalty-related financial risks. Regarding strategic planning, the global business environments have seen changes in regulatory requirements, international management system standards, and stakeholder requirements. Moreover, the new 2015 version of ISO 14001 has been announced. In light of these advances, Catcher will build a more integrated management system to reinforce the implementation of our environmental management systems, improve our ability in continuous improvements, and strive toward sustainable governance.





Management System Policies



A.

Compliance with and conformance to legal regulations and other requirements as agreed for compliance by the organization

Catcher promises to regularly inspect the addition or amendments of government-related laws and regulations, and verifies the compliance of its legal regulations with statutory requirements to meet the minimum requirement of the environmental management system. Furthermore, Catcher also takes into consideration the needs of its stakeholders as well as the prospects and trends of international environmental and protection practices to compile a list of other requirements that the company agrees to comply with, which are expected to facilitate comprehensive compliance with relevant regulations.



B.

Creating favorable operating environment through pollution prevention, energy conservation, automatic examination, and promotion of resource recycling to continuously improve environmental safety and health management performance

Catcher promises to follow the most recent version of the ISO 14001: 2015 Environmental Management System requirements to build, implement, maintain, and continuously improve environmental management system. Through governmental laws and regulations, stakeholders' requirements, international trends in environmental management and protection measures, as well as risk assessment mechanisms for environmental aspects, Catcher is not only passive toward regulatory compliance but it is also active toward providing feasible preventive measures for environmental issues such as energy saving, greenhouse gas reduction, water resource recycling and sustainability, in order to prevent inflicting irreversible damage to the environment.



C.

Preventing the occurrence of occupational injuries, health hazards, diseases, and accidents to protect the safety and health of all employees and partnering suppliers, contractors, and visitors

Catcher promises to not only adhere to the environment-related requirements and regulations stipulated by its stakeholders, but also adopt risk management practices, including risk identification, assessment, handling, and prevention, to prevent the potential risks of air pollution, effluent treatment, waste disposal, and toxic substance management on the company's business operation and to mitigate the negative influence of these processes on the environment. In addition, Catcher also formulates adequate active and passive goals and performance indicators for its environmental management system, and regularly monitors its environmental management performance to understand the effectiveness of its disaster prevention and continuous improvements and to ensure that the company's management process is in line with the goal of its default plans.



D.

Educate employees and propagate concepts of environmental protection, safety, and health to improve employees' knowledge on environmental safety and health and the responsibilities they should fulfill during daily operations

Catcher promises to build an organizational culture that values the importance of environmental protection and management, infusing it in training programs, case studies, internal meetings, and onsite and system inspections for new recruits to existing employees. In other words, various approaches are constantly employed to strengthen the environmental awareness of supervisors and onsite operators and to realize environmental concepts in daily operations.



E.

Building interactive communication channels for stakeholders to facilitate employee participation through communication, inquiries, and information transfer

Catcher is committed to establishing transparent and smooth communication channels for its stakeholders, including the setup of official websites, Facebook fan page, hotline, and designated email for collecting stakeholder suggestions and feedback, which can provide reference for optimization of environmental management systems. Our CSR report is also a crucial channel through which to communicate with our stakeholders and regularly update them on Catcher's efforts and outcomes in environmental protection and management.

4.2 Environmental Pollution Prevention

In compliance with the ISO 14001 Environmental Management System, Catcher adopts the Plan-Do-Check-Act (PDCA) Cycle for systematically executing and managing various pollution control and environmental practices to meet local regulations and customer requirements and fulfill the responsibilities it should assume in environmental protection. In 2020, Catcher did not receive any environmental grievances through its formal grievance mechanism.

Air Pollution



Policies/Commitment

- According to the regulations, Catcher implements the necessary control measures and methods, to reduce emissions and improve environmental efficiency.



Goals and targets: Control air pollution

- To cope with introductions and changes of the new process, proper air pollution control devices will be set up, and environmental protection permits will be obtained thereby achieving 100% compliance of laws and regulations.



Responsibilities

- According to the internal operational management procedure, Environmental Protection Department is responsible for leading and tracking other departments' situation.



Resources

- For the air pollution prevention and control equipment, a designated person conducts daily pre-operation inspection while an environmental inspector conducts random checks to ensure the equipment' s normal operation. The air pollution emission pipeline complies with regulatory requirements. A third party is entrusted to perform pollution source emission detection. In the factory and surrounding areas of the discharge pipeline, an environmental safety personnel regularly monitors the content of VOCs and PM2.5, so as to effectively control air quality.



▲ Catcher' s air pollution prevention equipment



Grievance mechanisms

- Public statement, employee feedback and grievance channel, internal environmental protection department



Specific actions of 2020

- ✓ **Craftsmanship & Process Optimize Reduction of Air Pollutant**
Catcher makes progress in research & develop on advanced paints, changing oil-based paint in the raw material of coating line to water base paint, benefiting reduction of VOCs emission.

