



泰鼎國際股份有限公司
APEX INTERNATIONAL CO., LTD.

Apex

International Co., Ltd.
Environmental, Social and Governance Report 2020



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About this Report

This report is the fifth ESG (Environmental, Social and Governance) report issued by Apex International Co., Ltd. (hereinafter referred to as Apex), which will continue to be issued annually in both Chinese and English versions. The previous report was issued in June 2020. The next report (FY2021) will be issued in June 2022. To learn more about Apex's efforts and achievements in corporate sustainability, please visit the ESG page on our company's website.

Reporting Period

The period of information disclosure of this report is FY2020 (January 1, 2020 to December 31, 2020), the content includes our vision and strategies of sustainability, responses to material topics, and specific practices and performance data in the economic, environmental and social dimensions.

Reporting Standard and Information Reliability

The Report is compiled in accordance with core options of the GRI Sustainability Reporting Standards, published by the Global Sustainability Standards Board (GSSB) and in line with the Integrated Reporting framework from the International Integrated Reporting Council (IIRC).

This report is verified by a third-party verification agency, SGS Taiwan Limited, confirming that the content disclosed in this report complies with the GRI standard core options, and the second category of AA1000 (Account Ability 1000) Type II Moderate Level.

Note: Based on the regulation of industry type and paid-in capital announced by Taiwan Stock Exchange Corporation (TWSE), Apex does not need to prepare ESG report, such report is voluntarily prepared by Apex.

Contact Information

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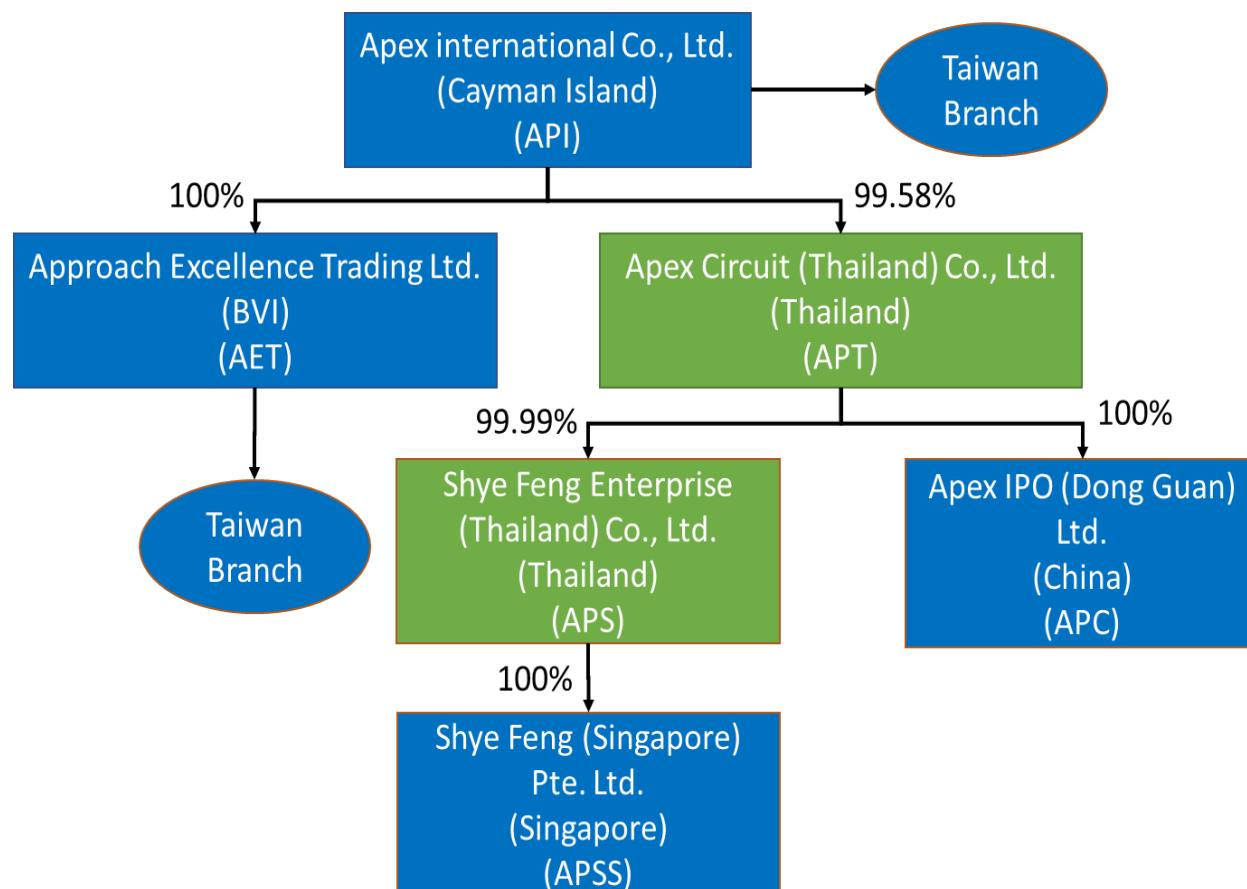
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Reporting Scope and Boundary

The report boundaries were defined in consideration of the nature of business, industry linkage and the right to control.

- Financial Data**
 The financial data is taken from the consolidated financial report of Apex, which has been verified by KPMG Taiwan. For the total of 6 companies of the consolidated statements, please refer to the diagram on the left or FY2020 consolidated financial report of Apex.
- Environmental and Social information Statistics**
 Environmental and social information statistics are adopted from Apex and subsidiaries which Apex owns 50% or more of its share, including Apex Circuit (Thailand) Co., Ltd. (APT), Approach Excellence Trading Ltd. (AET), Shye Feng Enterprise (Thailand) Co., Ltd. (APS), Apex IPO (Dong Guan) Ltd. (APC) and Shye Feng (Singapore) Pte. Ltd. (APSS). The major operating entity of the company is APT and its subsidiary APS.
- The GHG inventory**
 The GHG inventory standard of the report is created based on Thailand Green House Gas Management Organization's (TGO) Carbon Footprint for Organization program (CFO program)¹, which is equivalent to ISO14064-1:2006. This standard includes the report of Carbon dioxide (CO₂), Methane (CH₄), Nitrous oxide (N₂O). Such data are verified by SGS Taiwan Limited and collected from Apex, APT, APS and APC.
- The main subjects of such report include operational performance, corporate governance, environmental protection, and social participation, which is inconsistent with the current international trend toward corporate information disclosure. If the scope or quantitative data measurement is different from the previous version of the report, it will specifically indicate in the respective paragraph. The statistics provided in the report are derived from Apex's statistics and surveys and are present in a conventional data description manner.**

¹The greenhouse gas inventory defined in the TGO-CFO is the same as the greenhouse gas inventory protocol published by World Business Council for Sustainable Development. The link is as follows:

https://ghgprotocol.org/sites/default/files/standards/ghg_protocol_chinese.pdf



Letter from the Corporate Sustainability Committee Chairperson

Apex has always believed that a sustainable enterprise must not only excel in its core business and pursue the highest revenues, profits, and shareholder returns, it must also fulfill its responsibilities to the environment and society, and serve as an uplifting force in society.

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In 2015, Apex established its Corporate Social Responsibility Policy, aiming to build on a foundation of sustainable operations and carry out our three missions of “Corporate Governance”, “Sustainable Environment”, and “Social Care” in our daily operations. We gain understanding of the key issues of concern for our stakeholders through organizations in our company responsible for these material topics, and try our best to disclose the results of our actions through Company announcements.



Economic Dimension

In 2020, Apex extended the projects of cost control within 2019, continued to improve manufacturing efficiency and cost management that makes the margin to be improved. Though the COVID-19 pandemic caused our orders to be affected in the first quarter of 2020, the revenue in the second half of the year gained momentum due to the stay-at-home economy and remote meeting demand. With the impact of the COVID-19 pandemic in the past year, Apex has established a control mechanism through pandemic prevention. We are still improving to do our best to protect employees and maintain production stability. The success comes from the efforts of all the staff of Apex.

As the Top 2 rigid PCB manufacturer in Thailand, Apex hopes to leverage its hard-won leadership position in the industry and move our supply chain towards sustainable operations. We were making labor and environmental standards a part of our audits and requiring suppliers to follow the RBA (Responsible Business Alliance) Code of Conduct.

Environmental Dimension

In 2020, in addition to achieving our targets in energy saving, water conservation, waste reduction, and other environmental goals, Apex plans to set up renewable energy supply devices, wastewater reuse and carbon footprint inventories and disclosures.

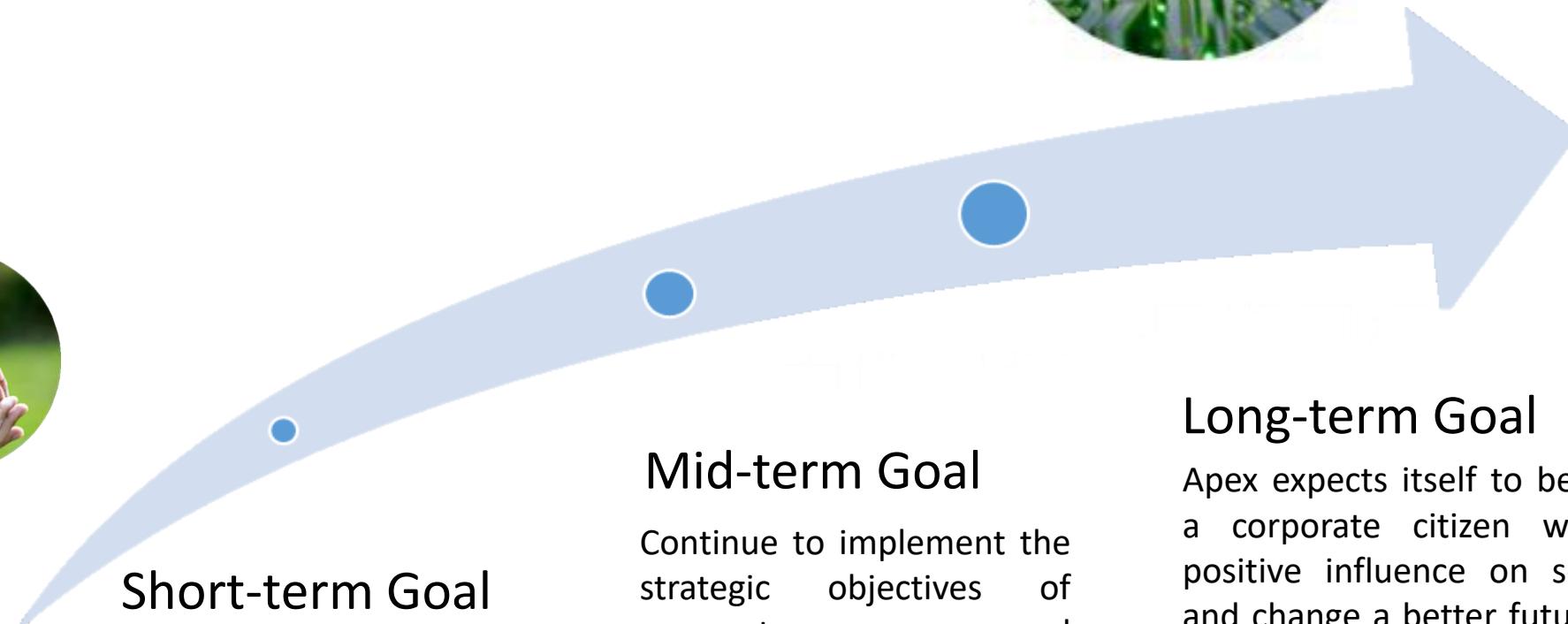
Social Dimension

Our focus is on employee rights and social participation. Employees are Apex’s greatest asset, and we pay close attention to their physical and mental health and their work environment as well. Each factory must maintain the ISO 14001 and the ISO 45001(former OHSAS 18001) management system standards. In 2020, we provided more than 7,300 job opportunities and retained talent with competitive compensation, diverse training courses, vacation time above regulatory requirements, and an array of work-life balance measures.

In 2020, Apex provided book donations to schools, blood/money/supply/donation to hospitals, and work opportunities for blind people. Apex conducted 18 events and spent approximately 780 thousand Baht on social events in 2020. We take the initiative to care for employees, and our employees are happy to give back to society after work, creating a positive cycle to make it better.

