

# MESSAGE

## FROM OUR PRESIDENT & CEO

As we present our ninth annual sustainability report, we reflect on the progress made during FY2024 and the ongoing journey of integrating sustainable practices into our business operations. This report outlines our efforts to balance economic performance with social responsibility and environmental stewardship.

Throughout FY2024, K&S continued to adapt and grow within the dynamic automotive, compute, industrial, memory and communications markets and we remain committed to delivering value through innovative solutions. For a comprehensive overview of our financial performance and business operations, stakeholders are invited to refer to our FY2024 Annual Report.

K&S is committed to operating responsibly and ethically. In FY2024, we conducted an audit for the Responsible Business Alliance Validated Assessment at our Suzhou site. This audit covered crucial areas such as labor practices and the protection of human rights. We are pleased to report that we have initiated a closure audit in the second half of FY2025 to close corrective action items on the findings.

Our dedication to responsible business practices is evident through several initiatives undertaken this year. For instance, our Enterprise Risk Management (ERM) program, complemented by the Enterprise Risk Assessment (ERA), has been instrumental in identifying and mitigating risks. We have acknowledged ESG and climate risks within the ERA and the program ensures that we continuously evaluate and manage potential uncertainties, integrating risk management into our operational framework and corporate culture. We will further enhance the ERA after the conclusion of our comprehensive climate risk assessment, which will be undertaken during FY2025.

In the realm of environmental responsibility, we have made significant strides. Our target-setting exercise for managing environmental impacts has led to the establishment of an ambitious goal to reduce Scope 1 and 2 greenhouse gas emissions by 42% by FY2030, from a FY2023 baseline. This target aligns with the 1.5°C pathway and underscores our focus on reducing absolute emissions.

Furthermore, our sustainable sourcing practices have reinforced our commitment to full compliance with applicable procurement standards and regulations. This includes adherence to international standards such as

the European Union's REACH<sup>1</sup> and RoHS<sup>2</sup> regulations, as well as the SEC Conflict Minerals guidelines and the TSCA<sup>3</sup>.

We have taken proactive steps to ensure effective communication with stakeholders and address concerns. Our ongoing efforts to promote responsible business practices within our supply chain include conducting regular training workshops and targeted engagements to foster sustainability awareness among our suppliers.

K&S remains dedicated to advancing our sustainability initiatives, guided by our core values of innovation, responsibility, and ethical conduct. We look forward to another year of progress and collaboration with our stakeholders.



**Fusen Chen**

President & Chief Executive Officer  
Kulicke and Soffa Industries, Inc.



<sup>1</sup>Registration, Evaluation, Authorisation and Restriction of Chemicals; an EU regulation

<sup>2</sup>Restriction of Hazardous Substances; an EU directive

<sup>3</sup>Toxic Substances Control Act; a US law administered by the Environmental Protection Agency