

2023

# 永續報告書

## Sustainability Report

裕隆日產汽車股份有限公司  
YULON NISSAN MOTOR CO., LTD.



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# Preface

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About the Report

Yulon Nissan Motor Co., Ltd. (Hereafter referred to as YNM, the Company, we, or us) published the tenth Sustainability Report publicly in August 2024. The Report emphasizes the engagement with stakeholders, the vision and promises of sustainable management, the management of sustainable risks and opportunities, and the response to the expectations of the stakeholders. Hoping that in the process of gathering, organizing, and disclosing information, the Company inventories the current state of sustainability, collects stakeholders' expectations, and improves the Company's sustainable actions.

Principles of Preparing the Report

The Report discloses YNM management policies and implementation results in governance, economic, social, environmental, and other aspects, referencing the GRI Standards (2021) by the Global Reporting Initiative (GRI), the Task Force on Climate-related Financial Disclosures (TCFD), and the Sustainability Accounting Standards Board (SASB) Automobile Industry Indicators.

Reporting Period

The Reporting Period of the Report covers from the 1st of January, 2023 to the 31st of December,2023. For the purpose of enriching the sustainable context, certain information may also mention past results and future prospects.

Reporting Boundary

The disclosure boundary for the information disclosed in the report is limited to Yulon Nissan Motor Co., Ltd. itself only. However, financial data are disclosed from the consolidated financial statements, which include affiliated entities, please refer to Chapter 1 for details. Where adjustments to the reporting boundary will be indicated within the context.

The Management Process of the Report





Quality of the Report

External Assurance

For the report, we retained the service of Ernst & Young, which is independent and accountable, to provide a limited assurance on the 2023 Corporate Sustainability Report prepared under the GRI standards in accordance with the International Standard on Assurance Engagements 3000"Assurance Engagements Other than Audits or Reviews of Historical Financial Information."The relevant assurance engagement results have been fully communicated to the governance body, and please refer to the Independent Third Party Assurance Statement attached in Appendix 5 of the Report P.131.

Data Quality Management

The Financial Data and ISO Environmental Management Systems in this report have been verified by independent third-party assurance.

Financial Data	Deloitte
ISO 14001 ENVIRONMENTAL MANAGEMENT SYSTEM CERTIFICATION	DNV
Third Party Assurance Certificate	

Publication Overview

The Chinese Sustainability Report is issued annually, and this year is our first time issuing the English Sustainability Report. Both reports can be queried and downloaded in the CSR section of the Company’s official website. The publication dates are as follows:

Publication of this issue	August, 2024
Publication of the next issue	August, 2025

Please refer to the sources below for the data from previous years and other information regarding the sustainability responsibility of the Company:



scanning  
Official Website  
of YNM



scanning  
CSR Section of  
YNM



scanning  
Facebook  
of YNM



scanning  
Youtube  
of YNM



scanning  
Instagram  
of YNM

Contact Information

If you have any inquiries or suggestions about the report, please feel free to contact us:

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## Message from the Chairperson and President



**Chairperson**  
Yen Chen, Li-Lien



**President**  
Chung, Clock

Yulon Nissan Motor upholds three core business principles: "pursuing customer satisfaction, fostering corporate prosperity, and contributing to social welfare." With a strong management team, we consolidate relationships with our technical parent company, positioning ourselves as a benchmark enterprise in cross-strait automotive industries for both product and service innovation. In terms of products, YNM continues to advance towards new energy vehicles, offering the market more efficient products. In terms of Services, we are committed to digital transition, integrating offline and online channels. The goal is to change the traditional reliance on physical showroom salespeople, developing online digital car displaying, purchasing, and maintenance services. YNM adheres to a sense of mission towards the Taiwan automotive industry, aiming to invigorate the entire automotive industry chain in Taiwan through domestic car sales. This includes creating value across the entire industry chain from upstream raw material supply, and midstream automobile manufacturing, to downstream sales.

### Solid Corporate Governance

Yulon Nissan Motor regards corporate governance as the foundation for sustainable operation. We have established a comprehensive and rigorous corporate governance system that oversees every aspect of company operations from top to bottom, manages various risks, and leads the Company to continue on the path of brilliance and prosperity. We are committed to enhancing corporate governance performance year by year, through effective board operations and collaboration among management and all employees, to script the 20-year journey of Yulon Nissan Motor.

### Protector of the Sustainable Environment

Yulon Nissan Motor leverages its core capabilities, integrating concepts of environmental protection, energy conservation, and new energy. Throughout the stages of research and development, manufacturing, and sales, every vehicle model strives to minimize waste generation while meeting market demands. Not only has the entire vehicle lineup fully adopted recyclable plastic materials, but it also complies with the EU's "Parts Material Labelling" regulations, aiming to conserve natural resources and reduce environmental burden and pollution.

### Sustainable Supply Chain

In terms of the supply chain, we leverage the influence of our central factories to actively cultivate symbiotic relationships with suppliers. We have established a sustainable operation project team focusing on enhancing safety and health, implementing labor rights, and managing conflict minerals. Our efforts aim to create a safe and hygienic working environment, enhancing human rights and ethical employment practices. Through evaluation, classification, and guidance mechanisms, we strive to improve suppliers' ESG performance. Together with our supplier partners, we fulfill our obligations as global citizens and co-create a sustainable supply chain.

### Friendly Workplace

Yulon Nissan Motor has established a fair and competitive salary system that exceeds local standards. We ensure there is no differentiation based on gender, race, religion, marital status, and others. Additionally, we provide high-quality options for food, accommodation, transportation, and recreational activities for our employees to choose from. Furthermore, we have enhanced our training and development systems to empower our employees not only to excel in performance within the Company but also to pursue greater achievements in their personal lives.

### Co-prosperity of Society

Yulon Nissan Motor leverages its core technological capabilities and collaborates with its extensive network of distributors and service centers across Taiwan. We provide professional instructors to collaborate in teaching at universities and colleges, giving students the opportunity to gain practical industry knowledge and insights before entering the workforce. We also offer internship opportunities, where students can provide feedback from their internships to their schools. This allows schools the opportunity to understand industry manpower needs and applied technologies, fostering deep collaboration between academia and industry for mutual benefit. In addition to industry-academic collaboration, we also focus on addressing social needs by directing resources to areas where they are needed.

Yulon Nissan Motor will continue to uphold excellent operational performance while also paying attention to environmental changes and engaging in social communication. We collaborate with dealers and supply chain partners to create a sustainable value system. We invite car owners, shareholders, and the public to join us in creating a better future together.



# Corporate Sustainability Vision

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## 1.1 Corporate Sustainability Vision

Since the split from Yulon Motor Co., Ltd. (hereinafter referred to as Yulon Motor or Yulon) in 2003, it has been jointly established as a partnership between Yulon Motor and Nissan Motor Co., Ltd. (hereafter referred to as Nissan). Apart from manufacturing, YNM specializes in managing the entire value chain activities of NISSAN and INFINITI brands in Taiwan. It was officially listed on TWSE in 2004.

YNM has been cultivating in the Taiwan automotive market for over two decades. Our corporate mission is to pursue customer satisfaction, create business prosperity, and contribute to social welfare. With this mission at heart, we strive for sustainable corporate development. We have established a strong management team that brings profound synergies to our technical parent plant. In response to trends of the times, environmental changes, and ongoing significant transformations in the automotive industry, we are allocating substantial resources to innovate in new product development. We aim to deliver smarter and more human-centric excellent services. Moreover, we are committed to continuous efforts and contributions in environmental, social, and governance sustainability dimensions, creating positive value for all stakeholders.



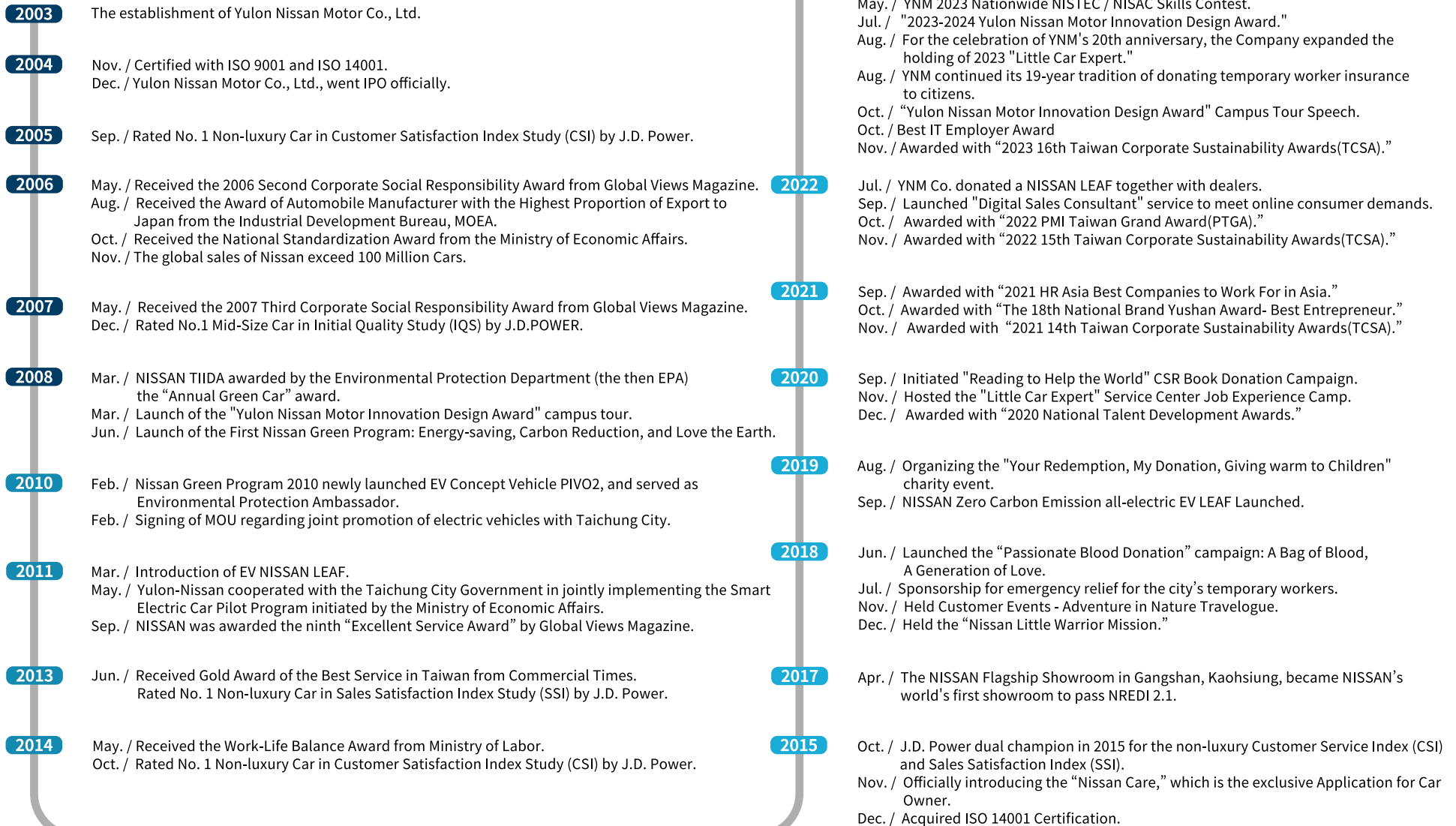
YULON  
NISSAN



## 1.1.1

## Yulon Nissan Motor Company History

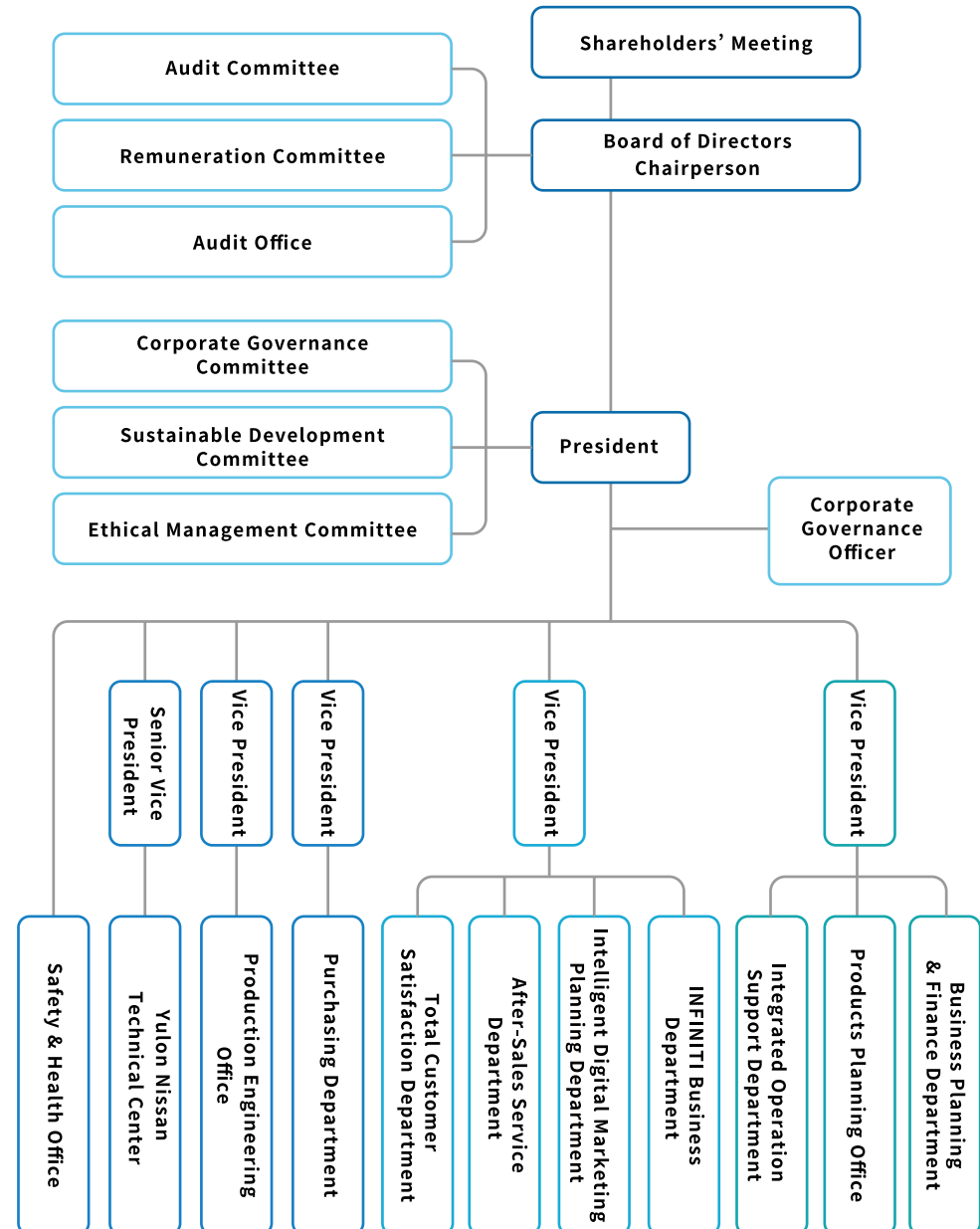
## Significant Milestones of Each Year



## 1.1.2

## Business Overview

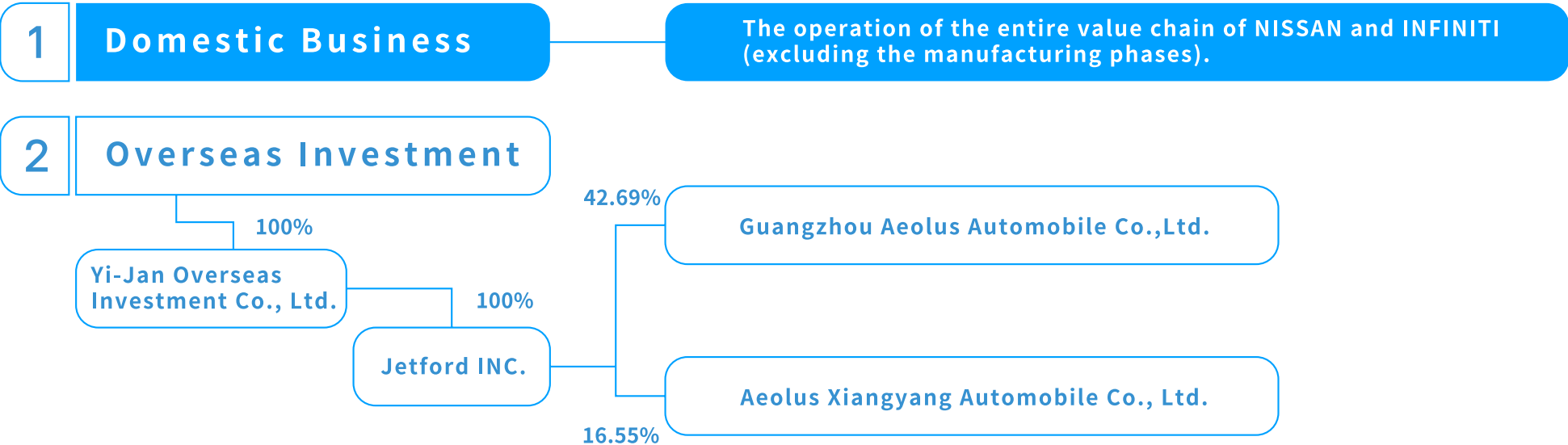
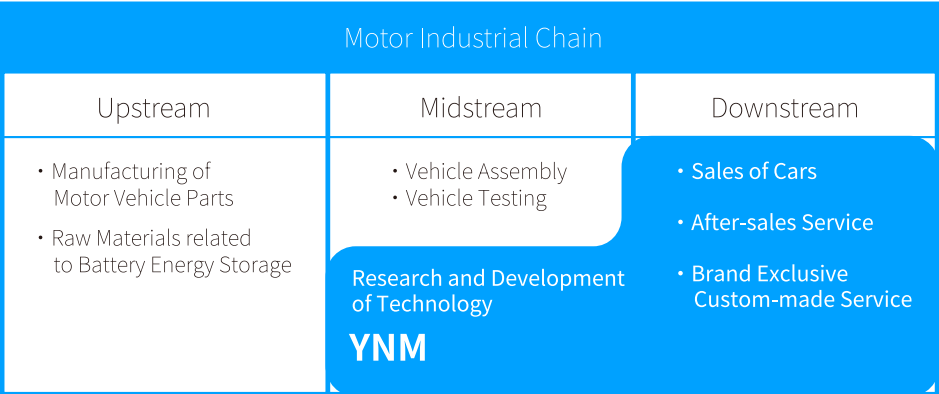
Date of Establishment	23rd of October, 2003
Listing Date	December, 2004
Stock Symbol (TWSE)	2227
Company Address	Company Headquarters: No. 39-2, Bogongkeng, Xihu Village, Sanyi Town, Miaoli County Taipei Branch: 18F., No. 2, Sec. 2, Dunhua S. Rd., Da'an Dist., Taipei City Xindian Office: 1F, No. 3, Sec. 3, Zhongxing Road, Xindian Dist, New Taipei City
Chairperson	Yen Chen, Li-Lien
President	Chung, Clock
Number of Employees	382
Capital	TWD 3 Billion
Operating Revenue	TWD 26.1 Billion





Major Products and Services of YNM

Domestically, YNM primarily manages all operational activities along the entire value chain of NISSAN and INFINITI brands in Taiwan, excluding manufacturing. In addition, YNM is actively expanding its overseas investments and collaborating with Dongfeng Motor Group Co., Ltd., the second largest automotive manufacturer in Mainland China, to develop its overseas ventures. YNM is committed to becoming a benchmark enterprise in product innovation and service innovation of the cross-strait automobile markets through relevant business layouts domestically and internationally.



NISSAN

Imported Vehicles

Domestic Vehicles



JUKE



X-TRAIL e-POWER



SENTRA



ALTIMA



KICKS e-POWER



X-TRAIL



LEAF



KICKS

INFINITI

Imported Vehicles



Q50



QX55



QX50



QX60

1.1.3 Economic Performance

Material Topic: Economic Performance

Actual and potential positive impacts on the economy, environment, and people (Opportunities)	Excellent economic performance can support the macronomics development, while also attracting and cultivating more excellent talents.
Actual and potential negative impacts on the economy, environment, and people (Risks)	Failure to focus on creating economic performance may lead to revenue decline, reduced operational scale, and potentially even downsizing, restructuring, or capital reduction, all are not conducive to the Company's sustainability.
Resources allocated in 2023	1.Continuing to innovate products, focusing on new energy vehicles, EVs, and others. 2.Establishing an online car purchasing platform to complete the channel construction. 3.Expanding the service scope, like second-hand vehicles, insurance, online car rental, more complete after-sales services, and others.

Strategic Goals

Policies and Commitments towards Economic Performance of the Company	Constantly generate great economic performance, which shall be the starting point of the positive impacts to be expanded.
Short-term Goals (1 Year)	1.Increase the orders of newly launched vehicles. 2.Increase the revenue of genuine-parts.

Financial Data - Classified by Region

Year	Region of Sales	Taiwan (TWD Hundred Million)
2021	Amount	212
	Ratio of Sales Amount	100%
2022	Amount	198
	Ratio of Sales Amount	100%
2023	Amount	224
	Ratio of Sales Amount	100%

Financial Data - Classified by Products

Vehicle Types	4 Wheels ICE CBU Vehicles		4 Wheels EV CBU Vehicles		4 Wheels Hybrid CBU Vehicles	
	Cars	TWD Hundred Million	Cars	TWD Hundred Million	Cars	TWD Hundred Million
2021	28,016	212	1	0	0	0
2022	25,093	197	110	1	0	0
2023	22,844	199	150	2	1,934	23
Percentage	97.2%	95.8%	0.3%	0.5%	2.5%	3.7%



### Financial Data - Retained Economic Value

Unit: TWD Thousand

Item	Elemental Factors	2021	2022	2023
Direct economic value generated	Revenues	24,668,384	23,607,191	26,136,197
Economic value distributed	Operating costs	21,854,727	20,666,547	23,081,037
	Employees wages	483,529	467,065	443,797
	Employees Benefits	601,192	567,922	553,726
	Payments to providers of capital (dividends of the year)	5,559,000	2,718,000	2,166,000
	Payments to government by (country taxes and fines)	477,550	460,192	443,665
	Community investments	6,330	1,309	1,690
	Total	28,982,328	24,313,113	26,689,915

### R&D Cost

Unit: TWD Thousand

Year	2022	2023
R&D Cost	537,954	555,668
Net Sales	23,607,191	26,136,197
The ratio of research and development costs to net sales.	2.3%	2.1%

### Expected cost allocated for R&D

Unit: TWD Thousand

2024	2025	2026
411,148	412,091	471,000

### The amount of government subsidies or grants

Unit: TWD Thousand

Source of government subsidies or grants	Project of government subsidies or grants	Amount
Ministry of Labor	Enterprises Human Resource Upgrade Program	1,422,070
Ministry of Labor	The Youth's Employment Ultimate Program	967,200

### Participation in Associations and Guilds

YNM deeply understands the importance of interaction and communication within the industry. We actively participate in external professional organizations and various associations and guilds to maintain instant interaction and communication within the industry. We are committed to promoting the long-term development of the automotive industry by actively participation. We focus on the goal of sustainable operation and strive to actively contribute to the sustainable development of both the industry and our business.

Name of Associations	Participation Role
TAIWAN TRANSPORTATION VEHICLE MANUFACTURERS ASSOCIATION	Member
Taiwan Automobile Repair Industry Association	Member
Taipei Automobile Distributors Association	Member
Chinese National Association of Industry and Commerce, Taiwan	Member
Miaoli County Industrial Association	Member
SAE International Taipei Section	Member
Chinese Arbitration Association, Taipei	Member
CommonWealth Sustainability CWS	Member
Miaoli County Industrial Relations Association	Member

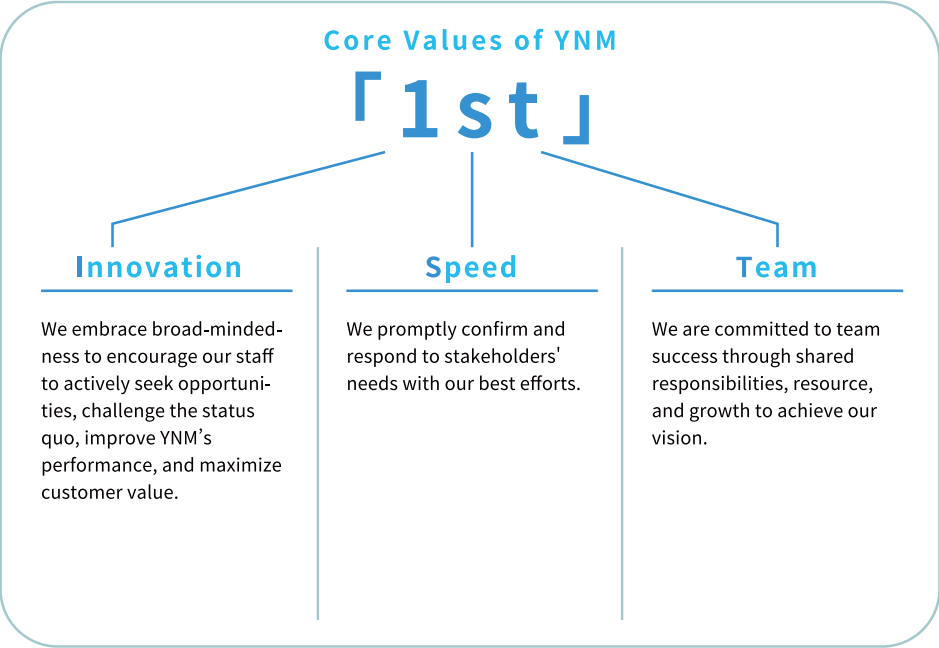
1.1.4 Brand Vision and Corporate Core Value

YNM builds core values with a fresh perspective. We firmly believe that through continuous innovation, we can develop revolutionary products and technologies that will lead the automotive industry. In a fiercely competitive market, speed is one of the keys to success. We are committed to swiftly responding to market demands and launching high-quality products to maintain our competitive edge. Furthermore, we value the importance of teamwork. The YNM employees are our most valuable treasure, and we believe that through collaboration and mutual support, we can achieve profound synergies.

YNM adheres to three core values:

「Innovation」 「Speed」 「Team」

We aspire to become a real "1st" in our industry.



Business Philosophy of YNM	By strengthening our management team and enhancing our relationship with the authorized technical repair shops of our parent, we aim to develop more investment-worthy new ventures across the Taiwan Strait. The approach allows YNM to achieve greater synergies and deliver increased profits to our shareholders. With the expansion of corporate operations, the goal of internationalization of the Company's operations, the three main missions as the guidelines of governance:		
	Achieving Customer Satisfaction	Creating Corporate Prosperity	Contributing to the social welfare
Corporate of YNM	Deeply rooted in the three crucial dimensions of people, vehicles, and the environment. We are advancing toward development that focuses on safety, environmental protection, and humanized innovation. Our goal is to ensure that drivers feel comfortable and convenient while on the move. Only by ensuring customer safety, we can truly achieve an enjoyable driving experience. Therefore, making sure the driver's safety is our foremost consideration and a key principle that YNM consistently upholds.		
	By constructing the thoughtfulness of YNM exclusively and delivering to our customers, we will bring convenience to their driving experience in everyday life. The user experience is our top priority, and we strive to provide safer, smarter vehicle products while maintaining close communication and interaction with customers.	We will keep on exploring and applying various innovative technologies that are user-oriented, including smart driving assistance systems, Vehicle-to-everything, and driving the development of EVs.	We also carry the respect and protection we hold for our environment and society while we strive for the success of our business. YNM has taken part in various sustainable initiatives. We focus on energy conservation, emissions reduction, and resource recycling in product design. We prioritize human rights issues and maintain proactive communication with stakeholders, striving to create a cleaner and sustainable future.

The ideal goal for YNM is co-symbiotic, coexistence, and sharing joyfulness. We want to create a better and more sustainable future through our interaction with our customers, society, and the environment by realizing the harmonious co-symbiotic. We will uphold YNM mission to pursue customer satisfaction, create business prosperity, and contribute to social welfare, while also continuously striving and exploring innovation, aiming to deliver an enhanced driving experience for our customers. We constantly contributing to the sustainable development of society and the environment at the same time.

1.2 Sustainability Vision of YNM

Nissan (the parent of YNM) introduced the Nissan Ambition 2030 initiative in 2021. This plan involves launching affordable EVs in global markets, investing in charging infrastructure in certain markets and regions and creating an advanced automotive ecosystem. The slogan of Nissan "Mobility to Open Up Together and Beyond" addresses environmental and social issues, as well as the evolving demands of global customers. YNM follows up the spirit of Nissan and inherits the management philosophy of the Yulon Group, integrating local management teams to uphold its mission of pursuing customer satisfaction, creating business prosperity, and contributing to social welfare. YNM aims to develop its own sustainable blueprint.

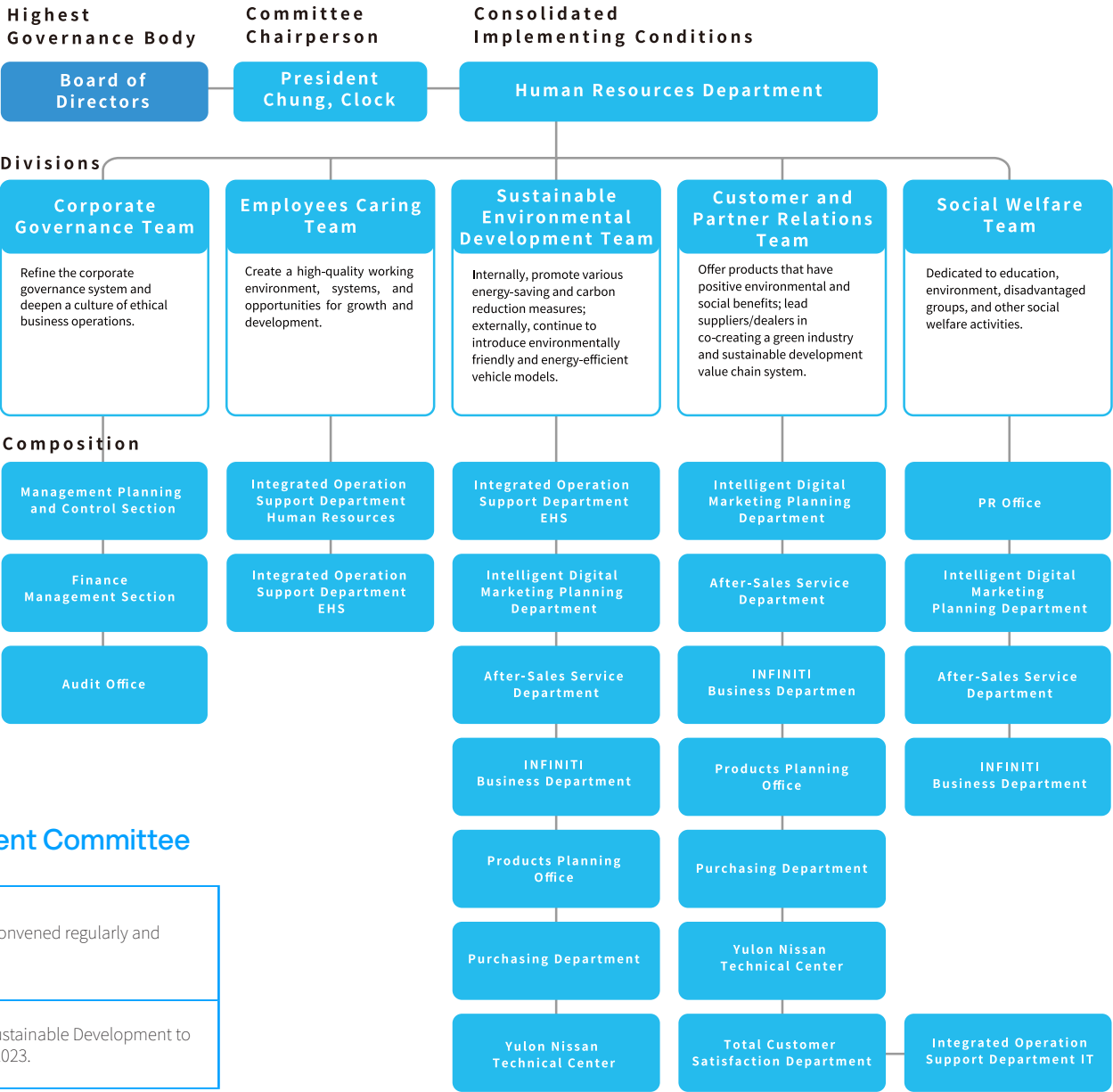
YNM Sustainable Governance Framework

YNM ensures the implementation of its sustainability vision and strategies by the YNM Sustainable Development Committee. President Chung, Clock, who was appointed by the chairperson of the Company, is serving as the chairperson of the committee. The committee includes five working teams: Corporate Governance, Employee Caring, Sustainable Environmental Development, Customer and Partner Relations, and Social Welfare. Each team is tasked with specific responsibilities to formulate YNM sustainable development goals across various areas. The working teams are composed of relevant departments corresponding to their responsibilities. During the operation, working teams shall integrate resources from various departments and report to the board of directors regularly to ensure the implementation of sustainability governance of YNM.

Implementation of YNM Sustainable Development Committee

Frequency and Numbers of the Meeting	The Sustainability Development Committee convened regularly and semi-annually.
Implementation in 2023	Proposed the 2023 YNM Implementation of Sustainable Development to the Board of Directors on the 10th of August, 2023.

Sustainable Development Committee of YNM





1.2.1 Sustainable Blueprint

YNM formulated its first version of the “Corporate Social Responsibility Best Practice Principles” in 2014, which was approved and implemented by the board of directors. Subsequently, we actively monitored the development of domestic and international sustainability standards and corporate environmental changes. the Company amended the Best Practice Principles in 2018, 2019, and 2020 to conduct reviews and improvements based on implementation, enhancing its effectiveness in promoting YNM sustainability development. In 2022, the Company renamed the "Corporate Social Responsibility Best Practice Principles" to the "Sustainable Development Best Practice Principles". The Company amended the fifth revision of the Sustainable Development Best Practice Principles on the 14th of March, 2023, which was discussed and approved by the board of directors, and then published on the Company's official website to communicate YNM commitment to sustainability to stakeholders.

The Four Key Principles of Sustainable Development Practices.



Sustainable Blueprint

**Yulon Nissan Motor**

**Mission**

Social Responsibility is the core value of providing automobile solutions that are safe, environmental protection, reliable, and promote sustainable development.

**Vision**

As the leader in social sustainability, we aim to realize the transformation and upgrade of human lifestyles through innovative technology and collaboration with partners.

**Aspirations**

Actively involved in community building, promoting the awareness of environmental protection and energy saving, be a socially reliable partner to realizing the future of inclusion and co-prosperity.

**Value**

01 Integrity	02 Talent	03 Carbon Reduction	04 Partner	05 Co-prosperity
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**Code of conduct**

•Adhere to ethical standards •Enhancing the customers' trust	•Deep cultivation of talent development •Create a high-quality workplace.	•Carbon reduction of the corporation •Energy saving green products	•Collaborating with a sustainable supply chain. •Dealership Community Management	•Committing to social engagement. •Implementing corporate social responsibility.
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## 1.2.2

## Sustainable Results and Recognition

## Sustainable Evaluation, Honors and Awards

## 2023 16th Taiwan Corporate Sustainability Awards (TCSA)

## Bronze Medal

YNM has been publishing its sustainability report for the past 9 years to ensure the disclosure and communication in sustainable development, and to practice corporate sustainability, and has been awarded the "Corporate Sustainability Report Award - Bronze Medal" for the past 3 consecutive years.

## 2023 16th Taiwan Corporate Sustainability Awards (TCSA)

## Talent Development Leadership Award

YNM prioritizes the personal career development and well-being of its employees, strives to foster harmonious labor relations, and actively participates in social talent cultivation initiatives by bearing a people-oriented philosophy. As a result, YNM earned the "Talent Development Leadership Award" for its efforts in these areas again in 2023.

## 1111 Happy Enterprise

## Gold Award

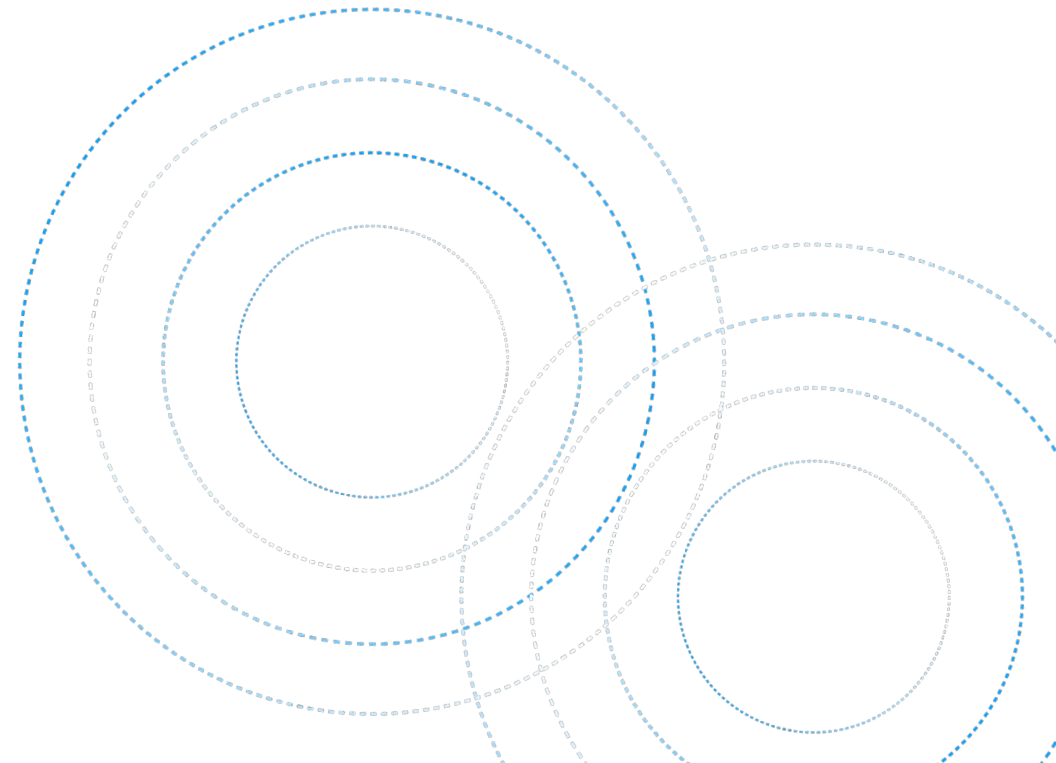
The Company is committed to creating a high-quality work environment and system to ensure that employees are "working in happiness." The Company listens to the needs of its employees and strives to build a workplace that is happy, healthy, and friendly. The "1111 Happy Enterprise Gold Award" is awarded based on the participation of over 3,200 companies, involving preliminary selection, online voting, mystery shopper evaluations, and other assessments. The Company is honored to receive this prestigious award for the first time in 2023.

## IT Matters Awards

## Best IT Employer Award

By establishing a comprehensive professional cultivation program for IT talent to enhance their potential, the Company aims to shape talent that adds value through a meaningful digital transition environment.

YNM stands out from over 200 enterprises and with harsh assessments by over 50 professional judges, and won the honor of the "Best IT Employer Award" presented by the IT Matters Awards, which was organized by the Information Management Association (IMA) under the guidance of the Administration for Digital Industries, Ministry of Digital Affairs of the Executive Yuan.



Annual Performance Highlights

Supply Chain and Environment

Implementing TCFD

Continuously acquiring ISO 14001 Environmental Management System certification

Energy Management

- Greenhouse gas emissions in 2023 decreased by 4.28% compared to 2022
- Replacing traditional fluorescent tubes with LED tubes at a rate of 40%; upgrading all refrigerators to energy-efficient class A refrigerators

Sustainable product recycling and reuse

- Vehicle recycling rate reached 92%
- 10 models of cars have received the “Energy Label,” and 9 models have received the “Green Mark” of the Ministry of Environment (then EPA), achieving a 100% coverage rate

Sustainable Supply Chain

- Convened one Collaboration Council meeting and two Collaboration Council Directors and Supervisors meetings
- The suppliers’ annual carbon reduction rate reached 3.64%, reducing emissions by 284 tons
- In 2023, a total of 18 supplier mentoring projects were implemented

Annual Performance Highlights Social Inclusion

New Hiring and Attrition:

- The new hire rate was 8.64%, and the attrition rate was 4.71%, respectively at the highest and lowest in the past three years

Talent Cultivation

- Average employee training hours: 35.7 hours
- Total investment in educational training: TWD 6,048,162

Talent Retention

- The President Award provides generous bonuses and benefits to 9 teams and 11 individuals

Employee Benefits

- Provided a flexible benefits package of TWD 12,000 per person
- Organized family day events, employee trips, basketball summer camps, starlight runs, badminton tournaments, and more
- Each employee club is subsidized with TWD 14,000

Rooted Down to the Campus

- Pioneering the industry with our Campus Ambassador Program, we have recruited a total of 28 campus ambassadors accumulatively
- The NISSAN Little Car Experts event was expanded to 20 NISSAN service centers
- Our campus innovation speeches tour over 20 colleges and universities, with nearly 2,000 teachers and students participating in total

Social Engagement

- Donated 8 NISSAN LEAFs and 2 sets of new car engines
- Donated to the ‘Employer’s Compensation Insurance’ designed for the temporary workers by Taipei City Government’s Department of Environmental Protection annually for continuously 19 years, donating TWD 1 million each year (jointly donated with Yulon Motors)



## Annual Performance Highlights Sustainable Governance

### Corporate Governance

- The corporate governance evaluation score is maintained at 36% to 50%, continuously enhancing and optimizing corporate governance
- The board's self-evaluation score is 4.8 out of 5

### Customer Services

- Nissan brand overall favorability score reached 10.5
- Launched the “Nissan Certified Pre-Owned Vehicles” service
- Actively investing in digital services, with 35% of customers now processing orders and services & maintenance through the app

### Profitability Situation

- Sales amount increased by 13% compared to 2022
- Annual revenue reached TWD 26,136,197 thousand, with a profit of TWD 1,161,025 thousand

### Information Security Maintenance

- Customer satisfaction with internal and external information systems reached 3.83 out of 4
- Acquired ISO 27001 certification
- Information security classification management; no security incidents above the class B rating occurred in 2023

### Enhance Sustainable Development Management

- Conduct TCFD climate-related financial disclosures
- Disclose according to SASB industry-specific standards



### 1.3 Sustainability Communication and Management

The automotive industry's sustainable trends are ever-changing. YNM places great importance on stakeholders' voices and needs. In preparation for compiling our sustainability report, we followed the latest GRI General Standard (GRI 3: Material Topics 2021) definitions of materiality. The Company gathered sustainability topics by considering domestic and international trends and regulations, specific automotive industry trends, and global sustainability risks and opportunities. The Sustainability Reporting Team designs questionnaires and distributes them through stakeholder communication channels to consolidate the sustainability topics of stakeholder concern.

STEP 1 Identification of Stakeholders	STEP 2 Understanding the context of sustainability	STEP 3 Assessment of the impact severity of the topics	STEP 4 Confirming material topics	STEP 5 Developing policies for managing material topics
<p>According to the AA1000 Stakeholder Engagement Standard, which encompasses five key principles, stakeholders are defined as "internal and external groups or individuals who affect or are affected by the Company." Using this criterion, stakeholder questionnaires are distributed to department heads for completion.</p> <p>YNM identified eight categories of stakeholders for analysis, including employees, customers, partners, shareholders and investors, government authorities, media, academic institutions, communities, and NPOs, based on both YNM and industry stakeholders' perspectives.</p>	<p>YNM actively engages with its key stakeholders and conducts departmental interviews internally to convey and exchange sustainable principles. Referring to sustainability standards and regulations, including GRI, SASB industry standards, and TCFD climate-related financial disclosures, while also considering the specific characteristics of the automotive industry, the focus areas of domestic and international peers, and global sustainability trends, YNM has identified 18 sustainability topics relevant to its operational business for impact assessment.</p>	<p>Based on stakeholders' level of concern regarding sustainability topics and the positive or negative impact of these topics on company operations, YNM assesses 18 sustainability topics. The assessment results are visualized in a materiality matrix, which serves as the basis for identifying significant topics for YNM.</p>	<p>Based on the results of material topics questionnaires conducted internally and externally, YNM has assessed each sustainability topic in terms of its impact on operations and its effects on environmental, governance, and social aspects. Integrating external consultant recommendations, YNM has confirmed 10 critical material topics based on a comprehensive evaluation.</p>	<p>Reviewing the outcomes of material topics, resources allocated by YNM for each material topic in 2023 were identified, and based on the current situation, management policies including strategies and short, medium, and long-term goals, were established. These policies aim to mitigate risks associated with the topic materials and enhance sustainable development opportunities for YNM.</p>
Implementation Results				
<p>17 sets of stakeholder identification questionnaires</p> <p>Identified stakeholders that require YNM focus include employees, partners, customers, as well as shareholders, and investors.</p>	<p>Conducting 14 cross-departmental interviews.</p> <p>Performing impact assessments on 18 sustainability topics, including Governance (4 topics), Environmental (5 topics), Social (4 topics), Automotive Industry-specific (5 topics).</p>	<p>There were 15 sets of internal questionnaires.</p> <p>There were 276 sets of external questionnaires, which including employees(28), government authorities(1), customers(212), partners(21), communities and NPOs(2), academic institutions(5), media(7).</p>	<p>Identified with 10 material topics</p>	<p>The management policies for the 10 material topics of the year are disclosed and explained in the relevant chapters of the report.</p>

1.3.1 Stakeholder Engagement

Identification of Stakeholders

YNM referred to the five aspects of the AA1000 Stakeholder Engagement Standard (AA1000 SES-2015) and conducts stakeholder discussions and assessments by the Sustainability Development Committee Internal questionnaires are also distributed to ensure the stakeholders' importance to YNM. The evaluation aspects includes Dependency, Responsibility, Tension, Influence, and Diverse Perspectives. After the evaluation, the four major weighted stakeholders of YNM are employees, partners (including suppliers and dealers), customers, as well as stockholders and investors.