Strategies and Goal

Corporate Sustainability encompasses the three dimensions of economy, society, and the environment. In such a volatile changing global economy and environment period, fulfilling corporate social responsibility supports the fundamentals of our operations, reduces or eliminates risk, and builds sustainable value for Apex and its stakeholders.



Short-term Goal

In addition to achieving the established environmental goals of energy conservation, water conservation and waste recycling, Apex keeps on setting up renewable energy, research on wastewater recovery programs, and GHG inventory disclosure of Thai factories.

Mid-term Goal

Continue to implement the strategic objectives of corporate governance and corporate sustainability. Although the revenue scale of Apex has not yet become the top 10 compared to PCB competitors, Apex ranked 6%-20% of all TWSE listing companies in TWSE corporate governance evaluation since 2015. It shows that our efforts have earned the affirmation on corporate sustainability responsibility.

Long-term Goal

Apex expects itself to become a corporate citizen with a positive influence on society and change a better future for the next generation.

Chief Executive Officer
Chou, Jui Hsiang

Organization Profile

The concept of Apex culture is “Oriental Thinking collaborating with Western Management” while working. “Oriental Thinking” means to treat others with sensibility. At the same time, the concept of “benevolence” is helpful for Apex and is the foundation to achieve harmony and tolerance among teams. Apex people have to keep empathy in mind all the time to understand the opposite side’s point of view. Then, we can reach effective communication and can further achieve operating goals. “Western Management” emphasizes the spirit of compliance with the regulation. Apex people need to comply with laws, regulations, and internal control systems precisely and carefully as a foundation for maintaining competitiveness.

Apex is a professional manufacturer of PCB and has about 7,400 employees which most of them are of Thai nationality. Apex has two subsidiaries and three factories in Samut Sakhon located southwest of Bangkok. After acquiring APS in 2020, Apex has focused on single to 12 layers of PCB’s products. In 2020, the consolidated paid-up capital of 1.89 billion. For the annual sales, please refer to the company’s 2020 annual report, Chapter 5 Overview of Operations, Section 2, Item 6 for detailed information. Please refer to the table below for the consolidated comprehensive income statement:

Unit: thousand NTD

Year	FY2019	FY2020
Revenue	10,387,249	11,832,513
Operating cost	8,417,242	9,325,012
Gross profit	1,970,007	2,507,501
Operating expenses		
Marketing expenses	589,868	715,014
Administrative expenses	503,086	576,381
R&D expenses	17,694	35,150
Impairment loss	18,570	(13,155)
Total operating expenses	1,129,218	1,313,390
Net profit	840,789	1,194,111
Total non-operating income and expenses	5,116	44,566
Profit before tax	845,905	1,238,677
Less: Tax expense	15,255	34,922
Profit	830,650	1,203,755
Basic earnings per share	4.46	6.31
Diluted earnings per share	4.37	6.31

Business of Apex and its Subsidiaries

The business operations of Apex Group are the production and sales of single-sided double-sided and multi-layer rigid printed circuit boards (PCBs). The products are sold locally in Thailand and exported to approximately 25 countries, including China, Korea, Latin America, South Africa, Russia, Tunisia, Europe, and the USA.

Consumer electronics makers that are clients of the group include Samsung, Arris, Technicolor, Hewlett-Packard (HP), Canon, Toshiba and Western digital. The PCBs produced by the group are mainly applied in LCD TVs, set-top boxes (STBs), hard disks, printers, wireless transmitters, TF panels, and multimedia products for automobiles.

New Product and Service Items to be Developed

Consumer products like LCD TV, STBs, and the home entertainment market continue their moderate growth. Almost all Japanese brand manufacturers are facing such decreasing market share. We have already started to develop new products for automotive parts, mini WI-FI, RF application products, PCB transformer products, etc. We can use the new factory and upgraded production capacity to have advantages in these products, and develop new orders for home appliances based on the existing orders of Korean customers for LCD TVs and set-top boxes. We hope to see more improvements in the future.

On the other hand, we will build a manufacturing retrospective system to improve quality and risk control and develop automated processes to enhance quality stability.

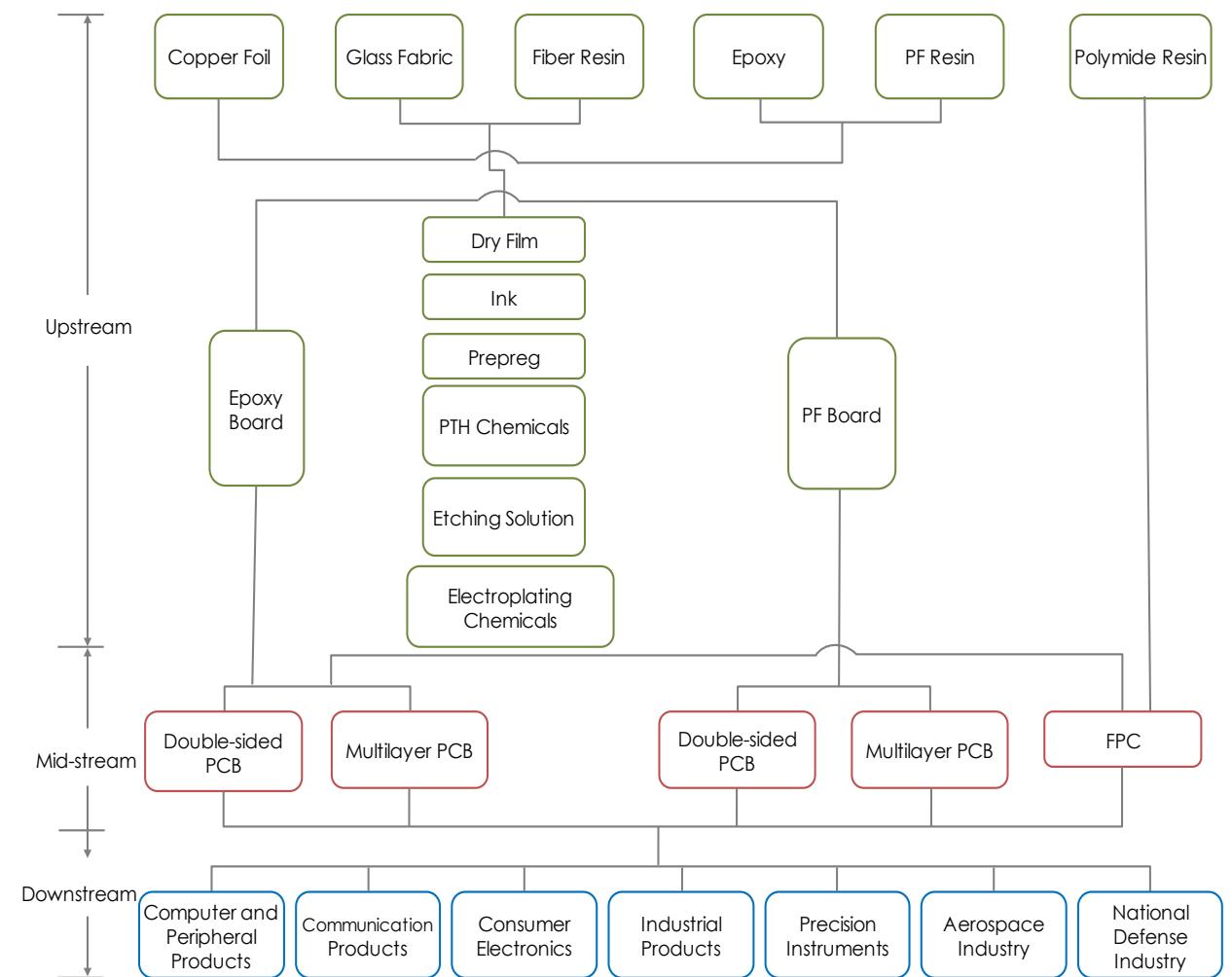
Supply Chain

PCB is an indispensable key component in electronic products. It is used extensively on information equipment, communications equipment, consumer products, national defense, and industry. The chief functions are to transmit power and signals and to serve as a device carrier. Other electronic components, such as ICs and passive components, are integrated on the PCB to allow an electronic product to function. As such, it will be deemed as the "mother of electronic products." Facing pressure from cost competition and new IC designs appearing one after another, the production of PCBs needs improvement. The number of layers is decreased instead of increased. It needs to compress the PCB layers to maintain cost competitiveness, such as 8-layer boards need to be compressed to 6-layer boards and 6-layer boards to 4-layer boards. Under such circumstances, Apex has used the advantages it has developed from working on conventional products and continues to improve the production process and capacity to obtain orders.

PCB industry has the largest output value in the global electronic component industry, and it is also the fundamental product of the electronic information manufacturing industry. According to the statistic of Prismark, in 2019, the output value of the global PCB industry year-on-year fell slightly by 1.7% to US\$ 61.3 billion. Entering 2020, although the COVID-19 pandemic disrupted the progress of 5G, each country is still competing in the 5G industry. While the outbreak of the pandemic is still uncontrollable, countries are monitoring the pandemic through digital technology. We can foresee the turning point of the 5G, cloud, and AI industries. The digital life is activated in advance through the application of remote teaching, smart diagnosis and treatment, and AI industrial risk control. In terms of the overall development trend in 2020, 5G is still a critical driving force for economic growth. The global PCB output value growth rate in 2020 is estimated to be 2%, and the scale will be approximately US\$ 62.5 billion. From 2020 to 2025, the average annual compound growth rate of the global PCB output value is expected to grow around 5%, and the scale is to be US\$ 80 billion.

Apex focuses on the production of single-sided, double-sided and multi-layer PCBs and belongs to the mid-stream of the industry. The upstream of the industry is related to components and materials, such as various substrates, copper foil and prepreg. The downstream of the industry is information equipment, communications equipment, consumer electronic product, semiconductor product, industrial control equipment, automobile, medical equipment, aerospace and national defense industries. There is no overconcentration at the upstream, and the suppliers have worked with Apex for a long time. Sources of materials are stable and plentiful. The ranges of application are extensive in downstream businesses that are making solid progress. In recent years, the shipments of electronic terminal products included smartphones, computers, and television, have not grown significantly, and with a recession. But the overall PCB output value maintains its growth. 5G infrastructure in the early stage is the key point. In the future, as the application of high-end PCB products such as 5G and AI continues to be promising, it is expected that the market competition for high-end products will continue to intensify. In terms of product structure, the current multi-layer PCB market still dominates the market. With the rapid development of electronic circuit industry technology, the integrated functions of components have become more and more extensive. Electronic products have become more prominent in the high density of PCBs, and high-end PCB products such as high multi-layer boards, HDI boards, flexible boards, and package substrates have gradually taken over market dominance.

Apex's main products, multi-layer board, are consumer electronic products, and its market will experience moderate growth. Since the Group's current revenue generation in this area is still relatively low. Therefore, if Apex can meet the requirements for products and enhance process capability, there is considerable room for growth. The main competitors of such conventional hardboards are manufacturers located in Mainland China, including Taiwan-funded plants and China-funded plants. In recent years, companies in Mainland China have increasingly strengthened their competitiveness through government support, self-technology upgrading, and the gradual integration of upstream and downstream industries. However, the stringent environmental protection regulation in mainland China is increasing in recent years, which will lead to an increase in the cost of environmental protection.



