

»Environmental, Social, and Governance Initiatives«

Environmental, Social, and Governance (ESG) issues continue to gain momentum across industries globally, including within the bicycle manufacturing sector. As a key player in the industry, SR SUNTOUR remains committed to advancing sustainable and ethical practices across all aspects of our operations. This report highlights key ESG topics that have been at the forefront of industry discussions over the past year, focusing particularly on:

- 1. Efforts to reduce environmental impact through carbon emissions reduction, renewable energy adoption, and product innovation that would provide the consumers with the utmost convenience and security using SR SUNTOUR suspension products.
- 2. The treatment of foreign migrant workers

KEY ENVIRONMENTAL INITIATIVES

- Recycled Materials in Aluminum & Magnesium Production: SR SUNTOUR has adopted recycled aluminum and magnesium in its production processes, significantly reducing CO₂ emissions (CO₂e) from raw material usage.



KEY ENVIRONMENTAL INITIATIVES

» SUSPENSION IS TURNING EVERY BIKE RIDE INTO A COMFORTABLE AND PREFERRABLE CHOICE FOR YOU – AND A CLEANER CHOICE FOR THE WORLD. «

- Transition to Renewable Energy: We are increasing the use of solar and wind energy in our operations. This transition is already resulting in measurable reductions in Scope 1 emissions within our manufacturing sites.

Innovations promoting the importance of SR Suntour suspension products to persuade more consumers to use bicycles/e-bicycles as means of daily transportation which will result in lower CO₂ emissions.

“Suspension is turning every bike ride into a comfortable and preferable choice for you – and a cleaner choice for the world.”

At SR Suntour, we believe that riding a pedal bike or pedal assist bike should be an everyday choice that feels natural, safe, and enjoyable. Our innovative suspension products are designed to deliver maximum possible comfort, control, and confidence, making longer rides easier and commuting more appealing daily. By encouraging more people to choose bikes over cars, we not only enrich the riding experience but also contribute to reducing carbon emissions and creating a cleaner, healthier future.

DESIGN FOR LONGEVITY & REPAIRABILITY

To support a circular economy, SR SUNTOUR is focused on:

- Creating easily repairable and upgradeable components
- Designing for long product life cycles
- Reducing waste and resource use through modular design

ENVIRONMENTAL

ENVIRONMENTAL RESPONSIBILITY: CARBON REDUCTION IN PRODUCTION AND INNOVATION

As climate change continues to pose a global challenge, SR SUNTOUR actively works to minimize our environmental footprint while simultaneously promoting sustainable suspension in bicycle/e-bicycle transportation through product innovation.

By extending product lifespan and encouraging maintenance over replacement, SR Suntour helps reduce consumption-related emissions and waste.

EMISSIONS REPORT: FISCAL YEAR 2024

SR SUNTOUR tracks its emissions in accordance with ISO 14064 standards. Below is a breakdown of greenhouse gas emissions for FY2024:

SCOPES DEFINED BY THE GHG PROTOCOL:

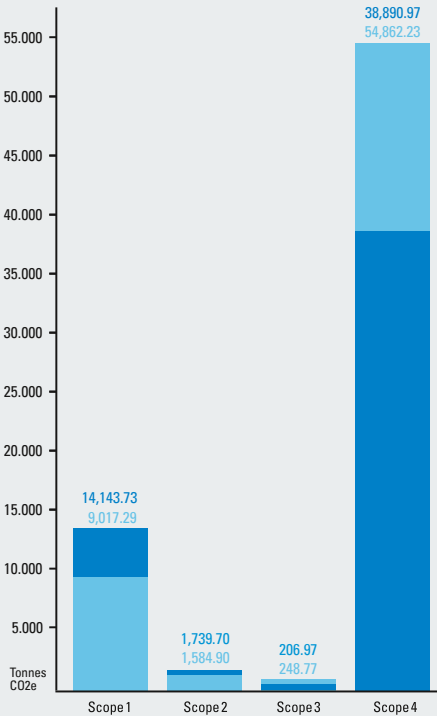
- Scope 1: Direct emissions from owned or controlled sources
- Scope 2: Indirect emissions from purchased electricity
- Scope 3: Indirect emissions across the value chain
- Scope 4: Other indirect emissions (if applicable, e.g., avoided emissions)

REDUCTION TARGET AND STRATEGY

To combat climate change and reduce our carbon footprint, we have set an ambitious target of reducing our emissions annually. This commitment aligns with international climate goals and underscores our dedication to environmental stewardship. One of our ambitious goals is to meet Science Based Targets initiatives (Sbti) by reducing our carbon emissions around 30% by 2030 and ensure that our raw material suppliers strictly meet this goal as well.