Stakeholders	Meaning to the YNM	Ways of Communication and Frequency	The Major Communication Results in 2023
Employees	The Company' s most important and valuable sources, which create the greatest value for YNM.	<ul style="list-style-type: none"><li>Various Regular Communication Meetings with the Employees (Weekly, Monthly, and Quarterly)</li><li>Senior Management Discussion Forum (Twice per year)</li><li>New Employee Discussion Forum (Annually)</li><li>Organizational Atmosphere Survey (Annually)</li><li>Internal Distribution of YNM Bimonthly Magazine (6 issues per year)</li><li>Labor-Management Meetings(Quarterly)</li><li>Employee Mailbox (Irregular)</li></ul>	<ul style="list-style-type: none"><li>The Company communicates with employees on management directions and results through diverse channels, such as holding Employee VOC Discussion Forums, New Employee Discussion Forums, implementing Organizational Atmosphere Surveys, issuing 6 bimonthly magazines annually, and others.</li><li>The Labor-Management Meetings are convened once every quarter. Employees may reflect on business operating conditions to their supervisors and management units via meetings and emails.</li><li>The Information Department communicated with employees on relevant matters via emails a total of 29 times in 2023.</li></ul>
Customers	Main sources of the Company' s Revenue, which also served as an important driving force to the innovation of YNMs Products and Services.	<ul style="list-style-type: none"><li>Service Satisfaction Survey (Monthly)</li><li>New Vehicle Quality Satisfaction Survey (Quarterly)</li><li>Customer Service Hotline of Nissan &amp; INFINITI<ol style="list-style-type: none"><li>24/7 Roadside Rescue Service</li><li>Dedicated Personnel to provide General Consultation Service available from 08:00 to 22:00.</li><li>Text Message Service Representative available from 9:00 to 17:00 and (with a break from 12:00 to 13:00).</li></ol></li><li>Communication via the official website of NISSAN, INFINITI, and with external social networking (Facebook/Instagram and others) (Irregular).</li><li>NISSAN CARE Car Owner exclusive application (Irregular).</li><li>Physical interaction at NISSAN Distribution Centers (Irregular).</li><li>Car Owner Servicing Events (Irregular).</li></ul>	<ul style="list-style-type: none"><li>Various joint events were organized by the YNM headquarters, while dealers held diverse themed events weekly. Additionally, satisfaction surveys were conducted monthly for customers visiting the service center, and current promotions were communicated via official social media accounts and the application.</li><li>For the service satisfaction survey, 94,868 samples were collected, achieving a satisfaction score of 970.</li><li>There were 7 Car Owner Servicing Events in 2023.</li></ul>



Partners	Providing relevant operational resources to YNM and working together with YNM to create value for customers.	<ul style="list-style-type: none"> <li>• Supplier Association meetings (Annually)</li> <li>• Council Directors and Supervisors meetings of YNM Supplier Association (Twice per year)</li> <li>• Purchasing Information System (PIS) Electronic Platform (Irregular)</li> <li>• Dealers' Supervisors Meetings (Irregular)</li> <li>• Dealers Market Situation Tour Meetings (quarterly)</li> <li>• Service Center Monthly Meetings (Monthly)</li> </ul>	<ul style="list-style-type: none"> <li>• Organize 30 dealers' supervisors meetings and hold 2 collaboration senior executive meetings to maintain close contact with partners.</li> </ul>
Media	They determine the bonding between YNM and the public, which affects the Company's reputation and the result of sales.	<ul style="list-style-type: none"> <li>• Press Release (Monthly)</li> <li>• Press Conference (Irregular)</li> <li>• Media Interview (Irregular)</li> </ul>	<ul style="list-style-type: none"> <li>• 35 press releases.</li> <li>• 9 formal press conferences and test drive activities.</li> <li>• 8 formal media interviews</li> </ul>
Governmental Authorities	Providing the infrastructure needed for the business, legislation of laws and regulations, and promoting corporate sustainability by the Forward-looking Infrastructure Development Program.	<ul style="list-style-type: none"> <li>• Bureau of Energy, Ministry of Economic Affairs (Annually, Irregular)</li> <li>• Ministry of Environment (Irregular)</li> <li>• National Climate Change Meeting for Citizenship Information Platform</li> <li>• Taiwan Transportation Vehicle Manufacturers Association Meetings (TTVMA) (Irregular)</li> <li>• Vehicle Safety Certification Center (Irregular)</li> <li>• Business and Financial Declaration to the National Taxation Bureau (6 times per year)</li> <li>• Ministry of Labor (Monthly)</li> <li>• Ministry of Justice Investigation Bureau (Irregular)</li> </ul>	<ul style="list-style-type: none"> <li>• YNM participated in the TTVMA Industrial policy team meeting, and six meetings were convened in 2023.</li> <li>• YNM Technical Center participated in 3 Ministry of Environment-related meetings in 2023.</li> </ul>
Stockholders/ Investors	Providing the funds essential for business operations and suggestions on directions of business development.	<ul style="list-style-type: none"> <li>• Investors Conference (Twice per year)</li> <li>• Shareholders' Regular Meetings and Annual Report (Annually)</li> <li>• Board of Directors Meeting (Quarterly)</li> <li>• Communication via NISSAN Official Website and Facebook (Irregular)</li> <li>• Announcement of Operational Condition and Material Information on MOPS (Irregular)</li> </ul>	<ul style="list-style-type: none"> <li>• Convened 2 investor conferences, convened regular shareholders meetings, and published the annual report of the previous year on the 30th of June.</li> <li>• Accumulated published 21 company material information via MOPS.</li> </ul>
Community and NPOs	The primary target of social care initiatives.	<ul style="list-style-type: none"> <li>• 0800 Hotlines (Irregular)</li> <li>• Sanyi Rotary Club (Irregular)</li> <li>• Visiting Charity Organizations and Disadvantage Groups (Irregular)</li> <li>• Visits to Schools and Organizations (Irregular)</li> </ul>	<ul style="list-style-type: none"> <li>• We have been supporting temporary workers at the Department of Environmental Protection of the Taipei City Government, allocating 1 million TWD annually for 19 consecutive years.</li> </ul>
Academic Institution	As an important source and driver of talents and technologies for YNM.	<ul style="list-style-type: none"> <li>• Yen Tjing Ling Industrial Development Foundation (Irregular)</li> <li>• Various Universities and Colleges (Irregular)</li> </ul>	<ul style="list-style-type: none"> <li>• Organize career experience programs at three universities (National Chung Hsing University, National Cheng Kung University, and National Tsing Hua University).</li> </ul>

## Contact Information and Communication Channels of Stakeholders

Stakeholders	Contact Information
Employees	Human Resources Senior Manager Lin Tel : 037-875881 Ext. 1640 Email : ray.lin@yulon-nissan.com.tw
Customers (The Brand of Nissan)	Nissan Supervisor Huang Customer Service Hotline 0800-088888 Opinion Feedback: <a href="https://service.nissan.com.tw/testdrive/info/contact-us">https://service.nissan.com.tw/testdrive/info/contact-us</a>
Customers (The Brand of INFINITI)	INFINITI Manager Lin Tel: 0800-333-399 Feedback: <a href="https://www.infiniti.com.tw/about/contact_us.html">https://www.infiniti.com.tw/about/contact_us.html</a>
Partners	Collaborations Purchasing Department Assistant Manager Chen Tel: 037-875881 Ext. 1720 Email: sean.chen@yulon-nissan.com.tw
	Dealers Marketing & Sales Department Chief Kao Tel: 037-875881 Ext. 1560 Email: prince.kao@yulon-nissan.com.tw
	Service Center Aftersales Department Chief Chen Tel: 037-875881 Ext. 1260 Email: jeter.chen@yulon-nissan.com.tw
Media	Public Relation Office Senior Manager Lin Tel: (037) 875881 Ext. 1130 Email: emma.lin@yulon-nissan.com.tw
Governmental Authorities	Management Section Chief Liu Tel: 037-875881 Ext. 1110 Email: fiennes.liou@yulon-nissan.com.tw

Stockholders and Investors	Spokesperson: Vice President Liang, Chao-Yen Tel: (037) 875881 Ext. 1601 Email: yulon-nissan.ir@yulon-nissan.com.tw
Community and NPOs	Public Relation Office Senior Manager Lin Tel: (037) 875881 Ext. 1130 Email: emma.lin@yulon-nissan.com.tw
Academic institution	Human Resources Senior Manager Lin Tel: 037-875881 Ext. 1640 Email: ray.lin@yulon-nissan.com.tw

### 1.3.2

### Analysis of Material Topics

#### Understanding the sustainability context

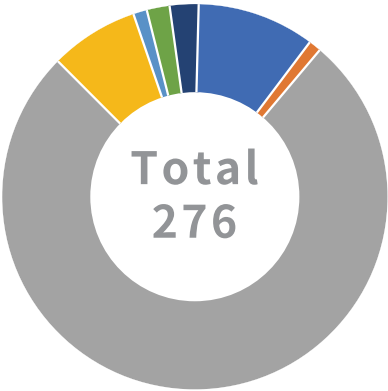
YNM comprehensively considers international sustainability trends, standards, and regulations (such as GRI Standards and SASB), industry characteristics, and practices of domestic and international competitors. Based on this, YNM has identified 18 sustainability topics covering governance, environmental, social, and automotive industry topics. These 18 topics serve as the basis for designing internal and external questionnaires on material sustainability topics.

YNM sustainability topics setting	Referring to international sustainability standards and regulations, such as GRI Standards and SASB.
	Topics of concern among domestic and international within the same industry and major global sustainability trends.
	Focusing on sustainability topics related to YNM operational business.
	Cross-analysis of topics among related entities of relevant industries, upstream suppliers customer groups, and others.

Sustainable Topics of YNM in 2023			
Governance	Environmental	Social	Automobile Industry
Continuous Management in Business Operation	Sustainable Supply Chain	Recruitment and Retaining of Talent	Brand Marketing
Economic Performance	Waste Management	Human Rights and Labor-Management Communication	Customer Relationship Management
Ethical Management and Compliance with Laws and Regulations	Greenhouse Gas and Energy Management	Occupational Safety and Health	Protection of the Customers' Privacy
Information Security	Climate Change Strategy	Community Engagement	Product and Service Innovation
	Water Resources Management		Product Safety and Quality Management

Assessment of the impact severity of the Topics

YNM collected stakeholders' concerns and suggestions on sustainability topics through questionnaires in 2023, receiving a total of 15 returned internal questionnaires and 276 returned valid external questionnaires from stakeholders on material topics.



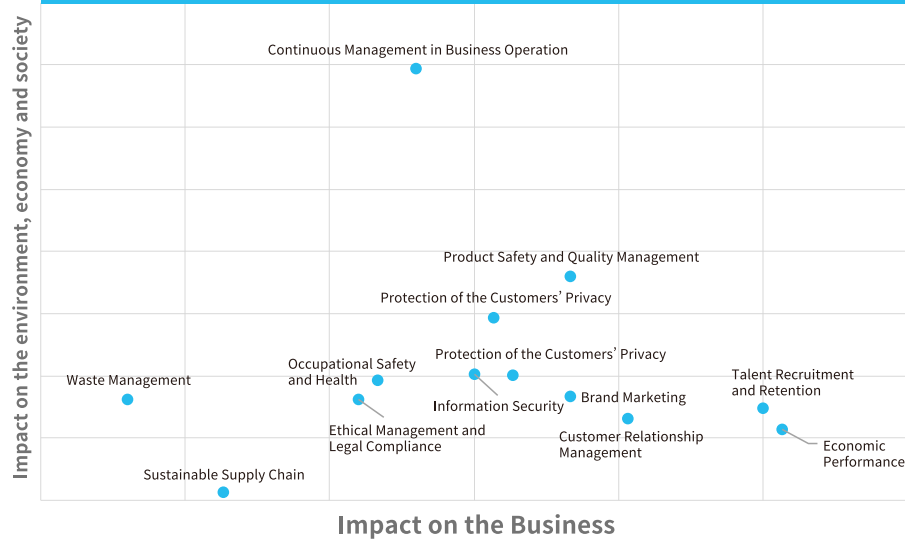
YNM top five priorities for sustainability topics internally	YNM top five priorities for sustainability topics from external stakeholders
Product Safety and Quality Management	Economic Performance
Protection of the Customers' Privacy	Customer Relationship Management
Product and Service Innovation	Talent Recruitment and Retention
Customer Relationship Management	Brand Marketing
Occupational Safety and Health	Product Safety and Quality Management

YNM conducted a broad questionnaire to gather opinions, comprehensively assessing the impacts of sustainability topics on the economy, environment, and social aspects (including human rights). They evaluated the actual and potential impacts, both positive and negative, as well as their likelihood of occurrence, using different assessment methods for positive and negative impacts. Throughout the process, the Company adopted the European Union's Double Materiality concept, assessing each sustainability topic based on its impacts on "economy, environment, and social (including human rights)" dimensions and its impact on business operations. The Company integrated these assessments into a comprehensive scoring matrix, analyzing and consolidating them into a material topics matrix.

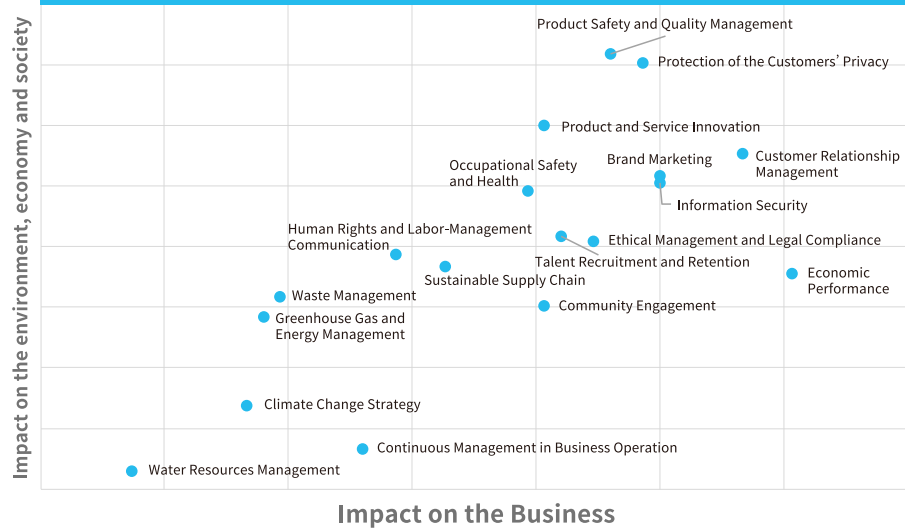




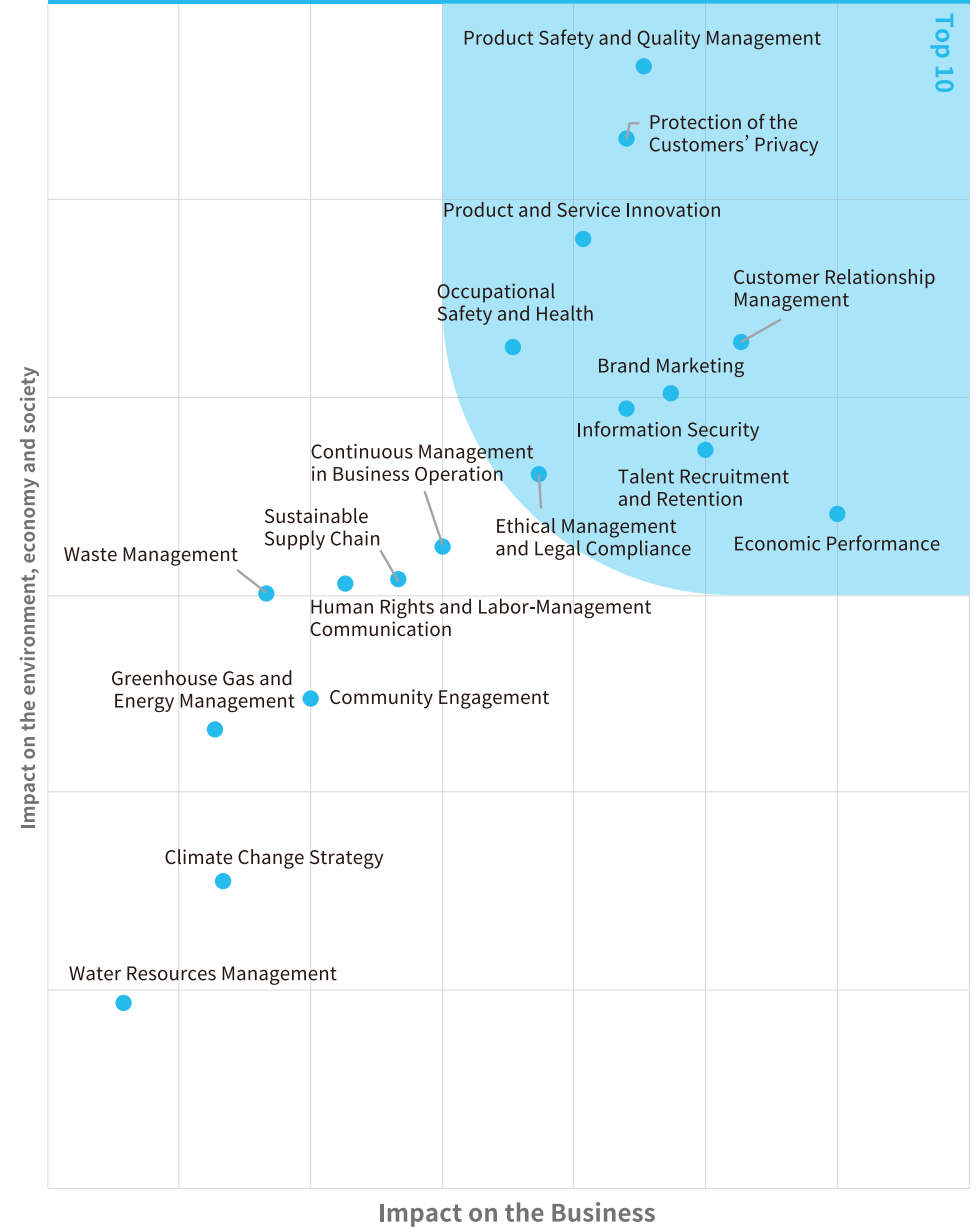
Matrix of Material Topics and Negative Impact



Matrix of Material Topics and Positive Impact



Matrix of Material Topics and Comprehensive Impact



Quantitative Analysis - Top Five Concerns of Stakeholders















Employees	Partners	Stockholders and Investors	Customers	Governmental Authorities	Media	Academic institution	Community and NPOs
Brand Marketing	Product Safety and Quality Management	Economic Performance	Protection of the Customers' Privacy	Economic Performance	Product Safety and Quality Management	Continuous Management in Business Operation	Brand Marketing
Product Safety and Quality Management	Protection of the Customers' Privacy	Ethical Management and Compliance with Laws and Regulations	Occupational Safety and Health	Ethical Management and Compliance with Laws and Regulations	Sustainable Supply Chain Management	Economic Performance	Human Rights and Labor-Management Communication
Protection of the Customers' Privacy	Product and Service Innovation	Brand Marketing	Product Safety and Quality Management	Information Security	Management of Air Pollution Emissions	Information Security	Community Engagement
Product and Service Innovation	Information Security	Continuous Management in Business Operation	Recruitment and Retaining of Talent	Sustainable Supply Chain	Ethical Management and Compliance with Laws and Regulations	Sustainable Supply Chain	Continuous Management in Business Operation
Customer Relationship Management	Customer Relationship Management	Product and Service Innovation	Information Security	Greenhouse Gas and Energy Management	Attraction and Retaining of Talents	Community Engagement	Sustainable Supply Chain

Note: Yulon Motor and Nissan Motor are the main shareholders of Yulon Nissan Motor Co., Ltd. Questionnaires were not distributed this year. The primary means of gathering and understanding the concerns of these stakeholders included investor conferences, shareholders' meetings, investor mailboxes, investor relations websites, and other instant channels.

Based on the matrix of material topics, the Company focuses on the topics that have the most significant impact on Yulon Nissan Motor's operations, as well as on the economy, environment, and human rights. The Company has selected the top ten sustainability topics of concern as the key focus areas for Yulon Nissan Motor this year. The Company will disclose the positive and negative impacts of each material topic in the relevant chapters of the report, and explain the Company's commitments, resources allocated in 2023, and short, medium, and long-term goals.

Value Chain	Upstream: Automobile Components and Raw Materials	Midstream: Design, Research and Development Vehicle Assembly	Downstream Sales After-sales Service
	A	B	C

Stakeholders			
1	Employees	5	Governmental Authorities
2	Customers	6	Stockholders and Investors
3	Partners	7	Community and NPOs
4	Media	8	Academic institution

	Material Topics	SDGs	GRI	Management Policy Relevant Chapters	Impact Boundary of Value Chain	Impacted Stakeholders	Comparison with the previous year
1	Economic Performance	Decent Work and Economic Growth 	GRI 201 Economic Performance	CH2 Sustainable Governance	C	1,6	↑
2	Customer Relationship Management	Decent Work and Economic Growth 	No Specific GRI Standard	CH3 Brand Value and Partnership	C	2,3,6	New Topics
3	Product Safety and Quality Management	Decent Work and Economic Growth Responsible Consumption and Production  	GRI 416 Customer Health and Safety	CH3 Brand Value and Partnership	BC	2,3	↑ Renamed: Last year, it was "Concern for the Health and Safety Impacts of Products and Services on Customers."
4	Protection of the Customers' Privacy	Peace, Justice, and Strong Institutions 	GRI 418 Customer Privacy	CH3 Brand Value and Partnership	C	2	New Topics
5	Recruitment and Retaining of Talent	Quality Education Gender Equality Decent Work and Economic Growth   	GRI 401 Employment  GRI 404 Training and Education  GRI 405 Diversity and Equal Opportunity	CH5 Employees Caring	B	1,8	New Topics
6	Brand Marketing	Decent Work and Economic Growth 	GRI 417 Marketing and Labeling	CH3 Brand Value and Partnership	C	2,3,4	↓
7	Information Security	Peace, Justice, and Strong Institutions 	GRI 418 Customer Privacy	CH2 Sustainable Governance	C	2,3,5	New Topics
8	Product and Service Innovation	Decent Work and Economic Growth Responsible Consumption and Production  	No specific GRI Standards	CH3 Brand Value and Partnership	BC	2,3	New Topics
9	Occupational Safety and Health	Decent Work and Economic Growth 	GRI 403 Occupational Health and Safety	CH5 Employees Caring	B	1	↓
10	Ethical Management and Compliance with Laws and Regulations	Peace, Justice, and Strong Institutions 	GRI 2  GRI205 Anti-corruption  GRI206 Anti-competitive Behavior	CH2 Sustainable Governance	ABC	5,6	↑ (Expand: Last year's topic was "Anti-Corruption")



# Excellent Governance

2-1	Corporate Governance	30
2-2	Ethical Management and Legal Compliance	34
2-3	Risk Management	37
2-4	Information Management	41





# Core Vision and Commitment

The core values of the Company are not only the guiding principles that inspire our employees to strive forward, but also the crucial foundation supporting the Company's development. In response to rapid changes in the business environment, YNM is constructing its core values with a fresh perspective: "Innovation (I)," "Speed (S)," and "Teamwork (T)" shall serve as benchmarks, aligning its core objectives with the commitment to achieve a "1st" position, consistent with YNM goals.

Through solid core values, YNM leads its employees to possess core competencies such as continuous improvement, customer orientation, promoting team success, innovation, and proactive initiative. This helps them become capable and outstanding employees and managers. With these core values internalized as personal traits and beliefs among every employee, YNM forms a competitive advantageous team. We continually create customer value, gain advantages in a rapidly changing competitive environment, and ensure that every successful initiative validates the essence of our core values.

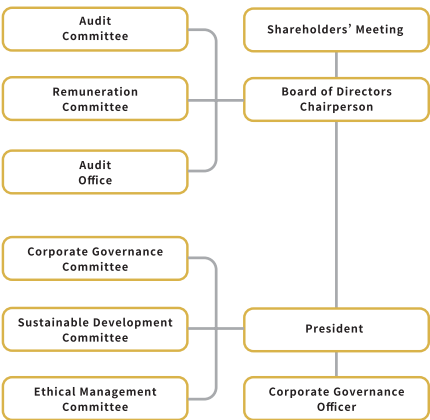
# Results and Performance in 2023

1	Evaluation on Corporate Governance: 36% to 50%.
2	The average self-evaluation score for the board of directors' performance evaluation is 4.8 out of 5.
3	No major violations have occurred in terms of environmental, economic, social, or other aspects.
4	There have been no incidents of violating personal data protection laws or infringing upon customer privacy rights.
5	The satisfaction score for both internal and external customers of the information system is 3.83 out of 4.

# 2.1 Corporate Governance

## Corporate Governance Framework

YNM places significant emphasis on comprehensive and sound corporate governance. In addition to the general functional committees, the Company has established a corporate governance officer who meets the eligibility criteria specified in the "Guidelines for Establishment and Duties Exercise of Boards of Directors for TWSE/TPEX Listed Companies" which is approved by the board of directors to strengthen corporate governance. Liang, Chao-Yen, Associate Manager of the Business Planning and Finance Department, was appointed as the Corporate Governance Officer on March 23, 2021. The role aims to safeguard shareholder rights and strengthen the functions of the board of directors, which includes responsibilities such as assisting independent directors and directors in performing their duties and participating in decision-making processes, maintaining investor relations, as well as coordinating necessary changes between shareholders and the board of directors and others.



# 2.1.1 Composition and Function of the Board of Directors

## Responsibilities of the Board of Directors

The primary responsibilities of the board of directors include guiding the Company's strategy, overseeing the management team, and being accountable to the Company and shareholders. Additionally, they ensure that all operations and arrangements of the corporate governance system comply with the Company Act, YNM articles of incorporation, and other relevant regulations. During the current year, the board of directors convened a total of six board meetings. Agenda items included reviewing corporate performance, revising internal policies, and discussing sustainability governance topics. The primary operational objective was to prioritize the interests of shareholders and stakeholders.

## Composition of the Board of Directors

To strengthen corporate governance and promote the sound development of the board composition and structure in response to the rapidly changing business environment, the board emphasizes diverse backgrounds. The current board consists of 11 members, including 3 independent directors (27%). Their backgrounds include operational leadership, crisis management, international market perspective, knowledge of the industry, operational policy decision-making abilities, professionalism in accounting and financial, and professionalism in law. The Chairperson of the Board, who also serves as the highest leader in corporate governance, is a woman. Directors have diverse nationalities, and the selection process considers multiple aspects, including educational background, experience, professional expertise, gender, independence, and others. This approach aims to maintain the breadth and depth of the board's decision-making capabilities, fully reflecting YNM commitment to diversity as a core value. For the background and experiences of the board members please refer to the 2023 Annual Report. <https://new.nissan.com.tw/nissan/brand/investors#/finance>

Title	Name	Gender	Age	Remark
Chairperson	Yen Chen Li-Lien	Female	51~60	Chairperson of Yulon Motor Co., Ltd.
Director	Yao Chen-Hsiang	Male	61~70	President of Yulon Motor Co., Ltd.
Director	Tsay Wen-Rong	Male	61~70	Director of Yulon Finance Corporation
Director	Chung, Clock	Male	51~60	President of Yulon Nissan Motor Co., Ltd.
Director	Hisano Takashi	Male	41~50	Appointed on 26th of April, 2024
Director	Ishizuka Atsushi	Male	41~50	Appointed on 26th of April, 2024
Director	Kitazawa Koichi	Male	51~60	-
Director	Ozaki Kazuhiro	Male	51~60	Appointed on 26th of April, 2024
Independent Director	Kuo Jung-Fang	Male	61~70	-
Independent Director	Yang Yun-Hua	Male	51~60	-
Independent Director	Chang Hung-Wen	Male	61~70	-

Nomination and Selection of Directors

Directors are nominated through a candidate nomination system, following the "Rules for Election of Directors." Shareholders who hold more than one percent of the total issued shares can submit the candidate list in writing to the Company. The selection process also considers the results of internal board performance evaluations. Director selection follows a cumulative voting method, where shareholders vote on candidates with legal capacity according to the Company's articles of incorporation. The voting rights for independent and non-independent directors are calculated separately based on the number of seats specified in the Company's articles. Based on the voting results, candidates with the highest number of votes for each category are elected sequentially.

Board Succession Planning

Succession Plan: Through a systematic mechanism for managing reserve candidates, the Company promotes succession and development programs for directors, supervisors, and senior executives. The Company regularly assesses the readiness of management-level reserve candidates, emphasizing not only outstanding performance but also key leadership qualities such as ethics, honesty, and accountability. This approach aims to enhance corporate governance and sustainable operations.

Cultivation Program: The Company is advancing the senior-level 'Emerging Leaders Program' by engaging professional management consulting firms to conduct competency assessments for each reserve candidate. This is complemented by Individual Development Plans (IDPs) and a Mentorship system. Additionally, a high-level executive committee, consisting of the Chairperson and selected directors, convenes to review the maturity of reserve personnel individually during Group Senior Executive Meetings. This approach aims to effectively enhance leadership capabilities and shorten the succession timeframe."

Recusal of Interest

The Company has established "Rules of Procedure for Board of Directors Meetings," which stipulate that if any agenda item at a board meeting involves interests concerning a director or their representative legal entity, they must disclose the important details of their interests during that meeting. If there is a risk of harming the Company's interests, they are not allowed to participate in discussions or vote on the agenda item. They must also refrain from discussions and voting and are not permitted to act as proxies for other directors in exercising their voting rights.

The Company obtains an annual statement from independent directors to ensure they continuously comply with the Financial Supervisory Commission's "Regulations Governing Appointment of Independent Directors and Compliance Matters for Public Companies," and to ensure that independent directors maintain their independence throughout their terms.

Continuing Professional Education of Directors

YNM focuses on enhancing board capabilities with two main pillars: industry-specific trends and new developments in sustainability. Industry-specific expertise includes courses on compliance, AI risk management, and smart manufacturing. In terms of sustainability governance, this includes topics such as net zero electricity, sustainable risks, digital resilience, and carbon tariffs. In the fiscal year 2023, a total of eight training courses were provided, with arrangements tailored according to the functional responsibilities of each director. This ensures that directors maintain a leading position in the market in terms of their professional expertise and the sustainability trend.

Date	Name of the Course	Participant	Learning Hours
6.2	Taishin Net Zero Summit - Go Towards Green Energy	Director Shirakami Hiroshi and Corporate Governance Officer Liang, Chao-Yen	3
8.7	Trends and Risk Management of Generative AI	Independent Director Kuo, Jung-Fang	3
8.14	Trends in Smart Manufacturing and the Application of Digital Technology in Business Management	Independent Director Kuo, Jung-Fang	3
9.4	Taipei Corporate Governance Forum	Director Shirakami Hiroshi and Director Kitazawa Koichi	3
9.6	Group Training: Discussion on the trends and responsive strategy of sustainable risks	All of the directors (except Independent Director Kao), Corporate Governance Officer Liang, Chao-Yen	3
9.6	Group Training: Enhancing digital resilience and developing robust information security governance strategies for the publicly listed company.	All of the directors (except Independent Director Kao), Corporate Governance Officer Liang, Chao-Yen	3
11.15	Carbon 2nd Credit, Carbon Border Tax and Carbon Trading	Director Chuang, I-Hsueh	3
11.15	Online seminar on promoting compliance with internal insider trading regulations.	Director Kitazawa Koichi	3
11.22	Online seminar on promoting compliance with internal insider trading regulations	Director Chuang, I-Hsueh, Corporate Governance Officer Liang, Chao-Yen	3

For detailed Background and the functioning of board members, please refer to:



scanning

2023  
Performance  
Evaluation Result  
of the Board of  
Directors



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2023  
Composition of the  
Board of Directors



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2023  
Information of  
Independent  
Directors



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2023  
Resolution Matters  
of the Board of  
Directors



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Procedures for  
Director Elections

## 2.1.2 Composition and Functioning of Functional Committees

Name of the Committees	Audit Committee	Remuneration Committee
Responsibilities of the Committee	<p>The operation of this committee is primarily aimed at monitoring the following matters:</p> <ul style="list-style-type: none"> <li>The proper presentation of the Company's financial statements.</li> <li>The selection (appointment) and independence and performance of CPAs.</li> <li>The effective implementation of internal control within the Company.</li> <li>Related Laws, Regulations, and Rules complied with by the Company</li> <li>The management of existing or potential risks within the Company.</li> </ul>	<ul style="list-style-type: none"> <li>Establishing and regularly reviewing annual and long-term performance goals and compensation policies, systems, standards, and structures for directors and executives of the Company.</li> <li>Regularly assessing the achievement of performance goals for directors and executives of the Company, and determining the content and amount of their individual compensation packages.</li> </ul>
Selection Process and Principles	The audit committee is composed entirely of independent directors, and among the committee members, they mutually elect one person to serve as the convener and chairperson of the meetings according to the "Regulations Governing the Exercise of Powers by Audit Committees of Public Companies"	The appointment of the convener of the Remuneration Committee is decided by the board of directors, who elect an independent director for this role in accordance with "Regulations Governing the Appointment and Exercise of Powers by the Remuneration Committee of a Company Whose Stock is Listed on the Taiwan Stock Exchange or the Taipei Exchange"
Composition of Committees	Consists of three independent directors, with at least one independent director being a professional in accounting or finance.	Consists of three independent directors
Frequency of the meetings	At least convened once per quarter	At least convened twice per year
Actual Attendance Rate	100%	100%

## Audit Committee

The Company's Audit Committee was established on July 1, 2016, with the objective of overseeing the appropriate presentation of financial statements, effective implementation of internal controls, appointment and dismissal of auditors, independence and performance of auditors, and adherence to relevant laws and regulations to ensure quality and integrity.

The Audit Committee held at least one meeting each quarter and is composed of a total of three independent directors as members. The convener is Independent Director Kuo, Jung-Fang, who possesses specialized expertise in finance and accounting. The composition and operation of the Audit Committee for the current year are as follows:

Title	Name	Attendance in person	Attendance by proxy	Date of Appointment
Convener	Kuo, Jung-Fang	4	0	2021.07.20
Member	Yang, Yun-Hua	4	0	2021.07.20
Member	Chang, Hung-Wen	4	0	2021.07.20
Implementation Result				
Date of the Meeting	Summary of Agendas			
2023 03.14	(1) 2022 Annual Business Report and Financial Statements. (2) Proposed Amendments to Certain Articles of our Company's "Rules of Procedure for the Shareholders' Meeting." (3) Proposed Acquisition of Real Estate Usage Rights Assets from Related Parties of the Company. (4) Proposed Amendments to Certain Articles of the Company's "Regulations of Procedures for Professional Accounting Judgments and Processes for Making Changes in Accounting Policies and Estimates." (5) Proposed Amendments to Certain Articles of the Company's "Stocks Affair Internal Control Systems." (6) Assessment of Independence and Competence of the CPAs. (7) Proposal of Professional fees for Auditing Services of CPAs for the Company's Fiscal Year 2023. (8) Submission of the Company's "2022 Internal Control System Statement." (9) Proposed Amendments to Certain Articles of the Company's "General Rules of Internal Control System" and "General Rules for Internal Audit Implementation."			
2023 05.09	(1) Proposal for the Earning Distribution for the Fiscal Year 2022. (2) Review of Pre-Approved Non-Assurance Services Provided by the Company's Auditors.			
2023 08.10	(1) Proposed Amendments to Certain Articles of the Company's "Stocks Affair Internal Control Systems." (2) Proposed Change in the Company's Accounting Supervisor.			
2023 11.07	(1) Proposal to Establish the Company's "2024 Audit Plan." (2) Proposed Amendments to Certain Articles of our Company's "Rules of Procedure for Shareholders' Meetings."			

### Remuneration Committee

The Board of Directors of the Company approved the establishment of the Remuneration Committee on 26th of August, 2011. The Remuneration Committee is responsible for setting and periodically reviewing the annual and long-term performance goals, as well as the policies, systems, standards, and structure of director and executive remuneration within the Company, which regularly evaluates the achievement of performance goals by directors and executives, and determines the content and amount of their individual remuneration packages.

The Remuneration Committee convenes at least twice per year. The current Remuneration Committee consists of three members, all of whom are independent directors. Independent Director Yang, Yun-Hua who serves as the convener. The current members and operations of the Remuneration Committee are as follows:

Title	Name	Attendance in person	Attendance by proxy	Date of Appointment
Convenor	Yang, Yun-Hua	3	0	2021.07.20
Member	Kuo, Jung-Fang	3	0	2021.07.20
Member	Chang, Hung-Wen	3	0	2021.07.20
Implementation Result				
Date of Meeting	Summary of Agendas			
2023 03.14	Proposal: Distribution of Employee Remuneration for the Year 2022 Resolution: The committee unanimously agreed to pass the agenda, which was then proposed to the board meeting and gained approval from all attending directors.			
2023 11.07	Proposal: Managerial Salary Adjustment Resolution: The committee unanimously agreed to pass the agenda, which was then proposed to the board meeting and gained approval from all attending directors.			



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Audit Committee



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Remuneration Committee

### 2.1.3 Performance Evaluation of the Board of Directors

#### Internal Board of Directors Performance Evaluation

To enhance board functions towards ideal corporate governance goals, YNM has established the "Board Performance Evaluation Method" in accordance with the "Corporate Governance Best Practice Principles for TWSE/TPEX Listed Companies" Internal self-evaluation are conducted on the board, various functional committees, and individual directors' performances annually. When necessary, external professional independent organizations or teams of experts and scholars may be engaged to conduct evaluations.

Board of Directors Performance Self-Assessment	Board Member Performance Self-Assessment	Functional Committee Performance Self-Assessments
Overall average score reached 4.8	Overall average score reached 4.8	The Audit Committee achieved an overall average score of 5, and the Remuneration Committee achieved an overall average score of 5.
Assessment Indicators		
<ol style="list-style-type: none"> <li>The degree of participation in the Company's operations.</li> <li>Quality of decision-making by the board of directors.</li> <li>The composition and structure of the board of directors.</li> <li>The election and continuing professional education of the directors.</li> <li>Internal controls.</li> </ol>	<ol style="list-style-type: none"> <li>Acknowledge the Company's goals and missions.</li> <li>Recognition of director's duties.</li> <li>The degree of participation in the Company's operations.</li> <li>Management of internal relationships and communication.</li> <li>Professionalism and continuing professional education.</li> <li>Internal controls.</li> </ol>	<ol style="list-style-type: none"> <li>The degree of participation in the Company's operations.</li> <li>Recognition of the duties of the functional committee.</li> <li>Increase the quality of decisions made by the functional committee.</li> <li>Composition of the functional committee, and election and appointment of committee members.</li> <li>Internal controls.</li> </ol>
Propose to the Board of Directors		
The board will propose to all directors in March of the following year.		
Frequency of Evaluation		
Once per year		
Enhancing and Improvement Mechanism		
<ol style="list-style-type: none"> <li>To enhance corporate governance standards, YNM will continuously improve based on evaluations of the board and functional committees. This includes optimizing risk monitoring to better grasp environmental trends.</li> <li>Regarding the dimension of "internal relationship management and communication," the Company will enhance interaction and communication between directors and the management team to gain deeper insights into company operations and enhance corporate governance effectiveness.</li> <li>The Company maintains the effective functioning of the board of directors and functional committees, and revises evaluation questionnaires timely according to relevant government regulations to comply with corporate governance norms.</li> </ol>		



Connections between Performance and Remuneration

Performance evaluation and compensation for directors and executives will reference typical industry standards, taking into account factors such as time commitment, responsibilities undertaken, achievement of personal goals, performance in other roles, and recent compensation for peers in similar positions within the Company. Evaluation will also consider the attainment of short-term and long-term business objectives, the Company's financial condition, and the rational connection between individual performance, company operational performance, and future risks.

Remuneration Allocation Targets	Explanation of Remuneration Policies
Director (including Independent Directors) Remuneration	Directors of the Company are entitled to receive a fixed monthly remuneration (travel allowances included) of TWD 100,000. The remuneration for the Chairperson of the Board is authorized by the Board of Directors based on their level of involvement and contribution to the Company's operations, which shall not surpass the maximum salary range set by the Company. This remuneration is payable regardless of the Company's profit or loss from operation.
Manager's Remuneration	The principles governing the remuneration provided to executives in the Company are established and periodically reviewed by the Remuneration Committee. The committee is responsible for defining and regularly reviewing the policies, systems, standards, and structures related to annual and long-term performance goals and compensation for executives. It conducts regular assessments of the executives' achievement of performance objectives by taking into account factors such as the amount and structure of compensation, payment methods, and future operational risks, specifying the content and amount of individual remuneration packages for executives.

Please refer to the 2023 Annual Report:  
<https://new.nissan.com.tw/nissan/brand/investors#/finance>

2.2 Ethical Management and Compliance with Laws and Regulations

Material Topic:

Ethical Management and Compliance with Laws and Regulations

Actual and potential positive impacts on the economy, environment, and people (Opportunities)	Actual and potential negative impacts on the economy, environment, and people (Risks)	Resources allocated in 2023
It is essential to establish a positive and honest corporate image through strong ethics and rigorous regulatory compliance. This approach fosters better relationships and close interactions with stakeholders, placing ethics as the highest ethical standard and strengthening connections with stakeholders.	Failure to manage integrity in operations and regulatory compliance properly could increase the risk of legal and financial issues, impacting operations or brand reputation.	1. All audit tasks have been completed as required. 2. In 2023, no significant violations in environmental, economic, social, or other aspects occurred.

Strategic Goals

Policy and Commitment of the Company towards Ethical Management and Compliance with Laws and Regulations	Short-term Goals (1 year)	Medium- term and Long-term Goals (3 to 5 years)
Implement complete policies, such as Principles of Ethical Corporate Management, Procedures for the Prevention of Insider Trading, Risk Management Policies, and others. Please refer to the important internal regulation of the Company: <a href="https://new.nissan.com.tw/nissan/brand/about-us#/management">https://new.nissan.com.tw/nissan/brand/about-us#/management</a>	1. Regular advocacy campaigns 2. No violations of regulations.	1. Consistently implement the principle of integrity in business operations. 2. No violations of regulations.

2.2.1 Ethical Management

The Company adheres to a philosophy of ethical, transparent, and responsible management. It establishes policies based on ethics and fosters decent corporate governance and risk management mechanisms to create a sustainable operating environment. Ethical Management applies to interactions with employees, unions, significant business partners, and other stakeholders.

To declare our firm commitment to ethical business practices, the Company established the "Principles of Ethical Corporate Management" on the 4th of August, 2014. The Best Practice Principles clearly outline our policies and preventive measures regarding ethical business conduct. Employees who discover violations of ethical business conduct within the Company can report such incidents to the Audit Office and Integrated Operations Support Department through The Company's Work Rules and employee complaint handling system. In 2023, there were no complaints received internally or externally.

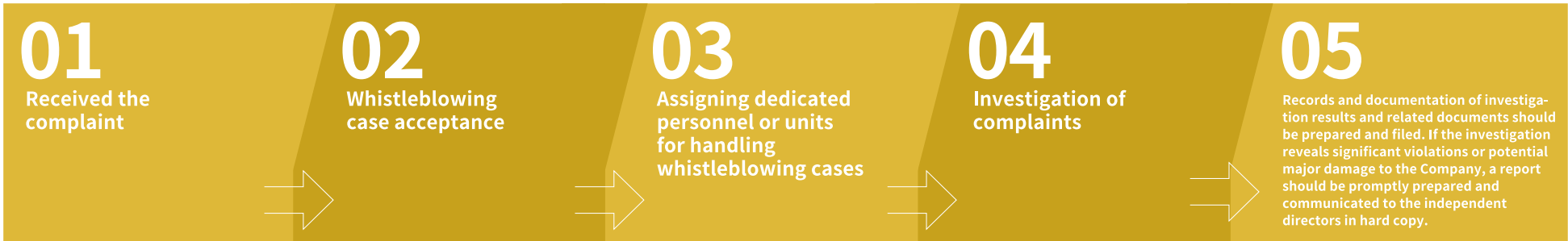


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Ethical Management Best Practice:

Complaints channel

Target	Complaints Email	Handling Units
Internal (Employees)	<a href="mailto:complain@yulon-nissan.com.tw">complain@yulon-nissan.com.tw</a>	Human Resources Department
External	<a href="mailto:whistleblower@yulon-nissan.com.tw">whistleblower@yulon-nissan.com.tw</a>	Audit Office

Complaint handling process



2.2.2 Compliance with Laws and Regulations

YNM shall continuously monitor industry-related regulations and policies to assess potential risks and impacts on the Company. It is committed to reviewing whether the Company internally complies with the highest standards of regulatory compliance. Every employee of the Company bears the responsibility to ensure that our respective business activities comply with laws, company policies, and regulations.

The Company defines significant non-compliance events as incidents involving personal injury or fatality, major and contentious criminal cases (where the minimum sentence is no less than three years of imprisonment or the case involved the Company's image, directors, or supervisors), disputes over company ownership, cases triggering major administrative investigations (including those related to labor, environmental issues, fire safety, consumer disputes, or industry investigations, where potential fines could exceed TWD 200,000 or there is a risk of license revocation), or litigation disputes involving amounts exceeding TWD 1 million. In 2023, there were no significant violations resulting in fines or regulatory incidents.

Educational Training

The Company conducts integrity training for each new employee, with a total of 5 sessions held in 2023. Additionally, 2 regulatory briefing sessions were organized for employees in the Legal and Audit Section. Through the Company's internal website, efforts are made to promote integrity and convey the board of directors and management's commitment to ethical business practices, emphasizing that business activities must be conducted with fairness and transparency in all daily operations in interactions with suppliers and other business transactions. There is also a rigorous review procedure to ensure the legality and presence of dishonest behavior records.

Course Topic	Course Contents	Target Audience/ Number of Attendance
Q2 Regulatory Briefing Session	<ol style="list-style-type: none"><li>1. Status of Regulations (Published/Draft)</li><li>2. Explanation of the Latest Regulatory Adjustments</li><li>3. Social Performance Report (SRR) Corresponding to TWN Regulations</li><li>4. Regulatory Trends Information</li></ol>	Compulsory for Legal Audit Department, Elective for Other Units
Q4 Regulatory Briefing Session	<ol style="list-style-type: none"><li>1. Status of Regulations (Published/Draft)</li><li>2. Explanation of the Latest Regulatory Trends</li><li>3. Social Performance Report (SRR) Corresponding to TWN Regulations</li><li>4. Regulatory Trends Information</li></ol>	Compulsory for Legal Audit Department, Elective for Other Units
Disseminating the Ethical Corporate Management and Insider Trading Prevention	Emphasize how business activities shall be conducted in a fair and transparent manner in all aspects of daily operations, interactions with suppliers, and other business transactions. Carefully review the legality and presence of any record of dishonest behavior.	New Employees/368 employees

2.2.3 Tax Governance

Statement of Tax Governance

YNM has established comprehensive tax strategies, governance culture, and robust processing procedures. We adhere to relevant tax regulations, fulfill our commitment to sustainable development, and create additional value for the Company through the formulation of comprehensive systems and culture.

The Company will continue to adhere to rigorous tax regulations, align tax strategies with operational objectives, and fulfill corporate citizenship obligations.

Principles	Descriptions
Compliance with Laws and Regulations	Adhere to local tax regulations, prepare relevant declaration documents, accurately calculate tax liabilities, and file payments within the statutory deadlines.
A reasonable framework	Business transactions shall be conducted in accordance with commercial substance and follow customary transaction methods, without primarily aiming to reduce tax liabilities.
Reasonable Tax Mitigation	Utilizing local lawful tax incentive policies to benefit from tax reductions, while adhering to the spirit of the law.
Transparent Information	Regularly disclose relevant information on public platforms to ensure transparency of information.
Proactively communicate	Maintain honest communication with the national tax authorities, provide industry insights, and assist in improving the tax environment and system.

Tax Management

Tax Risks	General transaction risks: The Business Planning and Finance Department conducts regular self-assessments annually to ensure that all related operational processes comply with internal procedures and tax regulations, and that relevant documents are properly maintained.
	Special transaction risks: After the Business Planning and Finance Department obtains and understands operational and financial information, it assesses the costs and risks associated with various strategies before providing them to the management team for decision-making.
Report Mechanism for Tax Matters	The Company has set up internal and external independent reporting mailboxes for reporting illegal or unethical tax matters.
Passing on of Tax Personnel Professionalism	Work scripts and operation manuals shall be compiled to record business execution methods and establish an agent system to facilitate the transfer of experience.
Transparency in Tax Information	The Company uses tax information verified by accounting firms and discloses it through official channels such as the Company's website and shareholders' annual reports.

Country Report

Tax Jurisdictions	Taiwan	The Cayman Islands (British Overseas Territory)	British Virgin Islands
Company Name	Yulon Nissan Motor Co., Ltd.	Yi-Jan Overseas Investment Co., Ltd.	Jetford Inc.
Major Activities	Sales	Investment	Investment
Tax amount paid in 2023 (in TWD)	443,665,000	0	0
Percentage of tax paid to revenue	1.70%	0	0

2.2.4

Internal Audit

The audit unit conducts an annual audit of "Matters relating to compliance with applicable laws, regulations, and bylaws". The Company has formulated corresponding operational procedures or methods in accordance with legal requirements and implements them accordingly. In addition, at every board meeting, each unit provides reports on any anomalies related to compliance with laws and regulations. The senior management oversees regulatory compliance collectively. Furthermore, the audit unit annually gathers penalty cases issued by the Financial Supervisory Commission and Taiwan Stock Exchange to review the Company's implementation status and remind relevant units to conduct self-checks to prevent similar incidents from occurring.

Internal Audit Framework

The internal audit unit of the Company is under the governance of the board of directors, comprising one head of audit and one auditor. The appointment and dismissal of the internal head of audit require approval from the Audit Committee and a resolution from the board of directors. The performance evaluation and salary review of internal audit personnel are conducted annually, and the head of audit submits these evaluations to the chairperson of the board for approval.

Responsibility of the Audit Department

1	Ensure that each unit establishes internal control systems and adheres to them.
2	Audit items are scheduled according to the annual audit plan to verify the effectiveness and compliance of current policies and procedures.
3	Conduct ad-hoc audits as assigned or deemed necessary by the Company's management team.
4	Issue audit reports upon completion of audits, detailing audit findings and improvement recommendations. Regularly prepare follow-up reports on the status of improvements addressing audit deficiencies.
5	Encourage internal departments and subsidiaries to conduct internal control self-assessments at least once a year, establishing a self-monitoring mechanism. The audit unit will then review their self-assessment reports, providing recommendations for the issuance of internal control statements by the Board of Directors and the President.
6	Stay informed about updates to laws and regulations, report them to relevant units for inclusion in operational guidelines, and collaborate on revising internal audit systems accordingly.

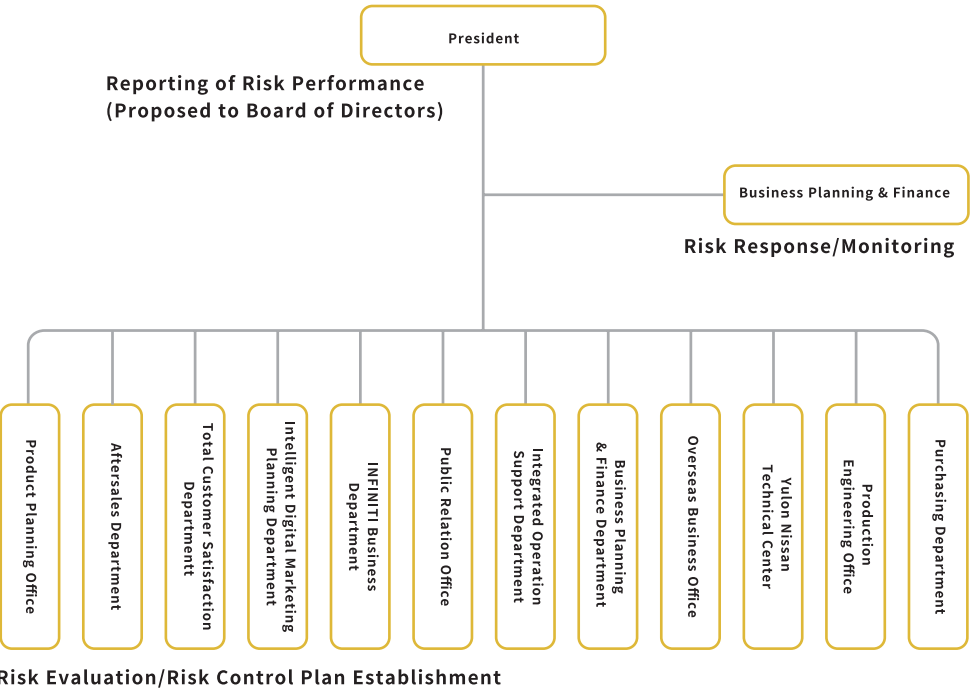
2.3 Risk Management

2.3.1

Risk Management Framework

YNM coordinates risk management under the Business Planning and Finance Department, overseeing response and supervision of risk events. Each department assists in risk assessment and develops subsequent control plans. When necessary, reports are escalated to the President and presented at the Board of Directors meetings, ensuring multi-layered risk monitoring through different levels of control systems.