Reference: Material and Chemical Research Laboratories, Industrial Technology Research Institute

Company Profile and Operation Base

Company Overview

Apex was established on October 28, 2009 and is registered in the Cayman Islands. The company's main business projects are the manufacture and sale of single-sided, double-sided, multi-layer, printed circuit boards (PCBs). Applications include LCD TVs, video converter boxes, Set-Top Box, STB, hard disk, printer, satellite communication equipment and multimedia equipment for vehicles. The following are the headquarters location, operation base and investment structure of Apex and the main business items of each base:



Type	Country	Company Name	Abbreviation	Address
Headquarter	Taiwan	Apex International Co., Ltd.	API	Rm. 503, 5F., No. 205, Dunhua N. Rd., Songshan Dist., Taipei City 105, Taiwan
Subsidiary	Taiwan	Approach Excellence Trading Ltd.	AET	1F., No. 21, Ln. 1314, Chunri Rd., Taoyuan Dist., Taoyuan City 330, Taiwan
Operating Headquarter and Plants	Thailand	Apex Circuit (Thailand) Co., Ltd.	APT	Apex 1 : 39/234-236 Moo2, Rama 2 Rd., Bangkrachao, Amphur Muang, Samutsakhon 74000, Thailand Apex 2 : 30/101,102 Moo 1, Sinsakhon Industrial Estate Chetsadawithi Rd., Khok Kham, Muang, Samutsakhon 74000, Thailand
Subsidiary	China	Apex IPO (Dong Guan) Ltd.	APC	Room 103, Building 6, No. 5, Er Road, Shuixinwei Industry District, Hanxi, Chashan Town, Dongwan City, Guangdong Province
Subsidiary	Thailand	Shye Feng Enterprise (Thailand) Co., Ltd.	APS	88/1 MOO 2, Watphanthuwong Sethakij1 Rd, Nadee, Amphur Muang, Samutsakhon, 74000, Thailand
Subsidiary	Singapore	Shye Feng (Singapore) PTE. LTD.	APSS	18 MANDAI ESTATE #05-07 MULTI-WIDE INDUSTRIAL BUILDING SINGAPORE (729910)

Main Business Operations of Each Subsidiary

1. Apex is mainly a holding company and conducts no actual business activities.
2. AET is a wholly-owned subsidiary of Apex. It set up a Taiwan branch to be in charge of procurement of machine equipment and raw materials and shipment in the Taiwan area.
3. APT is 99.58% owned by Apex. Founded in September 2001, APT is the production and operating center of the Group with two factories, Apex 1 and Apex 2. The PCBs which APT produces are mostly exported to Japan, Korea and China to be used principally in consumer electronic products and office equipment and then in STBs, communications equipment, computer equipment and auto parts.
4. The Group newly invested a subsidiary APC in China in February 2020. As of September 30, 2020, the Group has invested RMB 2 million.
5. The Group passed a resolution of the Board of Directors on October 3, 2019 to acquire 99.99% equity of Shye Feng Enterprise (Thailand) Co., Ltd., which acquired on January 3, 2020. The main business of Shye Feng Enterprise (Thailand) Co., Ltd is printed circuit board manufacturing, processing, and trading. Its subsidiary Shye Feng (Singapore) Pte. Ltd. was established in Singapore, and its main operating business is to expand the printed circuit board business.

Numbers of Employees

All workforces are under contractual agreement with Apex, which is no temporary or dispatched worker. Except for the investee APC and the acquisition of APS and its subsidiary APSS, there is no significant variation in the organization structure. The table below showed the number of employees' average seniority, average age and educational level in Apex based on the number dated 2020.12.31.

Year		FY2019	FY2020
Number of Employees	Managers	99	103
	Production Departments	3,498	4,666
	General Employees	2,103	2,606
	Total	5,700	7,375
Position	Manager Level or above	99 ²	103 ³
	General Employees	5,601	7,272
Gender	Male	2,498	3,255
	Female	3,202	4,120
Regional	Taiwan	9	9
	China	0	3
	Thailand	5,691	7,363 ⁴
Employee structure	Over 50 years old	63	98
	30-50 years old	2,523	3,005
	Under 30 years old	3,114	4,272
Average Age		30.33	29.93
Average Seniority		4.32	3.97
Education Level	Master and above	8	42
	University	379	435
	Senior High School	3,045	6,826
	Below Senior High School	2,268	72

²54 people in this position are Thai, accounts for 54.55% of the employee at the manager level.

³63 people in this position are Thai, accounts for 61.17% of the employee at the manager level.

⁴Employees of APSS assigned to Singapore after being hired by APS, so are included in the calculation of Thai employees.

Stakeholder Engagement

Apex has established a working group called the RBA committee to perform the stakeholder engagement process and identify the stakeholders, including the society, customer, employee, government, shareholder and supplier. By applying an internal panel approach i.e. Brainstorming the issues to form response departments to collect needs and expectations from stakeholders and then align such issues in terms of GRI standard's aspects.

All of the data are kept at relevant departments, including but not limited to the customer survey, minutes of meeting with stakeholders, questionnaire on the subject of concern of stakeholders on the company website and all kinds of feedback and information received this year.

Because the sale operations in Taiwan and China are under the control of the Thailand management team, the engagement is processed with the above-mentioned International customers and all information gathering from overseas offices is consolidated at Thailand Office. This initial information is reviewed and endorsed by the RBA committee as Apex's reference for the ESG report of the year 2020. The result of the summary of Apex's discussion with our stakeholders is as below table:

Stakeholder	Concerned Topics	Response Department	Way of Communicating and Interacting	Frequency	Response Content
Society	<ul style="list-style-type: none"> Compliance with laws Environmental protection Waste water management Eliminate the gap between urban and rural education Volunteer service Donation activity 	RBA committee, ADM	<ul style="list-style-type: none"> Local wastewater treatment plant inspection Community activity 	<ul style="list-style-type: none"> Irregular 	Please refer to the chapter on Corporate Governance, Environmental Protection and Social Investment
Customer	<ul style="list-style-type: none"> Product quality Product delivery Good service Reasonable pricing Green products Non-conflict mineral resources audit 	Sales, CQM, ADM, R&D	<ul style="list-style-type: none"> Telephone, Email Meeting, Bilateral visit Internal and external audits Customer satisfaction survey 	<ul style="list-style-type: none"> Frequent on weekdays Irregular More than twice a year More than once a year 	Please refer to the chapter on Corporate Governance, Customer Service and Supplier Management
Employee	<ul style="list-style-type: none"> Employee welfare Occupational safety and health 	Employee welfare committee, ADM	<ul style="list-style-type: none"> Telephone, Email Facebook fan page Internal website and announcement Welfare Committee CEO/ BROTHER BOX Regular and irregular meetings 	<ul style="list-style-type: none"> Frequent on weekdays Frequent on weekdays Irregular More than once a month Irregular Irregular 	Please refer to the chapter on Corporate Governance and Happy and Safe Workplace



Stakeholder	Concerned Topics	Response Department	Way of Communicating and Interacting	Frequency	Response Content
Government	<ul style="list-style-type: none"> Green products Greenhouse gas reduction Waste water management Energy and electricity reduction Regulations compliance 	Taiwan branch, Accounting, ADM	<ul style="list-style-type: none"> Official letters Social media Official Website Email Market Observation Post System (MOPS) 	<ul style="list-style-type: none"> Irregular Irregular Irregular Irregular In accordance with relevant regulations 	Please refer to the chapter on Corporate Governance, Environmental Protection and Social Investment
Shareholder	<ul style="list-style-type: none"> Competitive advantages Growth potential Dividend policy 	Taiwan branch, Accounting	<ul style="list-style-type: none"> Shareholders' meeting Investor Conference Contact with the spokesman MOPS Official website 	<ul style="list-style-type: none"> Once a year Irregular Frequent on weekdays In accordance with relevant regulations Irregular 	Please refer to the chapter on Corporate Governance and Competitive Advantage
Supplier	<ul style="list-style-type: none"> Supply Chain Management Corporate Governance 	Procurement, ADM, Production	<ul style="list-style-type: none"> Field review Telephone, Email Meeting 	<ul style="list-style-type: none"> At least once a year Frequent on weekdays Irregular 	Please refer to the chapter on Corporate Governance and Supply Chain Management

Identified Material Aspects and Boundaries

Apex has established its corporate social responsibility best practice principles which are approved by the Board of Directors. The results of the implementation are reviewed by BOD meetings regularly. The RBA committee then reviews the issue raised by the stakeholder engagement process, mapping to the GRI aspect as below.

Apex's stakeholders raised issues including inclusiveness, sustainability context, materiality, and completeness. It recognized the applicable GRI Standard principle to define the core content of the Report based on such issues. Apex demonstrated these principles through stakeholder engagement processes which are done by various departments who made directed contacted with those parties.

Apex has engaged in the current issues stakeholders interest and concern with Apex and evaluation of materiality issues concerned in the PCB industry. Apex's ESG report includes Regulation Compliance, Environmental Protection, Wastewater Treatment, Green Product, Employees' Welfare, Occupational Safety and Health, Competitive Advantage, Supply Chain Management and Corporate Governance.

This Report context provides sustainable action taken i.e., reduction in waste generated and improvement in GHG emission. Top management and the RBA committee, also review and endorse the materiality topics to ensure that they already included such significant issues of the company and stakeholders.



Major Identified Issues and Boundaries Corresponding to the UN's 17 Sustainable Development Goals (SDGs)

17 Sustainable Development Goals (SDGs) was set up by the UN. Apex can combines 8 target requirements based on its core competencies.

3 GOOD HEALTH AND WELL-BEING
GRI403-1 GRI403-2 GRI403-3
GRI403-4 GRI403-5 GRI403-6
GRI403-7

Topic: Regulation Compliance, Employees' Welfare and Occupational Safety and Health

Apex: Apex provides employees with free health check and get related verification

Results:

- The health check taking rate is 100%
- Obtained ISO 45001 Occupational Safety and Health Management System and ISO 14001 Environmental Management System by external audit verification.

Please refer to the chapter on Corporate Governance and Happy and Safe Workplace

6 CLEAN WATER AND SANITATION
GRI303-1 GRI303-2 GRI303-3
GRI303-4 GRI303-5 GRI306-1
GRI306-2

Topic: Waste Treatment

Apex: Continue to do wastewater recycling, and discharge wastewater by a discharge standard, which is higher than the local standards, to local wastewater treatment plants.

Results:

- Water utilization rate before RO recycle: 84%, after recycle: 95%
- Wastewater in 2020 is reduced in output ratio.

Please refer to the chapter on Corporate Governance and Environmental Protection

13 CLIMATE ACTION
GRI305-1 GRI305-2 GRI305-3
GRI305-4 GRI305-5

Topic: Environmental Protection

Apex: Continue to promote power-saving programs every year to save annual electricity consumption

Results: 2 power-saving programs were implemented in 2020, saving about 670 thousand kWh of electricity per year and reducing 401 tons of carbon dioxide

Please refer to the chapter on Environmental Protection and Social Investment

17 PARTNERSHIPS FOR THE GOALS
GRI102-2 GRI102-6 GRI409-1

Topic: Regulation Compliance, Customer Service, Green Product, Competitive Advantage, Supply Chain Management, Corporate Governance

Apex: The main axis of Apex Culture is the "Oriental Thinking and Western Management Cooperation" at work. "Oriental thinking" refers to treating others with sensibility. At the same time, the concept of "Benevolence" is undoubtedly helpful to Apex and the basis for achieving team harmony and tolerance. "Western management" emphasizes the spirit of standard compliance. Apex people must strictly and cautiously abide by laws, regulations and internal control systems as the basis for maintaining competitiveness. And uphold the five business philosophy: 1. The best quality 2. The best price 3. On-time delivery 4. Excellent service 5. Satisfied service to strengthen the global partnership.

Results:

- Received Canon Supplier Environmental Evaluation in December 2020.
- Received Sony Green Partner Certification in April 2020.
- Corporate governance evaluation ranked 6% to 20% of all TWSE listed company.

Please refer to the chapter on Corporate Governance, Competitive Advantage, Customer Service and Supply Chain Management



4 QUALITY EDUCATION
GRI403-4 GRI403-5
GRI403-6 GRI403-7

Topic: Regulation Compliance, Occupational Safety and Health

Apex: Continuous improvement and implementation of employee education and training system.

Results: In this year, the training completion rate of Thai factories is 95%, with the average training hour of male at 21 hours and female at 19 hours.

Please refer to the chapter on Corporate Governance and Happy and Safe Workplace

8 DECENT WORK AND ECONOMIC GROWTH
GRI202-1

Topic: Regulation Compliance, Employees' Welfare

Apex: Apex has been cultivating in Thailand for many years and is constantly adjusting salary every year.

Results:

- The salary of the company in regardless of gender and minimum wage this year is THB 10,180, which is 1.03 times higher than the minimum wage requirement in Thailand.
- The utilization rate is between 90-95% for the whole year, which gives employees an extra bonus in addition to stable income.

