

# 2022-2023 Sustainability Report





# About Us

Our core values, and the definition of the CSB acronym, is what guides us as an organization.

As one of the world's leading manufacturers and distributors of sealed lead-acid maintenance-free batteries, our products are sold in more than 100 countries and are widely used in communication equipment, UPS, energy saving concepts and safety systems related to solar, wind, emergency lighting, etc. We contribute to society through the development of superior energy storage technologies and products beyond the boundaries of chemistry, delivering solutions that exceed the expectations of customers.

- **Creativity** - To work using novel approaches to enter new territory
- **Sincerity** - To always act with a sense of ownership and honesty
- **Belief** - Respect for opinions through fair and impartial discussions

Founded in 1987, we established 6 business locations and 3 production locations around the world, with nearly 2,300 employees worldwide. We changed our name to CSB Energy Technology Co., Ltd. in May 2020 and became a member of the Energywith Group based in Japan. Our worldwide distribution network and commitment to quality have contributed to our growth today. Our batteries are highly efficient, maintenance-free, and have obtained ISO and UL certifications. We have established a certified quality assurance center reliability laboratory in Taiwan. In cooperation with the members of the Energywith Group, we are fully committed to the development of technology to meet the needs of the market and customers. With the joint efforts of more than 2,000 professionals worldwide, we build better win-win relationships with stakeholders.

## General Purpose



## UPS



## Telecom



## Renewable Energy



## E-Mobility



**Corporate Offices** Taipei, Taiwan

**Factory Locations** Tainan City, Taiwan  
Ho Chi Minh City, Vietnam  
Shaoguang, China

**Sales Offices** Haltom City, TX, USA  
Ridderkirk, NL, EU  
Shenzhen, China  
Shanghai, China

**Distributors** 400+ Located in N. America,  
S. America, Europe, Asia,  
Australia, Middle East

**Total Energy Density Shipped (MWh CY2022)** 15,716

### Certifications:

ISO 9001  
ISO 14001  
ISO 45001  
ISO 50001  
ISO 17025  
UL1989  
IEC 60156-1/2  
IEC 60896-21/22  
IEC 60254  
IEC 61427  
VdS  
ANATEL  
Others

### Compliances:

JIS C 8704-2-1999  
BS6290 Part 4, 1987  
TL9000  
EUROBAT  
NEBS  
REACH  
RoHS  
Others



# Company History

## The Legacy of CSB

### 1987

- Creation of CSB Battery Co., Ltd. through a joint venture and technological coalition with Shin-Kobe Electric Machinery Co., Ltd. Manufacturing facility built at Tainan, Taiwan

### 1993-1997

- CSB Battery Technologies, Inc. in San Diego, U.S.A established
- Taiwan Guantian factory obtained ISO 9001 certification

### 2001-2005

- CSB Battery of Netherlands B.V. established

### 2010-2015

- Production base in Philippines established with ISO9001
- Vietnam factory obtained ISO14001 certification
- Taiwan Guantian factory obtained OHSAS18001 certification
- Taiwan Guantian factory obtained ISO50001 certification

### 2020-2021

- Changing company name to "CSB Energy Technology Co., Ltd." in May, 2020
- Joined Energywith Co., Ltd. Group of companies

### 1988-1992

- Installation of CCDS: Computerized Charging & Discharging System
- Branch office in Texas, U.S.A established

### 1998-2000

- Taiwan Guantian factory obtained ISO 14001 certification
- CSB China Established with Representative office in Beijing, Guangzhou, and Shanghai
- Electric Vehicle batteries (EVX Series) qualified and approved by EPA

### 2006-2009

- CSB Battery Technologies (Beijing) Co., Ltd. Established with ISO9001
- Production base CSB Battery (Vietnam) Co., Ltd. established,

### 2016-2019

- Become one member of Hitachi Chemical Group In Jan. 2016
- Production base in Shaoguan (China) established,
- Quality Assurance Center Reliability Lab ISO/IEC 17025:2017 certificated (IEC 60896-21, IEC 60896-22)