Catcher cares for the environment and advocates the importance of source improvement in air pollution prevention. In recent years, the coating process has been actively introduced with low-VOC water-based coating technology replacing high-VOC oil-based coating technology. Through continuous training of personnel and maintenance of prevention equipment, a reduction in air pollution emissions is achieved.



Waste

Policies/Commitments

- Through systematic management (from source to follow-up study), Catcher achieves the goal of waste reduction and efficient use of resources. Finally, circular economy will be obtained.

Goals and targets: Reuse & recycle

	2020	2019	2018
Ratio of reuse of waste > 90% (including waste materials reuse)	94.83%	93.83%	93.00%

- Medium-term and Long-term: Achieve the goal of sustainable use of resources, in the future, reach 95% reuse of waste

Responsibilities

- According to the internal operational management procedure, Environmental Protection Department is responsible for leading and tracking other departments' situation.

Resources

- Dedicated personnel of waste storage area of each factory, handheld five-in-one (O2/LEL/CO/VOC/H2S) gas detector

Grievance mechanisms

- Public statement, employee feedback and grievance channel, internal environmental protection department

Specific actions of 2020

✓ Recycle & Reuse of Plastic Material Waste

Catcher introduces a waste plastic recycling project. It uses the equipment such as crushers, extruders, and plastic injection machines to grind the waste plastics generated in the process, and the jigs that are no longer used in the process, which are then re-granulated and made into jigs that meet the needs of the factory through the injection mechanism, so as to achieve the purpose of waste plastic recycling, reduce waste generated. Moreover, it could relieve the environmental burden of air pollutants caused by incinerator combustion and the bottom ash landfill. According to statistics, a total of 28.71 tons of waste plastics were recycled in 2020.

✓ Reduce weight of sludge through sludge drying system

Catcher introduced the sludge drying system to effectively reduce more than 50% weight of sludge produced in the manufacturing process. Continued from a total of 404.4 tons of sludge reduced in 2019, a total of 511.467 tons of sludge were outsourced disposition in 2020, showing excellence.



▲ Catcher's Sludge Drying System

Catcher's Waste Management steps

1 Waste Reduction at the Source

Regarding waste reduction at the source, Catcher continues to educate employees on how to reduce and classify their domestic wastes, and strengthens the promotion of a paper-free green enterprise by implementing the electronic form signing system to greatly reduce paper use. Since August 2019, the employee payroll has been changed to email notifications. Indicated from the statistics, there were a total of 230,432 electronic sheets used by Taiwan Factory in 2020, showing growth up to 2.6% compared to that in 2019, and continued to reduce hazardous industrial wastes in its manufacturing processes.

2 Safe storage

Safe storage is ensured by carefully distinguishing general wastes from hazardous wastes and storing them appropriately. In addition, fire extinguisher, lighting, or emergency sprinkler facilities have also been installed.

3 Proper disposal

Catcher entrusts a third party verification unit with waste inspection every year. And empty cars are confirmed and weighed under supervision, cars are followed randomly, and inspections are requested as needed. If waste disposal companies are found to be involved in illegal activities, they will be subject to inspections of the highest standards to ensure the legitimacy of their waste disposal work flow.

4 Responsibility Tracking

Environmental Protection Department annually confirms the domestic qualified removal, disposal and reuse companies, and then invites the qualified companies to come to the factory to explain their waste disposal work flow. The qualified companies need to provide the report of waste inspection proved by the third party verification unit. After that, Catcher confirms the characteristics of waste with the qualified companies, and approves price, formulates contract and contracts in accordance with legality.

Through waste reduction at source, safe storage, proper disposal and responsibilities tracking, Catcher continuously manages the waste effectively.

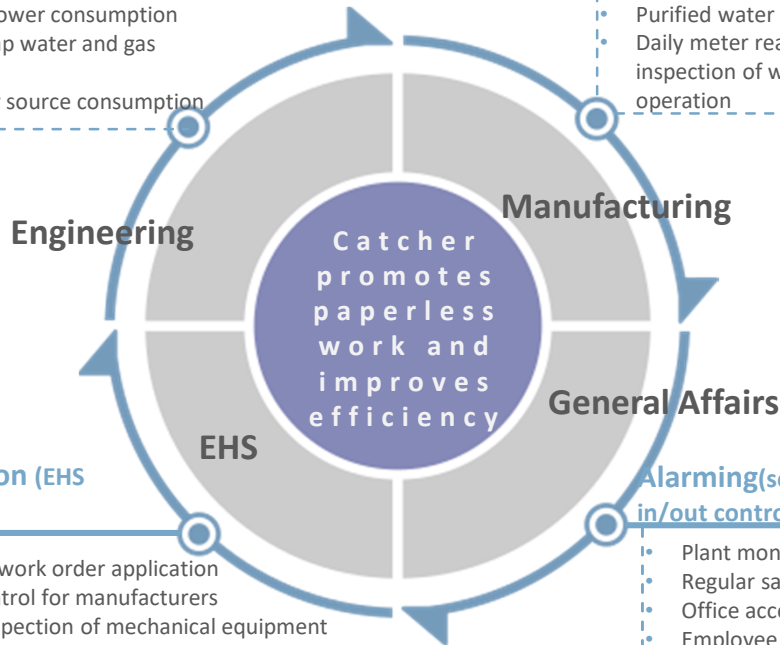


Standardization (Air pressure, gas, electricity, tap water)