Please refer to the chapter on Corporate Governance and Happy and Safe Workplace

9 INDUSTRY INNOVATION AND INFRASTRUCTURE
GRI102-2
GRI102-6
GRI409-1

Topic: Customer Service, Green Product, Supply Chain Management

Apex: PCB boards as a mother of electronic system products, Apex can provide it for downstream electronics industry.

Results:

- Thai factories passed the Canon Supplier Environmental Evaluation and Sony Green Partner Certification in 2020.
- It is estimated to spend 100 million baht and one year to establish a precision physics laboratory, through internal control to grasp the problem in the first time and effectively solve the problem.

Please refer to the chapter on Corporate Governance, Customer Service and Supply Chain Management

16 PEACE, JUSTICE AND STRONG INSTITUTIONS
GRI403-4

Topic: Regulation Compliance, Corporate Governance, Employees' Welfare, Occupational Safety and Health

Apex: If the company's personnel violate the company's ethical code of conduct, you can contact Apex through the ethics reporting window information on Apex website. Employees can use the internally set CEO BOX and BROTHER BOX to report suggestion and problem to the management team. Other stakeholders can contact Apex through the contact information on Apex website.

Results: Apex has a harmonious labor-management relationship in the reported year. No significant labor disputes have occurred and no significant complaint from stakeholders.

Please refer to the chapter on Corporate Governance and Happy and Safe Workplace

Note: The median of salary and local minimum wage for 2019 and 2020 (unit: Thai baht) are as below:

		FY2019		FY2020	
		Male	Female	Male	Female
Assistant Manager Level or above	Median	71,687.10	50,000.00	62,500.00	49,000.00
Others	Median	11,505.00	13,000.00	12,200.00	13,000.00
Local Minimum Wage		331/day		331/day	

Initially Identified Risks and Opportunities of Climate Change and Apex's Response GRI201-2

Global warming is an important environmental issue that we face. As temperature rises, the abnormal climate pattern will keep on deteriorate over time. More powerful cyclones, irregular rainfall, severe droughts and floods will become more and more frequent. Bangkok used to be a marshland about 1.5 meters from the sea level, and is expected to become one of the most severely affected urban areas in the world, making the Thai government pay more attention to environmental issues in recent years.

Thailand has 3 seasons throughout the year, which is the rainy season, the cool season and the hot season. The annual rainfall is concentrated in the rainy season, so it often meets flood disasters during the rainy season, and is easily to have water shortage during the cool season and the hot season. According to World Bank report, due to extreme rainfall and changes in weather patterns, "nearly 40%" of Bangkok is likely to be inundated by 2030. Greenpeace's Tara Buakamsri also said that Bangkok is sinking slowly now, while the sea level of the adjacent Gulf of Thailand is rising slowly and is above Global average. Large-scale flooding may occur in the near future.

Apex has set up factories in Thailand for more than ten years, and has experienced the worst flood disaster in Thailand in decade in 2011. Apex deeply understands the risks and opportunities brought about by climate change and has begun to pay attention to environmental issues. Apex has made the identification of climate change risk and opportunity lists according to the Climate-Related Financial Disclosure Recommendation (TCFD)⁵ and the reference to the manufacturing climate change adaptation guideline⁶, and adopt the corresponding measures, as shown in the following table:

Apex Climate Change Risk Lists and Corresponding Measures

Risk Type	Disclosure	Identify the Risk	Corresponding Measures
Transitional Risk	Policy and Regulation Risks	Thai government pay more attention on environmental issues and regulations become stricter	Apex's water discharge standards are higher than the regulations, and regular sampling before discharging to ensure compliance.
	Technical Risk	Low-carbon equipment cost	Apex has purchased energy-saving and waste chemical treatment equipment. The total expense on chemical waste treatment equipment is about 867 thousand dollars and the payback period is within an appropriate range.
Physical Risk	Immediate Risk	Flooding in the rainy season	The foundation of newly built factory is raised and drainage system was strengthened in response to the strong rainfall.
		Water shortage in cool and hot seasons	Apex has established Business Continuity Plan to make a SOP for water shortages to reduce operational risks.
	Long-term Risk	Sea-level rise	The foundation of newly built factory is raised and drainage system was strengthened in response to the strong rainfall.

Apex Climate Change Opportunity Lists and Current Measure/Future Goal

Type	Opportunity Identification	Current Measure/Future Goal
Resource Efficiency	Resource recycling	Increased equipment investment about 850 thousand dollars which improve Apex's waste chemical recycling volume.
	Use energy-saving equipment	Apex continues to purchase energy-saving equipment up to about 867 thousand dollars to increase resource efficiency.
	Pursue a paperless office environment	Increase the server and storage equipment to reduce Apex's document printing rate.
Toughness	Cultivate ability to adapt to climate change	The company has established a Business Continuity Plan procedure, hope to be able to properly respond to disasters.

Part 1 : BCM Management



Part 2 : BCP Operation



⁵Task Force on Climate-related Financial Disclosures (TCFD) is officially published by Financial Stability Board (FSB) on June, 2017.

⁶Manufacturing climate change adaptation guideline is established by the Taiwan Green Productivity Foundation, and directed by the Industrial Development Bureau, Ministry of Economic Affairs.

Corporate Governance

Apex already built the following ESG related internal regulation:

1. Principle of Corporate Governance
2. Principle of Corporate Social Responsibility
3. Ethical Corporate Management Best Practice Principles / and its Guidelines for Conduct
4. Rules for Election of Directors / Rules of Procedure for Board of Directors Meetings / BOD Performance Evaluation Procedure
5. Rules for Control Audit Committee / Compensation Committee
6. Regulation of the Scope of Duties of Independent Director



In Apex, Internal audit office is in charge of the ESG managing issues and reporting to BOD meetings. APT already set up RBA Committee and Energy Conservation Committee. Although the revenue scale of Apex has not yet become the top 10 comparing to PCB competitors, Apex ranked 6%-20% of all TWSE listing company in TWSE corporate governance evaluation since 2015. It shows that our efforts have been affirmed in ESG.

Ethics & Integrity

The “Ethical Corporate Management Best Practice Principles” and its guidance policy of Apex stipulate the types of unethical conduct, improper benefits and the whistleblower channel for both insiders and outsiders. All Apex workers are requested to act in accordance with business ethics and their responsibility to the public and stakeholders. At the same time, the members of the Board of Directors and the management all carry out their duties with integrity and fulfill their obligations as good managers. They also abide by the code of conduct for directors and managers and adopt strict self-discipline and cautious attitudes when exercising their duties.

The company policy already included the whistleblower system to have independent directors and internal audit manager to take the responsibility of ethical issue and inspection. The channel was as below:

1. Internal: CEO BOX, BROTHER BOX
 2. External: Company official website to disclose the contact method of internal audit manager.
- There was no case of ethical issues through the whistleblower system in 2020, and no abnormal issue through regular internal audit report related to any of the topics below:

- Benefit provided by outsider
- Commitment to outsider
- Political contributions
- Large donation
- Business secrets or intellectual property
- Private transactions
- International regulation compliance
- Stock insider trading
- Customer/Supplier ethical issue

Regulation Compliance

1. Apex has established its Corporate Governance Best Practice Principles. The Principles have been disclosed on the Corporate Governance page on the company’s official website after being approved by the Board of Directors.
2. Apex has established Principle of Corporate Governance as the guidelines in the internal control system for processing shareholder inquiries and matters in relations to shareholders’ rights and interests. At the same time, there is a spokesperson and two deputy spokespersons to provide prompt replies to questions from shareholders.
3. The insider lists of Apex is compliant and files the shareholding status of the principal shareholders each month as regulated.
4. The division of management authority, contact and transactions between Apex and its subsidiaries and affiliates are all conducted according to the regulations of the internal control system and relevant operating procedures.
5. Apex has established regulations on prevention of insider trading and also regularly reminds company personnel such conduct is prohibited.
6. The composition of the Board of Directors has taken professional background, gender, age and education into consideration and also diversified for the purpose of complementation to increase the overall capacity of the board.
7. In addition to the Remuneration Committee and the Audit Committee, committees of other functions has been created in accordance with the company’s business development and related regulations.
8. Apex has established regulations on evaluation of the performance of the Board of Directors. The approaches of evaluation and performance evaluation will be conducted accordingly. Please refer to the company’s official website for the evaluation results.
9. Apex evaluates the independence of CPAs annually, ensuring that they are not Board member, Remuneration member, shareholder or stakeholders of the Company. The 2020 Assessment of performance and independence of CPA were approved by Audit Committee and Board of Directors on March 10, 2020. Please refer to Section 5 “To review the independence of the CPA periodically and the items of evaluation”, in Chapter VIII Supplementary Information of Apex FY2020 annual report for details.
10. Apex has already set up the Corporate Government Team under BOD meeting who is in charge of corporate government, corporate social responsibility and ethical affairs. Every December, the team will directly report to the BOD meeting about the implementation and the plan of next year.
11. Apex has set up a stakeholder section on our company’s official website, and the information about various financial operations and corporate governance are also revealed on the website. Apex also set up the contact window for stakeholders and has disclosed the contact information on the website.
12. Apex has commissioned a professional shareholder services agency to handle the affairs of the shareholders’ meeting.
13. Apex has already set up an English website. Questions in relation to Apex are replied by the spokesperson or the deputy spokesperson. The related departments and the spokesperson or deputy spokesperson are in charge of collecting and disclosing company information. If there are any institutional investors’ conferences, the information will be posted on the company’s website and the MOPS.

Employee Rights and Employee care

1. Employment equality: Job seekers and employees are treated equally, regardless of their gender, ethnic background, religion, political affiliation or marital status. Employment of child labor is forbidden. Pregnant employees are given provisions and longer breaks.
2. Besides conducting physical checkups for employees regularly, Apex values the health and safety conditions in the work environment for employees and has passed the Occupational Health & Safety Adversary Services certification ISO 45001 and the External Audit Certification of the Environment Management System ISO14001.
3. The Employee Welfare Committee organizes at least one activity for full-time employees each year and a welcoming party for new employees each month. The head of each department is invited to participate in interactive games to upgrade employees' sense of belonging and engagement.
4. Recruiting blind people to the factory to provide massage service for Apex employee each month, which provides job to blind people and relaxes the working pressure of Apex employee as well.



Perspective of Apex SS2 Ep.03 (K.Sudjai) | 29.10.20 | Apex 1



Apex (Sudjai) | 16.10.20 | Apex 1



Apex (Sudjai) | 09.05.20 | Apex 1



We are all family 3 Party | 09.10.20 | Central Place Hotel

Apex (Sudjai) | 09.10.20 | Apex 1

Investor Relations

In order to assure the rights of Apex's shareholders, Apex has set up specific personnel to deal with the issues raised by shareholders. Apex also set up the Chinese/ English website to provide the following information:

1. The information of the Articles of incorporation and corporate governance.
2. Documents related to shareholder's meeting. (At least the latest annual report, meeting notice, meeting agenda and meeting minutes of the Annual General Meeting.)
3. Company profile, including company history, product, service provided, company organization, and management team.
4. Major shareholder information (Including names of shareholders in possession of more than 5% of total shares or ranking among the top ten shareholders, the amounts of shares held and shareholding ratios) Besides, Apex also set up a stakeholder section on our website, in order to understand the key ESG issues which our stakeholders care.

Relations with Suppliers

The main operating entity of Apex has built up close relationships with suppliers and both sides reciprocate based on mutual trust to achieve the win-win policy.

Stakeholders' Rights

Apex maintains smooth communication channels with correspondent banks, employees, customers and suppliers and also respects and sustains their rights and interests.

Directors and Managers Training

Please refer to Section 5 "Continuing Education for Directors and Managerial Personnel" in Chapter VIII Supplementary Information of Apex FY2020 annual report for details.

Implementation of Risk Management Policy and Risk Assessment Criteria

Please refer to Section 6 "Risks" in Chapter VII Review and Analysis of Financial Status and Performance and Risks of Apex FY2020 annual report for details.

Customer Service

Apex has set up a customer service department and a permanent customer service contact person to process customer complaints and communicate and understand the needs of customers in order to make improvements. Also, customer satisfaction surveys are administered through regular visits and irregular contact. Adjustments are then made according to the survey results so that the company can continue to provide the best service to customers.

Enrollment of Liability Insurance for Directors

Since 2012, Apex has taken directors' and officers' liability insurance. The insured amount in 2020 was US \$5 million.