## From Our Chairman:

For almost 40 years, CSB Energy Technology has been on a mission to provide world-class energy storage solutions for our customers through our innovative VRLA-AGM battery technology. At the beginning, we were committed to delivering these lines of product through sustainable means in everything we do. From our factories building batteries, to our sales teams in the field, our distributors storing and selling our products, and our office staff managing operations, the sustainability spirit permeates everything we do. We believe our core guiding principles help lead the way: Creativity in having the innovative ideas and solutions to solve power challenges, no matter how unique they may be. Sincerity by practicing what we preach in delivering in our commitments to a healthier planet earth for all people from all walks of life. Belief in having the determination and mindset to use our products, both existing and future developments, to fuel the digital way of life in the 21st century.

As you will see in the latest sustainability report, we are on the right path toward achieving our goals. We have implemented a new greenhouse gas emissions (GHG) committee with representation from across the world to oversee everything we put into the atmosphere with clear and attainable goals to reduce our emissions. We are also very proud of our continued care and attention to our factory staff to ensure a safe and healthy working environment. Furthermore, our increased focus on diversity and representation in female leadership throughout the corporate and factory hierarchical ecosystem has been exemplary. The metric reduction in our consumption of energy to build our products and power our offices as well as production of waste backs up our commitment to make CSB Energy Technology one of the world's leaders in building true sustainable products for all to use.

We are deeply rooted in our Taiwanese heritage and proud to share with the world our values of honor, respect, positivity, cooperation, and family in everything we do. To all our employees, customers, partners around the world, we thank you for your continued commitment to come on this journey with us as we make the world a better place for everyone to enjoy for many years to come.

All the best,



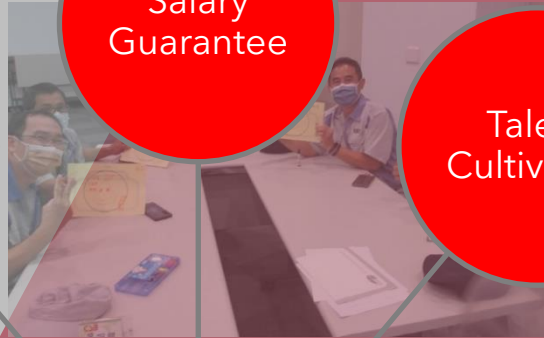
Jack Chang - Chairman, CSB Energy Technology Co., Ltd.



# Our People

CSB regards employees as the most valuable assets and partners.

We respect every employee and treat them in an equal manner regardless of gender, age, ethnic group, sexual orientation, or religion. We are committed to safeguarding the rights and interests of our staff, fostering staff development programs, building harmonious labor relations and communication channels, caring for our staff, and organizing staff activities, all while providing a pleasant and safe workplace. We are committed to improving the workplace environment, and organize regular labor meetings to coordinate labor relations, promote labor cooperation and continue to strengthen communication channels with employees.



**Our Employees**

Maternal and Family First Policy

Salary Guarantee

Talent Cultivation

Disability Protection

Promote Work-Life Balance

Gender Relations

Self-Care

Respect for Diversity

Social Activities



# Our People

**Respect for Diversity** - CSB energy technology group employs individuals from 19 different nationalities, all with their unique talents and ideas. We believe that diversity of our workforce, regardless of gender, age, ethnic group, sexual orientation, or religion make CSB a stronger company and better-positioned for success. As we are a global organization with multiple locations across the world, CSB respects local culture, professional customs, and establishes different rules according to the country of location.

**Gender Relations** - In 2022, the total number of global employees of CSB is 1,884. The direct labor in our factories account for 76% of that total, among which men account for 57% and women 43% respectively. Female supervisors in our factories account for 24%. At the corporate management level, women account for 35%, or more than a quarter, of senior managers.

**Disability Protection** - Having a physical or mental impediment does not exclude one from employment with CSB. Tying back to our respect for diversity, anyone experiencing physical or mental trauma caused either at work or at home is embraced and supported through our benefits program. Furthermore, in 2022, the number of employees with physical and mental disabilities is 2.2 times that stipulated by local laws.

