

Soft-World International Corporation

Sustainable Development Best-Practice Principles

Article 1

In order to fulfill the Company's corporate social responsibility initiatives and to promote economic, environmental, and social advancement for the purposes of sustainable development, the Company stipulated the "Sustainable Development Best-Practice Principles" for compliance.

Article 2

The "Principles" encourage the Company to actively fulfill sustainable development in the course of the business operations so as to follow international development trends and to contribute to the economic development of the country, to improve the quality of life of employees, the community and society by acting as responsible corporate citizens, and to enhance competitive edges built on sustainable development.

Article 3

In promoting sustainable development initiatives, the Company shall, in its corporate management guidelines and business operations, give due consideration to the rights and interests of stakeholders. While pursuing sustainable operations and profits, it will also take into account the environment, society, and corporate governance.

The Company shall, in accordance with the materiality principle, conduct risk assessments of environmental, social, and corporate governance issues pertaining to company operations and establish the relevant risk management policy or strategy.

Article 4

To implement sustainable development initiatives, the Company is advised to follow the principles below:

1. Exercise corporate governance.
2. Foster a sustainable environment.
3. Preserve public welfare.
4. Enhance disclosure of corporate sustainable development information

Article 5

The directors of the Company shall exercise due diligence to urge the Company to perform its sustainable development initiatives, examine the results of the implementation at any time, and continually perform corrective actions so as to ensure the thorough implementation of the sustainable development policies.

The board of directors of the Company is advised to carry out the following matters while promoting the sustainable development objectives:

1. Identifying the Company's sustainable development mission or vision;
2. Making sustainable development the guiding principle of the Company's operations and development; and
3. Enhance the timeliness and accuracy of the disclosure of sustainable development information.

Article 6

The Company is advised to, on a regular basis, organize education and training on the promotion of sustainable development initiatives, including the promotion of the matters prescribed in paragraph 2 of the preceding article.

Article 7

For the purpose of managing sustainable development initiatives, the Company is advised to formulate a reasonable salary and remuneration policy to ensure that remuneration planning is in line with the Company's strategic goals and the interests of stakeholders.

It is advised that the employee performance evaluation system be integrated with sustainable development policies, and that a clear and effective incentive and discipline system be established.

Article 8

The Company shall, based on respect for the rights and interests of stakeholders, identify stakeholders of the company, and establish a designated section for stakeholders on the company website; understand the reasonable expectations and demands of stakeholders through proper communication with them, and adequately respond to the important sustainable development issues which they are concerned about.

Article 9

The Company shall follow relevant environmental laws, regulations, and international standards to properly protect the environment and shall endeavor to promote a sustainable environment when engaging in business operations and internal management.

Article 10

The Company is advised to endeavor to utilize energy more efficiently and use renewable materials which have a low impact on the environment to improve sustainability of natural resources

Article 11

The Company is advised to take into account the effect of business operations on ecological efficiency, promote and advocate the concept of sustainable consumption, and conduct research and development, procurement, production, operations, and services to reduce the impact on the natural environment and human beings from the business operations.

Article 12

The Company shall avoid polluting water, air and land, and exercise due diligence to reduce adverse impact on human health and the environment.

Article 13

The Company is advised to assess the current and future potential risks and opportunities that climate change may present to enterprises and to adopt related responsive measures.

The Company is advised to compile statistics on greenhouse gas emissions, water consumption volume, and total waste weight; establish policies for energy conservation, carbon and greenhouse gas reduction, and water consumption reduction; manage other wastes; and promote energy conservation, carbon reduction, and greenhouse gas reduction to mitigate the impact of corporate operations on climate change.

Article 14

The Company shall comply with relevant laws and regulations, and the International Bill of Human Rights, with respect to rights such as gender equality, the right to work, and the prohibition of discrimination.

The Company shall comply with the internationally recognized human rights of labor, including the freedom of association, the right of collective bargaining, caring for vulnerable groups, prohibiting the use of child labor, eliminating all forms of forced labor, eliminating recruitment and employment discrimination, and shall ensure that the Company's human resource policies do not contain differential treatments based on gender, race, socioeconomic status, age, or marital and family status, so as to achieve equality and fairness in employment, hiring conditions, remuneration, benefits, training, evaluation, and promotion opportunities.

The Company shall provide an effective and appropriate grievance mechanism with respect to matters adversely impacting the rights and interests of the labor force, in order to ensure equality and transparency of the grievance process. Channels through which a grievance may be raised shall be clear, convenient, and unobstructed. The Company shall respond to any employee's grievance in an appropriate manner.