Personnel associated with Financial Information have Acquired Required Certificates

Two certified public accountants in Thailand.

According to the categories and requirements of the Corporate Governance Evaluation held by TWSE each year, Apex proceeds self-assessment and report the performance to BOD meeting. In year 2019, Apex perform 88.47 score of the evaluation, which means Apex was ranked within 6%~20% of all companies listed in TWSE.



Competitive Advantages

Excellent Corporate Management

Apex's management team is dedicated to the company, maintains business stability and growth, endeavors in sustenance of internal communication channels, and also adheres to five major management concepts: 1. Best Quality 2. Best Prices 3. Punctual Deliveries 4. Excellent Service and 5. Fulfillment of Promises.

Diversity of Client Source and Product Applications

Apex's client spread around Japan, Korea, Europe, America and China and major international manufacturers are among the end-customers. Diversification of client sources reduces the influence of the economic situation of a single country or region on Apex. In the meantime, diversification of product applications, including electronic products, computer-related, communications and automotive products, enables Apex to stand out as a company capable of meeting the various needs of clients and its product development can also create complementary effects.

Cost Control and Product Price

Complicated production processes and production according to orders are the characteristics in PCB's manufacturing. Hence, precise and effective management are the foundation for maintenance of competitiveness and creation of profit. Whole production processes of PCB are in-house, so Apex can control the scrap rate of each workstation and thus decrease producing cost. At the same time, Apex has centralized sale and procurement so as to reduce time lag. Finally, good cost control has resulted in competitive product price.



Advantages and Disadvantages Factors of the Development Vision and Responding Countermeasures

Advantage Factors



Geography and People of Thailand

Thailand is a transportation hub in Southeast Asia with abundant resources. Being an ASEAN member state, it has regional economic advantages that attract foreign investors. With the integration of AEC in 2015, Thailand will continue to enjoy advantage of exporting into ASEAN countries and doing cross border trade with zero tariffs. In addition, Thailand's people are friendly and loyal, which enables the company to maintain a low turnover rate to maintain production efficiency and quality.

Labor Cost and Labor Consciousness

Despite the Thai government's announcement in recent years raised the minimum wage, Apex has been able to keep management costs at a lower level through cost control. Fully aware that the lower labor cost in Thailand is a major contribution to its gross profit, Apex has therefore continued to increase investment in automation to reduce its dependence on labor in the future. We have also invested in automated equipment to reduce the cost of intensive labor.

Market Share and Demand

Apex understands very well that cost competitiveness, decent service and responsibilities are necessary abilities for the company to survive in the electronics industry, keep customers and develop new sources of clients. We have continued to expand our market share through current customers and seek new ones to fill the production capacity of the new plants. Besides continuous acquisition of machine equipment for the new plants, Apex also makes persistent efforts in development of new products and technologies to bring up production to meet market demand as well as win opportunities to serve more customers and increase business.

Apex has price advantages to compete in the market and continues to maintain close relationships with customers and develop new sources of clients.



Competitive Edges of PCB Manufacturers in Asia

In recent years, production costs have kept rising in China as a consequence of growing labor costs which are subject to the policy of the Chinese government. Plus the increasingly strict environmental protection policy, PCB businesses along the eastern coast have begun to relocate to the inland. Although production costs in the Chinese inland are relatively lower, the hardware facilities and logistic services are not as progressive as those in the eastern region. This has created certain pressure on our competitors. Being based in Thailand gives Apex certain relative advantages.



Logistic Advantages in Thailand

Today, the land transportation systems in Thailand have been greatly improved. Moving goods from Thailand to anywhere in China takes only 7-10 days. Delivery time is shortened, costs are reduced, and competitiveness is boosted. For raw materials, there are four suppliers able to provide board materials. Apex also purchases services needed for production from Thailand suppliers to cut down on waiting time.

Disadvantageous Factors

Awakening of Environmental Protection Awareness

Apex continues to improve production processes to reduce contamination, adopt environmental strategies and bring in contamination prevention equipment to meet environmental protection regulations, and also commission qualified environmental protection businesses to dispose of contaminated waste to reduce environmental contamination and environmental protection expenses.

Countermeasures

Apex continues to improve production processes to reduce contamination, adopt environmental strategies and bring in contamination prevention equipment to meet environmental protection regulations, and also commission qualified environmental protection businesses to dispose of contaminated waste to reduce environmental contamination and environmental protection expenses.



Fierce Market Competition

The PCB industry is the mother of the electronics industry. Price reduction pressure from customers never stops and this is the fate of this industry.

Countermeasures

Apex continues to improve sales tactics to maintain plant utilization rates at over 90% and is therefore able to offer competitive prices and ensure reasonable profit. Increased customer demand for multi-layer boards will boost our average sales price and profitability. Production of double-sided boards continues to decrease while that of multi-layer boards is on the rise. This enables us to cope with competition from other regions.

Impact on Profitability from Exchange Rate Fluctuations

Exchange gains/losses will have an impact on the final profit of the company. By adopting natural hedging strategies and cautious operation of certain derivatives, Apex has reduced the likely impact from exchange rate fluctuations by a large margin.

Countermeasures

The finance department tries to cover the purchase and related expenses with the sales income of the same currency to achieve the natural hedging effect. Over time and changes in the foreign exchange market, collect information on the exchange rate market and future trends, exchange in a timely manner to reduce exchange rate risk, and assess the status of foreign exchange contracts and options at any time.



International Raw Material Price Fluctuations

Apex takes active measures to negotiate prices with suppliers of important raw materials, such as CCL, Prepreg, copper foil, solutions and dry film.

Countermeasures

Apex keeps a close watch on price change tendencies and purchases needed quantities in advance when prices are at low points in order to maintain low material costs. We also keep good relationships with suppliers to ensure all material costs achieve our expectations. Apex also conducts cost control through quarterly plans to comply with budget arrangements.

Environment Protection

Apex products produce waste, such as greenhouse gases, wastewater and waste chemicals, which includes waste liquid and PCB substrate waste.

GHG Emission

Apex is aware of global concerns on climate change and Green House Gases (GHG) emissions and materiality for all organizational departments to take action on GHG emission reduction. Apex has established the first GHG inventory as initial review for materiality in this issue since 2016. Took 2019 as the base year, it is planned to reduce the output emissions in the Scope 1 and Scope 2 inventories by 5% within next five years. Apex operations mainly consumed electrical energy for manufacturing and power supply, working on energy conservation program led to gradual decrease in both energy consumption and GHG emission.

2020 annual energy saving implementation:

1. Both plants focused on improving air pressure/air conditioning/ice water systems and replacing energy-saving bulbs to improve the energy efficiency of the system by 20%. (2016 as the base year when the energy saving project started)
2. In 2020, Apex process 2 energy saving projects and saved 670,000kWh, i.e., reducing 401 tons CO2 emission. Other type of GHG concerns are from the supply chain, so Apex chose to establish GHG scope 3 inventory for premium freight as initial information. Apex is expecting to expand the inventory for all mode of transportation and evaluate appropriate work with supplier to control GHG scope 3.

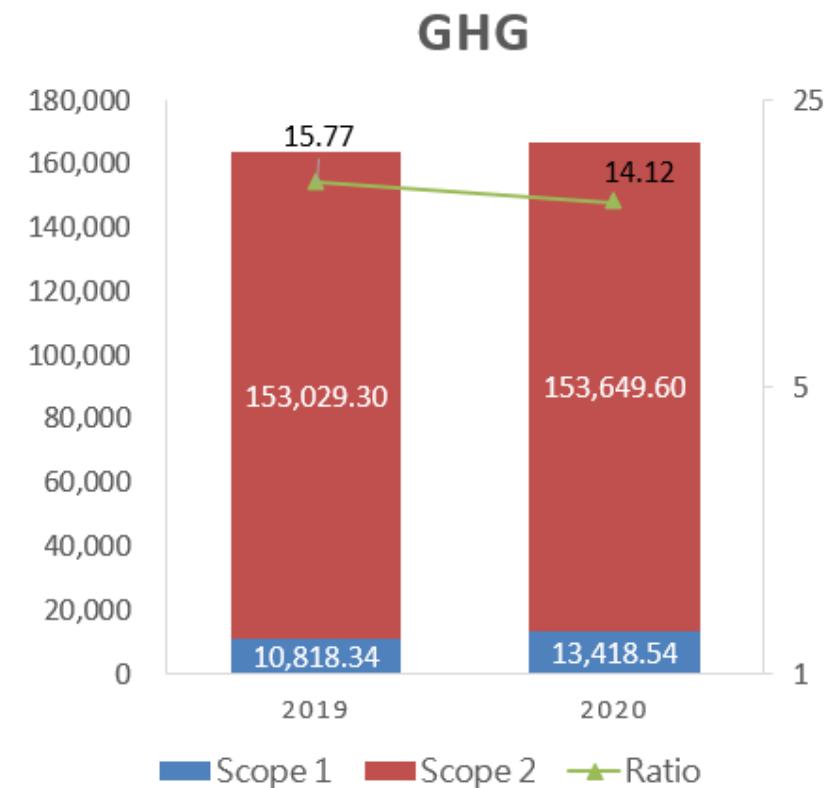
Apex has applied TGO-CFO (Thailand Green House Gases Management Organization - Carbon Footprint for Organization) scheme (as equivalent to ISO14064-1:2006) as reporting standard and formulated the GHG inventory list. This standard covers the report of Carbon dioxide (CO2), Methane (CH4), Nitrous oxide (N2O) as applicable to consolidation of Apex's operational control approaches. The information in this report is collected by region. If the group does not have a factory in the area but has a company established, only the electricity consumed by the local office will be collected. Therefore, the global warming potential (Global warming potential; "GWP") can be divided into three countries. Taiwan adopts the 108 (2019) Electricity Carbon Emission Factor published by the Bureau of Energy, Ministry of Economic Affairs; China adopts the baseline emissions of the Southern Regional Grid Baseline Emission Factors 2019 published by the Ministry of Ecology and Environment; Thailand adopts the Emission Factor published by the TGO-CFO organization.

The following is the GHG inventory (report in tCO2e) of Apex 2019 and 2020:

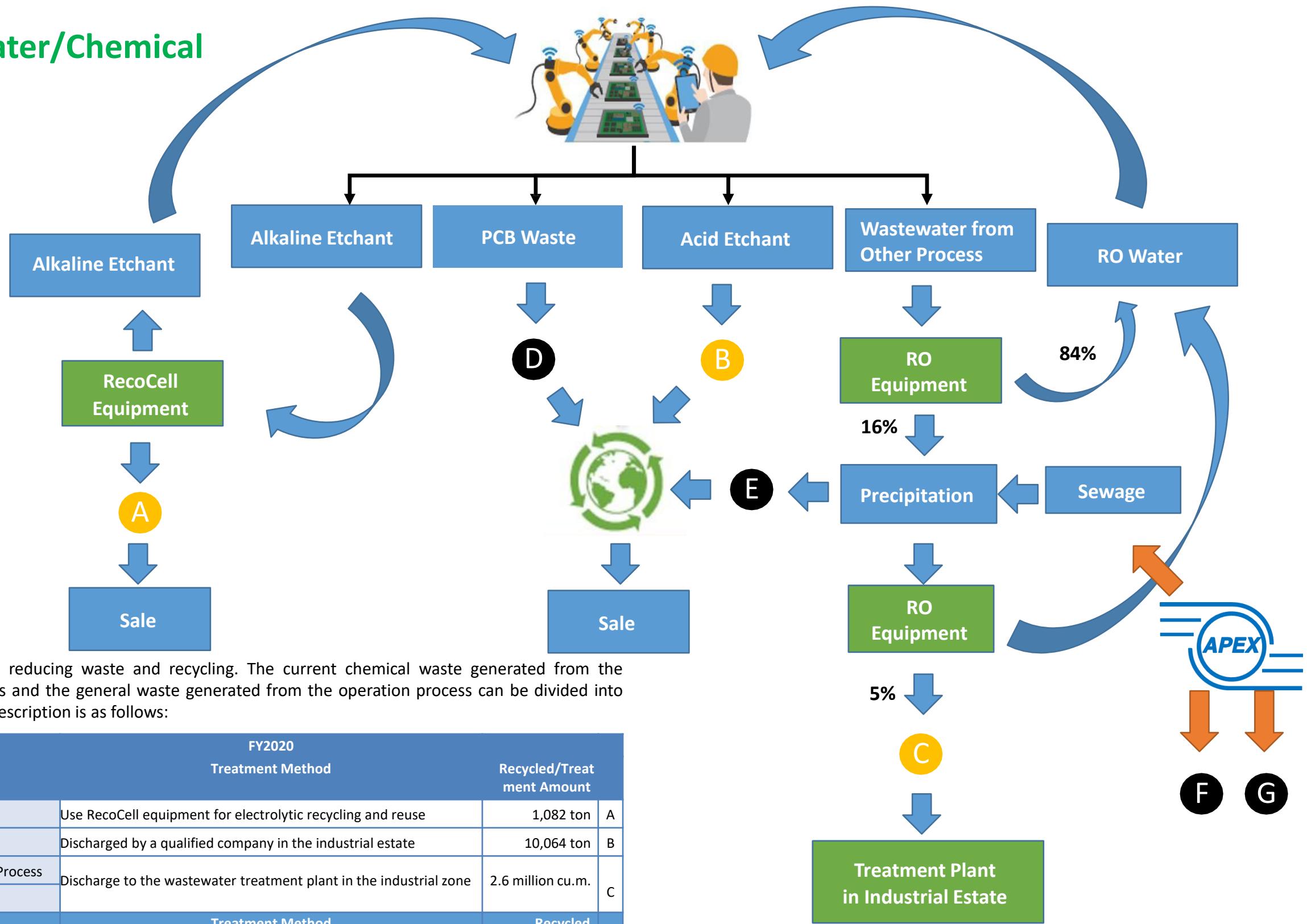
Unit: ton

Category	FY2019		FY2020	
	GHG	Scope Ratio	GHG	Scope Ratio
Scope1	10,818.34	6.34%	13,418.54	1.43%
Scope2	153,029.30	89.69%	153,649.60	16.38%
Scope3	6,781.14	3.97%	770,819.92	82.19%
Biomass Fuel	-	-	5.89	00.00%
Total	170,628.78	100.00%	937,893.95	100.00%

When only takes GHG intensity of Scope 1 and Scope 2 into account, GHG emission of Apex demonstrated 15.77 tCO2/Million NT\$ revenue and 14.12 tCO2/Million NT\$ revenue for the year 2019 and 2020.

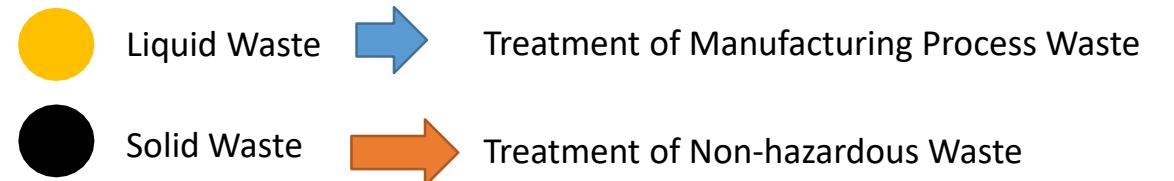


Waste Water/Chemical



Apex has focused on reducing waste and recycling. The current chemical waste generated from the manufacturing process and the general waste generated from the operation process can be divided into liquid and solid. The description is as follows:

FY2020			
Liquid	Treatment Method	Recycled/Treatment Amount	
Alkaline Etchant	Use RecoCell equipment for electrolytic recycling and reuse	1,082 ton	A
Acid Etchant	Discharged by a qualified company in the industrial estate	10,064 ton	B
Wastewater from Other Process	Discharge to the wastewater treatment plant in the industrial zone	2.6 million cu.m.	C
Sewage			
Solid	Treatment Method	Recycled Amount	
PCB Waste	Discharged by a qualified company in the industrial estate	79 ton	D
Precipitation	Discharged by a qualified company in the industrial estate	2,071 ton	E
Rubbish	Garbage cleaning by government	3,371 ton	F
Food Scraps	Waste clearance agency	693 ton	G



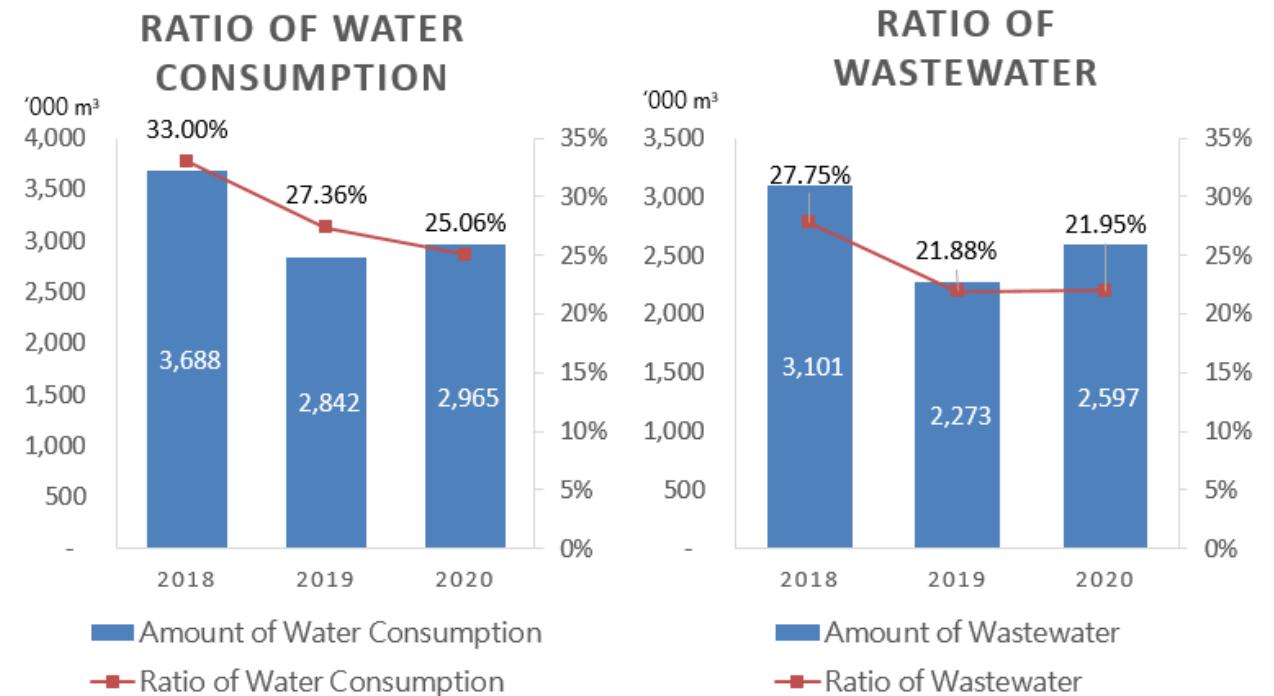
Apex obtains the water source from the local water company and the treatment plant in the industrial estate. After being used in each process, the alkaline etching solution, acid etching solution and other process wastewater are discharged to the temporary storage tank according to different processes.

- After the alkaline etchant electrolyzed by the RecoCell equipment, the copper in the waste solution is recovered, and the treated alkaline etchant will return to the process for use.
- The acid etchant is processed by qualified company in the industrial estate. The company uses electrolysis to recover copper in the waste solution, and then sells the acid etchant to customers in need.
- After filtered by the RO system, about 84% of the wastewater from other processes can be recycled to the original process for reuse. The remaining 16% of the wastewater will be mixed with domestic sewage, and then precipitated and filtered out of the sludge. Finally, it enters the RO system for filtration. The wastewater discharged after filtration accounts for about 5% of the wastewater generated in the original process.

According to Sinsakorn Industrial Estate, Apex is obligated to control waste water in accordance to standard parameter prior discharge waste water to the wastewater treatment system of Industrial Estate. The standard parameters and the water samples sent by Apex to the Industrial Estate Administration Bureau are shown in the attached table.

In 2020, Apex consumed around 2.96 million cu.m of water. The volume of waste water discharge is approximately 2.60 million cu.m. Apex Thai factory has projected to recycle water utilization rate before recycle: 84%; after recycle:95 %.

Parameter	Unit	Suggested Standard	Apex Standard	Detection Method
pH		5.5-9.0	Compliant	Electrometric Method
Total Dissolved Solids (TDS)	Mg/l	3,000	Compliant	Dried at 103-105°C
Suspended Solids (SS)	Mg/l	200	Compliant	Dried at 103-105°C
BOD	Mg/l	500	Compliant	5-Day BOD test, Azide Modification
COD	Mg/l	750	Compliant	Closed Reflux, Colorimetric Method
Copper (Cu)	Mg/l	2.0	Compliant	Nitric Acid Digestion and Direct Air Acetylene Flame : AAS
Oil & Grease	Mg/l	10	Compliant	Soxhlet Extraction Method



Social Investment

Apex will move forward from philanthropy to social investment approach as the management recognized the late King Rama 9's "Self-sufficiency philosophy" where education and essential infra-structure will enhance community to create social value by their own.

Care for Vulnerable Groups

1. Establish scholarships and awards, and present the ceremony to Apex's outstanding but economically disadvantaged employee's children.
2. Provide job opportunities for the blind, come to the factory to provide massage services every month, and pay labor costs of about THB 910,000.
3. Held a charity fair and set up an emergency fund for employees from the revenue of charity sale.
4. Donate food to vulnerable patients and prisoners.



Community Activities

1. Donate money to maintain local traditional culture and enhance regional identity.
2. Donate medical supplies to the community, vendors, motorbike taxi around the Thai factory.
3. Donate scholarships to neighboring primary schools.
4. Cooperate with local hospitals every season to hold employee blood donation activities.
5. Cooperate with Rajamangala University of Technology to provide internship for two undergraduate students.



Environmental Protection

1. Adopt the greening project around the factory.
2. Donate money to mangrove conservation organization.

In the year 2020, Apex allocated 780 thousand Baht to support a total of 18 social activities. Apex takes the initiative to care for employees, and our employees are happy to give back to society after work, creating a positive cycle to make society better.



Happy and Safe Workplace

Apex's top management put Safety, Occupation & Health issues as top priority for all employees and third parties working on Apex's operations. The 7,300 employees in Apex are an important resource for successfully maintaining Apex operations. Thus, Apex's operational target aims at Zero accidents.

Apex's working rule and regulation follow the spirit of International Bill of Human Rights, The ILO Declaration on Fundamental Principles and Rights at Work and The Ten Principles of The UN Global Compact with the following major concerned items:

- A. Elected Welfare Committee;
- B. Caring for vulnerable group and hold occasional donations;
- C. Prohibiting the use of child labor;
- D. Human resource policies do not contain differential treatments based on gender, race, socioeconomic status, age, or marital and family status;
- E. Achieve equality and fairness in employment, hiring conditions, remuneration, benefits, training, evaluation, and promotion opportunities

Employees can offer suggestions and point out problems to the management team through channels as the CEO BOX and BROTHER BOX. In the year 2020, no significant⁷ employees' complaints occurred. The labor-management relationship in Apex is harmonious; no significant labor-management disputes have ever occurred. Apex has established a reasonable salary and remuneration policy and performance evaluation systems; achievement of corporate sustainability work targets is included in performance evaluation. Apex has set up Safety & Occupational committee which regularly inspects whether the work environments comply with safety regulations to minimize workplace safety hazards. Apex also regularly provides employees with physical checkups, hoping that they can be aware of their health condition and employees' physical and mental health can be improved. Apex's subsidiary APT has also passed the ISO 45001 certification because of the fine healthy and safe work environment it created.



Labor-management Relationship

Apex is in the electronic industry, which is labor intensive. Thus labor-management relationship is very important and our stakeholders and operators in the supply chains shared the same expectation on this issue. To address and respond to this issue, Apex has declared and disclose information related to labors regulation and practice in line with international practice and the requirements of working conditions e.g. TLS, Responsible Business Alliance (RBA) aims to have zero complaints on labor issues. Apex has fair and equal treatment to all employees and the application for working overtime is on voluntary basis. The Human Resource Department assists the head of each department to set up annual training programs in accordance with each department's work targets and function requirements. It has also established the promotion evaluation standard for each level to ensure the company can achieve the goal of cultivating talents, retaining talents and using talents.