The Board of Directors is the highest decision-making body for risk management. It approves risk management policies and frameworks based on business strategies and environmental changes to ensure the effectiveness of risk management. Through reports presented by the management team and discussions at the board meetings, the Company gains insights into various risks, potential impacts, financial implications, and opportunities. Recommendations and guidance are provided timely based on these discussions.





Risk Types	Description of the Impact	Financial Impact	Opportunity Benefit	Response Measures
Supplier Financial Risks	Cease of production due to shortage in raw material	Decrease in revenue	Ensuring the revenue is achieved and no risk of shortage in raw materials occurred	<ol style="list-style-type: none"> <li>1. Conducting supplier SRMC evaluation</li> <li>2. Looking for a second source</li> <li>3. Global procurement confirmation</li> </ol>
Confirmation of New Car Mass Production Supply	Cease of production due to shortage in raw material	New vehicles unable to launch on schedule	Ensuring the new vehicles may launch on schedule and increase market share	<ol style="list-style-type: none"> <li>1. Confirming the supply of imported parts</li> <li>2. Confirming the SFVC of domestic manufactured parts</li> </ol>
Risk in Talent Recruitment	<ol style="list-style-type: none"> <li>1. Due to declining birth rates, there is a significant trend of decreasing workforce participation</li> <li>2. There is high demand for manpower but limited supply, which increases the challenge of competing for talent.</li> <li>3. Failing to recruit suitable talent may impact company operations or future development.</li> </ol>	<ol style="list-style-type: none"> <li>1. External salary temptations are strong, with regular salary growth over the past decade.</li> <li>2. Due to government labor regulations, the cost of employment for businesses has increased.</li> </ol>	<p>Job seekers value a positive employer brand image.</p> <ol style="list-style-type: none"> <li>1. The salary conditions meet expectations: The Company's average salary level is competitive in the market, and it can attract excellent talent through differentiated compensation.</li> <li>2. The workplace is conveniently located for commuting: Provide free dormitories that are a 10-minute walk to work.</li> <li>3. The bonus system is fair and reasonable: The Company has a sound and fair system in place.</li> </ol>	<ol style="list-style-type: none"> <li>1. Enhance diversified recruitment channels, such as 104 Job Bank, campus job fairs, the Formula Student Taiwan (FST), and others.</li> <li>2. Establish a robust human resources management system to attract excellent talents to join us.</li> <li>3. Enhance employer brand reputation, such as campus job fairs, campus ambassador programs, and industry-academic collaboration projects.</li> </ol>
Talent Retention Risks	<ol style="list-style-type: none"> <li>1. New hire turnover rate</li> <li>2. Annual turnover rate</li> <li>3. Retention rate of high-performing talent</li> <li>4. Employee satisfaction</li> <li>5. Retention rate of key talent</li> <li>6. Employee turnover can negatively impact morale among remaining staff, potentially triggering a snowball effect.</li> </ol>	<ol style="list-style-type: none"> <li>1. Enhance salary competitiveness</li> <li>2. Various benefits and subsidies</li> <li>3. Performance incentive measures</li> </ol>	<ol style="list-style-type: none"> <li>1. Enhance onboarding programs (mentor system, orientation sessions, support networks, etc.)</li> <li>2. Enhance hardware and software equipment</li> <li>3. Enhance employer brand marketing</li> <li>4. Regularly review and update internal management systems</li> <li>5. Enhance development programs for key talent</li> </ol>	<ol style="list-style-type: none"> <li>1. Quantitative Data Analysis: The group can develop a consistent attrition attribution table or related numerical data analysis to facilitate subsequent focused problem analysis, improvement, and resource development</li> <li>2. Diversified Rotation Development: Develop an intra-group talent exchange platform to retain talent within the group and prevent external attrition</li> <li>3. Various welfare subsidies: Compare benchmark corporate welfare (allowances/subsidies, attendance leave, workplace equipment) and make proposals for similar policies, or establish a group welfare platform for sharing welfare services within the group</li> <li>4. Employer branding: In addition to proposing enhancements to employee happiness, it is necessary to externally market The Company's prospects, public welfare/ESG/CSR messages, and others</li> </ol>

Risk Types	Description of the impact	Financial Impact	Opportunity Benefit	Response Measures
Internal company systems are vulnerable to cyberattacks.	Potential malicious attacks may cause system downtime.	Hackers may engage in ransomware, resulting in financial losses.	To mitigate risks to an acceptable level, ensure uninterrupted business operations	The Information Security Committee uses risk assessment results to determine acceptable risk levels. For information assets exceeding acceptable risk levels, corresponding security measures are implemented to reduce risks.
Customer personal data leakage	The source of personal data leaks must be identified.	If customer satisfaction and brand image are negatively affected due to personal data leaks, it could impact sales and revenue.	To mitigate risks to an acceptable level, ensure uninterrupted business operations	The Information Security Committee uses risk assessment results to determine acceptable risk levels. For information assets exceeding acceptable risk levels, corresponding security measures are implemented to reduce risks.
Pandemic	The pandemic has disrupted normal employee work routines.	Employee productivity has decreased, affecting the output.	To mitigate risks to an acceptable level, ensure uninterrupted business operations	Prior to the event, conduct personnel inventory and grouping, and develop relevant contingency measures, such as remote work, to ensure continuous operations.
Climate Risk Please refer to CH4 for details	Physical risks: could potentially damage the office premises. Transition risks: such as consumer preferences shifting towards purchasing low-carbon products, and stricter regulations related to vehicle manufacturing.	Operating costs increase while revenue declines.	Developing new energy, low-carbon, and energy-efficient vehicle models to attract consumers.	<ol style="list-style-type: none"> <li>Predicting future vehicle sales based on market trends to determine product portfolios.</li> <li>Continuously monitor climate-related risks and opportunities.</li> </ol>

### 2.3.2

#### Risk Management Mechanism

YNM conducts annual regular assessments of business risks, formulating risk management policies for various types of risks. These policies cover management objectives, responsibility units, authority and accountability, as well as risk management procedures, ensuring comprehensive implementation. Additionally, the "Risk Management Policy" is established as the highest guiding principle for risk management.

A diverse management procedure is established for risk control reporting and tracking, promptly responding to sudden events that significantly impact company operations, and controlling risks generated by business activities within acceptable limits. Regular meetings of the Risk Management Promotion Team are convened to oversee risk projects and assess the effectiveness of risk control measures. Relevant risk events are reported annually to the Audit Committee and subsequently explained to the Board of Directors. The risk management matters for the current year were reported to the Board of Directors on November 7, 2023.

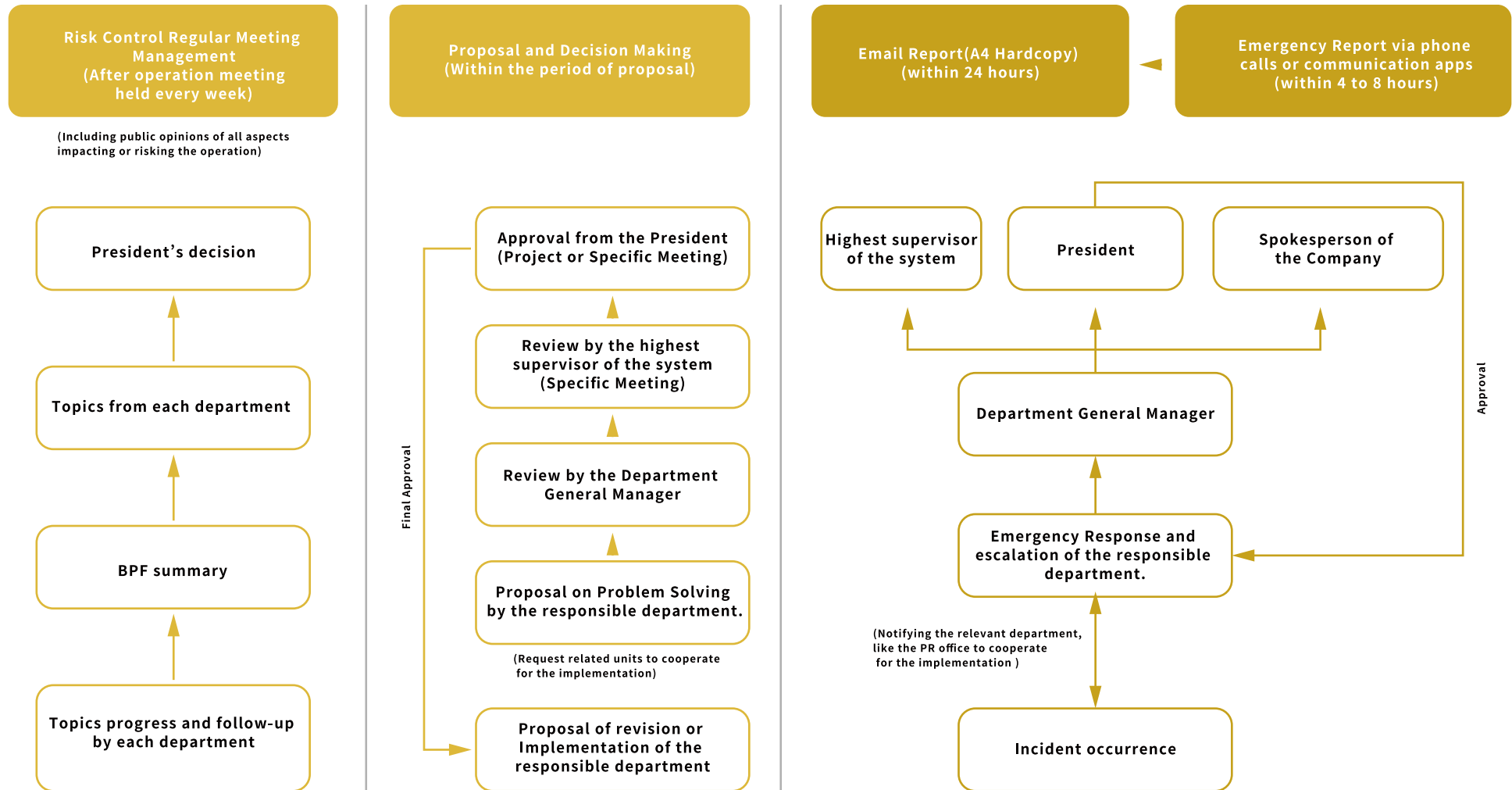
All major operational decisions undergo analysis and evaluation by respective responsibility units before being submitted for approval by senior executives and implementation according to Board resolutions. Furthermore, the audit unit formulates an annual audit plan based on risk assessment results and diligently executes audit operations according to the plan. In cases of significant violations or potential significant damages to the Company, independent directors are promptly notified, responsibility units expedite improvements, and the audit unit verifies and confirms the effectiveness of these improvements to ensure operational risks are mitigated.



## Reporting and Tracking Mechanism of Risk Management and Control



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Risk Management  
Policy and 2023  
Implementation

2.4 Information Management

Yulon Nissan Motor was established in 2003, and it implemented the ISO 27001 Information Security Management System in 2005 to ensure the protection of all company information assets. It conducts regular risk assessments to identify potential threats and vulnerabilities that may affect information security, and develops corresponding control measures. YNM provides regular and irregular information security training internally, offering different courses for all employees and information professionals. These efforts enhance the overall information security management framework and mitigate internal risks.

Material Topic: Information Security

Actual and potential positive impacts on the economy, environment, and people (Opportunities)	Actual and potential negative impacts on the economy, environment, and people (Risks)	Resources allocated in 2023
Ensure the implementation of information security management to prevent business interruptions due to information security incidents.	Improper management of information security risks resulted in business operations disruption and data leakage may lead to critical company data or customer information being exposed, causing a decrease in external stakeholders' confidence in the Company.	To ensure information security and personal data protection, we have conducted comprehensive information security training for all employees. Additionally, we have obtained ISO 27001 certification from a third-party verification organization to demonstrate our commitment to information security through the PDCA cycle.

Strategic Goals

Policies and Commitments of the Company towards Information Security	Short-term Goals (1 year)	Medium-term and Long-term Goals (3 to 5 years)
<b>Commitment</b> Provide information services that support sustainable, efficient, and high-quality operations for businesses. Enhance information security measures to increase user satisfaction and trust.  <b>Policies</b> The highest information security policy is to "ensure continuous business operations and provide secure, stable, and efficient information services."	Three sessions of information security educational training have been conducted, and there have been no significant information security incidents.	There have been no significant information security incidents.

Material Topic: Customer Privacy Protection

YNM prioritizes customer privacy and complies with Taiwan's Personal Data Protection Act and other relevant regulations to ensure customer privacy. Personal data protection is integrated into corporate governance as a key focus area. Through analysis of business processes and information systems, we examine the life cycle and access control of personal data acquisition, processing, transmission, storage, archiving, and disposal processes. The Company plans the most appropriate solutions for personal data protection to effectively safeguard customer privacy. In 2023, YNM did not experience any incidents violating the Personal Data Protection Act or infringing upon customer privacy.

In addition to stringent internal security systems, we include personal data protection clauses in contracts with outsourced vendors, who are required to comply with our information security management and personal data protection policies, and must acknowledge and adhere to our information security control measures, cooperating to meet our requirements for information security and personal data protection when accessing, processing, communicating, or managing company information and processing facilities.

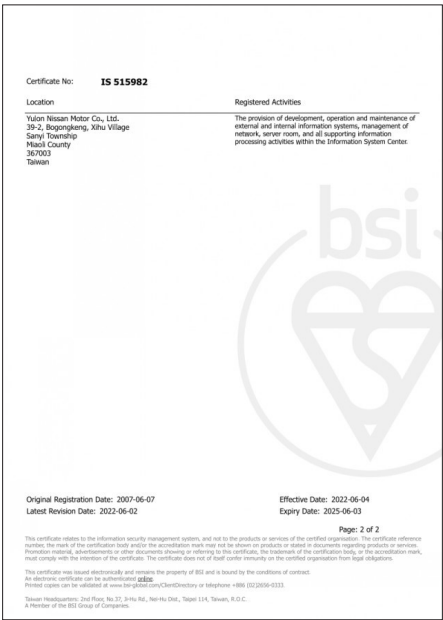
Actual and potential positive impacts on the economy, environment, and people (Opportunities)	Actual and potential negative impacts on the economy, environment, and people (Risks)	Resources allocated in 2023
Adhere strictly to customer confidentiality, implement personal data protection and management, and uphold company integrity principles to enhance customer trust.	If customer data leaks, it could damage the Company's corporate image.	Ensure information security and personal data protection by conducting comprehensive information security training for all employees. Obtain ISO 27001 certification from a third-party verification organization to reinforce the commitment to information security through the PDCA cycle.

Strategic Goals

Policies and Commitment to the Customer privacy protection of the Company	Short-term Goals (1 year)	Medium-term and Long-term Goals (3 to 5 years)
<b>Commitment</b> The Company values customer privacy and ensures customer rights by integrating personal data protection into its governance as a key focus area.  <b>Policies</b> The Company is in compliance with Personal Data Protection Act and other Taiwanese Laws and Regulations	Three information security educational trainings have been conducted, and there have been no major information security incidents or customer privacy breaches.	There have been no customer privacy breaches.



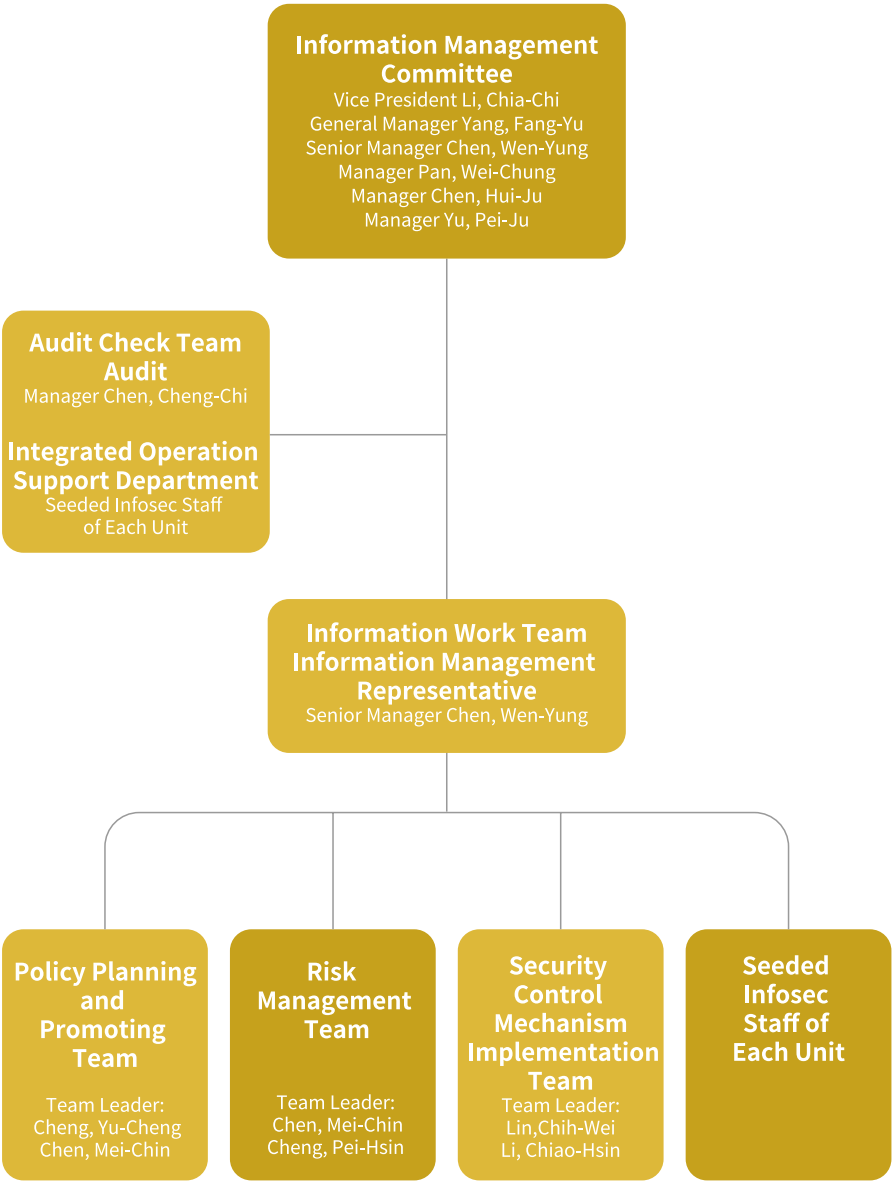
# ISO 27001 third-party verification statement



## 2.4.1 Information Security Management Framework

Responsible Department	Information Team of Integrated Operation Support Department
Highest supervising department	President
Frequency of Reporting	Weekly management meetings or ad-hoc project meetings report to the President
Information Security Officer	Appointing the Information Security Expert Associate Manager Li, Chia-Chi
Functioning of Information Security Management Committee	An annual management review meeting is conducted once a year, and information security-related topics are reported in weekly system meetings and management meetings
Content of Meetings	Status of agenda items, internal and external topics, performance feedback (trend analysis), stakeholder feedback, status of risk assessment results and risk treatment plans, opportunities for continuing improvement, review of information security policy, and annual plan.

# Information Security Organization Structure



Information Security Strategy

Information Security Governance	<ul style="list-style-type: none"><li>Enhance management systems</li><li>Risk management</li><li>Enhancing prevention mechanism</li></ul>	Continuously improve management systems, including enhancing education and training, designing a robust information security infrastructure, and strengthening protection technologies.
Compliance with Laws and Regulations	<ul style="list-style-type: none"><li>Regular review/amendment</li><li>Establishing legal mechanisms</li></ul>	Establish a legal and cyclical mechanism to regularly review and revise internal operational regulations to comply with international cybersecurity standards.
Usage of Technology	<ul style="list-style-type: none"><li>Internal and external data collection</li><li>Utilize data analysis</li><li>Predict threat vulnerabilities</li><li>Risk reduction and management</li></ul>	Utilize data analytics techniques to predict cybersecurity risks and implement improvements to ensure information and communication security.

Management Cycle of Information Security

YNM implements its information security management mechanism using the PDCA management approach. The information security strategy serves as the core as we focus on three aspects: information security governance, regulatory compliance, and technological applications. This approach comprehensively enhances information and communication security capabilities, covering systems, technology, personnel, and organizational aspects.



## Information Security Management Measures

Management Measures	Description	Result	Future Planning
Social engineering drill.	Conduct social engineering drills via email at least twice a year to test employees' awareness of phishing emails.	Click-through rates and attachment opening rates are below 10%.	Constantly enhance information security awareness to prevent data leaks.
VPN access control	<ol style="list-style-type: none"> <li>1. Employees must apply for approval to use a VPN. Account validity is limited to a maximum of six months for employees and three months for vendors.</li> <li>2. After conducting a log inventory of all accounts, it was found that certain accounts had not been logged into or used for 60 days. To ensure account security, those accounts have been deactivated.</li> <li>3. If abnormal activity is detected on any account, the system administrator, upon approval from the IT manager, has the authority to immediately suspend the account to ensure company information security.</li> <li>4. After 4 hours of VPN connection, users will be automatically logged out. To continue using the VPN, they will need to log in again.</li> <li>5. Accounts are strictly for personal use only and cannot be transferred to others. Users are responsible for using their accounts diligently and should avoid using them in insecure systems or environments.</li> <li>6. Regularly review accounts</li> </ol>	Operate in accordance with regulations; everything is functioning normally.	Ensure the security of privileged accounts and reduce the risk of unauthorized use or compromise. Management methods can involve strengthening authentication methods and adhering to the principle of least privilege.
Internet traffic control	<ol style="list-style-type: none"> <li>1. Daily monitoring of whether the traffic is abnormal</li> <li>2. Monthly analysis and reporting of Internet traffic</li> </ol>	Functioning normally	By monitoring and analyzing network traffic to identify and respond to potential threats and attacks, including intrusion detection, anomaly detection, vulnerability scanning, and other technologies, we ensure network security and swiftly respond to and mitigate any security incidents.
Antivirus Mechanism	All devices are equipped with antivirus tools that detect, block, and remove viruses, spyware, adware, worms, and other malicious programs in real-time.	The total number of computer infections throughout the Company is kept below 9 cases per year.	Protecting devices and ensuring data security.
Enhancing information security technologies	Recently, the group has experienced multiple information security incidents. To strengthen organizational information security, we are implementing enhanced monitoring and protection mechanisms based on industry best practices, tailored to fit Yulon's operational environment.	Upon completing the evaluation in F23, the Company assessed EDR, NDR, Mail ATP, IPS network detection, and SOC monitoring and protection tools, to aim at strengthening our detection capabilities where are lacking.	In FY24, we will progressively implement EDR, NDR, Mail ATP, IPS network detection, SOC, and other security monitoring and protection mechanisms to ensure information security.

## Information Security Educational Training

Course Topic	Course Contents	Participant	Number of Participants	Hours of Courses
Internal information security audit and training on new knowledge	<ul style="list-style-type: none"> <li>Review of significant information security incidents</li> <li>Introduction to the internal audit of information security</li> <li>Procedures of auditing</li> <li>Collecting evidence for auditing</li> <li>Sharing new knowledge regarding information security technology</li> </ul>	Information security personnel Information personnel Distributor Personnel	50	4hr
Enhancing the information security of the information personnel of dealers from all over Taiwan	<ul style="list-style-type: none"> <li><b>Strategy:</b> Announcement of directive on group information security governance</li> <li><b>Management:</b> Control and response to the information security risk</li> <li><b>Technology:</b> Trends in information security threats and protection strategies</li> <li><b>Implementation:</b> Practical application and exercise of risk assessment methodologies</li> <li><b>Audit:</b> Explanation of key points for information security audits for dealers Analysis of emerging information security technologies</li> </ul>	Dealers Information personnels	15	6 hr
Promoting information security awareness throughout the Company	<ul style="list-style-type: none"> <li>Social engineering exercise and awareness promotion</li> <li>Passwords that are easy to remember and hardly to break through</li> <li>Promotion of lawful software usage</li> <li>Introduction to Personal Data Protection Act</li> <li>Promotion of enhanced information security mindset</li> <li>Frequent Ask Questions of Outlook Emails</li> <li>Frequently Asked Questions (FAQs) for using laptops</li> </ul>	All employees	317	2 hr

## Educational training of information security for employees



### 2.4.2

## Information Security Incident Handling Procedures

The Company has established relevant internal operational regulations in accordance with Article 9 “computerized information processing system” of the “Regulations Governing Establishment of Internal Control Systems by Public Companies” aimed at mitigating the unknown information security threats posed by emerging information technology applications and environmental changes. The Company approaches and prevents risk events from three perspectives to effectively manage information security risk:

The phase of information security	Response measures
The Company conducts regular self-assessments, examining processes and technologies from multiple aspects to proactively prevent security incidents before the occurrence of information security incidents.	<ol style="list-style-type: none"> <li>1. Establish a system inventory to identify information security risks and analyze impacts on confidentiality, integrity, and availability. Develop a risk improvement plan, including asset inventory, confirmation of existing security management, protection and control measures, and documentation of risk assessment and improvement plans.</li> <li>2. Conduct equipment health checks, vulnerability scanning, penetration testing, and social engineering assessments to mitigate information security incidents.</li> </ol>
When information security incidents occur: damage control and emergency response.	<ol style="list-style-type: none"> <li>1. The "Security Control Mechanism Implementation Team" should fill out an "Information Security Incident Report Form" when an information security incident occurs filing about the incident, potential impact scope, damage assessment, request for decision support, and the emergency response measures taken, and to assisting the determine the severity level of the information security incident.</li> <li>2. When the incident reported is determined by the responsible personnel to be invalid, it should be noted as such on the "Information Security Incident Report Form." Otherwise, if it is deemed valid, it must be reported to the Information Security Management Representative. The representative will confirm the severity level and initiate the business continuity management process. If deemed a standard security incident, it will follow regular security incident handling procedures.</li> </ol>
Response and handling following an incident: Investigation and inclusion in preventive measures	<ol style="list-style-type: none"> <li>1. The Information Security Management Representative regularly assigns personnel to collect incident handling records, categorize and compile them, and conduct trend analysis. They analyze potential improvement methods and provide them to management for operational review, assessing whether incident handling procedures should be modified or security control mechanisms strengthened.</li> <li>2. Based on the frequency of information security incidents, review the likelihood of threats identified in risk assessments occurring. Enhance protection measures for assets that may be affected by previously occurred incidents.</li> <li>3. In the face of disaster threats, develop strategies and measures to quickly restore business and information system functionality. This includes risk assessment, backup and recovery, emergency communications, disaster response, personnel deployment, and more, ensuring the Company can effectively respond and resume normal operations.</li> </ol>

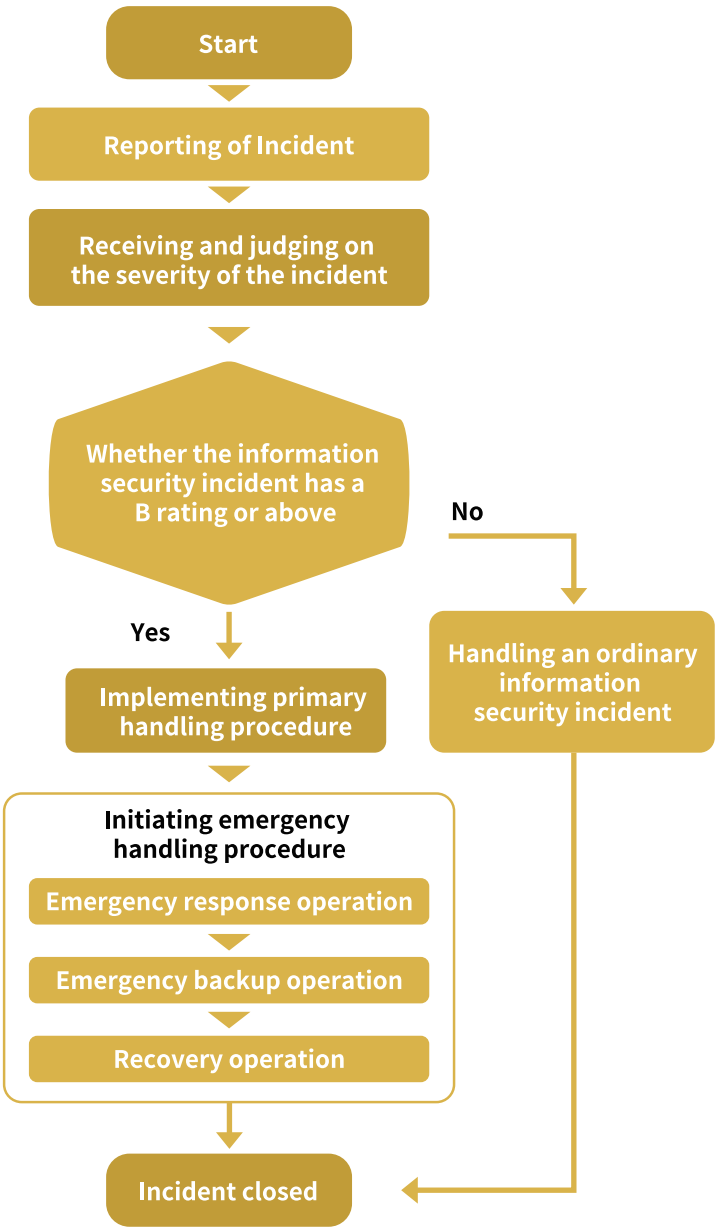


Information Security Risk Rating Management

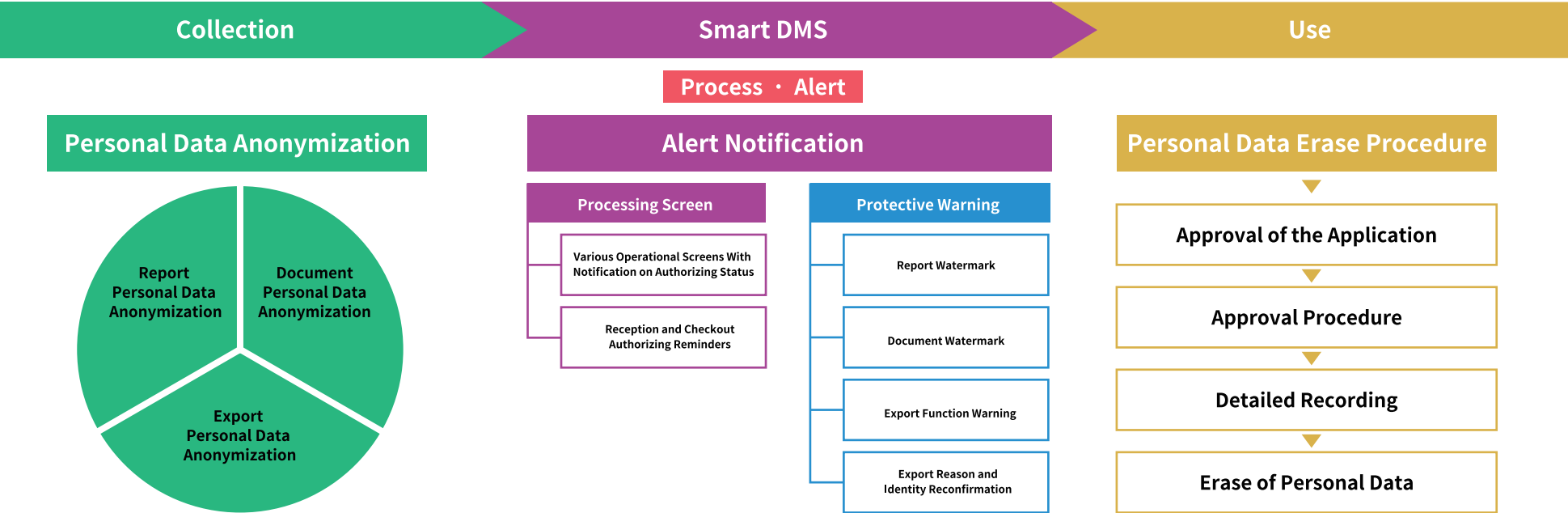
A Rating	<div>1. Company highly confidential data has been leaked.</div> <div>2. Core business/system or data has been severely tampered with.</div> <div>3. Core business/system operations have been affected or halted, with downtime exceeding the established data recovery time, rendering normal operations impossible.</div> <div>4. Large quantities of personal data have been compromised, damaged, or leaked.</div>
B Rating	<div>1. Confidential information has been leaked.</div> <div>2. Critical business systems or data have been severely tampered with, or core business/systems or data have been slightly altered.</div> <div>3. Critical business operations have been impacted or systems have been halted, and normal operations cannot be restored within the acceptable downtime.</div> <div>4. A small amount of personal data has been compromised, damaged, or leaked.</div>
C Rating	<div>1. Sensitive external confidential information has been leaked.</div> <div>2. Non-critical business systems or data have been severely tampered with, or critical business systems or data have been slightly altered.</div> <div>3. Non-critical business operations have been affected systems have been halted, and normal operations cannot be restored within the acceptable downtime window. Alternatively, critical business operations have been affected or systems have been halted, but normal operations can be restored within acceptable downtime. Or, core business operations have been mildly affected or systems have experienced brief interruptions.</div>
D Rating	<div>1. Non-critical business systems or data have been slightly altered.</div> <div>2. Non-critical business operations have been affected or systems have been halted, but normal operations can be restored within the acceptable downtime.</div>
E Rating	<div>1. It only affects individuals, or it has the potential to affect individuals or organizations.</div> <div>2. Antivirus software is not installed.</div> <div>3. Antivirus software detected a computer virus, causing personal business operations to be disrupted.</div> <div>4. The operating system software and related applications are not updated, causing personal business operations to be unable to proceed.</div>

Emergency Response Procedures

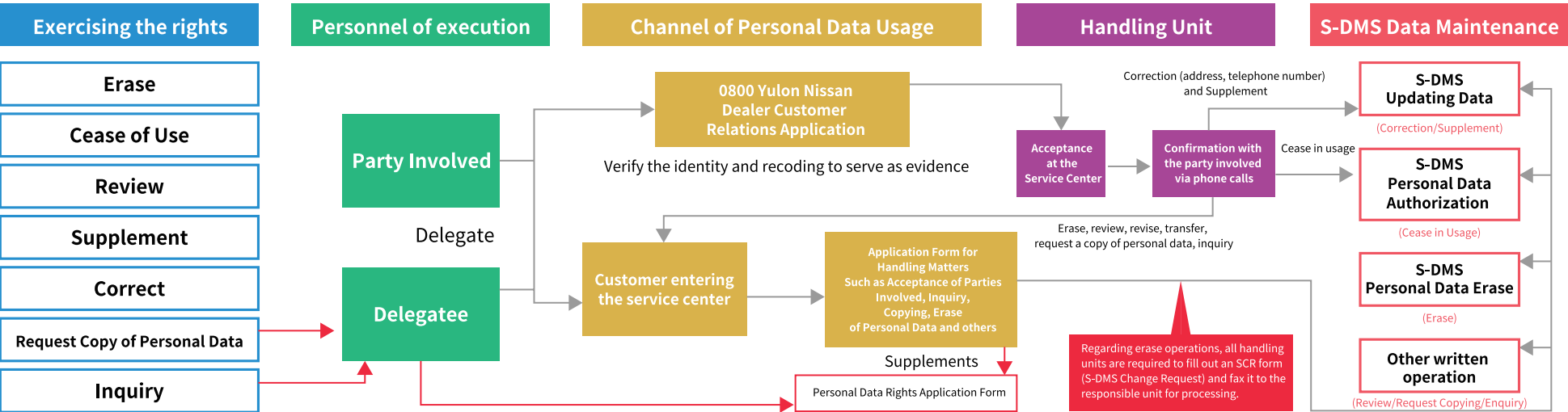
When an information security incident occurs, the operational procedure involves notifying the incident. The business responsible personnel, together with the security control mechanism setup team, assess the situation. They will complete an "Information Security Incident Notification Form" detailing the incident's nature and severity according to established protocols. The incident response includes an analysis of the causes, actions taken, and preventive measures to avoid recurrence. No information security accidents at Rating B or above within 2023.



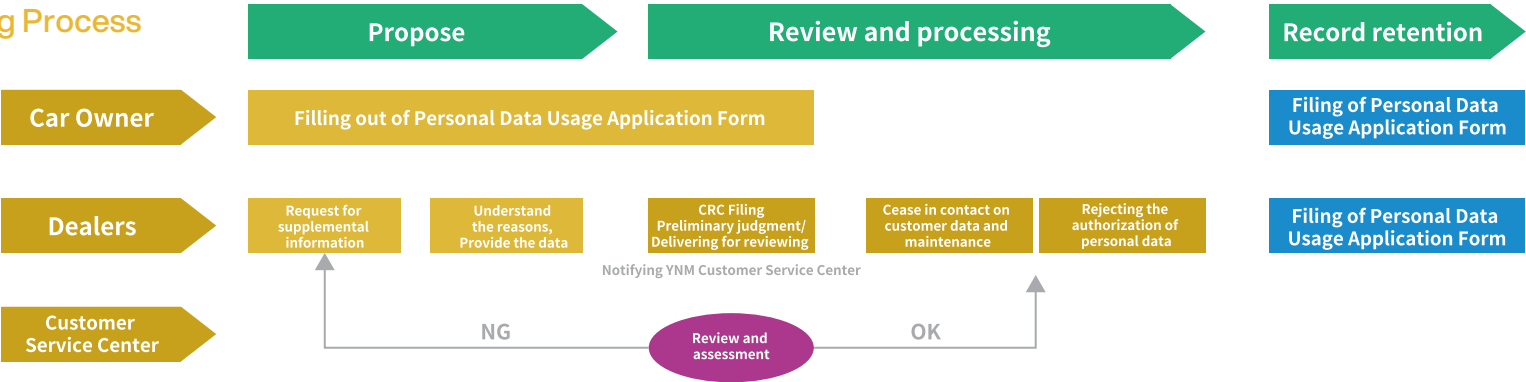
Smart DMS Personal Data Handling



Personal Data Rights Exercising Major Procedures



Personal Data Erase Handling Process



2.4.3 Information Innovation and Digital Transformation

Planning on the Future Goals

Management Policy	Short-Term Goals	Mid and Long-Term Goals	2023 Implementation Results
Customer satisfaction with information systems, both internal and external	Utilize various limited IT resources to support the organization's diverse information needs	Provide high-quality information services to internal employees and external clients (customers, dealers, and partners), enhancing customer experience and satisfaction	1. Internal and external customer satisfaction rating is 3.83 (out of 4) 2. Information service satisfaction maintains a high standard and top-tier level across all Nissan Global companies.
Creating a meaningful digital transition environment - process automation platform, data middle office.	Implementing and deploying digital transition tools for digitization and automation. 1. Establishing a functional data middle office platform 2. Promoting RPA process automation tools	Utilize a data middleware platform and process automation platform to create value, enhance efficiency, and support the Company's digital transition strategy.	1. Completing the planning of the data middle office establishes the foundation for digital transition 2. 130 employees completed the process automation digital certification course; initiating practical applications in three cases.
Establish a compelling employer brand image - comprehensive information security assessment value.	Strengthen organizational basic defense capabilities - implement fundamental information security defense tools such as IPS and complete ISO 27001 version upgrade.	Establish behavior-based detection and protection mechanisms to address potential attacks, and enforce information security policies to ensure organizational security.	1. Constantly acquired ISO 27001 Certification 2. Major information security incidents (incidents above B rating) : 0 cases

Establishment of a Digital Marketing System

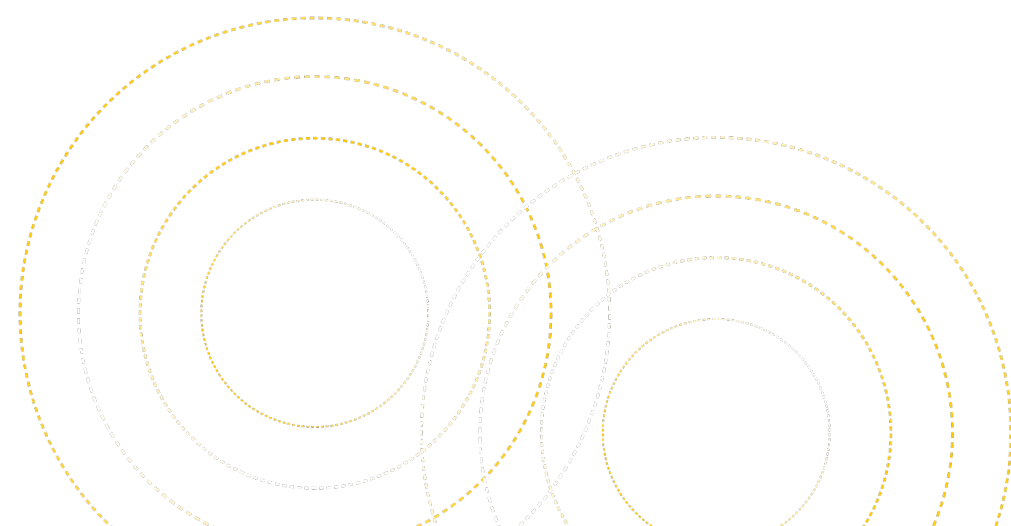
1.Business Unit Proposes Requirements in Concepts	1. Project vision and planning on the execution benefits 2. Planning on the marketing process 3. Planning on the operational modes 4. Planning on the business execution process	5.Confirmation of IT Environment Specifications for System Components	Confirmation 1. Software development tools 2. Hardware specification 3. Network configuration requirements 4. Database specification 5. Peripheral Interface Specification 6. Specifications for digital marketing tools 7. Information security regulations
2.Assessment of Development Approach (Self-Construction/ Outsourcing)	1. Software development tools 2. Hardware specification 3. Network configuration requirements 4. Database specification requirements 5. Assessment of Peripherals system interface requirement 6. Assessment of familiarity with digital marketing tools	6.Development/ Test/Launch/ Acceptance of Functions	1. Ensure each function is developed in accordance with the needs 2. Ensure the functionality and the data accuracy 3. Confirmation on the UI/UX design style of each page 4. Information Security System Secure Software Development Life Cycle Checklist checked
3.System Functionality Proposal	1. Marketing Copy Design 2. UI/UX Design 3. RWD Design 4. Visual Style / Creative Graphic Design 5. Digital Marketing Performance Management	7.Maintenance and Operation of the System	1. IT Fundamental environmental monitoring mechanism 2. Ensuring SLA 3. Implementing various information security policies 4. Maintain the website content and update banners in accordance with the needs of the marketing campaign
4.System Function Proposal Confirmation	Confirm that the proposal meets the desired requirements and operational scale objectives.		

Driver of Digital Transformation

Optimizing in three major digital aspects	
Establishing a Customer Data Platform (CDP) for precise marketing driven by customer data trends, integrating online and offline channels, and utilizing AI for predictive return visits. This enhances digital traffic, revenue, and the proportion of revenue from orders and return visits.	
Information Roles	Cross-department integration
<ol style="list-style-type: none"><li>Confirmation of the needs of system functions</li><li>Seeking the cooperation of vendors to propose the establishment of systems and preparing the evaluation standards on the vendors' proposals</li><li>Software and hardware specification checks related to the establishment of systems</li><li>Links and integration of peripheral systems</li><li>Project management of system establishment</li><li>System functional unit testing, integration testing, and troubleshooting</li><li>System operation educational training</li><li>Maintenance and operation of the system</li><li>Implementation of information security policies</li></ol>	Collaborative departments include Smart Digital Marketing Department, Parts Service Department, and INFINITI Business Department. The Company confirms requirements and tracks project progress, while digital transition project meetings provide an overview of the overall work progress via weekly meetings.
Project Results	
<ol style="list-style-type: none"><li>The NISSAN official website's online car purchasing platform has been developed and launched.</li><li>The NISSAN official website utilizes automated marketing tools (such as pop-up messages, SMS notifications, etc).</li><li>The SmartDMS lead management platform has been developed and launched.</li><li>The NISSAN Care app's online payment functionality has been developed and launched.</li><li>CDP customer profile analysis</li></ol>	

Five major digital upgrades	
Constructing a comprehensive one-stop experience platform for the NISSAN official website, integrating group-level and dealer resources, to increase registered potential customer numbers, new car sales, and peripheral revenue. Examples: a pre-owned car website, an online rental platform, online insurance services, online financing options, and others.	
Information Roles	Cross-department integration
<ol style="list-style-type: none"><li>Confirmation of the needs of system functions</li><li>Seeking the cooperation of vendors to propose the establishment of systems and preparing the evaluation standards on the vendors' proposals</li><li>Software and hardware specification checks related to the establishment of systems</li><li>Links and integration of peripheral systems</li><li>Project management of system establishment</li><li>System functional unit testing, integration testing, and troubleshooting</li><li>System operation educational training</li><li>Maintenance and operation of the system</li><li>Implementation of information security policies</li></ol>	Collaborative departments include the Smart Digital Marketing Department, Parts Service Department, and INFINITI Business Department. The Company confirms requirements and tracks project progress, while digital transition project meetings provide an overview of the overall work progress via weekly meetings.
Project Results	
Certified Pre-Owned (CPO) factory-certified pre-owned car website development and launch	

Data middle office planning and research project	
Currently, data across various systems is fragmented, lacking a unified platform for rapid adaptation to human-centric digital marketing data applications and analysis needs. The Company aims to explore the feasibility of establishing a structure of a Data middle office to assist in executing precise marketing and enhance efficiency in analyzing digital channel effectiveness.	
Information Roles	Cross-department integration
<ol style="list-style-type: none"><li>Inventory of Data Sources and Scope of Needs</li><li>Seeking the cooperation of vendors to propose the establishment of systems and preparing the evaluation standards on the vendors' proposals</li><li>Collection and Validation of POC Cases</li><li>Planning Research Project Summary Report and Formulating Execution Strategies</li><li>Implementation of information security policies</li></ol>	Collaborative departments include Smart Digital Marketing Department, Parts Service Department, and INFINITI Business Department. The Company confirms requirements and tracks project progress, while digital transition project meetings provide an overview of the overall work progress via weekly meetings.
Project Results	
<ol style="list-style-type: none"><li>Execution Strategies for Planning Research Project Summary Report Approved by Senior Executives</li><li>Commencing Data Middle Office Construction from December 2023</li></ol>	





# Brand Value

3-1	NISSAN INTELLIGENT MOBILITY	53
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Core Vision and Commitment

Touching experiences stem from our efforts to exceed customer expectations; trust arises from the genuine embodiment of our OEM service values. NISSAN and INFINITI will uphold these two cornerstones, continuously providing excellent quality customer service.

YNM is committed to enhancing customer satisfaction, continually strengthening our brand image, and fostering deeper reciprocal relationships with customers for return visits. We shall also continue to improve service quality, ensuring that customer service not only meets current needs but also introduces new value for future sustainable development. With solid quality, warm service, and a commitment to continuous innovation, we aim to bring endless surprises and peace of mind to our customers.

Results and Performance in 2023

1	As of 2023, NISSAN's digital consulting service has accumulated 223 digital sales consultants, gained 16,000 customer views, and closed 43 orders.
2	The overall brand appeal (OaO) of NISSAN has reached a score of 10.5, with an achievement rate of 104.2%.
3	INFINITI has implemented the ISSW service standards in 2023, upgrading the prestigious service experience.
4	The annual carbon reduction rate of suppliers reached 3.64%, totaling a reduction of 284 metric tons of carbon emissions.