- Regular inspection and maintenance of air compressor
- Regular inspection of the drying machine
- Regular inspection, maintenance and maintenance of chilling machine
- Air compressor performance testing
- Record of total power consumption
- Record of total tap water and gas consumption
- Release of power source consumption

Data exchange(wastewater and water purification system)

- Wastewater quality monitoring
- Regular inspection and maintenance of water purification system
- Purified water quality monitoring
- Daily meter reading and operation inspection of wastewater plant operation



Electronization (EHS management)

- Construction work order application and entry control for manufacturers
- Automatic inspection of mechanical equipment
- SDS Safety Data Sheet
- Safety inspection of factory production process
- Occupational safety, environmental protection, fire protection license management
- Statutory check and inspection of occupational safety and environmental protection
- Statutory declaration of occupational safety, environmental protection and fire protection
- Calibration of measuring instruments
- Environmental protection and fire protection inspection form

Alarming(security, surveillance, and in/out control)

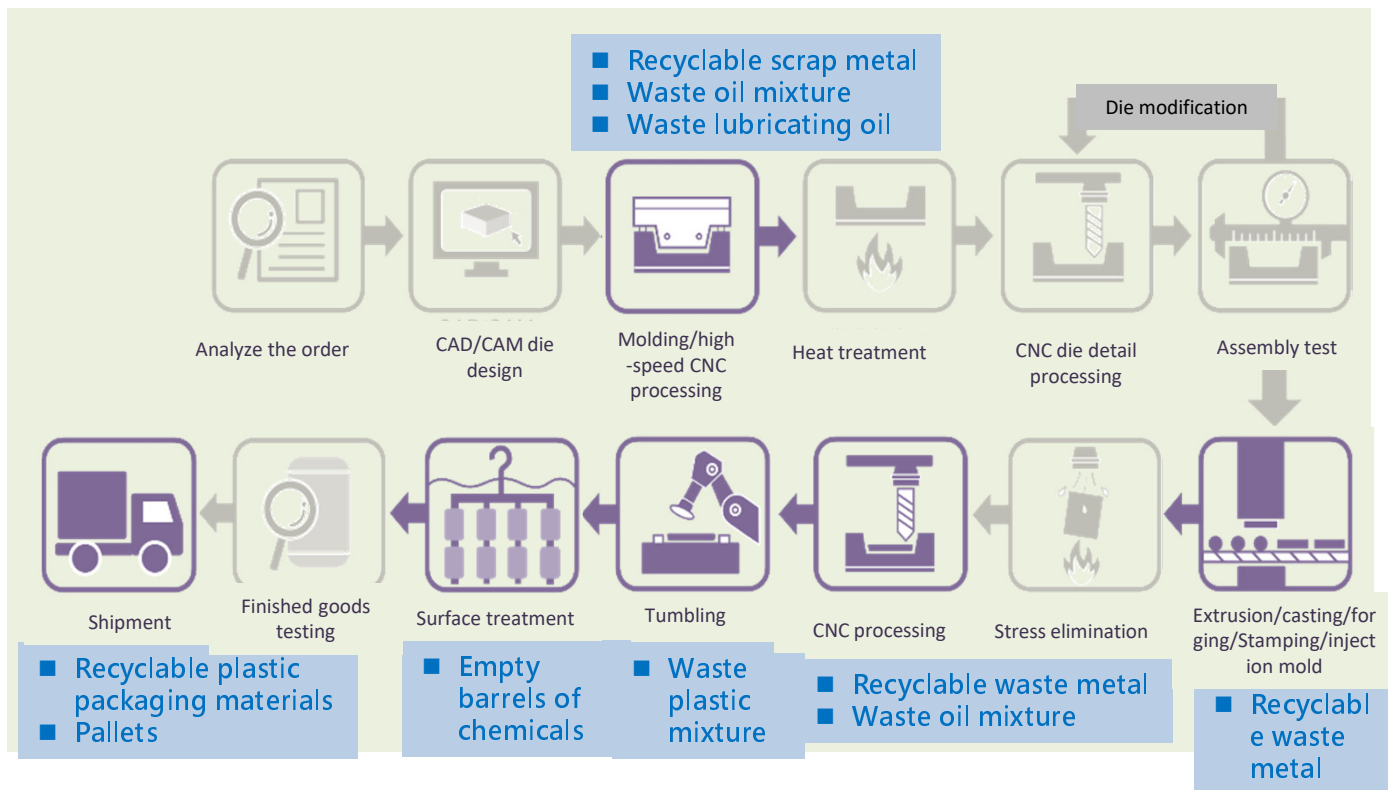
- Plant monitoring system
- Regular safety e-patrols
- Office access control
- Employee out of office management
- In/Out management for objects and vehicles
- Visitor management