» TO COMBAT CLIMATE CHANGE AND REDUCE OUR CARBON FOOTPRINT, WE HAVE SET AN AMBITIOUS TARGET OF REDUCING OUR EMISSIONS ANNUALLY «

SR SUNTOUR



* DIAGRAM OF SR SUNTOUR AVERAGE GREENHOUSE GAS (GHG) EMISSIONS (FISCAL YEAR 2023 / 2024)

SOCIAL

UPHOLDING SOCIAL RESPONSIBILITY: A COMMITMENT TO ETHICAL PRACTICES AND EMPLOYEE WELL BEING

In today's globalized economy, companies are increasingly recognized not just for their financial performance, but also for their commitment to Environmental, Social, and Governance (ESG) principles. Among these, the "S" in

ESG – Social Responsibility – stands out as a cornerstone of ethical corporate conduct. This article explores how we adhere to and exemplifies these crucial social responsibilities.

HUMAN RIGHTS AND LABOR STANDARDS

At the heart of our commitment is the unequivocal stance against any form of modern slavery and related practices. We strictly prohibit human trafficking, forced labor, debt bondage, and any form of workplace oppression or inadequate control. Employees are never compelled to work through force, threat, or intimidation of any kind. Our employment practices adhere to local minimum age requirements, ensuring that no underage labor is employed.

EMPLOYEE SAFETY AND HEALTH

Ensuring the safety and well-being of our employees is paramount. Regular safety training and health seminars are conducted to equip our workforce with necessary skills and knowledge. Each month, a registered doctor and nurse perform medical surveillance to monitor the health status of our employees. To reduce exhaustion, forklifts are provided to limit physical strain in assembly line tasks.

FAIR TREATMENT AND INCLUSIVITY

For foreign workers, fair wages and benefits are provided, along with training and health seminars conducted in their language to facilitate understanding and integration. Our company maintains a zero-tolerance policy against racial discrimination, ensuring a workplace that values diversity and inclusivity. SR SUNTOUR ensures equal treatment for all employees, including fair wages, benefits, and working conditions. We strictly condemn the withholding of passports, and all foreign workers always retain possession of their identification. All the hiring procedures, payment of wages and incentives are all done in accordance with the labor laws.

SUPPORT FOR PARENTAL NEEDS

Recognizing the importance of work-life balance, female employees who "just gave birth are provided with a private breastfeeding room within the company premises, demonstrating our commitment to supporting parental needs and promoting maternal health.

EMPLOYEE RIGHTS AND EMPOWERMENT

We uphold the rights of freedom of association and collective bargaining, enabling our employees to voice

their concerns and negotiate collectively. Our adherence to local labor laws ensures that regular working hours are respected, and any overtime work is compensated accordingly.

TRANSPARENCY AND ACCOUNTABILITY

A grievance mechanism is in place, allowing employees to lodge complaints confidentially and ensuring timely resolution of issues. We maintain a strict policy against corruption, both within and outside our company premises, to uphold ethical standards and build trust with stakeholders.

CERTIFICATIONS AND STANDARDS

As part of our commitment to employee well-being and safety, our company holds ISO 45001 certification, demonstrating compliance with international standards for occupational health and safety management systems.

CONCLUSION

In conclusion, our company stands firmly committed to upholding social responsibility through ethical practices and policies that prioritize the well-being, safety, and rights of our employees. By adhering to stringent standards and fostering an inclusive and supportive

INTEGRATION AND TOLERANCE

» FOR FOREIGN WORKERS, FAIR WAGES AND BENEFITS ARE PROVIDED, ALONG WITH TRAINING AND HEALTH... «

workplace environment, we not only meet regulatory requirements but also contribute positively to the communities where we operate. As we continue to evolve and grow, our dedication to ESG principles remains unwavering, ensuring that we contribute to a sustainable and equitable future for all stakeholders.



LOCATION GERMANY, FREIBURG PHOTO HOSHIOHIDA

 **GOVERNANCE**

ENHANCING CORPORATE GOVERNANCE THROUGH ESG PRINCIPLES

Corporate governance plays a pivotal role in shaping the operational transparency and ethical standards of modern businesses. Embedded within the broader framework of Environmental, Social, and Governance (ESG) principles, effective governance ensures that companies operate responsibly, manage risks prudently, and uphold the interests

of stakeholders. In this article, we delve into how specific aspects of governance, particularly focused on diversity and independence of the Board of Directors, disclosure practices via regulatory platforms, shareholder engagement through annual reporting, and fostering employee feedback via suggestion boxes, contribute to a robust ESG strategy.