Employees' Welfare System

- (1) Multiple shuttle bus routes providing transportation for employees to go to work and go home
- (2) Employee uniforms
- (3) Employee cafeterias providing three meals a day
- (4) Full attendance rewards
- (5) Sickness and funeral subsidies
- (6) Employee loans
- (7) Annual employee athletic events and parties
- (8) Senior employee citations and awards
- (9) Special treatment to pregnant employees



⁷ Significant refers to litigation or letter from the competent authority

Continuing Education and Training

Good employee continuing education programs can not only enhance employees' work capacity but also help the company attract talents. From the first day employees entering the company, Apex provides complete training courses and continuing education programs to cultivate their sense of belonging and teamwork culture. Apex also encourages employees to participate in special project planning to stimulate their self-expectations and thus enhance the company's competitiveness.

Apex employee training achievements in 2020 are as follows :

Project		Hours	Amount of Training	Number of Trainees
New Employee Training	Male	35,920	1,287,000	13,796
	Female	42,632		16,495
Professional Training	Male	32,687	50,000	10,081
	Female	37,072		12,130
Director and Manager Training	Male	84	1,337,000	28
	Female	0		0
Total	Male	68,691	1,337,000	23,905
	Female	79,704		28,625

1. New employee training is internal training, and the weekly accomplishment rates reached over 95%.
2. Professional Training including internal training and external training. According to type of program, it could be divided into Law/Regulation, Quality System, Quality and Efficiency, Attitude Adjustment, Leadership, ESG and courses regulated by competent authority. The achievement rate is above 95%.
3. The training of directors and managers shall be conducted in accordance with the provisions of the Taiwan Decree, with a completion rate of 100%.
4. Retirement system and implementation. The employee retirement system is conducted in accordance with local regulations.
 - A. Thailand area: The Company provides defined benefit retirement welfare to employees by following Section 118, Chapter 11 of the Thai Labor Protection Act. Employees who are qualified for retirement could get reasonable retirement fund corresponding to service years and salary level. The Company has booked related liability according to actuarial report issued by Thai certificated actuary.
 - B. Taiwan area: Employees in Taiwan all adapt to Taiwan Labor Pension Act. The Company allocates 6% of each employee's salary to personal retirement fund under custody of Taiwan Bureau of Labor Insurance.

5. Protective measures for employees' rights and interests: Harmonious and pleasant workplace ambiance is an important condition for effective teamwork. To ensure smooth exchanges of ideas between the management team and employees and achievement of consensus, Apex has always regarded reasonable pay scales, decent work environments and effective communication channels as priority tasks. Apex Group adopts the following measures to communicate with employees:
 - A. CEO BOX and BROTHER BOX: Employees can make their suggestions and problems known to the management team by using the CEO BOX and the BROTHER BOX.
 - B. Weekly meetings: Apex round up all the employees once a week to convey company policies to employees to make sure consensus is achieved and all employees move toward the same goal.
 - C. Regular convention of inter-division meetings: Apex's Employee Welfare Committee helps to protect employees' rights and interests to ensure the win-win target of mutual trust and mutual benefit between labor and management can be achieved.

The labor-management relations in Apex are harmonious. No significant labor-management dispute has ever happened. Apex highly values employees' welfare, pays attention to changes in the subjective and objective of environments and establishes various welfare measures accordingly to satisfy the needs of employees. While we have no Trade Union in Apex operations, Apex established 2 main working committees as joined management-worker groups namely ISO 45001 (former OHSAS 18001) Committee and Safety & Occupational committee (as per Thai regulation) which total a number of 283 employees joined these committees to represent 3.84% of total employees. The ISO 45001 committee and Safety & Occupational committee are also responsible for establishing, implementing and maintain all Occupational Health and Safety regulation and practices related to Apex operations.

Safety & Occupational committee:

	Apex 1	Apex 2
Assistant Manager Level or above	28	17
Others	30	17
Total	58	34

ISO 45001 committee:

	Apex 1	Apex 2
Assistant Manager Level or above	85	106

Protective Measures for Work Environments and Employees' Safety

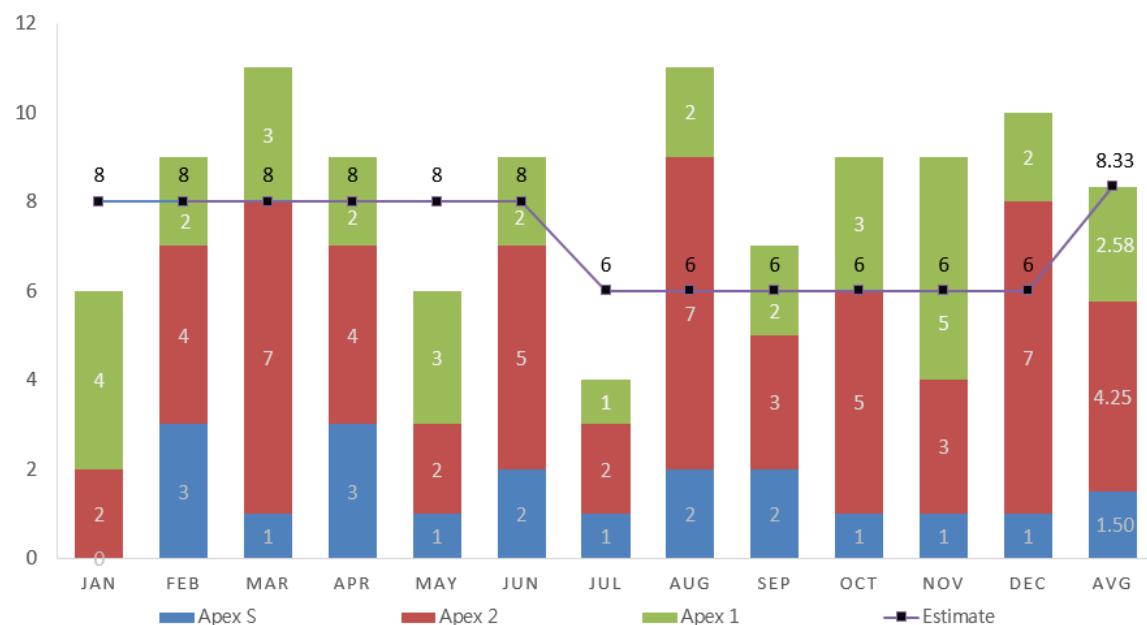
Apex has an OHSAS 18001 committee and a safety and professional committee which regularly inspects whether the work environments comply with safety regulations to minimize workplace safety hazards. In accordance with the ISO 45001 standard, the hazard identification is carried out according to the severity, frequency and scope of influence, which identified all hazard sources and determined all classification. After inspection, if the operation process is likely to cause serious harm, Apex will provide work instructions to employees and carry out continuous daily advocacy, in order to reduce the probability of occupational accident. Apex also regularly provides employees with physical checkups, hoping that they can be aware of their health condition and employees' physical and mental health can be improved.

Apex's occupational accidents mainly include chemical splashing, cutting injuries caused by board edges or operating equipment, as well as crushing and pinching injuries. The occurrences of this year did not fall into the scope of serious injuries identified by the company.

Apex's suppliers entered Thailand's three plants within a year with a total of 852 people and 289 days of work. The main work was maintenance and repair of machinery and equipment. There were no work injuries, accidents or deaths in the company's suppliers this year.

The 2019 and 2020 safety and health indicator statistics in the table on the right exclude all non-employees whose jobs and/or workplaces are under the control of Apex, such as plant-based suppliers or general equipment repairers. They are mainly under the jurisdiction of the hired company, so relevant statistical data cannot be clearly obtained.

Number of Accident



The Statistical Indicators of Safety and Health in FY2019 and FY2020

Statistical Indicators	Gender	FY2019		FY2020		Unit
Working injury	Male	54		66		Number of Cases
	Female	29		34		Number of Cases
Occupational hazard	Male	0		0		Number of Cases
	Female	0		0		Number of Cases
Total working injury leave	Male	178		283		Days
	Female	110		226		Days
Total absence days	Male	12,966		13,640		Days
	Female	15,740		16,691		Days
Total working hours	Male	5,280,636		6,858,657		Hours
	Female	6,934,235		9,169,497		Hours
Total working days	Male	1,648,218,355		2,790,616,067		Man Day
	Female	2,776,294,338		4,722,290,955		Man Day
Death toll	Male	0		0		Number of People
	Female	0		0		Number of People
Calculated Indicators	Gender	200,000 hours		Million hours		
		FY2019	FY2020	FY2019	FY2020	
Injury rate	Male	2.05	1.92	10.23	9.62	
	Female	0.84	0.74	4.18	3.71	
Occupational disease rate	Male	-	-	-	-	
	Female	-	-	-	-	
Lost day rate	Male	53.93	66.02	269.66	330.09	
	Female	25.38	39.44	126.91	197.18	
Absentee rate	Male			1.96%	1.59%	
	Female			1.82%	1.46%	

Glossary and Calculation formula

- Working Injury: Injured by working, including car accidents.
- Occupational hazard: The worker has suffered from diseases by the working place, product, and so on.
- Total working injury leave: The worker take the sick leave because injured by working.
- Total absence days: Total absence days is the sum of sick leave, working injury leave, personal leave, excluding annual leave, official leave, marriage leave, funeral leave, maternity leave and paternity leave.
- Total working hours: For daily workers is the total working hours per month, for monthly workers is
- Total working days: the number of working people on December 31 of the year*total working hours / 8 hours
- Injury rate: total work injury (pieces) / total working hours *200,000
- Occupational disease rate: total number of occupational diseases (number of pieces) / total working hours *200,000
- Lost day rate: Working Injury leave days * 8 hours / total working hours *200,000
- Absentee rate: total absence days * 8 hours / total hours worked
- The coefficient of 200,000 is calculated

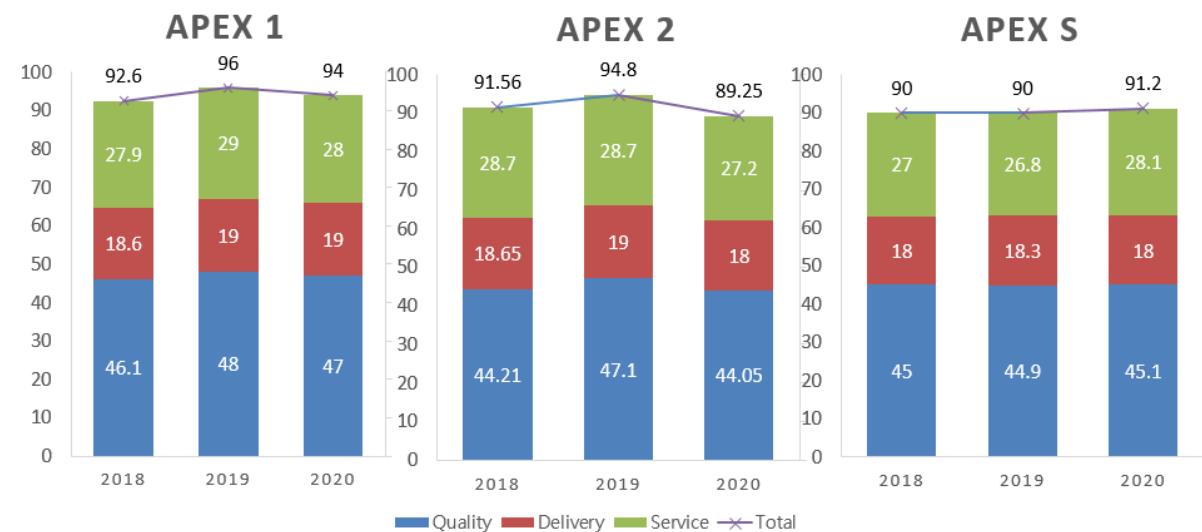
Customer Service

Apex valued customers' needs and expectation and continue to improve their satisfaction. Through customer's feedback, Apex improves internal process and has passed ISO 9001. All of these effort keeps Apex in the top supplier list - in view of customer, relationship management and business growth.