**Maternal Protection and Family First Policy** - Women employed with CSB who are pregnant and/or breastfeeding for one year after delivery are provided with health protection measures, such as light duty work, special parking spaces, lactation rooms and time, flexible work arrangements, and signed contracts with nurseries for consigned childcare services. CSB is proud to offer parental leave (both men and women can apply), maternity and paternity leave, maternity allowance, and menstrual leave. Our workplace gender relationship training is 66% voluntary participation, and the goal is to reach 100% by 2025.

**Salary Guarantee** - Our standard starting salary and average salary are both higher than statutory minimum wages. We also provide our staff with more competitive salary protection by giving them an annual bonus and a Spring Festival bonus (at our factories).

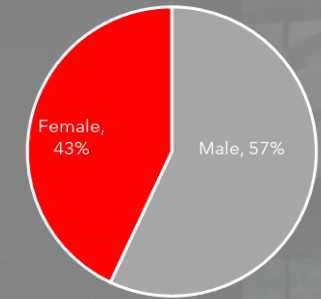
**Talent Cultivation** - All new employees of CSB will receive general and professional skills training to integrate into the new organization as soon as possible. We also develop managerial training at all levels of employment which includes leadership, management, communication, and professional skills training at all levels.

**Promote Work-Life Balance** - Since 2014, CSB has implemented policies to build up the corporate culture of work-life balance to improve living quality of employees, personal health, and family relations. This helps reduce staff turnover, improves employee morale, and enhances the competitiveness of the company. We offer stress relief classes like LOHAS yoga (boxing), health promotion (prevention of hyperlipidemia, diabetes), weight loss class, first aid training, In 2022, a total of 388 people participated with overall satisfaction more than 90%.

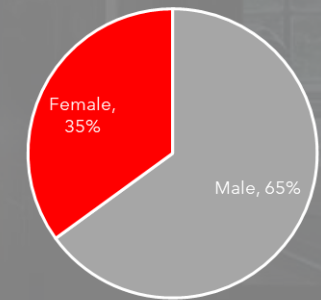
**Employee Self-Care** - Every CSB employee is entitled to labor, health, retirement, employment and occupational disaster insurance. In our factories, we have full-time resident doctors and nurse staff to conduct comprehensive physical examinations on employees (focus on blood-lead management and prevention) to provide health courses helping to eliminate negative effects of work stress.

**Social Activities** - We organize off-site employee activities, such as environmental protection day, year-end parties, Christmas party, karaoke, football match, family day, employee's children scholarship, and provide holiday gifts for employees' families. In our factories, there is a gym, pool room, KTV, reading room, to create a happy workplace.

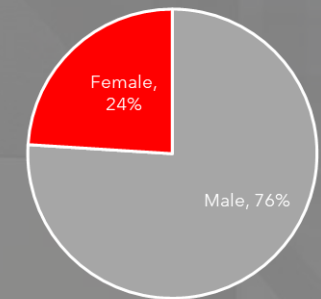
Gender Ratio Global Workforce



Gender Ratio Sr. Executives



Gender Ratio Group Management





# Our Health & Safety

## CSB company attaches great importance to the health of employees

and we know that healthy employees are an important cornerstone of the company's development. We formulate special health management procedures and employee health management regulations through promotion activities to develop regular mental and physical exercise habits with encouragement and motivation. This supports our employees to work in a healthy environment and reduce the negative impacts of stress on the body and mind. Our efforts have been certified by the National Health Service of the Ministry of Health and Welfare and awarded the Healthy Workplace Certification Mark. We follow the spirit of the occupational safety and health management system P-D-C-A, and systematically implement occupational safety and health management. Our Occupational Safety and Health Management System follows the Plan-Do-Check-Act cycle.

### Health Care

CSB provides healthcare services including first aid treatment, health check, employee health management and promotion activities, etc., to protect the health and safety of workers. We also carry out job suitability assessments, functional assessments, job redesigns or adjustment suggestions through labor health checkups and on-the-spot assessments by occupational physicians, etc., to reduce the risk of worker injuries and occupational diseases. Additionally in our factories, we conduct special health checks for high-risk on-site departments, and regularly monitor the physical conditions of colleagues in high-risk working environments to detect health risks early. We have added AED (automated external defibrillator), and conduct AED operation education and training for emergency personnel every year, to establish a complete first aid network in the factory and office areas.

