

ANPEC 2024 ESG Report



TABLE OF CONTENTS

CH1	About this Report	3
	Report Scope	3
	Standards Followed	3
	Publication Schedule	3
	Contact Information	3
	A Message from Management	4
	Sustainability Highlights	5
CH2	Sustainable Management Policy	6
	1.1 About ANPEC Electronics	6
	1.2 Stakeholder Engagement	10
	1.3 Identification of Material Topics	13
CH3	Corporate Governance Performance	19
	2.1 Management Approach to Material Topics	19
	2.2 Governance Structure	20
	2.3 Operational Performance	37
	2.4 Compliance With Laws and Regulations	39
CH4	Green IC Design	42
	3.1 Management Approach to Material Topics	42
	3.2 Products and Services	45
	3.3 Supply Chain Management	51
CH5	A Sustainable Environment	52
	4.1 Management Approach to Material Topics	52
	4.2 Climate Change Management	54
	4.3 Materials Management	58
	4.4 Energy Conservation and Carbon Reduction	58
	4.5 Water Resource Management	60
	4.6 Waste Management	60
	Workplace and Social Co-Prosperity	61
	5.1 Management Approach to Material Topics	61
	5.2 Talent Recruitment and Training	62
	5.3 Employee Benefits and Well-Being	67
	5.4 Health & Safety	72
	5.5 Social Responsibility	80
	Appendix	81
	Appendix I: GRI Standards Content Index	81
	Appendix II: SASB Content Index	86
	Appendix III: Sustainability Disclosure Standards - Semiconductor Sector	88
	Appendix IV: Climate-Related Information for TWSE/TPEX Listed Companies	89

About this Report



Report Scope

This is the inaugural Sustainability Report published by ANPEC Electronics Corp. (referred to as "ANPEC Electronics," "ANPEC," "the Company," or "we"). We plan to publish it annually going forward. The 2024 Sustainability Report is divided into five main sections: Sustainable Management, Corporate Governance Performance, Green IC Design, A Sustainable Environment, and Workplace and Social Co-prosperity. The scope and frequency of the data disclosed are consistent with our financial reports. The report details our specific practices and performance data in economic, governance, social, and environmental aspects.

We aim to give stakeholders a clear understanding of our efforts and achievements in promoting sustainable corporate development and fulfilling social responsibility.

The data and content of this report primarily cover the year of 2024 (January 1, 2024, to December 31, 2024), with some information from before and after this period to ensure completeness of the report. The report covers our operational locations in Taiwan, including the Hsinchu headquarters and Taipei office. It excludes subsidiaries that publish their own sustainability reports, e.g., Sinopower Semiconductor Inc., and our overseas investees.

Data is provided by various departments at the headquarters and the Taipei office. Financial data is based on publicly available information audited by PwC Taiwan and is calculated in New Taiwan Dollars (NTD). Data from government websites is also used. The data is presented using conventional numerical descriptions. Any estimations will be noted in the relevant chapters.

The report was compiled by our Sustainability Report Preparation Team, reviewed by department heads, and finalized for publication after discussion and approval by the President, Chairman, and the Board of Directors. It has not yet been externally verified by a third-party organization, but we will pursue this in the future as required by competent authorities.

As this is ANPEC Electronics' first sustainability report, there is no restatement of information for 2024.

Standards Followed

The report was prepared in accordance with the Global Reporting Initiative (GRI) Standards, the Sustainability Accounting Standards Board (SASB), and the Task Force on Climate-related Financial Disclosures (TCFD), as well as the "Sustainable Development Best Practice Principles for TWSE/TPEx Listed Companies" promulgated by the Taiwan Stock Exchange (TWSE) and Taipei Exchange (TPEx), to ensure that the report's content is complete and in line with various international and domestic sustainability principles.

Publication Schedule

This first report was published in August 2025. The next edition is scheduled for August 2026.

- Current Version: Issued in August 2025.
- Next Version: To be issued in August 2026.

Contact Information

If you have any questions or suggestions about this report, please do not hesitate to contact us.

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- E-mail: IR@anpec.com.tw
- Sustainability Website: <https://www.esg.anpec.com.tw/en/>



SCAN ME

A Message from Management



ANPEC Electronics mainly focuses on the design, testing, production, and marketing of Power ICs. Since 2000, we have developed digital/mixed IC design capabilities and product lines to position the Company as a Power-based mixed-signal IC supplier that offers total solutions. Our business philosophy is centered on **Authentic, Novel, Passion, Execution, and Customer**. We are actively working to join the supply chains of major international businesses. Our sustainability efforts are focused on three aspects:

Environmental (E): As an IC design company, we hold a relative advantage in environmental protection because our operations are primarily centered in offices and laboratories, which results in relatively low energy consumption and carbon emissions. The Company has obtained ISO 14001 and ISO 9001 certification. We are committed to developing green products, using environmentally friendly materials, and ensuring that our customers comply with regulations on prohibited substances. We continuously promote environmental awareness to strengthen our employees and suppliers' awareness and capabilities, with a focus on conserving energy through simple, everyday actions. In accordance with the "Sustainable Development Roadmap for TWSE/TPEx Listed Companies", promoted by the Financial Supervisory Commission (FSC), we will progressively disclose our greenhouse gas inventory and assurance information. Based on these inventory results, we will gain a clear understanding of our emissions and will then formulate our carbon reduction goals, strategies, and action plans.

Social (S): Competitiveness and innovation reflect a company's capabilities. ANPEC Electronics integrates this core value to improve employees' fundamental qualities, professional skills, and management quality. We create equal development opportunities, encourage employees to cultivate their strengths through personal effort, and offer diverse learning programs and a comprehensive benefits system. We also place great importance on occupational safety and health management. We strengthen internal fairness, justice, and harmony within our teams and work together to achieve established goals, thus enhancing employees' loyalty. In addition, we promote diversity and inclusivity to ensure that all employees, regardless of their background, have a fair working environment. We also participate in social welfare activities, such as charitable donations, caring for the disadvantaged, and blood drives, to do our part for society.

Governance (G): Corporate governance is the foundation of a company's sustainable development. ANPEC Electronics focuses on its core business, operates with integrity, and maintains a transparent governance structure. This structure ensures the board and management are diverse, independent, and professional, with at least one board member of a different gender, independent directors comprising no less than one-third of the board, and at least half of the independent directors serving no more than three consecutive terms. In 2024, the board approved an internal control system for sustainability information management, and we will begin regularly publishing a sustainability report in 2025. This report will disclose our performance in environmental, social, and governance aspects, to enhance communication with stakeholders, such as investors. Furthermore, the Company continues to deepen the implementation of intellectual property rights protection, and it offers ongoing ethical management training and awareness campaigns to instill a sense of corporate ethics among all employees, thereby implementing the Company's governance mechanisms from the top down.

ANPEC's core values are that quality is our lifeblood and integrity is our foundation. Despite a constantly changing environment, we remain committed to innovation and passion to build a sustainable future. Our achievements are a result of the collective efforts of our employees and the support of our stakeholders. We will continue to focus on our customers' challenges and pressures, and provide competitive solutions and services to create maximum value. At the same time, we will strengthen our corporate governance and environmental protection efforts, maintain market transparency, and improve communication with investors to ensure that ANPEC's sustainable development keeps pace with the times.



ANPEC Electronics Corp.
Chairman: WANG, CHIH-HSIN

A handwritten signature in black ink that reads "Kenny Wang". The signature is fluid and cursive, with a focus on the 'K' and 'W'.

Sustainability Highlights



E · Environmental

- Water consumption in 2024 **decreased by 1,627 cubic meters, a 18.86% reduction** compared to 2023.
- There were **no violations** of environmental protection regulations in 2024.
- Energy intensity in 2024 **decreased by 16.55%** compared to 2023.
- By using our customized integrated power management ICs, we not only guarantee that our products meet customers' power specifications but also significantly reduce the PCB area required for their applications. For example, a four-channel DCDC integrated power management IC is estimated to **save over 30%** of the PCB area compared to a solution using discrete power ICs.



S · Social

- In 2024, the Company spent **NT\$409,925** on education and training, and conducted a total of **148 training classes**, which saw the participation of **1,921** people over **4,773.5 training hours** in total.
- A total of **NT\$215,059** was donated to social welfare in 2024.
- A total of **NT\$90,300** was invested in occupational safety and health training in 2024.
- There were **no** occupational diseases, major occupational accidents, or fatalities, **nor** any human rights violations occurring in 2024.
- In 2024, a total of **240** employees participated in the satisfaction survey, representing a participation rate of **87.6%**. With a quarterly target set at **4.2 points** or higher, **the scores for all quarters throughout the year surpassed the target**.



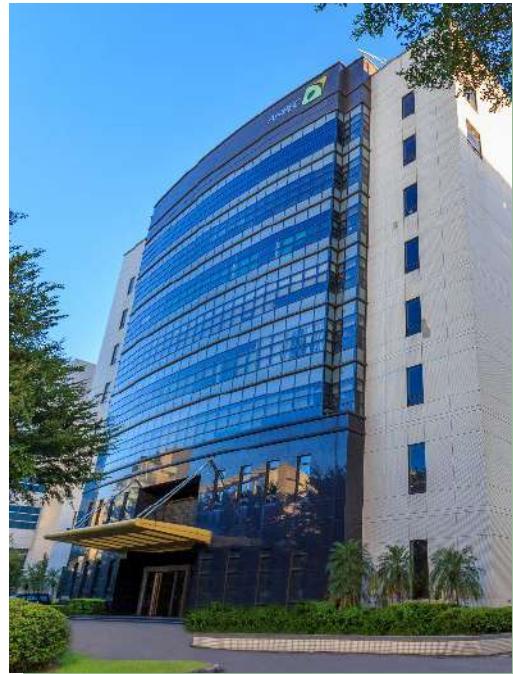
G · Governance

- There were **no** incidents of customer data loss or privacy infringement occurring in 2024.
- There were **no** violations in terms of ethical management, anti-competitive behavior, anti-trust, or monopolistic practices in 2024.
- The average self-evaluation scores for the Board of Directors and functional committees were excellent, with **4.87** and **5.0** out of 5, respectively. Individual directors' average self-evaluation score was **4.84** out of 5. These results are excellent.
- The average **attendance rate** for board meetings was **98%** in 2024, with the two functional committees (governed by the board) holding a total of **six** meetings.
- The Company was ranked in **6-20%** of TPEx-listed companies in the 2024 corporate governance evaluation.

CH1 Sustainable Management Policy



1.1 About ANPEC Electronics



“
ANPEC Always Around”

Company Profile

ANPEC Electronics Corp. (Stock Symbol: 6138), established in October 1997, was the first listed Power Integrated Circuit (IC) design company in Taiwan. To meet high-end market demands, ANPEC underwent a transformation in 2000 by significantly establishing its digital/mixed IC design capabilities and product lines. This allowed us to become a Power-based mixed-signal IC supplier that offers customers total solutions. ANPEC's mission is to develop advanced Power IC technologies and high-end products and to enhance the domestic Power IC ecosystem. ANPEC Electronics mainly focuses on the design, testing, production, and marketing of Power ICs.

The Company's goal is to become a leading domestic analog IC design company. Upholding a **business philosophy of Authentic, Novel, Passion, Execution, and Customer**, we provide our customers with a wide range of products and comprehensive after-sales service. We have achieved outstanding results in motherboards, graphics cards, laptops, and LCD monitors. We are continuing to develop products for applications in digital communication equipment, servers, gaming consoles, white goods, automotive electronics, and various consumer products to meet the extensive market demand for power ICs.

Company Overview

Date of Incorporation	1997/10/24	Number of Employees	286 employees
Headquarters	No. 6, Duxing 1st Rd., Hsinchu Science Park, Hsinchu City	Main Business	Mixed-signal ICs, Power ICs, and management and driver ICs
Stock Code	6138	Industry	Semiconductor
TPEx Listing Date	2002/01/18	Total Assets	NT\$4.56 billion
Paid-In Capital	NT\$751.485 million	Net Income after Tax	NT\$720 million

Novel

Use innovative methods to solve problems and create new opportunities.
Encourage proposals and reward patent applications.

Execution

Execution is a discipline, a rigorous, organized, and systematic process.



Authentic

“Honesty and trustworthiness”

Maintain and become a role model for society, ethics, and organizations; demonstrate an entrepreneurial spirit.



Passion

Be confident in our own abilities and achieve goals;

Be proactive, not passively accepting;

Take action and exceed preset targets; be ambitious and motivated.



Customer

Understand customers (both internal and external) and build strong collaborative relationships with a

positive and enthusiastic attitude; prioritize customer satisfaction.



Operational Locations

ANPEC's headquarters is at No. 6, Duxing 1st Rd., Hsinchu Science Park, Hsinchu City, Taiwan. To meet business needs, we have offices in New Taipei City, Suzhou and Guangdong, China, as well as liaison offices in Bundang-gu, South Korea, and Los Angeles, USA.

Region	Location Name	Address
Taiwan	Headquarters	No. 6, Duxing 1st Rd., East Dist., Hsinchu City, Hsinchu Science Park
Taiwan	Office	2F., No. 11, Ln. 218, Sec. 2, Zhongxing Rd., Xindian Dist., New Taipei City
China	Office	Suite 702, Building 1, Tengfei Industrial Park, No. 5 Xinghan Street, Suzhou Industrial Park
China	Office	Suite 701, Block B, Tian'an Cyber Technology Park, Futian District, Shenzhen City, Guangdong Province
Korea	Liaison Office	#813 Apex City 823, Dongtansunhwon-daero, Hwaseong-si, Gyeonggi-do, 18471, Korea.
United States	Liaison Office	9890 Irvine Center Drive, Irvine, CA98618, USA.



Ownership Structure

As of Date: 2025-04-25		
Shareholders	Shareholding	Ownership (%)
Financial Institutions	4,236,000	5.64
Other Corporate Entities	8,139,692	10.83
Individuals	50,906,884	67.74
Foreign Institutions and Individuals	11,380,924	15.14
Treasury Stock	485,000	0.65



Business Activities and Products

The Company engages in the design, testing, production, and marketing of power ICs and sensory ICs. We focus on Motor Driving, Power Management, LED Driving, and Audio Amplifying. The Company engages in a diverse range of application areas, including personal computers, servers, network communication, storage devices, random access memory, industrial, automotive, security surveillance, TVs and monitors, telecommunication devices, and game consoles.

In the field of power management, as electronic products continue to advance in speed and capacity, power consumption increases, necessitating power management ICs with higher power density and more sophisticated control capabilities to meet demands. From battery-powered systems to high-power-consuming industries such as data centers, there is a growing need for high-efficiency power management solutions to extend system usage time and reduce energy consumption. As end products become more complex in functionality, the demand for higher integration in power management ICs is also increasing. In high-reliability application areas such as automotive, industrial, and enterprise-grade products, high-quality power management solutions are essential to ensure safety and continuous operation. In the field of motor and fan driver, as product performance improves and device sizes shrink, customer expectations for thermal performance have become more stringent. This includes enhanced cooling efficiency, reduced vibration and noise, improved operational efficiency, and precise speed control. In industrial and automotive applications, the demand for high-voltage and programmable solutions continues to rise.

In the LED backlighting field, end products are increasing the number of dimming zones to enhance display performance, driving demand for higher integration to improve manufacturing efficiency, meet gaming specifications, and boost image quality. In the field of audio drivers, the market pursues a lower signal-to-noise ratio to enhance audio performance.

ANPEC Electronics has developed its technology over the years, focusing on highly integrated, high-performance, high-power, and customized chips. Its application areas have expanded from consumer products in the past to more demanding applications such as servers, storage systems, computer memory, communications equipment, industrial control, enterprise equipment, and in-vehicle applications. Sinopower Semiconductor Inc. is an investee of ANPEC Electronics, in which the Company holds a 42.60% stake. Sinopower Semiconductor's primary business is the design, testing, production, and marketing of POWER MOSFET products. The Company's customers are all first-tier brand clients in various application fields.

The table of our products and sales regions is shown below.

Sales Volume Unit: Thousand Units

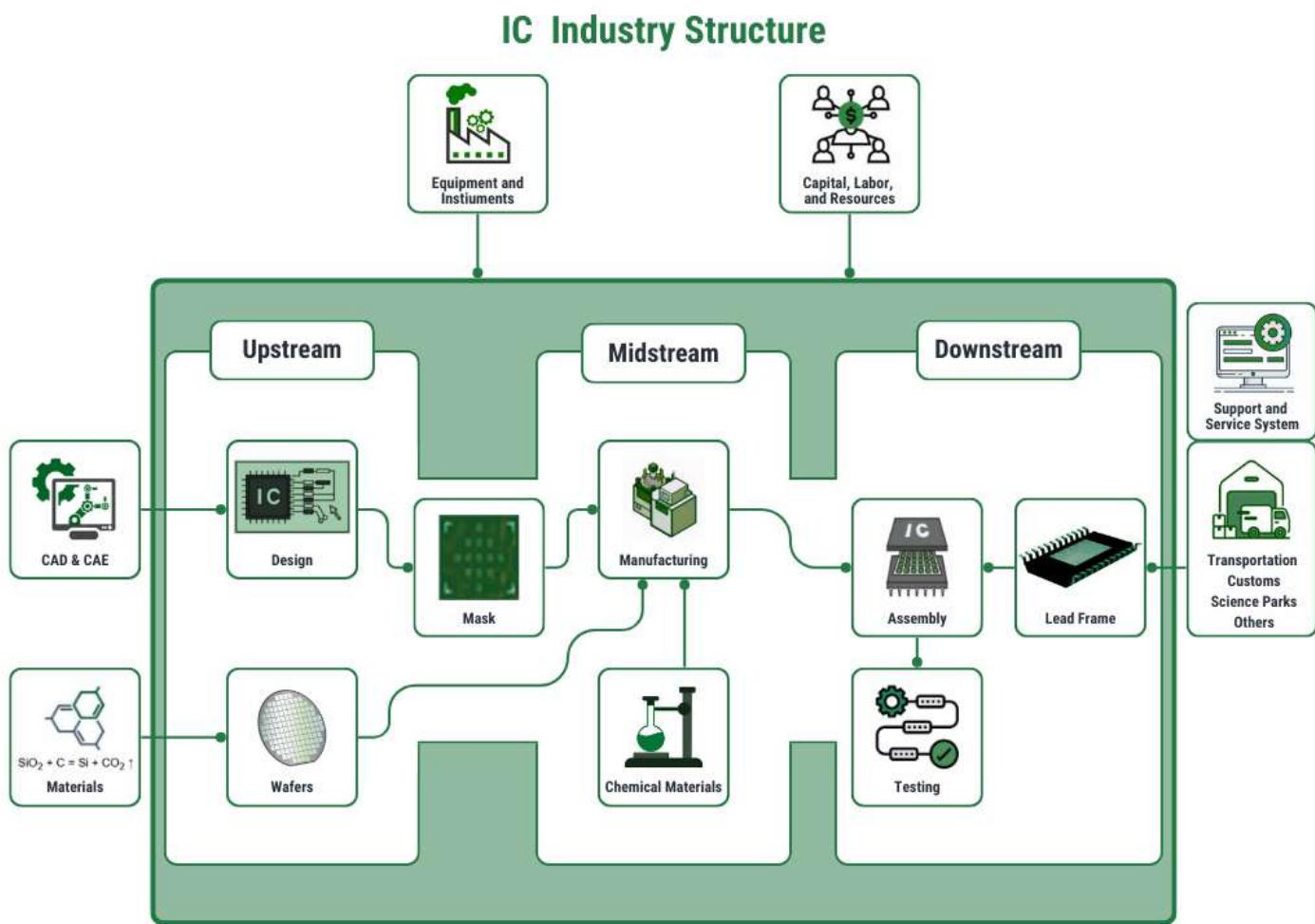
Company Products and Sales Regions				
Product Category	Sales Regions			
	China (including Hong Kong)	Taiwan	Others	Total
Amplifier and Driver IC	244,728	66,241	4,358	315,327
Power Conversion and Management ICs	403,157	129,056	40,829	573,042
Total	647,885	195,297	45,187	888,369

Initially starting off as a producer of analog IC, ANPEC Electronics has developed into a supplier of mixed-signal power IC and sensor IC today. The Company focuses on developing high-end products and advanced technologies such as mixed signal power products and sensors, with the mission of enhancing the local industrial ecosystem. The Company engages in the design, testing, production, and marketing of mixed-signal power IC and sensors. There are five major product lines at ANPEC Electronics, including Power Management, Motor Driver, LED Driver, Audio, and Discrete Power Device.





The Company's upstream, midstream, and downstream supply chain is shown in the figure below.



Participation in Industry Associations

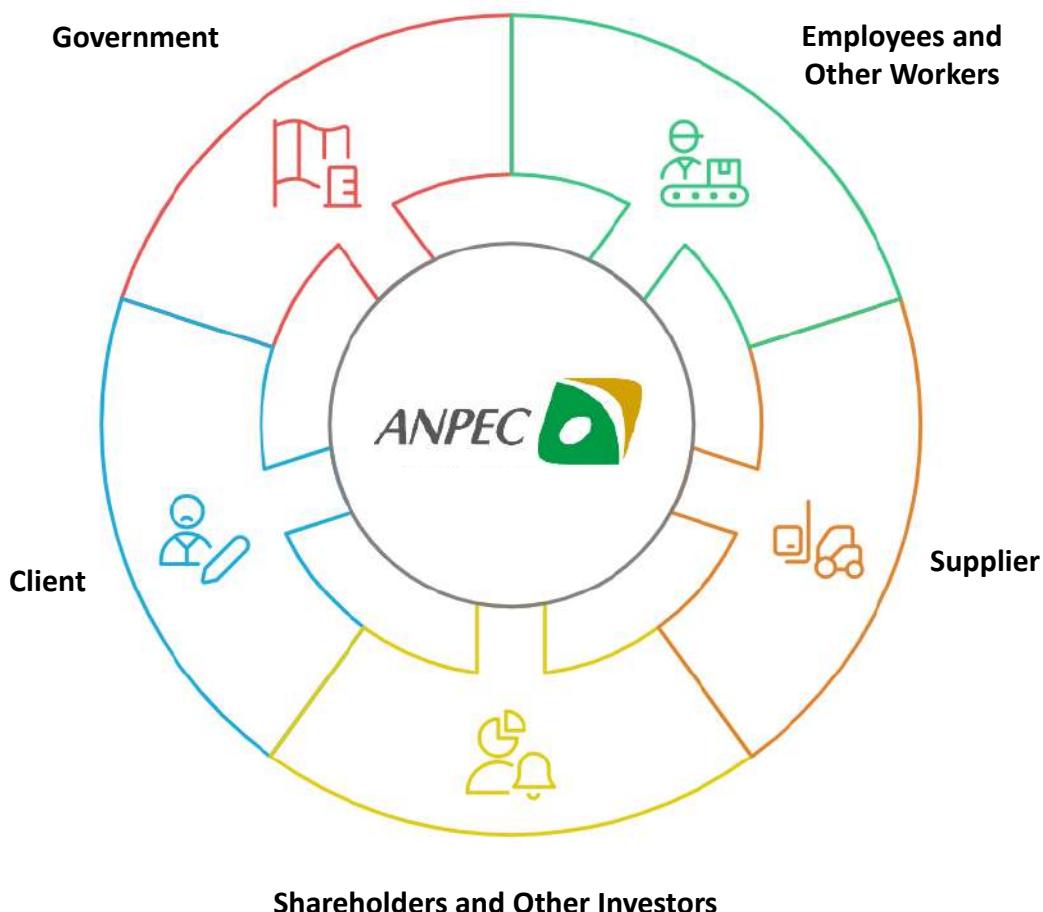
As a member of the Hsinchu Science Park, ANPEC Electronics not only strives for maximum achievement in its core business but also actively participates in industry associations. We aim to exert our industry influence by sharing information and engaging in exchange activities, and collaborate with other companies to collectively respond to changes in international situations and industry shifts, while working together for shared prosperity.