Catcher's Tree protection achievement by paper reduction over the past three years



Year	e-forms used	Trees saved
2020	230,432	28
2019	224,606	27
2018	184,154	22

Waste generated during the manufacturing



Treatment	2020		2019		2018		
	Weight (metric tons)	Ratio (%)	Weight (metric tons)	Ratio (%)	Weight (metric tons)	Ratio (%)	
Hazardous Waste	Incineration	6.21	0.05	14.94	0.11	3.77	0.03
	Reuse	12950.77	94.83	12,980.53	93.83	11,936.87	93.00
Non-Hazardous Waste	Incineration	700.17	5.13	697.75	5.04	694.33	5.41
	Landfill	0	0	136.53	0.99	183.92	1.43
	Physical Disposal	0	0	0	0	16.33	0.13
	Hot Disposal	0	0	4.31	0.03	--	0
	Reuse	12950.77	94.83	12,980.53	93.83	11,936.87	93.00
Total	13657.15	100	13,834.06	100	12,835.22	100	



Water resource and wastewater

Policies/Commitments

- Implement wastewater management to achieve the goal of sustainable coexistence with environment and ecology.

Goals and targets: Reduce & control

	2020	2019	2018
Completion rate of control of water discharge quality better than water standards	100%	100%	100%

- Medium-term and Long-term: Reduce the use of water and continue to control water quality to minimize the impact of environmental ecology

Responsibilities

- According to the internal operational management procedure, Catcher's wastewater treatment plant is responsible for leading and tracking other departments' situation.

Resources

- Dedicated personnel of wastewater treatment plant, nickel on-line analyzers, COD on-line analyzers

Grievance mechanisms

- Public statement, employee feedback and grievance channel

Specific actions of 2020

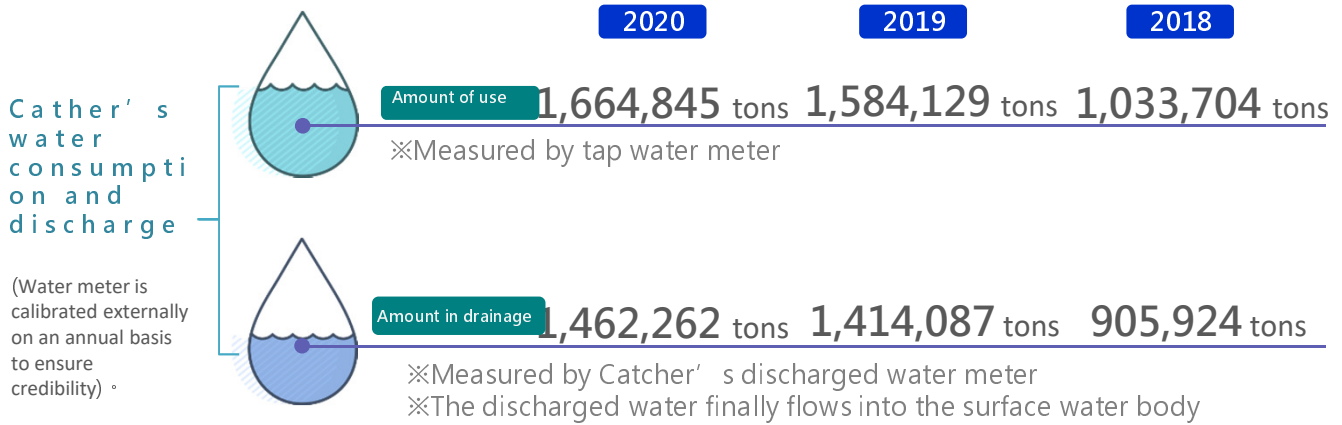
- ✓ **Recycle & Reuse of Water for Processes**
 Catcher values water resource, by improving water recycling and reuse rate in the factory through a wide range of water-efficient facilities. A total of 76,488 tons of water recycled from Catcher's TIP Factory and YKIP Factory's water purification recycling system in 2020, was used by processing and cooling water towers. The grinding process was also introduced. The water recycling system filters and recycles the water used in the grinding process and a total of 96,278 tons of water were recycled in 2020. The recycled water from the Recycle & Reuse water system of Yungko Factory is used for watering the grounds and cleaning restrooms, conserving a total of 152,269 tons of tap water and consequently reducing water waste age.

In the management water resources and wastewater discharge, Catcher has invariably been cautious in its water conservation practices to prevent environmental pollution and violation of environmental laws.



▲ Catcher's wastewater plant and its operation

Statistics of water use and drainage during 2018-2020



Waste Divergence and Water Quality Monitoring

Catcher has established wastewater related management procedures and standard operating procedures, which mandate that wastewater treatment must follow relevant water discharge standards or control standards. Unlawful discharge is strictly forbidden. If the equipment or facilities at the wastewater treatment plant are non-functional, the cause of the problem must be identified immediately to prevent pollution expansion. If necessary, a portion or the entire production operation can be suspended until the problem is resolved.