Material Topic: Brand Marketing


Actual and potential positive impacts on the economy, environment, and people (Opportunities)	<p><b>Economy</b></p> <p>Stimulate consumer purchasing behavior, enhance brand value, increase sales of products and services, and drive business growth.</p> <p><b>Environment</b></p> <p>Promote environmental conservation principles and sustainable values, inspire consumer awareness of environmental protection, and encourage societal shifts towards green consumption and lifestyles</p> <p><b>People</b></p> <p>Increase corporate visibility and reputation, build consumer trust and loyalty towards the brand, and enhance The Company's social image and influence.</p>
Actual and potential negative impacts on the economy, environment, and people (Risks)	<p><b>Economy</b></p> <p>Increasing marketing costs are impacting the profit margins of businesses.</p> <p><b>Environment</b></p> <p>The production of printed materials and transportation activities in large quantities during events increases carbon emissions, leads to resource wastage, and contributes to environmental degradation.</p> <p><b>People</b></p> <p>Improper use of promotional methods or misinformation can mislead consumers and may result in penalties from competent authorities.</p>
Resources allocated in 2023	<ol style="list-style-type: none"><li>4.5 million TWD was allocated to brand marketing in 2023.</li><li>Car owner event: Adventure in Nature Travelogue, with 3,000 participants.</li><li>O2O exquisite and diverse marketing and online store integration.</li></ol>

Material Topic: Product and Service Innovation

Actual and potential positive impacts on the economy, environment, and people (Opportunities)	<p><b>Economy</b></p> <p>Introduce the development of new energy vehicles, enhance company technical capabilities, develop new service offerings to meet customer demands, and improve company competitiveness.</p> <p><b>Environment</b></p> <p>Research and develop technologies such as electric vehicles and hybrid vehicles to reduce carbon emissions and mitigate the impact of climate change.</p> <p><b>People</b></p> <p>Reduce the harm caused to people by environmental and air pollution.</p>
Actual and potential negative impacts on the economy, environment, and people (Risks)	<p><b>Economy</b></p> <p>Product research and development requires substantial financial investment. If market feedback is poor, it may lead to financial risks.</p> <p><b>Environment</b></p> <p>The application of some innovative technologies may lead to environmental pollution. The recycling and processing of materials could potentially generate new pollutants during the process.</p> <p><b>People</b></p> <p>The application of new technologies may involve extensive collection and utilization of personal data, posing risks such as cybersecurity breaches and data security vulnerabilities.</p>
Resources allocated in 2023	<ol style="list-style-type: none"><li>Introduction of e-POWER car model: X-TRAIL e-POWER</li><li>Introducing the light hybrid car model: X-TRAIL Light Hybrid Vehicle</li><li>Introducing the entry-level e-POWER car model: KICKS e-POWER</li><li>Increase the proportion of digitalized customer services.</li><li>Signed an NDA with Nissan to obtain technical data, conducting preliminary research on achieving a 50% localized manufacturing rate for the parts list, which is earlier in development compared to previous vehicle models.</li></ol>



Strategic Goals

Policies and Commitment of the Company towards Brand Marketing	Short-term Goals (1 year)	Medium- term and Long-term Goals (3 to 5 years)
<p><b>Commitment</b></p> <p>Introducing and selling new energy vehicles to reduce the automotive industry's environmental impact, such as carbon emissions.</p> <p><b>Policy</b></p> <p>Organizing brand activities to actively promote environmental awareness (energy conservation, carbon reduction, sustainability).</p>	<ol style="list-style-type: none"><li>1. NISSAN NIM awareness increased by 5%.</li><li>2. Yulon-NISSAN Motor preferability increased.</li></ol>	<ol style="list-style-type: none"><li>1. Strengthened the brand images of Innovation and Excitement.</li><li>2. NISSAN Ambition 2030</li></ol> 

3.1 NISSAN INTELLIGENT MOBILITY

3.1.1 NISSAN Brand Culture

As the pioneering automotive brand in technological innovation, NISSAN continuously upholds its vehicle manufacturing philosophy and builds its brand spirit, while also dedicating itself to sustainable development. For over 80 years, NISSAN has achieved remarkable success with cutting-edge technology and the brand ethos of "Innovation and Excitement for Everyone." YNM adheres to the philosophy of "NISSAN INTELLIGENT MOBILITY." integrating the latest Nissan Intelligent Mobility (NIM) smart technologies into every vehicle. This initiative aims to create a new era of intelligent mobility, providing car owners with a profound new driving experience and redefining the concept of mobility.

Nissan's Intelligent Mobility technology seamlessly connects Integrating driving, transportation, and living environment. Expanding upon the innovative Nissan Intelligent Mobility (NIM), it integrates three core areas: Intelligent Driving, Intelligent Power, and Intelligent Integration. With comprehensive coverage in these three domains, it aims to create exhilarating, enjoyable, and safe driving experiences, allowing Nissan owners to enjoy every journey.


Strategic Goals

Policies and Commitment to Product and Service Innovation of the Company	Short-term Goals (1 year)	Medium- term and Long-term Goals (3 to 5 years)
<p><b>Commitment</b></p> <p>Supporting sustainable energy-saving, environmentally friendly products, and services</p> <p><b>Policy</b></p> <p>Continuously advocate for the development of new energy vehicle models from Nissan</p>	<ol style="list-style-type: none"><li>1. Achieve the development of two new energy SUV models.</li><li>2. To localize the manufacturing of imported components (e.g., multimedia systems, exterior accessories) to reduce costs.</li></ol>	<ol style="list-style-type: none"><li>1. Nissan sells all its vehicle models in the market as EVs.</li><li>2. According to the Nissan Arc plan, continue to increase the proportion of electric vehicle introductions to reach 50%.</li><li>3. According to the Nissan Arc plan, reduce the cost of the next generation of electric vehicles by 30%.</li></ol>

Intelligent Driving	Intelligent Power	Intelligent Integration
<ul style="list-style-type: none"><li>• ProPILOT Intelligent Safety System</li><li>• Intelligent Safety System</li></ul>	<ul style="list-style-type: none"><li>• e-POWER</li><li>• e-4ORCE</li><li>• EV</li><li>• VC-Turbo</li><li>• e-Pedal</li></ul>	<ul style="list-style-type: none"><li>• Intelligent Integration</li></ul>

**e-POWER is a non-plug-in powered by electricity technology that does not require charging**

e-POWER provides drivers with a sense of tranquility and smooth acceleration, offering the exhilarating acceleration of an electric vehicle while alleviating range anxiety. With longer pure electric operation times and minimal engine start-up, e-POWER achieves energy efficiency comparable to advanced vehicles. Especially during urban commuting, drivers enjoy the benefits of electric vehicles without worrying about charging issues.



scanning  
Video section



New Vehicle Launched in 2023


The NISSAN X-TRAIL e-POWER is a  
"non-plug-in electric vehicle"

The Japan-imported NISSAN X-TRAIL e-POWER officially launched on February 14, 2023, with the design philosophy of "No need to charge, explore endlessly." It leads customers towards a new era of mobility, supported by Nissan's three major advanced technologies: e-POWER, e-4ORCE, and ProPILOT. With over a thousand pre-orders from appreciation club members and exceeding the annual pre-sale quota, it successfully establishes the outstanding product value of e-POWER.

For 75 years, NISSAN has been dedicated to electric drive technology, developing the e-POWER system. This system utilizes lithium-ion batteries and motor technology similar to electric vehicles but generates electricity using a combustion engine. This approach enables a 100% electric driving experience without the need for external charging.


**Characteristics 1**

Provides a driving experience close to that of an electric vehicle




**Characteristics 2**

Provides strong power and powerful torque




**Characteristics 3**

Enjoy outstanding fuel efficiency



**Characteristics 4**

Enhanced cabin quietness  
By adopting NVH ( Noise, Vibration, Harshness ) Project



NISSAN All New X-TRAIL

The all-new NISSAN ALL NEW X-TRAIL, adhering to the NISSAN Technology car-making philosophy, was officially launched on the 19th of September, 2023. It features the "1.5T VC-TURBO variable compression ratio engine," acclaimed as one of the top ten engines globally. This engine delivers best-in-class power and fuel efficiency. Additionally, it comes standard with the "ProPILOT intelligent driving safety system," offering consumers an ultimate level of safety experience beyond Level 2 autonomy. Utilizing advanced technology, robust steel materials, and excellent craftsmanship, it meets consumers' demands for safety, power, technology, and enjoyment. This model sets a new standard for next-generation SUVs, heralding a new era for domestically produced SUVs.

Through media and actual test drive feedback from owners, there has been high praise for the abundant power, quiet cabin, and comprehensive safety features of the vehicle. Particularly, the VC-TURBO variable compression ratio engine paired with the mild hybrid system has received acclaim for providing smooth power delivery and exceptional fuel efficiency. This consistent positive feedback has strengthened the model's reputation and word-of-mouth, optimized frontline expertise, highlighted product advantages through customer test-driving experiences, and continuously expanded market share in the mid-size SUV segment, enhancing overall brand market presence.



## KICKS e-POWER Multi-dimensional Sport Utility New Energy Vehicle

Kicks e-POWER Crossover Sport Utility New Energy Vehicle, with its exclusive e-POWER" non-plugged in electric vehicle technology". Nissan KICKS e-POWER delivers a driving experience free from range anxiety. By generating electricity through the engine's fuel combustion, the vehicle can be powered 100% by electric energy without the need for external charging. This model boasts impressive performance metrics such as 28.5 kgm of torque, a fuel efficiency of 22.0 km/L, and excellent cabin quietness, making it highly favored by consumers in the market.

NISSAN has focused on electric drive technology for 75 years, embodying the brand concept of "NISSAN INTELLIGENT MOBILITY." The KICKS e-POWER features a highly efficient 1.2L engine, along with lithium battery and motor technology similar to electric vehicles. By generating electricity with the fuel engine, it achieves a 100% pure electric driving experience without the need for external charging. This allows drivers to break free from range anxiety while maintaining their regular driving habits, enabling them to enjoy the driving experience of an electric vehicle without constraints, and freely immerse themselves in every moment of life.

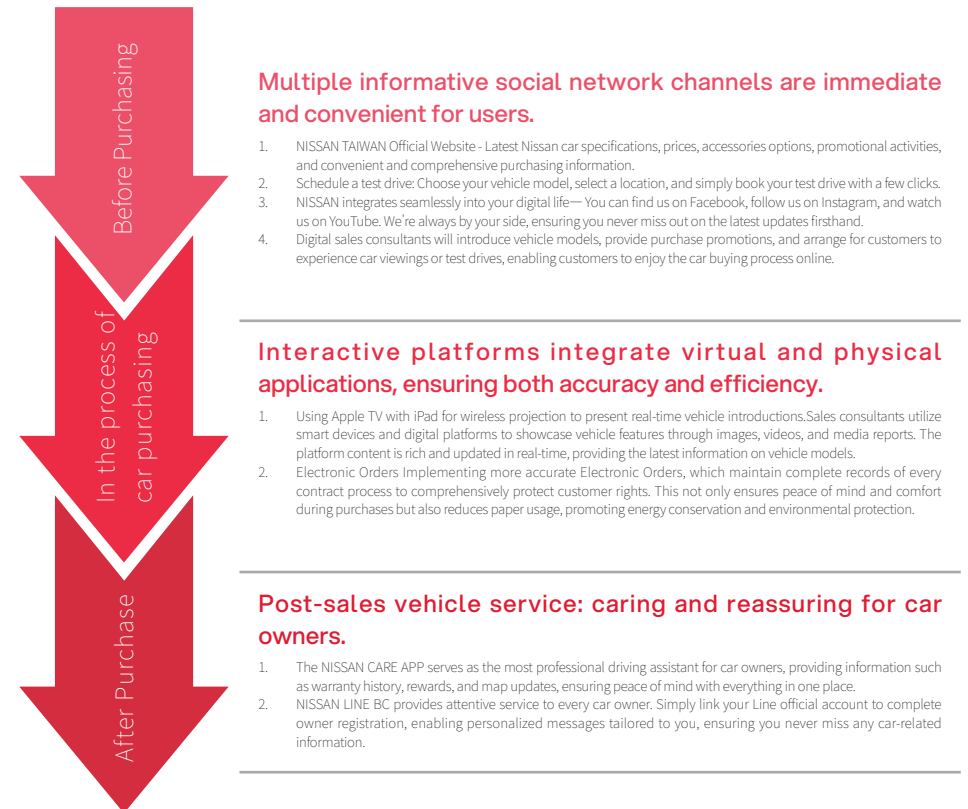


### 3.1.2

### NISSAN Brand Service

#### Applying technology to lead service, creating a smart car purchasing experience.

NISSAN constantly focuses on understanding customer needs, continually striving to enhance sales and service processes through the application of technological tools, and providing customers with more convenient, comfortable, and reliable car purchasing services. In addition to the current 67 physical locations, Nissan will primarily enhance its digital sales share through online test drive reservations and online car purchase appointments in 2023. In the future, Nissan will drive the transformation of its digital value chain, which includes online car reservations, Certified Pre-Owned (CPO) vehicles, car leasing services, and a variety of online services including insurance and financing. This initiative aims to strengthen the online sales process and enhance customer experience to meet the demand for comprehensive service coverage.



Empowering with technology,  
upgrading to digitalized services

For the aspect of after-sales services, in 2022, the NISSAN Care owner app underwent a redesign to offer a more intuitive user experience, making it easier and quicker for car owners to access relevant information such as vehicle details, bonus gift items, accumulated points, and others. In addition to existing services like roadside rescue, warranty appointments, and service center information, the app also provides real-time highway conditions and e-tag inquiries. Nissan integrate artificial intelligence into the app in 2023, which will analyze customer consumption behaviors and automatically issue coupons, allowing car owners to enjoy not only the convenience of the app but also VIP benefits provided by the manufacturer. By optimizing the digital experience for customers, Nissan will continue to enhance and integrate more service functionalities into the app in the future, meeting a wider range of car owners' diverse service needs.

Digital processing flow for parts after-sales services

After-sales parts handling process	Customer		Customer Service Representatives		Service and Maintenance Engineers	
	Item	Digital Equipment	Item	Digital Equipment	Item	Digital Equipment
Schedule beforehand	Schedule by using the app	NISSAN Care	Receiving Notifications	Smartwatches	Receiving Notifications	Mobile Phones
Entering to the Service Center	Schedule by using the app	NISSAN Care	Reception and Providing Maintenance Orders	License Plate Recognition & Service Tablets	Receiving Notifications	Service Tablets
Service Complete	Receiving Notifications	NISSAN Care	Completion Notification	Service Tablets & Smartwatches	Final inspection operation maintenance	Service Tablets
Checkout	Two-way explanation and confirmation during the checkout process	Paperless E-signature	Explanation and Confirmation during the checkout process	Dual monitor when checking out	-	-

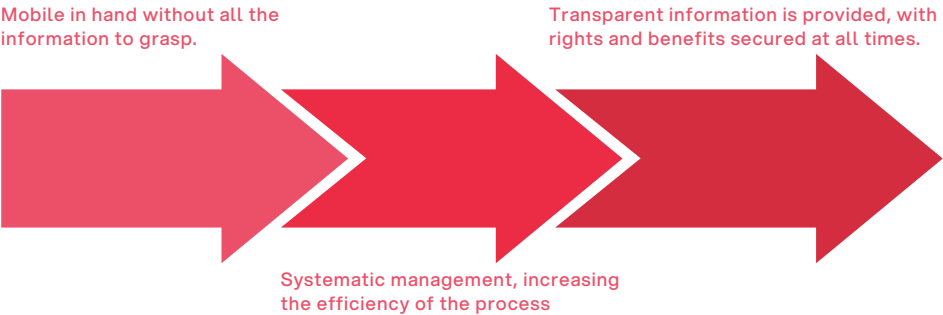
"Digital sales consultant"  
services meet the needs of online consumers

NISSAN upholds the brand essence of "NISSAN INTELLIGENT MOBILITY," by continuously innovating and staying up-to-date. To provide customers with a more personalized and convenient car buying experience, we officially launched the NISSAN Digital Sales Consultant service starting on the 1st of September, 2022.

The NISSAN official website's Digital Sales Consultant platform made its debut, featuring 223 carefully selected and professionally trained digital sales consultants. They come from various NISSAN showrooms, demonstrating excellent performance in sales and customer service. To continue providing consumers with a professional online consultation experience, we employ a systematic selection mechanism. Each year, we conduct regular selection and training to ensure they can promptly deliver the most professional car purchasing advice. Customers can effortlessly select the most suitable digital sales consultant through the official website platform. They can view their profiles and sales resumes and contact them for inquiries through various channels such as LINE, mobile phone, Facebook, or Instagram. Digital sales consultants will introduce vehicle models, provide purchase promotions, and arrange for customers to experience car viewings or test drives, enabling customers to enjoy the car buying process online.

Service Highlight	Performance in 2023	Future Planning
Consumers can contact digital sales consultants through channels such as phone, Facebook, LINE, Instagram, and other methods, accessing personalized and professional online consultations, allowing them to easily understand comprehensive car purchasing information without leaving home.	Since its launch in September 2022, there have been a total of 223 digital sales consultants, with 16,000 customer visits and 43 completed orders.	<ol style="list-style-type: none"><li>Enhance training on digital tool proficiency for digital sales consultants.</li><li>Expand exposure platforms for digital consultants to make it easier for customers to reach them.</li></ol>

Digitalized Car Purchasing Process





### 3.1.3 NISSAN Brand Events

#### Certified Pre-Owned Vehicles

Yulon Nissan Motor launched the "NISSAN Certified Pre-Owned" service on December 15, 2023, as a gesture of appreciation to the vast number of consumers who support and cherish NISSAN vehicles. This service allows consumers to enjoy a comprehensive factory service from online to offline. Upholding the spirit of "one-stop shop, nationwide warranty," it offers diverse high-quality certified pre-owned vehicles and convenient services, making it the top choice for purchasing NISSAN-certified pre-owned cars. NISSAN's 8 dealership partners across Taiwan have joined hands to launch the "NISSAN Certified Pre-Owned" service, allowing consumers throughout Taiwan to easily own high-quality NISSAN vehicles and enjoy attentive services.

NISSAN Certified Pre-Owned vehicles undergo a rigorous inspection process consisting of 158 factory-specific checks. They also come with 10 major purchase guarantees:

1 / Nationwide warranty

2 / One-year or 20,000-kilometer warranty on six major systems.

3 / No water damage history.

4 / No significant accident history.

5 / Not previously used as a commercial vehicle or involved in body modifications.

6 / No odometer tampering.

7 / Original body and engine numbers without alterations.

8 / Transparent pricing with actual inventory on hand.

9 / Transparent vehicle condition history.

10 / Ten-day satisfaction guarantee, backed by official certification of vehicle source, sales channels, and warranty services, ensuring consumer rights are protected for a worry-free purchase.



#### Car owner event offering insights through fun activities, entering the future through AI.

2023 marked NISSAN's dawn of new energy initiatives. Other than the complete vehicle product portfolio of e-POWER, Light Hybrid, EV, etc, we also held the Adventure in Nature Travelogue event and customer attraction events at certain locations, utilizing gaming and handcrafting experiences to convey the latest environmental protection knowledge. The 11th Adventure in Nature Travelogue was held under the main theme of "Intelligence Leads the Way," which offered games and activities designed around environmental protection and new energies, and a total of 3,000 car owners participated in the event.

Nissan brand provides long-term support and participation in car owners' community events. In 2023, Nissan sponsored a total of 3 car owner community events, with a combined participation of 1,700 people throughout the year. The Company aims to deepen customer relationships, enhance brand communication in sustainable environmental practices, and convey the spirit of the Nissan brand. This initiative aims to increase brand loyalty and a sense of belonging among vehicle owners through supporting activities for owners of new energy vehicles and showcasing them at new energy vehicle exhibitions.





## 3.2 INFINITI: Human, Daring, Forward

### 3.2.1 Brand Culture of INFINITI

#### Embrace the unknown and reach infinity.

INFINITI never limits itself to boundaries, striving to achieve what seems impossible. Facing the unknown world, we courageously continue to move forward. Through generational breakthroughs, we showcase boundless creativity and driving force to offer vehicles that match the aspirations of all consumers who dare to take on challenges. INFINITI has been sold in Taiwan since 1997, establishing a total of 9 showrooms, 8 service centers, and 3 authorized facilities across the island. We provide INFINITI owners throughout Taiwan with top-tier privileges and service experiences that exceed expectations. In the future, we will continue to introduce new-generation models, enabling INFINITI enthusiasts to navigate the unknown and achieve infinite possibilities.

Since its inception, INFINITI has been committed to reaching the pinnacle of the world. The four symmetrical "I"s in the brand emblem symbolize the endless road, limitless vision, and boundless possibilities moving forward. INFINITI unveiled its 4th generation brand logo in 2023, emphasizing the infinite road towards the horizon and embracing a new dawn. Born to challenge conventions, INFINITI believes in the inner strength of every individual driving towards an ideal future in the journey of continuous challenges. Facing the endless pursuit of the road, we have fearlessly moved forward. It is with these principles that INFINITI wishes to convey to all consumers its brand spirit: "Human" "Daring" and "Forward".



#### Showroom

Taipei Songjiang Showroom

#### Showroom/Service Centers

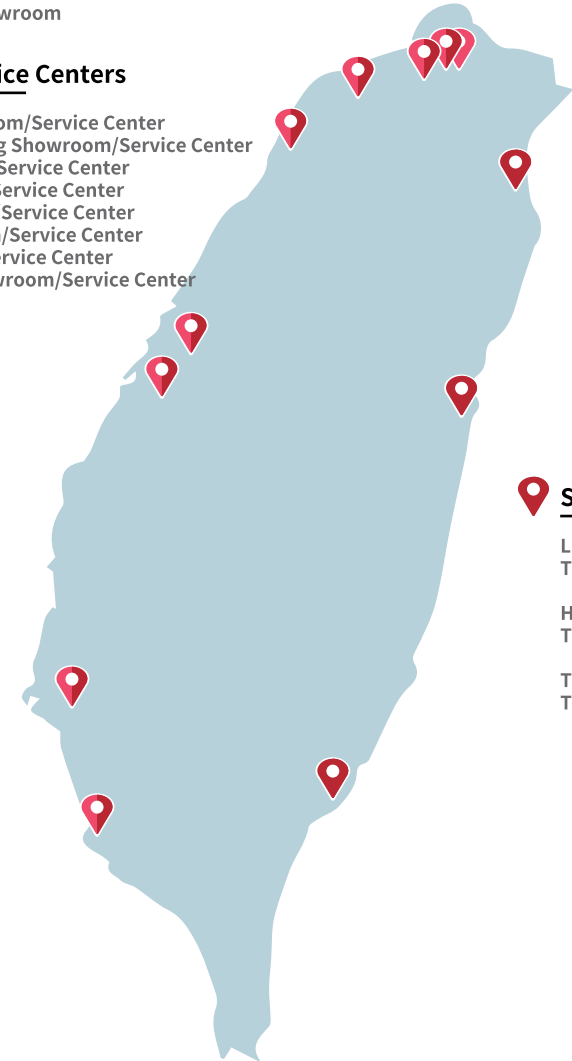
Taipei Neihu Showroom/Service Center  
 New Taipei Xinzhuang Showroom/Service Center  
 Taoyuan Showroom/Service Center  
 Hsinchu Showroom/Service Center  
 Taichung Showroom/Service Center  
 Changhua Showroom/Service Center  
 Tainan Showroom/Service Center  
 Kaohsiung Yixin Showroom/Service Center

#### Service Centers

Luodong Authorized  
Technical Repair Shop

Hualien Authorized  
Technical Repair Shop

Taitung Authorized  
Technical Factory







"Human" starts from the perspective of the driver, creating a user-centered driving interface that prioritizes the driver's needs. INFINITI ensures comfort and peace of mind for all riders through thoughtful vehicle design and interior space configurations. These design innovations reflect INFINITI's commitment to understanding user needs and enhancing the driving experience from every angle.

"Daring" is exemplified by INFINITI's achievement in developing the world's first production-ready variable compression ratio engine, the "VC-Turbo," after 20 years of dedicated research and development. While many attempted this feat over decades, it was INFINITI that made the production of a variable compression ratio engine a reality. Combining the powerful performance of a high-efficiency 2.0-liter gasoline turbo engine with the high torque and efficiency of a diesel engine, this hybrid engine integrates the strengths of both types. It allows drivers to boldly challenge and experience the thrill

of driving when performance is needed while delivering excellent fuel economy and achieving environmental sustainability when efficiency is required. This engine enables drivers to confidently deliver every moment's demands and challenges with ease.

"Forward" is embodied in the "ProPILOT Intelligent Driving Assistance Technology," which integrates several advanced features including ICC (Intelligent Cruise Control) with Full-Speed Range, Overtaking Assistance, LKA (Lane Keeping Assist) system, and PFCW (Predictive Forward Collision Warning) system. Built on a foundation of comprehensive active and passive safety measures, this technology not only allows drivers to enjoy the thrill of driving to the fullest but also ensures all-around protection for their family's driving safety.

## Introducing the Cars of INFINITI

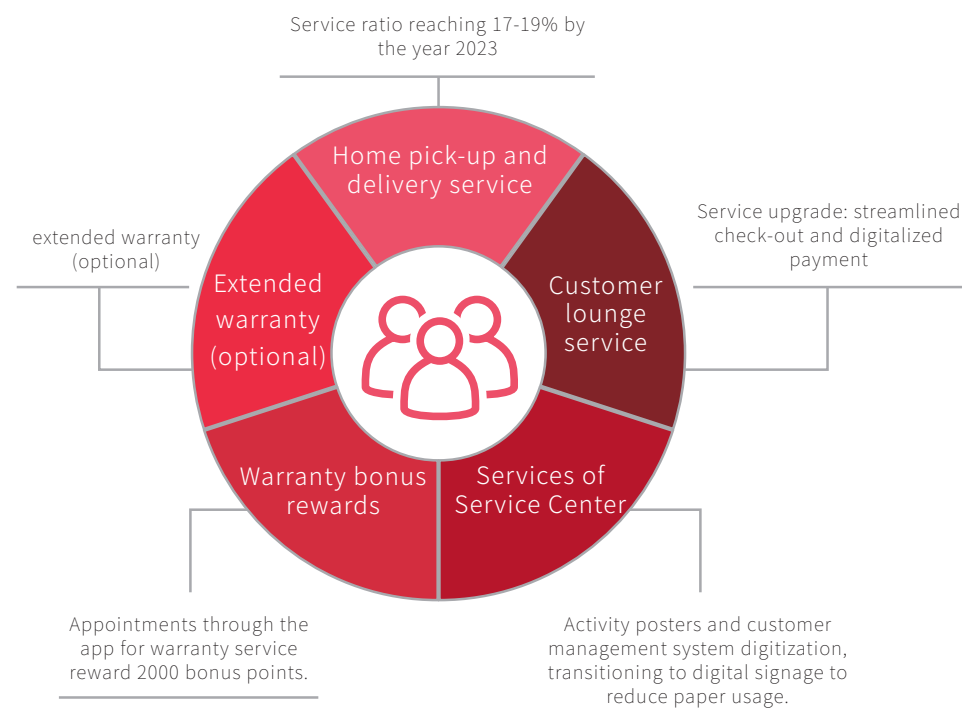
<p><b>INFINITI Q50 Japanese luxury sedan</b></p> <p>How far is your dream? Immerse in joy during the journey, gain confidence through breakthroughs</p> <p>Enabling your heart to determine the size of the world.</p>	
<p><b>QX50 Japanese Intelligent Dream- desired Crossover</b></p> <p>Showing extraordinary charmingness while in motion and while staying still Experiencing driving and exploring the unknowns with the ultimate power Freely and leisurely experience life with intelligent technologies Drive with a free heart and explore the happiness of each moment.</p>	
<p><b>QX55 Japanese Luxurious Coupe Crossover</b></p> <p>Driving is not only for reaching the destination Seeing, experiencing and following with heart. Delicately consider your feelings in the journey</p> <p>Crafted the new generation stylish crossover coupe with Japanese craftsmanship</p>	
<p><b>QX60 Japanese luxury seven-seater crossover</b></p> <p>Unruly vision lets your desire stirring Rewrite your ideal with comfortable riding bloom completely with noble pampering</p> <p>Exceptional and Extraordinary as a new belief of the heart</p>	

### 3.2.2 Comprehensive Prestige Service

#### Diverse Customer Service

To continue providing car owners with comprehensive warranties and diverse service options, we actively introduced digital services in 2023. Currently, 35% of our customers handle front-end orders and warranty matters through the app. At the same time, customers who book services through the app can receive INFINITI Care's complimentary reward points. The factory and customer lounge service offerings have also undergone digital upgrades, providing more online and sustainable service options. In the future, we will continue to advance and optimize our services to provide customers with a more diverse and convenient service experience.

extended warranty  
(coverage for 6 main systems)



\*Extended warranty for the fourth to sixth year is available for the owner to purchase.

INFINITI Taiwan introduced the Peace of Mind Extended Warranty Service Purchase Plan in 2020. This plan covers six major systems, including the engine assembly, transmission system, engine control module, transmission control module, cooling system, and fuel system. During the warranty period or mileage limit of these six systems, if any defects occur in original parts or workmanship and are verified by an INFINITI authorized dealer service center, the car owner will receive free repairs.

#### Convenient Digital Services

INFINITI provides convenient mobile services through the INFINITI Care service app. Car owners can easily access their vehicle information, make online service appointments, and browse promotional offers among other 18 service functionalities. This significantly enhances the convenience for car owners by downloading the app on either iOS or Android devices. Since its launch in 2018, over 80% of car owners have downloaded and used the app. INFINITI continues to improve both online and offline services, striving to provide all car owners with a more convenient and luxurious driving experience.

Year	2021	2022	2023
Number of INFINITI Care APP Downloads	11,626	12,285	12,534



## Privileged Customer Experience

INFINITI Taiwan is committed to ensuring that customers experience comprehensive customer service throughout the sales and service processes.

For all INFINITI service experiences, we conduct satisfaction and implementation surveys through SMS and follow-up phone calls. We evaluate dealer facilities, sales process, personnel, delivery process, warranty reception, and service advisors customer lounge satisfaction and implementation, assessing service professionalism and completeness.

INFINITI Taiwan introduced the ISSW (Global INFINITI Service Standards) in 2023. We provided a series of advanced education and training sessions to our dealers aimed at enhancing service quality. These trainings not only involve updating brand identity, but also introduce brand-exclusive fragrances and music, brand-exclusive beverages, and provide distinguished experiences like handwritten cards, continuously enhancing brand value and creating brand identity. These trainings not only involve updating brand identity, but also introduce brand-exclusive fragrances and music, brand-specific beverages, and provide distinguished experiences like handwritten cards, continuously enhancing brand value and creating brand identity. Through meticulously designed educational training courses, we communicate the core values and appeals of the brand to all members of the distributors, including sales, service, and technical personnel. We also expect personnel to embody the spirit of ISSW in providing customers with a welcoming and dignified service, and to convey the brand's exclusive values in every customer interaction.

Types of courses	Description on courses	Participant	Number of Participants	Hours of participating	Passing rate of the course
Professional vocational training in industry services	Brand & Service Education	Director of INFINITI dealership, planners and directors of each branch, service center managers	30	2.5 hr	100%
		INFINITI dealership sales and service personnel	120	2.5 hr	100%

The Company plans to further upgrade our ISSW services in 2024. This includes enhancing the pre-delivery product experience and expanding post-delivery customer service with additional thoughtful and comprehensive services. We will also conduct year-round training for sales and service personnel in three phases, covering customer service skills, product knowledge, technical training, business processes, and system operations. This comprehensive training aims to ensure that every service personnel possesses extensive professional knowledge and maintains a positive service attitude, thereby providing customers with a more professional and attentive service experience.

### Prior to delivery

Increasing the product experience, for example Brand fragrance, music, meals, and upgraded delivery gifts

### After delivery

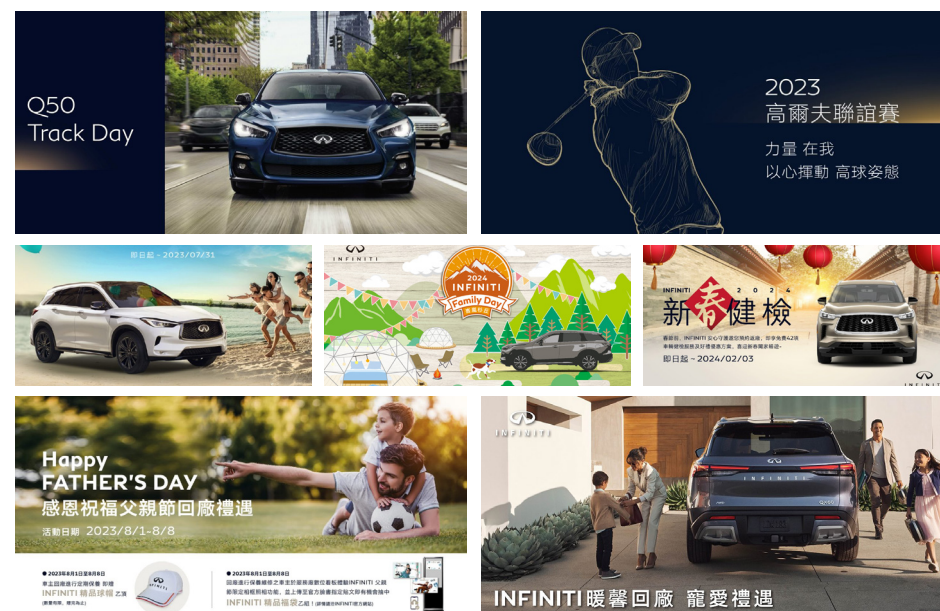
Upgraded customer lounge services, optimized checkout processes, and expanded range of birthday gifts for car owners

### Educational Training

Annual training for frontline sales and service personnel: Three-stage training program

## Great Variety of Car Owners' Events

INFINITI adheres to the brand spirit of "Human". In addition to providing comprehensive care and high-quality inspections for owners, we continuously develop comprehensive training programs for all service personnel. This ensures that all service personnel understand customer needs and provide more personalized services. Furthermore, we organize multiple owner-return events annually to enhance the peace of mind of our owners' driving experiences. INFINITI will continue to challenge and innovate, ensuring that every time owners return to our service centers, they experience more comprehensive and convenient service offerings.





3.3 Maintaining Customer Relationship

Material Topic: Customer Relationship Management

Actual and potential positive impacts on the economy, environment, and people (Opportunities)	<p><b>Economy</b></p> <p>Effective maintenance of customer relationships can expand a more diverse range of service offerings and increase sales performance.</p> <p><b>Environment</b></p> <p>By providing efficient after-sales service, we can reduce the energy and material consumption required for vehicle use or maintenance.</p> <p><b>People</b></p> <p>Providing digital consulting services and customer satisfaction surveys to meet diverse customer needs, maintaining customer loyalty.</p>
Actual and potential negative impacts on the economy, environment, and people (Risks)	<p><b>Economy</b></p> <p>Products and services that do not align with customer consumption preferences can be impacted by market changes, affecting sales performance.</p> <p><b>Environment</b></p> <p>Failure to promote customer awareness and choice of environmentally friendly vehicles can lead to adverse environmental impacts.</p> <p><b>People</b></p> <p>Inappropriate behavior or negative incidents during the sales process can damage corporate image and brand reputation.</p>
Resources allocated in 2023	<ol style="list-style-type: none"><li>1. Optimizing digital customer experience</li><li>2. Cross-department meetings to enhance customer satisfaction, addressing market-side customer complaints, coordinating resolutions, and others, with reports presented at senior management meetings.</li><li>3. Educational training for sales and service personnel</li></ol>

Strategic Goals

The policy and commitment of the Company's customer relationship management	Short-term Goals (1 year)	Medium- term and Long-term Goals (3 to 5 years)
<p><b>Commitment</b></p> <p>Maintaining close communication with customers and building long-term trust relationships are core principles and values of NISSAN customer service.</p> <p><b>Policy</b></p> <p>Digital sales consultants and customer service centers</p>	<ol style="list-style-type: none"><li>1. Driving digital value chain transformation to enhance online sales processes and improve customer experience, meeting demands for expanded customer service coverage.</li><li>2. In addition to the current 67 physical locations, we are primarily increasing digital sales activities such as online test drive reservations and online vehicle purchase bookings to enhance the share of digital sales in 2023.</li><li>3. Digital Transition Strategy for Sales and Service - Nissan Online Store, AS Media 2.0 Marketing, Data Integration Automated Marketing, achieving a total profit increase reaching 3.7 million.</li></ol>	<ol style="list-style-type: none"><li>1. Digital Channel Management Strategy - Digital Transition of Sales Processes, Enhancement of Digital Capabilities for Sales Consultants, increasing digital lead generation sales share for dealerships to 2.7%.</li><li>2. Sales and Service Digital Transition Strategy - Utilizing Nissan Online Store, AS Media 2.0 Marketing, and Data Integration Automated Marketing to achieve a total profit increase reaching 6 million.</li></ol>

3.3.1 Feedback Channel

Maintaining close communication with customers and building long-term trust relationships are core principles and values of YNM customer service. Whether during the car purchasing and delivery process, or in subsequent maintenance and repairs, we are committed to maintaining close communication with customers and establishing long-term trust relationships. To address customer needs more promptly, we have established an 0800 toll-free customer hotline and implemented the SOS (Speed-up One Stop solution) processing mechanism, ensuring immediate and comprehensive responses. No matter what issues customers encounter, we ensure that dedicated personnel handle them promptly during prime hours. Additionally, our vehicle owners can directly engage in real-time text communication with customer service personnel through the official website and app, catering to the consultation needs of diverse customer groups. To make customers feel our wholehearted care and support, we aim to create a more intimate and convenient driving experience.



Feedback Channel	NISSAN	INFINITI
Service Hotline of Customer Service Center	<ul style="list-style-type: none"><li>■ 24 Hours Roadside Assistance Service</li><li>■ Dedicated Personnel to provide General Consultation Service available from 08:00 to 22:00.</li><li>■ Text Message Service Representative available from 9:00 to 17:00 and with a break from 12:00 to 13:00</li><li>■ 0800-088-888</li></ul>	<ul style="list-style-type: none"><li>■ 24 Hours Roadside Assistance Service</li><li>■ Dedicated Service</li><li>■ 0800-333-399</li></ul>
Official Websites	<a href="https://new.nissan.com.tw/nissan">https://new.nissan.com.tw/nissan</a>	<a href="https://www.infiniti.com.tw/">https://www.infiniti.com.tw/</a>
Social Network	Facebook／Instagram, etc.	Facebook／Instagram, etc.
Phone interview	Irregular	Irregular
Customer Satisfaction Survey	Monthly	Monthly
APP	NISSAN Care APP	INFINITI Care APP

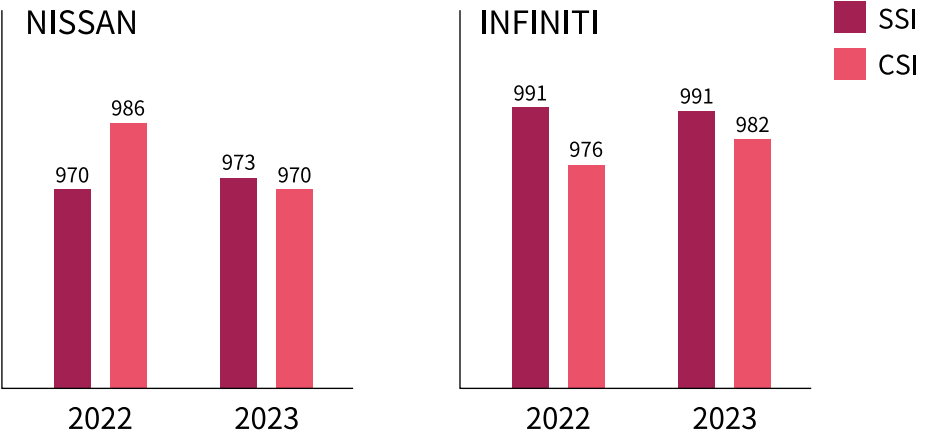
3.3.2 Customer Satisfaction

YNM strongly believes that we can provide excellent and considerate services to our customers by constantly improving the brand image, and service quality, continuously enhancing the customer experience. Improving brand favorability is not only the goal of the Company but also a commitment to our customers, and it will continue to serve as the direction and motivation for us to move forward YNM made proactive efforts in brand image and customer satisfaction. The brand's overall favorability score (OaO) increased to 10.5 points, achieving a rate of 104.2% in 2023. In the future, YNM will continue to strive for higher customer satisfaction, enhance the overall favorability of the brand, and achieve industry-leading status to deliver superior customer experiences.

NISSAN and INFINITI received high praise from customers in the 2023 Sales Satisfaction Index (SSI) and Customer Service Index (CSI) surveys, both scoring highly on a scale of 1,000.

Brand	NISSAN		INFINITI	
Indicators	SSI	CSI	SSI	CSI
2022	970	986	991	976
2023	973	970	991	982

Note: There were changes in the scoring method and survey items for the 2023 CSI.

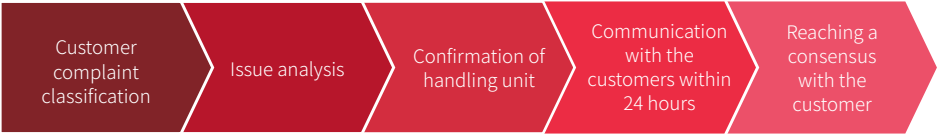


Result of Customer Satisfaction Survey in 2023

Aspects of Survey	CSI for after-sales service satisfaction	Survey method and frequency	Monthly		
Survey distributed	500,243	Survey returned	94,868	Return rate	19%

Number	Evaluation Item	Full Score	Satisfaction	Improvement Process or Responsive Measures
1	Overall Satisfaction	10	9.7	Biweekly regular CS meetings to review and improve
2	Satisfaction with the service and maintenance	10	9.7	
3	Checkout service and promotional benefits explanations	10	9.8	
4	The service personnel are friendly and enthusiastic	10	9.8	
5	Explain in an understandable way to car owners	10	9.8	
6	Problem Solving with Professionalism and Proactively	10	9.8	
7	Comfortability of the customer lounge environment	10	9.7	
Overall Average Score		Overall Satisfaction	9.8	

Customer Complaint Handling Process



Examples of Customer Complaints in 2023

Customer complaint status	Handling methods	Satisfaction
Inconvenience caused to car owners due to keeping the vehicle in the service center for inspection	For vehicles requiring warranty-related inspections or repairs that necessitate keeping them in the factory, it is requested that the manufacturer proactively inquire whether the customer requires a loaner vehicle. Authorized service centers should promptly provide a loaner vehicle free of charge to customers in need.	100%
The part just passed its warranty period of 3 months and needs to be replaced at the customer's expense. The customer feels that paying for the replacement is unreasonable.	For loyal customers with complete maintenance records, authorize service centers to provide immediate special consideration for free replacement of out-of-warranty parts.	100%



3.4 Product Quality

Material Topic: Product Safety and Quality Management

Actual and potential positive impacts on the economy, environment, and people (Opportunities)	<p><b>Economy</b></p> <p>Proper quality management can reduce waste in production, saving production costs.</p> <p><b>Environment</b></p> <p>Choosing environmentally friendly and recyclable materials enhances material utilization efficiency, which also reduces costs, pollution, and resource consumption.</p> <p><b>People</b></p> <p>Providing customers with a secure and reliable experience enhances their trust and confidence in the quality of service.</p>
Actual and potential negative impacts on the economy, environment, and people (Risks)	<p><b>Economy</b></p> <p>Increased spending on product safety testing, quality management, and optimization adds to operational costs.</p> <p><b>Environment</b></p> <p>Non-compliant or heavily polluting product components result in resource wastage and environmental pollution.</p> <p><b>People</b></p> <p>Poor vehicle experiences and inadequate product quality assurance can raise customer safety concerns and jeopardize personal safety.</p>
Resources allocated in 2023	<ol style="list-style-type: none"><li>The new car models (steering wheel, compressor) use recycled components.</li><li>After the warranty period, recycled components are used for replacement parts.</li><li>Factory health assessment (process) improved by 0.26 points.</li><li>The new electrical system was implemented and established on schedule and with expected quality.</li></ol>

Strategic Goals

Policies and commitments on product safety and quality management of the Company	Short-term Goals (1 year)	Medium- term and Long-term Goals (3 to 5 years)
<p><b>Commitment</b></p> <p>We prioritize customer health and safety. Automobile safety is critical to customer lives, and we do not tolerate any potential risks hidden in our products.</p> <p><b>Policy</b></p> <p>Quality Committee, Quality Management Education and Training, Product Recall Improvement Process</p>	<ol style="list-style-type: none"><li>Factory health assessment (process) improved by 0.20 points.</li><li>Production technology capability evaluation results meet the requirements for 2 suppliers.</li></ol>	<ol style="list-style-type: none"><li>Achievement of quality consistency activities</li><li>Research on trends in new technologies and new construction methods</li><li>Optimizing the operational management and manufacturing capability</li><li>Enhancing supplier production readiness and process management capabilities, and institutionalizing the results of coaching efforts</li></ol>

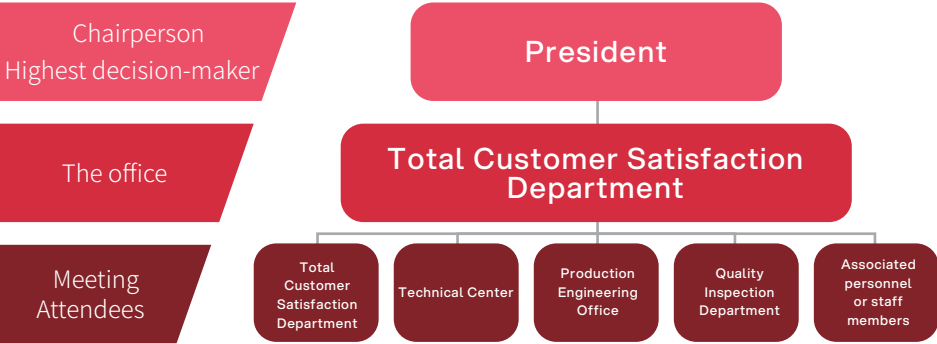
3.4.1 Quality Management Committee

To comprehensively implement quality management across the Company and achieve continuous improvement in operational, product, and service quality and process performance most efficiently, YNM established a "Quality Management Committee." This committee oversees and manages the quality standards and execution of products or services to ensure consistency, reliability, safety, and customer satisfaction. This initiative aims to enhance the organization's competitiveness and reputation.

The committee is chaired by the President as the ultimate decision-maker, with the Total Customer Satisfaction Department serving as the leading unit. Participating units include the Total Customer Satisfaction Department , Technical Center, Production Engineering Department, and Yulon Motor (Inspection Department), with relevant managers participating. The committee meets bi-monthly, convened by the Total Customer Satisfaction Department, and specific personnel are appointed as needed to report on or attend discussions regarding specific issues. Decisions made by the committee are formulated into plans during department meetings and implemented accordingly.

Quality Management Committee Organizational Structure

YNM has established a Quality Management Committee specifically to track and manage company-level quality indicators and related quality issues. Led by the President as the ultimate decision-maker, with the Total Customer Satisfaction Department serving as the leading unit, the Quality Management Committee tracks company-level quality indicators and quality issues through bi-monthly meetings. The committee consists of 15 labor representatives, comprising 75% of the total members, who actively participate in discussions and collaborate to formulate quality management strategies. This ensures consistency and reliability in products or services. Through the operation of the Quality Management Committee, continuous improvement and optimization of product and service quality are achieved, enhancing competitiveness and increasing customer satisfaction.



The Operation of Quality Management Committee in 2023

Number	Key Discussion Items/Major Resolutions	Attendance Rate
1	Quality goal achievement status: Achieved annual objectives	100%
2	Quality satisfaction and market research activity report: The market research results meet expectations, and continuous improvement efforts are ongoing to enhance quality satisfaction.	100%
3	Audio-visual system quality report: No abnormalities in the audio-visual system quality; continuous monitoring will be maintained.	100%
4	Vehicle body precision management: No abnormalities in vehicle body precision; continuous monitoring will be maintained.	100%

3.4.2 Quality Management

YNM has established a comprehensive product quality management system, including the establishment of a Total Customer Satisfaction Department. They have set rigorous quality standards and processes, and conduct regular staff quality education and training covering components, vehicles, and market aspects. This ensures that products leaving the factory meet relevant regulations, standards, and customer expectations with consistent quality, safety, and reliability. There were no incidents of non-compliance with health and safety regulations related to products and services in 2023.

Total Quality Management

Aspects of Quality Management	Phases	Method/Mechanism of Quality Management	Implementation
Quality of Parts	Sourcing Phase	Q-File evaluation (ASES/SSC)	<ul style="list-style-type: none"><li>Evaluation of Production Factory Quality Management Systems and Quality Performance for Domestic Production of New Projects and Parts; Confirmation of Candidate Suppliers' Compliance with Requirements</li></ul>
	Design and Development Phases	New Parts Quality Procedure (NPQP)	<ul style="list-style-type: none"><li>Suppliers follow NPQP requirements for the design planning of clamps, jigs, and 4M manufacturing process; submit quality verification results at each phase; verify achievement of quality goals (led by YNTC).</li></ul>
	Mass Production Phase	Supplier Score Card(SSC) Supplier Health Check(SHC)	<ul style="list-style-type: none"><li>Issue supply quality objectives and manage mass production quality according to SSC requirements</li><li>Implement SHC and drive quality improvement activities to achieve customer satisfaction goals (led by TCS)</li></ul>
	Incoming inspection (Outsourced to Yulon Motor Co.,)	Follow Yulon Motor' s criteria for parts incoming inspection criteria and raw material incoming	<ul style="list-style-type: none"><li>Implement acceptance criteria to control the quality of automotive parts and materials, ensuring that non-conforming items do not enter the production line</li></ul>

Aspects of Quality Management	Phases	Method/Mechanism of Quality Management	Implementation
Vehicle Outgoing Quality	Engineering Testing Phase (ET)	Meet the operation standards of NEM	All indicators have been met and may proceed to production testing
	Production Testing Phase (PT)		All indicators have been met and may proceed to mass production
	Start of Production phase (SOP)		All indicators have been met and may proceed with vehicle delivery.
	Mass production process testing (Outsourced to Yulon Motor Co., Ltd.)	Follow management engineering drawings of various car models of Yulon Motor	Implement according to the management engineering drawings for each car model to ensure process management and vehicle assembly quality."
	Mass production vehicle inspection (Outsourced to Yulon Motor Co., Ltd.)	Following Yulon Motors' standards for vehicle inspection operations management	Implement dynamic full inspection, static full inspection, and storm full inspection tests according to the vehicle inspection standards to ensure the quality of finished vehicle products.
	Mass production vehicle quality assessment	Following the VES evaluation criteria	Implement sampling and monitoring according to VES evaluation criteria to maintain and continuously improve product quality
	Vehicle distribution quality monitoring	Following Logistic Audit monitoring standards	Following the monitoring standards to oversee and improve the management quality of vehicle distribution, inventory, preparation, delivery, and other aspects to enhance product quality.
	Market quality management	Following the market quality feedback handling standards	Handling customer complaints and market quality feedback according to standards, conducting investigations for improvement, and enhancing customer satisfaction with the product.