Industry Associations, Other Member Organizations, and National or International Advocacy Organizations	Membership
The Allied Association for Science Park Industries	Member
JEDEC Solid State Technology Association	General Member
Power Management Bus (PMBus®)	General Member
Institute of Electrical and Electronics Engineers	General Corporate Member

1.2. Stakeholder Engagement

In addition to the five principles of the AA1000 Stakeholder Engagement Standards (AA1000 SES) - “dependency, responsibility, influence, diverse perspectives, and tension” - we also refer to the GRI Standards to ensure the completeness of our stakeholder identification. Our potential stakeholders may include employees and other workers, shareholders and other investors, suppliers, customers, government, business partners, civil society organizations, unions, disadvantaged groups, local communities, consumers, and non-governmental organizations, as well as stakeholders with reference to our peers. Based on discussions with external experts and senior executives and a review of the AA1000 SES, any stakeholder group with a total score greater than ten, calculated by weighing their actual and potential positive and negative impacts on the Company, is identified as a key stakeholder for 2024.

Based on discussions with external experts and a review of the AA1000 SES, the Company has identified five major categories of stakeholders: employees and other workers, suppliers, shareholders and other investors, customers, and the government.





Stakeholder Communication Channels



Employees and Other Workers

Employees are the foundation of ANPEC's sustainable operations and the driving force behind our continued growth. As a fabless IC design company, we create maximum value through innovation and effort in the IC design field, while prioritizing the health and safety of our employees' work environment to ensure that they can unleash potential in a stable setting.

Communication Channel (Frequency)	
● Phone/Email (Real-Time)	● Performance Evaluations (Biannually)
● Physical Suggestion Box (Monthly)	● Education and Training (As needed)
● Labor-Management Meetings (Quarterly)	● Internal Announcements (Ad hoc)
● Employee Satisfaction Survey (Quarterly)	
Communication Results	
<ul style="list-style-type: none"> In 2024, there were a total of zero cases of complaints received via email, hotline, or the physical suggestion box. A total of eight proposals were submitted at the 2024 labor-management meetings, all of which were successfully executed according to the meeting resolutions. A total of four employee satisfaction surveys were conducted in 2024, with 240 responses received. The Human Resources Department provides support and conducts interviews for specific areas with low scores to better understand our employees' actual needs. We conducted two performance evaluations in 2024, covering 100% of our employees. The evaluation methods included both self-evaluation and supervisor assessment to prevent discrepancies in perception. We provide comprehensive and systematic internal and external training based on employee job descriptions, performance evaluations, and career development needs. A total of 4,773.5 hours of training were completed in 2024. We conducted four employee cafeteria satisfaction surveys in 2024, with 80 responses received. The Administrative Support Department compiled employees' suggestions and provided feedback to catering vendors to ensure timely adjustments to food quality. To ensure employee safety and prevent health issues from affecting work, we regularly share health education information on our electronic bulletin board. This strengthens employees' occupational safety knowledge and skills and enhances the Company's safety culture. 	



Suppliers/Subcontractors

We have built a relationship of mutual trust and benefit with our partners to work together to maintain the quality of the work environment and provide stable and sufficient production capacity, thus ensuring that ANPEC receives high-quality products and services. Such partnerships promote the sustainable growth of both parties and support our production of raw materials and finished goods.

Communication Channel (Frequency)	
● Phone/Email (Real-Time)	● Internal Instant Messaging (Ad hoc)
● Supplier Audits (Annually)	● On-Site Inspections (Ad hoc)
● Interviews and Meetings (Ad hoc)	● Employee Satisfaction Survey (Quarterly)
Communication Results	
<ul style="list-style-type: none"> Through communication with suppliers, we build a supply chain that meets customers' needs. Through on-site inspections, we can ensure the work quality of our subcontractors and promptly address and rectify any environmental deficiencies at our facilities. Through satisfaction surveys, we can adjust and improve the quality of employee meals. 	



Shareholders and Other Investors

Shareholders and investors are a vital support of ANPEC's development. Through their capital investment and participation in corporate governance, they provide significant support and propel ANPEC toward a more sustainable future.

Communication Channel (Frequency)

● Annual Shareholders' Meeting (Annually)	● Corporate Meetings (As needed)
● Investor Conferences (Ad hoc)	● Investor Hotline and Email (Real-Time)
● Financial Reports (Quarterly/Annually)	

Communication Results

- One annual shareholders' meeting was held.
- We were invited to two investor conferences.
- Several material information announcements were made on the Market Observation Post System (MOPS).
- Several visits/conference calls with institutional investors.



Client

We are committed to understanding and meeting our customers' needs, and providing competitive solutions and services with the goal of creating maximum value for customers. At the same time, we see customers as strategic partners. By being customer-oriented, we not only help them succeed but also enhance the Company's overall value.

Communication Channel (Frequency)

● Customer Satisfaction Survey (Annually)	● Phone and Email (Real-Time)
● Customer Visits and Meetings (Real-Time)	● Dedicated Sales Service Team (Real-Time)
● Technical Support Services (Real-Time)	● Customer Complaint Channel (Real-Time)
● Distributor Meetings (Monthly/Quarterly)	

Communication Results

- We conduct an annual customer satisfaction survey and, based on the feedback received, propose improvements and suggestions to exceed their expectations.
- We maintain real-time, transparent communication with customers through digital tools, such as visits, email, phone, and social media, and provide professional technical support to address their issues.
- Our departments and distributors respond to customers' challenges in real-time, offer competitive solutions, and continuously improve quality and service through the Plan-Do-Check-Act (PDCA) cycle.
- We focus on market demands to provide highly integrated, high-performance, and customized chip solutions that enhance our customers' product competitiveness.



The Company must comply with laws and regulations and actively cooperate with government policies to ensure complete adherence to all legal requirements and avoid any illegal acts.

Communication Channel (Frequency)	
● MOPS (Real-Time)	● Forums (Ad hoc)
● Public Hearings/Press Conferences (Ad hoc)	● On-Site Audits/Visits (Ad hoc)
● Seminars/Briefing Sessions (Ad hoc)	● Phone/Email (Real-Time)
● Official Correspondence (Ad hoc)	
Communication Results	
● Number of labor law violations in 2024: 0.	
● TPEx-listed company: The Company was ranked in 6-20% of the companies in the 2024 corporate governance evaluation.	
● We provide responses and reports, such as plans, in accordance with relevant government laws and regulations.	
● Through meetings and official correspondence, we better understand government regulations and engage in effective communication and interaction.	

1.3 Identification of Material Topics

To ensure that the information disclosed in our sustainability report meets our stakeholders' needs, the Company determines its material sustainability topics through four major steps: Understanding the Organizational Context, Identifying Actual and Potential Impacts of Sustainability Topics, Assessing the Significance of Impacts, and Sustainability Topic Disclosure and Reporting.

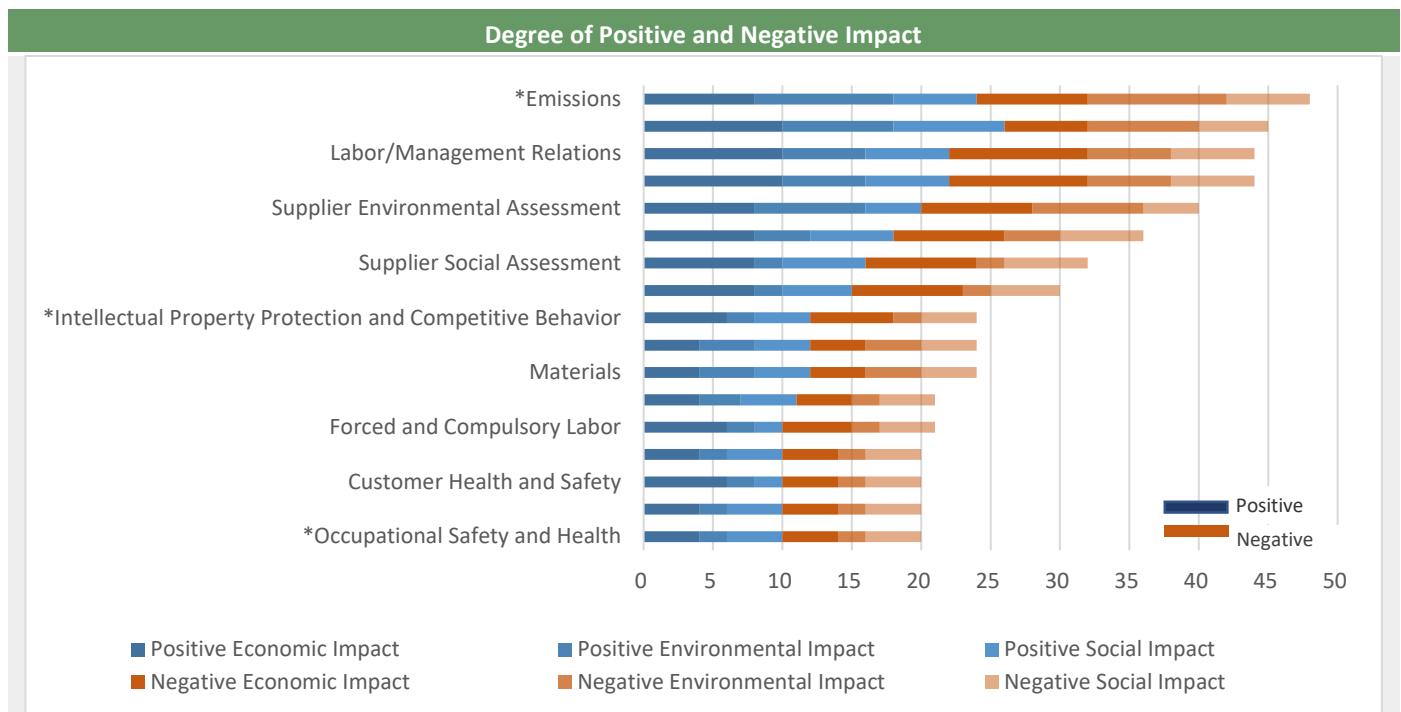
STEP 1 Understanding the Organizational Context	ANPEC Electronics referenced various material sustainability topics from sources, including the GRI Standards, SASB Standards, and reports from peer companies, to compile a list of 32 sustainability topics.
STEP 2 Identifying Actual and Potential Impacts of Sustainability Topics	External experts score the Company's actual and potential negative and positive impacts on the economy, environment, and society (including people and human rights) for each sustainability topic. The scores for actual negative impact, potential negative impact, actual positive impact, and potential positive impact on the economy, environment, and society are then summed and ranked. Topics with a total score greater than 30 are considered material topics for the Company. However, topics listed by SASB are prioritized for consideration as material topics after scoring.
STEP 3 Assessing the Significance of Impacts	The scoring results were discussed with the external expert and our department heads. Based on past operational experience, we explored the significance and likelihood of each topic's impact and stakeholders' level of concern. Through this analysis, we confirmed seven material sustainability topics for ANPEC Electronics.
STEP 4 Sustainability Topic Disclosure and Reporting	Based on the results of the material sustainability topic analysis, the external experts conducted a comprehensive evaluation with our departments according to the nature of each topic. The two topics of "Labor-Management Relations" and "Employment Relations" were integrated into "Labor-Management/Employment Relations", and the two topics of "Supplier Environmental Assessment" and "Supplier Social Assessment" were integrated into "Supplier Management". Ultimately, the seven material topics were consolidated into five key management themes. Through this sustainability report, we communicate with and respond to stakeholders on these topics.



Material Topic Identification Results

Based on the analysis steps above, this report will explain the five material topics that ANPEC Electronics focused on in 2024: Emissions, Labor-Management/Employment Relations, Supplier Management, Economic Performance, and Information Security. This report will present the performance and management results related to each of these topics, serving as our strategic targets for sustainability planning and practice in 2024.

Material Topics				
1 Emissions	2 Labor-Management/ Employment Relations	3 Supplier Management	4 Economic Performance	5 Information Security
Other Topics				
6 Market Presence	7 Indirect Economic Impacts	8 Procurement Practices	9 Anti-Corruption	
10 Anti-Competitive Behavior	11 Tax	12 Occupational Health and Safety	13 Waste	
14 Biodiversity	15 Water and Effluents	16 Energy	17 Materials	
18 Training and Education	19 Diversity and Equal Opportunity	20 Non-Discrimination	21 Freedom of Association and Collective Bargaining	
22 Child Labor	23 Forced and Compulsory Labor	24 Public Policy	25 Customer Health and Safety	
26 Marketing and Labeling	27 Local Communities	28 Rights of Indigenous Peoples	29 Security Practices	
30 Product Lifecycle Management	31 Raw Material Traceability	32 Intellectual Property Protection and Competitive Behavior		



List of Material Topics



ESG Aspect: Environmental

List of Material Topics	Emissions
Describe the Organization's Policies or Commitments Regarding the Material Topic	<p>Global warming and climate change are closely linked to the sustainable survival of life on Earth and indirectly influence a company's business continuity management strategies. From a legal perspective, failing to manage greenhouse gases and emissions could lead to fines or additional costs. Conversely, implementing compliant emissions management can effectively reduce cost risks. From the perspective of corporate sustainability, environmentally friendliness and green manufacturing are global trends. By actively participating in carbon reduction initiatives, companies not only fulfill their corporate social responsibility but also enhance the competitiveness of their products regarding sustainability issues.</p>
Describe the Impacts	<p>Economic</p> <ul style="list-style-type: none"> Actual Positive Impacts: Through the disclosure and management of carbon emissions data, the Company can review its current resource utilization and set targets and plans for gradual improvement, which can lower operational costs by saving energy and reducing waste disposal costs. Actual Negative Impacts: Stricter environmental regulations in recent years have increased energy and carbon fee costs and squeezed the Company's profits. Failing to reduce greenhouse gas emissions year by year could not only worsen global warming but also cause the Company to miss out on business opportunities from important clients. Potential Positive Impacts: Strengthens the Company's adaptive resilience to climate-related disasters and builds a crisis awareness for reducing losses. This ensures that the Company is always prepared to respond to rapidly changing environmental issues. Potential Negative Impacts: Failure to effectively address climate-related risks could lead to increased fines or litigation costs, which would negatively impact the Company's financial condition. <p>Environment</p> <ul style="list-style-type: none"> Actual Positive Impacts: Accelerates the Company's energy transition to reduce the negative environmental impact of using traditional energy sources. Promotes energy conservation and carbon reduction by implementing policies for water and electricity conservation and waste reduction, thereby reducing resource waste, promoting a circular economy, and ensuring energy conservation and carbon reduction. Potential Positive Impacts: Enhances employees' understanding of climate change and raises their environmental awareness through company-wide promotion of energy conservation, carbon reduction, and green initiatives. Potential Negative Impacts: Failure to properly assess internal conditions and develop an appropriate carbon reduction plan could lead to energy waste and increased operational risks. <p>People/Human Rights</p> <ul style="list-style-type: none"> Actual Positive Impacts: Through carbon inventory data and related policies, the Company's focus on corporate social responsibility is enhanced, thus facilitating the achievement of social sustainable development goals. Potential Positive Impacts: Reducing resource waste and greenhouse gas emissions helps mitigate the negative effects of global warming and climate change, thus ensuring the sustainable development of the natural environment. Potential Negative Impacts: Failure to follow the trend and implement carbon reduction measures may lead to social pressure from public scrutiny and criticism, thereby affecting the Company's reputation and brand image. Failure to effectively address global warming and climate-related risks may negatively impact employees and stakeholders' rights and interests, such as a decline in work safety and quality of life.
Main Affected Parties	<ul style="list-style-type: none"> The Company (Direct Source of that Impact) Shareholders and Other Investors (Contributor of the Impact) Employees and Other Workers (Contributor of the Impact) Suppliers/Subcontractors (Direct Source of that Impact) Customers (Contributor of the Impact) Government Agencies (Contributor of the Impact) Local Communities (Contributor of the Impact)
Corresponding Chapter	CH4 A Sustainable Environment



ESG Aspect: Social

List of Material Topics	Labor-Management/Employment Relations
Describe the Organization's Policies or Commitments Regarding the Material Topic	<p>Employees are the cornerstone of ANPEC's continuous growth. With a people-centered philosophy, we value employees' opinions and needs. By continuously optimizing our communication and complaint mechanisms, we aim to foster a relationship of mutual trust and benefit, and work together toward the goals of labor-management harmony and mutual benefit, thus ultimately achieving sustainable corporate development.</p>
Describe the Impacts	<p>Economic</p> <ul style="list-style-type: none"> Actual Positive Impacts: Harmonious labor-management relations are a key factor for business stability, as they reduce employee turnover, retain talent, and lower recruitment and training costs, thereby enabling continuous corporate growth. Actual Negative Impacts: Methods for promoting labor-management harmony include optimizing compensation and benefits, providing various friendly measures, and establishing diverse communication channels. These efforts may result in an increase in personnel costs and corporate expenditures. Potential Positive Impacts: Ensuring positive labor-management interaction and creating a happy work environment helps to enhance the Company's image, thereby facilitating overall corporate competitiveness. Potential Negative Impacts: If the Company fails to fully understand employees' needs before implementing or adjusting benefits and management systems, it could lead to a waste of resources or poor efficiency. <p>People/Human Rights</p> <ul style="list-style-type: none"> Actual Positive Impacts: By proactively understanding employees' true needs and maintaining positive interaction, we can build a mutually beneficial partnership and encourage other companies to follow suit, to collectively foster a harmonious labor environment. Potential Positive Impacts: Providing a friendly workplace and sharing the fruits of business growth with employees promotes work-life balance. This not only enhances the Company's image but also contributes to shared social prosperity. Potential Negative Impacts: Conversely, if the Company fails to maintain a labor-management collaborative model and protect employees' rights and benefits, it could lead to strained labor-management relations and even protests.
Main Affected Parties	<ul style="list-style-type: none"> The Company (Direct Source of that Impact) Employees and Other Workers (Directly Related) Government Agencies (Contributor of the Impact) Shareholders and Other Investors (Contributor of the Impact)
Corresponding Chapter	CH5 Workplace and Social Co-Prosperity

List of Material Topics	Supplier Management (Social/Environmental Assessment)
Describe the Organization's Policies or Commitments Regarding the Material Topic	<p>We value our suppliers as partners in sustainable development and are committed to implementing sustainable supplier management. This helps to improve quality, reduce operational risks and costs, and strengthen our sustainable partnerships with suppliers.</p>
Describe the Impacts	<p>Economic</p> <ul style="list-style-type: none"> Potential Negative Impacts: This could cause financial or reputational damage to the parties involved and may even lead to legal and regulatory issues. <p>Environment</p> <ul style="list-style-type: none"> Actual Positive Impacts: Implementing a system for social and environmental assessments of suppliers helps to reduce the negative environmental impact of harmful substances. <p>People/Human Rights</p> <ul style="list-style-type: none"> Actual Positive Impacts: A well-established supplier policy and procurement mechanism effectively guarantees product quality. Potential Negative Impacts: Conversely, an inadequate supplier policy could compromise product quality, damage the Company's reputation, and lead to financial losses.
Main Affected Parties	<ul style="list-style-type: none"> The Company (Direct Source of that Impact) Employees and Other Workers (Contributor of the Impact) Suppliers/Subcontractors (Directly Related) Customers (Contributor of the Impact) Government Agencies (Contributor of the Impact)
Corresponding Chapter	CH3 Green IC Design
List of Material Topics	Information Security (Customer Privacy)
Describe the Organization's Policies or Commitments Regarding the Material Topic	<p>We are committed to protecting the confidentiality, integrity, and availability of customers' data in compliance with relevant international and regional regulations. The Company has implemented multi-layered security measures, including data encryption, access controls, and regular security audits, to ensure the security of customers' data.</p>
Describe the Impacts	<p>Economic</p> <ul style="list-style-type: none"> Actual Positive Impacts: Effective information security measures prevent data breaches and avoid fines and lawsuits, which in turn saves costs. <p>Environment</p> <ul style="list-style-type: none"> Potential Negative Impacts: While information security measures have a limited direct environmental impact, the energy consumption and carbon footprint of data centers are environmental factors that must be considered. <p>People/Human Rights</p> <ul style="list-style-type: none"> Potential Negative Impacts: Protecting customer privacy is not only a matter of respecting fundamental human rights but also a key part of corporate responsibility. It helps prevent the psychological and social impacts that may result from data breaches.
Main Affected Parties	<ul style="list-style-type: none"> The Company (Direct Source of that Impact) Customers (Directly Related) Employees and Other Workers (Directly Related) Shareholders and Other Investors (Contributor of the Impact) Government Agencies (Contributor of the Impact)
Corresponding Chapter	CH3 Green IC Design