In compliance with environmental protection laws, the plant adopts two discharge systems, a rain gutter for rainwater collection and effluent channel for discharging wastewater into wastewater treatment plant. Catcher generates two types of wastewater: domestic wastewater produced by employees and wastewater produced during manufacturing processes. Domestic wastewater is treated by aeration and biological treatment. Production wastewater is mainly acidic and is generally treated using anodizing method. Specifically, acidic wastewater is neutralized at the wastewater treatment plant, coagulated, settled, and sand-filtered, before mixing it with domestic effluent for subsequent discharge. Every day, dedicated personnel tests the effluents by following discharge water quality standards. The test results proved it conformed to and performed even better than statutory discharge standards.

2020 Wastewater Discharge in Taiwan

Destination			Water quality test item			
			Water temperature (°C)	pH value	Suspended solids (SS)(Unit: mg/L)	Chemical oxygen demand (COD) (Unit: mg/L)
Ren Ai Headquarters	Ditch of District Office	Standard	May-September < 38°C October-April < 35°C	6-9	30	100
		Test Results	32.1	7.3	7.1	41.1
T.I.P. Factory	T.I.P. Wastewater Treatment Plant	Standard	< 42°C	5-9	320	520
		Test Results	32.4	5.6	4.8	61.1
Y.K.I.P. Factory	Y.K.I.P. Wastewater Treatment Plant	Standard	< 45°C	5-9	500	800
		Test Results	31.2	6.5	1.7	17.4

4.3 Climate Change Strategy



Policies/Commitments

- Catcher is committed to promoting energy conservation and GHG inventory & disclosure's information, to control the greenhouse gas emissions. According to GHG emissions, Catcher can plan a reduction project, and then make a contribution to the earth.



Goals and targets: Minimize the impact

	2020	2019	2018
The GHG emissions of per tons of products are lower year by year (emission unit: tCO ₂ e)	65.735*	54.789	58.236

*Note: Catcher products became delicate in 2020 and energy consumption increased, the amount of green house air exhaust increased slightly with more complicated work sequence and higher automation percentage. In future, Catcher will optimize work sequence, reduce energy consumption and green house air exhaust.

- Medium-term and Long-term: Minimize the impact of climate change and global warming on the operation



Responsibilities

- According to the internal operational management procedure, Catcher's Engineering Department is responsible for leading and implementing energy management and conservation projects, and tracking other departments' situation.



Resources

- Dedicated personnel of construction, energy-saving equipment and engineering, educational training



Grievance mechanisms

- Public statement, employee feedback and grievance channel



Specific actions of 2020

- ✓ Heat, Recycle, and Reuse of Boiler Steamed Waste Water and Timer installed for Hot water return pump.

Catcher employs a wide range of energy efficient measures. Renai Factory installed boiler steamed wastewater heat recycler in Building B, heating water for foreigner workers' dormitory, to reduce the amount of electricity and heat use; the hot water return pump is installed with a timer outside the Dormitory Building of Yungko Factory. It improved the power efficiency and achieved energy saving effect. As shown by the statistics, nearly NT\$1800,000 of electricity bills could be saved in one year.

Catcher fully understands the possible impacts of energy use and greenhouse gas (GHG) emission on the environment. Although it was not included in the list of GHG emissions mandated by the Environmental Protection Administration, Catcher still believes in the need to sustain its business and fulfill social responsibilities, and continues to control energy consumption levels. Since 2015, the Company took the initiative to conduct GHG inventory to determine the GHG emissions inside the factories and find any sources of emission that can be reduced in order to realize the energy and GHG management policies.



Climate Change Management & Strategy

Ren Ai Headquarters, T.I.P. Factory and Y.K.I.P. Factory each established its own Inventory Promotion Taskforce to execute GHG inventory and management. The taskforce is chaired by the Chairman of Catcher. In reference to the ISO 14064-1 Specification with guidance at the organization level for quantification and reporting of greenhouse gas emissions and removals and the EPA GHG emission reporting operating guidelines, we chose 2015 as the baseline to ascertain the sources of emissions at the factories. The scope of quantification includes direct GHG emissions (Scope 1) and indirect GHG emissions (Scope 2).



Governance

- The President organized “Inventory Project Teams” across factories, integrated greenhouse air inventory and management, and evaluated climate-related risks.



Strategy

- Analyzed the possibility of risks and evaluated potential impact on the company.



Risk Management

- Developed countermeasures to reduce risks or impact to perform and respond climate-related risks.



