

SYSGRATION SUSTAINABILITY

LEARNING CORNER

Lesson 2

2025 - July - 2

WHY DO COMPANIES NEED TO PREPARE A SUSTAINABILITY REPORT?

The most practical answer : Because it is required by government authorities.

THEN WHY DOES THE GOVERNMENT REQUIRE LISTED COMPANIES TO PREPARE AND SUBMIT SUSTAINABILITY REPORTS?

© Policy Objective

Aligned with the “Corporate Governance 3.0” policy, companies are enhancing information disclosure, board oversight, and sustainable governance.

Risks like climate change, supply chain issues, and greenwashing may not appear in financial reports but can still affect company value.

Disclosing ESG (Environmental, Social, Governance) data helps investors better understand risks and opportunities.



© Aligning with Global Standards

Non-financial disclosure is becoming the global norm, with regulations like the EU's CSRD, ISSB's IFRS S1/S2, and the U.S. SEC's climate disclosure proposal.

As an export-driven economy, Taiwan is phasing in sustainability reporting to help companies build capabilities early and meet international investor and client expectations—ensuring they remain part of global supply chains and capital markets.

© Enhancing Market Stability and Appeal

Sustainability reporting improves transparency among listed companies, attracting ESG-focused capital to Taiwan.

Unified disclosure standards allow investors to fairly compare companies' sustainability risks and performance, reducing information gaps and valuation errors.



© Driving Internal Transformation

Although ESG reporting began as an external requirement, the process of compiling reports — reviewing energy use, carbon emissions, labor conditions, and governance helps companies identify areas for operational improvement. Over time, the report becomes a platform for internal and external dialogue, fostering cross-department collaboration, greater risk awareness, and disciplined action.





© Employee Care and Social Inclusion

Sections on health, safety, training, gender equality, and work hours reflect daily HR and EHS practices. Sustainability reports showcase how companies treat employees, influencing recruitment and brand image.

Improving internal policies and engaging in community efforts are key parts of fulfilling corporate social responsibility.

© Products and Customers

As global brands demand greater supply chain sustainability and transparency, roles like sales, PMs, and customer service are on the front lines — addressing inquiries, gathering expectations, and driving internal improvements.

Each conversation, suggestion, and piece of feedback can plant a seed that moves us closer to our sustainability goals.



WHAT DOES THIS HAVE TO DO WITH ME?

For most people, sustainability reports may seem far removed from daily work, but the content in these reports is actually a compilation of data from every department — it is closely related to you and me.

© Electricity Usage

The electronics industry is energy-intensive, requiring large amounts of electricity, heat, and cooling during production.

The process improvements and energy management initiatives you contribute to may become key ESG highlights in the future.

© Material and Supplier Selection

Sustainability reports disclose how a company selects materials and suppliers and manages risks responsibly.

Therefore, our supplier audits and decisions on alternative materials respond to global expectations for sustainable supply chains.



THE REPORT IS DONE—SO WHAT'S NEXT?

In fact, preparing a sustainability report isn't just about "providing data for ESG" — it's an opportunity to make our work better.

If we treat ESG projects as merely a data task, then it becomes an annual routine of information collection and formatting — tedious and stressful. But if we see the sustainability report as a tool to improve our work, it becomes a structured process of review and improvement. Guided by the report framework, we can re-examine the purpose behind each task and use that insight to set meaningful goals for the new year.

In other words, sustainability reporting isn't just about checking off the past — it's an investment in the future.