ESG Aspect: Governance

List of Material Topics	Economic Performance
Describe the Organization's Policies or Commitments Regarding the Material Topic	<p>We are dedicated to maintaining strong operational performance to ensure our investors and shareholders' best interests. Through solid management strategies and long-term plans, we continuously facilitate corporate growth to achieve our sustainable development goals.</p>
Describe the Impacts	<p>Economic</p> <ul style="list-style-type: none"> Actual Positive Impacts: Pursuing operational and financial performance and achieving profitability targets are the cornerstones of our stable business operations. Strong economic performance can consistently create value for the Company, enabling us to achieve sustainable development. Potential Negative Impacts: If economic performance is poor, a company's finances may face difficulties, in turn, leading to operational interruptions. <p>People/Human Rights</p> <ul style="list-style-type: none"> Potential Positive Impacts: The economic value generated by our operations directly impacts shareholder equity, investment scale, growth trajectory, and social contributions.
Main Affected Parties	<ul style="list-style-type: none"> The Company (Direct Source of that Impact) Employees and Other Workers (Directly Related) Suppliers/Subcontractors (Contributor of the Impact) Customers (Directly Related) Shareholders and Other Investors (Directly Related) Financial Institutions (Contributor of the Impact) Government Agencies (Contributor of the Impact)
Corresponding Chapter	CH2 Corporate Governance Performance

CH2 Corporate Governance Performance



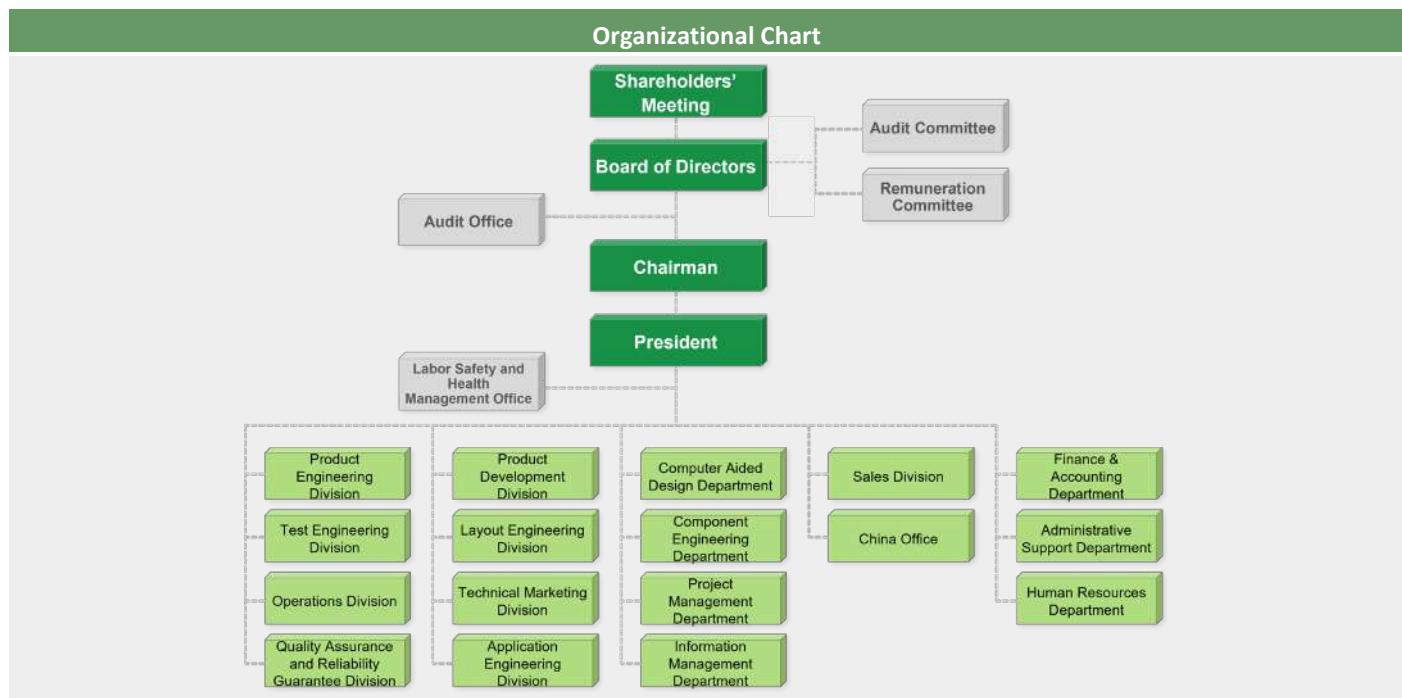
2.1 Management Approach to Material Topics

Material Topic: Economic Performance			
Alignment with Sustainability Standards (Issues)	GRI 201: Economic Performance	Affected Stakeholders	Employees and other workers, suppliers/subcontractors, customers, shareholders and other investors, financial institutions, and government agencies
Reason for Materiality	We are dedicated to maintaining strong operational performance to ensure our investors and shareholders' best interests. Through solid management strategies and long-term plans, we continuously facilitate corporate growth to achieve our sustainable development goals.		
Impacts	Strong economic performance is the foundation of a company's stable operations and sustainable development. Through consistent revenue growth and continuous improvement in profitability, a company can stably create value, protect shareholder's rights and interests, expand its investment scale, and foster social contributions. However, poor economic performance may result in financial difficulties and potentially operational interruptions. This would not only affect the development of upstream and downstream industries but also cause employees to feel insecure, thereby impacting the overall economic environment.		<ul style="list-style-type: none"> ● Revenue Growth, Improved Profitability ● Stable Creation of Corporate Value ● Expanded Investment, Fostering Social Contributions ▲ Operational Interruptions, Affecting Business Continuity ▲ Disrupted Supply Chain, Impacting Industry Development
Policies/Strategies	<ul style="list-style-type: none"> ● Opportunities from strong economic performance. A strong business strategy is essential to maintaining a solid capital foundation, deepening the confidence of investors, creditors, and the market to support future operational development, and generating maximum benefits for all stakeholders. ● Risks from poor economic performance. A lack of management strategies and methods in corporate governance may lead to various unforeseen risks and impacts. This can result in poor operational management, slow R&D and innovation, and a decline in product market share, which in turn affects profitability and overall business performance, and damages the company's image, as well as the interests of investors and creditors. <p>We safeguard shareholders and stakeholders' rights and interests and guide the Company toward stable operations and sustainable development through sound corporate governance and the effective functioning of our various committees. A robust board operation, legal compliance strategies, and risk management mechanisms further enhance corporate resilience and competitiveness, ensuring stable operations and protecting shareholders' rights and interests.</p>		● : Positive Impact ▲ : Negative Impact
Goals and Targets	<p>Short- and Mid-term Targets</p> <ul style="list-style-type: none"> ● Achieve year-over-year revenue and profit growth. ● Actively develop and promote new products to expand market share and enhance product competitiveness. ● Strengthen R&D innovation and optimize supply chain management to improve product profitability. <p>Long-term Targets</p> <ul style="list-style-type: none"> ● Achieve stable growth in revenue and profit, meet the Company's operational targets, and increase the Company's long-term investment value to protect investors and shareholders' rights and interests. ● Increase R&D investment to foster technological innovation and new product development to enhance product customization capabilities and the Company's market share, thereby maintaining a competitive advantage. ● Strengthen the management and establishment of sales channels to improve business and technical service capabilities and meet customers' diverse application needs. 		

Material Topic: Economic Performance

Management Assessment Mechanisms	<ul style="list-style-type: none"> Hold quarterly board meetings. Hold management meetings twice a month. The internal audit unit conducts regular audits and reports to the Audit Committee and the Board of Directors. Establish internal control systems for management. Conduct analysis and comparison of various financial indicators.
Performance and Adjustments	<ul style="list-style-type: none"> 2024 Revenue reached NT\$3,397,714 thousand. 2024 Profit reached NT\$720,093 thousand. 2024 EPS reached NT\$9.89. 2024 Cash dividend per share was NT\$8.6.

2.2 Governance Structure



Promoting Sustainable Development

Although the Company has not yet established a Sustainable Development Committee, the President's Office and representatives from various departments have formed an “ESG Team” of the Company, with the Executive Vice President as the convener of the team to jointly promote issues related to sustainable development. Currently, the progress of greenhouse gas inventory and verification is reported to the Board of Directors on a quarterly basis as required. In the third quarter of 2024, the Company began the process of drafting its sustainability report. Personnel from various departments have been assigned to the project, with the aim of submitting it to the Board for approval before the regulatory deadline set by the competent authorities.

Additionally, we have established a Supplier Evaluation Procedures, in which relevant departments from the ESG Team annually evaluate our suppliers. This assessment uses a dedicated supplier system evaluation form to assess corporate social responsibility in five major areas: labor, health and safety, environment, ethical conduct, and management systems. After receiving the evaluation results, suppliers must provide an improvement plan with an estimated completion time. The quality unit then reviews the responses and follows up on improvements.



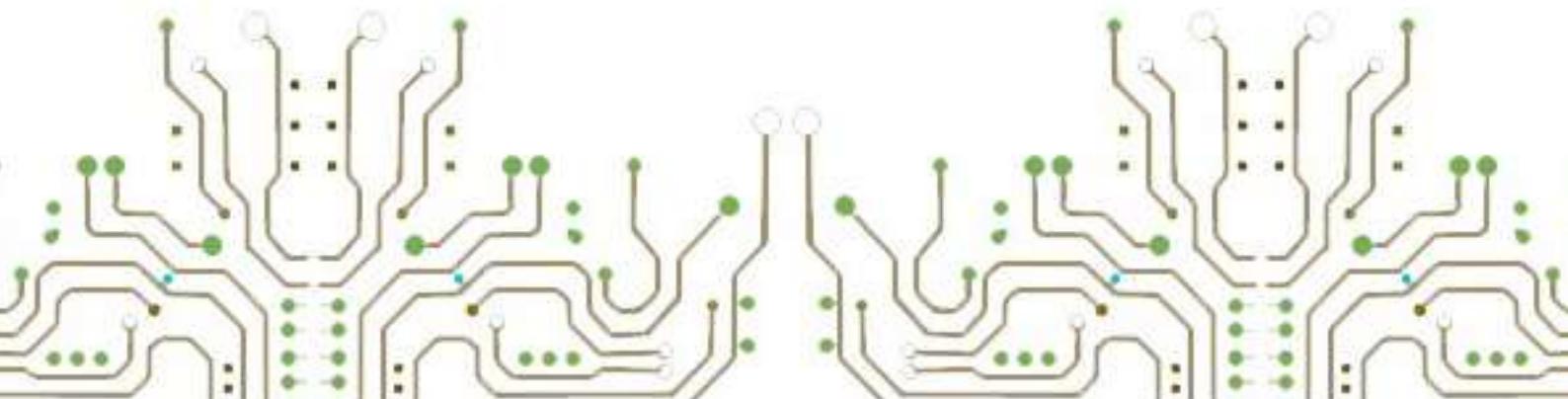
Board Structure and Diversity

The Company's process for nominating and selecting members of the Board of Directors adheres to the guidelines outlined in the provisions of the Company's Articles of Incorporation. We utilize a candidate nomination system, and follow the "Procedures for Election of Directors" and "Corporate Governance Best Practice Principles" to ensure that our directors are diverse and independent. To develop an effective diversity policy that aligns with our operations and growth, we recommend that the Company consider the following two key standards, among others:

- (1) Basic requirements and values: Gender, Age, Nationality, and Culture, etc.
- (2) Professional knowledge and skills: A professional background (e.g., law, accounting, industry, finance, marketing, technology), professional skills, and industry experience. The Company has a total of 11 board seats, which comprises 11 Taiwanese citizens, including 4 independent directors. Two of the directors also serve as employees of the Company, representing 18% of the total number of directors. The age distribution of the directors is as follows: 4 directors are over 65 years old, while the rest are under 65. The Board of Directors has 4 independent directors, accounting for 36% of the total number of directors. Among them, 2 independent directors have served for less than 6 years, while the other 2 independent directors have served for 6-9 years.

The Company is committed to promoting gender equality in the composition of the Board of Directors. Currently, female directors account for 9% of all directors, which meets our goal of having at least one female director. Due to the nature of the industry and considerations regarding the suitability of directors, the proportion of female directors has not yet reached one-third. However, the Company has been actively seeking qualified female candidates for the board and will continue to strive to increase the proportion of female directors in line with the Company's operational developments.

The Company's directors have successfully met the standards outlined in Article 20 of the "Corporate Governance Best Practice Principles" through their diversification, complementarity, and implementation. Moving forward, the diversity policy will be regularly reviewed and updated to align with the Company's operational model and development needs. This includes, but is not limited to, the two key standards of basic requirements and values, as well as professional knowledge and skills. The goal is to ensure that all Board members of the Board of Directors shall possess the necessary knowledge, skills, and capabilities necessary to effectively carry out their duties.





Board Member Information						Industry Experience	Professional Capabilities	Risk Management		
Title / Name	Gender / Age	Date First Elected/ Appointed	Key Education and Experience	Other Position(s) Concurrently Held at the Company and at Other Companies	Banking/Finance	R&D	Business and Marketing	Information Technology		
Chairman / WANG, CHIH-HSIN	Male / 61-70	2011. 06.24	<ul style="list-style-type: none"> Entrepreneur Management Research Class, National Chengchi University Bachelor of Economics, National Chengchi University Senior Sales Manager of Parts Department, SAMPO Co. Sales Manager, Vanguard International Semiconductor Co. Sales Assistant Vice President, Shangpo Semiconductor Inc. Sales Vice President, AMKOR Technology Taiwan Ltd. Executive Assistant to the President, OLINK Technology Co., Ltd. Chief Executive Officer, Domintech Precision Technology Co., Ltd. Sales Vice President and Executive Vice President, ANPEC Electronics Co. 	<ul style="list-style-type: none"> President of the Company Representative of Institutional Director, SINOPOWER SEMICONDUCTOR INC. Director, Supec (Suzhou) Co., Ltd. Director, Yu Jing Energy Technology Co., Ltd. Supervisor, Yu Jing Energy Technology Co., Ltd. Chairman, ANPEC International Holding Ltd. 	✓	✓	✓	✓	✓	✓
Director / SHENG, KANG	Male / 41-50	2020. 06.22	<ul style="list-style-type: none"> Entrepreneur Management Research Class, National Chengchi University Master of Electrical Engineering, National Cheng Kung University Senior Head of Division, ANPEC Electronics Co. Marketing and R&D Vice President, ANPEC Electronics Co. 	<ul style="list-style-type: none"> Executive Vice President of the Company Chairman, Supec (Suzhou) Co., Ltd. 	✓	✓	✓	✓	✓	✓
Director / CHEN, SHAN-NAN	Male / 61-70	1997. 10.08	<ul style="list-style-type: none"> Ph.D. in Electrical Engineering, University of New Mexico, U.S.A. Factory Chief, Episil Technologies Inc. Chairman, Chief Executive Officer, and President, ANPEC Electronics Co. Chairman, Biggest Solutions, Inc. President, Greenergy, Inc. 	<ul style="list-style-type: none"> Chairman, Greenergy, Inc. 	✓	✓	✓	✓	✓	✓



Board Member Information						Industry Experience	Professional Capabilities	Risk Management				
Title / Name	Gender / Age	Date First Elected/ Appointed	Key Education and Experience	Other Position(s) Concurrently Held at the Company and at Other Companies		R&D	Accounting and Financial Analysis	Information Technology				
Director / SHEN, SHIAN-HO	Male / Over 70 years old	2017. 06.20	<ul style="list-style-type: none"> Bachelor of Electronic Engineering, Chung Yuan Christian University Supervisor, ANPEC Electronics Co. Vice President of Optoelectronic Module and Material Center, AUO Co. Manager/ Factory Chief of Logistics Department, United Microelectronics Corp. Independent Director, Gallant Precision Machining Co., Ltd. Supervisor, C SUN MFG. Ltd. Independent Director and Remuneration Committee Member, Lextar Electronics Corp. 	<ul style="list-style-type: none"> Director and President, Chem Tec Corporation Co., Ltd. Director, Taiwan Surface Mounting Technology Co. Director, C SUN MFG. Ltd. Independent Director, Ennstar Inc. 		✓	✓	✓	✓	✓	✓	✓
Director / LIN, CHUN-LIANG	Male / Over 70 years old	2017. 06.20	<ul style="list-style-type: none"> Master of Business Management, Chinese Culture University Supervisor, ANPEC Electronics Co. Executive Secretary, Syndication Loan Team, Sales Department, Chiao Tung Bank Manager, Wenshan Branch, Mega International Commercial Bank Deputy Director, Credit Analysis Department, Mega International Commercial Bank Supervisor, Eusol Biotech Co., Ltd. 	<ul style="list-style-type: none"> Supervisor, Foreverlamp International Corp. Representative of Institutional Director, SINOPOWER SEMICONDUCTOR INC. 		✓	✓	✓			✓	



Board Member Information						Industry Experience	Professional Capabilities	Risk Management
Title / Name	Gender / Age	Date First Elected/ Appointed	Key Education and Experience	Other Position(s) Concurrently Held at the Company and at Other Companies		R&D	Accounting and Financial Analysis	Information Technology
Director / LIN, CHE-MING	Male / 41-50	2006. 06.12	<ul style="list-style-type: none"> MBA, Boston University, U.S.A. Bachelor of Chemistry, National Sun Yat-sen University Manager of New Product Business Department, Lightsonic Optoelectronics Inc. Director and Manager of Marketing Business, Ecolighting, Inc. Deputy Head of Marketing Business Division, Biggest Solutions, Inc. Deputy Head of Production Division, Biggest Solutions, Inc. President and Executive Assistant to the Chairman, Hsin-Li Chemical Industrial Corp. Director, Greenergy, Inc. 	<ul style="list-style-type: none"> Chairman & President, LINBROS Co., Ltd. 		✓	✓	✓
Director / HUANG, JIN-HUA	Female / Over 70 years old	2006. 06.12	<ul style="list-style-type: none"> National Taipei University of Nursing and Health Sciences Assistant Manager, Management Department, United Microelectronics Corp. Supervisor, LightHouse Technology Co., Ltd. 	None		✓	✓	✓
Representative of Jingmao Investment Co., Ltd. / YANG, SEN-LU	Male / 61-70	2024. 06.21	<ul style="list-style-type: none"> Master, Department of Science and Application, National Taichung University of Education Supervisor, Jingmao Investment Co., Ltd. 	<ul style="list-style-type: none"> Supervisor, Jingmao Investment Co., Ltd. 		✓		✓



Board Member Information						Industry Experience	Professional Capabilities	Risk Management							
Title / Name	Gender / Age	Date First Elected/ Appointed	Key Education and Experience	Other Position(s) Concurrently Held at the Company and at Other Companies	Banking/Finance	R&D	Information Technology	Business and Marketing	Management administration	Banking/Finance	R&D	Information Technology	Business and Marketing	Management administration	Risk Management
Independent Director / CHIANG, CHUN-YEN	Male / 61-70 years old	2017. 06.20	<ul style="list-style-type: none"> EMBA, National Sun Yat-sen University Entrepreneur Management Research Class, National Chengchi University President, TAIFLEX Scientific Co., Ltd. Representative of Institutional Director Chairman, Kunshan Taiflex Electronic Co., Ltd. 	<ul style="list-style-type: none"> Convenor of Remuneration Committee and Audit Committee, ANPEC Electronics Co. Independent Director, SINOPOWER SEMICONDUCTOR INC. Convenor of the Remuneration Committee, and Audit Committee Member 		✓	✓	✓		✓	✓	✓	✓	✓	✓
Independent Director / CHIEN, CHUAN-SHENG	Male / 51-60	2017. 06.20	<ul style="list-style-type: none"> Entrepreneur Management Research Class, National Chengchi University Master of Mechanical Engineering, National Central University President, Innodisk Co. 	<ul style="list-style-type: none"> Audit Committee and Remuneration Committee Member, ANPEC Electronics Co. Chairman, Innodisk Co. Representative of Institutional Director, Aetina Co. Representative of Institutional Director, MilliTronic Co., Ltd. Representative of Institutional Director, Sysinno Technology Inc. 		✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
Independent Director / CHIEN, HUI-HUAN	Male / 51-60	2020. 06.22	<ul style="list-style-type: none"> Master of Total Quality and Engineering Management, University of the West of Scotland, U.K. Bachelor of Electronic Engineering, National Taipei University of Technology Chairman and Senior Executive Assistant to the Chief Executive Officer, Prodisc Technology Inc. Vice President, EVEREST DISPLAY INC. 	<ul style="list-style-type: none"> Audit Committee and Remuneration Committee Member, ANPEC Electronics Co. Assistant Vice President, Dell Taiwan R&D Center Global Service Engineer and Process Development 		✓	✓	✓	✓	✓	✓	✓	✓	✓	✓



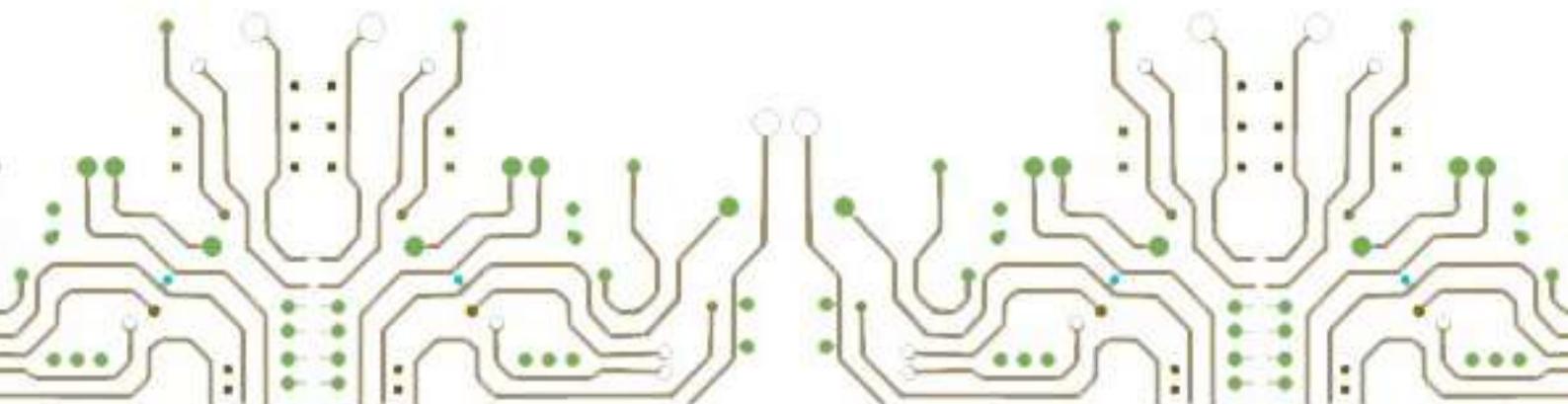
Board Member Information					Industry Experience	Professional Capabilities	Risk Management		
Title / Name	Gender / Age	Date First Elected/ Appointed	Key Education and Experience	Other Position(s) Concurrently Held at the Company and at Other Companies	R&D	Information Technology	Banking/Finance		
Independent Director / HUANG, KUO-YU	Male / 51-60	2020. 06.22	<ul style="list-style-type: none"> Entrepreneur Management Research Class, National Chengchi University Bachelor of Journalism, Shih Hsin University 1111 Job Bank Chief Planner, Editor-in-Chief of Excellence Magazine 	<ul style="list-style-type: none"> Audit Committee and Remuneration Committee Member, ANPEC Electronics Co. President of Finance Management, Lion Travel Service Co., Ltd. President, JWI Marketing Co., Ltd. 	✓	✓	✓	✓	✓

● Board Composition by Age:

41-50 years old: 2 members; 51-60 years old: 3 members; 61-70 years old: 4 members; and above 70 years old: 3 members.