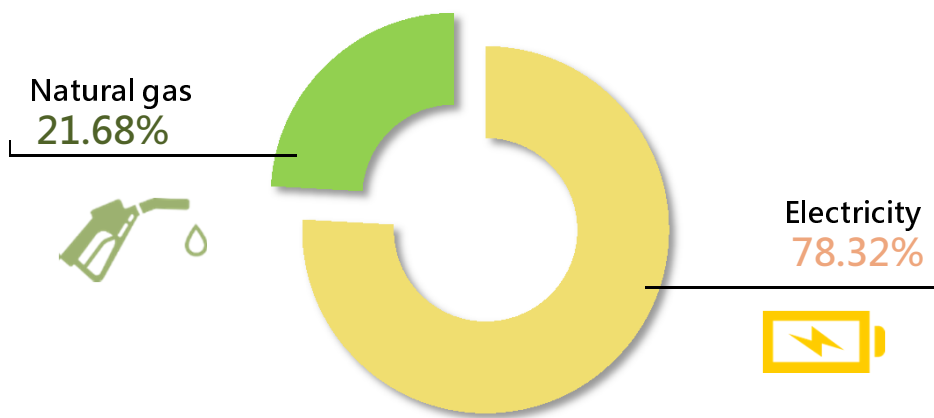
Goals

- Analyzed energy efficiency of the use and reuse of water resources, emergent countermeasures against climate-based risks every year.
- Exposed the emission/exhaust statistics within Scope 1 and Scope 2 in the Annual Corporate Society Responsibility Report and reviewed the reasons for increase/decrease.
- Set the goal to reduce the total weight of waste by more than 3.6% from 2021 to 2025.



According to statistics, the main form of non-renewable energy used by Ren Ai Headquarters, T.I.P. Factory and Y.K.I.P. Factory in 2020 was electricity, natural gas, and gasoline and diesel. The total amount of energy consumed was 138,922,738,565 kcal of energy, most of which was electricity at 108,808,576,000 kcal followed by natural gas at 30,113,904,000 kcal. These calculations are based on the meter data provided by the electrical power company and natural gas company, petrol reimbursement forms of Catcher, and the 2019 energy statistics manual provided by the Ministry of Economic Affairs Bureau of Energy. In 2020, Catcher did not use renewable energy sources, and there were no electricity, heating, cooling, and steam sold.

2020 Non-Renewable Energy Consumption Ratios in Taiwan



The total emissions of three factories in 2020 were calculated to be 72,822.426 tons of CO₂e, the direct GHG (Scope 1) emission sources contributed to 8,422.931 tons of CO₂e, and energy indirect GHG (Scope 2) emission sources contributed to 64,399.495 tons of CO₂e. With our continued promotion of energy efficiency plan at our factories, we expect to achieve goals of energy efficiency and save costs.

2018~2020 Greenhouse Gas Emissions









Unit : tonnes of CO₂e

Item \ Year	2020	2019	2018
Scope 1	8,422.931	8,959.618	6,385.084
Scope 2	64,399.495	61,105.946	47,841.446
Total emissions	72,822.426	70,065.564	54,226.530









Catcher develops countermeasures against high-risk occurrence causing any potential impact brought by climate change after referring to evaluation on risk identification, severity, chance of occurrence and current control mechanism for planning short-, middle- and long-term preventive measures to reduce the effect on operations and to take effective measures to reduce adverse impacts.



Adaptation to Climate Change

Risk Item	Description of Potential Impact	Likelihood	Catcher's Corresponding Measures
 <p>Drought</p>	<ul style="list-style-type: none"> • Shortage of production water affects insufficient production capacity • Shortage of people's livelihood water affects employees and local community residents • Financial expenses due to the distribution of water resources • Dry weather increases the rate of fire incidence and affects employee safety 		<ul style="list-style-type: none"> • Implement water-saving plans to reduce the dependence on water resources • Implement daily water conservation plans in the factory • Improve the rate of water resource reuse • Set up and inspect regularly the fire-fighting equipment
 <p>Heat wave</p>	<ul style="list-style-type: none"> • The rising temperature affects the productivity and health of employees • The rising temperature has a negative effect on the equipment • Usage and intensity of air-conditioner increases resulting in financial expenses and impact on energy-saving plans 		<ul style="list-style-type: none"> • The temperature of air-conditioner is comfortable • Maintain equipment regularly to reduce its sensitivity to temperature changes • Establish a renewable energy system in the factory
 <p>Rainstorm</p>	<ul style="list-style-type: none"> • Rainstorm causes flooding which may affect equipment and employees, thereby reducing production capacity and revenue • Rainstorm affects the resident quality and safety of local residents 		<ul style="list-style-type: none"> • Set up automatic flood prevention and drainage system in the factory to timely response • Establish flood prevention measures with local residents
 <p>Storm tide</p>	<ul style="list-style-type: none"> • Storm tide may cause flooding, thereby damaging equipment, making employees unable to go to work, and reducing production capacity and revenue • Threaten the resident quality and safety of local residents 		<ul style="list-style-type: none"> • Set up automatic flood prevention and drainage system in the factory to timely response • Establish flood prevention measures with local residents