YNTC: YNM Technical Center  
TCS: Total Customer Satisfaction Department



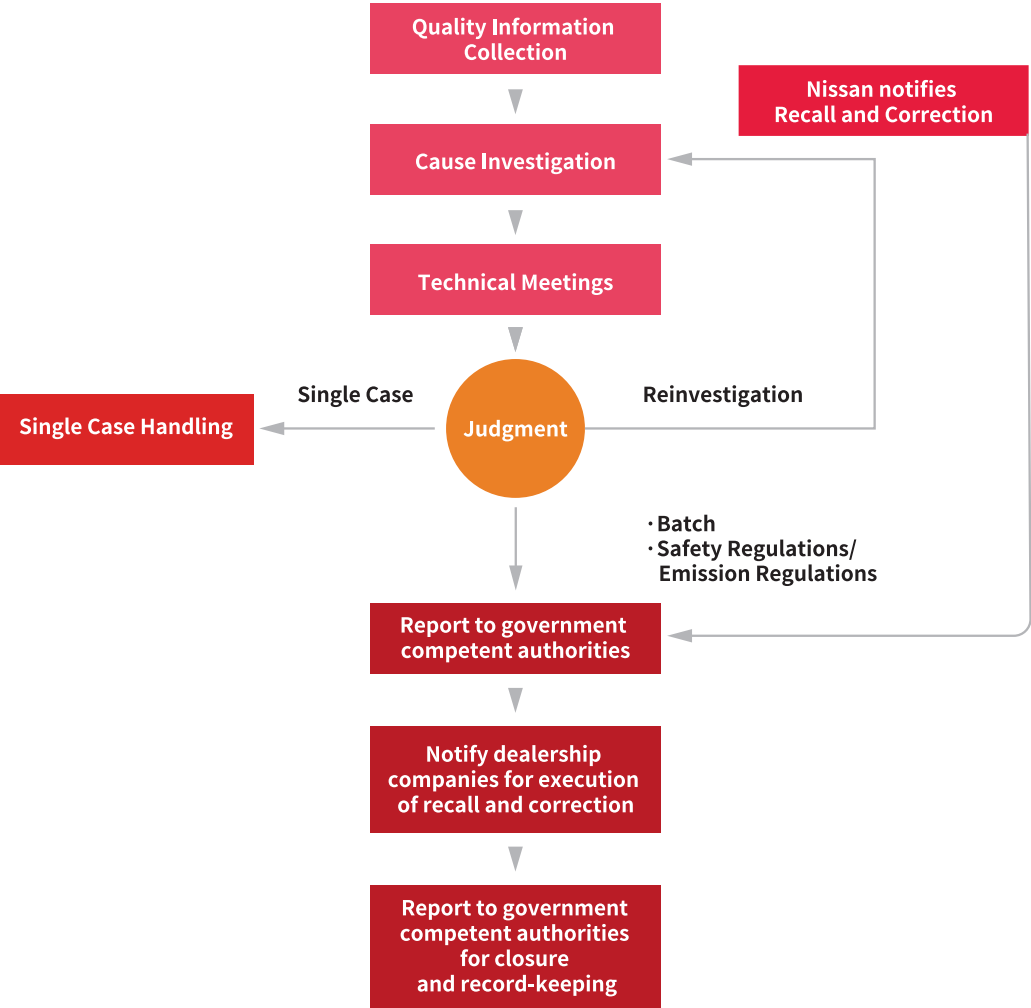
Educational Training in Quality Management

Theme	Professional Skills - Quality Management and Assurance	Number of Attendees (People)	Hours of Training (Hour)
Quality milestone	New vehicle development quality assurance management nodes, including quality inspection items, schedule management, operational processes, and division of labor.	5	2
Quality Assurance Plan	Key points for developing a quality assurance plan for new vehicle development, including processes, coverage areas, and inclusions	5	2
New vehicle dissatisfaction improvement process	Improvement of new car dissatisfactions, including scope, definition, process, methods, and others	5	2
WIS (Warranty Information System) Application for e-POWER Vehicles and Multiple Brands	Special Warranty for e-POWER Vehicles, Multi-brand Operational Development Direction, and Review Logic	6	2
DVR Diagnosis	Determination of Defective Phenomena, Loop Function Logically Judgment	6	2
Application of QIDEA MIS	1. QIDE operation 2. MIS Statistical Data and Transitions 3. MIS Result Analysis	6	2
Explanation and Application of QC Management Tools	1. Overview of Quality Management 2. Comparison of New and Traditional QC Methods 3. Application of QC Management Tools 4. Case Study Explanation	6	2
BGA Failure Analysis and Resolution Techniques	1. BGA IC 2. Directives on BGA Surface Mount Quality Confirmation 3. Analysis and Resolutions on Issues of BGA Surface Mount	6	2
Short SHC Knowledge and Techniques	1. Short/Full SHC Inspection Differences 2. Prior Preparation for Short SHC 3. Short SHC Inspection	6	2



3.4.3 Recall Improvement Process

YNM always prioritizes customer safety and health, especially concerning automotive safety, which directly impacts customer’ s life and well-being. Therefore, YNM has established a rigorous and comprehensive product recall improvement process to ensure that all Nissan owners can enjoy driving without worries.



Considering the potential vehicle risks, we proactively recalled and performed updates:

1. LEAF VCM software defect (initiated on 30th of August, 2023)
2. QX60 Active Steering Headlight System Software Defect (Initiated on 9th of January, 2024)
3. KICKS ABS Actuator Defect (Already initiated on 27th of March, 2024)
4. X-TRAIL(T32) Right Transverse Link welding defect(initiated on 5th of June, 2024)
5. Q50 HYBRID Propeller Shaft defect(initiated on 31st of July, 2024)

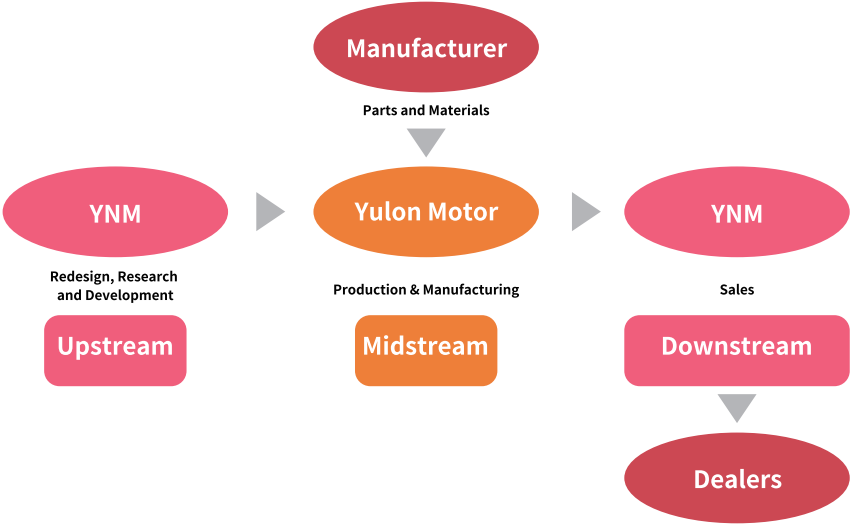
There have been 0 cases of automobile recalls for corrective measures due to the Air Pollution Control Act. YNM complies with legal requirements by notifying consumers via letters and making announcements through the media, while we also proactively contact customers via phone to facilitate the recall process. Even if customers return to the service center after the recall correction results retention period has passed, YNM still proactively provides permanent free correction services.

3.5 Supply Chain Management

3.5.1 Brand Value Chain

Yulon Nissan Motor has a total of 527 suppliers, including 76 domestic component manufacturers, 18 direct material suppliers, and 373 after-sales service part suppliers. Yulon Nissan Motor emphasizes the principles of corporate social responsibility and sustainable operation. Therefore, our supplier management policy is committed to creating a safe and healthy work environment, enhancing human rights and ethical employment practices, and fulfilling the obligations of global citizenship. This benefits the large network of partners, employees, and communities affected by our supply chain.

Diagram shows the relationship between YNM and Supply Chain



Information on the upstream supplier

Information on the supplier	Type of supplier	Service or product type	Number of suppliers	Estimated amount payable to the suppliers	Geographic location
Domestic components and parts suppliers	On production line components	Automobile production components	76	TWD 3,400 Million	Taiwan
Direct material suppliers	After-sales service components	Automotive after-sales service components	373	TWD 2,100 Million	Taiwan
Suppliers of after-sales service components	Direct material	Direct material for the manufacturing of vehicles	18	TWD 108 Million	Taiwan
Other types	SS	Purchase of non-automotive parts and components	60	TWD 481 Million	Taiwan
Number of YNM total suppliers in 2023			527 suppliers		

3.5.2 Suppliers Management

YNM complies with the "Nissan CSR Guidelines for Suppliers" (revised in November 2023) for supplier management policies to ensure the sustainability development of suppliers. In terms of sustainable supplier management, the Company has established a Supplier Sustainability Project Team responsible for overseeing and guiding suppliers' compliance with environmental protection, occupational health and safety, labor rights, and other aspects. YNM suppliers collectively reduced carbon emissions by 3.64%, amounting to a total reduction of 284 metric tons in 2023. The Company has initiated improvement projects focusing on four major aspects: product design and development, quality improvement, production technology advancement, and waste reduction. A total of 18 suppliers participated. More suppliers are expected to participate in the future to achieve greater environmental benefits and sustainable development goals.



Sustainability strategy for suppliers

Three major aspects

Promoting green suppliers

- 1. Use of Non-Conflict Minerals Statement of Commitment and Investigation
- 2. Implementation of energy-saving and carbon-reduction projects
- 3. ISO 14001 Certification

Enhancing Security and Health

- 1. Classification and management of key suppliers
- 2. Occupational safety incident investigation and case sharing
- 3. On-site public safety inspection

Implementing labor rights

- 1. Classification and Management of key suppliers
- 2. Investigation of labor rights violations and annual evaluation
- 3. Conducting labor rights educational training

Management Policy

In terms of Management

- 1. Classifying suppliers' conditions of management to achieve maximum effectiveness with minimal investment
- 2. Providing guidance and requesting suppliers to improve their ratings.

In terms of Activities

Establishing a management system, providing improvement resources, and enhancing goal setting and performance confirmation:

- 1. Establishing a management system
- 2. Conducting relevant educational training
- 3. Presentation and visiting exchanges with excellent suppliers
- 4. Propose improvement measures for unmet goals

YNM Directors and Supervisors & Collaboration Council

As an automotive manufacturer and seller, YNM collaborates with numerous suppliers, sourcing various components and raw materials from different suppliers. The Collaboration Council is an important platform that primarily facilitates collaboration and communication between the Company and suppliers. To enable close collaboration between the Company and suppliers, jointly solve problems, improve efficiency, and ensure product quality and delivery times. For the 26th YNM Directors and Supervisors & Collaboration Council, the chief staff was the Purchase Department, which was responsible for promoting and managing annual work plans, and presenting work achievements at the Directors and Supervisors & Collaboration Council. A total of 1 Collaboration Council and 2 Directors and Supervisors Meetings were held in 2023.



Co-prosperity by cooperating with suppliers

Facilitate communication	Collaborative development
Provide a communication platform for direct exchange of information between the Company and suppliers, facilitating timely troubleshooting and work progress coordination.	Encourage collaborative development between the Company and suppliers to enhance product innovation and competitiveness.
Increase efficiency	Ensuring the quality
The Company can collaborate with suppliers to jointly develop and optimize supply chain processes, thereby improving production and delivery efficiency and reducing costs.	Regularly conduct quality inspections and evaluations to ensure that products and services provided by suppliers meet the Company's quality standards and requirements.

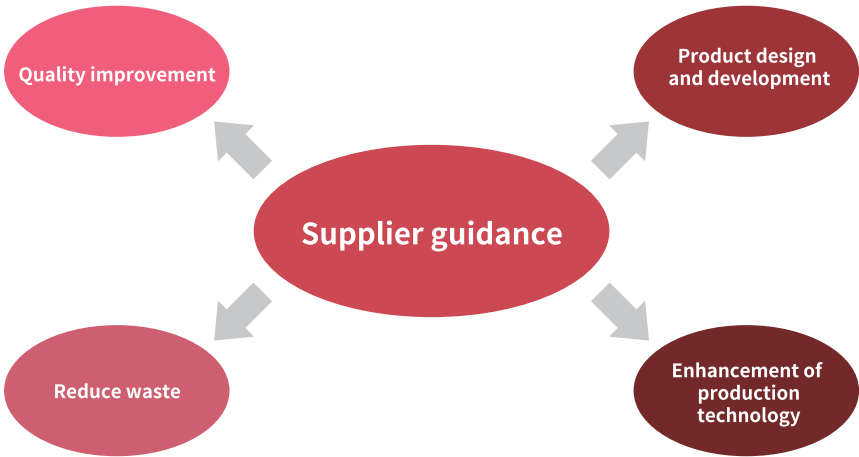
Interactions and communications between suppliers

Item of Interactions	Date of Event	Times of Event	Discussion Matters
Collaboration Council	March, 2023	1	YNM Business Promotion and Discussions on Collaborative Council
Event of Interactions	March and September, 2023	2	Golf Fellowship Event
Excellent Supplier Visit	November, 2023	1	Overseas Excellent Supplier Visit

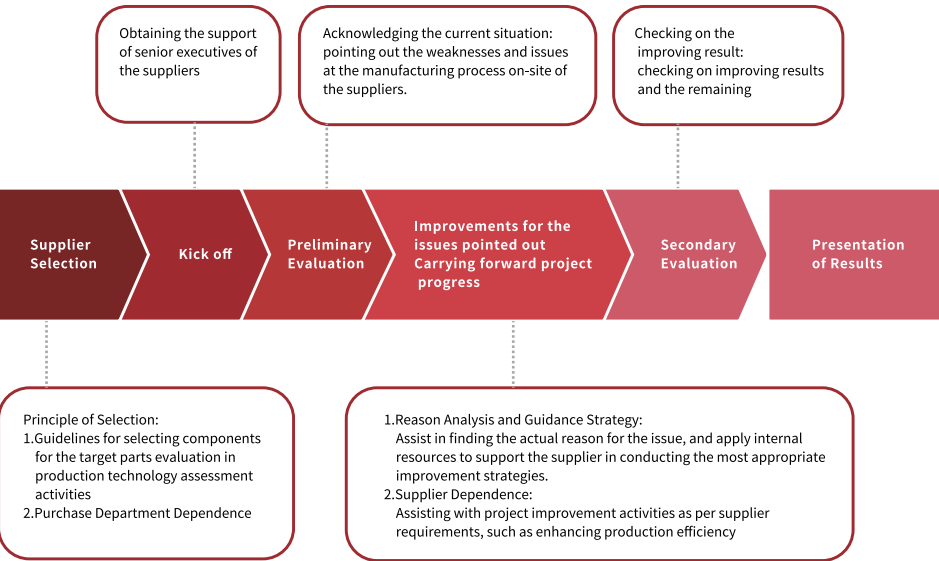
Supplier management aspects

To enhance the competitiveness of its suppliers, YNM has an internal unit dedicated to providing guidance and monitoring for supplier improvement activities. Additionally, through the YNM Collaboration Council (referred to as the Collaboration Council), activities such as directors and supervisors meetings, regular meetings for the Collaboration Council, exchange events, educational training, observation events, corporate seminars, and other activities are conducted to facilitate diverse and effective communication with suppliers and promote improvements.

In 2023, extending the supplier guidance project of 2022, YNM implemented improvement activities aimed at enhancing supplier QCDDv (Quality, Cost, Delivery, Development, and Velocity) standards. These activities focused on aspects such as quality enhancement, product design and development, production technology improvement, and waste reduction. The goal was to achieve quality improvement, waste reduction, and increased manufacturing efficiency across relevant suppliers.



Enhance supplier production technology management processes



Guidance Project of YNM Suppliers

Project Items	Description of Items	Number of Implemented Suppliers	Implementation Result of Project in 2023
Product design and development	Special management is implemented to address the innovative technical components of the new model (involving new materials and methods). This includes regular progress reviews with senior executives of suppliers' participation to ensure the development plan progresses as scheduled	2	Successfully completed high-risk component development with two suppliers (Mao-Shiong and Yusheng), ensuring the new model launches on schedule
Quality improvement	After mass production, we conducted quality management system monitoring and provide improvement guidance for suppliers of important product features (Important A/B), reducing the risk of defective parts escaping and enhancing customer satisfaction	5	Completed supervision and guidance for SHC from five suppliers: Taiwan Ltd., Lioho Machine Works Ltd., Mao-Shiong Metal Co., Ltd., Kaifa Industry Co., Ltd., and Ken Sean Industries Co., Ltd.
Enhancement of production technology	1. Enhance supplier production technology capabilities, elevate standards to meet the requirements of an excellent supply chain 2. Enhance supplier capabilities, strengthen vehicle quality, and improve customer satisfaction	2	Successfully improving the rank up of two suppliers (Uni Auto Parts Manufacture Co., Ltd. and Taiwan Ltd.), enhancing process stability and reducing the risk of quality anomalies
Reduce waste	YNM and suppliers form improvement teams to focus on the enhancement of process, design, quality, and logistics aspects to reduce production waste.	9	Saved TWD 1,747 thousands

3.5.3 Sustainable Supply Chain

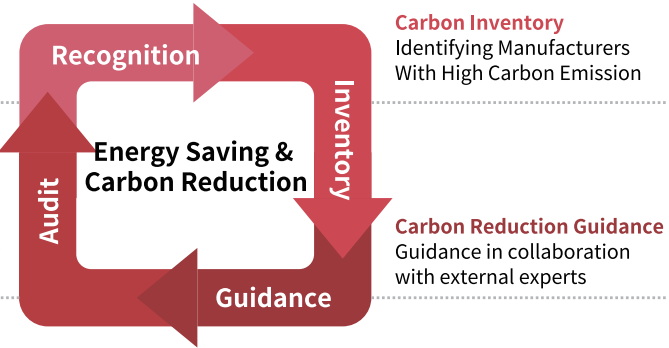
YNM, as part of the Global NISSAN supply chain and a responsible corporate citizen, remains committed to environmental protection. We pledge to comply with relevant regulations and work collaboratively with suppliers to build a green supply chain. This initiative aims to concretely achieve the concept of "complementing economic development with environmental protection," contributing efforts towards sustainable development for the planet.

We primarily promote energy conservation and carbon reduction activities among suppliers through four main approaches: carbon inventory, carbon reduction guidance, improvement checks, and recognition of exemplary performance. In 2023, YNM suppliers achieved significant results in carbon reduction efforts, with an annual reduction rate reaching 3.64%, totaling 284 tons. Furthermore, we awarded outstanding suppliers for their achievements in energy conservation and carbon reduction during the cooperative association meeting, recognizing three suppliers who excelled in this area.

Outstanding Achievement

Recognition  
Recognition of Excellent  
Carbon Reduction  
Achievement Suppliers

Improvement audit  
Regularly reviewing supplier  
improvement effectiveness



Three major aspects

Aspects	Description of Management	Implementation Result of 2023
Energy Saving and Carbon-Reduction	<ul style="list-style-type: none"><li>Established the carbon reduction goals of 2%</li><li>Tracking and managing the progress of suppliers' energy-saving and carbon-reduction measures</li><li>Awarding outstanding achievements in energy-saving and carbon reduction based on results</li></ul>	<ul style="list-style-type: none"><li>Carbon reduction achievement: 3.64%, equivalent to 284 tons</li><li>Awards were presented to outstanding manufacturers in energy-saving and carbon-reduction efforts at the Collaboration Council. Three manufacturers received awards in 2023.</li></ul>
Labor rights	<ul style="list-style-type: none"><li>Promoting zero violations in labor inspections for suppliers</li><li>Requesting refusal to use 3TG materials from conflict areas</li><li>Annual exchange of labor rights with suppliers</li><li>Quarterly labor inspection surveys and improvements in addressing deficiencies</li></ul>	<ul style="list-style-type: none"><li>B rating suppliers: 2 cases of labor inspection violations</li><li>Annual exchange of labor rights with 6 suppliers</li></ul>
Occupational Health	<ul style="list-style-type: none"><li>Occupational Safety Cases Statistic</li><li>Confirmation of suppliers' improvement action plans</li><li>Quarterly sharing of suppliers' safety and health case studies and strategies</li></ul>	Since promoting safety and health case studies and strategies to suppliers, the number of incidents has significantly decreased from over 150 cases in 2021 to around 70 cases between 2022 and 2023

Implementation Performance on Environmental Health

Number of Implemented Suppliers	52	The project targets 52 key suppliers with approximately 97% coverage of domestic parts purchasing amount in 2023
Ratio of Implemented Suppliers to the Total Suppliers	68.4%	
Risk Rating of Suppliers (Numbers of Suppliers)		
A Rating	B Rating	C Rating
ISO 45001 certification acquired or safety and health policies registered	Developed the safety operation standard manual but have not yet completed its registration for reference	Have not established the safety operation standard manual yet
52	0	0
Management Measures	1. Quarterly safety and hygiene inspections are conducted on 52 suppliers, requiring manufacturers to submit improvement action reports for any incidents that occur 2. Compile improvement reports on safety and hygiene incidents for the quarter, and conduct case dissemination to 52 suppliers.	

Implementation Performance of Labor Rights

Numbe of Implemented Suppliers	43	Top 95% of PA suppliers in 2023
Ratio of Implemented Suppliers to the Total Suppliers	56.58%	
Risk Rating of Suppliers (Numbers of Suppliers)		
A Rating	B Rating	C Rating
Better than legal requirements; system well-established	Meet the legal requirement and some aspects of the system need to be improved.	Suspected legal concerns with necessary system improvements.
14	29	0
Management Measures	1. Conducting labor rights exchange interviews 2. Quarterly labor inspection and requests for improvement of deficiencies 3. Hosting discussions on labor rights issues with collaborative suppliers’ factories 4. Sharing updates on labor practices	

Implementation of Energy Saving and Carbon Reduction

Number of Implemented Suppliers	25	Top 95% of PA suppliers in 2023
Ratio of Implemented Suppliers to the Total Suppliers	32.89%	
Risk Rating of Suppliers (Numbers of Suppliers)		
A Rating	B Rating	C Rating
Acquired the ISO 14001 certification	Conducted management operations but not yet certified with ISO 14001 certification	Not yet conducting operations
66	5	0
Management Measures	<div>1. Regularly tracking the energy-saving and carbon-reduction performance of suppliers</div> <div>2. Annual awards and incentives for outstanding achievements in energy-saving and carbon reduction among suppliers</div> <div>3. Periodically disseminating energy-saving and carbon-reduction information via PIS</div>	



3.5.4 Dealership Management

Creating excellent results with our dealers

Dealers play a crucial role in the automotive industry as they serve as the bridge between automotive brands and customers. They are directly responsible for customer interaction, car sales, providing after-sales services, and maintaining customer relationships. YNM maintains close collaboration with dealers and expands market share by promoting products to a broader consumer base is crucial for the Company. YNM assisting consumers in resolving issues and concerns to enhance brand reputation simultaneously will significantly influence our market position and brand image.

Methods	Purpose	Management Strategies
Ways of Promotion	To achieve the group's business plan goals, a promotional incentive scheme is established to encourage dealers to achieve sales targets for new vehicles.	Monthly sales targets are set based on the sales structure ratio of each dealer, with incentive reward thresholds established for achieving sales targets. Dealers earn bonuses based on their actual monthly sales performance During peak sales seasons, summer and winter sales competitions are planned. Sales consultants accumulate points based on the number of units sold within a specified period, aiming to reach the threshold for travel incentives.
Channel Evaluation System	YNM reviews and improves through phased action strategies, ensuring the achievement of each stage's goals and thereby achieving the goal of maintaining consistent quality in distribution channels for effectively managing the medium to long-term performance indicators of nationwide dealers.	Through various assessment methods including branch management capabilities, sales consultant effectiveness, customer satisfaction, CRM strategies, digital marketing, etc., evaluations are conducted for dealerships. Incentive schemes are provided to enhance dealership prioritization and implementation
Incentive reward system	To respond to changes in consumer car-buying habits and shifts in the automotive market sales structure, incentives are provided to motivate frontline sales heads and consultants to enhance sales efforts continuously and to stabilize the retention of team members.	Every six months, incentive bonuses are awarded to sales consultants at each dealership based on their sales performance, aiming to encourage retention and boost sales Sales heads: Different incentives are provided based on the size of the dealership, categorized as large-scale, medium-scale, and small-scale. Masnagement heads: managers: A fixed amount of reward is given for each car sold. Sales consultants: Different incentives are given based on sales volume tiers.

Awards for Dealerships

NISSAN DayMaker Award originates from the phrase “You make my day.” YNM encourages every employee to be someone who brightens others' days through their actions. The Company recognizes nominated NISSAN Day maker who shares inspiring stories, showcasing their acts of kindness and impact to deepen understanding and appreciation.



Awards	Descriptions	Awards	Implementation
NISSAN DayMaker	Happy to provide services and build up the positive cycle Purpose: In addition to improving professional skills, building up a positive mindset among service representatives to ensure enduring happiness in their service roles.	Initial selection of 159 representatives Finalist 23 representatives 1 Annual representatives	97% of participants expressed their positive opinions towards the ceremony

NISSAN Day Maker Star

The NISSAN Day Maker Star event aims to continuously promote the YNM sales and service system's Day Maker culture, emphasizing excellent customer service, innovation, and team collaboration spirit The program covers all colleagues from every dealership, ensuring that everyone has the opportunity to showcase their excellent performance and innovative spirit in their daily work. By collecting and selecting classic cases, the biennial Nissan Day Maker awards ceremony gathers exemplary instances that showcase the essence of Nissan's Day Maker culture. These cases serve as important materials for demonstrating excellence in service and innovation, offering valuable learning opportunities for more audiences.

Purpose	Incentive mechanism	2023 Performance
After consciously observing the needs of others, take practical actions to bring them a wonderful day.	Writer: Voucher equivalent to TWD 2,000 Day Maker: Voucher equivalent to TWD 1,000 Distributor: Top 3 Badge Banners	4,580 cases submitted 30 exceptional cases were picked 4 dealers were awarded



# Sustainable Environment

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Core Vision and Commitment

With intensifying global warming, climate change has become a focus point of global concern. YNM actively incorporates environmental issues into its business strategy by promoting energy conservation and carbon reduction measures. In response to the trend towards green products and the circular economy, we have introduced energy-efficient vehicle models. We also integrate environmental protection principles into the stages of technological innovation and product research and development. At the same time, we adhere to the principles of pollution prevention and continuous improvement, strictly comply with relevant regulations, and actively enhance employee environmental awareness. Moreover, we maintain excellent cooperative relationships with suppliers, dealers, and service centers, working together to promote environmental sustainability and fulfill our commitment to sustainable development.

Since 2021, we have adopted TCFD(Task Force on Climate-related Financial Disclosures) for climate-related financial disclosures. This objective assessment evaluates the impact of climate change on our business, aiming to provide stakeholders with insights into YNM actions and resilience in response to climate change. At the same time, we emphasize water conservation and prioritize biodiversity conservation to maintain the ecological balance on Earth.

Results and Performance in 2023

1	Continuously acquiring third-party certification for ISO 14001 Environmental Management System.
2	No incidents of non-compliance with environmental regulations or related laws.
3	The expenditure related to environmental protection was 213,627 TWD in 2023.

4.1 Climate Actions

YNM recognizes that the traditional automotive industry will face challenges in mitigating and adapting to climate change in the future. Embracing a belief in environmental prosperity and sustainable operations, in 2021 we adopted the framework set by the TCFD established by the International Financial Stability Board. Following TCFD’s governance, strategy, risk management, metrics, and targets, we assess potential climate-related risks and opportunities for our company both now and in the future. This ensures that we can implement appropriate management strategies and action plans timely, aiming to not only mitigate the impact of climate risks but also explore new industry perspectives and business opportunities for the Company.

4.1.1 Climate Governance Framework

Four Major Aspects	Major Implementation Projects	Responsible Units
Governance	<ol style="list-style-type: none"><li>Under the highest management body for climate change of the Company, the YNM Board of Directors, climate change-related issues are integrated into the scope of goal and performance management, with oversight and guidance provided to the Sustainable Development Committee at board meetings.</li><li>The Sustainable Environmental Development Team and the Customer and Partner Relations Team under the Sustainable Development Committee propose climate-related actions, monitor the implementation results of various projects every six months, and report regularly to the Sustainable Development Committee.</li></ol>	Board of Directors Sustainable Development Committee
Strategy	Based on the TCFD framework, the organization regularly identifies short-term (1-3 years), medium-term (3-7 years), and long-term (7 years or more) climate risks and opportunities impacting our operations, strategies, and financial planning. It evaluates the potential development of future markets as well. In 2023, a total of 5 significant risks and 3 significant opportunities in the short, medium, and long term were identified. These are managed through risk management practices, as well as setting indicators and targets accordingly	Sustainable Development Committee Sustainable Environmental Development Team
Risk Management	<ol style="list-style-type: none"><li>According to the TCFD framework, climate risks and opportunities are identified and prioritized by completing surveys to rank major climate risks and opportunities.</li><li>To address significant climate risks and opportunities, the current management policies of the Company are consolidated. Climate risks and opportunities are linked to each department, promoting cross-departmental collaboration and management. This approach aims to mitigate the impact of climate risks while enhancing climate adaptation capabilities and capitalizing on opportunities.</li><li>Incorporating climate risks into the Enterprise Risk Management (ERM) process</li></ol>	Sustainable Development Committee
Indicators and Goals	<ol style="list-style-type: none"><li>Establish climate-related performance indicators and quantifiable targets, regularly track the progress, and disclose externally.</li><li>Establish the long-term goal of “net-zero emissions by 2050.”</li></ol>	Each Unit

Climate Governance Responsibilities

YNM has established an Sustainable Development Committee approved by the board of directors, to enhance the management of climate risks within the Company and to establish a climate governance culture and awareness. Under the committee, a Sustainable Environmental Development Team has been established to drive climate risk and opportunity management throughout the Company.

The Sustainable Development Committee held a total of 1 meeting, and reported climate-related issues to the board of directors quarterly in 2023. They formulated the Company’s climate development strategy, outlined greenhouse gas inventory plans, and tracked the effectiveness of climate-related goals across departments. The board of directors provided guidance and recommendations in these matters. The diversified board members with extensive professional experience or industry backgrounds, along with outstanding management skills. They actively assist in guiding the management team in managing climate risks.

Item	Board of Directors	Sustainable Development Committee	Sustainable Environmental Development Team
Chairperson	Chairperson of the Board of Directors	President	Integrated Operation Support Department - EHS
Members	11 Directors	Head of each unit, please refer to 1.2 YNM Sustainable Vision for details.	<ol style="list-style-type: none"><li>1. Integrated Operation Support Department - EHS</li><li>2. Intelligent Digital Marketing Planning Department</li><li>3. Parts Service Department</li><li>4. INFINITI Business Department</li><li>5. Products Planning Office</li><li>6. Purchasing Department</li><li>7. Technical Center</li></ol>
Background of Members	<ol style="list-style-type: none"><li>1. With rich professional and industrial experiences</li><li>2. With leadership experience in sustainability</li><li>3. Taking irregular training courses on sustainability, climate, and carbon-related topics</li></ol>	<ol style="list-style-type: none"><li>1. Supervisors who are familiar with the business scope of the department</li><li>2. Taking irregular training courses on sustainability, climate, and carbon-related topics</li></ol>	As the dedicated environmental management unit, it is responsible for environmental management systems, compliance with environmental regulations and international standards, evaluating sustainable transformation, enhancing resource efficiency, and developing mechanisms to respond to climate change.
Frequency of the meetings	At least once per year	At least once every six months	<ol style="list-style-type: none"><li>1. At least once every six months</li><li>2. Cross-department meetings are irregularly convened for discussion and coordination.</li></ol>
Reporting Mechanism	The Sustainable Development Committee reporting at the board meetings	Reporting to the Board of Directors	Reporting the implementation to the Sustainable Development Committee
Responsibilities	As the highest dedicated environmental management unit of the Company, it is responsible for environmental management systems, compliance with environmental regulations and international standards, evaluating sustainable transformation, enhancing resource efficiency, and developing mechanisms in response to climate change.	<ol style="list-style-type: none"><li>1. Assessing the feasibility of climate strategies, management policies, indicators, and goals.</li><li>2. Assessing the effectiveness of the executed management indicators and goals to evaluate their implementation effectiveness.</li></ol>	<ol style="list-style-type: none"><li>1. Performing climate risk and opportunity matrix analysis.</li><li>2. Identifying significant climate risks and opportunities.</li><li>3. Developing strategies to address climate risks and opportunities.</li><li>4. Collaborating with various units to establish indicators and objectives.</li></ol>

In addition to the Board of Directors, the Audit Committee and Compensation Committee also share responsibility for governance over certain climate-related issues.

Audit Committee	Regularly receiving quarterly reports from the internal audit director on the design and effectiveness of internal control systems, as well as audit findings. In the future, internal control systems are expected to incorporate sustainability and climate-related issues.
Remuneration Committee	Meetings are convened to discuss, evaluate, and review executive compensation related to sustainability performance (including climate-related issues) twice a year. In the future, the achievement of climate-related actions will be incorporated into the performance evaluation and compensation system for senior executives to monitor the realization of climate goals. By linking compensation systems with climate outcomes, management aligns financial and non-financial goals, thereby creating value for all stakeholders.

4.1.2 Identification of Climate Risk and Opportunity

The Sustainable Development Committee manages climate change risks and opportunities led by the President. Supervised by the board of directors, it implements issue identification, strategy setting, resource integration, and effectiveness evaluation from top to bottom. Through adaptation and mitigation strategies, it responds to the sustainable crisis caused by climate change, reduces non-financial risks for the Company, and moves towards low-carbon development. Climate risks and opportunities are observed and identified by each department in their daily operations. They are discussed and analyzed within the Sustainable Development Committee to identify short-term, medium-term, and long-term risks and opportunities.



Process of Identification

Collection of climate-related data	<ol style="list-style-type: none"><li>1. According to the TCFD framework, collect scenarios for physical risks (both immediate and long-term) and transition risks (policy and regulatory, market, technology, reputation) along with opportunities.</li><li>2. Centered around the automotive industry and its operation location (Taiwan), gather data from sources such as the World Economic Forum's Global Risks Report, CDP Carbon Disclosure Questionnaires, Taiwan Climate Change Adaptation Platform, online information, and news events. Additionally, enhance employees' awareness of sustainability and climate change through education and training.</li></ol>
Department Interview	Hold meetings with departmental managers to understand the operational situations of each unit and their points of contact related to climate issues. Identify potential climate risks and opportunities based on these discussions.
TCFD Questionnaire Design	Based on the data collected and the results of departmental interviews, design TCFD risk and opportunity questionnaires. Distribute these questionnaires to departmental managers for completion, assessing the potential financial impact and likelihood of climate risks and opportunities on each unit. In 2023, 20 climate-related issues related to YNM were selected for assessment, and a total of 15 valid questionnaires were returned.
Significance Matrix Analysis	Based on the likelihood and financial impact of each climate issue identified in the questionnaire, conduct a matrix analysis to identify significant climate risks and opportunities, and illustrate it with a matrix diagram. 8 significant climate issues were identified, including 5 risks and 3 opportunities in 2023.
Establishing Indicators and Objectives	For the identified significant climate risks and opportunities, propose further management policies or response actions. Evaluate financial impacts and operational planning and collaborate with various units to set annual climate indicators and goals for YNM, overseen by the Sustainable Development Committee.

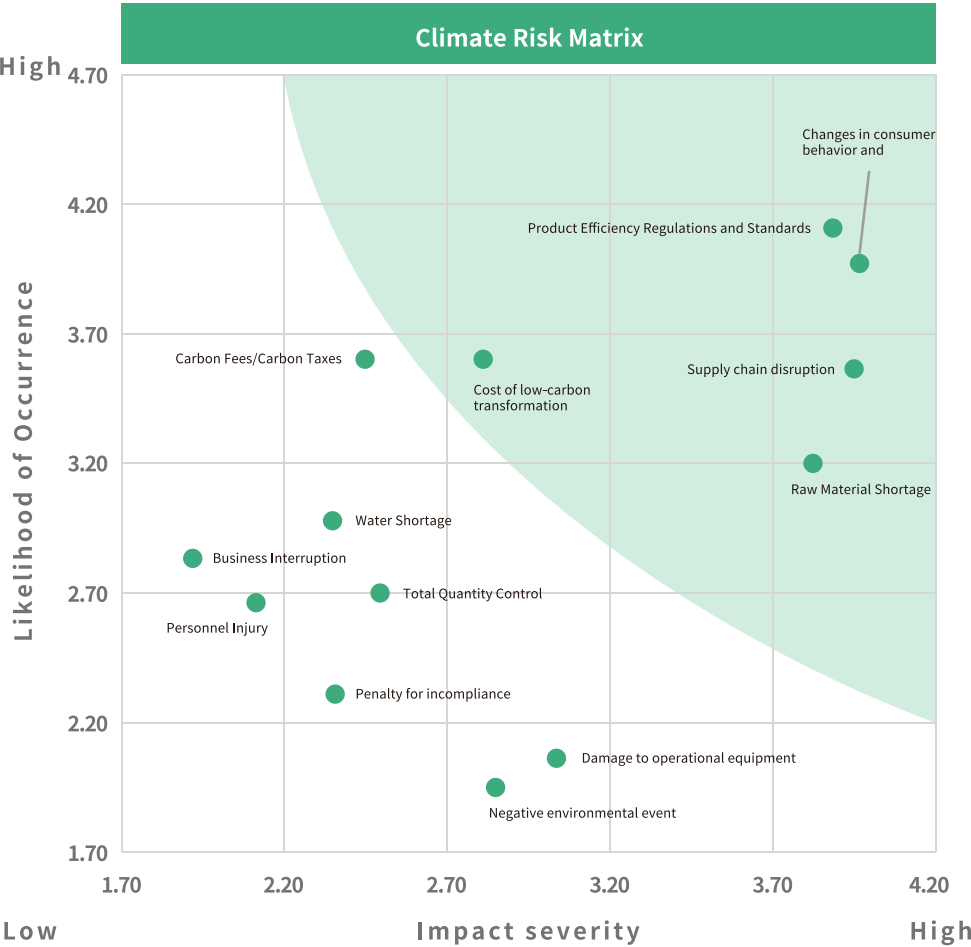
Climate Risks/ Opportunities and Response Strategies

Risks Type	Risk/Opportunity	Response strategies
Physical Risks	Risk: Supply chain disruption Risk: Raw Material Shortage Opportunity:	<ol style="list-style-type: none"><li>1. Seeking secondary sourcing, or utilizing alternative suppliers for parts procurement to flexibly adjust production and distribution.</li><li>2. Increase safety stock levels within the factory, optimize inventory management, and reduce supply chain risks.</li></ol>
Transition Risks Members	Risk: Product efficiency regulations and standards Risk: Changes in consumer behavior and preferences Risk: Cost of low-carbon transformation Opportunity: Development in new energy vehicles Opportunity: Government incentives Opportunity: Develop following consumer preferences	<ol style="list-style-type: none"><li>1. Continuously monitor domestic and international regulatory trends, apply for relevant subsidies, and develop new products.</li><li>2. Strengthening our vehicle manufacturing capabilities, continuing to develop related components, and creating low-carbon, high-efficiency, and smart vehicles.</li><li>3. Promote cooperation within the electric vehicle industry chain to establish an ecosystem.</li></ol>





Description and Management of Climate Risks



Description on Impact Boundaries

Value Chain	Upstream: Automobile Components and Raw Materials	Midstream: Design, Research and Development Vehicle Assembly	Downstream: Sales After-sales Service
	A	B	C

Stakeholders			
1	Employees	5	Governmental Authorities
2	Customers	6	Stockholders and Investors
3	Partners	7	Community and NPOs
4	Media	8	Academic Institution



Number	1
Risks Type	Physical Risks
Aspects of Risks	Immediate Risks
Topic	Supply chain disruption
Potential Impact	The frequent occurrences of extreme weather events have been leading to the unstable supply of raw materials and energy, causing disruptions in the operations or production of supply chain suppliers, which causes the Company unable to produce or affect the normal operation from supply chain disruption.
Financial Impact	Revenue: Supply chain disruptions can lead to delayed production schedules, resulting in extended or delayed delivery, which may affect customer confidence in the Company and lead to a decrease in orders. Direct costs: Seeking alternative suppliers or facing rising raw material prices will both lead to an increase in costs, reducing the net profit.
Management Policy	Supply Chain: Conducting Supplier SRMC evaluations, seeking secondary sourcing, or utilizing alternative suppliers for parts procurement to flexibly adjust production and distribution, thereby mitigating raw material risk impacts. Operations: Adjusting material preparation by reviewing warehouse inventory levels. If shortages are identified, dynamically adjust S/O parameters.



Impact Boundary of Value Chain	A, B, C	
Scope of Impacts on Stakeholders	2, 3, 6	
Description of other scenarios (1)	Although this issue mainly focuses on supply chain disruptions, if car owners also face immediate physical risks (such as typhoons) resulting in vehicle damage, the Company shall also take corresponding actions:	
	Actions	Description
	App notifications for alerting abnormal natural disaster conditions	Monitor updates from the Central Weather Administration and communicate promptly with car owners
	Notify service centers to prepare for disaster prevention and inform them of special disaster vehicle service offers	Monitor updates from the Central Weather Administration and promptly assess the on-site conditions at service centers
Description of other scenarios (2)	When vehicles damaged by natural disasters are brought to the service center, provide discounted repair prices to help reduce the repair costs for vehicle owners.	
	Dealerships summing up the damaged vehicles for application.	

Description of other scenarios (2)	In case the Company encounters immediate physical risks such as flooding or equipment damage, resulting in delays to the quality inspection schedule, the response process is as follows:	
	Process	Description
	Confirmation and Reporting	Assess and Confirm the extent of damage caused by climate risks to the workplace and products by the frontline operational personnel, and report back.
	Impact Evaluation	Integrating frontline reports with government announcements (such as closures, power outages, water stoppages, etc.), assessing the impact on quality assurance operations, and identifying affected areas and severity.
Description of other scenarios (2)	Review and formulate recovery measures specifically addressing affected areas (such as deploying additional manpower, overtime, and others), implementing them to minimize the impact on quality assurance operations.	
	Verify the effectiveness of the recovery measures after implementation. If the results are insufficient, adjustments should be made. When necessary, implement special supervision for vehicles produced during the risky period.	

Number	2
Risks Type	Physical Risks
Aspects of Risks	Long-Term Risk
Topic	Raw Material Shortage
Potential Impact	Long-term climate change has led to dramatic environmental changes globally, causing shortages in raw materials. Consequently, YNM development schedules are delayed due to the scarcity of raw materials, affecting SOP schedules.
Financial Impact	<ul style="list-style-type: none"><li>Revenue: Revenue declines due to new cars not being launched on time or extended delivery periods for vehicle models.</li><li>Direct costs: Extreme weather events may disrupt the supply or acquisition of raw materials, leading to increased prices and higher costs.</li></ul>
Management Policy	<ul style="list-style-type: none"><li>Supply chain: Monitor critical parts for risks, establish secondary suppliers, and utilize standard components to ensure uninterrupted production.</li><li>Products and services: Before mass production of new vehicles, confirmation of imported parts supply is conducted, domestic parts SFVC (Supplier First Vehicular Component) confirmation is ensured, and alternative materials development is initiated during the design phase.</li><li>Operations: Increase safety stock levels within the factory, optimize inventory management, and reduce supply chain risks.</li></ul>
Impact Boundary of Value Chain	A, B, C
Scope of Impacts on Stakeholders	2, 3, 6



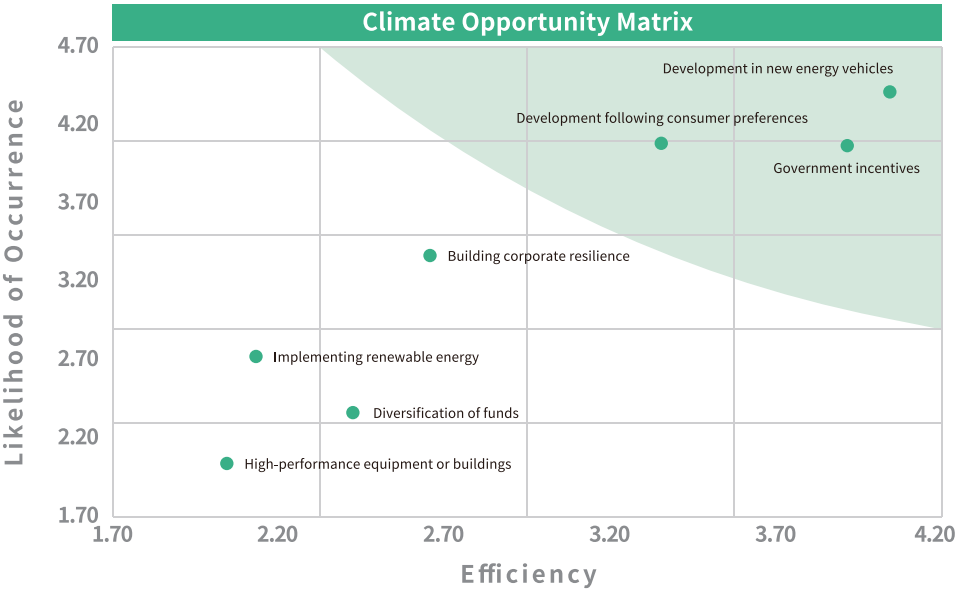
Number	3
Risks Type	Transition Risks
Aspects of Risks	Legal Risks
Topic	Product efficiency regulations and standards
Potential Impact	Government energy consumption regulations (Corporate Average Fuel Economy Standards, CAFE) tightening and emissions regulations (Real Driving Emissions, RDE) implementation have compelled automotive factories to invest in research and development of low-carbon emission products.
Financial Impact	Direct costs: Compliance with regulations increases vehicle costs, including development expenses, equipment investment costs, and model costs. This affects vehicle prices and sales volume, as well as compresses profit margins for fuel-powered vehicles.
Management Policy	<ul style="list-style-type: none"><li>• Products and services: Introducing new energy vehicles and obtaining government subsidies to boost their sales, while also reducing carbon emissions during the product usage phase.</li><li>• Operations: The Company continues to monitor regulatory developments closely, enhances communication with government bodies and industry associations, and strives to secure policy support.</li></ul>
Impact Boundary of Value Chain	A, B
Scope of Impacts on Stakeholders	3, 5

Number	4
Risks Type	Transition Risks
Aspects of Risks	Market Risks
Topic	Changes in consumer behavior and preferences
Potential Impact	Consumers' environmental awareness is rising, leading to increased interest in new energy vehicles. They prefer purchasing and using environmentally friendly vehicles powered by new energy sources.
Financial Impact	Revenue: If products fail to meet customer expectations (such as customers wanting to purchase low-carbon vehicles), it could lead to reduced orders and declining revenue.
Management Policy	<ul style="list-style-type: none"><li>• Products and services: Introduce low-carbon, energy-efficient vehicle models to meet customer demand for electric and new energy vehicles.</li><li>• Research and development investment: Strengthening our vehicle manufacturing capabilities, continuing to develop related components, and creating low-carbon, high-efficiency, and smart vehicles.</li></ul>
Impact Boundary of Value Chain	A, B, C
Scope of Impacts on Stakeholders	2



Number	5
Risks Type	Transition Risks
Aspects of Risks	Technical risk
Topic	Cost of low-carbon transformation
Potential Impact	Introducing emerging technologies such as low-carbon, high-efficiency, and smart innovations into vehicles increases research and development costs, equipment costs, and personnel training expenses.
Financial Impact	<div><ul style="list-style-type: none"><li>Increased R&amp;D costs: Significant upfront investment is required for developing new energy vehicle technologies, including core technologies such as batteries, motors, and electronic controls.</li><li>Increased production costs: New energy vehicles require additional core components such as batteries and motors, resulting in increased vehicle weight. This necessitates adjustments and updates to production line equipment and processes.</li><li>Infrastructure investment: The widespread adoption of new energy vehicles requires the construction of supporting infrastructure such as charging piles or battery stations.</li></ul></div>
Management Policy	<div><ul style="list-style-type: none"><li>Value chain: By seeking government policy support through measures such as tax incentives and subsidies, companies aim to reduce their research and development costs and production expenses.</li><li>Research and development: Accelerate the technological development of new energy vehicles and their components.</li></ul></div>
Impact Boundary of Value Chain	A, B
Scope of Impacts on Stakeholders	1, 3

Description and Management of Climate Opportunity





Number	1
Aspects of Opportunities	Products and Services
Topic	Government incentives
Potential Opportunity	Government promotion of environmental regulations enables new energy vehicles to qualify for more government subsidies.
Financial Benefits	<ul style="list-style-type: none"> <li>Revenue: By obtaining government subsidies and subsequently lowering vehicle prices, more consumers are willing to purchase new energy vehicles. This increases sales volume and boosts operating income.</li> </ul>
Management Policy	<ul style="list-style-type: none"> <li>Operations: Continuously monitor domestic and international regulatory trends, apply for relevant subsidies, and develop new products.</li> </ul>
Impact Boundary of Value Chain	A, B, C
Scope of Impacts on Stakeholders	2, 5

Number	2
Aspects of Opportunities	Products and Services
Topic	Development in new energy vehicles
Potential Opportunity	With stricter fuel efficiency standards for new energy vehicles and changing consumer preferences, there is a higher demand for more low-carbon, energy-efficient, and new energy vehicle models.
Financial Benefits	<ul style="list-style-type: none"> <li>Revenue: By developing new energy vehicle models that meet consumer demand and continuing to increase the introduction of electric vehicles according to the Nissan Arc plan, we aim to boost sales volume and revenue.</li> </ul>
Management Policy	<ul style="list-style-type: none"> <li>Research and development investment: Continuously invest in the research and development of technology and resource efficiency. With the development of low-carbon, energy-efficient, and new energy vehicles, introduce relevant vehicle models accordingly.</li> <li>Value chain: Promote cooperation within the electric vehicle industry chain to establish an ecosystem.</li> </ul>
Actions in 2023	<ul style="list-style-type: none"> <li>Proposal to secure global resources for Nissan's electric vehicles</li> <li>Collaborate with charging service providers to offer various charging solutions to create a user-friendly environment, which allows car owners to freely choose according to their needs.</li> </ul>
Impact Boundary of Value Chain	A, B, C
Scope of Impacts on Stakeholders	2, 5

Number	3
Aspects of Opportunities	Market
Topic	Develop following consumer preferences
Potential Opportunities	Aligning with the market's sustainability trends, introduce related services and sell more environmentally friendly vehicle models to cater to today's consumer environmental preferences.
Financial Benefits	<ul style="list-style-type: none"> <li>Revenue: By researching, developing, and producing new products, exploring low-carbon business opportunities, and entering new markets, we aim to adjust our revenue structure and enhance profitability.</li> </ul>
Management Policy	<ul style="list-style-type: none"> <li>Operations: Regularly conduct market research and adjust marketing strategies based on consumer demands and preferences.</li> </ul>
Impact Boundary of Value Chain	A, B, C
Scope of Impacts on Stakeholders	2



4.1.3 Indicators and Goals

YNM adheres to local regulations, Nissan's corporate policies, and Yulon Group's strategies at all operational sites. Greenhouse gas emissions at the Taiwan plant are regularly audited, and internal measures for energy conservation and carbon reduction are implemented each year. Our future plans include evaluating the installation of solar panels to enhance energy and resource efficiency, aiming to achieve net zero emissions by 2050.

