



# ASSURANCE STATEMENT

## SGS TAIWAN LTD.'S REPORT ON SUSTAINABILITY ACTIVITIES IN THE MERRY ELECTRONICS CO., LTD.'S SUSTAINABILITY REPORT FOR 2023

### NATURE AND SCOPE OF THE ASSURANCE

SGS Taiwan Ltd. (hereinafter referred to as SGS) was commissioned by MERRY ELECTRONICS CO., LTD. (hereinafter referred to as MERRY) to conduct an independent assurance of the Sustainability Report for 2023. The scope of assurance is based on the SGS Sustainability Report Assurance methodology and AA1000 Assurance Standardv3 Type 2 Moderate level to assess whether the text and data in accompanying tables contained in the report and complies with the GRI Standards and AA1000 Accountability Principles (2018) during on-site assurance (2024/03/26~2024/04/30) in MERRY headquarter. The boundary of this report includes MERRY Taiwan and oversea operational and production sites' specific performance data included the sampled text, and data in accompanying tables, contained in the report presented. The assurance process did not include the evaluation of specific performance information outside the scope, such as climate-related financial disclosures (TCFD).

SGS reserves the right to update the assurance statement from time to time depending on the level of report content discrepancy of the published version from the agreed standards requirements.

### INTENDED USERS OF THIS ASSURANCE STATEMENT

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

### RESPONSIBILITIES

The information in the MERRY's Sustainability Report of 2023 and its presentation are the responsibility of the directors or governing body (as applicable) and management of MERRY. SGS has not been involved in the preparation of any of the material included in the Sustainability Report.

Our responsibility is to express an opinion on the report content within the scope of assurance with the intention to inform all MERRY's stakeholders.

### ASSURANCE STANDARDS, TYPE AND LEVEL OF ASSURANCE

The SGS ESG & Sustainability Report Assurance protocols used to conduct assurance are based upon internationally recognized assurance guidance and standards including the principles of reporting process contained within the Global Reporting Initiative Sustainability Reporting Standards (GRI Standards) GRI 1: Foundation 2021 for report quality, GRI 2: General Disclosure 2021 for organisation's reporting practices and other organizational detail, GRI 3: 2021 for organisation's process of determining material topics, its list of material topics and how to manages each topic, and the guidance on levels of assurance contained within the AA1000 series of standards.

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

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

## SCOPE OF ASSURANCE AND REPORTING CRITERIA

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

Reporting Criteria Options	
1	GRI Standards (in Accordance with)
2	AA1000 Accountability Principles (2018)
3	SASB (HARDWARE)

- The evaluation includes AA1000 Assurance Standard v3 Type 2 evaluation of the report content and supporting management systems against the AA1000 Accountability Principles (2018).
- The evaluation of the reliability and quality of specified sustainability performance information in MERRY's Sustainability Report is limited to determined material topics or those clearly marked in the report as conducted in accordance with Type 2 of AA1000AS v3 sustainability assurance engagement at a moderate level of scrutiny for MERRY and moderate level of scrutiny for its subsidiaries or joint ventures,
- The evaluation of the report against the requirements of GRI Standards, includes GRI 1, GRI 2, GRI 3, 200, 300 and 400 series claimed in the GRI content index as material and is conducted in accordance with the standards.
- The evaluation of the report against the SASB Disclosures and Metrics included in the HARDWARE Sustainability Accounting Standard (VERSION 2023-12) and conducted alongside an evaluation of accuracy assurance at moderate level of scrutiny.

## SPECIFIED PERFORMANCE INFORMATION AND DISCLOSURES INCLUDED IN SCOPE

The achievements and contents of voluntary disclosure of GRI 303: Water and Effluents 2018 and GRI 306 Waste have been assured in accordance with Type 2 of AA1000AS v3 sustainability assurance engagement at a moderate level.

## ASSURANCE METHODOLOGY

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

## LIMITATIONS AND MITIGATION

Financial data drawn directly from independently audited financial accounts and Task Force on Climate-related Financial Disclosures (TCFD) related disclosures has not been checked back to source as part of this assurance process.

