



TSC Auto ID Technology Co., Ltd.

2023 Stakeholder Communication Report

The key stakeholders identified by the Company include customers, investors, suppliers and Staffs. The Company regularly reports to the Board of Directors at least once a year on the communication with related parties.

The communication with various stakeholders in 2023 was reported to the Board of Directors on December 27, 2023, and the communication with various types of stakeholders and the contents of the report are as follows:

Stakeholder	Topic of Concern	Communication Channels and Operations	Implementation Result
Customer	<ul style="list-style-type: none">● Customer service● Product Safety and Responsibility● Risk management● Legal Compliance● Business ethics	<ul style="list-style-type: none">● Customer satisfaction survey● Customer meeting● Customer Questionnaire● By telephone, emails, and video conferencing	<ol style="list-style-type: none">1、Annual customer surveys are used to quickly adjust and improve customer satisfaction, strengthen customer relationships, and deepen business partnerships.2、Every year, online/offline seminars around the world are held from time to time to improve direct and effective business communication, ensure understanding of customer needs, and enhance customer satisfaction.3、Conduct customer surveys from time to time.4、Direct contact with customers via

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			<p>telephone, emails and video conferences from time to time.</p> <p>5、 Cooperate with local sales and engineers from time to time to provide immediate assistance and solve global business and engineering problems.</p>
Investor	<ul style="list-style-type: none"> ● Company Operations Outlook ● Financial Performance ● Corporate governance 	<ul style="list-style-type: none"> ● Market Observation Post System ● Investors' area on the Company's website ● Annual Report ● Shareholders' meeting ● Investor conference ● Email addresses of the spokesperson and acting spokesperson ● Disclosure of information in English 	<p>1、 From time to time, the Company's financial performance, operating status and future prospects are disclosed through the Market Observation Post System, the Company's website and annual reports.</p> <p>2、 A shareholders' meeting (i.e., June 16, 2023) is convened a year to explain operating performance to investors, and shareholders' questions and the Company's responses are recorded in the shareholders' meeting minutes, and the video and audio files of the shareholders' meeting are also disclosed on</p>

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			<p>the Company's website for investment people to read.</p> <p>3、 Four institutional investor conferences were held in 2023 to enhance the company's exposure and transparency, and to increase the frequency of dialogue with investors. At least one of the audio and video files was also disclosed on the Market Observation Post System for investors to read.</p> <p>4、 The email address and hotline of the spokesperson and acting spokesperson were set up to provide investors with inquiry from time to time.</p> <p>5、 Disclosure of shareholder notices, agenda handbooks, annual reports, minutes of shareholder meetings, quarterly financial statements, and material information announcements in</p>

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			English are now available to enhance communication with foreign investors.
Supplier	<ul style="list-style-type: none"> ● Supply Chain Management ● Transportation Carbon Emission Survey ● Environmental friendly raw materials survey 	<ul style="list-style-type: none"> ● Through procurement, quality control, and R&D, the company directly communicates and responds to relevant vendors through phone calls, emails, and visits from time to time. ● Supplier on-site audits ● The Company convenes supplier conferences on an unscheduled basis to learn suppliers' issues and to promote policies on the green supply chain 	Suppliers are instructed and given assistance to pass certification for quality management systems, control the use of raw materials, and make sure that the products and materials supplied conform with the Company's quality requirements.
Staff	<ul style="list-style-type: none"> ● The Company's Targets and Policies 	<ul style="list-style-type: none"> ● All-members meeting ● Headquarters management meeting ● Global management meeting 	<ol style="list-style-type: none"> 1. Through policies of the quarterly staff meetings, monthly global management meetings, and headquarters management meetings, are communicated more accurately and cross-departmental discussions and collaboration are enhanced. 2. Apart from the policy communication, the all-

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		<ul style="list-style-type: none"> <li data-bbox="614 913 874 996">● Global Strategy Symposium <li data-bbox="614 1585 986 1624">● Global News Quarterly 	<p data-bbox="1109 340 1444 900">hands meeting also includes sharing at cross-departmental activities such as activities sharing and Team-Building sharing by the clubs to enhance the exchange and understanding of colleagues in other departments and plants.</p> <p data-bbox="1045 913 1452 1568">3. The first global strategy seminar was held in 2023, inviting senior executives from all over the world to participate in the formulation of the Company's strategy for the next 3-5 years, allowing for more comprehensive strategic thinking and more consensus and commitment in execution.</p> <p data-bbox="1045 1585 1428 2002">4. Besides the discussion in the meeting, the inaugural issue of "Global News Quarterly" was published in 2023 to share important information of each branch office and praise</p>