Goals of 2024	Medium- term and Long-term Goals
<div>1. Constructs the risk handling mechanism, reducing the days required in response to the relevant risks, and improving the ability to respond to climate risks.</div> <div>2. Optimizing inventory management to reduce supply chain risks.</div> <div>3. Improving the performance of internal combustion engine car models to meet regulatory standards.</div> <div>4. Increasing consumer acceptance of the e-POWER system: This can be achieved through promotional education and media coverage to raise awareness among consumers about the advantages and potential of new energy vehicles.</div> <div>5. Providing high-quality after-sales service: Offering high-quality after-sales service to ensure consumers feel confident in purchasing and using new energy vehicles.</div> <div>6. YNM continues to develop solar and other renewable energy facilities to enhance the utilization of renewable energy sources in collaboration with the parent company, Yulon Motor.</div> <div>7. EV introduction ratio exceeds 50% before 2027</div> <div>8. Domestic production of electric vehicles (EVs) and e-POWER vehicles</div>	<div>1. Finding alternative sources for raw materials, especially targeting high-risk shortages and specialty components, while establishing backup suppliers or alternative materials.</div> <div>2. Producing components domestically not only allows better control over the climatic conditions affecting raw material production but also effectively reduces potential climate risks associated with international land and sea transportation.</div> <div>3. Product and service transformation involves transitioning from internal combustion engine car models to new energy vehicles, while also enhancing after-sales service for new energy vehicle models to boost consumer confidence.</div> <div>4. Assessing the cost-effectiveness of installing solar panels</div> <div>5. Completing third-party verification or certification of greenhouse gas emissions</div>

4.2 Environmental Management

The climate change caused by global warming has become the focus topic for every country. Therefore, every country has been enacting increasingly stringent environmental regulations and adoptive measures, such as energy taxes, carbon taxes, and carbon fees to control total greenhouse gas emissions. Under the circumstances, YNM understands that businesses should not only pursue profit but also respond to global trends. The Company considers the impact of various environmental factors and complies with domestic regulatory requirements as a foundation. Internally, YNM continues to implement various energy-saving and carbon-reduction measures. Externally, YNM promotes a range of energy-efficient vehicle models, making environmental sustainability a critical strategic action for the Company.

4.2.1 Sustainable Environmental Management Policies

To optimize the capabilities of environmental management of Yulon Nissan, the Company established Sustainable Development Best Practice Principles, which clearly define that the Company should adhere to environmental regulations and relevant international standards, protect the natural environment appropriately, and strive to achieve environmental sustainability goals in our operational activities and internal management practices.

Establish an Environmental Management System Implementation Committee, formulate the Company's environmental policy, draft environmental performance indicators, implement various energy-saving policies, and conduct regular voluntary greenhouse gas inventories annually.

Item	Environmental Management System Implementation Committee
Chairperson	President
Members	Officers of departments
Background of Members	All have received ISO 14001 training
Frequency of the meetings	half a year
Reporting Mechanism	Management review meeting
Authorities	Operate and maintain in accordance with the requirements of ISO 14001

Environmental Policies

The Company primarily engages in automotive research and development, design, and sales and service. We adhere to the principles of compliance with regulations, pollution prevention, and continuous improvement. We promote environmental management systems across three main operational dimensions:

Purchase	Product	Sales Service
Promote a green supply chain by procuring components that meet environmental standards.	Promote green products by designing products with low pollution and energy efficiency, increasing the proportion of recyclable materials in products, and prohibiting the use of harmful environmental substances in products.	Promote green marketing by communicating environmental protection concepts to consumers, offering green services, and establishing environmentally friendly distribution and service locations.

Environmental Management System

<ul style="list-style-type: none"><li>Collecting and assessing comprehensive and timely information on the impacts of operational activities on the natural environment.</li><li>Establish measurable environmental sustainability goals and regularly review their sustainability and relevance in development.</li><li>Develop specific plans or action plans as implementation measures, and regularly review their operational effectiveness.</li></ul>	
Energy and Greenhouse Gas Management	Water Resources Management
<ul style="list-style-type: none"><li>Dedicated to enhancing energy efficiency and utilizing renewable materials with low environmental impact, we aspire to ensure sustainable use of Earth's resources.</li><li>Reduce resource and energy consumption associated with products and services.</li><li>Enhance the performance of products and services.</li><li>Establish energy and resource management procedures.</li></ul>	<ul style="list-style-type: none"><li>To enhance the efficiency of water resource utilization, the Company should responsibly manage and sustainably utilize water resources, and establish relevant management measures.</li><li>The Company should construct and enhance relevant environmental protection facilities to prevent pollution of water, air, and land. We will also strive to minimize adverse impacts on human health and the environment by implementing the best available pollution prevention and control technologies.</li></ul>
Waste Management	Biodiversity
<ul style="list-style-type: none"><li>Reduce emissions of pollutants, toxic substances, and waste, and ensure proper management of waste.</li><li>Enhance the recyclability and reuse of raw materials or products.</li><li>Maximize the sustainable use of renewable resources.</li><li>Extend the durability of products.</li></ul>	<ul style="list-style-type: none"><li>The Company shall consider the ecological impact of its operations, promote and advocate for the concept of sustainable consumption, and adhere to the following principles in research and development, procurement, production, operations, and services to minimize the Company's impact on the natural environment and humanity.</li></ul>

Biodiversity Management

Through an effective environmental management system, YNM comprehensively protects ecosystems such as water and land and promotes biodiversity conservation and restoration. Located in industrial zones, our operations include research and development, parts manufacturing, sales, and maintenance. All YNM offices, operational sites, and service centers are situated in urban or conventional locations, without ownership or leasing in protected areas or zones that may impact biodiversity. Initial assessments indicate the Company poses minimal ecological impact, but YNM remains proactive in managing greenhouse gases, water resources, and waste to prevent irreversible and severe impacts on ecosystems.

ISO Management System

Name of the System	Acquired Year	Scope of Coverage	Descriptions
ISO 14001 Environmental Management System Certification	2014	Headquarters	The entire site has been certified with ISO 14001:2015 Environmental Management System, ensuring compliance with regulatory requirements for pollution prevention and control of air emissions, wastewater, waste, and hazardous substances.
ISO 14064 Greenhouse gas inventory	Not yet acquired	Headquarters	Plan to achieve external verification for 2023 by the end of 2024.

Environmental Cost Investment

YNM upholds a commitment to sustainable operations, dedicating efforts to enhance environmental investment and resource efficiency. We continuously invest in energy conservation, carbon reduction, process improvement, and environmental protection projects to minimize the environmental impact of our production processes. In 2023, the expenditure related to environmental protection amounted to TWD 55,373, which was allocated for obtaining ISO 14001 certification. Additionally, we are evaluating greenhouse gas and water resource assessments and planning to increase our investment in environmental protection to underscore our commitment to environmental conservation. The Company had no record of any environmental pollution incidents resulting in fines for non-compliance in 2023.

Expenditure related to environmental protection costs

Classification of Investment Projects	Amount of Investment		
	2021	2022	2023
ISO 14001 Certification	127,336	56,594	55,373
Percentage to the operating costs	0.00058%	0.00027%	0.00024%

Unit: TWD



4.2.2 Greenhouse Gas Emission Management

YNM, although not directly regulated by the Ministry of Environment, is committed to environmental protection. Since 2013, we have conducted annual greenhouse gas inventories following the guidelines provided by the then EPA. In 2023, our total greenhouse gas emissions decreased by 4.28% compared to 2022. This reduction primarily stemmed from implementing energy-saving projects across our offices, leading to a decrease in purchased electricity from Taiwan Power Company. Currently, we have completed the voluntary greenhouse gas inventory for our Headquarters and plan to introduce greenhouse gas inventory counseling and verification in 2024. We will also establish carbon reduction pathways and continue efforts to disclose greenhouse gas emissions from our direct sales and distribution outlets.

Greenhouse Gas Emissions Statistics

Types of Greenhouse Gases	2021	2022	2023
Direct greenhouse gas emissions (Category 1)	162.3	146.8	318.0
	919.9	901.7	685.6611
Indirect greenhouse gas emissions (Category 2)	-	-	
Other indirect greenhouse gas emissions (Category 3~6)			
Total greenhouse gas emissions	1,082.2	1,048.5	1,003.661

- Remarks:
- Unit: metric tons CO2e
  - According to the latest data from the Bureau of Energy, Ministry of Economic Affairs, the carbon emission factor for electricity in 2023 is 0.495 kilograms of CO2e per kilowatt-hour (kWh), while using the Global Warming Potential (GWP) values from the IPCC Sixth Assessment Report.
  - The audit scope covers the Headquarters.

Conditions on Electricity Consumption

Item		2021	2022	2023
Non-renewable energy	External purchased electricity consumption (kw)	1,768,527	1,731,388	1,385,174
	Purchased external electricity consumption (GJ)	6368.15	6234.42	4987.762243
Operating revenue (TWD Million)		24,668	23,607	26,136
Electricity intensity = Total energy heat content (GJ) / Operating revenue (TWD Million)		0.2582	0.2641	0.1908

- Remarks:
- The heating values of various energy sources are based on the Energy Bureau's updated Energy Unit Heating Value Table as of 15th of May, 2020. Electricity: 1 kilowatt-hour (kWh) = 860 kilocalories (kcal).
  - Calculation formula: Energy heat value (GJ) = Energy usage \* Energy heat value coefficient (kcal) \* 4.186 / 100000.

Actions of Energy Saving and Carbon Reduction

To achieve an annual reduction target of 2% in greenhouse gas emissions, the Environmental Management System Implementation Committee convenes regular energy conservation and carbon reduction meetings each year. We continue to implement various energy-saving and carbon-reduction plans. In 2023, projects included the replacement of fluorescent tubes and refrigerators to enhance energy efficiency. Additionally, our company conducted two sessions of greenhouse gas inventory and sustainability report training with a 100% pass rate. This training cultivates environmental system personnel to continuously promote and advocate for the Company's energy-saving policies. We aim to strengthen our colleagues' capabilities in energy conservation and carbon reduction.

Project Introduction

Energy Saving and Carbon Reduction Plan	Ways of Implementation	Implementation Progress	Future Goals
Replacement of fluorescent tubes	Replacing traditional fluorescent tubes with LED tubes gradually	Approximately 40% of the total number of light tubes have been replaced. The cost of replacing the tubes in 2023 was TWD 4,550.	100% Replacement
Replace the refrigerator with a first-grade energy-saving refrigerator.	Replace all refrigerators with the 1st Grade energy-efficient models	100% replacement completed, with a total cost of TWD 130,178 for replacing the refrigerators in 2023.	Continuing and Maintenance

## 4.3 Circular Economy and Waste Management

### 4.3.1 Sustainable Products and Circular Economy

YNM has been consistently contemplating how to promote green products to reduce the environmental and safety impacts during the manufacturing, production, and consumption processes. We assess different stages of the product lifecycle, including raw material selection, concept development, research and development, certification, manufacturing and parts remanufacturing, warehousing and product transportation, marketing and promotion, use and service, as well as disposal, waste management, and recycling. Through setting objectives, we aim to reduce the environmental impact at each stage and move towards a sustainable automotive industry.

Phases	Goals	Implementation
Choice of Raw Materials	<ul style="list-style-type: none"> <li>Evaluate prioritizing domestic and suppliers neighboring Taiwan, promote green purchases, and prioritize purchasing products with environmental certifications.</li> </ul>	YNM has restricted the use of four environmentally hazardous heavy metals: lead, mercury, cadmium, and hexavalent chromium in all its products to protect the environment.
Concept development	During the component design and development phase, YNM assesses environmental performance and sets specific goals, while implementing proactive environmental assessments in advance, integrating environmental conservation principles early in the stages of technical innovation and product development.	YNM has implemented material labeling for plastic components weighing over 100 grams and rubber components weighing over 200 grams. At the same time, YNM proactively provides disassembly information to facilitate a better dismantling process within six months of product launches.
Eco-Certification	<ul style="list-style-type: none"> <li>Newly developed vehicle models will obtain energy efficiency labels under current regulations.</li> <li>By developing technology enhancements or introducing new energy vehicles, we aim to comply with stricter regulations for energy efficiency labeling.</li> </ul>	YNM had 10 car models certified with energy-saving labels and 9 models certified with environmental protection labels by the Environmental Protection Administration, achieving a coverage rate of 100% in 2023.
Manufacturing production & component remanufacturing	<ul style="list-style-type: none"> <li>In response to the draft "Regulations Governing the Management of Hydrofluorocarbon" and the draft "Hydrofluorocarbons Greenhouse Gases with High Global Warming Potential Restricted by the Montreal Protocol," the Company ceased the use of R134a refrigerant.</li> <li>To comply with the "Testing Methods and Procedures of Gasoline Vehicle Exhaust Emission," the Company enhanced the vehicle pollution control equipment.</li> </ul>	<ul style="list-style-type: none"> <li>According to government regulations, the 2024 total quantity control is less than the current value.</li> <li>All domestically produced and imported vehicles comply with the sixth-stage emissions standards; pollution control equipment has been strengthened.</li> </ul>

Phases	Goals	Implementation
Warehousing and product transportation	<ul style="list-style-type: none"> <li>Choosing transportation vehicles with newer age to ensure efficiency</li> <li>Transporting goods during off-peak traffic hours (from 18:00 the previous day to 08:00 the next day).</li> </ul>	<ul style="list-style-type: none"> <li>Enhancing transportation efficiency</li> <li>Reducing towing time to decrease carbon emissions</li> </ul>
Marketing and Promotion	Promoting to consumers vehicle models and e-POWER electric vehicles that have obtained environmental/energy-saving certifications.	Increase sales volume of vehicle models with environmental/energy-saving certifications and e-POWER electric vehicles
Use and service	Reducing the carbon footprint generated by-products	<ul style="list-style-type: none"> <li>NISSAN primarily uses 0W-20 fully synthetic engine oil that meets the highest quality standards of API SP (Resource Conserving Class) and ILSAC GF-6 international certifications. In addition to reducing fuel consumption during vehicle operation, it is more important to reduce exhaust emissions.</li> <li>Introducing the Start-Stop idle-off function to provide consumers with more environmentally friendly options when purchasing our products.</li> </ul>
Waste disposal and recycling	To promote material recycling and reuse, we actively adhere to the provisions of Article 12, Paragraph 2 of the domestic "Resource Recycling Act." The Company strives to achieve the requirements of the "Voluntary Standards for Promoting Resource Recycling and Reuse in the Automotive Industry." The entire vehicle lineup is fully adopting recyclable plastics, and the Company complying with the EU's "Parts Material Labelling" regulations. This involves clearly marking on automotive components the primary materials and additives used, aiming to increase component recycling rates and reduce waste generation.	<ul style="list-style-type: none"> <li>The overall vehicle recycling rate reached 96%, exceeding the regulatory standard of 80%, and showing nearly a 4% growth compared to 2022.</li> <li>The recycling and reuse rate exceeded 96%, surpassing the regulatory standard of 85%.</li> </ul>



4.3.2 Waste Management

Waste Generated at Each Stage of the Value Chain

Upstream of the value chain: Motor Vehicle Parts, Raw Materials	Operational Activities	Downstream of the value chain: Sales of Cars, After-sales Service
Waste from raw materials	Parts maintenance & automobile manufacturing <ul style="list-style-type: none"><li>Iron scrap</li><li>Waste plastic</li><li>Waste glass</li><li>Waste tires</li><li>Waste batteries</li></ul>	Recycle and reuse <ul style="list-style-type: none"><li>Recycle</li><li>Biological treatment</li></ul>
Machinery and equipment	Pollution control <ul style="list-style-type: none"><li>General industrial waste</li><li>Hazardous industrial waste</li><li>Household waste</li><li>Liquid manure</li></ul>	Incineration <ul style="list-style-type: none"><li>Incineration with energy recovery</li><li>Incineration without energy recovery</li></ul>



Upstream management of the value chain	Operational activities management	Downstream management of the value chain
<ul style="list-style-type: none"><li>Supply chain management</li><li>Waste management and disposal</li><li>Waste reduction at the source</li></ul>	<ul style="list-style-type: none"><li>Waste management procedures</li><li>Reporting waste removal quantities in compliance with regulatory authorities</li><li>Internal recycling</li></ul>	<ul style="list-style-type: none"><li>Waste disposal</li><li>Tracking of waste disposal</li><li>Resource recovery from waste</li></ul>

According to the waste management procedures established by the Company, waste of the Company is categorized into general household waste and recyclable waste. The Company is primarily engaged in operations such as research and development, maintenance, and sales activities without manufacturing. Therefore, waste calculation focuses mainly on household waste. According to statistics, the outsourced volume of household waste removal in 2023 was 4.82 tons, compared to 22.24 tons in 2022, representing a 78% decrease. Going forward, the Company aims to achieve a 2% reduction in waste annually and will continue to implement various waste management plans.

Waste Disposal Procedures

Household Waste	When the storage facility reaches a certain quantity of household waste, the management department notifies qualified clearing agencies to enter the premises for removal. During the clearing operation, measures must be taken to prevent any situation where waste is scattered or splashed, thereby polluting the environment. The management departments should record the transport vehicle number, type, and quantity of waste on the waste removal record sheet. Ultimately, the waste should be transported to the Houli incineration plant for disposal. The cost of outsourcing the removal of household waste to qualified contractors in 2023 with a total amount of TWD 23,526.
Recyclable Waste	In each office unit, we set up recycling bins for paper, metal, plastic, glass, and dry batteries to facilitate the recycling of various types of recyclable waste. Furthermore, to achieve the goal of sustainable resource utilization, we actively implement waste resource recovery measures. We entrust domestically authorized resource recovery and recycling operators to carry out recycling operations on the waste generated. Recyclable waste is all handled by the parent company Yulon Motors through domestic legally authorized resource recovery and recycling operators, so there were no related expenses incurred in 2023.

Amount of Waste

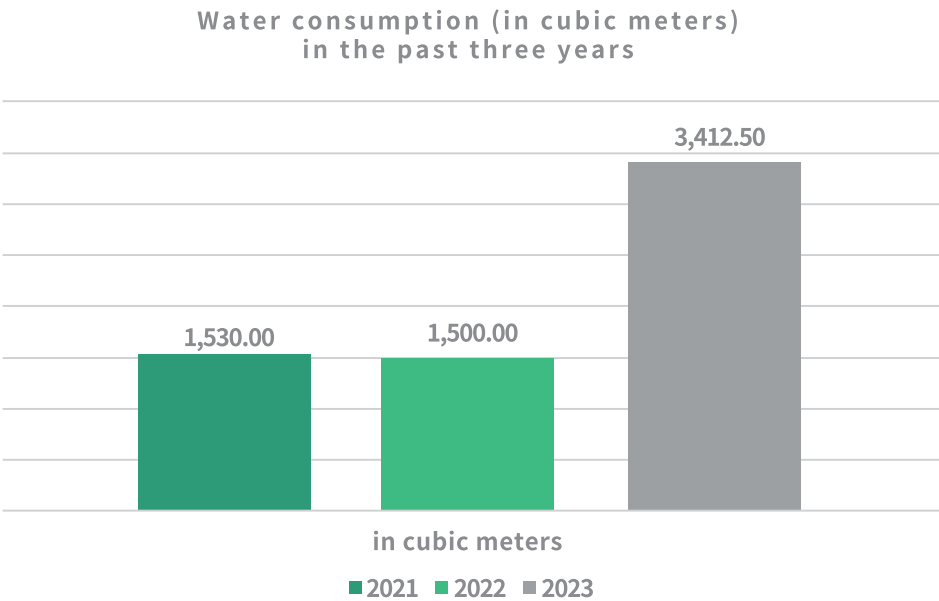
Types	2021	2022	2023
Household Waste (metric tons)	65.4	22.24	4.82
Hazardous industrial waste (metric tons)	None	None	None

Note: The weights of recyclable waste and general industrial waste are currently not yet compiled.

## 4.4 Water Pollution Prevention and Control Management

### 4.4.1 Water Resources Management

The Company's drinking water source is tap water, and our utility water comes from the groundwater in the Hsinchu and Miaoli area as announced by the Water Resources Agency. We monitor the groundwater levels to ensure there is no significant impact on the water source. The total water consumption was 3,412.5 cubic meters in 2023, which represents a 127.5% increase compared to 1,500 cubic meters in 2022. (The data for groundwater usage cannot be separately accounted for.) The Company's domestic wastewater is treated at the wastewater treatment plant and discharged through the main gate outfall, ultimately flowing into the sea. This process does not significantly affect water sources due to water intake. The Company aims to achieve a 2% annual reduction in energy consumption, effectively conserving valuable energy resources and minimizing unnecessary energy waste.



### Water Resource Utilization Status

Types		2021	2022	2023
Water extraction volume (million liters)	Groundwater	-	-	-
	Third-party (tap water)	1.5	1.53	3.4125
	Total water consumption	1.5	1.53	3.4125

Remarks: 1 cubic meter = 1,000 liters

### 4.4.2 Waste Water Treatment

YNM is committed to actively managing wastewater discharge to minimize its negative impact on water resources. As the factory is located in an industrial zone, wastewater generated is treated through industrial wastewater treatment facilities and ultimately discharged into the industrial zone's sewage system. All discharged water within the factory premises undergoes testing in accordance with environmental regulations. Additionally, proactive sampling and testing of soil and groundwater within the factory area are conducted regularly, aiming to be environmentally friendly and avoid any adverse environmental impact. Under strict control measures, the wastewater discharge test values for the entire factory in 2023 were significantly below regulatory standards and controlled limits. This has had no impact on the ecological environment or water quality, and there have been no incidents of penalties due to violations of water resource-related regulations.





# Employee Care

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Core Vision and Commitment

At YNM, every member is not just an employee but also each other's most cherished partners and the Company's most treasured asset. We are committed to creating a high-quality, friendly, safe, and healthy work environment. We value workplace equality, respect, and protection of every employee's basic human rights. The Company carefully designs welfare systems that suit the needs of our employees. Additionally, the Company prioritizes employee growth by planning a comprehensive education and training framework, with the goal is to bringing continuous growth and development, both for the Company as a whole and for each individual. The Company upholds a "Human" corporate spirit, aiming to achieve a positive cycle where employees thrive at work and the Company sustains continuous growth. We take pride in our colleagues at YNM, considering them a solid foundation of honor and pride for us.

YNM HR department launched the "Supplier of Talent, Shaper of Good Environment" initiative in 2023. The goal is to enhance human resource management effectiveness through integrated resource management, effective strategy formulation, and defining key performance indicators. This initiative aims to embody YNM core values of innovation, speed, and teamwork.

Main Goals	<ul style="list-style-type: none"><li>Organizational atmosphere index: Short-term goal at 4.38</li><li>Key talent retention rate: Short-term goals at 98.8%; Medium to long-term goals at 100%</li><li>Internal satisfaction with information systems: Short-term goal at 3.82</li><li>Information Security Comprehensive Evaluation Index: Short-term goal at 100</li><li>Per capita output value: TWD 78,538</li></ul>		
Core value	Innovation, Speed, Team		
Strategic Item	Creating a meaningful digital transition environment	Enhancing impactful agile management practices	Establishing a compelling employer brand image
Integrating advanced human resources management practices with digitalized information system management applications to achieve goals			

Results and Performance in 2023

1	New hire rate of 8.64%, highest in the past three years; turnover rate of 4.71%, lowest in the past three years.
2	Total Hours of Educational Training as 13,638 hours with average training hours of 35.7 hours
3	Total price spending in Educational Training in 2023 as TWD 6,048,162
4	IT Matters Awards Best IT Employer Award
5	2023 16th Taiwan Corporate Sustainability Awards(TCSA) - Talent Development Leadership Award
6	2023 16th Taiwan Corporate Sustainability Awards(TCSA) - Corporate Sustainability Report Award - Bronze Medal
7	1111 Happy Enterprise - Gold Award

5.1 Human Resources Management

YNM adheres to the principles of "right person for the right job" and "developing every individual to their fullest potential" in its employment philosophy. Through a well-established internal organizational structure and HR system, we promote mutual trust and benefits between labor and management. We provide equal job opportunities and ensure diverse and smooth communication channels and negotiation mechanisms. This enables every employee to share their concerns and ideas, creating a labor-management relationship based on mutual respect, open communication, and mutual benefit.

5.1.1 Composition of Employees

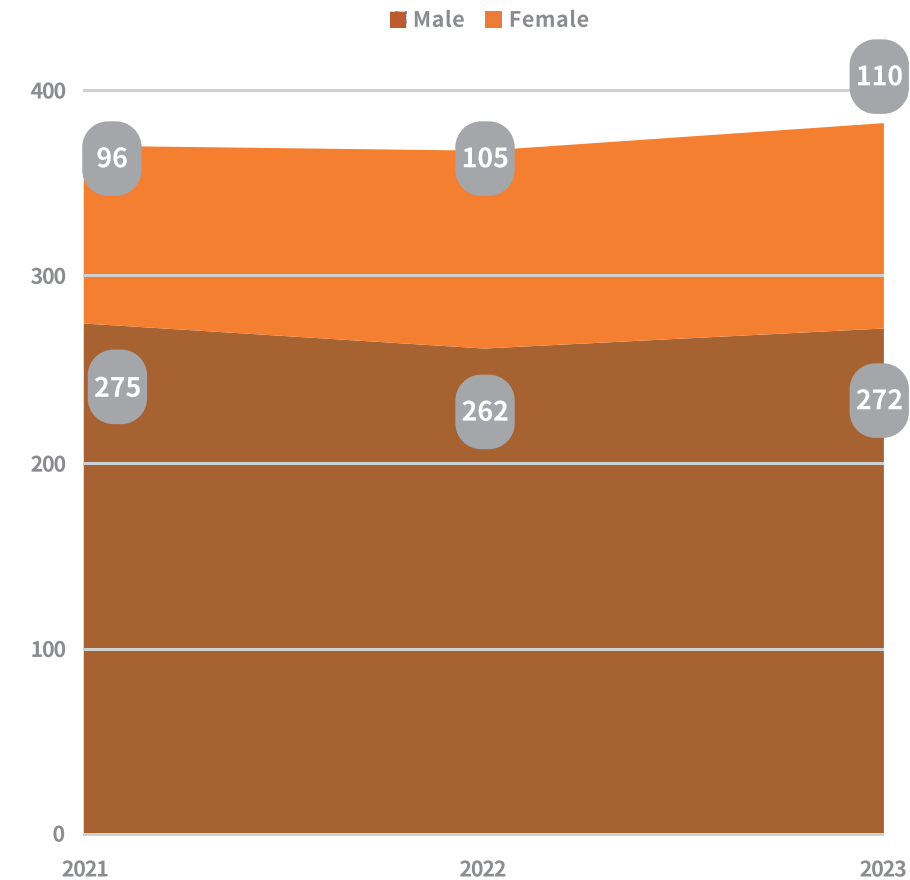
YNM employed a total of 382 contractual employees in 2023, all of whom were full-time employees. The Company did not hire part-time employees, temporary employees, or employees without guaranteed hours. When recruiting talent, we prioritize hiring residents and strive to employ people from the local community as much as possible. We are committed to not hiring foreign workers or using apprenticeship students, and we strictly prohibit the employment of child labor.





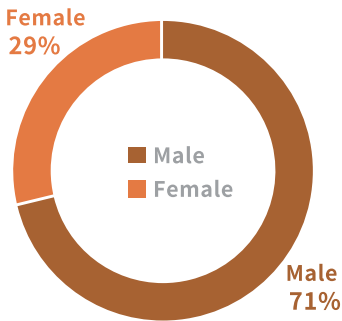
Labor contract	Type of employment	Male	Female	Total
Contractual Employees	Full-Time Employees	272	110	382
	Part-Time Employees	0	0	0
Non-contractual employees	Dispatched Employees	1	10	11

Total Employees of the Most Recent 3 Years



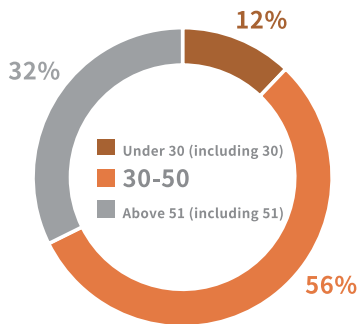
Job ranking and gender distribution

Gender	Total	Male	Female
Ordinary Employees	289	193	96
Middle-Level Supervisors	76	64	12
Senior-Level Executives	17	15	2



Age Distribution

Age Distribution	Ratio of Employees
Under 30 (including 30)	12%
30 - 50	55%
Above 51 (including 51)	32%



Distribution of Years of Service

Average years of service and age of employees at YNM		
Average years of service	Male	16.4
	Female	14.7
	Total	15.5
Average Age	Male	45.5
	Female	42.1
	Total	43.8



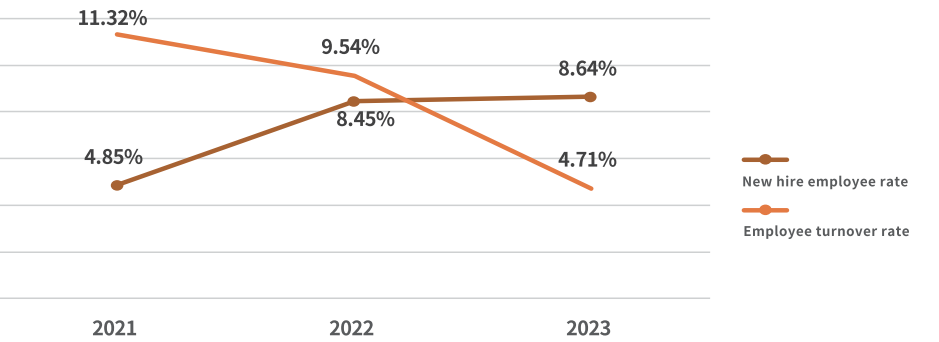
5.1.2 New Joining and Attrition

For new employees, YNM has developed a comprehensive onboarding training program, which includes general orientation, vehicle installation training, and a three-month mentorship program. Regular feedback and evaluations are scheduled, and teamwork is encouraged to help new hires enhance their job skills. YNM new employee retention rate was 8.64% in 2023, a significant increase compared to the previous two years, which shows the efforts in recruitment and employee training. Additionally, the HR department's supervisors conduct exit interviews with departing colleagues to understand the reasons for their resignations. They analyze these reasons statistically and implement improvements to address the issues raised by employees. YNM overall employee turnover rate averaged 4.71% in 2023, showing a decrease compared to the previous two years.

Category	New Employees		Employees who left the position	
	Male	Female	Male	Female
Gender				
Under 30	12	8	2	0
30~50	11	2	9	5
Above 51	0	0	2	0
Total	23	10	13	5
Ratio	8.64%		4.71%	

Note: The proportion of new hires and departing employees is calculated as the number of individuals divided by the total company headcount at the end of that year.

YNM new hire and turnover rates over the past three years



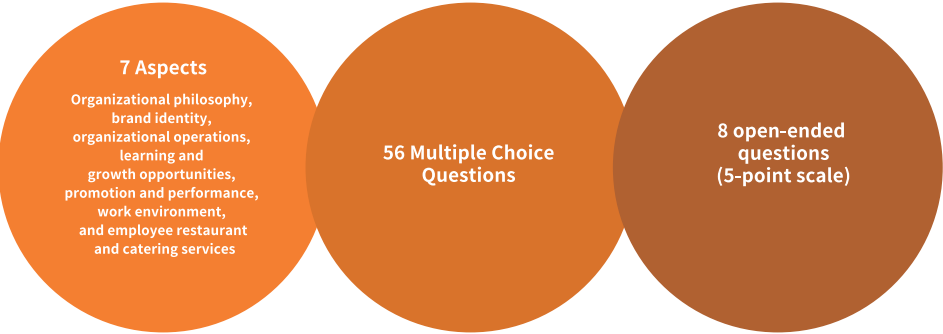
5.1.3 Employee Communication

YNM uses diverse channels to maintain continuous communication with employees, providing consensus among all colleagues. The Company conducts regular satisfaction surveys, annual Organizational Atmosphere Surveys, quarterly labor-management meetings, mid-year employee forums, and year-end all-staff Town Hall meetings. The Company facilitates communication through various channels including departmental ad-hoc meetings, senior management discussions, new employee orientation sessions, bi-monthly YNM Newsletter publications, and frequent internal email updates. These efforts enable real-time communication for employees and ensure timely dissemination of crucial information by the Company, aiming to reduce communication costs and enhance transparency. YNM did not establish a labor union in 2023.



Organizational Atmosphere Survey

YNM conducts an annual Organizational Atmosphere Survey to gain a comprehensive understanding of employees' perspectives on the Company. The survey will continue in 2023 with questionnaires distributed to all employees at the end of the year. The survey will cover seven key aspects: organizational philosophy, brand identity, organizational operations, learning and growth opportunities, promotion and performance, work environment, and employee restaurant and catering services. The results of the survey will serve as the foundation and motivation for developing action plans aimed at optimizing relevant areas.



Organizational Atmosphere Survey of YNM within the most recent two years		
Year	2022	2023
Questionnaires Distributed	349	365
Questionnaires Returned	315	345
Overall Score of the Questionnaires	4.37	4.38

The Company received an overall average score of 4.38 in 2023 from the Organizational Atmosphere Survey, showing a slight increase compared to 2022. Across the seven aspects, the Company scored relatively high in "brand identity," "organizational philosophy," and "organizational operations." Particularly noteworthy is the high score of 4.61 in "brand identity," indicating that the majority of employees have a strong sense of identification with YNM. This reflects a continuing strong emotional connection between the Company and its employees. However, in the aspects of "promotion and performance" and "employee restaurant and catering services." The scores were lower than average. These areas will be our focus for improvement moving forward.

Based on the results of the organizational atmosphere survey, we have requested each department to communicate our findings to their respective colleagues through internal meetings or other communication channels. Departments are also asked to conduct cause analyses regarding areas that need improvement and propose improvement strategies and actions. Each department is expected to suggest three to five improvements. Human Resources will then consolidate these suggestions and plan for subsequent actions.

Score of each aspect of the Questionnaire in 2023						
Organizational philosophy	Brand identity	Organizational operations	Learning and growth opportunities	Promotion and performance	Work environment	Employee restaurant and catering services.
4.43	4.61	4.43	4.41	4.19	4.31	4.1

Employee Forum

The Company organizes the annual "YNM Employee Forum - You N Me Talk Time" to establish a direct communication channel between employees and the Company, and to listen to our colleagues' views and suggestions on various company policies for continuous improvement, enhancing employee satisfaction, motivating consensus, boosting morale, and improving overall competitiveness. The Company gathers initial

suggestions before the forum, facilitates bi-directional exchanges during the session with colleagues, addresses their needs directly, and ensures that suggestions are effectively implemented and followed up after the meeting.

The YNM Employee Forum of 2023 was held in September, consisting of a total of 5 sessions to accommodate the participation of all colleagues. The Company also gathered numerous suggestions from employees, including various proposals to optimize the work environment, enhance the quality of dormitory spaces, and boost morale during the forum. The Company sincerely listens to the voices of our employees and translates valuable suggestions into the driving force for YNM growth. The Company's continuing efforts aim to create a transparent workplace where everyone is satisfied and happy.

Labor-Management Meeting

YNM also holds labor-management meetings in accordance with regulations to establish harmonious labor relations and promote cooperation between labor and management. These meetings occur quarterly and involve 5 representatives each from labor and management. They discuss company operations, provide suggestions, and engage in discussions to enhance mutual understanding together.

The Company holds regular meetings to communicate with labor representatives on relevant labor issues, ensuring the protection of all employees' basic rights and welfare, and with a win-win approach between labor and management aiming to promote sustainable business operations together.



YNM Employee Forum - You N Me Talk Time



Town Hall (All Employee Assembly)

The Company organizes an annual all-staff Town Hall meeting to gather everyone and ensure that all employees understand the Company's business performance and future outlook. The Company communicates the significant business achievements and future goals, often integrating them with important events throughout the Company during the event. For example, these Town Hall meetings integrate with events such as new car launches, the YNM 20 Series activities, VK competitions, and the President's Award ceremony. These gatherings are aimed at providing consensus among all employees and boosting morale across the Company.

The Company held our annual Town Hall integrating YNM 20th anniversary in October 2023, which made it a grand celebration. During the event, the Company conducted various festivities and highlighted the launch of the new Nissan Kicks e-POWER. All colleagues gathered together, and through activities like games and fun competitions, we aimed to bridge the gap between the management and staff. The annual Town Hall event is designed to enhance employees' sense of belonging and involvement, maintaining a strong bond between YNM and its employees.



Group photo of all colleagues with the new Nissan KICK e-POWER



20th Anniversary of YNM



Colleagues sending birthday wishes to YNM via their phones

Employee grievances and other communication channels

Employee grievances channels / Workplace misconduct grievance

Hotline: 037-875881 Ext. 1640  
Email : ray.lin@yulon-nissan.com.tw

YNM has also established procedures for handling workplace sexual harassment complaints within the Company.

Sexual harassment complaints can be submitted in writing, via email, or verbally. For those who file complaints verbally or via email, the receiving personnel or unit should create a record. After reading it aloud to the complainant or allowing the complainant to review it, confirming its accuracy, the complainant should sign or stamp it. The record should include the following details:	Name of the complainant, department and position, residence, contact number, and date of complaint.
	If there is a legal representative or authorized agent, they should attach a letter of authorization stating their name, residence, and contact number.
	The facts and details of the complaint, including relevant evidence.

**Sexual Harassment Complaint Handling Unit:**  
The composition of the complaint handling unit includes three to five members, with one serving as the chairperson, who is generally the head of the human resources department and will act as the chairperson of the meetings. Among them, there should be professionals with gender awareness, and the proportion of female members should not be less than half.

**The processing timeline:**  
Investigations of incidents shall be concluded within 2 months, with the possibility of extending by 1 month if necessary. Those who disagree with the decision on the complaint may file a written appeal within 20 days from the day after receiving written notification.

**Principles for investigating sexual harassment complaints:**

- When investigating sexual harassment incidents, the Company adheres to principles of objectivity, fairness, and professionalism. The investigation is conducted confidentially to protect the privacy and dignity of the individuals involved.
- Notify the parties involved and relevant individuals to attend and provide explanations, ensuring abundant opportunities for the individuals involved to fully express their opinions and defend themselves. Simultaneously invite relevant experts with knowledge and experience to assist in determining and implementing appropriate actions.
- In cases where there is unequal power between the parties involved or witnesses in a sexual harassment incident, efforts should be made to avoid direct confrontation between them. People involved in reporting, disclosing, accusing, filing lawsuits, giving testimony, providing assistance, or participating in any other capacity during the complaint, investigation, inquiry, or trial process of a sexual harassment incident, must not face any discriminatory treatment.
- All personnel involved in handling sexual harassment incidents must maintain confidentiality regarding the names or any other identifiable information of the parties involved unless disclosure is necessary for the investigation or concerns of public safety.
- During the investigation of a sexual harassment incident, supportive efforts should be made based on the physical and mental condition of the parties involved. It may be appropriate to proactively refer them to psychological counseling or provide legal assistance as needed.
- Investigators may, as necessary for the investigation and within the scope of confidentiality obligations, create additional written materials to allow the parties involved to review or be informed of the essence thereof.
- People involved in reporting, disclosing, accusing, filing lawsuits, giving testimony, providing assistance, or participating in any other capacity during the complaint, investigation, inquiry, or trial process of a sexual harassment incident must not face any discriminatory treatment.
- In cases where the accused holds a position of authority and the allegations are serious, during the investigation, it may be necessary to temporarily suspend or adjust the accused's duties. If after investigation it is determined that the accused is not guilty of sexual harassment, any salary withheld during the period of suspension should be reimbursed.
- Evidence of workplace sexual harassment must not be forged, altered, destroyed, or concealed.

Policies and commitments of the Company on talent recruitment and retention	Short-term Goals (1 Year)	Mid and long-term goals (3-5 Years)
<p>Employee educational training policies, recruitment plans, related employment, performance evaluation, salary and benefits policies, and related matters.</p>	<p>Job vacancy recruitment period &lt;90 days</p>	<p><b>Deepening campus engagement, employer brand image establishment:</b></p> <ol style="list-style-type: none"> <li>1. Actively strengthening close relationships with schools/students, expanding various recruitment and promotional channels, to uncover potential talented individuals.</li> <li>2. By deeply cultivating various campus plans, we enhance the Company's employer brand image and visibility, indirectly attracting potential job seekers</li> </ol>



5.2.1 Talent Recruitment

YNM adheres to the employment philosophy of “cultivating talent that adds value.” In addition to complying with legal requirements for hiring talents, we have a rigorous recruitment process that includes language proficiency requirements, professional assessments, and personality trait evaluations. During the interview stage, the Company further strengthened our joint recruitment interview system. In addition to the hiring manager of the position, a managerial-level supervisor from another department and the HR manager participate in the interview process together. Decisions on selecting candidates are made through consensus. Through meticulous checks and careful evaluations at each level, the Company ensures the realization of our employment philosophy of “cultivating talent that adds value.”

Deepening engagement with campuses

YNM operates a diverse recruitment strategy, with a particular emphasis on on-campus recruitment efforts. We spare no effort in engaging with potential corporate talents, aiming to increase YNM presence on campuses and expand opportunities to attract outstanding individuals. Concurrently, we assist young students in gaining more career exploration experiences before graduation, fulfilling our corporate social responsibility of contributing to and benefiting society. In 2023, YNM conducted multiple campus recruitment information sessions and organized career experience programs, as well as campus ambassador activities. We also continued to execute the “YNM Design Award” and sponsored the FST Formula Student Taiwan. Additionally, the Company collaborated with the Ministry of Labor to support and provide resources for national skills competitions.

Industry	Government	Academia
Industry-Academia Collaboration Project	National Skills Competition  Assisting the successfully conducting and concluding the competition	Campus recruitment information session
Yulon Nissan Motor Innovation Design Award		Career experience program
		YNM campus ambassadors
Hired 5 interns	FST Formula Student Taiwan  Participation as the Sponsorship	Across 9 universities in Taiwan Total participation reached 662 people
		Conducted in 3 universities
Touring over 20 universities and colleges Accumulated 2000 educator and student participants		The first recruitment recruited 14 campus ambassadors. 5679 likes on social media posts

Details of various campus collaboration projects can be found in section 6.1 Taking Root in Education

5.2.2 Performance Evaluation

YNM implements an employee performance evaluation system to review colleagues' development within the Company, as well as their job performance and achievements. The first step involves setting individual plans and performance goals for employees. Subsequently, employees are required to meet with their supervisors to discuss and reach a consensus on the plans and goals, ensuring their feasibility and effectiveness. During the execution phase, regular review and feedback sessions are scheduled between employees and supervisors. Finally, a performance evaluation is conducted to assess the achievement of initial objectives.



YNM conducted performance evaluations in three categories in 2023, with the assessment criteria focused on "Difficulty of KPIs and contribution level." Overall, 100% of YNM employees underwent performance evaluations last year.

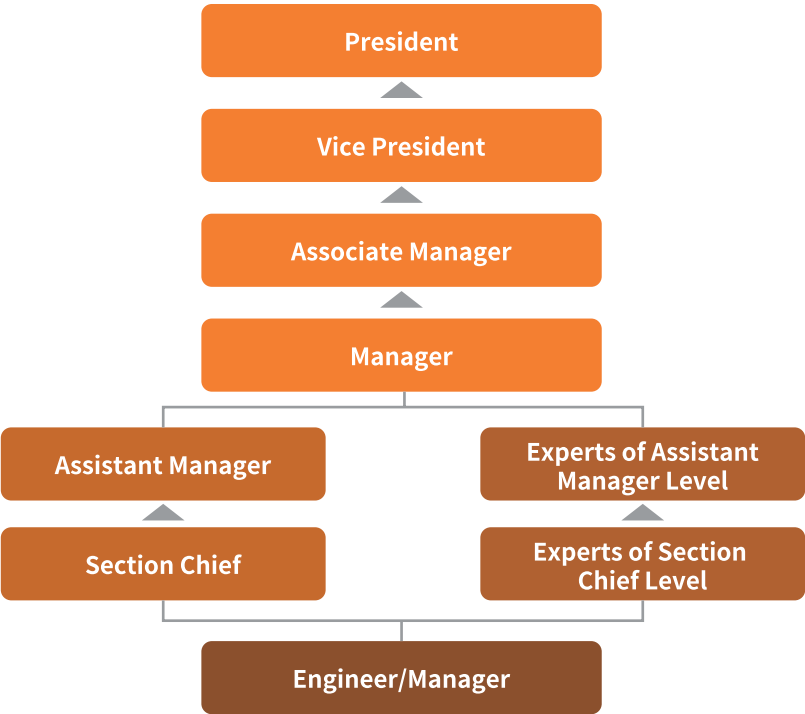
Assessment Timeframe	Category of Assessment	Keypoint of Assessment
2023/7/3-7/7	H1 Non-Supervisory Performance Evaluation	<ul style="list-style-type: none"><li>• Key Performance Indicator Difficulty</li><li>• The individual contributions of the employee toward achieving the goals</li></ul>
2023/12/29-1/12	H2 Non-Supervisory Performance Evaluation	
2023/12/29-1/12	Annual Performance Evaluation for Assistant Managers/Section Chief	



Gender	Male		Female	
Rank	Total	Number of employees under the performance evaluations	Total	Number of employees under the performance evaluations
Senior Level Executives	15	15	2	2
Middle Level Supervisors	64	64	12	12
Ordinary Employees	193	193	96	96

Dual-track indicator

YNM has established the system to provide development opportunities for colleagues with different traits and attributes. In addition to nurturing successors for managerial positions, YNM has also devised career progression pathways for non-managerial professional talents. This system encourages employees to grow in directions that suit their strengths, creating expectations for their future career paths. It ensures that talents within the organization are well-placed to achieve maximum synergy.



President Award

In addition to the performance appraisal system, the "President's Award" at YNM is our unique way of evaluating employee performance and providing the highest recognition for colleagues who have made significant contributions and demonstrated innovation.

President Award		
Purpose	Recognizing outstanding teams and individuals within the Company, setting exemplary standards, and embodying company values.	
The recipients of the award	Employees at the level of assistant manager and below within the Company.	
The spirit of the event	<ul style="list-style-type: none"><li>Rewarding innovation and the benefits it brings to the Company's mid-term goals</li><li>The individual award includes specific demonstrations of core competencies</li></ul>	
Innovation and benefits definition	<b>Innovations</b> product, service, process, organization or management, market management, or market expansion.	<b>Benefits</b> increase in sales or profits, cost reduction, enhancement of customer value or satisfaction, enhancement of employee value or satisfaction
Award categories	<b>Team awards</b> President's Award, Gold Award, Laureate Award	<b>Individual awards</b> President's Award, Gold Award

The Company has established a rigorous award selection process that is conducted openly and transparently, aligning with the schedule of the Nissan MC-CHINA AWARD selection. The registration period for our company's President Award is every September, where each department can nominate at least 2 outstanding individuals and 1 outstanding team. The selection process takes place at the end of November each year. YNM also evaluates the projects of participating teams to determine if they should be recommended to Nissan Motor Corporation for participation in the MC-CHINA AWARD or other larger-scale internal competitions, aiming to enhance the Company's reputation.