### Safety and Health Education + Training

For all new-hires, contractors, or vendors entering our factories, we have sensory education and training place to simulate the actual machinery and equipment in the factory. In accordance with the Labor Safety and Health Act, on-the-job education and training on labor safety and health for various types of personnel will be conducted. From 2022, one hour of labor safety training was arranged for each worker every month. In 2022, the "Factory Disaster Prevention Week", "Company-wide Disaster Prevention Week" and "National Safety Week" activities was implemented to promote relevant safety measures and promote workplace safety and hygiene.

### Increase Inspection Intensity

From 2022, the security inspection committee will conduct on-site inspections every month and increase the inspection items of high-risk and specific operation. The committee formulates audit plans and priorities every month, visits the inspection area, and assist in industrial safety audits. We review inspection items at the bi-weekly Security Inspection Committee meeting, and as of December 31, 2022, a total of 435 deficiencies were found. Our goal for 2023 and beyond is to improve the relevant deficiencies.

### Occupational Disaster Management

We have been strengthening audits on environmental disaster mitigation and safety, providing on-site services for labor health protection, formulating accident notification and handling procedures, etc., to ensure rapid response in the event of an accident to carry out improvement measures to prevent similar accidents from happening again. Taking the safety and health of employees as the starting point, the company continues to carry out corresponding improvement measures to ensure the safety and health of employees.



**Certificate of award**  
2022 Accident-free Achievement Award  
CSB Energy Technology Co., Ltd.  
In fiscal 2022, your company worked hard to promote intrinsic safety and to raise the safety awareness of all employees, achieving zero accidents. Therefore, I commend your achievements and commend you.  
April 26, 2023  
Energywith Co., Ltd.  
President and Representative Director,  
Masato Yoshida

**AED**  
**CPR + AED**  
希世比能源科技股份有限公司  
感謝大家挽袖捐  
讓病友可以回家過年  
2022.12.28  
共捐38單位



# Our Environment

Since its establishment in 1987, CSB has been focused on being responsible stewards of the environment. We do this based on practicing environmental safety, strictly abiding by local laws and regulations, independently setting up environmental safety regulations, continuous improvement of environmental protection measures and a complete recycling system of applicable materials. We actively obtain relevant environmental safety and quality certifications (ISO and OHSAS, etc.) at each production site. We implement strict safety measures to ensure the health and safety of all employees in the workplace, provide appropriate training and equipment to reduce the risk of occupational accidents and work-related diseases, and provide employees with a healthy, safe, and sustainable working environment.

CSB is cognizant to the development needs of global green power to reduce our carbon footprint and greenhouse gas emissions. We actively develop policies towards implementing sustainable business practices. By combining internal and external resources through innovative and practical power systems, we can quickly meet customer requirements, enhance demand value, all while being caretakers of our world and preserving natural resources.

Our Environmental Certifications:

- **ISO14001** - Compliant with environmental regulations, strengthen education around environmental protection, implement pollution reduction policies and promote recycling improvement
- **ISO14064-1** - Initiatives to voluntary report GHG emissions, guidance on GHG quotas or credits, compliance credit lines
- **ISO45001** - Security laws and risk management, safety performance and awareness, continuous and sustainable operations
- **ISO50001** - Promote autonomous energy conservation, support green energy procurement to reduce carbon emissions and promote environmental sustainability



**工廠**

**碳盤查**

ISO 14064-1:2018

計算一個工廠(組織)的總排碳量



**A食品工廠**

全廠生產製造各項產品總排碳量 = 12,000 公噸CO<sub>2e</sub>/年

Factory GHG Emissions	2021	2022
Taiwan	4.952 kg/unit	4.839 kg/unit
Vietnam	4.779 kg/unit	4.779 kg/unit
China	4.952 kg/unit	4.839 kg/unit



Tainan Plant with PV Array - Installed Dec 2022. Expected to remove 365MT of CO<sub>2</sub> emissions annually (equivalent to removing 4,101km of car emissions daily)