 = Not Likely;  = Likely;  = Very likely

Risk Item	Description of Potential Impact	Likelihood	Catcher's Corresponding Measures
 Ecological change	<ul style="list-style-type: none"> Ecosystems fail to operate properly, influencing the change of the natural environment and the supply of materials Affect the factory's vegetation, beauty and afforestation 		<ul style="list-style-type: none"> Afforest the plant and increase the rate of shelter Promote green awareness and ecological conservation actions of community
 Air deterioration	<ul style="list-style-type: none"> Threaten the resident quality and health of employees and local residents Increase the use and purchase of air filtration, leading to financial expenses 		<ul style="list-style-type: none"> Provide air cleaning equipment in the plant Provide employees with proper personal protective equipment
 Water quality change	<ul style="list-style-type: none"> Affect the availability of production water, Leading to insufficient production capacity Decline quality of people's livelihood water, influencing employees and local residents Increase financial expenditure due to filtration or distribution of water resources 		<ul style="list-style-type: none"> Implement water-saving plans to reduce the dependence on water resources Develop on-site water filtration and treatment system
 Employees' health	<ul style="list-style-type: none"> Employees' attendance is not excellent, thereby affecting the production capacity Decline productivity of employees Spread infectious diseases in the office/plant 		<ul style="list-style-type: none"> Host health checks for employees regularly Develop a mechanism of infectious disease prevention to avoid large-scale infections Implement health management and anti-pandemic measures in workplace

 = Not Likely;
  = Likely;
  = Very likely

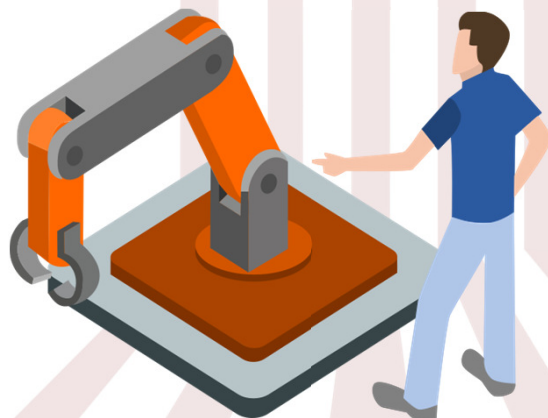
In the future, Catcher has continued to disclose carbon emission information on its official website (http://www.catcher-group.com/tw/csr_esh_more.aspx?ID=9) and in its CSR reports. We will also acknowledge the fact that our main source of GHG emission is purchased electricity, and implement various power-saving measures and ways to increase electricity efficiency, such as managing power use and replacing our lighting systems. The scope of implementation will include the production line, office buildings, and dormitories in Taiwan. Catcher will remain committed in practicing energy-saving and carbon reduction to protect the earth from top to bottom.



5 Appendices

5.1 GRI Standards Indicators
Index Reference Table

5.2 United Nations Global
Compact Comparison Table



5.1 GRI Standards Indicators Index Reference Table

GRI Standard	Disclosure	Page/Notes	Omission & Reasons for Omission
GRI 102: General Disclosures			
1. Organizational profile	102-1 Name of the organization	21	--
	102-2 Activities, brands, products, and services	21	--
	102-3 Location of headquarters	21	--
	102-4 Location of operations	21	--
	102-5 Ownership and legal form	21	--
	102-6 Markets served	21	--
	102-7 Scale of the organization	21 、 24	--
	102-8 Information on employees and other workers	57-59	--
	102-9 Supply chain	41-42	--
	102-10 Significant changes to the organization and its supply chain	None	--
	102-11 Precautionary Principle or approach	40 、 95-96	--
	102-12 External initiatives	Catcher adheres to the regulations of the RBA (Responsible Business Alliance) and UN Global Compact, and utilized RBA & UN Global Compact as reference criteria for the Company's Social Responsibility Management Procedures.	--
	102-13 Membership of associations	77	--
2. Strategy	102-14 Statement from senior decision-maker Corporate Social Responsibility Report	4-5	--

GRI Standard	Disclosure	Page/Notes	Omission & Reasons for Omission
3. Ethics and integrity	102-16 Values, principles, standards, and norms of behavior	36-39	--
4. Governance	102-18 Governance structure	27-29	--
5. Stakeholder engagement	102-40 List of stakeholder groups	13	--
	102-41 Collective bargaining agreements	Catcher requires its employees to sign an employment agreement form which stipulates their rights and obligations to protect both employees and employer	--
	102-42 Identifying and selecting stakeholders	13	--
	102-43 Approach to stakeholder engagement	13-16	--
	102-44 Key topics and concerns raised	17-19	--
	6. Reporting practice	102-45 Entities included in the consolidated financial statements	6-7
102-46 Defining report content and topic Boundaries		19	--
102-47 List of material topics		17-18	--
102-48 Restatements of information		None	--
102-49 Changes in reporting		None	--
102-50 Reporting period		6	--
102-51 Date of most recent report		7	--
102-52 Reporting cycle		7	--
102-53 Contact point for questions regarding the report		104	--
102-54 Claims of reporting in accordance with the GRI Standards		6	-- 99
102-55 GRI content index	98-102	--	

