



Delta Honored as "A" Grade Supplier Engagement Leader by CDP for Supply Chain Sustainability

Delta Electronics, Inc. (later referred to as "Delta" or "the Company"), a global leading provider of power and thermal management solutions, today announced it was awarded the highest "A" grade as a "Supplier Engagement Leader" in the 2021 Supplier Engagement Rating (SER) conducted by Carbon Disclosure Project (CDP), with the highest rating in key criteria such as "Supplier Engagement" *1 and "Scope 3 Emissions" *2. Delta has been selected as a Supplier Engagement Leader for the second consecutive year following its recognition as a global leader on "Climate Change" and "Water Security" by CDP last year. Its effort and action on climate change is once again recognized by indicative assessment.ewwe



Jesse Chou, Delta's chief sustainability officer, said, "Delta has long been concerned with climate change and has worked on energy saving and carbon reduction in its daily operations while also proactively participates in sustainable development initiatives by adopting and implementing Science Based Targets (SBTs) in 2017. In 2021, Delta has achieved and surpassed its original goal of 56.6% reduction in carbon intensity by 2025, and the proportion of renewable energy in global electricity generation climbed to 45.7% in 2020 through its autonomous energy-saving plans, self-generation of solar electricity as well as its purchase of renewable electricity and certificates. Based on the experience and achievements of SBT implementation, Delta has joined RE100 and made a commitment to use 100% renewable electricity and achieve carbon neutrality in its global supply chains by 2030. It continues to improve supply chain sustainability, create innovative research and development, provide high-efficiency energy-saving products to customers to help reduce carbon emissions, and promote sustainable management of supply chain to engage in global trends of net zero carbon emissions and co-create business value on climate change. We are honored to have achieved the highest "A" grade as a CDP Supplier Engagement Leader for two consecutive years through the company's efforts as well as those of its partners."

Delta regards suppliers as long-term partners in fighting climate change and actively encourages them to move towards net-zero carbon by applying energy-saving measures. It established supplier code of conduct for climate change and provided professional education and training resources. Moreover, the Company has led carbon footprint verification for all its manufacturers and asked suppliers to meet the standard of ISO 14064-1 greenhouse gas emissions. Each year, Delta engages with more than 90% of its first-tier suppliers on issues such as climate change through ESG questionnaires, education and training, supplier engagement, incorporating performances in suppliers QBR, etc., and the next promotion plan will be formulated according to each's ability and risk level. In order to resolve the impacts of supply chain disruption caused by drought, Delta has selected nearly 600 important suppliers to undertake the drought risk assessment as basis for decision-making.

Delta measures the carbon footprint in manufacturing stage for dozens of customers who participate in the CDP

supply chain program each year. It also provides energy saving technologies and carbon reduction benefits to reduce greenhouse gas emissions at all stages of production. Delta's high-efficiency products saved 33.5 billion kWh of electricity for its customers worldwide from 2010 to 2020, which is equivalent to a reduction of 17.8 million tons of carbon emissions. Since 2015, 11 energy-saving products shipped by Delta, including electronic ballasts, server power supplies, photovoltaic inverters, electric vehicle DC chargers, have been successively verified by ISAE 3000, demonstrating actual results in helping customers in carbon reduction. In addition, Delta's main production plants were 100% compliant with ISO 14064-1 certification in both the scope 1 and scope 2 greenhouse gases emissions in 2020, and the scope 3 has also been certified by a third party. The production plants has implemented 80 water conservation programs and 111 waste reduction programs that have saved 183.6 thousand tons of water and 7,774 metric tons of waste. All the climate actions and actual results are in support of CDP SER's goal in achieving value chain carbon reduction target through engagement.

CDP's annual environmental disclosure and scoring process is respected as the gold standard of corporate environmental transparency. The organization uses SER to assess a company's climate change management performance in terms of corporate governance, targets, scope 3 emissions, overall climate change performance, and supply chain management based on the responds to its questionnaires. The CDP supply chain program has over 200 major corporate members with a total procurement of US\$5.5 trillion, and in 2021, as many as 23,487 suppliers of these companies have conducted their disclosures, resulting in a total of 231 million tons of CO₂e emissions reduction.

Note 1: "Supplier engagement" means that companies take specific actions to communicate and discuss sustainability-related issues with suppliers in the management of climate change to reduce possible risks in the future.)

Note 2: Three categories of greenhouse gas emissions (Scope 1–3):

- Scope 1: Direct emissions from the sources owned or controlled by an organization (such as diesel, gasoline, natural gas, etc.)*
- Scope 2: Indirect emissions from an organization's purchased electricity*
- Scope 3: Other indirect emissions, including the carbon emissions generated from the upstream and downstream organizational activities in a company's value chain.*

Delta EMEA
Zandsteen 15,
2132 MZ Hoofddorp,
The Netherlands
Wu Judy
Phone : +31 (0)20 655 09 06 / 31(0) 611-581-859
jwu@deltaww.com