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	<ul style="list-style-type: none"> ● Employee Compensation and Benefits 	<ul style="list-style-type: none"> ● Regular review of employees' work and salary ● Employee benefits in excess of statutory regulations 	<p>outstanding employees, so that employees distributed in different locations can know each other's status, and become more cohesive overall.</p> <ol style="list-style-type: none"> 5. Annual promotion and salary reviews ensure that employees are the right fit for the role they can make and receive remuneration accordingly. 6. In 2023, increase the proportion of the Company's surplus employee remuneration, and share the Company's achievements with employees. 7. In August 2023, employee stock options were issued to motivate employees to show better work performance and help to retain outstanding key employees. 8. In July 2023, the Company provides new employees with special vacation days that are better than the law to

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			<p>help new employees adapt to their career changes and new environment, increase their retention rate, and enhance the Company's competitiveness in the talent market.</p> <p>9. Increase the amount of employee referral bonuses and encourage employees to nominate outstanding talents with TSC core values to participate in and build a high-performance team with consensus.</p> <p>10. In 2023, parents of colleagues were allowed to participate in group insurance to expand the company's care for colleagues' family life.</p> <p>11. In 2023, the Company increased the number of health examination items to take care of the health of employees. We hope that through various screening tests, employees can find and treat hidden health problems as soon as possible.</p>

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	<ul style="list-style-type: none">● Employee Training and Development	<ul style="list-style-type: none">● Performance Evaluation and Reward ● Education and training	<p>12. Implement annual performance management. Through goal setting at the beginning of the period, real-time feedback improvement during the period, and year-end evaluation, align the efforts of colleagues with the company's strategy to achieve organizational goals together.</p> <p>13. Outstanding employees are selected on a quarterly basis and praised in the all-hands meeting to increase the motivation of employees for learning and development, and provide opportunities for other employees to learn from the best practices.</p> <p>14. Through the promotion and execution of personal work plans, employees have a direction of learning that suits them, and gradually achieve their learning goals and career development.</p>

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			<p>15. In 2023, a management leadership workshop was held to improve the leadership of supervisors. By analyzing the current situation of organizational talents, a talent development plan that is in line with the company's strategy was formulated.</p> <p>16. In 2023, the pandemic was over and various physical courses were resumed. At the same time, the development of diversified online learning courses was also accelerated to provide employees with diverse learning methods and increase their willingness to learn.</p> <p>17. IN 2023, continue the annual training surveys and pre-course interviews made the course contents more in line with the needs of the departments and employees to maintain good learning results.</p>

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	<ul style="list-style-type: none"> ● Employee Relations and Care 	<ul style="list-style-type: none"> ● Labor-management conference ● Labor safety conference ● 2023 Employee Opinion Survey ● Employee suggestion mailbox 	<p>18. The Company has established a two-way communication platform between employers and employees through regular labor-management meetings and labor safety meetings to create a healthy and friendly workplace.</p> <p>19. The Company attaches great importance to the results of the employee opinion survey every year. After the survey, the company invites colleagues to discuss the direction for improvement, in order to build TSC into an excellent workplace. The results of the employee opinion survey result have increased significantly year by year. In addition to the annual survey, employees can also provide feedback at any time through the suggestion box ideas and opinions to the Company.</p>

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		<ul style="list-style-type: none"> ● Health and lifestyle 	<p>20. New guidelines for the prevention of sexual harassment and workplace violence, integration of complaint mailboxes and establishment of an independent grievance hotline to ensure the safety of colleagues in the workplace and provide a safe working environment.</p> <p>21. Continue to provide a series of health and lifestyle seminars. In 2023, more legal-related seminars will be arranged so that employees can improve their knowledge of the legal basics and protect their own interests.</p> <p>22. The bank provides insurance-related quarterly reports on a regular basis to increase employees' insurance-related knowledge, and resume group insurance company personnel to be regularly stationed at the Company to provide professional</p>

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		<ul style="list-style-type: none"> <li data-bbox="619 432 866 470">● Team-building <li data-bbox="619 1664 858 1702">● EAP solutions 	<p>advice on employees' insurance issues.</p> <p>23. In 2023, the Company's team-building activities continued with the theme of collaboration. Through cross-departmental exchanges and interactions, we can get to know more colleagues outside work contact, establish good relationships and create more opportunities for collaboration."</p> <p>24. In the 2023 Sports Week, a step counting contest was added to help colleagues develop the good habit of exercising in a fun way. In addition to exercising to strengthen our bodies, colleagues can also achieve the effect of exercising for stress relief.</p> <p>25. Other focus besides employees' physical health, the Company has also launched a psychological counseling program in 2023 to provide</p>

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			employees with better psychological care and comprehensive workplace health through professional counseling and monthly EAP Digest.