● Of the members on the board, 11 are male and one is female.

● The information above includes Director SHEN, SHIAN-HO, who resigned on June 21, 2024.





Operation of the Board of Directors

The Board of Directors meets quarterly, with a total of four meetings held in 2024.

The average attendance rate for directors was 98%. Director attendance (with/without voting rights) is detailed below:

Title	Name	Attendance in Person	Attendance by Proxy	Attendance in Person (without voting rights) (%)	Remarks
Chairman	WANG, CHIH-HSIN	4	0	100	
Director	SHENG, KANG	4	0	100	
Director	CHEN, SHAN-NAN	3	1	75	
Director	SHEN, SHIAN-HO	2	0	100	Resigned on June 21, 2024
Director	LIN, CHUN-LIANG	4	0	100	
Director	LIN, CHE-MING	4	0	100	
Director	HUANG, JIN-HUA	4	0	100	
Representative of Institutional Director	YANG, SEN-LU	2	0	100	Assumed office on June 21, 2024
Independent Director	CHIANG, CHUN-YEN	4	0	100	
Independent Director	CHIEN, CHUAN-SHENG	4	0	100	
Independent Director	CHIEN, HUI-HUAN	4	0	100	
Independent Director	HUANG, KUO-YU	4	0	100	

It is to review business performance, discuss key strategic issues and critical events, and report on the implementation in the three ESG aspects. After each meeting, the responsible units for follow-up actions are confirmed, and such units provide a follow-up report on the progress at the next meeting.

For 2024, the Company's activities in the three ESG aspects were as follows: Environmental (E): The Company regularly provided quarterly reports to the board on the status of its greenhouse gas inventory and verification. Social (S): The Company enhanced communication with stakeholders and reported on the outcomes of these interactions. Governance (G): The Company consistently reviewed and improved its information security and risk management mechanisms, and reported on the results of specific security measures and their implementation. During the reporting period, the Board of Directors discussed the following ESG-related matters, which are summarized in the table below:

E	S	G
ENVIRONMENTAL ASPECTS Number of Incidents: 4 Overview of Communication Proposals: Greenhouse gas inventory and verification report	SOCIAL ASPECTS Number of Incidents: 4 Overview of Communication Proposals: Issuance of employee restricted stocks	ECONOMIC (INCLUDING GOVERNANCE) ASPECTS Number of Incidents: 38 Overview of Communication Proposals: Quarterly financial reports, audit reports, operational status, internal controls, Remuneration Committee's suggestions, directors' liability insurance, director remuneration and employee compensation, etc.



Board Independence and Conflicts of Interest

As a result of operational demands from the Company's operations, the Chairman and the President positions have been consolidated into one role. The number of independent directors has been increased to four. Furthermore, over 80% of the Board of Directors are not currently employed as the Company's managerial officers or staff members of the Company.

This ensures that the Board maintains its strength in objectivity and supervisory functions.

The Board of Directors consists of 11 directors, including four independent directors. All independent directors meet the independence criteria outlined in Article 3 of the "Regulations Governing Appointment of Independent Directors and Compliance Matters for Public Companies". The Company's "Rules of Procedure for Board of Directors Meetings" clearly define the system for avoiding conflicts of interest. For any agenda item where a director or the legal entity they represent has a conflict of interest, the director must disclose the key details of the conflict at the meeting. If there is a risk of harming the Company's interests, the director must abstain from discussion and voting, recuse themselves during the discussion and voting, and shall not act as an agent for other directors to exercise their voting rights.

Date	Agenda Item	Resolution Status
2024/02/26	[Proposals from the Company's Remuneration Committee], [Issuance of the New Restricted Employee Shares]	For this proposal, Independent Director CHIANG, CHUN-YEN, Chairman of the Company's Remuneration Committee, fully explained the discussion and resolutions of the Remuneration Committee, and the Chairman of the Board appointed Independent Director CHIANG, CHUN-YEN as the Chairman for this proposal. Except for Chairman WANG, CHIH-HSIN and Director SHENG, KANG, who recused themselves due to their concurrent roles as managerial officers of the Company, the remaining present directors unanimously voted for the adoption of the proposal.
2024/05/10	[Proposals from the Company's Remuneration Committee]	For this proposal, Independent Director CHIANG, CHUN-YEN, Chairman of the Company's Remuneration Committee, fully explained the discussion and resolutions of the Remuneration Committee, and the Chairman of the Board appointed Independent Director CHIANG, CHUN-YEN as the Chairman for this proposal. Except for Chairman WANG, CHIH-HSIN and Director SHENG, KANG, who recused themselves due to their concurrent roles as managerial officers of the Company and were not allowed to delegate their voting rights, the remaining present directors unanimously voted for the adoption of the proposal.
2024/11/11	[Proposals from the Company's Remuneration Committee], [Issuance of the New Restricted Employee Shares]	For this proposal, Independent Director CHIANG, CHUN-YEN, Chairman of the Company's Remuneration Committee, fully explained the discussion and resolutions of the Remuneration Committee, and the Chairman of the Board appointed Independent Director CHIANG, CHUN-YEN as the Chairman for this proposal. Except for Chairman WANG, CHIH-HSIN and Director SHENG, KANG, who recused themselves due to their concurrent roles as managerial officers of the Company, the remaining present directors unanimously voted for the adoption of the proposal.



Director Training

Directors are the central propellers of corporate development, responsible for formulating long-term strategies and direction, and ensure that the Company maintains a spirit of sustainable development in a highly competitive market. Therefore, directors must continuously pursue training to stay sensitive to market changes, the latest technologies, and regulations. Through training, directors can enhance their insights into corporate governance, risk management, and future development trends, thus enabling them to make more forward-looking decisions and ensuring that the Company can seize opportunities and effectively address challenges as they arise. Thus, our directors participated in courses on topics, such as risk management, AI strategy and governance, digital innovation, and trends in the circular economy and sustainable operations. These courses will help enhance their professional capabilities and guide the Company to occupy a leading position in a rapidly changing market.

Title	Name	Date	Organizer	Course	Training Hours	Total Training Hours
Representative of Institutional Director	YANG, SEN-LU	2024/09/12	Taipei Exchange	Internal Equity Promotion Seminar for the OTC and Emerging Stock Companies - Taipei Session 2	3.0	6.0
		2024/09/26	Corporate Operating and Sustainable Development Association	Promoting Sustainable Development through Risk Management	3.0	
Independent Director	CHIANG, CHUN-YEN	2024/07/09	Taipei Exchange	AI Strategy and Governance	3.0	6.0
		2024/10/04	Taiwan Corporate Governance Association	Global Trends and Risk Management in Digital Innovation Technology and AI Development	3.0	
Independent Director	CHIEN, HUI-HUAN	2024/07/09	Taipei Exchange	AI Strategy and Governance	3.0	6.0
		2024/10/04	Taiwan Corporate Governance Association	Global Trends and Risk Management in Digital Innovation Technology and AI Development	3.0	
Independent Director	CHIEN, CHUAN-SHENG	2024/10/30	Accounting Research and Development Foundation	Promoting Sustainable Development through Risk Management	6.0	6.0
Independent Director	HUANG, KUO-YU	2024/11/22	The Greater China Financial Development Association	New Trends in Circular Economy and Sustainable Development	3.0	6.0
		2024/12/17	The Greater China Financial Development Association	Global Challenges Posed by Trump 2.0	3.0	



Board Performance Evaluation

To implement our corporate governance mechanisms and enhance the functions of the board and its committees, the Company established the “Rules for Self-Evaluation or Peer Review of Board of Directors” at the 12th meeting of the 8th Board of Directors on March 25, 2020, and performed the evaluation at the end of that year, including the self-evaluation or peer review of the Board of Directors and the functional committees. This effectively promotes the Company’s sustainable operations and implements the spirit of corporate governance.

The tables below outline the five dimensions for the 2024 self-evaluations of the board and its functional committees (Audit and Remuneration Committees), as well as the six dimensions for the self-evaluations of individual directors:

Five Dimensions of Board Self-Evaluation	Number of Questions	Average Score
A. Degree of Involvement in Company Operations	12	4.92
B. Improving the Quality of Decision-Making of the Board	12	4.83
C. Composition and Structure of the Board	7	4.86
D. Selection and Continuing Education of Directors	7	4.71
E. Internal Control	7	5
Total/Average Score	45	4.87

Five Dimensions of Functional Committee Self-Evaluation	Number of Questions	Average Score
A. Degree of Involvement in Company Operations	4	5
B. Awareness and Identification of Committee Job Duties	6	5
C. Improve Committee Decision-Making Quality	7	5
D. Composition and Selection of Committee Members	4	5
E. Internal Control	3	5
Total/Average Score	24	5

Six Dimensions of Individual Director Self-Evaluation	Number of Questions	Average Score
A. Mastery of Company Goals and Tasks	3	4.88
B. Awareness and Identification of the Job Duties of Directors	3	4.96
C. Degree of Involvement in Company Operations	8	4.82
D. Internal Relationship Management and Communication	3	4.91
E. Professional and Continuing Education of Directors	3	4.58
F. Internal Control	3	4.94
Total/Average Score	23	4.84

The 2024 average self-evaluation scores for the Board of Directors and functional committees were excellent, with 4.87 and 5.0 out of 5, respectively. Individual directors’ average self-evaluation score was 4.84 out of 5. These results are excellent and were reported to the Board of Directors on February 21, 2025.



Audit Committee

The Company's Audit Committee operates in accordance with its "Organizational Charter" and meets at least once per quarter.

The Audit Committee's operations in 2024 were mainly focused on supervising the following matters:

- Fair presentation of the Company's financial statements.
- The appointment/dismissal, independence and performance of certified public accountants attesting the financial statements.
- Effective implementation of the Company's internal controls.
- Compliance of the Company with relevant laws and regulations.
- Management and control of the Company's existing or potential risks.

The summary of the key tasks for 2024 is as follows:

- (1) Reviewing financial reports: Reviewing the 2023 financial reports, financial reports of Q1 to Q3 of 2024, the 2023 business report, and the profit distribution proposal.
- (2) Assessing the effectiveness of internal controls: The Audit Committee has evaluated the effectiveness of the Company's internal control system policies and procedures and reviewed the periodic reports from the Company's auditing department, certified public accountants (CPAs) and the management in 2023, including risk management and compliance with the laws and regulations. The Audit Committee concluded that the Company's risk management and internal control systems are effective and that the Company has adopted the necessary control mechanisms to monitor and correct non-compliance.
- (3) Appointment, dismissal, or compensation of CPAs: Reviewing the independence and suitability of the 2024 CPAs and approving their compensation.
- (4) Amendments to the internal control systems.
- (5) Raising, issuance, or private placement of equity-based securities: Reviewing the list of employees and the number of issuance of the new restricted employee shares in 2024.
- (6) Review of the 2025 Auditing Plan.

Operation of the Audit Committee in 2024

Title	Name	Attendance in Person	Attendance by Proxy	Attendance in Person (%)
Convenor	CHIANG, CHUN-YEN	4	0	100%
Member	CHIEN, CHUAN-SHENG	4	0	100%
Member	CHIEN, HUI-HUAN	4	0	100%
Member	HUANG, KUO-YU	4	0	100%

● Current Committee Term: June 21, 2023 - June 20, 2026.

● Attendance in Person (%) = Number of In-person Attendances/Number of Audit Committee meetings in 2024.

Remuneration Committee

ANPEC Electronics established a Remuneration Committee in compliance with the competent authority's regulations. Other functional committees will be set up in accordance with the regulations of the competent authority and the operational demands of the Company. The Company's Remuneration Committee operates in accordance with its "Organizational Charter" and meets at least twice per year.

Remuneration Committee Operations in 2024

Title	Name	Attendance in Person	Attendance by Proxy	Attendance in Person (%)
Convenor	CHIANG, CHUN-YEN	2	0	100%
Member	CHIEN, CHUAN-SHENG	2	0	100%
Member	CHIEN, HUI-HUAN	2	0	100%
Member	HUANG, KUO-YU	2	0	100%

● Current Committee Term: June 21, 2023 - June 20, 2026.

● Attendance in Person (%) = Number of In-person Attendances/Number of Remuneration Committee meetings in 2024.



Policy Objective

To establish sound corporate governance, strengthen the board's remuneration management function, and protect investors' interests, the Company established the "Remuneration Committee Charter" on December 28, 2011, in accordance with Article 14-6, Paragraph 1 of the Securities and Exchange Act and the "Regulations Governing the Appointment and Exercise of Powers by the Remuneration Committee of a Company Whose Stock is Listed on the Taiwan Stock Exchange or the Taipei Exchange" promulgated by the FSC, Executive Yuan, per Order Jin-Guan-Zheng-Fa-Zi No. 1000009747, on March 18, 2011. The charter explicitly stipulates that the Remuneration Committee shall, with the care of a good administrator, faithfully fulfill its duties and submit its suggestions to the Board of Directors for discussion.

The Company has established the Remuneration Committee in accordance with the Remuneration Committee Organization Charter to assist the Board of Directors in formulating a remuneration policy for the Company's directors, managerial officers, and the Company. The Company regularly reviews the remuneration of directors and managerial officers based on their participation in and contribution to the Company's operations and their remuneration structure and performance system to ensure that the structure and system are consistent with the Company's current business conditions and the relationship between performance and remuneration. Employees' salary and compensation policy is based on their job category, education and experience, professional knowledge, and skills, professional seniority and experience, personal performance and contribution. The Company prohibits discrimination and differential treatment based on race, class, language, ideology, religion, political affiliation, place of origin, birthplace, gender, sexual orientation, age, marital status, appearance, facial features, physical or mental disabilities, zodiac sign, or blood type. Salary is determined based on industry salary levels, salary market trends, and the Company's business conditions and organizational structure. The Company makes timely adjustments based on market salary trends, changes in the macroeconomic and industry situations, and government regulations. The annual salary adjustment and bonus payments are determined based on the Company's business performance and each employee's individual annual performance.

Remuneration Structure

The percentages or ranges with respect to employee remuneration, as set forth in the Company's Articles of Incorporation

As per Article 31 of the Company's Articles of Incorporation, employee compensation will be distributed at a rate ranging from 10% to 25% of the Company's profit for the current year. However, such compensation will not be provided in the event that the Company has incurred losses.

The employee remuneration in the preceding paragraph may be distributed in stock or cash to the employees. The stock or cash may be distributed to employees of the subordinate companies who meet certain criteria.

"Profit for the current year" refers to the current year's pre-tax benefits before deducting the employee and director remuneration being distributed.

The distribution of employee remuneration shall be made by a resolution of the Board of Directors with the presence of at least two-thirds of the directors and the approval of a majority of the present directors; then, the resolution shall be reported to the Shareholders' Meeting.

The percentages or ranges with respect to director remuneration, as set forth in the Company's Articles of Incorporation

In accordance with Article 31 of the Company's Articles of Incorporation, director remuneration shall no more than 3% of the profit for the current year. "Profit for the current year" refers to the current year's pre-tax benefits before deducting the employee and director remuneration being distributed. The distribution of director remuneration shall be made by a resolution of the Board of Directors with the presence of at least two-thirds of the directors and the approval of a majority of the present directors; then, the resolution shall be reported to the Shareholders' Meeting.



Review Process

Remuneration Policy for Directors and Managerial Officers:

According to Article 7 of the Company's "Organizational Charter of the Remuneration Committee", the Remuneration Committee shall, with the care of a good administrator, faithfully perform the following duties and responsibilities and submit its suggestions to the Board of Directors for discussion:

1. To establish and review the performance targets of directors and managerial officers of the Company as well as the policies, systems, standards, and structure of remuneration and compensation.
2. To periodically evaluate whether the Company's directors and managerial officers have reached performance targets, and the content and amount of their individual remuneration are determined.

The Remuneration Committee shall perform the aforementioned functions in accordance with the following principles:

- To ensure that the Company's remuneration arrangements comply with relevant laws and regulations and are sufficient to attract talented individuals.
- The Company shall evaluate the performance evaluation and compensation of its directors and managerial officers by considering the industry's average remuneration level, their performance in relation to the Company's operating performance and future risks, taking into account the time and responsibilities they have devoted, their personal goal achievements, their performance in other positions, the remuneration that others have received by others in the same positions in recent years, and the achievement of the Company's short-term and long-term business targets and the Company's financial position. This evaluation will ensure that the remuneration and performance of the directors and managerial officers are reasonable and aligned with the Company's goals.
- Directors and managerial officers shall not be induced to engage in conduct that exceeds the Company's risk appetite in pursuit of more compensation.
- The percentage of bonuses for short-term performance and the timing of partial changes in compensation for directors and senior managerial officers shall be determined by taking into account the characteristics of the industry and the nature of the Company's business.
- The members of the Remuneration Committee shall not participate in the discussion and vote on decisions regarding their personal remuneration decisions.

Link to Risk

To ensure that managerial officers' performance closely aligned with the Company's strategy and that their overall remuneration is competitive, the Company has established the "Remuneration Committee Charter". Managerial officers' compensation includes both salary and bonuses. Salary is determined by factors, such as the Company's operational strategy and profitability, and the managerial officer's professional skills, scope of responsibility, and market competitiveness. Bonuses are determined by considering each managerial officer's personal performance evaluation result, the Company's operational performance, and the reasonableness of the link to future risks. However, if a major risk event occurs, such as one that affects the Company's reputation, internal mismanagement, or personnel misconduct, bonuses will be reduced or not paid out.

Link Between Remuneration and Performance

The Company has a Remuneration Committee that regularly evaluates the achievement of the performance targets of directors. The Company has established the "Rules for Self-Evaluation or Peer Review of Board of Directors" in the Board meeting on March 25, 2020, and the evaluation of directors' performance for 2024 was submitted to the Board of Directors February 21, 2025 and reported as required.

Human Rights Due Diligence

To fulfill our corporate social responsibility, the Company takes the Responsible Business Alliance (RBA) Code of Conduct as a self-assessment basis. We are committed to protecting workers' human rights, maintaining workplace health and safety, promoting environmental protection, and upholding business ethical standards. Our goal is to achieve corporate growth while ensuring social justice and building a sustainable industry environment.

In accordance with the Labor Standards Act and international human rights principles (including the UN Universal Declaration of Human Rights, UN Guiding Principles on Business and Human Rights, UN Global Compact, and the International Labour Organization), the Company has established a Human Rights Policy. The policy is signed off by the President and applies to our employees, customers, and stakeholders, ensuring that all daily operations and business activities are compliant.

Our Human Rights Policy and Workplace Diversity and Equality Policy are also available on our official website: (https://www.esg.anpec.com.tw/en/investors/article-detail/Human_Rights_Policy_and_Diversity/).



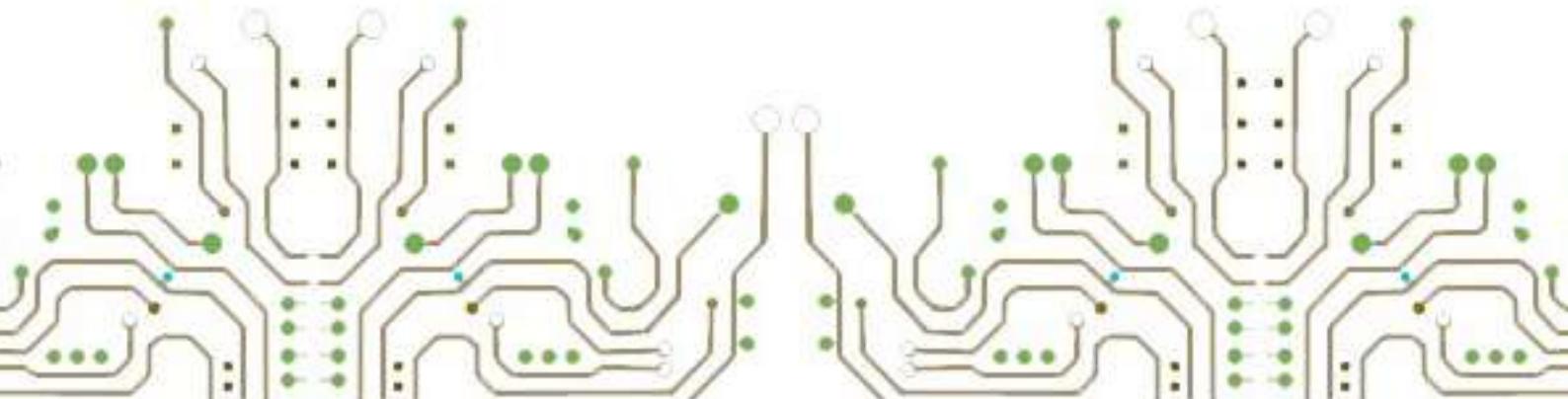
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Internal Policies

- We implement and raise awareness of policies, such as the “Human Rights Policy”, “Statement on Prohibiting Workplace Violence”, and “Statement on Prohibiting Workplace Sexual Harassment”.
- We implement a comprehensive occupational safety and health system and regularly offer related training to reduce the risk of negative internal incidents.

External Policies

- We regularly update and comply with relevant EU directives, such as the Restriction of Hazardous Substances in Electrical and Electronic Equipment (RoHS), the EU Packaging and Packaging Waste (PPW) Regulation, and the Electronic Industry Citizenship Coalition and Global e-Sustainability Initiative (GeSI) for conflict minerals.
- We assist suppliers in investigating non-compliance issues to ensure that the entire supply chain jointly adheres to the social responsibilities for human rights protection and environmental protection, thereby avoiding issues, such as labor exploitation, coercion, child labor abuse, and environmental destruction caused by illegal operations.