The selection process for the President's Award	
Nomination	The judging panel will conduct the first-round screening of the entries submitted by each department. The list of nominees will be individually notified after the screening meeting. All nominees must submit detailed entry materials before the preliminary review date. Failure to do so by the deadline will result in disqualification
Preliminary review	The judging panel will review the entries and recommend the order of winners for further review.
Secondary review	The judging panel consist of high-ranking officials such as the President, Vice President, and Director-level executives. They will collectively serve as judges, referring to the recommendations of the preliminary review panel to select winners for both group and individual awards.

In addition to awarding honors, YNM also provides substantial practical rewards to award-winning colleagues, including bonuses, certificates, and other additional welfare benefits. A total of 9 teams received group awards, and 11 colleagues received individual awards in 2023.

Awards	Number of awards	Rewards for the employees
Group Awards - President's Award	2 groups	A prize of TWD 50,000, Certificate of Award, Public Recognition, Announcement on the honor roll
Group Awards - Gold Award	5 groups	A prize of TWD 30,000, Certificate of Award, Public Recognition, Announcement on the honor roll
Group Awards - Laureate Award	2 groups	A prize of TWD 30,000, Certificate of Award, Public Recognition, Announcement on the honor roll
Individual Award - President's Award	3 people	Prize of TWD 15,000, trophy, certificate of award, public recognition, honor vacation and travel subsidy, one-year of office parking, announcement on the honor roll
Individual Award - Gold Award	8 people	Prize of TWD 10,000, trophy and certificate of award, public recognition, one-year of office parking, announcement on the honor roll



2023 YNM President Award-winning Colleagues Honor Roll

Group Award



2023 YNM President Award-winning Colleagues Honor Roll

Individual Award

5.2.3

Salary, Remuneration and Benefit System

Salary and Remuneration of the Employees

YNM determines salary levels based on employees' educational backgrounds, professional knowledge and skills, years of experience, performance achievements, and other individual accomplishments, which are not differentiated based on gender, race, or other personal characteristics. The Company has consistently adjusted salaries and offered flexible benefits, performance bonuses, and various holiday bonuses to maintain our competitiveness in the job market for the past three years.

The salary policy of YNM rewards employees based on company performance, departmental goals achievement, and individual performance. This includes mid-year performance bonuses, holiday bonuses, year-end additional bonuses, and dividends, among others, to timely motivate morale and retain talented employees. The Company also has a salary adjustment system where we assess and conduct annual salary reviews based on factors such as business performance and inflation rates.

Gender Pay Gap of YNM in 2023		
Gender	Male	Female
Average Salary of Supervisors	1,857,828	2,168,161
Median Salary of Supervisors	1,694,899	1,713,090
Total Salary of Supervisors	146,768,415	30,354,253
Gender pay gap in supervisory positions	20.68%	
Average salary of non-supervisory positions	1,081,189	972,905
Median salary of non-supervisory positions	1,102,996	917,696
Total salary of non-supervisory positions	208,669,461	93,398,858
Gender Pay Gap at non-supervisory positions	44.76%	

YNM annual total compensation ratio	
The annual total compensation of the highest-paid individual in the organization	7,200,000
The median annual total compensation of all employees (excluding the highest-paid individual)	1,149,585
Annual total compensation ratio	6.26

Implementation of Parental Leave

YNM is committed to creating a workplace environment where all employees can develop equally. The Company also strives to accommodate employees' needs during significant life transitions or events in their careers. YNM supports its employees by allowing them to apply for maternity leave as long as they meet regulatory requirements. In 2023, one female employee at YNM applied for and returned to work after parental leave.

The Company also set up lactation rooms to provide a comfortable environment for colleagues who need it in compliance with regulations. Additionally, for pregnant colleagues, the Company offers free entry passes for office parking. This benefit is equivalent to those provided to presidential positions. It allows employees with such needs to drive directly to designated parking spaces outside the office, minimizing exposure risks and ensuring peace of mind.



Return-to-work rate after leave.	Male	The number of employees expected to return to work after parental leave in 2023	0
		The actual number of employees who applied to return to work after parental leave in 2023	0
		Return-to-work rate	-
	Female	The number of employees expected to return to work after parental leave in 2023	1
		The actual number of employees who applied to return to work after parental leave in 2023	1
		Return-to-work rate	100%
Retention rate after leave	Male	Number of Employees return-to-work in 2022	0
		The number of employees who returned to work and completed one year of service in 2022	0
		Retention Rate	-
	Female	Number of Employees return-to-work in 2022	0
		The number of employees who returned to work and completed one year of service in 2022	0
		Retention Rate	-

Note:  
Return-to-work rate = actual number of employees who returned to work/number of employees who were expected to return to work within the year  
Retention Rate = number of employees who returned to work in the previous year/number of employees who completed a year of service in the previous year

Benefit System

YNM places a strong emphasis on balanced development among its employees in work, life, and family aspects. To support this, we have established a Welfare Committee, which held a total of 7 meetings in 2023. In recognition of employees' daily hard work and to encourage a balance between work and life while promoting physical, mental, and spiritual health, employees who have completed 25 years of service are eligible to apply for the "Senior Staff Local and Overseas Travel Subsidy." In addition to these, we also provide a variety of welfare programs, embodying a "Human" corporate spirit. Apart from statutory leaves such as personal leave, sick leave, maternity/paternity leave, and caregiver leave, we go further to accommodate employees' actual needs by offering customary leaves that exceed legal requirements. These include leave for children's school admissions, children's weddings, and siblings' weddings. These measures aim to encourage and support employees who have contributed to the Company over the years, allowing everyone to feel the value of their work and better achieve their goals. This approach enhances performance and continued dedication to the Company's objectives, collectively contributing to corporate social responsibility efforts.



Items of Benefits	Contents	Implementation in 2023
Flexible Benefits Allowance	Each person received TWD 12,000, and colleagues can choose their preferred benefit from the following options: Education Allowance, Car Purchase Allowance, Travel Allowance, Health Check-up, Car Warranty Allowance, Car Rental Allowance, and Childcare Allowance.	All employees
New Year and Festival Benefits	TWD 2,000 vouchers for New Year, Dragon Boat Festival, and Mid-autumn Festival	
Birthday Cash Gift	TWD 2,000	
1st of May Labor Day Benefits	TWD 1,500	
Office Shop Vouchers	TWD 2,000	
Wedding Cash Gift	TWD 2,000	9 people
Hospitalization Allowance	TWD 2,000 for 3 to 7 days of hospitalization and TWD 4,000 for 7 days or more of hospitalization	4 people
Bereavement Consolation Allowance	TWD 2,000 for relatives, and TWD 100,000 for self	8 people
Disaster Relief Compensation	TWD 5,000 for damages ranging from 30% to 50%, TWD 10,000 for damages exceeding 50%, and TWD 20,000 for uninhabitable housing conditions	-
Emergency Loan	1. Up to TWD 20,000 for childbirth/miscarriage of self or spouse 2. Up to TWD 20,000 for the death of immediate family members or spouse 3. Maximum TWD 100,000 for an accident resulting in house damage 4. Maximum TWD 100,000 for serious illness or major injury	
Retirement Souvenir	Distributing retirement souvenirs based on years of service	3 people

## Employees Activities

YNM also organizes various activities that encourage employees to bring their partners or families along to gain cohesion among employees. These activities include Family Day, employee trips, basketball summer camps, starlight runs, badminton tournaments, and more. Employees have been very enthusiastically participating in these events in 2023. In addition, YNM employees also formed various sports clubs. The Company subsidizes these clubs and provides practice facilities, allowing employees to participate in club activities directly after work. This initiative helps employees maintain physical fitness, achieve a healthy work-life balance, and enhance camaraderie and teamwork among colleagues.

### Family Day

We held the "Great Yulon Formosan Aboriginal Culture Village Fun Carnival" Family Day event at the Formosan Aboriginal Culture Village in Nantou, celebrating Yulon's 70th anniversary at the same time. Invited colleagues to bring their families to participate together, featuring activities with prizes and giveaways such as iPhone.

With 377 participants



### Employees Trips

With the easing of the COVID-19 pandemic in 2023, we organized domestic trips to destinations including Taitung, Hualien, Kinmen, Green Island, and Penghu. We provided subsidies for employees and their families to participate in these trips. We plan to resume organizing both domestic and international trips in 2024.

With 130 participants



### Basketball Summer Camp

The Company organized a "Basketball Summer Camp" at the dormitory complex's multipurpose sports hall to provide employees' children with physical activity and stress relief during the summer vacation. We invited players from the Yulon professional basketball team to personally coach the participants, whose aim is to inspire the children to discover their athletic potential through this event.

With 20 participants



### Starlight Runs

As the pandemic situation improved in 2023, the Company organized a factory-wide road race event to encourage team spirit among employees, which aimed to relieve work stress, promote health, and enhance the overall organizational atmosphere. The event was divided into two categories: the Challenge Groups (4 laps around the factory, totaling 8.8 kilometers) and the Health Groups (2 laps around the factory, totaling 4.4 kilometers). Prizes and awards were presented to participants in both groups.

With 105 participants



### Great Yulon Joint Badminton Tournaments

The Company organized the "2023 Yulon and YNM Joint Badminton Friendship Tournament" at the Yulon dormitory's multipurpose sports hall to cultivate recreational activities among colleagues, promote physical health, and encourage inter-company and inter-departmental communication. There were Team Events (including singles and doubles matches), and entertaining competitions

With 26 participants

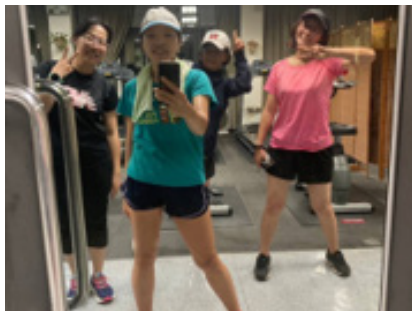




## Employee Clubs

Weekly group practice hold  
Amount of Subsidies  
TWD 14,000

### Jogging Club

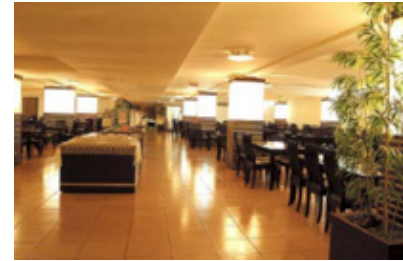


### Badminton Club



The Company is committed to creating a conducive environment that satisfies our employees in the workplace and facilities. The Company carefully listens to employee feedback, continuously optimizes our facilities, and strives to build a workspace that everyone enjoys through forums and diverse communication channels.

## Staff Canteens



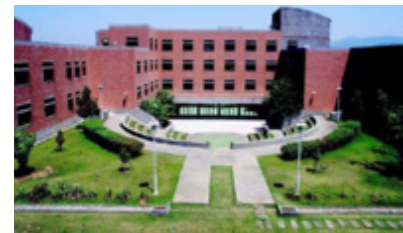
The factory areas includes 2 staff canteens, both beautifully designed with menus planned by professional nutritionists. These menus prioritize health and hygiene, ensuring that colleagues can dine comfortably and safely.

## Employees Office Shops

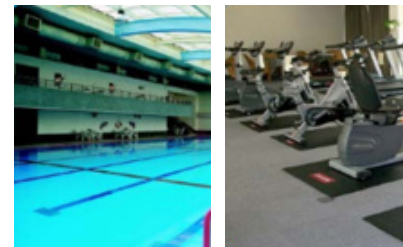


The factory site has 2 employee office shops, offering employees discounted prices on convenient daily necessities and food items.

## Employees Dormitory



YNM provides free employee dormitories, which include water, electricity, and internet services, to colleagues who reside in distant areas. which reduces commuting time and transportation risks, thereby enhancing employee well-being and satisfaction.



Retirement protection

The retirement benefits system of YNM is based on relevant local regulations. The Company provides retirement funds for each employee, with a participation rate of 100% in the retirement plan. For employees in Taiwan, the retirement benefits are governed by the Labor Standards Act and the Labor Pension Act. Employees who joined in and before June 30, 2005, are eligible for the old retirement pension scheme based on their years of service, and they can continue to contribute under the old system. However, if an employee voluntarily chooses to switch to the new retirement pension system, their years of service under the old system are preserved, but they shall begin to accrue years of service under the new retirement pension system. Each employee's retirement pension is calculated based on 2% of their monthly salary for each year of service under the old system under the old retirement pension system. This amount is deposited monthly into a designated account at the Bank of Taiwan for the old retirement pension reserve. It's important to note that this contribution is solely provided by the employer, and employees do not participate in contributing to this account.

The Company contributes 6% of employee's monthly salary to their individual retirement pension accounts, based on the salary brackets specified in the Labor Pension Act for those eligible for retirement benefits for employees who have chosen the new retirement pension system or who are newly hired. In addition to the Company's fixed contribution to retirement pensions, we also remind employees that they can choose to contribute an additional amount to their individual retirement pension accounts based on their personal preference. This additional contribution can range from 0% to 6%, ensuring that they have more comprehensive financial security for their retirement life. According to the 2023 financial statement, the total retirement pension contributions amounted to TWD 21,884,604 in total. This includes TWD 6,368,121 allocated under the old retirement pension system and TWD 15,516,483 allocated under the new retirement pension system.

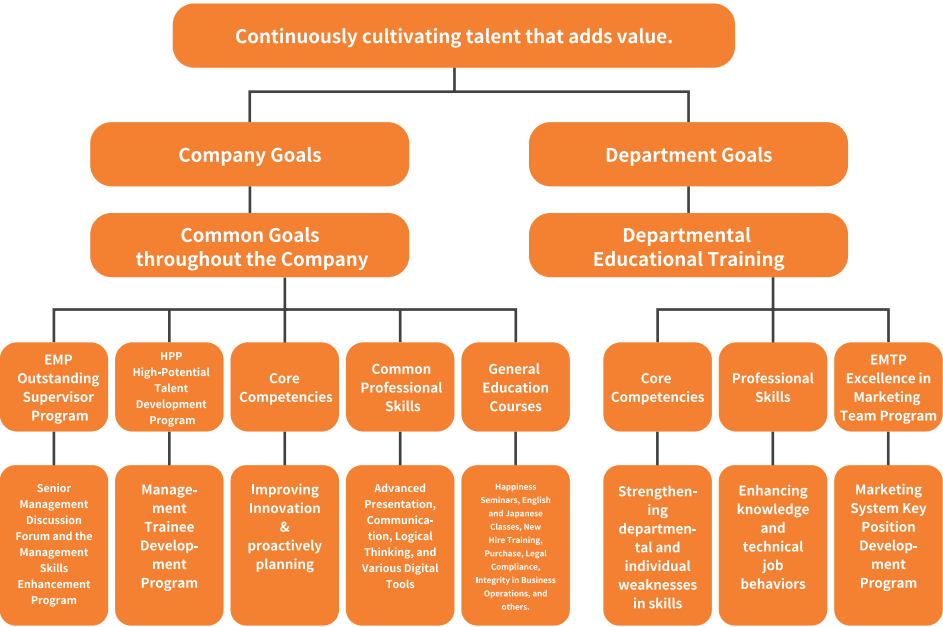
Item	2021	2022	2023
Number of Employees Applied to the New System	321	315	331
Total Number of Employees	375	367	382
Percentage	86%	86%	86%

5.3 Talent Cultivation and Development

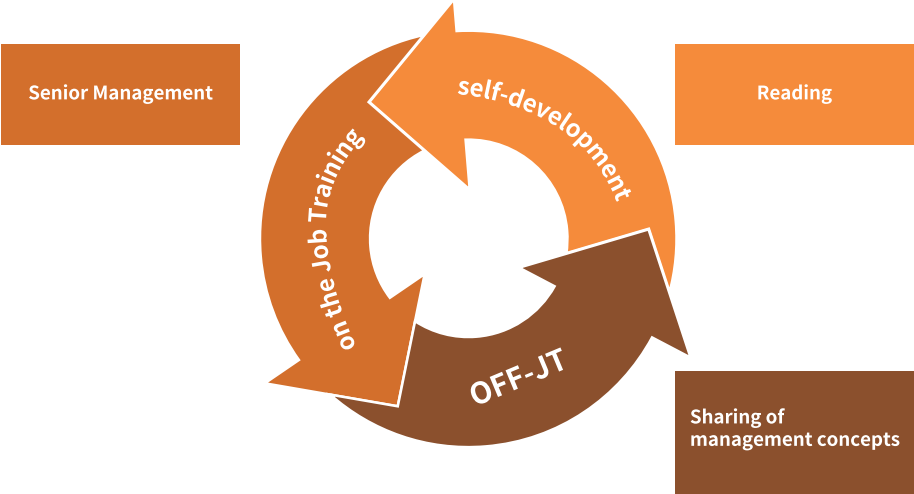
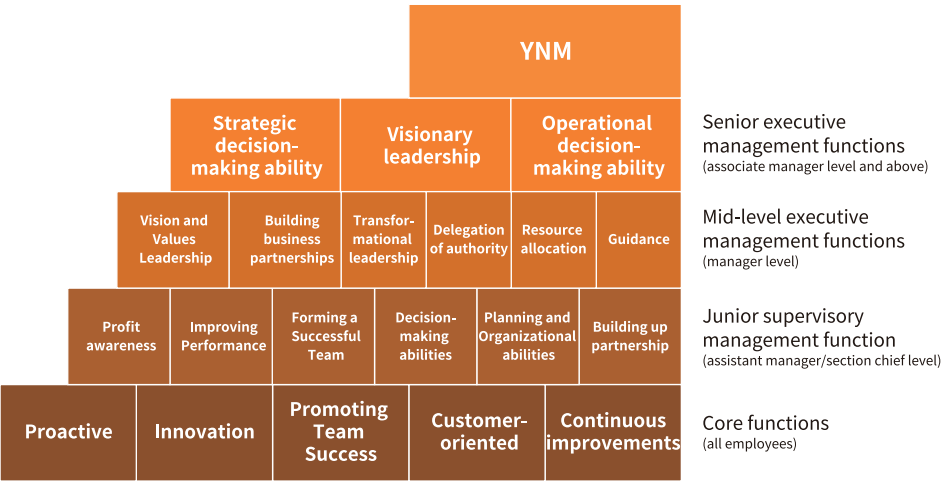
Our talent development strategy focuses on "continuously cultivating talent that adds value." We adhere to the spirit of "Give a man a fish and you feed him for a day; teach a man to fish and you feed him for a lifetime", dedicated to nurturing talents with care. Simultaneously, we prioritize the personal career development of our colleagues and the beneficial transfer of knowledge. This creates an atmosphere where all colleagues grow and learn together, creating a competitive advantage through continuous value enhancement. The senior executives wholeheartedly support talent development, emphasizing a management philosophy of "Recognition, Cherish, Fulfillment." This approach cultivates top talents who embody qualities such as "Innovation, Speed, and Teamwork."

5.3.1 YNM Talent Development Blueprint

Aligned with the Company and department's medium to long-term vision, the education and training policy for 2023 focuses on creating a meaningful digital transition environment. The main directions are Re-skilling and Up-skilling: Re-skilling emphasizes reshaping employees' capabilities to cultivate their proficiency in digital tool applications. Up-skilling focuses on enhancing employees' existing abilities to effectively integrate core values and functions into daily work. This strategic approach aims to prepare employees for the evolving digital landscape and ensure alignment with organizational goals.



Yulon Nissan Motor Core/Management Skills Items



5.3.2 Key Cultivating Plans

Strengthening management-level capabilities

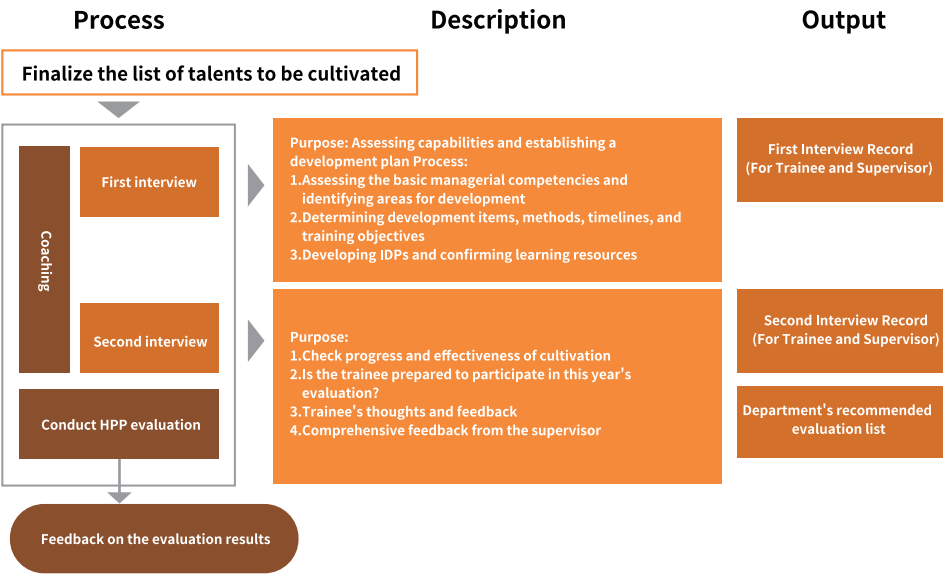
Excellent Management Program, EMP

The objective of this project is to systematically enhance the managerial capabilities of our leadership team, promoting a positive cycle where YNM management talent continuously improves. This initiative aims to sustain the Company's operations for the long term.

We utilize three measurement tools to analyze the management abilities of our supervisors and nurture their development: core competencies, management capabilities, and managerial traits. We regularly schedule workshops and senior executive forums for supervisors to participate in. Additionally, we distribute a management handbook to provide supervisors with reference materials for their management processes. We have also established a supervisor rotation mechanism to provide opportunities for colleagues who demonstrate managerial traits and capabilities to advance to management positions.

**High potential person, HPP**

The Company aims to create a continuous stream of successors for YNM by establishing a talent pool, conducting inventory, nurturing, and evaluating in a positive management cycle.



Excellent Marketing Team Program, EMTP

Regarding the development of colleagues along the professional career path toward becoming expert supervisors, we emphasize assigning project tasks to enhance their capabilities and experience. This is part of an advanced professional elite development system where individuals are evaluated for promotion to expert supervisor roles based on their performance in project-based training and assessments. This system operates alongside a dual-track performance evaluation process as detailed in 5.2.2 Performance Evaluation.

Nissan Motor's unique value enhancement methods

V-up (Value up)

The unique problem analysis method, V-up, developed for parent company NISSAN, aims primarily to strengthen Nissan's internal problem-solving processes, which encourages teamwork, innovation, and efficiency within the organization further. Through V-up, Nissan can effectively address various challenges faced by the Company, thereby achieving corporate goals. As a global partner of NISSAN, YNM actively adheres to the V-up principles and has introduced them into its internal management practices. Applying a management approach similar to Six Sigma within YNM internal projects to ensure process efficiency and effectiveness. YNM is also actively arranging for employees to participate in relevant educational training, which includes providing appropriate courses for new hires to management levels to ensure that project management efficiency and effectiveness are implemented. Through comprehensive training and practical application, YNM aims to maintain a leading position in the market competition and continuously enhance its business performance.

Relevant educational training of V-up	Frequency of conducting	Implementation Result in 2023
Fundamental training of V-up	Once per year	<ul style="list-style-type: none"><li>The implementation plan resolved a total of 13 projects in 2023 and onwards</li><li>Generated tangible benefits of TWD 9,735,082</li><li>4 intangible benefits (enhanced business efficiency) projects</li></ul>
Facilitator training	Once per year	
Facilitator Follow-up training	Once per year	
I-Pilot training	Irregular	
IGNiTE concept training	Irregular	



IGNiTE I-Pilot training



IGNiTE senior training



IGNiTE all employee concept training

5.3.3 Educational Training Result

In 2023, YNM offered over two hundred courses to its employees. These included training for newcomers, common training, core competencies, and managerial skills, as well as specialized or project courses focusing on procurement, technology, quality, and other areas. Additionally, YNM provided happiness seminars offering information related to employees' daily lives. Furthermore, the Company facilitated resources for employees to participate in external training programs, cultivating their acquisition of professional certifications in technical skills or tool operations. In 2023, YNM invested a total of TWD 6,048,162 in educational training.

Courses offered by YNM in 2023				
Category	contents	Number of courses in each category	Total hours of courses	Total number of employees taking the course
New Hire Training	Pre-employment training, common training in the first three months, understanding of company core values	15	111.09	143
Common Training	Including forward-looking seminars, regulations, information security, presentation skills, communication skills, and logical thinking	18	46.5	393
Core Skills	Innovative and proactively	6	42	344
Management Skills	Leadership Courses, High-Potential Personnel Training and others	6	38.5	309



Vehicle Model Training Courses	Educational Training on Product Knowledge	2	2	725
Technical Center - R&D and Development	Understanding Basic Measurement, Materials, and Technological Methods	3	24	20
Engineering Technologies Types	Tools and Knowledge Learning for Technical Categories	6	74.75	39
Classroom Courses	Including engineering capacity control, wrinkle-resistant design, industrial trends, and others	6	7.5	48
Quality	Quality Management Tools and relevant explanation of the process	8	16	32
Purchase Types	Including crisis management, cost scrutiny, presentation skills for evaluation purposes, and others	7	13.5	33
Project Courses	Plastic processing and composites	1	1	11
Professional Courses	Introduction to Professional Knowledge, Sharing of training reports, Management or Testing Operation Guidelines	61	101	540
Information Security	Training on Information Security, Auditing and Practices, Introduction to Efficient Office Tools	7	10	761
V-up Courses	Parent company Nissan's problem-solving methodologies	8	58.5	387
Digital Certification + Digital Transition	Visualization, Video Editing, Digital Transition Mindset and others	11	55	1,047
Happiness Seminars, Occupational Health and Safety, and Other Courses		14	17.33	887
External Training		26	282	25

2023 YNM Employee Educational Training Data Summary						
Item	Male		Female		Total	
	Number of Participants	Hour	Number of Participants	Hour	Number of Participants	Hour
Ordinary Employees	181	7,626	89	3,268	270	10,894
	42.1		36.7		40.3	
Head of Middle Management	59	2,181	11	439	70	2,620
	37.0		39.9		37.4	
Head of Senior Management	12	100	3	24	15	124
			8.0		8.3	

Unit: TWD

Total investment in educational training in 2023	6,048,162
The amount invested in internal training	2,362,817
The amount invested in external training	3,685,345

The Human Resources Department of YNM coordinated and planned a series of courses including core values, core competencies, and managerial skills. These courses align with the vision of the talent development blueprint, aiming to achieve departmental and all of the Company’s medium to long-term goals through a solid training framework and carefully designed courses.

**Core Value: Cultivating a workforce that embodies the 1st core DNA of innovation, speed, and teamwork among all employees.**

Town Hall & Meeting with the President	
Number of Training Sessions	Twice
Number of training attendees	740 attendees
Total hours of training	1,480 Hours



**Core Competency:** Cultivating employees with the core abilities and behaviors expected by the Company.

Innovation & Proactivity Core Competency Course	
Number of Training Sessions	6 times
Number of Training Attendees	344 attendees
Total Hours of Training	2,408 Hours

**Management Competencies:** Systematic enhancement of managerial skills among supervisors to meet the Company's sustainable business development goals.

	Senior Management Discussion Forum	Management Competency - Performance Enhancement (Tame the Heart)	Management Competency - Profit Awareness	Understanding Workplace Misconduct - For Managers
Number of Training Sessions	2 times	2 times	1 time	1 time
Number of Training Attendees	158 attendees	83 attendees	83 attendees	77 attendees
Total Hours of Training	395 Hours	996 Hours	249 Hours	154 Hours

**Common professional competencies:** Cultivating the professional knowledge, skills, and attitudes required for all departments across the Company.

	Video Editing Tutorial Workshop - Basic	Video Editing Tutorial Workshop - Advanced	Essential ChatGPT Prompting Techniques for Work in the AI Era	Digital Transition Thinking Course
Number of Training Sessions	2 times	2 times	2 times	1 time
Number of Training Attendees	79 attendees	58 attendees	337 attendees	83 attendees
Total Hours of Training	474 Hours	348 Hours	671 Hours	1,101 Hours

**General Education:** Includes courses such as Happiness Seminars, New Hire Training, Decision-making Authority, Ethical Business Operations, Concepts of Laws and Regulations, and Basic Training in Purchase Processes.

	Yulon Meet the Happiness Seminars	New Hire Training (including Common Training)	Workplace Misconduct and Violations - For Employees
Number of Training Sessions	7 times	5 times	3 times
Number of Training Attendees	102 attendees	63 attendees	276 attendees
Total Hours of Training	153 Hours	1,034 Hours	552 Hours



Supervisory Training Series - Tame the heart



Supervisory Training Series - Workplace Misconduct



Common Professional Course - Basic Presentation Skills



Common Professional Course - Basic Management Skills



Digital Tools Course - RPA



Digital Tools Course - Mobile Phone Video Editing



Core Skills Course: Enhancing employees' soft skills through group-based games



YNM departments also annually plan internal operational training courses tailored to the specific needs of each department. These courses focus on more specialized aspects and involve research and discussions.

### YNM - Technical Center 2023 Education and Training

YNM Technical Center enhances overall work efficiency and executes product planning directives accurately through professional skills enhancement courses, knowledge and technology sharing sessions, and supplementary training. These courses empower colleagues to grasp various technological applications, vehicle technology trends, and cutting-edge regulations. This effort aims to develop vehicle performance and enhance YNM technical capabilities.

Annual Plan	contents	Number of held course sessions
Enhancement of Professional Competencies	Each department is responsible for sharing the internal knowledge content worth sharing and arranging further education and learning opportunities for colleagues.  The courses cover various professional topics including systematic learning, steel materials, pollution certification, noise certification, and interpretation of vehicle testing results.	69
Knowledge and Technology Sharing Sessions	The Interior Department will conduct two sharing sessions: one on seat design and another on automotive display technology design in 2023.  Compulsory course for Interior Department colleagues; colleagues from other departments may choose to take it based on business needs.	2
Other supplementary courses	In addition to professional skill development, the Technical Center also arranges numerous internal supplementary courses to help colleagues understand regulations, trends, and industry application examples.	15

The Technical Center also offers various external training opportunities to colleagues from corresponding departments in 2023, which include participation in external seminars, technical application courses, and retraining for equipment operation certifications.

Technical Center External courses	Enhancing Professional Competencies: Material Properties, Industry Applications, Mold Development and Acceptance	3 sessions
	Others: Equipment Certifications, Trend Seminars, and others	10 sessions

### YNM - Aftersales Department 2023 Educational Training

YNM Parts Service Department serves both dealers and external customers, making it crucial to achieve the consistency and excellent quality of YNM sales and service system through effective education and training. For internal roles such as team heads, specialists, and technical supervisors, we have organized various courses to enhance their understanding of technical processes, automotive repair, painting procedures, and more. For our external dealer network, we focus more on courses related to stress management, team morale, and similar topics. Our goal is to continuously improve the skills and psychological resilience of YNM service personnel, ensuring they provide end customers with services that align with YNM core values.

Internal Education Courses	Participant	Feedback on Staff Training
Regular maintenance / Gauge usage / Consult usage	Newly hired engine specialists for service centers	Through this certification, I now have a thorough understanding of the procedures and key points in routine maintenance.
1. Using the latest diagnostic tools to diagnose and repair various conditions 2. Performing major component overhauls	Service Center Engine Specialist	Through certification, I have gained the knowledge and skills necessary to address customer-reported issues with engine faults, ensuring accurate repairs on the first attempt.
1. Using relevant online resources to diagnose and repair various challenging conditions 2. Providing technical guidance and instruction to enhance employee performance and achievements	Factory Technical Head / (Third Rating Specialist) Specialist	This course has provided me with an understanding of the framework and implementation of knowledge teaching and skill course modules. It covers topics such as safety control, vehicle handling, specialist management, teaching skills, and guiding skills.
Car Body Welding / Damage Repair / Sheet Metal Sealing / Body Measurement	Service Center Panel Beating Specialist	Participating in this certification training has deepened my knowledge of the fundamental techniques and processes of automotive panel beating. Through practical hands-on experience and theoretical learning, I have learned how to effectively repair car body damage, perform welding and sealing work, and accurately conduct body measurements.
Paint Surface Repair / Body Painting / Color Matching Techniques / Paint Protection	Service Center Paint Technician	Through the N-STEP paint certification training, I received practical experience and professional guidance, learning not only the skills to repair paint surfaces and paint cars but also mastering color matching and paint protection techniques.
New Car Model Information Explanation / Live Vehicle Observation / Disassembly and Assembly Practice	Technical Supervisor / Training Team Leader / Factory Technical Head	Understanding e-POWER system troubleshooting and diagnostic measurement techniques.

## Aftersales Department External Courses in 2023

Participant of the Course	Course Contents
Service Center Manager, Successor, Service Planning Head	<ul style="list-style-type: none"> <li>Exert the influence of empathy and care</li> <li>Influence of a leader who leads with both heart and mind</li> </ul>
New personnel in the dealer sales and service system who have worked for at least six months and have not received training	<ul style="list-style-type: none"> <li>To cultivate a proper service mindset among new personnel (YNM service philosophy and spirit) and promote proactive work motivation.</li> <li>To boost team morale, enhance a spirit of cooperation, establish internal consensus, and cultivate a sense of team support.</li> </ul>
Sales and service personnel with less than one year of tenure who have not participated in this training.	Arrange basic service procedures and necessary professional skills for new recruits.
Sales and service personnel with over 3 years of experience who have not participated in this training, including senior service specialists, cashiers, or management trainees	<ul style="list-style-type: none"> <li>Dynamic Course: Participants engage in activities to experience team awareness, enhance logical thinking abilities, and strive for self-improvement through challenging personal limits by the leadership of the Professional Adventure Education Team.</li> <li>Static Course: Professional instructors teach knowledge and skills on self-exploration, mindfulness, emotional management, stress relief, and relaxation techniques.</li> </ul>

## Educational training for factory managers/heads.

- Course satisfaction score 4.97 points
- Deepen empathy and understand colleagues' thoughts



## Educational training for senior service specialists, cashiers, or management trainee

- Course Satisfaction: 100% positive satisfaction (80% very satisfied + 20% satisfied); the course contributes to the importance of team cohesion and mutual trust.
- Willingness to Change: 84% of the participants are very willing to initiate change; 16% are willing to try to change (applicable to work/life).



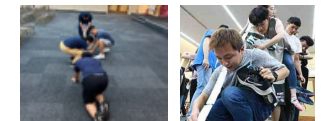
## Educational training for service specialists and cashiers

- Course Satisfaction: 100%
- Participant Feedback: Learned the entire service process, gained further understanding of product knowledge and vehicle structure, and visited the factory to see the car manufacturing process.



## Sales and service new employee educational training

93% of the participants agree that the course has helped them better understand the importance of teamwork cooperation and service awareness.



5.4 Healthy Occupational Environment

Material Topic: Occupational Health and Safety

Actual and potential positive impacts on the economy, environment, and people (Opportunities)	Ensuring employees' occupational health and safety by establishing a safe work environment where employees can work with peace of mind.
Actual and potential negative impacts on the economy, environment, and people (Risks)	<b>Economy</b> Occupational accidents can lead to loss of human capital, fines from regulatory authorities, and damage to the Company's reputation.  <b>People</b> Failure to establish a good working environment can harm employees' physical, mental, and emotional well-being.
Resources allocated in 2023	<ol style="list-style-type: none"><li>1. Conduct hazard identification and risk assessment</li><li>2. Flexible working hours: Start work between 8:00-9:00 and finish between 16:45-17:45.</li><li>3. Post signs in accordance with the Occupational Safety and Health Act.</li></ol>

Strategic Goals

Policies and Commitment to Occupational Safety and Health of the Company	Short-term Goals (1 year)	Medium- term and Long-term Goals (3 to 5 years)
Comply with regulatory requirements and promote workplace health Implement risk management and enhance safety awareness Enhance management effectiveness and ensure employee participation Fulfilling social responsibility and continuously improving and optimizing processes	0 cases of occupational injuries.	<ol style="list-style-type: none"><li>1. 0 cases of occupational injuries.</li><li>2. Continuously promote at least two health promotion plans each year.</li></ol>

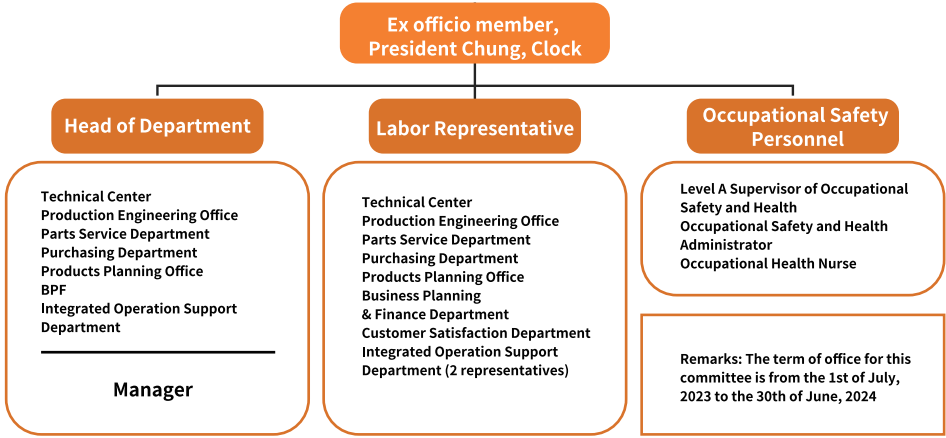
5.4.1 Occupational Safety and Health Management

YNM is committed to establishing a safe, healthy, and comfortable working environment. We adhere to occupational safety and health regulations, conduct regular occupational safety and health education and training, implement employee health check-ups, and promote various health promotion plans. It is our obligation to provide a safe and secure working environment to maintain the physical, mental, and emotional well-being of all YNM employees.

<ul style="list-style-type: none"><li>• YNM has set "zero major occupational safety incidents" as our daily operational goal. Through the operation of the internal Environmental Safety Committee, we enforce occupational health and safety management.</li><li>• The occupational health and safety management procedures at YNM cover all activities necessary for employees due to occupational reasons, with a coverage rate of 100% of employees.</li></ul>		
Short-term Managerial Goals	Medium-term and Long-term Goals	Achievements in 2023
Provide occupational safety and health team education and training to promote various projects.	Recording the implementation progress of each initiative and integrating them into medium to long-term plans will reflect YNM achievements in occupational safety and health management.	No significant occupational safety incidents occurred in 2023.

YNM Environmental Safety Committee acts as the supervisory body for occupational safety and health management. The committee reviews issues related to occupational safety and health within the Company. The committee consisted of a total of 20 members in 2023. President Chung, Clock serves as the highest decision-maker. The committee members include department heads, several labor representatives, and three dedicated occupational safety personnel. The Occupational Safety and Health Committee convenes quarterly meetings, with representatives from the Integrated Operation Support Department's Safety and Health Division serving as the meeting's chairperson and unit in charge.



Organizational Chart of YNM Occupational Safety and Health Committee



Frequency of the meetings	Once every three months	Participating Units	Each Unit
Unit in charge	Integrated Operation Support Department - Safety and Health Division	Number of labor representatives	9
Highest decision-maker	President	Total number of members in the committee	20
		Proportion of the labors	45%

Occupational Safety and Health Committee Operations in 2023			
Date of Meetings	Key Discussion Items/Major Resolutions	Number of attendees	Attendance Rate
2023/01/02	Each unit assisting in promoting occupational safety should appoint coordinators for a specified term, with re-election upon term expiration. Each unit should appoint at least two coordinators who undergo regular education and training. In cases of personnel retirement, departure, or leave, occupational safety projects should not be left unattended.	17	85%
2023/04/11	All units should centrally manage occupational safety-related certifications in a registry to facilitate the timely completion of retraining or reassignment before expiration.	18	90%
2023/07/14	After hazard identification and risk assessment, effective and specific control measures should be proposed for high-risk operations.	18	90%
2023/10/19	For drafting the 2024 occupational safety and health plan, each unit should collaborate with the occupational safety unit to conduct a review of relevant occupational safety work, facilitating the completion of the plan.	20	100%

YNM occupational safety and health dedicated unit is the Safety and Health Division within the Integrated Operation Support Department, which regularly assesses employee health risk issues based on company conditions and formulates corresponding control measures. Health risks for YNM employees included risks related to influenza infection and risks associated with chronic conditions such as hypertension, hyperlipidemia, and hyperglycemia (known as "the three highs") in 2023. Additionally, we offer free flu vaccines to all employees to enhance their ability to resist viruses. Furthermore, we plan to introduce healthy meals every Tuesday and Thursday to reduce the risk of chronic conditions among employees.

Risk control measures	Actual effectiveness of the measures	Pictures
The Company provides free influenza vaccines for all employees to mitigate the risk of infection.	A total of 223 employees received the influenza vaccination in 2023.	
The Company planned the introduction of healthy meals every Tuesday and Thursday to help reduce the risk of chronic conditions among employees.	A total of 70-80 people ordered healthy meals each time.	

5.4.2 Personnel Occupational Safety and Health Training

Internal staff safety and health training is a critical component for managing occupational risks and creating a safe workplace environment. Starting from the induction of new employees, we assist in establishing a solid foundation of occupational safety and health knowledge. Annually, we also conduct regular general safety and health education training sessions, along with self-defense and fire safety training for emergency response teams. These efforts aim to instill correct safety and health concepts deeply within every member of the YNM workforce, collectively creating a secure and reassuring work environment.

YNM occupational safety and health educational training in 2023			
Name of the Course	contents	Number of attendees	Number of hours (hours)
New Employee Occupational Safety and Health Training	<ul style="list-style-type: none"><li>• Introduction to the Company</li><li>• Occupational Safety and Health Training</li><li>• Fundamental Knowledge of Management Systems</li><li>• Firefighting and Emergency Response</li></ul>	34	3
General occupational safety and health educational training	<ul style="list-style-type: none"><li>• Summary of regulations related to occupational safety and health</li><li>• Concepts of occupational safety and health and safety regulations</li><li>• Automated checks before, during, and after operations</li><li>• Standard operating procedures</li><li>• Emergency accident response and handling</li><li>• Fire safety and first aid knowledge and drills</li></ul>	350	1
Self-defense firefighting team and health educational training	<ul style="list-style-type: none"><li>• Fire extinguisher performance and drills</li><li>• Fire hydrant performance and usage methods</li><li>• Fire extinguishing, self-rescue, and evacuation methods during a fire</li><li>• Review and post-disaster recovery</li></ul>	361	4

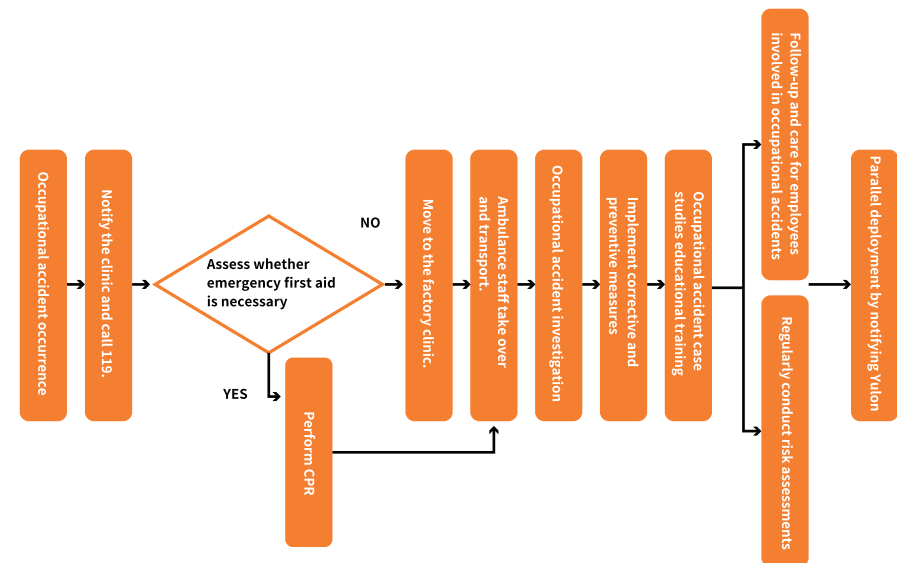


YNM occupational disaster statistics for the year 2023						
Item	2021		2022		2023	
	Male	Female	Male	Female	Male	Female
Occupational Injuries (Cases)	0	0	0	0	0	0
Occurrence of occupational disease (Cases)	0	0	0	0	0	0
Working Day Lost (Days)	0	0	0	0	0	0
Total Working Hours	563,584	192,304	536,928	177,072	551,291	210,493
Injury Rate (IR)	0	0	0	0	0	0
Occupational Diseases Occurrence Rate	0	0	0	0	0	0
Severity Rate (SR)	0	0	0	0	0	0
Absence rate	0	0	0	0	0	0

1. Injury Rate = Number of injuries\*one million working hours/total exposure hours
2. Severity Rate = Number of lost workdays due to injuries\*one million working hours/total exposure hours
3. Occupational Diseases Occurrence Rate=Number of cases of occupational diseases\*one million working hours/total exposure hours
4. Absence rate = (Total absentee days/total working days\*100%
5. Definition of exclusion from occupational injury: Minor incidents that do not result in death, disability, injury, or illness due to occupational accidents are not included in the calculation of occupational injuries.
6. Definition of absenteeism rate: The number of absent days caused by death, disability, injury, or illness resulting from occupational accidents.
7. Occupational injury categories in 2023: None.

The Company has established an occupational accident response procedure: In the event of an accident, employees shall immediately notify the factory doctor, nurse, and emergency services (119). If emergency first aid is required, immediate CPR and AED should be administered. If emergency first aid is not required, the patient should be taken to the clinic, or be transported to the hospital by ambulance. The Company will conduct an investigation into the occupational accident, identify and analyze the causes, and implement corrective and preventive measures following the incident. Through our educational training programs, we ensure that every employee understands this procedure. In cases where incidents occur, we will incorporate these cases into our educational training to educate and inform all colleagues. This shall strengthen our colleagues' ability to identify hazards and assess risks, ensuring that all accidents are effectively managed.

### YNM Occupational Accident Response Procedure



### 5.4.3

### Building a Healthy Workplace

#### AED Emergency Rescue Equipment

Install AEDs in prominent locations throughout the factory area and actively promote CPR training for everyone. Organize first-aid training courses on CPR, choking emergencies, wound dressing, and other emergency procedures to enhance colleagues' awareness and response capabilities in first-aid situations.

Employee Health Management

Title	Description	Outcome
Employee Lunch Nutrition Management	Establish central kitchen catering, with menus planned by professional nutritionists to ensure dietary nutrition and calorie intake.	
YNM Health BMI	Based on health check results at YNM, the highest abnormality rate across the Company is our BMI, with 56.8% of colleagues being overweight or obese, and 1.9% underweight. Therefore, we have initiated the "YNM Health BMI Department Incentive Program." This program operates at the department level, setting differentiated BMI improvement targets. Departments that achieve their targets will receive incentives, aiming to encourage colleagues to achieve healthy BMI through proper diet and regular exercise.	After 3 months of effort, the entire company has collectively lost 110.3 kilograms. The proportion of employees with a healthy BMI has increased from 41.3% to 46%. Additionally, 3.1% of employees are still not in the healthy BMI range but have achieved a weight loss of over 5%. Together, these groups account for 49.1% of the total workforce.
2023 Factory Starlight Runs	An annual event that promotes both health and charity. Each participant's registration includes a donation of TWD 100 per person to a charitable organization.	Yulon Motors and Yulon Nissan Motor with a total of 350 participants.
Happiness Seminars	Organizing health-related speech: 1. "My plate" and dietary weight-loss methods 2. Stretching exercises and Tabata	With a total of 100 participants

Employee Assistance Program

Since 2015, we have actively collaborated with the Taoyuan Lifeline Association to provide counseling services in areas such as psychology, legal advice, financial management, mental health, and management through our Employee Assistance Program (EAP). This program aims to assist employees in resolving challenges they face in work, life, and health confidentially and professionally. The EAP has been instrumental in enhancing workplace performance, and employees can reach the dedicated helpline at 0800-800-590.

YNM Employee Assistance Program Focuses on Three Main Directions:

Work	Life	Health
Providing services related to management strategies, job adaptation, and career assistance	Assisting employees in resolving personal issues that may affect their work, such as interpersonal relationships, marriage, parenting, family caregiving, financial matters, legal issues, and others.	By providing health education and medical facilities in the workplace, we assist employees in maintaining their physical and mental well-being. This helps achieve work-life balance, enhancing work efficiency and productivity.

The Services Provided by the Factory Clinic and their Effectiveness

YNM and its parent company Yulon Motors are both located in the Sanyi Industrial Park in Miaoli. Within the factory premises, there is a Yulon Motors Employee Clinic that provides emergency assistance and outpatient services for daily employee needs. The clinic is staffed by qualified nurses and emergency specialist physicians from affiliated teaching hospitals.