## 2022 vs 2021 Sustainable Highlights



**-12% MT water use reduction** by reuse of water to other required areas. Updated factory faucets with water-saving devices and mist-faucets to reduce consumption



**-13% less MWh of energy used** by using more renewable sources with installed solar array on Tainan factory. Updated to energy-efficient lighting. Also installed new energy-saving equipment such as air compressors, dryers, updated motors. Replaced electric stackers with diesel stackers



**-3% less wastewater produced** at our China factory by zero-discharge of wastewater being treated and recycled for reuse indefinitely

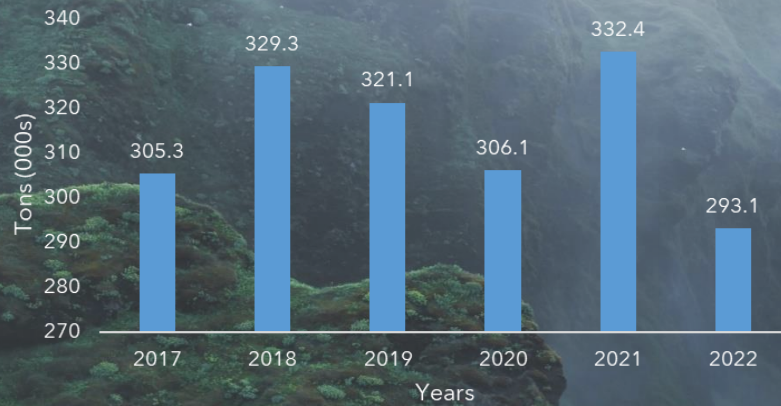


**-2.2% net reduction in GHG emissions** by taking these actions above. CSB has also formed an internal GHG committee to oversee all sustainable actions taken corporate wide are adhered to and improved continuously



# Our Environment

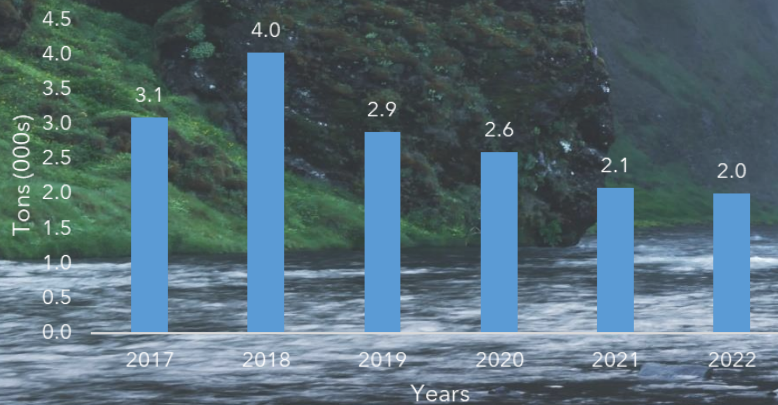
### Water Consumption (Tons, 000s)



### Electricity Consumption (GWh)



### Natural Gas Consumptions (Tons, 000s)



### Wastewater Produced (Tons, 000s)



The resources we use in production of our products and services is something we are always watching closely and looking for ways to reduce our consumption.

Building lead-acid batteries requires a significant number of resources in our factories which include (but not limited to) energy from electricity, natural gas, water, and the production of wastewater from the manufacturing process. Each year, our internal GHG committee along with engineering, quality, and procurement teams evaluate data from consumption and explore ways to reduce energy and resource usage. Since 2017, we have seen significant progress in reducing the impact we have on the environment and resources offered for consumption.



**-1% CAGR (2017-2022) of water consumed and -7% produced** as a byproduct of production



**-2% CAGR (2017-2022) of electricity** consumed due to more-efficient processes, equipment (installation of renewable energy sources)



**-4% CAGR (2017-2022) of natural gas** consumed due to more-efficient processes, equipment (installation of renewable energy sources)



# Our Suppliers

CSB is committed to using a lower environmental impact in line with various global directives and green purchasing. This is the principle of material between our customers and suppliers with the mutual benefit of honesty, communication, and service to fulfill their corporate social responsibility. With a common emphasis on labor, business ethics, and sustainable management concept of human rights, CSB suppliers are expected to promote and do their best in risk management. New suppliers must evaluate and assess to ensure the supply quality, delivery time, service, environmental safety and material supply chain stability is up to our rigorous standards. For existing suppliers already qualified, we require evaluation on monthly delivery time, quality, deadline guidance improvement and implementation of sustainable business practices mechanisms.