Policy Communication Methods

- We regularly offer education and training to enhance employees' understanding of core topics like labor, human rights, and business ethics.
- We conduct risk assessments in accordance with ISO-Q01202 and include them in daily operational management to ensure compliance with human rights policies.

The Company implements a people-centered employee policy and believes that every employee deserves respect and dignity. Therefore, we establish and implement an equal employment policy and actively facilitate full communication and cooperation between management and employees to ensure that everyone is treated fairly and reasonably. We also promptly update and announce the "Statement on Prohibiting Workplace Violence" and "Statement on Prohibiting Workplace Sexual Harassment" in line with government guidelines. Our senior management leads by example and continuously enhances the Company's commitment to labor human rights and protecting employees' legal rights.

To ensure gender equality in the workplace, eliminate discrimination, and prevent related incidents, the Company posts relevant statements and regulations on our official website and internal bulletin board. The Human Resources Department also offer training courses on human rights and the prevention of workplace illegal harm. By including this content in new employee orientation and annual regular training for existing employees, we provide timely updates on relevant laws and information, thus empowering our employees to protect themselves and others.

In 2024, we required a total of three new suppliers to sign a "Supplier RBA Code of Conduct Commitment", with a 100% return rate. In addition, the Company's work rules explicitly stipulate that any overtime must be mutually agreed upon by the employee and their supervisor, with either overtime pay or compensatory leave provided afterward. We have also added an overtime hour limit to our internal system to control working hours and prevent employees from overworking. If any employee encounters forced labor or excessive overtime, they can file a complaint through our various internal communication channels or raise the issue in our regular employee satisfaction surveys. We will handle all reports confidentially and promptly and stand on the front line to ensure that no employee's labor rights are overlooked.

In 2024, no incidents of discrimination occurred at the Company, and neither we nor our suppliers hired child labor or recruited young workers for dangerous jobs. There were also no cases of forcing employees to work excessive overtime.

Human Rights Policy and Implementation Status

Implementation Plan

- Providing employee pensions in accordance with the regulations.
- Establishing the Employee Welfare Committee to handle various welfare matters.
- Holding regular labor-management meetings are held to facilitate communication between employers and employees.
- The Company's management system governs the appointment, dismissal, compensation, and benefits of employees.
- The Company emphasizes labor, business ethics, child labor, labor relations, working hours, and fairness through new employee education and training and the promotion of these concepts in employee handbooks.
- To maintain gender equality and personal dignity in the workplace, the Company strictly prohibits any acts of sexual harassment. In accordance with the "Gender Equality in Employment Act", the Company has established the "Workplace Sexual Harassment Prevention Measures, Complaint, and Disciplinary Regulations" and provides channels for filing complaints to protect employee rights.
- We regularly offer education and training on human rights and the prevention of workplace illegal harm (including the promotion of anti-workplace violence/sexual harassment policies) to all employees and new hires. The training includes recognizing workplace illegal harm, the complaint filing process, and how to respond to such incidents.

Implementation Status

- No complaints.
- Employees are given eight days of special leave after one year of employment (better than the minimum required by law) to encourage them to take leaves and take care of their families.
- The percentage of full-time employees who received training on human rights and the prevention of workplace illegal harm was 100%.



Internal Management Regulations

To mitigate damage to stakeholders' rights caused by corporate operations and to provide remediation for negative impacts, the Company has established a list of stakeholders and their concerns as well as lists of internal and external issues, in accordance with the "Organizational Background and Risk Management Procedures". To identify material topics, we multiplied the level of impact of each issue on the Company and the level of stakeholders' concern to get a quantified score. Based on this, each responsible unit develops and tracks subsequent risk management plans and improvement measures for the identified material topics. The Company also offers necessary annual training courses and updates internal electronic announcements to publicize the latest corporate policies, to ensure that all employees comply with relevant regulations to minimize the risk of harm.

Item	Description
Human Rights	<p>ANPEC is committed to adhering to international human rights conventions and applicable laws. We have established a "Human Rights Policy" to convey our commitment to and support for human rights issues. We are dedicated to maintaining a diverse, safe, and equal workplace, with clear regulations for hiring, employment, promotion, compensation, and benefits, while prohibiting differential treatment based on race, language, blood type, religion, political party affiliation, origin, gender, age, marital status, physical appearance, or any other discriminatory factors. We have also successively established and announced a "Written Statement on Prohibiting Workplace Sexual Harassment", a "Statement on Prohibiting Workplace Violence", and "Workplace Sexual Harassment Prevention Measures, Complaint, and Disciplinary Regulations" to declare our commitment to and protection of the work environment. ANPEC adopts a "zero-tolerance" principle for any form of illegal harm. We have established a whistleblower system and follow grievance procedures and workplace harassment management regulations to take appropriate preventive, corrective, and punitive measures, while protecting the rights and privacy of those involved, thereby building a respectful and friendly collaborative environment.</p>
Ethical Management	<p>ANPEC has established and approved the "Procedures for Ethical Management and Guidelines for Conduct", which have been established and approved by the Board of Directors and disclosed on the Company's website. These guidelines serve to specify the important points that employees must keep in mind when conducting business. Additionally, the "Work Rules" mandate that all employees conduct the Company's business and comply with honesty and ethics, and in compliance with all applicable laws and regulations. The management shall engage in business activities based on the principles of fairness, honesty, trustworthiness, and transparency, and shall actively implement the management policy of honesty and integrity. New employee training requires all employees to promptly inform the management of any violations of policy and ethics. The Company has established Work Rules and Regulations on Performance Appraisal, which clearly state the relevant incentives and disciplinary measures. The Work Rules stipulate that any person, who is reported to the management with concrete evidence, of using their position for personal gain or accepting bribes shall be deemed to have violated the labor contract or Work Rules, and the Company may terminate the labor contract after verification of the authenticity of the said accusation. The Company has set up a mailbox for employees' opinions and an "employee grievance handling system" to provide a channel for employees to voice their opinions in order to strengthen the labor-employee partnership. The procedures for employee opinions and complaints are as follows: If an employee files a complaint verbally, they can discuss with their supervisor directly and seek a solution. If the immediate supervisor cannot effectively solve the problem, the employee may ask the human resources unit to assist in solving the problem, and if still dissatisfied, they can further seek resolution from the senior supervisors. All internal and external personnel may make reports through e-mail provided by the Company's official website (hrm@anpec.com.tw), and reports will be handled by designated personnel based on the contents of the reports.</p>
Environment	<p>To address the challenges of international environmental issues, such as climate change, and to reduce our environmental impact, the Company has established an "Environmental Policy" and obtained ISO 14001 certification. Through the implementation of a safety management system and a standardized management cycle, we aim to effectively reduce pollution emissions and the environmental impact generated by our operations. We have also established an "Environmental Objectives, Targets, and Programs Management Procedure". This procedure governs the formulation, review, approval, operation, modification, and supervision of our environmental objectives, targets, and programs, to ensure compliance with environmental policy, national environmental regulations, customers' requirements for environmentally managed substances, and related organizations' demands. Every year, each department's responsible person formulates or revises their environmental goals and implementation status. After being reviewed and approved by the management representative and the President, the goals are announced on the electronic bulletin board. Subsequently, the designated responsible departments formulate corresponding environmental management programs. Finally, the Quality Systems Department tracks the programs and confirms their progress, which is also reviewed during the annual internal audit and management review.</p>



2.3 Operational Performance

In 2024, ANPEC Electronics' revenue was NT\$3,397,714 thousand, an increase of approximately 22.17% compared to the NT\$2,781,034 thousand in 2023. This was mainly due to a recovery in market demand and business growth.

The Company's key financial information for the last three years is shown in the table below.

Item/Year	2022	2023	2024
Operating Revenue (Thousand Dollars)	3,392,969	2,781,034	3,397,714
Operating Costs (Thousand Dollars)	1,624,279	1,475,711	1,801,341
Gross Profit (Thousand Dollars)	1,768,690	1,305,323	1,596,373
Operating Loss (Thousand Dollars)	873,102	517,819	671,662
Non-Operating Income and Expenses (Thousand Dollars)	283,221	93,890	187,038
Net Profit Before Tax (Thousand Dollars)	1,156,323	611,709	858,700
Net Profit After Tax (In Thousands of NTD)	963,604	510,788	720,093
Total Comprehensive Income (Thousand Dollars)	968,422	510,959	727,735
Earnings Per Share (In Dollars)	13.30	7.00	9.89
Employee Benefits (In Thousands of NTD)	7,442	6,506	6,289
Dividends (In Thousands of NTD)	663,786	662,243	444,939
Employee Salaries (Including Employee Benefits) (In Thousands of NTD)	693,657	533,639	673,977
Retained Economic Value (In Thousands of NTD)	853,307	704,841	775,283
Payments to Capital Contributors (In Thousands of NTD)	663,786	662,243	444,939
Payments to Government (In Thousands of NTD)	214,068	60,337	140,824
Community Investment (In Thousands of NTD)	215	0	0

- Payments to capital contributors refer to all dividends paid to shareholders, plus interest paid to lenders (including interest on any form of debt and loans), and any unpaid dividends due to preferred shareholders.
- Payments to government refers to all taxes (including business tax, income tax, and property tax) and fines.
- “Employee salaries (including employee benefits)” includes total compensation paid to employees in monetary form, such as labor and health insurance costs, and pension fund contributions. This does not include costs for training, protective equipment, or other items directly related to an employee’s job responsibilities. “Employee benefits,” on the other hand, refers to the total amount appropriated by the Company to the Employee Welfare Committee for non-monetary benefits, such as employee travel, health check-ups, and holiday gift boxes.
- Community investment refers to donations and grants.
- The currency is New Taiwan Dollar (NTD).
- Retained economic value = Direct economic value generated - Economic value distributed.
 - Direct economic value generated: Revenue.
 - Economic value distributed: Operating costs, employee salaries and benefits, payments to lenders, payments to government (by country), and community investment.



Tax Management

ANPEC Electronics' main operational activities are in Taiwan and are regulated by the tax laws of the Republic of China. To effectively manage tax risks, our Finance and Accounting Department serves as the tax management unit. We strictly follow internal control procedures to identify, assess, and manage tax risks arising from regulatory changes and operational activities. We appropriately measure, manage, and control these risks, and closely monitor any potential domestic and international policies and laws that could affect the Company's finances, while gathering information, analyzing potential tax impacts, and formulating response strategies. To ensure comprehensive tax risk management, we are committed to information transparency, legal compliance, and corporate sustainability. We also support the government's tax incentive policies to promote local economic development and the policy vision of industrial innovation.

We uphold the following principles and commitments:

- All operations are conducted in accordance with applicable tax laws and regulations.
- Transactions between affiliates are based on the arm's-length principle and in line with internationally recognized OECD Transfer Pricing Guidelines.
- Financial report information is transparent, and tax disclosures are handled in compliance with applicable regulations and standard requirements.
- We do not use tax havens or engage in tax planning for the purpose of tax avoidance.
- We do not transfer profits created by the Company to countries with low tax rates.
- We build a relationship of mutual respect with tax authorities based on mutual trust and information transparency.
- We take tax implications into account for all of the Company's major decisions.
- We analyze the operational environment and adopt management mechanisms to assess tax risks.

ANPEC Electronics actively engages with stakeholders through various channels and supports new tax policies to jointly build an adequate tax environment. Our main tax stakeholders are:

- Tax authorities: If there is any doubt about the application of laws, we take the initiative to consult with tax authorities. When we receive a request from a tax authority to provide relevant information, we fully cooperate and submit the required documents and explanations as scheduled.
- Investors: Financial reports are prepared in accordance with the International Financial Reporting Standards (IFRS), International Accounting Standards (IAS), IFRIC Interpretations, and SIC Interpretations approved and issued by the FSC. Tax-related information is disclosed to all stakeholders. Tax return filing and payments are completed within the required deadlines.

We maintain effective communication with the Board of Directors and independent directors on a quarterly basis, enabling them to monitor tax controls. We also provide financial information to investors on our official website to enhance information transparency.

ANPEC's financial reports are available at this link: <https://www.anpec.com.tw/en/investors/finance-detail/finance--2024/>.



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2.4 Compliance With Laws and Regulations

Anti-Corruption

ANPEC Electronics' operations are based in Taiwan. Under the provisions of the "Procedures for Ethical Management and Guidelines for Conduct", no one within the Company engaged in any act of providing, receiving, promising, or requesting improper benefits, directly or indirectly, in 2024. Additionally, there were no other acts of dishonesty, illegality, or breach of fiduciary duty, nor was the Company involved in any litigation related to anti-competitive behavior, anti-trust, or monopoly. The "2024 Ethical Management Implementation Report" has been publicly disclosed on the Company's website. Through internal training and communication, internal and external personnel are clearly informed of the Company's ethical management policies.

"Integrity" is one of ANPEC Electronics' five core values and the cornerstone of our management philosophy. We engage in all business activities with integrity, from the Board of Directors down to all units of the Company, to fully enhance ethical management and establish a good model for ethical and honest behavior. A description of the Company's key rules and regulations is as follows:

- (1) The "Guidelines for the Adoption of Codes of Ethical Conduct", "Procedures for Handling Material Inside Information", and "Procedures for Ethical Management and Guidelines for Conduct" have been established and approved by the Board of Directors and posted on the Company website to prevent conflicts of interest and avoid opportunities for personal gain as specific guidelines for what our employees should be aware of when performing their duties.
- (2) The Company's Work Rules clearly state that all employees must be honest, impartial, and comply with government laws and regulations when performing duties at work. Management conducts business activities based on principles of fairness, honesty, trustworthiness, and transparency, and actively implements our ethical management policy. Employees who are found to have concrete evidence of using their position for personal gain or accepting bribes are considered to be in breach of their employment contract or work rules, and their employment may be terminated to eliminate internal corruption risks. In addition, the Work Rules have also been put on the Company's intranet website to serve as a constant reminder to employees to be mindful of their ethical conduct.
- (3) The Company places a strong emphasis on ethical principles. In the event that an employee becomes aware of any violation of laws, regulations, or ethical standards of conduct, they are encouraged to report it to either the Human Resources Department, Legal Office, or directly to the President. The Company offers an official complaint email address (hrm@anpec.com.tw) on its official website for both internal and external parties to report any instances of personnel violating laws and regulations or breaching ethical corporate management. All cases are handled confidentially and appropriately. If an investigation confirms a violation, disciplinary action will be taken in accordance with relevant laws relevant laws and regulations or the Guidelines for Employee Recognition and Discipline. The Company has also set up a mailbox for employees' opinions and an "employee grievance handling system" to provide a channel for employees to voice their opinions in order to strengthen the labor-employee partnership. The procedures for employee opinions and complaints are as follows: If an employee files a complaint verbally, they can discuss with their supervisor directly and seek a solution. If the immediate supervisor cannot effectively solve the problem, the employee may ask the human resources unit to assist in solving the problem, and if still dissatisfied, they can further seek resolution from the senior supervisors. All internal and external personnel may make reports through e-mail provided by the Company's official website, and reports will be handled by designated personnel based on the contents of the reports. During the reporting period, the Company received zero reports from the ethical complaint box, and there were no violations of ethical corporate management by employees.
- (4) The Company has implemented an accounting system, internal control system, and related management regulations that align with the principles of ethical corporate management. Additionally, internal auditors receive regular external training, and they conduct regular audits per year of each unit to ensure compliance across all units of the organization.



We provide anti-corruption policy and procedure training tailored to each employee's position.

The implementation is summarized below:

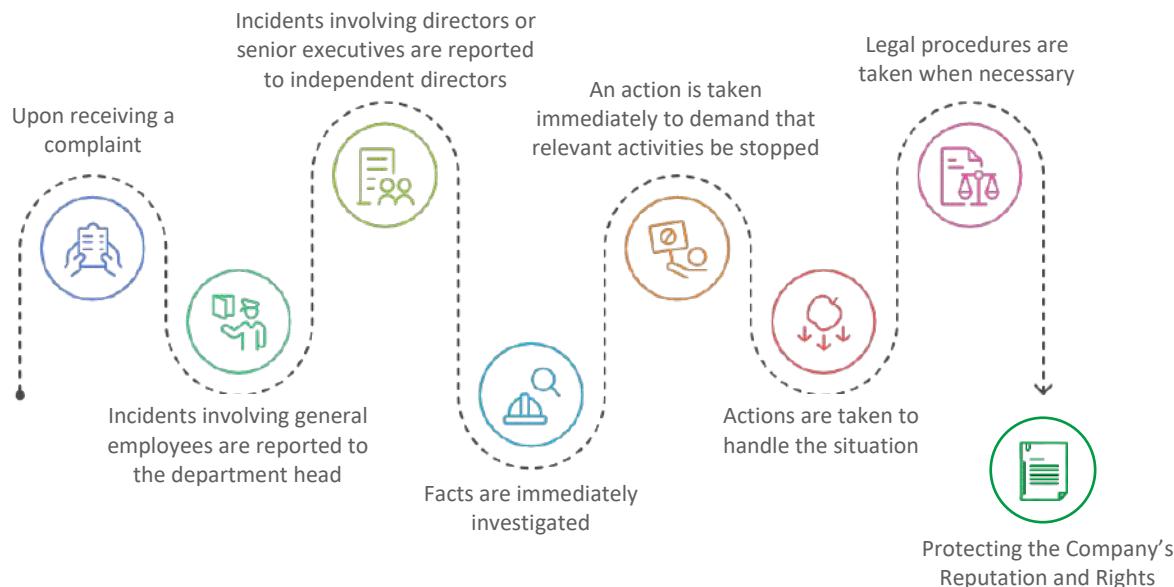
Position	Anti-Corruption Policy and Procedure Training Status
Internal Auditors	We regularly send internal auditors for external training in accordance with the "Regulations Governing Establishment of Internal Control Systems by Public Companies". This ensures the effectiveness of our auditors and internal systems. In 2024, internal auditors completed a total of 12 hours of training, which meets the legal standard.
New Employees	To ensure that new employees are fully aware of the Company's policies and operational guidelines, the Human Resources Department is responsible for organizing new hire training upon onboarding. On their first day, new employees receive training on ethical management, labor safety, quality education, and professional ethics. All training records are kept completely. In 2024, 15 new employees completed the training, with a 100% coverage rate.
Existing Employees (Including Senior Managerial Officers)	The Company holds regular ethical management and ethical conduct training sessions each year. Through these sessions, employees clearly understand the ethical management guidelines they must follow, as well as the potential risks and consequences of non-compliance. Relevant training records are kept for verification. In 2024, a total of 586 hours of ethical management and ethical conduct training were completed, with a cumulative 293 participants and a 100% coverage rate.

ANPEC Electronics' administrative and financial units are responsible for business related to ethical management. They report to the Board of Directors annually on the ethical management policy, measures to prevent ethical conduct, and supervision of their implementation. The most recent report to the board was on November 11, 2024. This demonstrates our full commitment to the philosophy of ethical management.

The Company also encourages internal and external personnel to report unethical or improper behavior. Internal personnel who make false or malicious accusations will face disciplinary action, and, in serious cases, termination. We adopt the official website and the internal employee suggestion box as reporting channels for both internal and external personnel, and we ensure the complete confidentiality of both the identity of the whistleblower and the content of the report.

If a case of corruption occurs, we will hold the relevant personnel accountable for administrative responsibilities and propose suggestions for improvement to rectify the deficiencies. If the case involves criminal liability, we will continue to collect information and forward it for prosecution while fully cooperating with investigations conducted by prosecutors and anti-corruption authorities.

Grievance and Reporting





Ethical Management

ANPEC Electronics, in accordance with its principle of ethical management, has established the “Corporate Social Responsibility Best Practice Principles”, “Procedures for Ethical Management and Guidelines for Conduct”, “Work Rules”, “Code of Ethical Conduct”, and “Procedures for Handling Material Inside Information”. We adhere to government laws and regulations and are committed to following government policies to fulfill our corporate social responsibilities. Through our internal control and audit procedures, all departments and subsidiaries are required to review their own operational items, including compliance with laws and regulations. We make timely adjustments to the design and implementation of our internal control system and put self-supervision mechanisms into practice. We also hold internal training courses to enhance employees’ awareness and execution of ethical management, thereby strengthening corporate governance.

Our criteria for defining a major violation is a comprehensive assessment of whether the incident has a significant impact on the Company’s finances, operations, shareholder equity, or stock price. This also includes whether a single (administrative) fine exceeds NT\$1 million, whether the incident has been reported in the news, and whether it falls under the regulations of the “Taipei Exchange Procedures for Verification and Disclosure of Material Information by TPEx-Listed Securities”.

In accordance with Article 13 of the “Regulations Governing Establishment of Internal Control Systems by Public Companies”, we have designated compliance with laws and regulations as an annual audit item. No violations were found in 2024.

For more information on the Company’s relevant regulations, please refer to the [important regulations on ANPEC Electronics official website](#).



