

ESG Risk Assessments

eMemory made related risk assessments for material topics, and established related risk management strategy and measures as followings:

Material Topic	Risk Assessment Project	Risk Management Strategy and Measures
Environment	Environmental Protection and Ecological Conservation	<p>The Company is a professional silicon IP company, and not engaged in production and manufacturing (intangible product); thus, there is no industrial waste being produced. Domestic waste can be divided into general waste (including kitchen waste) and recyclable waste. The waste is collected by employees in the temporary waste storage area; then the property management company assists in its removal. The waste is then transported by a qualified waste handling operator to the incineration plant for treatment and disposal. In addition, the Company has promoted the implementation of energy-saving measures in the office. For example, air conditioning systems have been equipped with timers for scheduled operation; tap water savers have been installed to save water; and employees are encouraged to turn off any unused lights, adopt paperless operations, and practice water conservation. Moreover, a regular annual inventory of greenhouse gases and water consumption is carried out, to achieve the goals of reducing carbon dioxide emissions, water consumption, and total waste generation each year, and thus implementing environmental protection.</p>
	Climate Change	<p>The Company has evaluated that climate change may cause disaster hazard, market risk, operation risk, etc. To minimize the impact of increased operation costs caused by the relevant potential risks, the Company alters the green environmental protection from duties to opportunities by the innovation of core technologies, implementing component reduced product design which substitutes the complex manufacturing process required by the conventional non-volatile memory, and reduces the emission of carbon dioxide; depending on the innovation in several aspects of strategy, marketing, management, research and development, and accompanying with power of implementation, the Company keeps change for sustainability.</p>

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Society	Workplace Safety	<p>The Company is dedicated in the topics of securing labor health and working environment by periodically implementing safety and health education and holding “Fire Safety Seminar” propaganda courses pursuant to the occupational safety and health relevant laws and regulations. By providing specific parking spaces or transportation allowances, nursery room, full time security system, multifunction rest area, etc., employees can enjoy a comfortable and healthy environment. We believe that the health of our employees are the Company’s greatest fortune. Therefore, we provide full exercise allowances for fitness and hold health examination periodically, and the nursing personnel on-site services are available in the Company to provide health consulting services. During the high-risk period of the COVID-19 pandemic, the policy of split operations was adopted to reduce the risk of cross infection among employees. Later on, precautions to help fight the pandemic have continued to be periodically promoted.</p>
	Product Safety	<p>The Company has passed the TÜV Rheinland ISO 9001:2015 Quality Management System certification and obtained corresponding certificates. The NeoBit & NeoEE AS series products have passed the TÜV Rheinland ISO 26262 (Road Vehicles-Functional Safety) & Industrial Specifications IEC 61508 (Functional safety of electrical/electronic/programmable electronic safety-related systems) certification and obtained corresponding certificates. Besides, the Company insists on the spirit of “First Class Quality, Best Service, and Satisfied Customer” and focuses on product quality to reach the main goal of increasing the customer’s satisfaction, provides customers with safe, reliable and high quality products, and maintain good communication channel with customers by providing transparent and effective complaint handling procedures for products and services. In addition, the customer satisfaction survey is conducted every year, with excellent results, proving customers’ recognition.</p>
Corporate Governance	Social Economic and Compliance	<p>By establishing corporate governance organization and implementing internal control system, we ensure that all personnel and operations of the Company comply with relevant laws and regulation.</p>