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Customer	<ul style="list-style-type: none"> ● Customer Relations Management 	<ul style="list-style-type: none"> ● Direct communication and response to customers by phone and mail through specialists ● Customer satisfaction questionnaire survey ● Customer satisfaction surveys twice a year to learn customers' concerns and needs ● Distributor conferences in India and the US at least once a year to introduce new products, educate and train distributors, and share market dynamics to strengthen cooperation with distributors 	<ul style="list-style-type: none"> ● No major communication problems or disputes with customers ● The average score of the first customer satisfaction survey in 2023 was 3.88 (out of 5.0) ● Increased adhesion of distributors to the Company
Investor	<ul style="list-style-type: none"> ● Company Operations Outlook ● Financial Performance ● Dividend policy 	<ul style="list-style-type: none"> ● Annual Report ● Investors' area on the Company's website ● Shareholders' meeting ● Investor conference ● Information in English 	<ul style="list-style-type: none"> ● The Company regularly discloses its financial performance and review and analyzes its operations and information through the stock exchange website and annual reports. ● Regular shareholder meetings are held to explain the operating performance to investors and to answer their concerns. ● Four investors conferences a year to enhance the Company's exposure and transparency and to increase the frequency of dialogue with investors.

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			<ul style="list-style-type: none"> ● The Company has added English versions of shareholders' meeting notices, handbooks, Annual Reports, minutes of shareholders' meetings, quarterly financial reports, and major information announcements in English, in order to enhance communication with foreign investors.
Supplier	<ul style="list-style-type: none"> ● Supply Chain Management 	<ul style="list-style-type: none"> ● Direct communication and response with vendors through purchasing and quality control departments by phone, mail, and visits ● Purchasing contracts ● Supplier on-site audits ● The Company convenes supplier conferences on an unscheduled basis to learn suppliers' issues and to promote policies on the green supply chain 	<ul style="list-style-type: none"> ● Suppliers are instructed and given assistance to pass certification for quality management systems, control the use of raw materials, and make sure that the products and materials supplied conform with the Company's quality requirements.
Staff	<ul style="list-style-type: none"> ● The Company's Targets and Policies 	<ul style="list-style-type: none"> ● All Hands Meeting ● Year-end Summit ● Global management meeting ● Headquarters managers meeting 	<ul style="list-style-type: none"> ● From the second half of 2023 and onwards, the Company consolidated all the management meetings based on the purpose of the meeting and the strategy level, in order to be more focused and efficient in meetings. ● Through policies of the quarterly staff meetings, monthly global management meetings, and headquarters

Stakeholder	Topic of Concern	Communication Channels and Operations	Implementation Result
	<ul style="list-style-type: none"> ● Employee Compensation and Benefits 	<ul style="list-style-type: none"> ● Salary review and adjustment ● Promotion nomination and review ● Employee Benefits Committee 	<p>managers meetings, are communicated more accurately and cross-departmental discussions and collaboration are enhanced.</p> <ul style="list-style-type: none"> ● The first global strategy meeting was held in Nov. 2022, inviting senior executives from all over the world to participate in the formulation of the Company's strategy for the next 3-5 years, allowing for more comprehensive strategic thinking and more consensus and commitment in execution. ● Through the annual promotion nomination and salary review process, colleagues' salaries can be more reasonable, close to or even better than the market standard. ● In 2022, the Company adjusted the holiday bonus payment method to provide more security to its employees and strengthen the Company's competitiveness in the talent market. ● In recent years, the Company has reduced the number of large-scale events due to the pandemic, and the Welfare Committee has switched to

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	<ul style="list-style-type: none"> ● Employee Training and Development ● Employee Relations and 	<ul style="list-style-type: none"> ● Performance reviews and interviews ● Individual development plans (IDP) ● Education and training ● Health and lifestyle lectures ● Labor-management conference ● Labor safety conference 	<p>smaller, alternative events to maintain interaction and fun activities for employees in a relatively safe environment.</p> <ul style="list-style-type: none"> ● In 2022, six IDP Workshops were held for colleagues to better understand and implement IDP, and to create win-win growth for individuals and the Company. ● Under the pandemic, diverse working formats have emerged, and more online courses were added to the training in 2022, so that employees can learn uninterruptedly without time and location constraints. ● Annual training surveys and pre-course interviews made the course contents more in line with the needs of the departments and employees to maintain good learning results and satisfaction. ● In addition to enhancing soft and hard skills for work, the Company also arranges a series of health and lifestyle lectures for employees to elevate their quality of life and achieve a work-life balance. ● The Company has established a two-way communication

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	Care	<ul style="list-style-type: none"> ● 2023 employee opinions survey ● Employee suggestion mailbox ● Team-building 	<p>platform between employers and employees through regular labor-management meetings and labor safety meetings to create a healthy and friendly workplace.</p> <ul style="list-style-type: none"> ● The Company attaches great importance to the results of the annual employee opinion survey. After the survey, the Company invites colleagues to discuss the direction of improvement in order to make TSC a better workplace. The satisfaction rate of employee opinion survey results has also increased year by year. In addition to the annual survey, employees may also provide feedback on their ideas and opinions to the Company through the suggestion mailbox at any time. ● The 2023 theme of team-building was cross-departmental collaboration. Through cross-departmental activities, colleagues can get to know colleagues with whom they have less contact at work, and with more understanding, they can have more opportunities for collaboration. At the same time, colleagues also

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			stimulated more creative ideas during the activities.