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In addition, we have established a grievance channel for stakeholders to ensure that they can effectively supervise the Company and express their opinions. Any stakeholder who discovers a potential violation of ethical integrity can report it through the following methods:

Stakeholder	Contact Point	Phone Number	Email	Address
Employee	Ms. Huang	+886-3-564-2000 ext.100	hrm@anpec.com.tw	No. 6, Duxing 1st Rd., Hsinchu Science Park, Hsinchu City
Client	Mr. Lai	+886-3-564-2000 ext.120	customer@anpec.com.tw	No. 6, Duxing 1st Rd., Hsinchu Science Park, Hsinchu City
Supplier	Mr. Gao	+886-3-564-2000 ext.130	supplier@anpec.com.tw	No. 6, Duxing 1st Rd., Hsinchu Science Park, Hsinchu City
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CH3 Green IC Design



3.1 Management Approach to Material Topics

Material Topic: Information Security		
Alignment with Sustainability Standards (Issues)	Affected Stakeholders	
GRI 418: Customer Privacy	Customers, employees, other workers, shareholders and other investors, and government agencies	
Reason for Materiality	<p>We are committed to protecting the confidentiality, integrity, and availability of customer data. In compliance with international and regional privacy regulations, we have formulated a "Privacy Policy". The policy applies to ANPEC Electronics' directors (including independent directors), managerial officers, all employees (including full-time staff, job applicants, and contract employee), as well as relevant units or vendors, customers, service providers, or third parties involved in business transactions. The Information Management Department is the dedicated unit responsible for taking multi-layered security measures, including data encryption, access controls, and regular security audits, to ensure the security of customers' data. These measures not only protect customers' personal data but also enhance their trust in the Company, thereby boosting our reputation and market competitiveness.</p>	
Impacts	<p>Effective information security measures prevent data breaches, reduce the risk of fines and lawsuits, and save operational costs. Also, while information security measures have a limited direct environmental impact, the energy consumption and carbon footprint of data centers remain important environmental considerations. Protecting customer privacy is not only a matter of respecting and upholding fundamental personal rights, but also of preventing the psychological and social impacts of data breaches.</p> <ul style="list-style-type: none"> ● Prevents Data Breaches and Reduces Legal Risks ● Protects Customer Privacy and Safeguards Fundamental Rights ● Enhances Corporate Reputation and Strengthens Customer Trust ▲ Security Vulnerabilities Leading to Data Breaches ▲ High Energy Consumption of Data Centers, Increasing Carbon Footprint 	● : Positive Impact ▲ : Negative Impact
Policies/Strategies	<p>(1) Cyber Security Risk Management Framework</p> <p>In order to implement the cyber security strategy set by the enterprise cyber security organization and ensure internal compliance with relevant information security guidelines, procedures and regulations, the President serves as the head of the organization, the Executive Vice President serves as the management representative, and the Information Management Department is responsible for overseeing and implementing cyber security policies, disseminating cyber security information, raising employees' awareness of cyber security, and collecting and improving the performance and effectiveness of the organization's cyber security management system, technologies, products or procedures. The Auditing Office conducts cyber security inspections on the Company's internal control system every year, evaluates the effectiveness of internal controls in the Company's cyber operations, and regularly reports to the Board of Directors every year.</p> <p>(2) Cyber Security Policy</p> <ol style="list-style-type: none"> 1. Enterprise Cyber Security Management Strategies <ul style="list-style-type: none"> ● Maintain the sustainable operation of each cyber system ● Maintain the security of the physical environment ● Preventing hackers and various viruses from invading and damaging data and systems ● Prevent leakage of sensitive information ● Prevent intentionally improper and unlawful use 2. Enterprise Cyber Security Risk Management and Continuous Improvement Framework <p>Organizational operation mode - Plan-Do-Check-Act (PDCA) cycle management to ensure the achievement of objectives and continuous improvement.</p> 	



Material Topic: Information Security

3. Specific Management Plan:

To protect customers' intellectual property and corporate confidential documents, in addition to a well-defined information security policy, ANPEC Electronics has developed a specific management plan for six key aspects: physical security, device security, network security, cloud protection, data security, and education and awareness, to properly safeguard customers' data and information security.

(3) Information Security Risks and Response Measures:

In order to strengthen information security, the Company identifies information security risk items, proposes response measures, and reviews their effectiveness on a regular basis.

Short-term Targets

- Conduct annual email phishing drills.
- Offer annual cybersecurity education and training for employees.
- Raise awareness about information security and timely security-related cases via email or bulletin boards.

Mid-term Targets

- Enhance information system services and network connection security (SSL VPN with integrated two-factor authentication) for employees working from home.
- Establish appropriate disaster recovery plans for important information systems and equipment and conduct regular drills to maintain their availability.
- Regularly conduct annual vulnerability scans and patch medium- and high-risk vulnerabilities, to enhance the security of application systems and reduce risks.
- Adopt a Managed Detection and Response (MDR) system for threats to reduce the occurrence of abnormal incidents involving confidential or sensitive data.

Long-term Targets

- Continue to strengthen the Company's cybersecurity to ensure the confidentiality, integrity, availability, and compliance of information, thereby protecting the rights and interests of our customers, shareholders, employees, and suppliers.
- Establish a management process in line with international standards to plan, execute, and review internal security activities, while verifying that all activities and their results align with the objectives of the information security management system.
- Adopt the PDCA method to continuously establish and maintain our information security management system, while continuously improving and maintaining its effectiveness.
- Appropriately allocate the necessary resources and responsibilities, to ensure the implementation of the information security management system.
- Ensure the confidentiality, integrity, and availability of the Company's information; protect company information, mitigate various information security threats, and minimize potential damage.
- Compliance with laws and regulations: The Company's information security management policy and system must comply with the relevant laws and regulations of government and competent authorities.
- Use an internal audit system, reviews, and a CPA computer audit assessment mechanism to check for compliance and measure management effectiveness.
- In 2024, we conducted awareness sessions for nine cases and offered 41 general information security training sessions for new hires.
- In 2024, two social engineering drills were conducted, and employees who clicked on the emails were provided with education, training, and testing.
- We conducted weekly email drills on two topics based on current events.
- We provided enhanced training for employees who clicked on the phishing emails, and they achieved a 100% accuracy rate on a follow-up test.
- In 2024, we implemented a system to enhance the network connection security (SSL VPN with integrated two-factor authentication + OTP) for employees working from home.
- In 2024, we conducted one disaster recovery drill for an important information system.
- In 2024, we adopted an MDR system.

Goals and Targets

Management Assessment Mechanisms

Performance and Adjustments

Material Topic: Supplier Management

Alignment with Sustainability Standards (Issues)	GRI 308: Supplier Environmental Assessment GRI 414: Supplier Social Assessment	Affected Stakeholders
Reason for Materiality	<p>We value our suppliers as partners in sustainable development and are committed to implementing sustainable supplier management. This helps to improve quality, reduce operational risks and costs, and strengthen our sustainable partnerships with suppliers.</p>	
Impacts	<p>Implementing a system for social and environmental assessments of suppliers helps to reduce the negative environmental impact of harmful substances and ensures sustainable development. At the same time, a well-established supplier policy and procurement mechanism effectively guarantees product quality and enhances corporate responsibility and supply chain management. However, if a company fails to establish a comprehensive supplier policy, product quality may not be guaranteed, which may not only damage the Company's reputation but also lead to financial losses. Additionally, relevant parties could suffer reputational damage due to inadequate supply chain management, and even face regulatory risks, further impacting the stability of business operations.</p>	
	<ul style="list-style-type: none"> ● Reduces Environmental Impact ● Ensures Product Quality ● Enhances Corporate Image ▲ Financial and Reputational Risk ▲ Legal Compliance Risk 	
	<p>●: Positive Impact ▲: Negative Impact</p> <p>Establish a mutually trusting and stable partnership with suppliers for mutual growth, thereby building a sustainable business model.</p> <ol style="list-style-type: none"> 1. Systematically and effectively manage suppliers to optimize product quality, delivery times, and service. 2. Conduct regular and unscheduled audits of supplier quality, environmental quality, and corporate social responsibility to ensure compliance with the Company's specifications. 3. Require a supplier to analyze the cause and propose improvement measures if they have an issue. 	
Policies/Strategies	<p>Short-term Targets</p> <ul style="list-style-type: none"> ● Require new suppliers to sign a Supplier RBA Code of Conduct Commitment. <p>Medium- and Long-term Targets</p> <ul style="list-style-type: none"> ● Use an ESG checklist to evaluate suppliers based on the three ESG aspects. 	
Goals and Targets	<ul style="list-style-type: none"> ● Return rate of the Supplier RBA Code of Conduct Commitment. ● Results of the Supplier ESG checklist. ● Annual audit rate. 	
Management Assessment Mechanisms	<ul style="list-style-type: none"> ● In 2022, ten suppliers completed the signing of the Supplier RBA Code of Conduct Commitment. ● In 2023, four suppliers underwent remote and on-site audits. ● In 2024, five suppliers underwent on-site audits. 	
Performance and Adjustments		



3.2 Products and Services

Green Design and Green Material Selection

ANPEC Electronics operates under the management frameworks of the “ISO 9001 Quality Management System” and the “ISO 14001 Environmental Management System”, along with a green product management system. This ensures that every stage of the process, from customer request to production and shipment, is strictly controlled and that the risk of hazardous substance contamination is minimized. As the Company’s business continues to grow, we have also passed Sony’s “Sony GP (Green Partner)” certification. We also hold regular management review meetings, where top management reviews the quality and performance of green product management systems to ensure that they are adequate, appropriate, and effective.

Based on the principle of actively providing customers with hazardous-substance-free products, we facilitate the development and adoption of green products to reduce environmental impact. In collaboration with our suppliers and packaging partners, we ensure that 100% of the products and services we provide to our customers have been evaluated.

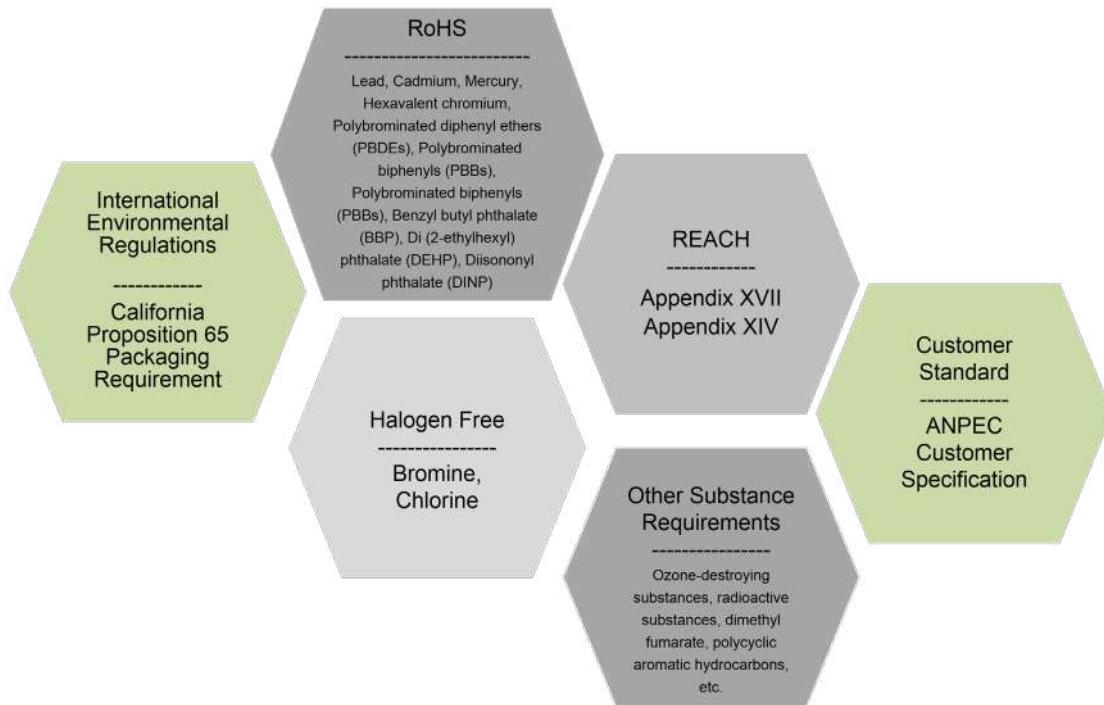
Item	Description of Control Measures
Product Design	The selection of raw materials during the design stage must meet customers' requirements and international environmental regulations.
Manufacturing Process	We control the environmentally managed substances in manufacturing and production materials to prevent product contamination and meet customers' requirements and international environmental regulations.
Packaging Design	We fully restrict the concentrations of Lead (Pb), Cadmium (Cd), Mercury (Hg), Hexavalent Chromium (Cr6+), Benzyl Butyl Phthalate (BBP), Dibutyl Phthalate (DBP), Di (2-ethylhexyl) phthalate (DEHP), and Diisobutyl Phthalate (DIBP) in packaging materials to comply with customers' requirements and EU packaging directives.

Our supplier partners, including wafer manufacturers, packaging and assembly houses, and testing facilities, must hold ISO 9001 (Quality Management System), ISO 14001 (Environmental Management System), and IECQ QC080000 (Hazardous Substance Process Management System) certifications. They must also ensure that all production and process materials comply with Japan’s SONY Environmentally Managed Substance Regulations for Components and Materials (SONY SS-00259) and international environmental directives, such as EU RoHS/HF/REACH, as well as customers' requirements for green product hazardous substances. This is managed in several stages.

Item	Description of Control Measures
Hazardous Substance Assessment and Analysis	In line with updated international regulations and customers' requirements, we have integrated 100% of different hazardous substance management standards into ANPEC Electronics' environmental management substance regulations, thereby fulfilling our corporate social responsibility for green product design.
Component Approval	We review the hazardous substance test reports and component composition sheets provided by suppliers from third-party certification institutions. Suppliers must also provide a Letter of Guarantee for Non-Use of Prohibited/ Restricted Substances, the Environmental Management Substance Control Specification Sheet, and the Supplier Self-Declaration Form.
Incoming Material Inspection	When suppliers deliver goods, we confirm the hazardous substance test reports from a third-party certification institution to ensure that the products meet the requirements for hazardous substances in green products.
Regular Spot Checks	Products supplied by our suppliers undergo quarterly XRF spot checks. This regular sampling ensures that the products consistently meet the requirements for hazardous substances in green products.
Incidents of Violations Regarding Health and Safety Regulations for Products and Services	The Company's products comply with all relevant laws and regulations. We have not been penalized for any violations.



Hazardous Substance Control Scope and External Certifications:





Product Management

As an IC design company, ANPEC Electronics' products and services are 100% compliant with international environmental and safety laws and regulations, as well as customers' requirements.

Item	Description of Control Measures
Product Safety Management	<ul style="list-style-type: none"> ● Procedures for Applying for and Managing Product Safety Certifications ● UL and TUV Recognized Component Packaging Specifications <ol style="list-style-type: none"> 1. Our company has a diverse product line, including Motor Drivers, Power Management ICs, LED Drivers, and Audio/Optical ICs, to provide customers with total solutions. For our Power Load Switch for PC USB output port products, we also conduct product certifications in accordance with customers' safety requirements. All safety-certified products comply with international safety standards, and undergo testing and verification by third-party laboratories. The safety standards include U.S. UL 2367, the CB Scheme, and Germany's TUV IEC/EN 62368-1. 2. Product labeling for safety-certified ICs is handled in accordance with UL and TUV safety regulations and our established UL and TUV Recognized Component Packaging Procedures.
Green Product Management	<ul style="list-style-type: none"> ● Environmental Quality Management Procedure ● Supplier Evaluation Procedures ● Standard Operating Procedures for Outbound Shipping Packaging ● Special Customer Packaging Specifications <ol style="list-style-type: none"> 1. ANPEC Electronics operates under the management frameworks of the "ISO 9001 Quality Management System" and the "ISO 14001 Environmental Management System", along with a green product management system. This ensures that every stage of the process, from customer request to production and shipment, is strictly controlled and that the risk of hazardous substance contamination is minimized. Our products are in compliance with the EU's Restriction of Hazardous Substances (RoHS) Directive, Halogen-Free (HF) specifications, REACH Regulation, SONY's regulations for environmentally managed substances in parts and materials, and our customers' green product specifications. 2. All of our suppliers have obtained third-party IECQ QC 080000 Hazardous Substance Process Management System certification. We also strictly control the validity of our suppliers' hazardous substance test reports and statements. We regularly conduct supplier evaluations and product spot checks to ensure effective supplier management. 3. Our products are ICs, and the labeling for green products is handled according to customers' requirements, as defined by our Standard Operating Procedures for Outbound Shipping Packaging and our Special Customer Packaging Specifications.
Incidents of Non-Compliance Concerning Product and Service Information and Labeling	The Company's products comply with all relevant laws and regulations and customers' requirements. We have not been penalized for any violations.
Incidents of Non-Compliance with Marketing and Promotion Regulations	Our products are ICs. Product marketing and labeling are handled according to customers' requirements, as defined by our Standard Operating Procedures for Outbound Shipping Packaging and our Special Customer Packaging Specifications. We have not been in violation of any relevant marketing and promotion regulations.

Customer Satisfaction

We conduct annual customer satisfaction surveys to gauge overall satisfaction with our services. We conduct internal reviews and analyses based on survey results, which serve as a basis for future improvements. We aim to continuously optimize service quality and strive to exceed customers' expectations. The 2024 customer satisfaction survey results are as follows:

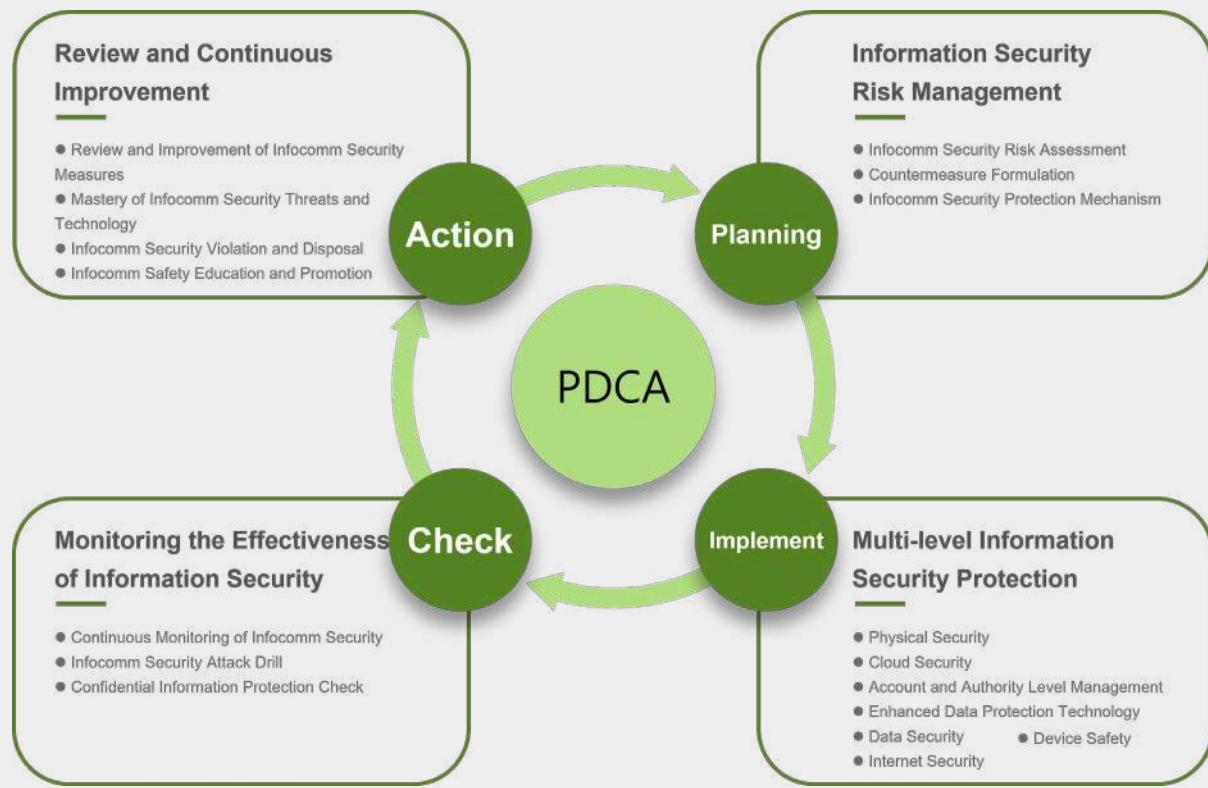
- A total of 40 customer satisfaction questionnaires were distributed, with a 100% response rate, demonstrating our customers' high level of cooperation.
- The average satisfaction score was 82.1, indicating overall positive feedback.

Cyber Security Policy

Five Dimensions

- Maintain the sustainable operation of each cyber system.
- Maintain the security of the physical environment.
- Preventing hackers and various viruses from invading and damaging data and systems.
- Prevent leakage of sensitive information.
- Prevent intentionally improper and unlawful use.

We adopt a **PDCA** cycle for our operations to ensure the achievement of objectives and continuous improvement.





The specific management plan is as follows:

Item	Specific Management Measures
Physical Security	<ul style="list-style-type: none"> Implement access control for server rooms. Dual-loop uninterruptible power supply (UPS) setup and protection to prevent damages caused by power outages or other power anomalies.
Device Security	<ul style="list-style-type: none"> Develop endpoint anti-virus measures by computer type. Strengthen detection of malware behavior. URL filtering protection.
Packaging Design	<ul style="list-style-type: none"> Bolster network firewall and network control to prevent the spread of viruses into experiment areas and office areas. Incorporate an advanced threat protection (ATP) system. Automate user threat reports.
Cloud Protection	<ul style="list-style-type: none"> URL filtering to protect against attachments containing unknown malware and viruses. Protect against email spoofing and phishing emails.
Data Security	<ul style="list-style-type: none"> Incorporate a remote backup system to copy all data to a remote site on a daily basis and generate reports automatically. Incorporate a data leak protection system to prevent data leaks and automate the warning function.
Education and Awareness	<ul style="list-style-type: none"> Enhance employees' vigilance against email and social engineering attacks and perform phishing email protection and detection. Regularly disseminate information concerning cyber security to increase cyber security awareness.

Resources and outcomes of cybersecurity management:

Item	Implementation Outcomes
Policy	<ul style="list-style-type: none"> Amendments to code of conduct for cyber security. Amendments to video conferencing and remote work rules.
Awareness Training	<ul style="list-style-type: none"> Quarterly case sharing and monthly new employee information security general training: 4 case promotions and 12 new employee general trainings have been conducted in 2024. Conduct social engineering drills to enhance phishing email awareness: In 2024, two social engineering drills were conducted, and employees who clicked on the emails were provided with education, training, and testing.
System	<ul style="list-style-type: none"> Strengthening the remote backup system via an upgrade from the tape backup system to the disk duplicate storage system. Incorporate an advanced threat protection (ATP) system. Enhance the spam filtering system to implement URL filtering, attachment scanning, and protection against email spoofing and phishing emails.



To effectively strengthen our information security protection and identify risks, we have implemented countermeasures and regularly review their effectiveness.