GRI Standard	Disclosure	Page/Notes	Omission & Reasons for Omission	
Material Topics				
201: Economic Performance	201-1 Direct economic value generated and distributed	Please see Catcher's 2020 Annual Report (http://www.catcher-group.com/tw/investor_financial_psc.aspx)	--	
202: Market Presence	202-2 Proportion of senior management hired from the local community	59	--	
Honesty and Anti-corruption	Management Approach	103-1 Explanation of the material topic and its Boundary	19、36	--
		103-2 The management approach and its components	36-37	--
		103-3 Evaluation of the management approach	36-37	--
	205:Anti-corruptio*	205-1 Operations assessed for risks related to corruption	39	--
		205-3 Confirmed incidents of corruption and actions taken	36-39	--
		206:Anti-competitive Behavior	206-1 Legal actions for anti-competitive behavior, anti-trust, and monopoly practices	36-39
302:Energy	302-1 Energy consumption within the organization	93-94	--	
303: Water	303-1 Water withdrawal by source	91	--	
305: Emission	305-1 Direct (Scope 1) GHG emissions	94, Catcher's 2020 GHG Inventory Report (http://www.catcher-group.com/tw/csr_esh_more.aspx?ID=9)	--	
			--	
Environmental Pollution Prevention and Control	Management Approach	103-1 Explanation of the material topic and its Boundary	19、86、90	--
		103-2 The management approach and its components	86、90	--
		103-3 Evaluation of the management approach	86、90	--

GRI Standard		Disclosure	Page/Notes	Omission & Reasons for Omission
	306:Effluents and Waste*	306-1 Water discharge by quality and destination	91	--
		306-2 Waste by type and disposal method	89	--
308:Supplier Environmental Assessment		308-1 New suppliers that were screened using environmental criteria	41-42	--
Human resources management	Management Approach	103-1 Explanation of the material topic and its Boundary	19、56	--
		103-2 The management approach and its components	56	--
		103-3 Evaluation of the management approach	56	--
	401:Employment	401-1 New employee hires and employee turnover	60-61	--
		401-3 Parental leave	62	--
Employee rights	Management Approach	103-1 Explanation of the material topic and its Boundary	19、44	--
		103-2 The management approach and its components	44	--
		103-3 Evaluation of the management approach	44	--
	402:Labor/Management Relations*	402-1 Minimum notice periods regarding operational changes	47	--
403:Occupational Health and Safety		403-1 Workers representation in formal joint management-worker health and safety committees	71	--
		403-2 Types of injury and rates of injury, occupational diseases, lost days, and absenteeism, and number of work-related fatalities	72	--
405:Diversity and Equal Opportunity		405-1 Diversity of governance bodies and employees	57-60, Catcher's 2020 Annual Report (http://www.catcher-group.com/tw/investor_financial_psc.aspx)	-- 101

GRI Standard	Disclosure	Page/Notes	Omission & Reasons for Omission	
406:Non-discrimination	406-1 Incidents of discrimination and corrective actions taken	55	--	
407:Freedom of Association and Collective Bargaining	407-1 Operations and suppliers in which the right to freedom of association and collective bargaining may be at risk	41-42、55	--	
408: Child Labor	408-1 Operations and suppliers at significant risk for incidents of child labor	41-42、54	--	
409: Forced or Compulsory Labor	409-1 Operations and suppliers at significant risk for incidents of forced or compulsory labor	41-42、54	--	
412: Human Rights Assessment	412-2 Employee training on human rights policies or procedures	55	--	
414: Supplier Social Assessment	414-1 New suppliers that were screened using social criteria	41-42	--	
415: Public Policy	415-1 Political contributions	36	--	
Customer Relation Management	Management Approach	103-1 Explanation of the material topic and its Boundary	19、32	--
		103-2 The management approach and its components	32	--
		103-3 Evaluation of the management approach	32	--
	418:Customer Privacy*	418-1 Substantiated complaints concerning breaches of customer privacy and losses of customer data	35	--

5.2 United Nations Global Compact Comparison Table

Category	The Ten Principles	Page/Notes
Human Rights	Principle 1: Businesses should support and respect the protection of internationally proclaimed human rights; and	54-55
	Principle 2: ensure that they are not complicit in human rights abuses	54-55
Labor	Principle 3: Businesses should uphold the freedom of association and the effective recognition of the right to collective bargaining;	54-55
	Principle 4: the elimination of all forms of forced and compulsory labor;	54-55
	Principle 5: the effective abolition of child labor; and	54-55
	Principle 6: the elimination of discrimination with respect to employment and occupation	54-55
Environment	Principle 7: Businesses should support a precautionary approach to environmental challenges;	82-83
	Principle 8: undertake initiatives to promote greater environmental responsibility; and	84-96
	Principle 9: encourage the development and diffusion of environmentally friendly technologies	84-96
Anti-corruption	Principle 10: Businesses should work against corruption in all its forms, including extortion and bribery	36-39



Thank you for taking the time to read this report. Please do not hesitate to contact us should you have any suggestions and words of encouragement.

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