## Green purchasing

All of CSB suppliers must promote corporate social responsibility codes of conduct and corporate social responsibility surveys with the following key elements (but not limited to): Raw material life cycle assessment, renewable resource utilization, focus on environmental, social and economic issues, purchasing of energy saving and environmental protection equipment in line with occupational safety considerations, waste recycling and qualified license manufacturers with recycling to achieve energy saving and carbon reductions, all to make a contribution to the natural and social environment.

## Conflict-Free Minerals

The company is committed to a thorough investigation of the supply chain to ensure material sources "gold (Au), tantalum (Ta), tungsten (W), tin (Sn), cobalt, (CO)" metals are not mined from mines in conflict zones in the Democratic Republic of the Congo (DRC) through unregulated legions or illegal groups or obtained through illegal smuggling. We require suppliers to provide written proof of non-use of minerals in conflict zones or to sign non-use declarations and CMRT templates for conflict minerals.

## Human Rights

CSB expects of its suppliers to focus on equality treatment, flexibility, autonomy and employee dignity, respect for employees' personal freedom. Suppliers must conduct regular self-assessment questionnaire surveys on these rights.

## EU Critical Raw Materials Declaration

Critical raw materials (CRMs) are the core of recycling and resource efficiency improvement. The disclosure of information on the use of key raw materials in energy-related products will help to implement a circular economy. Therefore, the company conducts a CRM statement signing survey on suppliers of raw materials.

## US Critical Raw Materials Declaration

According to the critical raw material (critical raw materials, CRMs) list by United States of America, it is vital for the American economy and national safety that those materials will play an important role in the process for product production. To be compliant, CSB conducts CRM statement from suppliers for critical raw materials.

## CRM Audit Elements



Quality Management and Supplier Audits



Labor Rights + Occupational Safety



Customer Satisfaction



Product and Production Controls



Raw Material Quality Management



Social Responsibility and Ethics Code



Energy Management



Environmental and Sustainable Management



# Summary

As we look to the future, CSB is positioned well to meet key sustainability goals and serve the energy storage industries through quality, service, and product performance. This will be achieved through our core principles of creativity, sincerity and belief. We thank you for your continued support of CSB and look forward to serving the reserve power industry in the 21<sup>st</sup> century and beyond



Preserving our environment through sustainable business practices



Respect and dignity for all people we interact with regardless of their demographics



A safe and healthy working environment in our factories and offices



Partners that share our sustainability-first approach to doing business



**BATTERY**





# Legal Statements

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These statements are based on information currently available to the Company and the Company provides no assurance that actual results and future performance and achievements will meet or not differ from the expectations of management or qualified persons. All statements other than statements of historical fact are forward-looking statements. The words "believe," "will," "may," "may have," "would," "estimate," "continues," "anticipates," "intends," "plans," "expects," "budget," "scheduled," "forecasts" and similar words are intended to identify estimates and forward-looking statements. Forward-looking statements are not guarantees and involve known and unknown risks, uncertainties and other factors which may cause the actual results, performance or achievements of the Company to be materially different from any future results, performance or achievements expressed or implied by the forward-looking statements. Actual results and developments may be substantially different from the expectations described in the forward-looking statements for several reasons, many of which are not under our control, among them, the activities of our competition, the future global economic situation, weather conditions, market prices and conditions, exchange rates, and operational and financial risks. The unexpected occurrence of one or more of the abovementioned events may significantly change the results of our operations on which we have based our estimates and forward-looking statements. Our estimates and forward-looking statements may also be influenced by, among others, legal, political, environmental or other risks that could materially affect the potential development of the Project, including risks related to outbreaks of contagious diseases or health crises impacting overall economic activity regionally or globally.