Information Security Risk Identified	Impact Assessment	Response Measures	Effectiveness Management
Password Protection for Personal Computer Accounts	Financial and business secrets may be intentionally stolen.	Power-on password for personal computers should be changed periodically.	Password should be changed regularly and in accordance with the complexity requirements.
Computer Virus Protection	Computer viruses, ransomware, Trojan horses, and mining programs.	Strengthen endpoint protection, import behavior monitoring, and use applications to control protection system.	Strengthen the security of systems and data based on type of endpoint.
Network Management Security	Network stability, deliberate attacks, and traffic isolation.	We regularly update firmware and have implemented an Intrusion Prevention System (IPS).	When abnormal network packets or behaviors are detected, the system sends an alert notification and takes the necessary measures immediately.
Information Security	Unauthorized access to information systems.	The authorization process is established in response to job requirements.	The application is submitted electronically and access opened after securing approval from the supervisor and the responsible unit.
Internet Behavior Security	Malware, phishing, command and control servers for zombie computers, and other inappropriate transmission behaviors.	We have implemented an advanced threat protection system and conduct annual email social engineering drills.	Proactively block zero-day vulnerability attacks and issue warnings of inappropriate transmission behaviors.
Information System Service Operation	Hackers may attempt to interfere with the operations of the Company by releasing computer viruses, destructive software, or ransomware into the Company's network systems.	Establish recovery time objective (RTO) and recovery point objective (RPO) for core businesses.	Establish appropriate backup mechanisms and redundancy plans, and regularly test the correctness of the recovered data.

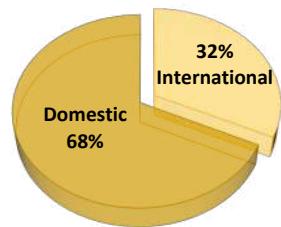
In 2024, the Company did not experience any information security incidents or receive any external complaints. Upon verification, there were no related complaints from regulatory authorities. Additionally, there were no incidents of customer data leaks, theft, or loss throughout the year, indicating the effectiveness of our information security maintenance efforts.



3.3 Supply Chain Management

Number of Key Suppliers and Their Percentage of Total Procurement				
Region	2023		2024	
	Count	Percentage of Total Amount (%)	Count	Percentage of Total Amount (%)
Domestic	13	67	13	68
International	10	33	11	32

2024 Percentage of Procurement from Key Suppliers



- The procurement contract types include “contracting and services” and “raw materials”.
- “Domestic” refers to Taiwan; “international” refers to areas outside of Taiwan (e.g., the United States and Vietnam).

Supplier Evaluation Management

The Company has developed three regulations to guide the evaluation and performance of suppliers, as well as their adherence to corporate social responsibility. These regulations include the “Regulations Governing the Evaluation of Suppliers”, “Regulations Governing the Performance Evaluation of Suppliers”, and “Code of Conduct of Corporate Social Responsibility for Suppliers”. The purpose of these regulations is to establish the selection criteria that prioritize the protection of the environment, human rights, safety, health, and sustainable development. Additionally, the regulations outline the expectations and requirements for suppliers in terms of environmental safety and health risks, prohibition of child labor, labor management, protection of basic labor rights, moral standards, and ethical management. Through supplier selection, auditing, and performance evaluation, the Company will implement the requirements of sustainability in the daily management of the supply chain based on a spirit of cooperation.

The new supplier evaluation team consists of members from the Quality Assurance, Production Management, Test Engineering, and Packaging Engineering Departments. A supplier is only added to the Approved Vendor List (AVL) after passing the team's evaluation and review. The Company's suppliers are categorized into two types: wafer suppliers and packaging and testing suppliers. We prioritize suppliers who have obtained ISO 9001 and ISO 14001 certifications. In 2024, a total of three new suppliers were evaluated, and all had obtained an ISO 14001 Environmental Management System certificate.

We conduct on-site or document-based assessments for all approved suppliers annually. Suppliers that fail the annual evaluation will have their contracts suspended and be required to make improvements. A re-evaluation will be scheduled within one month. If they fail the re-evaluation, the Quality Assurance Department will notify the relevant departments and the supplier, and the supplier will be removed from the AVL. The evaluation process includes quality management, design process management, document records, and warehouse inspection, as well as an assessment of green product management and ESG aspects. In 2024, eight qualified suppliers were evaluated. Three were assessed through document review and five through on-site audits, achieving a 100% inspection rate. All of them passed the evaluation and were deemed qualified.

The supplier evaluation team, comprising members from the Quality Assurance, Production Management, and relevant engineering departments, conducts a quarterly evaluation of approved suppliers. The evaluation criteria include quality, delivery time, pricing, and engineering capability. The quarterly supplier evaluation results are sent to the suppliers and are also distributed to the Production Management Department as a reference for placing orders.

The following are the details of our supply chain management.

All of our cooperating suppliers meet 100% of the following conditions:

Condition	Condition Content
Supplier Evaluation	<ul style="list-style-type: none"> ● All new suppliers must pass the evaluation conducted by the system and comply with the Code of Conduct of Corporate Social Responsibility for Suppliers. ● All suppliers must obtain the certifications of ISO9001 quality management system and ISO14001 environmental management system certifications. ● All suppliers must fill in the Letter of Guarantee for Non-Use of Prohibited/Restricted Substances, fill out the Environmental Management Substance Control Specification Sheet, and sign the Supplier Self-Declaration Form.
Supplier Appraisal	<ul style="list-style-type: none"> ● For qualified outsourcing vendors, a quarterly supplier evaluation is implemented by the Quality Assurance Department, Production Management Department, and engineering departments.
Supplier Auditing	<ul style="list-style-type: none"> ● For qualified outsourcing vendors, ad hoc system evaluations are arranged every year.

CH4 A Sustainable Environment



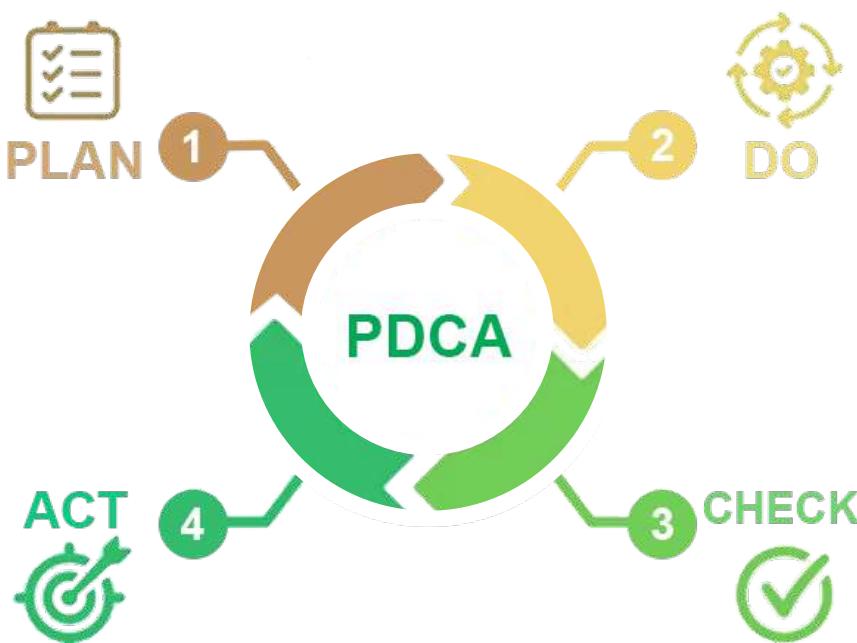
4.1 Management Approach to Material Topics

Material Topic: Emissions			
Alignment with Sustainability Standards (Issues)	GRI 305: Emissions	Affected Stakeholders	Shareholders and other investors, employees and other workers, suppliers/contractors, customers, government agencies, and the local community
Reason for Materiality	<p>Global warming and climate change are inextricably linked to the sustainable survival of humanity and all life on Earth. This relationship indirectly influences corporate management strategies for business continuity. From a legal perspective, failing to manage greenhouse gases and emissions could lead to fines or additional costs. Conversely, implementing compliant emissions management can effectively reduce cost risks. From the perspective of corporate sustainability, environmentally friendliness and green manufacturing are global trends. By actively participating in carbon reduction initiatives, companies not only fulfill their corporate social responsibility but also enhance the competitiveness of their products regarding sustainability issues.</p> <p>Through the disclosure and management of carbon emissions data, the Company can review its current resource utilization and formulate improvement plans to reduce operating costs, such as saving energy and reducing waste disposal fees. Additionally, strengthening resilience to climate-related disasters improves operational stability and promotes energy transition, while reducing reliance on traditional energy sources. Implementing energy conservation and carbon reduction, as well as a circular economy measures, helps protect the environment and facilitates sustainable development. These measures also raise corporate social responsibility awareness and promote environmental concepts, thus mitigating the impact of climate change. However, strict environmental regulations may increase energy and carbon fee costs, which may squeeze corporate profits. Failure to reduce greenhouse gas emissions year by year could lead to missing out on important business opportunities. Furthermore, improper planning of the carbon reduction timeline may lead to energy waste and increased operational risks, and even fines, litigation, and financial impact due to inadequate response to climate risks. If a company does not actively promote carbon reduction measures, it may attract social attention and criticism, thus affecting its brand image and, consequently, employees and stakeholders' rights and interests, such as job security and quality of life.</p>		
Impacts	<ul style="list-style-type: none"> ● Reduce Operational Costs and Enhance Competitiveness ● Promote Energy Transition and Environmental Sustainability ● Enhance Corporate Image and Social Responsibility ▲ Environmental Regulations Lead to Increased Costs ▲ Improper Carbon Reduction Timelines Increase Operational Risks 		
Policies/Strategies	<p>By monitoring water and electricity usage and waste management, the Company continuously reviews and improves efforts to reduce resource consumption while enhancing the energy efficiency of hardware equipment. We promote energy conservation and sustainable development concepts internally and annually review the effectiveness of our carbon reduction efforts. We also formulate greenhouse gas reduction strategies, management targets, and action plans. In addition, the Company actively promotes environmental sustainability measures and offers green enterprise training courses, to optimize various environmentally friendly measures. If reduction results do not meet expectations, we will purchase renewable energy and seek resources from the government and relevant entities to promote voluntary reduction, communication, and collaboration.</p>		

●: Positive Impact ▲: Negative Impact

Material Topic: Emissions

Goals and Targets	<p>Short-term Targets (2024-2027)</p> <ul style="list-style-type: none"> Introduce the ISO 14064-1 framework and establish a greenhouse gas inventory system. Conduct a carbon inventory based on the ISO 14064-1 methodology, and establish an inventory process and data management system. Complete the baseline year carbon emissions inventory and set specific and feasible reduction targets based on the results. Optimize energy-saving equipment to improve energy efficiency. Gradually replace traditional lighting equipment with LED energy-saving lamps. <p>Medium- and Long-term Targets (2027-2050)</p> <ul style="list-style-type: none"> Align with the government's net-zero policy and gradually move toward net-zero operational emissions. Continuously increase the proportion of green electricity and the use of renewable energy. Promote digital and paperless operations to reduce indirect carbon emissions (Scope 3).
Management Assessment Mechanisms	<p>The Company has passed ISO 14001 Environmental Management System certification and has established an "Environmental Objectives, Targets, and Programs Management Procedure". We measure the effectiveness of our emissions management using the PDCA cycle, with supervision from department heads and the Environmental Management System Promotion Committee, to ensure that the executing departments track and confirm the progress of the environmental objectives monthly. If it is found that an environmental management plan cannot be executed effectively due to poor implementation or lack of resources, corrective actions must be taken according to the "Corrective and Preventive Action Procedures" to ensure the smooth implementation of the Company's environmental management system and energy efficiency policies. When there is a need to purchase additional equipment to increase production capacity in the future, we will conduct an evaluation of power consumption and energy-saving effects of the equipment.</p>
Performance and Adjustments	<p>The Company has designated 2024 as the baseline year for greenhouse gas inventory calculations. We will regularly review the performance of the short- to medium- and long-term targets listed above and provide explanations and propose improvement strategies for any unfulfilled items. We will also continue to monitor issues related to greenhouse gas emissions and environmental sustainability to continuously improve our internal management measures.</p>



4.2 Climate Change Management

Climate Change Financial Impact and Risks

Against the backdrop of increasing global climate change risks, the Company is well aware of the significant challenges that climate change may pose to its operations. These challenges could affect our supply chain, equipment operation, and employee safety, and may also pose a risk to overall operational stability. Therefore, we will continue to identify, assess, and manage these risks to reduce their potential impact on the Company's operations and ensure sustainable development.

To address these risks, we have begun to strengthen our climate change adaptation measures and are actively referencing the Task Force on Climate-related Financial Disclosures (TCFD) framework, with four core elements covered: "Governance", "Strategy", "Risk Management", and "Metrics and Targets". Through these guiding principles, we comprehensively identify the risks and opportunities that may impact our operations and take concrete actions to manage them appropriately, thereby fulfilling our commitment to sustainable operations.

Governance Unit

ANPEC has established a "Sustainable Development Best Practice Principles", and formed an "ESG Group" composed of representatives from the President's Office and various departments. The ESG Group is led by the Executive Vice President, who serves as the convener. Together, they collaboratively promote matters related to sustainable development.

A quarterly report on the progress of GHG inventory and verification is regularly submitted to the Board of Directors. In addition, the overall implementation status of sustainable development is reported to the Board of Directors at the end of each year.

In 2024, the Board of Directors approved the internal control system for sustainability information management, thereby strengthening the Board's supervisory mechanism over sustainability-related information. At the same time, the Company officially started the preparation of the sustainability report in 2024. The Sustainability Report Preparation Team is responsible for compiling and editing the report, which is then reviewed and revised by the department heads of the preparation team. Afterward, it will be submitted to the President and Chairman for review, and once approved by the Board of Directors, the final version will be published.

ANPEC, along with its governance body, continues to monitor international trends, customer and supplier demands, and government-released climate change information. In order to more effectively manage the potential impact of climate change and sustainability supply chain issues on operations, the Company will continuously review, assess, and adjust its climate sustainability governance policies.



Strategy

In response to global climate change and the low-carbon market transition, the Company is actively monitoring the potential risks and opportunities arising from climate change. Referencing the TCFD recommendations, we are promoting a low-carbon transition and strengthening operational resilience through four strategic directions: "Governance Unit", "Strategy", "Risk Management", and "Metrics and Targets".



	Short-term	Medium, and long term
Risk Categories	<ul style="list-style-type: none"> ● [Transition Risk] Policies and Regulatory Requirements ● [Physical Risk] Supply Interruption ● [Physical Risk] Increased Severity of Extreme Weather Events ● [Physical Risk] Increase of Average Temperature 	<ul style="list-style-type: none"> ● [Transition Risk] Policies and Regulatory Requirements ● [Transition Risk] Goodwill ● [Physical Risk] Supply Interruption ● [Physical Risk] Increased Severity of Extreme Weather Events ● [Physical Risk] Increase of Average Temperature
Opportunity Categories	<ul style="list-style-type: none"> ● [Market Opportunity] Resource Utilization and Efficiency ● [Market Opportunity] Changes in Market Preferences ● [Market Opportunity] Attract ESG Investment 	<ul style="list-style-type: none"> ● [Market Opportunity] Resource Utilization and Efficiency ● [Market Opportunity] Changes in Market Preferences ● [Market Opportunity] Attract ESG Investment
Risk Response Measures	<ul style="list-style-type: none"> ● Formulate and implement annual energy-saving and carbon-reduction plans while enhancing internal training and advocacy. ● Comply with the “Sustainable Development Action Plan for TWSE/TPEX Listed Companies” by adopting IFRS-aligned sustainability-related financial disclosures. ● Actively support the FSC’s corporate governance initiatives by allocating investment funds to green, impact-driven sustainable financial products. ● Replacement of obsolete chillers and air conditioning equipment. ● Install heat insulation devices (such as curtains and UV-protective film on windows) in areas with increased sunlight exposure during the day to reduce indoor temperatures and decrease air conditioning usage. ● The uninterruptible power supply (UPS) provides immediate power to equipment during unexpected or planned power outages, and the generator provides power to the computer room. 	<ul style="list-style-type: none"> ● Evaluate the implementation of an internal carbon pricing mechanism to concretize carbon reduction performance, thereby facilitating more effective financial assessments and target management. ● Establish a comprehensive identification of climate change risks and opportunities and develop strategies to lower climate change risks. ● Evaluate the impact of carbon emissions on the Company in advance of government policies, and prepare to achieve the goal of net-zero emissions by 2050. ● Continuously develop green products, enhance product performance, and reduce environmental impact. ● Actively implement sustainable supply chain management and establish a second supplier mechanism to prevent production disruptions or raw material shortages. ● Establish emergency response procedures and install relevant disaster prevention equipment to ensure the normal operation of office equipment and the environment, reducing the probability of operational disruptions and potential losses. ● Purchase relevant disaster insurance. ● Develop a water management contingency plan and closely monitor water usage at the factory. ● Increase the installation of rainwater harvesting and reuse systems. ● Regularly promote and raise employee awareness on water conservation. ● Evaluate the installation of a solar power generation system on the rooftop of the company-owned plant.
Opportunity Response Measures	<ul style="list-style-type: none"> ● Include the implementation of various energy conservation measures and the recycling of product packaging materials. ● Actively support the Financial Supervisory Commission’s promotion of corporate governance; in 2024, the Company ranked in the 6%-20% tier of TPEX-listed companies in the Corporate Governance Evaluation. 	<ul style="list-style-type: none"> ● Continuously conduct greenhouse gas inventories, and plan to participate in the carbon trading market while promoting the use of renewable energy. ● In terms of research and development, the Company will continue to advance next-generation technologies to provide more energy-efficient, low-power consumption, and high-performance green products. This will increase product adoption and foster collaboration with customers to jointly build a lower-carbon environment. ● Comply with the “Sustainable Development Action Plan for TWSE/TPEX Listed Companies” by adopting IFRS-aligned sustainability-related financial disclosures.

Financial Impact				
Category	Climate Risk/Opportunity Topic	Revenue	Cost/Expense	Cash Flow
Risk	Policies and Regulatory Requirements	-	▲	▼
Risk	Goodwill	▼	-	▼
Risk	Supply Interruption	-	▲	▼
Risk	Increased Severity of Extreme Weather Events	-	▲	▼
Risk	Increase of Average Temperature	-	▲	▼
Opportunity	Resource Utilization and Efficiency	-	▼	▲
Opportunity	Changes in Market Preferences	▲	▲	▲
Opportunity	Attract ESG Investment	▲	-	▲

▲ : Increase ▼ : Decrease

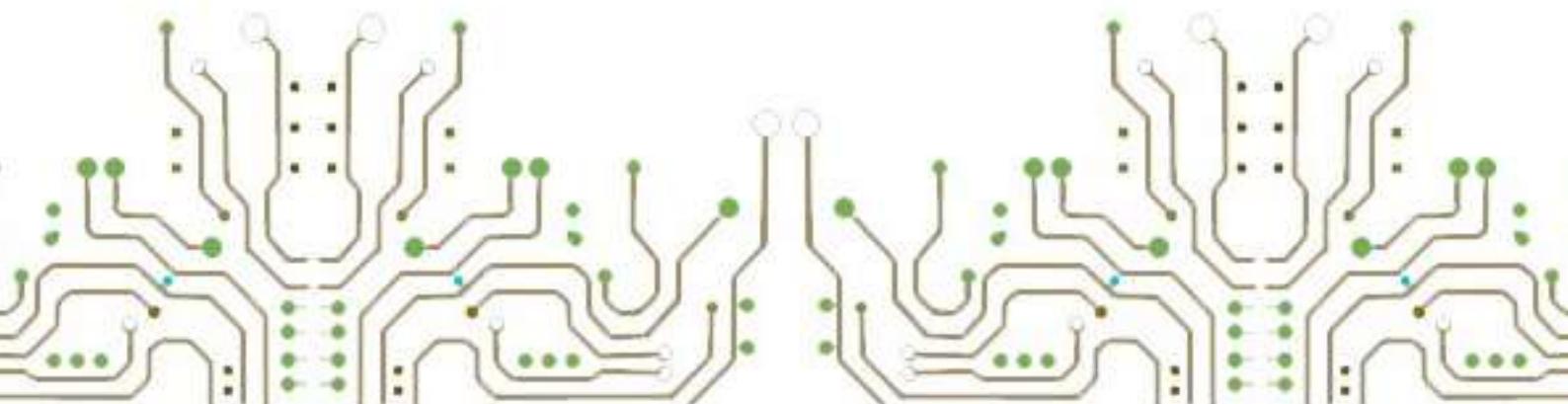
Risk Management

The Company's risk management not only includes contingency plans for risks that may impact financial performance, but also encompasses risk assessments and emergency response plans for natural disasters, environmental factors, and information-related risks. The concept of prevention is deeply embedded in the corporate culture to eliminate identifiable and avoidable risks as much as possible, thereby reducing the potential losses from operational disruptions.

Through discussions involving relevant departments, the Company identifies major risks and opportunities under short-, medium-, and long-term, immediate, and ongoing scenarios, including those related to policies and regulations, corporate reputation, supply disruptions, extreme climate change events (such as floods, droughts, and sea level rise), and rising average temperatures. Response strategies and measures are proposed for these significant risks and opportunities. The overall assessment results are reported to the President, and the achievement of targets and areas for improvement are reviewed regularly.

Subsequent actions will be taken based on operational conditions and regulatory requirements, and the matter will be reported to the Board of Directors as appropriate.

Closely monitor global economic conditions as well as risks related to climate change and energy supply, proactively formulate corporate development strategies and adjust operational models in advance, and actively implement corresponding response measures.





Metrics and Targets

ANPEC is a professional IC design company. The Company has been providing customers with a diverse range of products and complete after-sales service based on its business philosophy comprising five core values, namely "Authentic", "Novel", "Passion", "Execution", and "Customer", since its incorporation. For environmental protection and sustainable development, the Company passed the ISO 14001 Environmental Management System certification and obtained the certificate on October 3, 2006. The certification remains valid and was revalidated in August 2024 by the third-party certification body, TUV NORD Taiwan. The certification is valid from August 20, 2024, to August 19, 2027. We are committed to adhering to the Company's environmental policy and continuously improving to enhance our environmental management performance.

In response to the risks and opportunities brought about by climate change, the Company has established relevant indicators and targets and regularly reviews the development of significant climate-related risks and opportunities. Specific goals have been set for emission reduction, energy saving, and waste reduction in relation to key environmental indicators. Furthermore, climate risk management has been extended to the supply chain, with the aim of working together toward the shared goal of environmental sustainability.

Environmental Policy Declaration

- Complying with environmental regulations and customer requirements for prohibited hazardous substances.
- Energy saving and pollution prevention.
- Being committed to developing green design products to reduce the impact on the environment.
- Promoting the concept of environmental protection and increasing the awareness and ability of employees and suppliers to protect the environment.