DIVERSITY AND INDEPENDENCE OF THE BOARD OF DIRECTORS

A cornerstone of strong governance is the composition of the Board of Directors. Diversity in board membership, encompassing varied backgrounds, expertise, and perspectives, enhances decision-making processes and reflects commitment to inclusivity. Boards composed of individuals with diverse skills and experiences are better equipped to navigate complex challenges, innovate effectively, and foster a culture of accountability. Moreover, ensuring the independence of board members from management promotes objective decision-making and mitigates conflicts of interest. Independent directors provide oversight and scrutiny, safeguarding shareholder interests and upholding governance standards.

SUGGESTION / GRIEVANCE BOX OPEN TO ALL EMPLOYEES

Employee engagement is vital to fostering a culture of inclusion and innovation within organizations. Open suggestion boxes provide a platform for employees at

EMPOWERMENT

» OPEN SUGGESTION BOXES PROVIDE A PLATFORM FOR EMPLOYEES AT ALL LEVELS TO CONTRIBUTE IDEAS, RAISE CONCERNS, AND OFFER FEEDBACK ON ORGANIZATIONAL PRACTICES, POLICIES, AND WORKPLACE CULTURE. «

all levels to contribute ideas, raise concerns, and offer feedback on organizational practices, policies, and workplace culture. This inclusivity promotes a sense of ownership and empowerment among employees, driving continuous improvement initiatives and enhancing overall organizational effectiveness. Moreover, soliciting and acting upon employee feedback demonstrates a commitment to valuing diverse perspectives, cultivating a supportive work environment, and aligning corporate governance with broader ESG objectives.

	YEAR 2023	UP TO AUGUST 2024
Total Directors	8	9
Outside Directors	2	2
Female Directors	1	1
Foreign Directors	3	3
Number of Meetings	6	4

* TABLE DIVERSITY OF SR SUNTOUR BOARD OF DIRECTORS



LOCATION FACTORY VIETNAM PHOTO HOSHIO YOSHIDA

LRQA Independent Assurance Statement

Relating to SR SUNTOUR INC. 's GHG Report for the calendar year 2024

服務條件

本保證聲明書乃為榮輪科技股份有限公司所準備。

英商勞盛股份有限公司台灣分公司(以下簡稱 LRQA)受榮輪科技股份有限公司(以下簡稱 SR SUNTOUR)之委託以查證其 2024 年日曆年度(2024 年 01 月 0 日~12 月 31 日)期間溫室氣體盤查報告(發行日期:2025 年 10 月 09 日,第六版),以下簡稱為“溫室氣體盤查報告”。

此溫室氣體盤查報告包含直接溫室氣體排放、能源間接溫室氣體排放以及其他間接溫室氣體排放(由運輸產生之間接溫室氣體排放及由組織使用的產品所產生之間接溫室氣體排放),組織採用“營運控制權”方式展現其溫室氣體排放。榮輪科技股份有限公司於其溫室氣體盤查報告中包含了下列地址範圍內之“自行車避震系統和傳動系統零件之研發與製造”,附帶其相關設施設備的運作及活動

溫室氣體盤查報告: 溫室氣體盤查報告書-榮輪科技股份有限公司(2024 年度)_20251009_V6
榮輪科技股份有限公司: 彰化縣福興鄉興業路 7 號

Terms of Engagement

This Assurance Statement has been prepared for SR SUNTOUR INC.

LRQA was commissioned by SR SUNTOUR INC. (hereafter referred to as the “SR SUNTOUR”) to assure its GHG Report for the calendar year 2024(01 January ~31 December 2024) (hereafter referred to as “the Report”).

The Report relates to direct GHG emissions, energy indirect GHG emissions and other indirect GHG emissions (Indirect emissions from transportation, Indirect emissions from products used by the organization), the GHG emissions have been consolidated using ‘Operational’ control. SUNTOUR includes the operations and activities relevant with the “Design and manufacture of bike components for drivetrain and suspension system”, and the associated facilities and equipment as set out in the GHG Report as follows.

GHG Report: GHG report_ SR SUNTOUR INC.(2024)_20251009_V6
SR SUNTOUR INC.: No. 7, Xingye Rd., Fuxing Township, Changhua County 506027, Taiwan

管理責任

榮輪科技股份有限公司的管理階層對本溫室氣體盤查報告之準備及維持有效的內部控管包含溫室氣體盤查報告中揭露之資料負責。LRQA 的責任為依據我們與榮輪科技股份有限公司的合約執行查證。

最終的, 溫室氣體盤查報告由榮輪科技股份有限公司所核准並負有責任。

Management Responsibility

SR SUNTOUR’s management was responsible for preparing the Report and for maintaining effective internal controls over the data and information disclosed. LRQA’s responsibility was to carry out an assurance engagement on the Report in accordance with our contract with the SR SUNTOUR.