Article 15

The Company shall provide information for the employees so that they have knowledge of the labor laws and the rights they enjoy in the countries where the Company has business operations.

Article 16

The Company is advised to provide safe and healthful work environments for the employees, including necessary health and first-aid facilities and shall endeavor to curb dangers to employees' safety and health and to prevent occupational accidents.

The Company is advised to organize education and training on safety and health for the employees on a regular basis.

Article 17

The Company is advised to create an environment conducive to the development of the employees' careers and establish effective training programs to foster career skills.

The Company shall establish and implement reasonable employee welfare measures (including remuneration, leave, and other welfare) and appropriately reflect the business performance or achievements in the employee remuneration, so to ensure the recruitment, retention, and motivation of human resources, and achieve the objective of sustainable operations.

Article 18

The Company shall establish a platform to facilitate regular two-way communication between the management and the employees for the employees to obtain relevant information on and express their opinions on the Company's operations, management, and decisions.

The Company shall respect the employee representatives' rights to bargain for the working conditions, and shall provide the employees with necessary information and hardware equipment, in order to improve the negotiation and cooperation among employers, employees, and employee representatives.

The Company shall, by reasonable means, inform employees of operation changes that might have material impacts.

Article 19

The Company is advised to treat customers or consumers of its products or services in a fair and reasonable manner, including fairness and good faith in contracting, duty of care and fiduciary duty, truthfulness in advertising and soliciting, fitness of products or services, notification and disclosure, commensuration between compensation and performance, protection of the right to complain, and professionalism of salespersons. The Company shall also develop the relevant strategies and specific measures for implementation.

Article 20

The Company shall take responsibility for its products and services, and take marketing ethics seriously. In the process of research and development, procurement, production, operations, and services, the Company shall ensure the transparency and safety of the products and services in order to prevent the products or services from adversely impacting the rights, interests, health, or safety of consumers.

Article 21

The Company shall ensure the quality of the products and services by following the laws and regulations of the government and relevant standards of the industry. The Company shall follow relevant laws, regulations, and international guidelines in regard to customer health and safety and customer privacy involved in, and marketing and labeling of, the products and services and shall not deceive, mislead, commit fraud, or engage in any other acts which would betray consumers' trust or damage consumers' rights or interests.

Article 22

The Company is advised to evaluate and manage all types of risks that could cause interruptions in operations, so as to reduce the impact on consumers and society.

The Company is advised to provide a clear and effective procedure for accepting consumer complaints to fairly and timely handle consumer complaints on the products and services provided, shall comply with laws and regulations related to the Personal Information Protection Act for respecting consumers' rights of privacy and shall protect personal data provided by consumers.

Article 23

The Company is advised to cooperate with the suppliers to jointly implement the corporate social responsibility initiative.

Article 24

The Company is advised to, through equity investment, commercial activities, endowments, volunteering services, other charitable professional services, etc., dedicate resources to organizations that commercially resolve social or environmental issues, or participate in events held by citizen organizations, charities, and local government agencies relating to community development and community education in order to promote community development.

Article 25

The Company shall disclose information in accordance with the relevant laws, regulations, and the Corporate Governance Best-Practice Principles and shall fully disclose relevant and reliable information relating to the sustainable development initiatives in order to improve information transparency.

Article 26

The Company shall adopt internationally recognized standards or guidelines when producing sustainability reports to disclose the status of the implementation of the sustainable development policy. It is also advisable to obtain a third-party assurance or verification for reports in order to enhance the reliability of the information in the reports. The reports are advised to include:

1. The policy, system, or relevant management guidelines and concrete promotion plans for implementing sustainable development initiatives.
2. Results and a review of the exercising of corporate governance, fostering of a sustainable environment, preservation of public welfare, and promotion of economic development.
3. Future improvements and goals.

Article 27

The Company shall constantly monitor the development of domestic and foreign sustainable development standards and the change of business environment so as to examine and improve the established sustainable development framework and to obtain better results from the promotion of the sustainable development policy.

Article 27-1

The Company shall continue to channel resources into cultural and artistic activities, or the cultural and creative industries, through donations, sponsorships, investments, procurement, strategic collaborations, corporate volunteer technical services, or other support models in order to promote cultural development.

Article 28

The “Principles” shall be implemented after obtaining the approval of the board of directors, and the same shall apply when they are amended.

The “Principles” were formulated with the resolution of the board of directors on March 22, 2017. The 1st amendment was made on March 25, 2020. The 2nd amendment was made on March 16, 2022. The 3rd amendment was made on March 15, 2023.