Item	Service content and 2023 implementation effectiveness	
Internal and Surgical Medical Treatment, and Emergency Care	<ul style="list-style-type: none"><li>Providing staff with a high-quality medical environment and professional medical consultation services. The clinic physicians are qualified in emergency medicine and family medicine, with extensive clinical experience.</li><li>In addition to providing healthcare services for employees, their family members and local residents are also welcome to visit the employee clinic for medical treatment or consultation.</li></ul>	
Smoking Cessation Special Clinic	<ul style="list-style-type: none"><li>Providing smoking cessation services: Physicians assess individual employees and recommend appropriate smoking cessation treatments based on their diagnoses.</li><li>Actively promoting smoking cessation information to employees, assisting them in quitting smoking and advocating for self-control of not smoking indoors.</li></ul>	
Health Check	<ul style="list-style-type: none"><li>Health check: Selecting designated hospitals for occupational disease prevention health checks under labor insurance and conducting health checks for employees on-site.</li><li>After consolidating the examination reports in the clinic, we conduct health analyses based on the results. For individuals with abnormalities, we provide proactive follow-up care and guidance, or we notify them to visit the employee clinic for professional medical consultation.</li></ul>	The Company plans to conduct factory-wide employee health checkup activities every three years, providing examinations that exceed legal requirements. After completing the annual health check activities, the occupational health nurse plans a series of health promotion activities based on the results, aiming to help employees understand the benefits of health checkups and enhance our colleagues' personal health care concepts. The health check results will be managed by nurses for abnormality tracking, reducing the risk of disease occurrence and ensuring comprehensive health oversight for employees. Through a comprehensive mechanism of health check-ups and management, there have been no reported cases of occupational diseases among the employees.
Vaccination	Invite staff to voluntarily register for vaccination	A total of 223 doses of influenza vaccine were purchased and administered in 2023.
First Aid Training	Promote CPR awareness to all, enhance staff's first-aid capabilities, and improve their emergency response skills by organizing first-aid training courses such as cardiopulmonary resuscitation (CPR), choking handling, wound dressing, and other essential first-aid techniques. Increase staff's understanding of first aid, encouraging them to learn rescue skills effectively.	
Disseminating	Regularly provide health information to all employees, including preventive measures for statutory infectious diseases like COVID-19 and seasonal illnesses such as dengue fever, influenza, winter itch, and cardiovascular care during winter.	In addition to cooperating with government epidemic prevention efforts such as workplace disinfection and influenza vaccination, the Company proactively conducts educational events and arranges health promotion activities for colleagues ahead of the seasonal outbreaks of various statutory infectious diseases.



# Contribution to Society

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of the Society 121



Core Vision and Commitment

In 2023, YNM in Taiwan celebrates its 20th anniversary, demonstrating our steadfast commitment and founding principle of our founder, Mr. Yen: "from society, for society." Alongside our dedication to business excellence, we remain deeply committed to contributing to society through active engagement in educational and social welfare activities.

YNM upholds its support for national talent development by providing a platform for young individuals to pursue their dreams. We have continuously organized the "Yulon Nissan Motor Innovation Design Award" to encourage more innovative talents for the automotive industry. Additionally, the Company engages deeply with schools to share practical knowledge, assisting in cultivating future talents and ensuring continuous growth in automotive education. The Company integrates our resources to support industrial applications and donate electric vehicles to assist the government in vocational training. Furthermore, we are committed to long-term care for the safety of temporary workers. We actively promote green and sustainable education, collaborating to protect the Earth and achieve common societal goals.

Results and Performance in 2023

1	The Company pioneered the industry's unique Campus Ambassador Program, serving as a bridge between YNM and educational institutions.
2	The Innovation Design Award introduces a brand-new theme focused on challenging NISSAN e-POWER through creative marketing strategies using digital social media platforms popular among the younger generation.
3	The Company has donated 8 Nissan Leaf electric vehicles and 2 sets of new engines to Taichung-Changhua-Nantou Regional Branch, Workforce Development Agency, Ministry of Labor, hoping to support the cultivation of electric vehicle maintenance talents
4	The NISSAN Little Car Expert event celebrates its 20th anniversary, expanding from 9 to 20 NISSAN service centers and hosting a wide range of activities
5	The Company donates TWD 1 million to provide employer's liability insurance for temporary workers of the Department of Environmental Protection under the city government every year. This charitable act has been ongoing for 19 consecutive years.

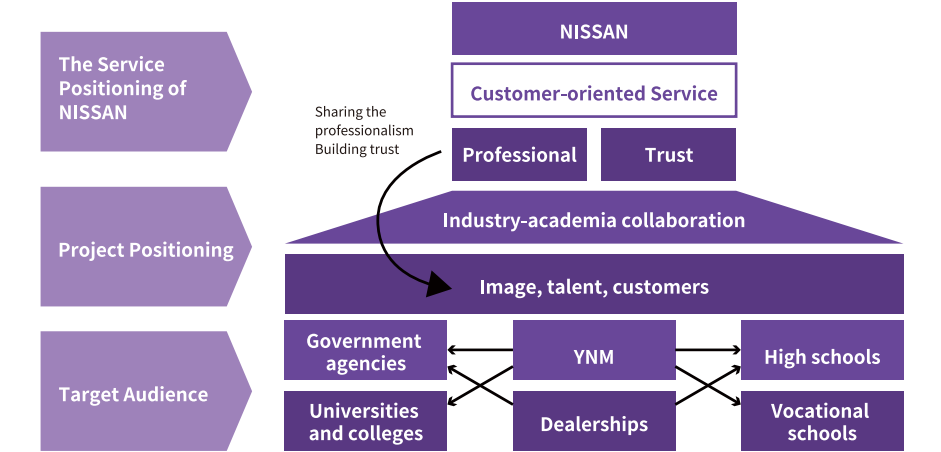
YNM upholds the principle of "from society, for society," actively responding to environmental and social structural transformations. We continue to create a top-down corporate culture of philanthropy, encouraging employee participation in various charitable activities to cultivate greater awareness of social citizenship. Throughout this process, we have developed two major social philanthropy strategies: rooted in education and promoting societal welfare. We have invested and donated over TWD 10 million of funds, continuously integrating group resources to give back to society and expand our social influence.



Social Benefits Strategies

Taking Root in Education	Social Welfare
Children and youth are essential for the sustainable development and progress of the society. We are committed to nurturing talent in academia, providing them with opportunities to engage deeply in practical automotive industry practices and acquire the latest knowledge. Additionally, we offer competitive platforms to cultivate creative talents in Taiwan.	Through the active participation of our employees, we have successfully built social influence and brand identity. This not only enhances external recognition of our efforts but also helps address societal and environmental issues. Simultaneously, we bring innovative changes to the world, pushing society towards a better future.
Target audience: Universities, College and High School, Vocational High School Students	Target audience: Preschool children, Government, NISSAN car owners

6.1 Taking Root in Education





## Industry-academia Collaboration

## Name of Event Career Experience Program

Expected Goals	Promoting talent development in academia, providing students with opportunities to engage in practical industry operations and access the latest information before entering the workforce. Additionally, expanding students' understanding of the operational dynamics within the automotive industry
Content of Execution	YNM organizes Career Experience Programs at Chung Hsing University, National Cheng Kung University, and National Tsing Hua University. Leveraging core technical capabilities and collaborating with dealerships and service centers across Taiwan, we provide professional instructors for collaborative teaching at universities. We also arrange visits for students to our factory facilities for tours and lectures
Resource Allocation	<ul style="list-style-type: none"> <li>National Cheng Kung University Career Coaching Program: We provide professional instructors to collaborate in teaching at universities to supplement practical experience gaps in academia. The curriculum includes not only automotive research and design expertise but also diverse knowledge areas including marketing, customer service, workplace culture, etc. Additionally, students are arranged to visit our factory facilities for tours and lectures</li> <li>Chung Hsing University Hsing Classroom: Students are arranged to visit YNM factory facilities for tours and lectures. We provide professional instructors to give students opportunities to engage with practical industry insights and new knowledge before entering the workforce. The curriculum includes not only automotive research and design expertise but also diverse knowledge areas including marketing, customer service, workplace culture, and more.</li> </ul>
Social Impact	<ul style="list-style-type: none"> <li>45 students participated in the Career Experience Program</li> </ul>
Operational Impact	<ul style="list-style-type: none"> <li>Five staff visited various universities as guest lecturers</li> <li>Five staff served as on-site instructional lecturers at the factory</li> </ul>

## Student Feedback

Before this event, I had some understanding and awareness of the automotive industry, but I never realized how meticulous and professional the production of domestic cars is. I am deeply impressed by the friendly working environment provided to employees and I greatly admire it. I would also like to express my gratitude to the school for providing this opportunity to visit.

## Name of Event Campus Ambassador

Expected Goals	Build employer brand image, enhance exposure and visibility on campuses, and increase recognition to attract talented students to join YNM
Content of Execution	In 2023, we launched the industry's first and only Campus Ambassador Program, serving as a bridge between YNM and educational institutions. We offer a range of benefits to students, including generous scholarships, opportunities for corporate visits, in-depth product knowledge, one-on-one career counseling with professional HR managers, and priority consideration for summer internships and full-time positions. These opportunities enrich students' learning experiences and career development during their academic journey.
Resource Allocation	The project is handled by one person under the supervision of a direct supervisor. Additionally, the Intelligent Mobility Department and YNTC Car Side Section are enlisted to assist in executing and promoting various activities
Social Impact	<ul style="list-style-type: none"> <li>A total of 14 campus ambassadors were recruited, with participation totaling 108 individuals across various activities. The social media posts received a total of 5,679 likes in the first year</li> <li>The second year recruited a total of 12 campus ambassadors, with the program running from September 2023 to May 2024</li> </ul>
Operational Impact	<ul style="list-style-type: none"> <li>Communicate the brand philosophy and essence of Nissan Intelligent Mobility, conveying accurate and positive content</li> <li>Expand product brand awareness to increase recognition of the Nissan and INFINITI brands to more people</li> </ul>



Career experience program



Campus Ambassador



## Name of Event NISSAN Campus Innovation Speech

Expected Goals	Leading teachers and students to gain a deep understanding of the automotive industry and the latest industry trends. Invite award-winning teams from the Innovation Design Award to share their competition experience and journey
Content of Execution	The course content includes the product development concept of X-TRAIL e-POWER, the "charge-free electric vehicle" technology, marketing practical experience, and digital transition strategies. The session also featured a live demonstration of the X-TRAIL e-POWER vehicle, allowing attendees, including teachers and students, to experience firsthand the brand spirit of Nissan's "Nissan Intelligent Mobility."
Resource Allocation	Arrange for professional speakers from YNM to conduct keynote speeches, with a budget allocation of approximately TWD 3 million for the event.
Social Impact	<ul style="list-style-type: none"> <li>Touring more than 20 universities</li> <li>Accumulating enthusiastic participation from nearly 2,000 teachers and students</li> </ul>
Operational Impact	<ul style="list-style-type: none"> <li>A total of 100 staff participated in the seminars</li> </ul>



## Student Feedback

Student, Wang: "Although two months is short, every day here has been fulfilling." "I am honored to have the opportunity to intern at YNM, a leader in the automotive industry. I am grateful to YNM for providing me with the chance to intern in such a fantastic work environment, where I can collaborate with talented professionals." "During these two months of internship, I have not only learned about marketing in the automotive industry but also acquired skills in communication and expression. I will definitely utilize these valuable experiences in my future career!" "I am also very grateful to my supervisor for imparting practical experiences to me." "I am delighted to learn and collaborate with other interns from diverse backgrounds. The bonds we've formed over the past two months have brought us closer together." "This has been an unforgettable summer internship experience, full of valuable lessons!"

Student, Lin: "During my two-month internship at NISSAN, what I learned the most was various aspects of workplace knowledge. It made me deeply realize that it's quite different from what we learn at school. For instance, when developing an app for car owners, considerations include operational requirements, cost-effectiveness, and benefits. However, in school, designing an app usually only requires us to meet the teacher's expectations. I didn't have a full understanding of cost concepts and project processes." "Through the guidance of department heads, mentors, and senior colleagues, I gained knowledge of the factors considered by the Company. I also experienced the entire process from project development and proposal to final implementation. This experience has helped me better understand how to apply what I learn in school to practical applications in the future." "Thank you very much for the opportunity to participate in the Nissan internship!"

## Name of Event Summer Internship

Expected Goals	Actively cultivating outstanding campus talent to connect with the automotive industry and providing opportunities for students to explore career paths earlier
Content of Execution	Every year, YNM provides summer internship opportunities for students, allowing them to explore the workplace environment, gain practical experience, and immerse themselves in professional life. Regular monthly meetings with senior executives to report on work progress and share insights, gaining a deeper experience of professional life
Resource Allocation	The Marketing Department, Parts Service Department, Product Planning Office, and Integrated Operations Support Department provided industry practical experience, with an investment of approximately TWD 500,000.
Social Impact	Recruited five interns
Operational Impact	Each intern will have a mentor. A total of five mentors have guided the interns to complete their work projects in 2023.

Student, Chen: "I'm very happy to become a summer intern at YNM. It's a great opportunity to gain workplace experience in the product planning office, which is different from school. This is also my first internship!" "As a graduate student in business management, I have had significant experience in event planning in the past. This internship at YNM allows me to integrate what I've learned in school with practical applications in the workplace." "YNM has also provided us with diverse learning resources. In addition to arranging visits to car assembly plants, they have offered us opportunities to learn on the Hahow online platform, where we can freely explore courses of interest!" "I'm also grateful to the department supervisors and mentors for taking the time to provide feedback on my work. Their willingness to offer practical advice and assistance when I encounter challenges has been invaluable." "Furthermore, the atmosphere at my department is joyful and harmonious, which has made my internship experience great as I haven't felt pressured during the process."

Student Chen: "I'm really happy to have the opportunity to intern at YNM this summer. These two months have been incredibly fulfilling!" "I am very grateful to Section Head Molly and Buddy Ming-Jen for their careful planning and guidance on my projects. Their support allows me to successfully complete the projects on excess material analysis and Nissan financial statement analysis. Through these experiences, I have grown significantly in analytical thinking and strategic insight." "Throughout the internship, besides learning and growing through project execution, the Company also arranged visits to production and sales units, which gave me a comprehensive understanding of the automotive industry. It has been a rewarding internship program!"

Student, Jiang: "I'm very happy to have the opportunity to intern at Yulon Nissan Motor's Human Resources Department this summer. This is my first internship experience, and I feel both excited and nervous about it." During the two months of internship, I've gained some understanding of various aspects of human resources. In addition to daily routine resume pre-screening for recruitment purposes, I also took responsibility for the initial planning of digital transition common skills courses throughout the Company for educational training purposes." "In the overall company planning and strategizing, I also provided presentations on Diversity, Equity, and Inclusion (DEI) plans as assessment materials for the Company (acting as a strategic advocate). Through several projects, I gained insights into HR-related knowledge and proposed ideas for YNM 20th-anniversary commemorative items. Overall, the internship has provided me with diverse and enriching work experiences." "Thank you, YNM, for giving me this internship opportunity."



Vocational skills competition

Name of Event National Skills Competition organized by the Ministry of Labor

Expected Goals	Promote public awareness of vocational education, cultivate more excellent technical talents, and strengthen Taiwan's automotive industry capabilities.
Content of Execution	Yulon Nissan Motor participated in the Ministry of Labor's "53rd National Skills Competition 2023" and provided support and resources. This includes providing CONSULT Diagnostic Computers, Electronic Service Manuals (ESM), as well as manpower support for the automotive technology and painting competitions, assisting in the successful completion of the competition.
Resource allocation	CONSULT Diagnostic Computers, Electronic Service Manuals (ESM), and manpower support for automotive technology and painting competition teams.
Social impact	<ul style="list-style-type: none"><li>125 people signed up to compete</li></ul>
Operational impact	<ul style="list-style-type: none"><li>Sponsorship of automotive technical skills competitions with actual vehicles and diagnostic computers.</li><li>Provide O manpower to support</li></ul>



Name of Event FST Formula Student Taiwan

Expected Goals	Through interdisciplinary integration, we aim to focus on issues such as "sustainable energy", "energy conservation and carbon reduction" and others. We hope the automotive industry can generate a more positive impact on sustainable development.
Content of Execution	Formula Student Taiwan (FST) provides a platform for students to design and manufacture their own "student formula race cars". Through competitions, it establishes an open technical exchange platform among schools, students, and businesses. The competition is divided into three main parts: "Design Document Review," "On-site Vehicle Inspection," and "Track Dynamic Racing." By leveraging international FSAE rules and industry expert advice, we ensure vehicle safety and enhance the rigor of student engineering design and development.
Resource allocation	As sponsors, participating in the event helps to expand brand awareness, recruit talent, and build an employer brand.
Social impact	The number of visitors at our counter is approximately 60
Operational impact	A total of 3 HR personnel and managers participated in the event



## Name of Event Innovation Design Award

Expected Goals	Promoting automotive education down to the root, providing a competitive stage for talented students to shine and excel, and cultivating a new generation of creative talents with limitless potential for Taiwan.
Content of Execution	YNM has organized the "Yulon Nissan Motor Innovation Design Award" for 10 consecutive years. A new theme is planned to focus on the challenge of Nissan's e-POWER creative social networking marketing in 2023. The competition will center around the Nissan X-Trail e-POWER, aiming for participants to deeply understand the design concepts of this new energy e-POWER model. The goal is to showcase how the car model brings about new changes and lifestyles globally. Participants are encouraged to break traditional boundaries and create innovative Instagram community marketing campaigns for the Nissan X-Trail e-POWER, embodying the spirit of "Driving the Future through Technology" and leveraging the power of digital transition in social networking
Resource allocation	We allocated TWD 3 million to organize the competition, offering a Nissan Kicks e-POWER SUV as a prize, along with a total prize pool of up to TWD 190,000.
Social impact	<ul style="list-style-type: none"> <li>The event attracted a total of 2000 teachers and students to participate in</li> <li>The teams winning the Gold Award, Silver Award, and Bronze Award will also have the opportunity for priority admission to the Yulon Nissan Motor summer internship program</li> </ul>
Operational impact	<ul style="list-style-type: none"> <li>The winner of the Gold Award in the campus car design competition can bring home a brand-new car as the first in Taiwan.</li> <li>100 staff involved in the event</li> </ul>



## 6.2 Mutual Improvement of the Society

Through integrated funding, resources, and government support, we fully support the NISSAN Little Car Expert Program. This event brings joy to car-owner families by providing educational and entertaining opportunities. Additionally, we donate the latest engines to assist vocational training and actively cultivate skilled technical talents. Furthermore, we have a long-term commitment to supporting temporary workers from the Department of Environmental Protection, Taipei City Government enhancing their livelihood security. YNM will continue to achieve goals of mutual improvement through these practical efforts and care.

## Name of Event NISSAN Little Car Expert Program

Expected Goals	Creating enjoyable and educational interactive games with vehicles, creating delightful moments for car owner families and their children.
Content of Execution	Since its inception in 2019, the event has received enthusiastic responses from numerous Nissan owners. As YNM marks its 20th anniversary in 2023, we are expanding our commitment to express gratitude to our loyal Nissan owners. We continue to promote children's automotive knowledge through the "Nissan Little Car Expert" program, particularly by expanding the service workshop experience camp. This initiative allows participants to gain insights into the workshop environment, processes, and hands-on experience, enhancing their understanding of automotive knowledge and car maintenance procedures.
Resource allocation	<ul style="list-style-type: none"> <li>YNM: TWD 760 Thousands</li> <li>Dealers: TWD 860 Thousands</li> <li>Internal involvement of 36 staff planned</li> </ul>
Social impact	A total of 1,232 adults and children participated in the workshop experience camp
Operational impact	<ul style="list-style-type: none"> <li>There were 36 sessions held over 90 hours, with 576 participants joining from across Taiwan in total. This event involved more than 400 volunteers at 18 Nissan service centers.</li> <li>The satisfaction with the event reached 4.9 out of 5, with participants praising the enriching and enjoyable content. This high rating reflects strong approval from attending Nissan car owners</li> </ul>





## Name of Event Collaborating with dealers to jointly donate Nissan Leaf vehicles.

Expected Goals	Supporting the government in cultivating technical talents to meet the demand for knowledge related to electric vehicles.
Content of Execution	Taichung-Changhua-Nantou Regional Branch, Workforce Development Agency, Ministry of Labor has introduced electric vehicle maintenance courses. Yulon Motors has contributed by donating electric vehicles and new engines for two consecutive years, enabling students to gain hands-on experience and deeper understanding of electric vehicle development through practical applications.
Resource allocation	YNM hosts electric vehicle seminars and supports dealers and schools in organizing training sessions
Social impact	During the donation period, assisting 1,700 students in completing basic electric vehicle maintenance courses, with more than 170,000 hours.
Operational impact	<ul style="list-style-type: none"> <li>Donated 8 Nissan Leaf electric vehicles and 2 sets of new car engines</li> </ul>



## Name of Event Caring for temporary workers from the Department of Environmental Protection, Taipei City Government

Expected Goals	Providing temporary workers with secure job and livelihood support to alleviate any difficulties they may encounter.
Content of Execution	YNM and Yulon Motors have supported temporary workers of the Department of Environmental Protection, Taipei City Government for 19 consecutive years. They allocate TWD 1 million to provide "Employer's Liability Insurance" for these workers, demonstrating gratitude for the hard work and dedication of these unsung heroes each year.
Resource allocation	Focusing primarily on actual donations, we have been allocating one million dollars annually.
Social impact	<ul style="list-style-type: none"> <li>Accumulatively, ensuring the protection of approximately 34,000 temporary cleaners.</li> </ul>
Operational impact	<ul style="list-style-type: none"> <li>Jointly donated with Yulon Motors a total of TWD 1 million</li> <li>Accumulated claims totaling TWD 14.23 million</li> </ul>





Name of Event NISSAN Adventure in Nature Travelogue

Expected Goals	Promote ecological conservation and environmental education, collaborating with car owners to protect the Earth.
Content of Execution	YNM has been organizing the "Nissan Adventure in Nature Travelogue" event for 10 consecutive years, focusing on environmental sustainability. This event integrates various themes such as bird rescue, wetland conservation, firefly restoration, and scientific education. It features engaging activities that combine education with entertainment, inviting Nissan car owners and their families to participate together.
Resource allocation	Allocating a budget of TWD 4.5 million for the event, with the participation of 20 staff to assist.
Social impact	<ul style="list-style-type: none"><li>Inviting 3,000 Nissan car owner families to join the event together</li></ul>
Operational impact	<ul style="list-style-type: none"><li>The satisfaction rate of the event is close to 90%</li></ul>





# Appendix

7-1	GRI 2021 Comparison Table	125
7-2	Climate-Related Information of TWSE/TPEX Listed Company	129
7-3	Greenhouse Gas Inventory and Assurance Status	130
7-4	SASB Standards	130
7-5	Independent Third Part Assurance Statement	132



## 7-1 GRI 2021 Comparison Table

### GRI Statement

GRI General Standard Disclosure Statement	We Publish the 2023 Sustainability Report by referring to GRI Standard 2021, the report covering the 1st of January, 2023 to the 31st of December, 2023.
GRI 1 Foundation	GRI 1: Foundation 2021
Applicable GRI Sector Standard(s):	There are no applicable sector standards yet.

### GRI 2: General Disclosure

Category	Index	Disclosure Title	Report Contents or Explanation	Page
The organization and its reporting practices	GRI 2-1	Organizational details	1.1 About Yulon Nissan Motor	08
	GRI 2-2	Entities included in the organization's sustainability reporting	1.1.2 Business Overview	10
	GRI 2-3	Reporting period, frequency and contact point	About the Report	04
	GRI 2-4	Restatements of information	There are no restatements of information within the year	-
	GRI 2-5	External assurance	Appendix 5. Independent Third Party Assurance Statement	132
Activities and workers	GRI 2-6	Activities, value chain and other business relationships	1.1.2 Business Overview	10
	GRI 2-7	Employees	5.1.1 Composition of Employees	91
	GRI 2-8	Workers who are not employees	5.1.1 Composition of Employees	91
Governance	GRI 2-9	Governance structure and composition	2.1.1 Composition and Function of the Board of Directors	30
	GRI 2-10	Nomination and selection of the highest governance body	2.1.1 Composition and Function of the Board of Directors	30

Governance	GRI 2-11	Chair of the highest governance body	2.1.1 Composition and Function of the Board of Directors	30
	GRI 2-12	Role of the highest governance body in overseeing the management of impacts	2.1.1 Composition and Function of the Board of Directors 2.3.1 Risk Management Framework	30 37
	GRI 2-13	Delegation of responsibility for managing impacts	2.3.1 Risk Management Framework	37
	GRI 2-14	Role of the highest governance body in sustainability reporting	About the Report	04
	GRI 2-15	Conflicts of interest	2.1.1 Composition and Function of the Board of Directors	30
	GRI 2-16	Communication of critical concerns	2.1 Corporate Governance	30
	GRI 2-17	Collective knowledge of the highest governance body	2.1.1 Composition and Function of the Board of Directors	30
	GRI 2-18	Evaluation of the performance of the highest governance body	2.1.1 Composition and Function of the Board of Directors	30
	GRI 2-19	Remuneration policies	2.1.3 Performance Evaluation of the Board of Directors	33
	GRI 2-20	Process to determine remuneration	2.1.3 Performance Evaluation of the Board of Directors	33
	GRI 2-21	Annual total compensation ratio	5.2.3 Salary, Remuneration and Benefit System	99
Strategy, policies and practices	GRI 2-22	Statement on sustainable development strategy	Message from the Chairman and President	06
	GRI 2-23	Policy commitments	5.1.4 Human Rights Policies	96
	GRI 2-24	Embedding policy commitments	2.2 Ethical Management and Legal Compliance	34
	GRI 2-25	Processes to remediate negative impacts	1.3.1 Stakeholder Engagement 2.2.1 Ethical Management	22 34
	GRI 2-26	Mechanisms for seeking advice and raising concerns	2.2.1 Ethical Management	34
	GRI 2-27	Compliance with laws and regulations	2.2.2 Compliance with laws and regulations	35
	GRI 2-28	Membership associations	1.1.3 Economic Performance	13
Stakeholder engagement	GRI 2-29	Approach to stakeholder engagement	1.3.1 Stakeholder Engagement	22
	GRI 2-30	Collective bargaining agreements	The Company has not established labor union yet and has not signed the collective bargaining agreements	-



GRI 3: Material Topics 2021

Index	Disclosure Title	Report Contents or Explanation	Page
GRI 3-1	Process to determine material topics	1.3 Sustainability Communication and Management	21
GRI 3-2	List of material topics	1.3.2 Analysis of Material Topics	24
GRI 3-3	Management of material topics	Please refer to the beginning of each chapter	-

GRI Particular Topics

Category	Index	Disclosure Title	Report Contents or Explanation	Relevant Material Topics	Page
Economic	GRI 201: Economic Performance	201-1 Direct economic value generated and distributed	1.1.3 Economic Performance	Economic Performance	13
		201-2 Financial implications and other risks and opportunities due to climate change	4.1.2 Identification of Climate Risk and Opportunity		76
		201-3 Defined benefit plan obligations and other retirement plans	5.2.3 Salary, Remuneration and Benefit System		99
	GRI 202: Environmental Performance	202-1 Emissions of greenhouse gases	1.1.3 Economic Performance	Environmental Performance	13
		202-2 Emissions of air pollutants and greenhouse gases	1.1.3 Economic Performance		13
		202-3 Emissions of water pollutants and greenhouse gases	1.1.3 Economic Performance		13

Category	Index	Disclosure Title	Report Contents or Explanation	Relevant Material Topics	Page
Economic		201-4 Financial assistance received from government	1.1.3 Economic Performance		13
	GRI 204: Procurement Practices	204-1 Proportion of spending on local suppliers	3.5.1 Brand Value Chain	-	68
	GRI 205: Anti-corruption	205-1 Operations assessed for risks related to corruption	2.2.1 Ethical Management	Ethical Management and Legal Compliance	34
		205-2 Communication and training about anti-corruption policies and procedures			34
		205-3 Confirmed incidents of corruption and actions taken	No Incidents of Corruption within the report year		-
	GRI 206: Anti-competitive Behavior	206-1 Legal actions for anti-competitive behavior, anti-trust, and monopoly practices	No anti-competitive behavior, incidents of anti-trust, monopoly practices and others within the report year		-
	GRI 207: Tax	207-1 Approach to tax	2.2.3 Tax Governance	-	36
		207-2 Tax governance, control, and risk management			
		207-3 Stakeholder engagement and management of concerns related to tax			
		207-4 Country-by-country reporting			
	GRI 301: Materials	301-2 Recycled input materials used	4.3.1 Sustainable Products and Circular Economy	-	87
		301-3 Reclaimed products and their packaging materials			



Category	Index	Disclosure Title	Report Contents or Explanation	Relevant Material Topics	Page
Economic	GRI 302: Energy	302-1 Energy consumption within the organization	4.2.2 Greenhouse gases emission management	-	86
		302-2 Energy consumption outside of the organization			
		302-3 Energy intensity			
		302-4 Reduction of energy consumption			
		302-5 Reductions in energy requirements of products and services			
	GRI 303: Water and Effluents	303-1 Interactions with water as a shared resource	4.4.1 Water Resources Management	-	89
		303-3 Water withdrawal			
	GRI 304: Biodiversity	304-1 Operational sites owned, leased, managed in, or adjacent to, protected areas and areas of high biodiversity value outside protected areas	4.2.1 Sustainable Environmental Management Policies	-	84
		304-4 IUCN Red List species and national conservation list species with habitats in areas affected by operations			
		305-1 Direct (Scope 1) GHG emissions	4.2.2 Greenhouse gases emission management	-	86
		305-2 Energy indirect (Scope 2) GHG emissions			
		305-3 Other indirect (Scope 3) GHG emissions			

Category	Index	Disclosure Title	Report Contents or Explanation	Relevant Material Topics	Page
Economic		305-4 GHG emissions intensity		-	86
		305-5 Reduction of GHG emissions			
		305-6 Emissions of ozone-depleting substances (ODS)			
		305-7 Nitrogen oxides (NOx), sulfur oxides (SOx), and other significant air emissions			
	GRI 306: Waste	306-1 Waste generation and significant waste-related impacts	4.3.2 Waste Management	-	88
		306-2 Management of significant waste-related impacts			
		306-3 Waste generated			
		306-4 Waste diverted from disposal			
	GRI 308: Supplier Environmental Assessment	306-5 Waste directed to disposal	3.5.3 Sustainable Supply Chain	-	71
		308-1 New suppliers that were screened using environmental criteria			
		308-2 Negative environmental impacts in the supply chain and actions taken			

Category	Index	Disclosure Title	Report Contents or Explanation	Relevant Material Topics	Page
Social	GRI 401: Employment	401-1 New employee hires and employee turnover	5.1.2 New Joining and Attrition	Talent Recruitment and Retention	93
		401-2 Benefits provided to full-time employees that are not provided to temporary or part-time employees	5.2.3 Salary, Remuneration and Benefit System		99
		401-3 Parental leave			
	GRI 403: Occupational Health and Safety	403-1 Occupational health and safety management system	5.4.1 Occupational Safety and Health Management	Occupational Health and Safety	111
		403-2 Hazard identification, risk assessment, and incident investigation	5.4.2 Personnel Occupational Safety and Health Training		112
		403-3 Occupational health services	5.4.3 Building a healthy workplace		113
		403-4 Worker participation, consultation, and communication on occupational health and safety	5.4.1 Occupational Safety and Health Management		111
		403-5 Worker training on occupational health and safety	5.4.2 Personnel Occupational Safety and Health Training		112
		403-6 Promotion of worker health	5.4.3 Building a healthy workplace		113
		403-7 Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	5.4.2 Personnel Occupational Safety and Health Training		112
		403-8 Workers covered by an occupational health and safety management system	5.4.1 Occupational Safety and Health Management		111
		403-9 Work-related injuries	5.4.2 Personnel Occupational Safety and Health Training		112

Category	Index	Disclosure Title	Report Contents or Explanation	Relevant Material Topics	Page
Social	GRI 403: Occupational Health and Safety	403-10 Work-related ill health	5.4.2 Personnel Occupational Safety and Health Training	Occupational Health and Safety	112
	GRI 404: Training and Education	404-1 Average hours of training per year per employee	5.3.3 Educational Training Result	Talent Recruitment and Retention	106
		404-2 Programs for upgrading employee skills and transition assistance programs	5.3.1 YNM Talent Development Blueprint 5.3.2 Key Cultivating Plans		104 105
		404-3 Percentage of employees receiving regular performance and career development reviews	5.2.2 Performance Evaluation		97
	405: Diversity and Equal Opportunity	405-1 Diversity of governance bodies and employees	2.1.1 Composition and Function of the Board of Directors 5.1.1 Composition of Employees	Talent Recruitment and Retention	30 91
		405-2 Ratio of basic salary and remuneration of women to men	5.2.3 Salary, Remuneration and Benefit System		99
	GRI 406: Non-discrimination	406-1 Incidents of discrimination and corrective actions taken	5.1.3 Employee Communication No incidents of discrimination occurred within the reporting year.	Talent Recruitment and Retention	93
	GRI 407: Freedom of Association and Collective Bargaining	407-1 Operations and suppliers in which the right to freedom of association and collective bargaining may be at risk	3.5.1 Brand Value Chain 5.1.3 Employee Communication	-	68 93
	GRI 408: Child Labor	408-1 Operations and suppliers at significant risk for incidents of child labor	5.1.1 Composition of Employees 3.5.3 Sustainable Supply Chain	-	70 91

Category	Index	Disclosure Title	Report Contents or Explanation	Relevant Material Topics	Page
Social	GRI 409: Forced or Compulsory Labor	409-1 Operations and suppliers at significant risk for incidents of forced or compulsory labor	3.5.3 Sustainable Supply Chain 5.1.4 Human Rights Policies	-	71 97
	GRI 414: Supplier Social Assessment	414-1 New suppliers that were screened using social criteria	3.5.3 Sustainable Supply Chain	-	71
		414-2 Negative social impacts in the supply chain and actions taken			
	GRI 415: Public Policy	415-1 Political contributions	No political contributions within the year	-	-
	GRI 416: Customer Health and Safety	416-1 Assessment of the health and safety impacts of product and service categories	3.4.2 Quality Management 3.4.3 Recall Improvement Process	Product Safety and Quality Management	66 68
		416-2 Incidents of non-compliance concerning the health and safety impacts of products and services	3.4.2 Quality Management		66
	GRI 417: Marketing and Labeling	417-1 Requirements for product and service information and labeling	3.4 Product Quality 3.5.1 Brand Value Chain	Brand Marketing	65 68
		417-2 Incidents of non-compliance concerning product and service information and labeling	No relevant incident within the year		-
		417-3 Incidents of non-compliance concerning marketing communications	No relevant incident within the year		-
	GRI 418: Customer Privacy	418-1 Substantiated complaints concerning breaches of customer privacy and losses of customer data	2.4 Information Management	Information Security	41

## 7-2 Climate-Related Information of TWSE/TPEX Listed Company

### Risks and opportunities posed by climate change to the Company and the relevant measures taken by and relevant countermeasures taken by the Company

Four Aspects of TCFD	Item	Implementation	Page
Governance	1. Describe the board of directors' and management's oversight and governance of climate-related risks and opportunities	4.1.1 Climate governance framework	75
	2. Describe how the identified climate risks and opportunities affect the business, strategy, and finances of the business (short, medium, and long term)	4.1.2 Identification of Climate Risk and Opportunity	76
Strategy	3. Describe the financial impact of extreme weather events and transformative actions.	4.1.2 Identification of Climate Risk and Opportunity	76
	4. Describe how climate risk identification, assessment, and management processes are integrated into the overall risk management system.	4.1.1 Climate governance framework	75
Risk Management	5. If scenario analysis is used to assess resilience to climate change risks, the scenarios, parameters, assumptions, analysis factors and major financial impacts used should be described.	No Scenario Analysis is used	-
	6. If there is a transition plan for managing climate-related risks, describe the content of the plan, and the indicators and targets used to identify and manage physical risks and transition risks.	4.1.2 Identification of Climate Risk and Opportunity 4.1.3 Indicators and Goals	76 84
	7. If internal carbon pricing is used as a planning tool, the basis for setting the price should be stated.	No usage of internal carbon pricing as a planning tool	-
	8. If climate-related targets have been set, the activities covered, the scope of greenhouse gas emissions, the planning horizon, and the progress achieved each year should be specified. If carbon credits or renewable energy certificates (RECs) are used to achieve relevant targets, the source and quantity of carbon credits or RECs to be offset should be specified.	4.1.3 Indicators and Goals	84
Indicators and Goals	9. Greenhouse Gas Inventory and Assurance Status	The Greenhouse Gas Inventory and Assurance Status will be provided separately in Appendix 3.	

### 7-3 Greenhouse Gas Inventory and Assurance Status

Basic Information of the Company	Implementation
<input type="checkbox"/> Capital of TWD 10 billion or more, iron and steel industry, or cement industry <input type="checkbox"/> Capital of TWD 5 billion or more but less than TWD 10 billion <input checked="" type="checkbox"/> Capital of less than TWD 5 billion	<input checked="" type="checkbox"/> Inventory for parent company only <input type="checkbox"/> Inventory for all consolidated entities <input type="checkbox"/> Assurance for parent company only <input type="checkbox"/> Assurance for all consolidated entities

Scope 1	Total Emission (Metric tons CO2e)	Intensity (CO2e/\$1,000)	Assurance body	Description of Assurance Status
Parent	318.0000		-	Currently conducting a voluntary inspection; the assurance process has not been implemented yet.
Subsidiary(ies)	-	-	-	
Others	-	-	-	
Total	318.0000	0.0012%	-	
Scope 2	Total Emission (Metric tons CO2e)	Intensity (CO2e/\$1,000)	Assurance body	
Parent	685.6611	0.0026%	-	
Subsidiary(ies)	-	-	-	
Others	-	-	-	
Total	1,003.661	0.0038	-	
Scope 3 (may be disclosed voluntarily)	-	-	-	

Note: Density is calculated using the 2023 revenue (TWD Thousands) as the denominator = 26,136,197

### 7-4 SASB Standards Independent

#### Accounting Metric

Topic	Code	Disclosure Metric	Corresponding Chapter or Explanation	Page
Product Safety	TR-AU-250a.1	Percentage of vehicle models rated by NCAP programs with an overall 5-star safety rating, by region	1. The European New Car Assessment Programme (NCAP) crash test results are applicable to the European region and do not apply to the Company. 2. The NISSAN KICKS has received a five-star rating in Taiwan's New Car Assessment Program (TNCAP)	-
	TR-AU-250a.2	Number of safety-related defect complaints, percentage investigated	No complaints related to product safety defects for the year. For details on other complaints, please refer to section 3.3.2 Customer Satisfaction	63
	TR-AU-250a.3	Number of vehicles recalled	3.4.3 Recall Improvement Process	68
Labor Practices	TR-AU-310a.1	Percentage of active workforce covered under collective bargaining agreements	No collective bargaining agreements were signed within the year	-
	TR-AU-310a.2	1. Number of work stoppages 2. Total days idle	1. Number of work stoppages: None 2. Total days idle: 0 days	-
Fuel Economy & Use-Phase Emissions	TR-AU-410a.1	Sales-weighted average passenger fleet fuel economy, by region	Remark 1	-
	TR-AU-410a.2	Number of vehicles sold for the following car types 1. Zero-emission vehicles (ZEV) 2. Hybrid vehicles 3. Plug-in hybrid vehicles	Remark 2	-
	TR-AU-410a.3	Discussion of strategy for managing fleet fuel economy, and emissions risks and opportunities	4.3.1 Sustainable Products and Circular Economy	87



Materials Sourcing	TR-AU-440a.1	Description of the management of risks associated with the use of critical materials	4.1.2 Identification of Climate Risk and Opportunity	76
Materials Efficiency & Recycling	TR-AU-440b.1	Total amount of waste from manufacturing, percentage recycled	4.3.2 Waste Management	88
	TR-AU-440b.2	Weight of end-of-life material recovered, percentage recycled	Recycling rate exceeds 96% (standard requirement: 85%).	-
	TR-AU-440b.3	Average recyclability of vehicles sold	The overall vehicle recycling rate reached 96%, exceeding the regulatory standard of 80%, and showing nearly a 4% growth compared to 2022.	-

Remark 1

Truck	Car Models	Sales (Cars)	Ratio (%)	Fuel Consumption Value (km/L)	Weighted Fuel Consumption (km/L)
NISSAN Domestic Manufactured Cars	X-TRAIL (Previous Version , Truck)	680	17%	14.50	2.4
	X-TRAIL (Truck)	3,429	83%	17.20	14.4
Total		4,109	100%	NA	NA

Brand	Car Models	Sales (Cars)	Ratio (%)	Fuel Consumption Value (km/L)	Weighted Fuel Consumption (km/L)
NISSAN Imported Cars	JUKE	353	2%	17.60	0.3
	ALTIMA	569	3%	13.10	0.4
	LEAF	84	0%	50.40	0.2
	X-TRAIL e-POWER	509	3%	17.50	0.4
	X-TRAIL e-POWER(improve fuel consumption)	590	3%	17.60	0.5
	KICKS e-POWER	496	2%	22.00	0.5

NISSAN Domestic Manufactured Cars	TIIDA	2,635	13%	16.10	2.1
	SENTRA	443	2%	17.70	0.4
	SENTRA (improve fuel consumption)	3,942	20%	17.90	3.5
	X-TRAIL (Sedan)	104	1%	17.20	0.1
	KICKS	2,736	14%	16.00	2.2
	KICKS(improve fuel consumption)	6,349	32%	16.13	5.2
	Q50	216	1%	10.80	0.1
	QX50 (4WD)	94	0%	11.60	0.1
	QX50 (2WD)	342	2%	12.90	0.2
	QX55	175	1%	11.30	0.1
INFINITI	QX60	244	1%	9.70	0.1
	Total	19,881	100%	NA	NA

Remark 2

Car Models	Number of Total Sales
Zero-emission vehicles (ZEV)	84
Hybrid vehicles	1,595
Plug-in hybrid vehicles	0

Activity metric

Code	Disclosure Metric	Corresponding Chapter or Explanation
TR-AU-000.A	Automobile manufactured volume	No automobile manufactured by the Company
TR-AU-000.B	Automobile sales volume	24,928 cars

7-5 Independent Third Party Assurance Statement



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裕隆汽車股份有限公司 公鑒

**確信範圍**

本會計師接受裕隆汽車股份有限公司（以下簡稱裕隆日產）之委任，對2023年度永續報告書中所選定之永續績效資訊（以下稱「標的資訊」），執行財團法人中華民國會計研究發展基金會所發布之確信準則所定義之「有限確信案件」並出具報告。

**標的資訊及其適用基準**

有關裕隆日產之標的資訊及其適用基準詳列於附件一。

**管理階層責任**

裕隆日產管理階層之責任係依據適當之基準編製標的資訊，包括參考全球永續性報告協會（Global Reporting Initiatives, GRI）所發布之2021年GRI 準則（GRI Standards），裕隆日產管理階層應選擇所適用之基準，並對標的資訊在所有重大方面是否依據該適用基準報導負責，此責任包括建立及維持與標的資訊編製有關之內部控制，維持適當之記錄並作成相關之估計，以確保標的資訊未存有導因於舞弊或錯誤之重大不實表達。

**本事務所責任**

本會計師之責任係依據所取得之證據對標的資訊作成結論。  
本會計師依照財團法人中華民國會計研究發展基金會所發布之確信準則3000號「非屬歷史性財務資訊查核或核閱之確信案件」之要求規劃並執行有限確信工作，以對標的資訊是否存在重大不實表達出具有限確信報告。本會計師依據專業判斷，包括對導因於舞弊或錯誤之重大不實表達風險之評估，以決定確信程序之性質、時間及範圍。  
本會計師相信已取得足夠及適切之證據，以作為表示有限確信結論之基礎。


**會計師之獨立性及品質管理**

本會計師及所屬組織遵循會計師職業道德規範中有關獨立性及其他道德規範之規定，該規範之基本原則為正直、公正客觀、專業能力及專業上應有之注意、保密及專業行為。  
本事務所遵循品質管理準則1號「會計師事務所之品質管理」，該品質管理準則規定組織設計、付諸實行及執行品質管理制度，也含與遵循職業道德規範、專業準則及適用之法令規範相關之政策或程序。

**所執行程序之說明**

有限確信案件中執行程序之性質及時間與適用於合理確信案件不同，其範圍亦較小，因此，有限確信案件中取得之確信程度明顯低於合理確信案件中取得者。本會計師所設計之程序係為取得有限確信並據此作成結論，並不提供合理確信必要之所有證據。

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儘管本會計師於決定確信程序之性質及範圍時曾考量裕隆日產內部控制之有效性，惟本確信案件並非對裕隆日產內部控制之有效性表示意見。本會計師所執行之程序不包括測試控制或執行與檢查資訊科技(IT)系統內資料之彙總或計算相關之程序。

有限確信案件包括進行查詢，主要係對負責編製標的資訊及相關資訊之人員進行查詢，並應用分析及其他適當程序。

本會計師所執行之程序包括：

- 與裕隆日產人員進行訪談，以瞭解裕隆日產之業務與履行永續發展之整體情況，以及永續報導流程；
- 透過訪談、檢查相關文件，以瞭解裕隆日產之主要利害關係人及利害關係人之期望與需求、雙方具體之溝通管道，以及裕隆日產如何回應該等期望與需求；
- 與裕隆日產相關人員進行訪談，以瞭解用以蒐集、整理及報導標的資訊之相關流程；
- 檢查計算標準是否已依據適用基準中概述的方法正確應用；
- 針對報告中所選定之永續績效資訊進行分析性程序；蒐集並評估其他支持證據資料及所取得之管理階層聲明；如必要時，則抽選樣本進行測試；
- 閱讀裕隆日產之永續報告書，確認其與本會計師取得關於永續發展整體履行情況之瞭解一致。

**先天限制**

因永續報告書中所包含之非財務資訊受到衡量不確定性之影響，選擇不同的衡量方式，可能導致績效衡量上之重大差異，且由於確信工作係採抽樣方式進行，任何內部控制均受有先天限制，故未必能查出所有業已存在之重大不實表達，無論是導因於舞弊或錯誤。

**結論**

依據所執行之程序及所取得之證據，本會計師未發現標的資訊有未依照適用基準編製而須作重大修正之情事。

**其他事項**

本確信報告出具後，裕隆日產對任何確信標的或適用基準之變更，本會計師將不負就該等資訊重新執行確信工作之責任。

安永聯合會計師事務所

會計師：王瑄瑄 王瑄瑄

民國一十三年七月二十三日

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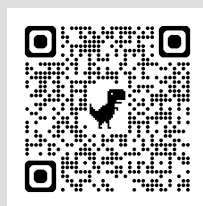
附件一：

編號	內文標題	標的資訊	適用基準																																	
1	4.3 循環經濟與廢棄物管理	<table><thead><tr><th>廢棄物重量</th><th>2022</th><th>2023</th></tr></thead><tbody><tr><td>類別</td><td></td><td></td></tr><tr><td>生活廢棄物(噸)</td><td>22.24</td><td>4.82</td></tr><tr><td>事業廢棄物(噸)</td><td>-</td><td>-</td></tr></tbody></table>	廢棄物重量	2022	2023	類別			生活廢棄物(噸)	22.24	4.82	事業廢棄物(噸)	-	-	GRI 306-3 廢棄物的產生 輔導組織應報告以下資訊： a. 產生的廢棄物總重量（以公噸為單位），並按廢棄物組成成分細分總量。 b. 瞭解數據以及數據如何彙整的必要背景資訊。																					
廢棄物重量	2022	2023																																		
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2	5.1 人力資源管理	<table><thead><tr><th>類別</th><th>新進員工</th><th>離職員工</th></tr><tr><th>性別</th><th>男</th><th>女</th><th>男</th><th>女</th></tr></thead><tbody><tr><td>30歲以下</td><td>12</td><td>8</td><td>2</td><td>0</td></tr><tr><td>30-50歲</td><td>11</td><td>2</td><td>9</td><td>5</td></tr><tr><td>51歲以上</td><td>0</td><td>0</td><td>2</td><td>0</td></tr><tr><td>總人數</td><td>23</td><td>10</td><td>13</td><td>5</td></tr><tr><td>比例</td><td>8.64%</td><td></td><td>4.71%</td><td></td></tr></tbody></table>	類別	新進員工	離職員工	性別	男	女	男	女	30歲以下	12	8	2	0	30-50歲	11	2	9	5	51歲以上	0	0	2	0	總人數	23	10	13	5	比例	8.64%		4.71%		GRI 401-1 新進員工與離職員工 輔導組織應報告以下資訊： a. 在報導期間內，按年齡層、性別及地區區分新進員工的總數及比例。 b. 在報導期間內，按年齡層、性別及地區區分離職員工的總數及比例。
類別	新進員工	離職員工																																		
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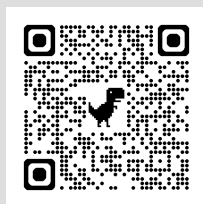
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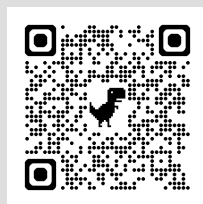
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Official Website  
of YNM



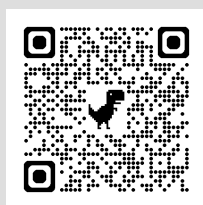
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