Ultimately, the Report has been approved by and remains the responsibility of SR SUNTOUR.

LRQA 的方法

LRQA 查證已依循 ISO 14064-3:2019 (溫室氣體主張之確證與查證附指引之規範)以提供對榮輪科技股份有限公司符合 ISO 14064-1:2018 (組織層級溫室氣體排放與移除之量化及報告附指引之規範)規定所準備的溫室氣體盤查報告之類別一、二之合理保證等級查證以及類別三、四有限保證等級查證。

為作成結論，本保證以抽樣方式執行並涵蓋下列的活動：

- 依溫室氣體盤查報告中所界定的設施設備，進行現場查訪；同時審查與溫室氣體排放數據及資料管理相關的過程；
- 訪談組織中對於相關溫室氣體排放數據與紀錄管理與維持之權責人員
- 查核來自於產品碳足跡資訊網、生命週期(SimaPro)軟體以及中國產品全生命週期溫室氣體排放係數集(2022)之相關係數與 IPCC 2021 年第六次評估報告之 GWP 值
- 查證類別一與類別二的歷史數據及資料來源；以及
- 查證類別三之原料(原料年採購重量總和前 79%)上游運輸、產品(主力產品出貨總重量前 80%)下游運輸、員工通勤、商務旅行、廢棄物運輸之活動數據彙整
- 查證類別四在採購的產品之活動數據彙整(原料年採購重量總和前 79%、能資源、電腦、LCD 螢幕)與一般事業廢棄物焚化處置

LRQA's Approach

Our verification has been conducted in accordance with ISO 14064-3:2019, 'Specification with guidance for verification and validation of greenhouse gas statements' to provide reasonable assurance for Categories 1 and 2 and limited assurance for Categories 3 and 4 that GHG data as presented in the Report have been prepared in conformance with ISO 14064-1:2018, 'Specification with guidance at the organizational level for quantification and reporting of greenhouse gas emissions and removals'.

To form our conclusions the assurance engagement was undertaken as a sampling exercise and covered the following activities:

- conducted site tour of the facilities and reviewed processes related to the control of GHG emissions data and records;
- interviewed relevant staff of the organization responsible for managing GHG emissions data and records; and
- verified emission factors sourced from Taiwan Carbon footprint information platform & software of SimaPro & China Products Carbon Footprint Factors Database (2022) and the Global Warming Potentials (GWPs) from the Sixth Assessment Report of the Intergovernmental Panel on Climate Change 2021 (AR6).
- verified historical GHG emissions data and records for Categories 1 and 2 emissions back to source for the calendar year 2024.
- Verified at an aggregated level GHG emissions data for Category 3 from transportation of upstream raw material (The top 79% of the total annual purchase weight of raw materials) , from transportation of downstream products(The top 80% of the total shipment weight of main products) , employee commuting transportation, business travel and waste transport; and
- Verified an aggregated level GHG emissions for Category 4 from products purchased (The top 79% of the total annual purchasing weight of raw materials, energy resources, computer and LCD monitors); and general industrial waste treatment.

查證等級及實質性

本查證聲明書的查證意見基於合理保證等級(類別一、二),有限保證等級(類別三、四)及 5%的實質性等級下執行，本查證意見基於此形成。

Level of Assurance & Materiality

In accordance with our contract agreement, the assurance was conducted at a reasonable level of assurance at a materiality of 5% for Categories 1 and 2 and at a limited level of assurance at a materiality of 5% for Categories 3 and 4. The opinion expressed in this Assurance Statement has been accordingly formed.

LRQA意見

基於 LRQA 的方法，依溫室氣體盤查報告中揭露西元年 2024 年度之全部直接及能源間接的溫室氣體(類別一與類別二)排放總量實質正確，其他間接溫室氣體排放(類別三與類別四)沒有任何情形引起我們注意到計算沒有實質正確；溫室氣體盤查報告之準備也符合 ISO 14064-1:2018 (組織層級溫室氣體排放與移除之量化及報告附指引之規範)相關要求

LRQA's Opinion

Based on LRQA's approach,

- The GHG emissions for Categories 1 and 2 disclosed in the Report as summarized in Table 1 below are materially correct.
- Nothing has come to our attention that would cause us to believe that the GHG emissions for Categories 3 and 4 disclosed in the Report as summarized in Table 1 below are not materially correct; and that the Report has been prepared in conformance with ISO 14064-1:2018.

Signed

Wayne Huang



Lead Verifier 主導查驗員

On behalf of LRQA Limited
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台北市中山區玉門街 1 號 台北創新中心(CIT)

LRQA reference number: TWN0955776/O_2024

Dated: 18 December 2025



Chiang-shan Chen
General Manager 總經理

