



Independent Assurance Statement

ZYXEL GROUP CORPORATION 2023 SUSTAINABILITY REPORT

AFNOR GROUP was established in 1926. We are the National Standardization Body of France, a permanent council member in ISO and one of the leading certification bodies in the world. This verification work was carried out by AFNOR ASIA LTD., a subsidiary of AFNOR GROUP. All the members of the verification team have professional backgrounds and have accepted AA1000 AS, AFAQ 26000, ISO 9001, ISO 14001, ISO 14064, ISO 45001, ISO 50001, and other sustainability-related international standard trainings. All assigned verifiers have been approved as the lead auditors or verifiers. AFNOR GROUP and ZYXEL GROUP CORPORATION (hereinafter referred to as “Zyxel Group”) are independent entities. AFNOR GROUP hereby provides a summary of ZYXEL GROUP CORPORATION’s Sustainability Report of 2023 (hereinafter referred to as “the Report”) but was not involved in any way in its preparation.

SCOPE

ZYXEL GROUP CORPORATION is responsible for reporting fairly on the economic, environmental and social aspects of operating activities and performance of various operating sites in Taiwan and oversea in sustainability reports in accordance with the declared sustainability reporting standards.

AFNOR ASIA LTD. is responsible for:

1. Evaluating the accordance of the Report with the Type 1 of AA1000 Assurance Standard (v3) based on the AA1000 Accountability Principles (2018). The reliability verification of the revealed sustainability performance information and data was not included. The verification scopes include sustainability issues, response mechanism, performance information, management systems of information, and the processes of materiality evaluation and stakeholder participation.
2. In accordance with the GRI Standards, we verified the statement options and material topics disclosed in the report compiled by Zyxel Group.
3. In accordance with the Task Force on Climate-related Financial Disclosures, we verified the content compiled and disclosed by Zyxel Group in the report.
4. In accordance with the Sustainability Accounting Standards Board Standards, we verified the content compiled and disclosed by Zyxel Group in the report.

REFERENCES

The scope of the assurance includes an assessment of the source adequacy of specific performance information and an assessment of adherence to the following reporting criteria :

- AA1000 Accountability Principles (2018)
- GRI Standards



- Task Force on Climate-related Financial Disclosures
- Sustainability Accounting Standards Board Standards

METHODOLOGY

- The inclusivity, materiality, responsiveness, and impact in the Report were assessed according to the principles of management process against AA1000 Assurance Standard (v3).
- The report is reported in accordance with the GRI Standards, and the content of the report is reviewed for general disclosures and specific topic disclosures that comply with the GRI Standards.
- The mechanism of communication and response to the interest of stakeholders was verified through discussion and interview with the management team, however, the assessment team did not make any direct contact with external stakeholders.
- The qualitative and quantitative information produced, collected, and disclosed by the Report was reviewed through a validated sampling plan.
- The documents, materials and information related to the report were examined and reviewed by interviewing the responsible persons of each group of Zyxel Group.
- Interviews with members of the organization related to sustainable development management and report writing, including representatives of all levels and departments.
- All documents, data and information related to the preparation of this report were checked by the verification team through interviews with relevant personnel.
- Check the sufficiency and completeness of supporting materials and evidence for the content of the report.

CONCLUSION

◆ AA1000 Accountability Principles

Inclusivity

Zyxel Group has identified stakeholders; and maintains communication channels for stakeholders to participate in different important topics, understands the important information that stakeholders are concerned about, and solicits feedback from all parties regarding the company's sustainable development. Environmental, social and governance information has been fairly reported and disclosed in the report and is sufficient to support appropriate planning and goal setting.



Materiality

Zyxel Group has published information on relevant sustainable development issues, allowing stakeholders to judge the company's governance and performance; the report has demonstrated the planned and implemented decision-making mechanism for major topics, and reflect the organization's priorities for impacts and responses to stakeholders.

Responsiveness

Zyxel Group has developed and implemented a stakeholder response mechanism through communication channels, clearly declares various policies, norms and codes, etc., and can respond promptly to issues of concern to stakeholders; through the stakeholder discussion mechanism, has developed and monitored various management policies and performance targets that meet the needs of stakeholders and itself.

Impact

Zyxel Group has adopted the monitoring and measurement of risks and opportunities for the impact of its operations on the overall environment; identified various risks and opportunities to formulate action plans, and responsibly demonstrated its management, communication and improvement of its sustainable performance. In the future, the organization can continue to provide resources to support the identification, measurement, evaluation and management of impacts, and to communicate and demonstrate accountability and sustainable performance.

◆ Global Reporting Initiative Sustainability Reporting Standards

Based on the results of the review, we confirmed that the general disclosure and specific disclosure content of the report and the necessary management policy disclosure of major topics have complied with the requirements of GRI Standards. In the future, the organization can continue to comply with the requirements of the reporting standards, summarize the management content of major topics and the operational performance of each site, and provide sufficient and comparative reporting content.

◆ Task Force on Climate-related Financial Disclosures

Based on the results of the review, Zyxel Group has disclosed the impact of climate change on the company's operations, as well as measures to deal with risks and opportunities. In the future, the organization can continue to follow the disclosure recommendations and disclose the financial impact information caused by the organization's effective management of climate factors for the reference and measurement of stakeholders.



◆ Sustainability Accounting Standards Board Standards

Based on the results of the review, Zyxel Group has made disclosures with reference to the sustainable accounting indicators and activity indicators of the SASB standards. In the future, the organization can continue to collect and report according to disclosure standards and integrate it into the organization's information collection, monitoring and analysis processes.

ASSURANCE OPINION

AFNOR GROUP has developed a complete sustainability reporting assurance standard based on the verification guidelines of the AA1000 Assurance Standard (v3) and the GRI Standards. Based on the sufficient evidence provided by Zyxel Group and the facts seen during on-site verification, we adhere to the principle of fairness and issue a statement on the global sustainability reporting standards followed by the organization.

In our opinion, the information and data presented in the Report by Zyxel Group provides a fair and balanced representation. We believe the focuses on economic, social, and environmental matters in Zyxel Group in 2023 are well represented.

ASSURANCE LEVEL

In accordance with the AA1000 Assurance Standard (v3), we verified this assurance statement corresponding to a moderate level. The scope and methods are as described in this statement.

LIABILITY

This assurance statement is intended for the use of ZYXEL GROUP CORPORATION only. AFNOR is not responsible for any other uses. Our responsibility is only based on the scope and methodology described, and to provide stakeholders an independent assurance statement.

For and on behalf of AFNOR :

Patrick Ni

The Director for Certification and Assessment

Aug.27.2024

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