

ESG Risk Assessments

eMemory made the risk assessment on the issues concerning environment, society and corporate governance which are related to the operation of Company according to the materiality principle, 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>Environmental protection is an extremely crucial part of corporate sustainability. As a specialized silicon intellectual property company, the Company does not engage in physical production and manufacturing, so we are in a non-pollution business – neither producing nor discharging any manufacturing waste. However, we still do our best to integrate environmental protection into our policy formulation and daily business operations, so as to do our part in maintaining corporate sustainable development. Given that the Company is in a non-polluting business, authentication of general environmental management systems does not apply to us. However, we still comply with environmental laws and regulations, reducing resource waste and doing resource recycling. Based on the goal of reducing carbon, and following ISO 14064-1:2018, we completed our greenhouse gas inventory in 2022. Using 2022 as our base year, we will periodically disclose the results of our greenhouse gas inventory checks and review carbon reduction progress year by year. In response to global trends toward energy efficiency and carbon reduction, the Company has adopted a series of measures including replacing old lighting with LED products year by year; accelerated elimination and management of air-conditioning facilities; and promoting e-forms and reduced paper consumption. By doing do, we deeply ingrain concepts of workplace energy conservation and carbon reduction in the minds of employees, continued reduce garbage production, and move toward the goal of zero environmental pollution.</p>

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	Climate Change	<p>The Company has evaluated that climate change may cause disaster hazard, market risk, operation risk etc., and 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, market, management, research and development, and accompanying with power of implementation, the Company keeps change for sustainability.</p>
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” ,“CPR First Aid Training” propaganda courses pursuant to the occupational safety and health relevant laws and regulations. And by providing specific parking spaces or transportation allowances, nursery room, full time security system, multifunction rest area etc. the employees can enjoy a comfortable and healthy environment.</p> <p>We believe that the most fortune of the Company shall be the healthy employees, we provide full exercise allowances for fitness (about 80 people are subsidized every quarter) and hold health examination periodically (about 250 people are subsidized each year), and the nursing personnel on-site services are available in the Company to manage the health of employees and 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. During this period, an additional epidemic prevention allowance was provided</p>

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		to employees. Later on, precautions to help fight the pandemic have continued to be periodically promoted.
	Product Safety	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 “Quality First, Service Best, Customer Satisfied” 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, the Company deserves recognition from customers for years.
Corporate Governance	Social Economic and Compliance	By means of establishing corporate governance organization and implementing internal control system, all the personnel and operations of the Company can be ensured to comply with relevant laws and regulations.