

CASE STUDY:

LandMark Optoelectronics Corp

Since our engagement, the company produced its first Corporate Social Responsibility (CSR) report and started to report against the key pillars of the Task Force on Climate-related Financial Disclosures (TCFD) recommendations. The company set short-, medium-, and long-term emission targets and committed to carbon neutrality by 2050.

Company overview

LandMark Optoelectronics Corporation engages in the research, design, manufacture, and sale of laser epitaxial wafers and optoelectronics wafers. It specialises in the manufacture of wired communications machinery and equipment, and electronic components. When we first engaged with this company in 2018, the company did not yet publish a sustainability report, disclose any ESG data or set any climate-related targets.

Our engagement

We started our engagement with LandMark Optoelectronics on climate data disclosure and target-setting in 2018 by regularly meeting with the CFO. We requested the company starts collecting and reporting ESG progress annually and suggested it refer to the CDP climate change survey framework for disclosure.

We urged that the process of determining a long-term target should start as soon as possible and be given sufficient resources.

In 2019, we further stressed the importance of setting targets on energy efficiency and emissions. We met with the company's sustainability adviser and agreed that one of the main targets for the company is to report against the TCFD recommendations. We urged that the process of determining a long-term target should start as soon as possible and be

Engagement objectives:



Environmental:

TCFD reporting, Emissions reductions

Sustainable Development Goals:



Top three successes:



The company produced its first Corporate Social Responsibility (CSR) report



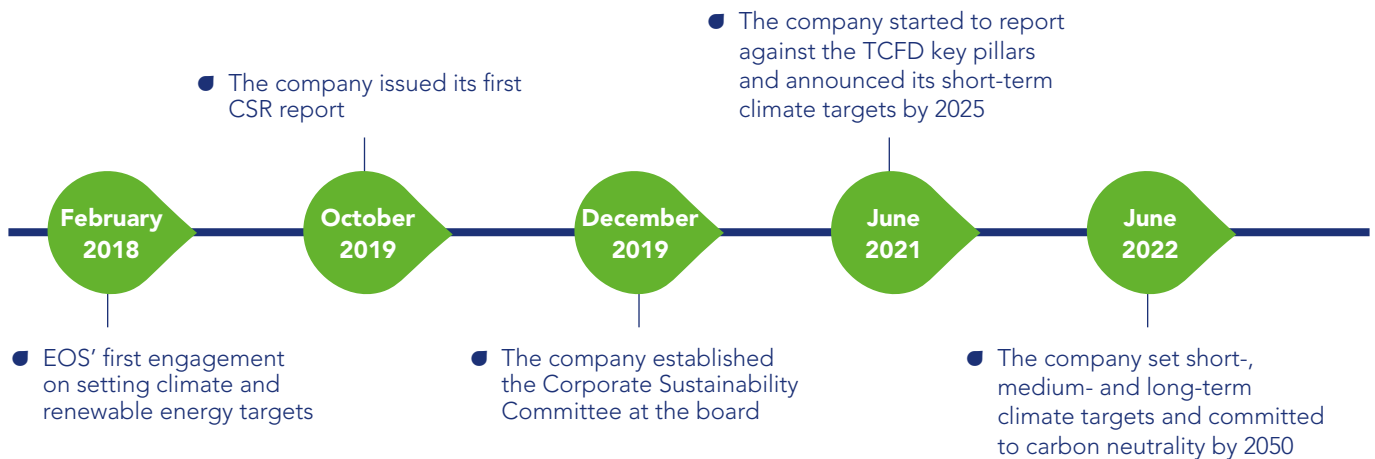
The company started to report against the key pillars of the Task Force on Climate-Related Financial Disclosures (TCFD) recommendations



The company set short-, medium-, and long-term emission targets and committed to carbon neutrality

given sufficient resources, instead of its current approach of only setting yearly incremental emissions reduction targets. We explained the benefit of a more forward-looking approach and target-setting informed by risk mitigation and long-term planning. We also suggested it further examine peer companies' disclosure and explore purchasing green energy to reduce its Scope 2 emissions. In 2021, we encouraged more detailed disclosure about risk and financial impact and how this links to strategy. We shared information about science-based targets, as well as several TCFD examples.

EOS engagement timeline



Changes at the company

In 2018, the CFO shared with us that the board had approved allocating dedicated resources for corporate sustainability purposes and that the company will disclose greenhouse gas emissions information in its next annual report. In October 2019, the company issued its first CSR report.

Despite the scarcity of renewable energy in Taiwan, the company took steps to install solar panels on its newly built factory's rooftop.

In December 2019, it established the Corporate Sustainability Committee at the board which is comprised of three independent board directors, the board chair, and an execution team led by the general manager that reports quarterly to the board. Despite the scarcity of renewable energy in Taiwan, the company took steps to install solar panels on its newly built factory's rooftop. The company disclosed its first short-term climate target in June 2021 by committing to reduce greenhouse gas emissions intensity by 6% by 2025. We were also pleased to learn that the company started reporting against the TCFD key pillars.

At a meeting in June 2022, the chair and CFO shared that the board had decided to commit to carbon neutrality by 2050.

At a meeting in June 2022, the chair and CFO shared that the board had decided to commit to carbon neutrality by 2050. In its latest sustainability report published in the same month, it further disclosed its medium- and long-term climate targets. This set of targets aims to source 100% renewables for non-manufacturing facilities, and 20% for manufacturing facilities by 2030, achieve no carbon emission growth by 2040 and reach carbon neutrality by 2050. The company confirmed that its carbon footprint verification and a carbon management

plan will be finalised by the end of 2022, and it will further improve its TCFD reporting in the 2023 sustainability report. The CFO also confirmed that a submission to Science Based Targets initiative (SBTi) is also part of the company's next three-to-five-year plan.



Next steps

We welcomed the company's new climate commitment and will continue to engage with the company on board gender diversity, its alignment to the Paris goals (or further 1.5°C alignment), improvement of TCFD reporting and its supply chain climate readiness.

- ✓ This case study has been fact-checked by LandMark Optoelectronics Corp. to ensure a fair representation of EOS work carried out and changes made at the company.



Judi Tseng
Engagement
EOS

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