## **STATEMENT OF INDEPENDENCE AND COMPETENCE**

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

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

## **ASSURANCE/VERIFICATION OPINION**

On the basis of the methodology described and the assurance work performed, we are satisfied that the disclosure with inclusivity, materiality, responsiveness, and impact information in the scope of assurance is reliable, has been fairly stated and has been prepared, in all material respects, in accordance with the reporting criteria. We believe that the organisation has chosen an appropriate level of assurance for this stage in their reporting.

## **QUALITY AND RELIABILITY OF SPECIFIED PERFORMANCE INFORMATION**

- The contents of the Water and Waste management have been fully disclosed with qualitative and quantitative measurements and evaluations that are consistent with available evidence and other reported information.
- Merry has diligently provided information for the current reporting year of 2023, as well as for the three previous years, along with the goals and targets that have been set.

## **AA1000 ACCOUNTABILITY PRINCIPLES (2018) CONCLUSIONS, FINDINGS AND RECOMMENDATIONS**

### **Inclusivity**

MERRY has demonstrated its commitment to stakeholder inclusivity and engagement by incorporating stakeholder engagement processes into its governance, strategy, and key decision-making procedures. By means of diversified engagement methods, MERRY can collect and understand stakeholders' concerns regarding its sustainability aspects.

### **Materiality**

MERRY has adopted multidimensional methodological developments to assess economic, environmental, and human rights impacts, aligning with international guidelines. This approach has facilitated the creation of an impact-based significance analysis process to identify material issues for MERRY, while simultaneously enabling the establishment of long-term sustainable goals.

### **Responsiveness**

MERRY has addressed its material sustainability topics, related impacts, and stakeholders in a comprehensive, accurate, timely, accessible, and balanced manner. Measurable targets have been set to monitor its sustainability performance.

### **Impact**

MERRY has demonstrated a process on identifying impacts that fairly encompass a range of environmental, social and governance topics from wide range of sources, such as activities, policies, programs, decisions and products and services, as well as any related performance. Impacts related to material topics were in place at target setting with qualitative and quantitative measurements and evaluation, leading to more effective decision-making and results-based management.

## GLOBAL REPORTING INITIATIVE REPORTING STANDARDS CONCLUSIONS, FINDINGS AND RECOMMENDATIONS

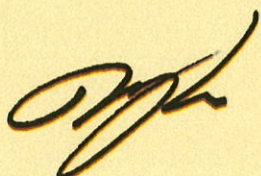
The report, MERRY's Sustainability Report of 2023, is adequately in accordance with the GRI Universal Standards 2021 and complies with the requirements set out in section 3 of GRI 1: Foundation 2021, where the significant impacts on the economy, environment, and people, including impacts on their human rights are assessed and disclosed following the guidance defined in GRI 3: Material Topic 2021, and the relevant 200/300/400 series Topic Standard related to Material Topic have been disclosed. The report has properly disclosed information related to MERRY's contributions to sustainability development. For future reporting, when assessing impacts, MERRY should consider economic, environmental, human rights, and other societal challenges at local, regional, and global levels related to sectors and the geographic location of its activities and business relationships. Additionally, the participation of the highest governing body in discussing and reviewing materiality topics could be strengthened in future reports.

## SASB CONCLUSIONS, FINDINGS AND RECOMMENDATIONS

MERRY has referenced with SASB's Standard, HARDWARE, VERSION 2023-12 to disclose information of material topics that are vital for enterprise value creation. The reporting boundaries of the disclosed information correspond to the MERRY's Sustainability Report of 2023. MERRY used SASB accounting and activity metrics to assess and manage the topic-related risks and opportunities, where relevant quantitative information was assessed for its accuracy and completeness to support the comparability of the data reported. Process to identify, assess, and manage topic-related risks and opportunities were integrated into MERRY's overall management process. Regularly monitoring peer disclosures helps MERRY understand changing expectations among investors and stakeholders and ensures comparable information provision.

Signed:

For and on behalf of SGS Taiwan Ltd.



Stephen Pao  
Business Assurance Director  
Taipei, Taiwan  
30 May, 2024  
[WWW.SGS.COM](http://WWW.SGS.COM)



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