

2.7 Customer Service and Satisfaction

2.6.3 Responsible Mineral Management

2.6.3.1 Responsible Mineral/Metal Sourcing Policy

As a responsible corporate citizen of the world, LITEON has declared and committed to refrain from the use of metals sourced from unqualified smelters in conflict mines. The company also requires that all its suppliers comply with LITEON's responsible mineral/metal sourcing policy:

- (1) ensure the absence of "responsible minerals from unqualified smelters" in Congo and surrounding countries and regions in their products, and adhere to the applicable regional and international laws for responsible minerals.
- (2) trace sources of all Gold (Au), Tantalum (Ta), Tin (Sn), Tungsten (W), Cobalt (Co), and Mica and other sources of responsible minerals published in the Responsible Minerals Initiative (RMI) in all products; while all suppliers should complete a connection report to confirm sources of related minerals and should use a list of RMI compliant smelters/refiners to avoid mines directly or indirectly financing armed groups in conflict-affected regions.
- (3) convey these requirements to their upstream suppliers.

Note: Responsible minerals/metals refer to minerals mined under armed conflict or human rights abuses, especially minerals mined by armed groups surrounding the Democratic Republic of the Congo. These minerals include coltan, cassiterite, wolframite, cobalt and gold, and can be refined into Tantalum (Ta), Tin (Sn), Tungsten (W), Cobalt (Co) and Gold (Au). In addition, mica mined from India and other regions are also known as responsible minerals, and can be used in electronics and other products.

2.6.3.2 Responsible Mineral Management Process

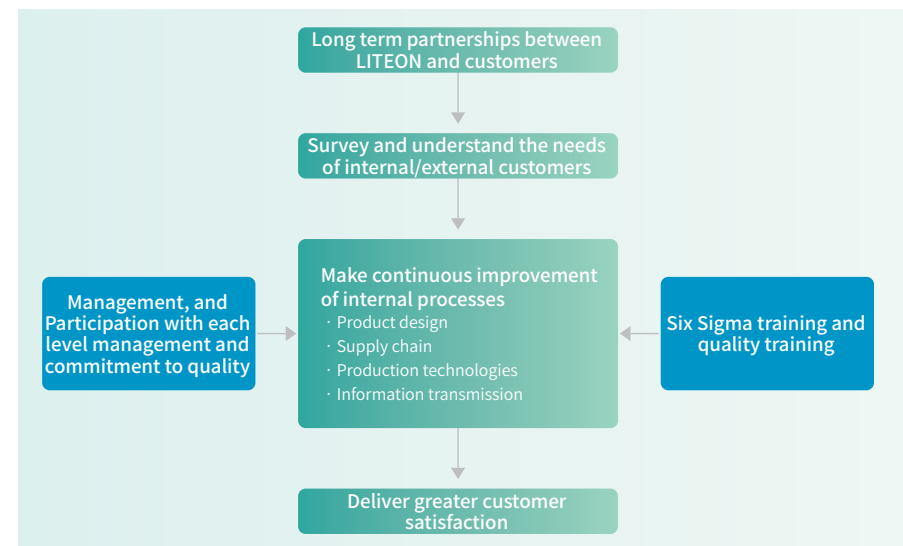
Regarding the responsible mineral management process, LITEON provides information on responsible minerals to suppliers working with LITEON for the first time or suppliers who need the information. LITEON also provides basic training on using the RMI management tool, responsible mineral reporting templates, including the Conflict Minerals Reporting Template (CMRT), the Cobalt Reporting Template (CRT), and the Mica Reporting Template (MRT). The business units require that suppliers implement complete control and verify any use of responsible minerals from unqualified smelters in materials after signing a declaration against the use of responsible minerals and providing RMI forms during material acknowledgment. Meanwhile, responsible mineral data from the business units will be summarized, and a risk assessment will be performed on materials supplied by the suppliers.

Responsible mineral management process



Customer service

LITEON's each business unit has cross-function teams (CFTs) providing targeted services to individual customers; these teams bear responsibility for taking orders, performing product R&D and manufacturing, and ensuring quality, delivery, cost, and after-sales service. Our CFTs can quickly propose response methods and overall solutions based on customer issues and feedback.



To satisfy customers' needs for prompt delivery; we handle purchasing, planning, logistics, and cash flow processes online, and use online information as the basis for our operations. We also integrate data from external suppliers, customers, and banks, etc., to ensure that management and delivery information is correct and up to date. Furthermore, to shorten the processing time for technical support, transport and delivery, and after-sale services, LITEON has installed production facilities, branches, and distribution warehouses in locations close to customers around the world that can respond promptly to customers' needs.

Customer Satisfaction

"Customer Satisfaction" is one of the important bases of product and service improvement for LITEON. Understanding and analyzing customer satisfaction is one of the important ways for LITEON to continually improve its product quality and service procedures and implement new systems to further satisfy customers' needs.

Building on scores of regular customer evaluation and audits as well as results of the quality management system, LITEON sends customer satisfaction surveys to large customers¹ every year. Survey results are used to make improvement plans. In addition, improvement of customer evaluation scores is also made one of the performance indicators for certain departments as appropriate. The relevant departments will propose improvement measures for surveyed items with lower scores. The sales departments will track the progress and complete the improvement plans on time. The results of the improvement plans will be reviewed by appropriate division heads and become part of the operation plans in the following year for designed departments to ensure satisfied customers.

Below are the results of the customer satisfaction survey conducted by LITEON's core business in 2020

		Satisfaction Survey Items						Overall satisfaction
		Quality	Delivery	Services	Pricing	Technologies	Hazardous Substance Free	
Average Satisfaction	Score (out of 5)	4.53	4.59	4.6	4.37	4.5	4.7	4.57
	Satisfaction (%)	90.56	91.82	91.9	89.6	89	94.03	91.31

Note: 1. Main Customers are defined as the group of top 20 customers.

2. The customer satisfaction survey items changed in 2020, and the trend calculation is reset with 2020 as the base year.

Process of customer satisfaction survey