Apex has engaged with customers through the day to day operations as well as implemented customer satisfaction survey on a 6-month basis. This survey, which covers top 10 customers of Apex's PCB products, considers feedback in 3 dimensions including quality, fast delivery of products as well as services. The results of surveys were then analyzed, and reported directly to top management for Apex responsiveness to customer inquiry, and established the next year targets and improved internal and external processes.

Apex has set up a service window to handle all kinds of customer satisfaction at the earliest time and also provides customers with complete product information.

Apex's product labeling is conducted in accordance with related regulations and international standards i.e., RoHS and HF. No significant illegal incidents occurred in 2020.



Note: The total score of Quality satisfaction rating, Service satisfaction rating and Delivery is 50%, 30% and 20%, respectively

Supplier Co-operation

Apex has "Ethical Corporate Management Best Practice Principles / and its Guidelines for Conduct, which stipulates the types of unethical behaviors and improper interests and reporting channels. All of Apex's employees are required to abide by business ethics and responsibilities to the public and stakeholders. At the same time, the members of the Board of Directors and management all perform their duties in good faith and abide by the codes of conduct of directors and managers. They exercise strict self-discipline with caution when performing their duties.

Apex's suppliers are mainly suppliers of upstream of the PCB industry providing raw materials such as copper foil, substrates and chemicals, which mainly located in Taiwan and China. Apex's procurement department conducts supplier evaluation and audits regularly and insists that all products must comply with the RBA or ISO 14001 standards so that both sides can jointly fulfill the social responsibility of achieving quality, environmental protection and actions to eliminate any type of forced or compulsory labor etc.

Top 10 of Apex's suppliers have already signed the Commitment Letter to comply with the company's social responsibility policy. If the supplier is found in violation of the company's corporate social responsibility policy and result in significant impact on the environment and society, Apex may terminate or cancel the contract at any time.



GRI Standard Disclosures

GRI Standard	Disclosure Item	Page Number /Link	Note
1. Organizational Profile			
102-1	Name of the organization	Page 1	
102-2	Activities, brands, products, and services	Page 5	
102-3	Location of headquarters	Page 7	
102-4	Location of operations	Page 7	
102-5	Ownership and legal form	Page 7	
102-6	Markets served	Page 5	
102-7	Scale of the organization	Page 5	
102-8	Information on employees and other workers	Page 8	
102-9	Supply chain	Page 6	No major changes compared to the previous year
102-10	Significant changes to the organization and its supply chain	Page 7	
102-11	Precautionary principle or approach	Page 11, 15	
102-12	External initiatives	No Disclosure	No participation in external initiatives
102-13	Membership of associations	No Disclosure	Participate only in the Taiwan Circuit Board Association (TPCA)
2. Strategy			
102-14	Statement from senior decision-maker	Page 3-4	
3. Ethics and integrity			
102-16	Values, principles, standards, and norms of behavior	Page 12-13	
4. Governance			
102-18	Governance structure	Page 12	

GRI Standard	Disclosure Item	Page Number /Link	Note
5. Stakeholder Engagement			
102-40	List of stakeholder groups	Page 8-9	
102-41	Collective bargaining agreements	Page 13, 19	No labor union
102-42	Identifying and selecting stakeholders	Page 8-9	
102-43	Approach to stakeholder engagement	Page 8-9	
102-44	Key topics and concerns raised	Page 8-9	
6. Reporting Practice			
102-45	Entities included in the consolidated financial statements	Page 2, 7	
102-46	Defining report content and topic Boundaries	Page 1-2	
102-47	List of material topics	Page 9-11	
102-48	Restatements of information	No Disclosure	No restatement issues
102-49	Changes in reporting	No Disclosure	No changes in reporting issues
102-50	Reporting period	Page 1	
102-51	Date of most recent report	Page 1	
102-52	Reporting cycle	Page 1	
102-53	Contact point for questions regarding the report	Page 1	
102-54	Claims of reporting in accordance with the GRI Standards	Page 1	
102-55	GRI content index	Page 24-25	
102-56	External assurance	Page 26	

GRI Standard	Disclosure Item Material Topic	Page Number /Link	Note
1. Economic Topics			
1.1 Corporate Governance			
103-1	Explanation of the material topic and its boundary	Page 9-11	
103-2	The management approach and its components	Page 9-11	
103-3	Evaluation of the management approach	Page 9-11	
201-1	Direct economic value generated and distributed	Page 5	
201-2	Financial implications and other risks and opportunities due to climate change	Page 11, 15	
201-3	Defined benefit plan obligations and other retirement plans	No Disclosure	Please refer to the Apex Consolidated report footnote 6(15) "Employee benefit" in Chapter IX, Appendix of Apex 2020 Annual Report for details.
201-4	Financial assistance received from government	No Disclosure	Please refer to the Apex Consolidated report footnote 6(16) "Income Tax" in Chapter IX Appendix of Apex 2020 Annual Report for details.
202-1	Ratios of standard entry level wage by gender compared to local minimum wage	Page 10	
202-2	Proportion of senior management hired from the local community	Page 8	Local Resident is subject to Thai.

GRI Standard	Disclosure Item Material Topic	Page Number /Link	Note
2. Environmental Topics			
2.1 Water and Effluents			
303-1	Interactions with water as a shared resource	Page 17-18	
303-2	Management of water discharge-related impacts	Page 17-18	
303-3	Water withdrawal	Page 17-18	
303-4	Water discharge	Page 17-18	
303-5	Water consumption	Page 17-18	
2.2 Emissions			
305-1	Direct (Scope 1) GHG emissions	Page 16	
305-2	Energy indirect (Scope 2) GHG emissions	Page 16	
305-3	Other indirect (Scope 3) GHG emissions	Page 16	
305-4	GHG emissions intensity	Page 16	
305-5	Reduction of GHG emissions	Page 16	
2.3 Waste			
306-1	Water discharge by quality and destination	Page 17-18	
306-2	Waste by type and disposal method	Page 17-18	
3. Social Topics			
3.1 Occupational Health and Safety			
403-1	Occupational health and safety management system	Page 21-22	
403-2	Hazard identification, risk assessment, and incident investigation	Page 21-22	
403-3	Occupational health services	Page 21-22	
403-4	Worker participation, consultation, and communication on occupational health and safety	Page 21-22	
403-5	Worker training on occupational health and safety	Page 21-22	
403-6	Promotion of worker health	Page 21-22	
403-7	Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	Page 21-22	
403-9	Work-related injuries	Page 22	
3.2 Human Rights			
409-1	Operations and suppliers at significant risk for incidents of forced or compulsory labor	Page 23	

AA1000 Verification Statement



ASSURANCE STATEMENT

SGS TAIWAN LTD.'S REPORT ON SUSTAINABILITY ACTIVITIES IN THE Apex International CO., LTD.'s ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT FOR 2020

NATURE AND SCOPE OF THE ASSURANCE/VERIFICATION

SGS Taiwan Ltd. (hereinafter referred to as SGS) was commissioned by Apex International CO., LTD. (hereinafter referred to as API) to conduct an independent assurance of the Environmental, Social and Governance Report for 2020 (hereinafter referred to as the ESG Report). The scope of the assurance, based on the SGS Sustainability Report Assurance methodology, included the sampled text, and data in accompanying tables, contained in the report presented during on-site verification(2021/02/23~2021/03/22). SGS reserves the right to update the assurance statement from time to time depending on the level of report content discrepancy of the published version from the agreed standards requirements.

INTENDED USERS OF THIS ASSURANCE STATEMENT

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

RESPONSIBILITIES

The information in the API's ESG Report of 2020 and its presentation are the responsibility of the directors or governing body (as applicable) and the management of API. SGS has not been involved in the preparation of any of the material included in the ESG Report.

Our responsibility is to express an opinion on the text, data, graphs and statements within the scope of verification with the intention to inform all API's stakeholders.

ASSURANCE STANDARDS, TYPE AND LEVEL OF ASSURANCE

The SGS ESG & Sustainability Report Assurance protocols used to conduct assurance are based upon internationally recognized assurance guidance, including the Principles contained within the Global Reporting Initiative Sustainability Reporting Standards (GRI Standards) 101: Foundation 2016 for report quality, and the guidance on levels of assurance contained within the AA1000 series of standards and guidance for Assurance Providers.

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

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

Assurance has been conducted at a moderate (limited) level of scrutiny for API and its direct (scope1), and indirect (scope2) greenhouse gas emission.

SCOPE OF ASSURANCE AND REPORTING CRITERIA

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

Reporting Criteria Options

1. GRI (Core)
2. AA1000 Accountability Principles (2018)
3. GHG Protocol Scope1 &Scope2

- evaluation of content veracity of the sustainability performance information based on the materiality determination at a moderate level of scrutiny for API and moderate level of scrutiny for subsidiaries, joint ventures, and applicable aspect boundaries outside of the organization covered by this ESG Report;
- AA1000 Assurance Standard (2008) Type 2 evaluation of the ESG Report content and supporting management systems against the AA1000 Accountability Principles (2018); and
- evaluation of the ESG Report against the requirements of Global Reporting Initiative Sustainability Reporting Standards (100, 200, 300 and 400 series) claimed in the GRI content index as material and in accordance with.

ASSURANCE METHODOLOGY

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

In response to COVID-19 pandemic situation the assurance process was conducted via Microsoft Teams.

LIMITATIONS AND MITIGATION

Financial data drawn directly from independently audited financial accounts, Total Impact Measurement and Management and Task Force Climate-related Financial Disclosures has not been checked back to source as part of this assurance process.

STATEMENT OF INDEPENDENCE AND COMPETENCE

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

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

VERIFICATION/ ASSURANCE OPINION

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

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

AA1000 ACCOUNTABILITY PRINCIPLES (2008) CONCLUSIONS, FINDINGS AND RECOMMENDATIONS

Inclusivity

API has demonstrated a good commitment to stakeholder inclusivity and stakeholder engagement. A variety of engagement efforts such as survey and communication to employees, customers, investors, suppliers, ESG experts, and other stakeholders are implemented to underpin the organization's understanding of stakeholder concerns. For future reporting, API may proactively consider having more direct two-ways involvement of stakeholders during future engagement.

Materiality

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

Responsiveness

The ESG Report includes coverage given to stakeholder engagement and channels for stakeholder feedback.

Impact

API has demonstrated a process on identify and fairly represented impacts that encompass a range of environmental, social and governance topics from wide range of sources, such as activities, policies, programs, decisions and products and services, as well as any related performance. Measurement and evaluation of its impacts related to material topic were in place at target setting with combination of qualitative and quantitative measurements.

GLOBAL REPORTING INITIATIVE REPORTING STANDARDS CONCLUSIONS, FINDINGS AND RECOMMENDATIONS

The report, API's ESG Report of 2020, is adequately in line with the GRI Standards in accordance with Core Option. The material topics and their boundaries within and outside of the organization are properly defined in accordance with GRI's Reporting Principles for Defining Report Content. Disclosures of identified material topics and boundaries, and stakeholder engagement, GRI 102-40 to GRI 102-47, are correctly located in content index and ESG Report. Disclosures of greenhouse gas emission for GRI 305-1 Direct (Scope 1) GHG emissions, and GRI 305-2 Energy indirect (Scope 2) GHG emissions. For future reporting, it is recommended to have more descriptions of API's involvement with the impacts for each material topic (103-1), and how efforts were given to mitigate the impacts. When reporting on goals and targets for each material topic, the expected results are suggested to be set, if applicable, with quantitative objectives.

GHG EMISSION CONCLUSIONS, FINDINGS AND RECOMMENDATIONS

API's has commissioned an independent verification by SGS Taiwan of reported GHG emission for API arising from PCB manufacturing activities, to reference ISO 14064-1:2006 principles within the scope of the verification. The inventory of Greenhouse Gas emissions of Scope 1 & 2 in year 2020 of API's ESG report, has been verified in accordance with AA1000AS v3 Type 2 Moderate. The GHG information for the period 01 January 2020 to 31 December 2020 disclosing emissions of 167,068.98 metric tonnes of CO2 equivalent and 5.68 metric tonnes of direct CO2 emissions from the combustion of biomass are verified by SGS to a limited level of assurance, consistent with the agreed verification scope, objectives and criteria.

Signed:

For and on behalf of SGS Taiwan Ltd.



David Huang
Senior Director
Taipei, Taiwan
26 May, 2021
WWW.SGS.COM



AA1000
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000-8/V3-P3IRX