Environmental Management Performance

- Obtained ISO 14001:2015 Environmental Management System certification.
- Recognized as a "SONY GP" (Sony Green Partner) within the Sony system.
- 100% compliance with regulatory requirements (air/waste/energy management/noise/RoHS/Reach/HF/customer GP standards).
- 100% completion rate and pass rate for supplier XRF hazardous substance monitoring and inspections.
- 100% completion rate for annual environmental quality professional training courses.
- Achieved 1% annual electricity savings.
- "0" environmental-related complaints.

Carbon Pricing Basis

The Company currently has no internal plans in this regard.

Greenhouse Gas Inventory Plan

ANPEC aligns with the government's "2050 Net Zero Carbon Emissions" reduction target. Following the schedule for greenhouse gas inventory provided by the competent authorities, the Company has established a relevant operational plan, designating 2024 as the base year. The data scope includes the headquarters in Hsinchu, Taiwan, and the Taipei office. As an IC design company, ANPEC does not have production lines.

The primary source of greenhouse gas emissions comes from indirect emissions in "Scope 2", such as air conditioning. Direct greenhouse gas emissions from "Scope 1" are not significant. Starting in 2024, the Company includes additional indirect emissions from employee commuting and private car usage (Scope 3) in its inventory. The inventory results for 2024 will be disclosed by the end of August 2025. In 2025, we plan to include domestic and international business travel in our inventory plan.

Based on the annual greenhouse gas inventory results, ANPEC will adjust its energy-saving and carbon reduction strategies, set reduction targets, and encourage employees to implement energy-saving and carbon reduction practices in their daily lives. The Company aims to achieve a 1% reduction in carbon emissions by 2025.

We will also continue to monitor relevant domestic and international regulations, comply with relevant legal requirements, and take appropriate countermeasures and make preparations to protect the natural environment. In executing its operations and internal management, the Company is committed to achieving its environmental sustainability goals.



External Assurance or Verification

The Company is in compliance with Article 4-1 of the “Rules Governing the Preparation and Filing of Sustainability Reports by TPEX Listed Companies”. Voluntarily, the Company conducted a greenhouse gas inventory in 2024 according to the ISO 14064 standards, with the inventory results to be disclosed in 2025. External assurance by an independent third party will be completed by 2028.

4.3 Materials Management

The raw materials used by the Company primarily include cardboard boxes and silicon wafers, with silicon wafers accounting for the larger volume. In 2024, overall material usage saw a significant increase compared to 2023. Silicon wafer usage, in particular, increased by approximately 51.91%, mainly due to operational needs. ANPEC Electronics' material usage statistics for the last three years are shown in the table below:

Material Usage Statistics					
Raw Material Name	Unit	Renewable or Non-Renewable	2022	2023	2024
Cardboard Boxes	Kg	Non-Renewable	12,768	15,648	16,620
Silicon Wafer	Kg	Non-Renewable	44,651	24,979	37,946

- Material types include original natural resources like ore, iron, wood, and plastic pellets; lubricants for machinery, semi-finished parts, or components; and packaging materials.
- “Non-renewable” refers to resources that cannot be replenished in a short period, such as coal, natural gas, metals, minerals, and oil. “Renewable” refers to resources that can regrow after being harvested.

4.4 Energy Conservation and Carbon Reduction

The energy used by the Company in its operations consists of electricity and gasoline. Electricity is the main energy source, used for production, indoor lighting, and air conditioning. Gasoline is mainly used by the Company's vehicles. Through continuous energy management, we can not only enhance the Company's economic efficiency but also protect the environment and reduce the damage to nature caused by development. We uphold the concept of sustainable development and continuously maximize energy utilization.

Energy Usage			
Quantitative Metric	Unit	2023	2024
Electricity Consumption	kWh/Year	2,902,590	3,016,896
	GJ	10,449.32	10,860.83
Gasoline Consumption	L/Year	379.37	495.50
	GJ	20.56	15.79
Diesel Consumption	L/Year	0.27	0
	GJ	0.01	0
Contract Capacity	kW	760	760
Total Energy Consumption	GJ	10,469.89	10,876.62
Energy Intensity	GJ/Organizational-Specific Metrics	3.7648	3.2012
	Organizational-Specific Metrics	Total Revenue	Total Revenue
	Organizational-Specific Metrics	NT\$2,781.03 million	NT\$3,397.71 million

- Organizational-specific metrics serve as the denominator for emission intensity. They can be monetary units (such as revenue or sales), output volume (such as metric tons, liters, or megawatts), the total number of full-time employees, or size (such as square meters).
- The conversion factor for electricity is 1 kWh = 0.0036 GJ.
- The conversion factors for calculating the calorific value of fuels are based on the Ministry of Environment's greenhouse gas emission factor management table 6.0.4: gasoline 7,800 kcal/L; diesel 8,400 kcal/L; natural gas 8,000 kcal/m3; LPG 6,635 kcal/L; 1 kcal = 4.1868 KJ.



Energy Conservation Results

To tangibly reduce the Company's energy consumption, we continuously monitor water and electricity usage, regularly conduct reviews and improvements to gradually decrease energy consumption, and strengthen the Company's hardware for environmental energy efficiency. We also conduct internal awareness-raising campaigns to promote energy conservation and sustainable development concepts among our employees.

According to the above plan, the Company's water and electricity reduction performance for 2024 is as follows:

- Electricity reduction: Due to operational needs, such as the addition of R&D machines, we were unable to achieve our 1% electricity reduction target.
- Water reduction: The Company's total water consumption in 2024 was 7,002 cubic meters, a decrease of 1,627 cubic meters from 8,629 cubic meters in 2023, representing an 18.86% reduction and successfully achieving the 1% annual water-saving target.

In respect of products and services, our power management ICs are confirmed with customers for their application conditions and meet the required power standards for those conditions. In addition, we provide customers with customized integrated power management ICs. Besides meeting customers' power specifications, these ICs can significantly reduce the PCB area required for their applications, thereby reducing material usage and energy consumption. For example, a four-channel DCDC integrated power management IC is estimated to save over 30% of the required PCB area compared to a solution using discrete power ICs.

Greenhouse Gas Emissions

The Company has initiated greenhouse gas management and completed its 2024 carbon inventory. By identifying major emission sources and collecting activity and emission data, we have successfully kept abreast of the organization's carbon emissions. We conduct our greenhouse gas inventory in accordance with the ISO 14064-1 standard to improve energy efficiency and are continuously committed to reducing carbon emissions.

Based on the 2024 inventory results, the Company's total greenhouse gas emissions were 1,921.9727 metric tons of CO₂e, including 5.6294 metric tons of CO₂e for Scope 1 (direct emissions), 1,430.0086 metric tons of CO₂e for Scope 2 (indirect energy emissions), and 486.3347 metric tons of CO₂e for Scope 3 (other indirect emissions). Since the Company had not implemented a greenhouse gas inventory system in 2023 and the boundaries and scopes were inconsistent with 2024, a direct comparison with 2024 is difficult.

The Company is well aware of its responsibility for environmental impact and will continue to strengthen its carbon management strategy, set specific carbon reduction targets and action plans, and conduct regular reviews and dynamic adjustments to balance operational growth with sustainability responsibilities. At the same time, we call on stakeholders to collectively enhance air quality monitoring and management. The Company did not emit any ozone-depleting substances (ODS) in 2024, and all related monitoring data was in compliance with regulations.

Greenhouse Gas Emission Status		
Item	Unit: Metric tons of CO ₂ e	
	2023	2024
Scope 1: Direct Greenhouse Gas Emissions (Metric tons of CO ₂ e)	-	5.6294
Scope 2: Other Indirect Greenhouse Gas Emissions (Metric tons of CO ₂ e)	1,464.117	1,430.0086
Scope 3: Other Indirect Greenhouse Gas Emissions (Metric tons of CO ₂ e)	-	486.3347
Total Emissions = Scope 1 + Scope 2 + Scope 3 (Metric tons of CO ₂ e)	1,464.117	1,921.9727
Greenhouse Gas Emission Intensity (Metric tons of CO ₂ e / Total Revenue (NT\$ million))	0.5265	0.5657

- Scope 1 covers direct emissions from sources owned or controlled by the Company, including stationary combustion, process emissions, and mobile combustion from transportation. Emission factors are calculated according to the Ministry of Environment's greenhouse gas emission factor management table 6.0.4 (IPCC AR6).
- Scope 2 refers to energy-related emissions, such as purchased electricity.
- Scope 3 covers other indirect greenhouse gas emissions. For this report, the scope includes emissions from sources, such as employee commuting, business travel, and fuel- and energy-related activities (excluding those in Categories 1 and 2).
- Types of greenhouse gas emissions: Carbon dioxide (CO₂), methane (CH₄), nitrous oxide (N₂O).
- The carbon emission factor for purchased electricity is based on the public announcement by the Energy Administration, Ministry of Economic Affairs: 0.509 kgCO₂e/kWh for 2021; 0.495 kgCO₂e/kWh for 2022; 0.494 kgCO₂e/kWh for 2023; and 0.474 kgCO₂e/kWh for 2024.
- The ISO 14064 standard was not implemented in 2023, and the inventory boundary only included the headquarters, with Scope 1 and Scope 3 not being included.



4.5 Water Resource Management

Water is one of the most precious resources on Earth. It is not only crucial for maintaining natural ecosystems but is also closely related to human survival and future. As global water resources become increasingly scarce, ANPEC Electronics is keenly aware of its responsibilities. Even though the Company faces relatively minor water stress, we are fully committed to implementing comprehensive water resource management. We have long focused on issues related to water conservation and environmental protection and actively work to learn about the likelihood of related risks and proactively prepare response measures. To avoid unnecessary waste, we are committed to reducing our environmental impact. Our goal is to create a sustainable future where resources are utilized reasonably and we live in harmony with the environment.

The Company's operational headquarters are located in the Hsinchu Science Park. The Baoshan Reservoir serves as our main water source, and the water resource risk is classified as low-to-medium (1-2). As an IC design company, we do not require large amounts of water. Most of our water usage is for domestic purposes and some plant facilities, such as the kitchen and cooling towers. The plant area only produces domestic sewage, so the risk of water pollution is extremely low. We have implemented strategies, such as setting up a recycling system for watering green plants in the plant area, installing water-saving faucets to flexibly adjust the water flow based on usage, adopting automatic faucets, reducing the number of times water pumps are started, and regularly monitoring water quality and usage. These measures are taken to achieve the goal of water resource protection. We also continuously raise employees' water conservation awareness to reduce our impact on water resources and the environment.

The achievement of a 1% reduction in water consumption in 2024 demonstrates the effectiveness of our water-saving measures.

Water Usage Status			
Year	2022	2023	2024
Water Withdrawal (Million Liters)	8.14	8.63	7.00
Water Discharge (Million Liters)	8.14	8.63	7.00
Water Consumption (Million Liters)	0	0	0
Organizational-Specific Metrics	Total Revenue	Total Revenue	Total Revenue
Organizational-Specific Metrics	NT\$3,392.97 million	NT\$2,781.03 million	NT\$3,397.71 million
Water Intensity	0.0024	0.0031	0.0021

- Water Consumption = Water Withdrawal - Water Discharge.
- Water Recycling and Reuse Rate = Internal Recycled Water Volume / (Water Withdrawal + Internal Recycled Water Volume) * 100%.
- Water Intensity is Calculated as: Water Withdrawal (Million Liters) / Organizational-Specific Metric.
- The Disclosed Operational Locations Include the Hsinchu Headquarters and the Taipei Office.

4.6 Waste Management

As an IC design company rather than a manufacturer, the waste generated is non-hazardous, and most of it is general domestic waste. In accordance with the Waste Disposal Act, the Company has signed a contract with a qualified vendor to promote waste reduction and resource recycling. General business waste is collected once a month. When the vendor's vehicle enters our facility for waste collection, we provide a triplicate form for them to take to the Hsinchu City EPB Incinerator Plant. In 2024, all of the Company's waste was handled by a qualified third-party disposal company, and there were no serious waste leakage incidents occurring. The Company is committed to promoting more efficient waste treatment measures, strengthening resource recycling and reuse, and reducing its environmental impact. We will continue to optimize waste management and seek innovative solutions to improve environmental protection efforts and reduce resource waste, thus ensuring that our business operations and environmental sustainability go hand in hand. The following are our specific actions to reduce waste:

- Waste sorting is strictly implemented, and management and audit by dedicated personnel are conducted. Recycling is implemented to enhance resource reuse.
- Promoting the recycling of suppliers' packaging materials as they are sent to qualified vendors for disposal.
- Specific recycling mechanisms are arranged for waste batteries, toners, compact discs, waste materials, packaging materials, pallets, etc.

Waste Generation and Disposal Status			
Item	Hazardous/Non-Hazardous	Waste Generated (tons)	Off-Site Disposal Method
Business Waste	Non-Hazardous	0.35	Incineration (Without Energy Recovery)
Mixed Metal Scrap	Hazardous	1.807	Other Disposal Operations

CH5 Workplace and Social Co-prosperity



5.1 Management Approach to Material Topics

Material Topic: Labor-Management/Employment Relations			
Alignment with Sustainability Standards (Issues)	GRI 401: Employment, GRI 402: Labor/Management Relations	Affected Stakeholders	Employees and other workers, government, and shareholders and other investors
Reason for Materiality	<p>Protecting labor rights is the first step toward harmonious labor-management relations. This includes workers' human rights, working conditions, occupational safety and health, workplace equality, and the prohibition of discrimination. We should further formulate proactive measures to attract and retain talent. By strengthening awareness of a healthy and friendly workplace and establishing salary and benefit policies, we can continuously accumulate the Company's human capital and increase employee engagement to maintain our competitiveness.</p>		
Impacts	<p>A harmonious labor-management relationship contributes to stable business operations, reduces employee turnover, lowers recruitment and training costs, and enhances corporate image and competitiveness. However, while optimizing salary and benefits systems, providing friendly measures, and establishing communication channels can promote labor-management harmony, they may also increase corporate expenditure. If we do not fully keep abreast of employees' needs before adjusting benefit or management systems, it may lead to a waste of resources. On the other hand, the Company's proactive care for employee needs and maintenance of good interactions can not only build a mutual trust and collaboration model but also encourage more companies to follow suit, thus promoting shared social prosperity. However, a failure to effectively protect employees' rights may lead to tense labor-management relations and even trigger labor protests.</p> <ul style="list-style-type: none"> ● Reduce Turnover and Retain Talent ● Enhance Corporate Image and Competitiveness ● Promote Labor-Management Harmony and Shared Social Prosperity ▲ Increase Salary and Management Costs ▲ Labor Disputes Affecting Business Operations 		
Policies/Strategies	<p>The Company proactively encourages employees to express their opinions through multiple channels to promote communication and coordination between labor and management. Employees can instantly voice their concerns via email, a dedicated hotline, or a physical suggestion box. We also regularly conduct employee satisfaction surveys, labor-management meetings, performance evaluations, and Occupational Safety and Health Committee meetings to gain a deeper understanding of employees' suggestions regarding salary, benefits, work environment, job content, and future development. We handle employees' feedback based on the principles of fairness, confidentiality, and timeliness, to ensure that all opinions are properly addressed and responded to, and that employees have no concerns about expressing their views.</p> <p>Furthermore, for matters involving violations of laws or work rules, the Company adopts a zero-tolerance policy and strictly adheres to relevant regulations to ensure the fairness and credibility of the complaint mechanism. We also announce information about communication and complaint channels on our internal electronic bulletin board and include it in regular training for new hires and existing employees to ensure that they can easily access relevant resources.</p> <p>We firmly believe that respecting and valuing employees' voices can inspire constructive ideas, create positive growth momentum for the Company, and achieve shared growth and results. In the future, we will continue to optimize our salary and benefits system, build a friendly and happy workplace, and continuously adjust our measures based on employees' feedback to improve the efficiency of our communication mechanisms, thereby ensuring harmonious and stable labor-management relations.</p>		
Goals and Targets	<ul style="list-style-type: none"> (1) Maintain an annual cumulative turnover rate below 7.5%. (2) Employee satisfaction score above 4.2/quarter. (3) Zero major labor dispute cases. 		
Management Assessment Mechanisms	<p>The Human Resources Department regularly tracks these KPIs in its monthly reports and provides explanations for items that did not meet the targets, along with proposed action plans.</p>		
Performance and Adjustments	<p>The Company will regularly review the performance of the above targets in the future, provide explanations for any items that did not meet the targets, and propose improvement strategies. We will also continue to focus on labor-management relations issues, keep abreast of employees' needs through two-way communication, and effectively communicate the Company's goals and policies to maintain our competitiveness.</p>		



5.2 Talent Recruitment and Training

Employee Overview

The Company firmly believes that employees are the core strength of our development, and we have always regarded talent as our most critical asset. Employees' professional knowledge and innovative abilities are the key drivers of the Company's continuous growth. To support employees' professional development, we actively provide diverse training and learning opportunities and are committed to creating an inclusive and supportive work environment where every employee can fully realize their potential. We believe that by caring for and investing in our employees, we can enhance their sense of identity and loyalty to the Company, thereby improving our overall operational efficiency and corporate competitiveness. In 2024, the Company had a total of 286 employees. In terms of gender, there were 203 males (70.98%) and 83 females (29.02%). In terms of employment contracts, all employees are full-time.

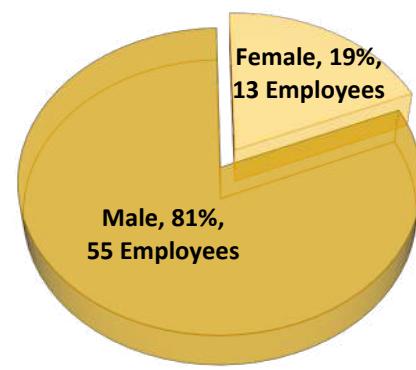
Employee Headcount Overview				
Region	Contract Type	Female	Male	Total
Taiwan	Number of Employees	83	203	286
	Full-Time Employees	83	203	286
	Temporary Employees	0	0	0

- Employee: An individual who has an employer-employee relationship with the organization according to national laws or relevant applicable requirements (in Taiwan, this refers to employees with labor insurance).
- Full-Time: An individual with an indefinite-term contract.
- Temporary: An individual with a fixed-term contract.
- The calculation in this table is based on the number of people on December 31, 2024.
- The Company has no employees of other genders, no employees whose gender is not disclosed, or no employees with guaranteed hours.
- The calculation in this table is based on number of people/full-time equivalent.

Percentage of Local Employees



Gender Ratio of Management Personnel



Non-employee workers are contractors who are permanently present at the workplaces managed by the Company, such as security, cleaning, catering, and on-site medical staff. This does not include individuals performing short-term or temporary work. In 2024, there were 13 such individuals.

Region	Worker Type	Contractual Relationship with the Company	Total Number of Workers
Taiwan	Security Personnel	Contractor	3
	Cleaning Personnel	Contractor	5
	Catering Personnel	Contractor	2
	Dining Service Personnel (Coffee Bar)	Contractor	1
	On-Site Medical Personnel	Contractor	2



Employee New Hire Rate

Year	2022				2023				2024			
	Gender		Male		Female		Male		Female		Male	
Age/Item	Number of People	%										
	6	2.12	4	1.41	11	3.78	0	0	4	1.40	0	0
Under 30	9	3.18	3	1.06	8	2.75	4	1.37	10	3.50	1	0.35
30-50 Years Old	0	0	0	0	0	0	0	0	0	0	0	0
Over 50 Years Old	22				23				15			
Total New Hires	283				291				286			
Total Number of Employee	7.77				7.9				5.24			
Employee New Hire Rate (%)												

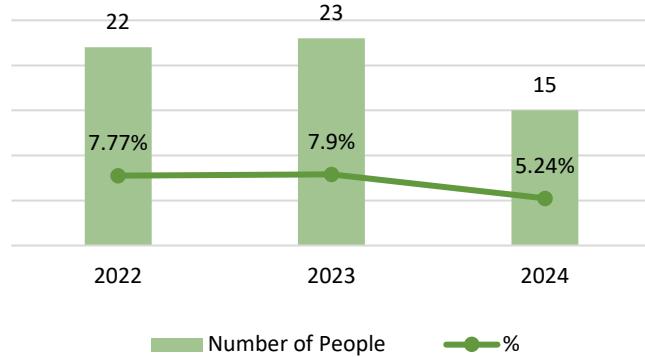
- The number of new hires does not exclude employees who resigned during the year.
- New hire rate for male (female) employees in an age group = Number of new male (female) employees in that age group for the year / Total number of employees at the operational location at the end of the year.
- Total new hire rate = Total number of new hires for the year / Total number of employees at the operational location at the end of the year.

Employee Turnover Rate

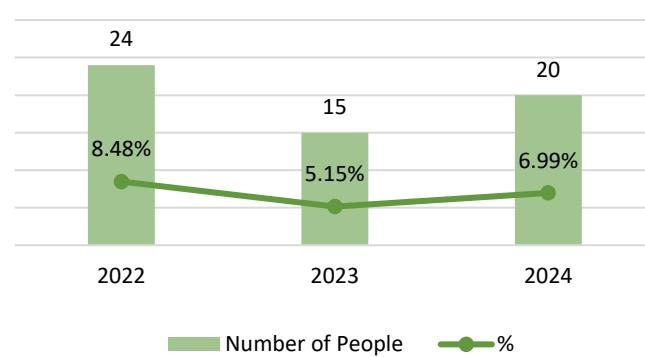
Year	2022				2023				2024			
	Gender		Male		Female		Male		Female		Male	
Age/Item	Number of People	%										
Under 30	1	0.35	0	0	2	0.69	1	0.34	4	1.4	0	0
30-50 Years Old	13	4.59	6	2.12	9	3.09	0	4.47	13	4.55	1	0.35
Over 50 Years Old	4	1.41	0	0	3	1.03	0	0	2	0.7	0	0
Total Number of Departures	24				15				20			
Total Number of Employee	283				291				286			
Total Turnover Rate (%)	8.48				5.15				6.99			

- The categories of employee departures are defined as: resignation, dismissal, voluntary separation, retirement, or work-related death.
- Turnover rate for male (female) employees in an age group = Number of male (female) employees in that age group who resigned during the year / Total number of employees at the operational location at the end of the year.
- Total employee turnover rate = Total number of employees who resigned during the year / Total number of employees at the operational location at the end of the year.

Employee New Hire Rate



Employee Turnover Rate



Collective Bargaining Agreements

Although the Company does not have a labor union or a collective bargaining agreement in place, we value two-way communication with our employees. To foster harmonious labor-management relations, in addition to regularly holding labor-management meetings, employee satisfaction surveys, Occupational Safety and Health Committee meetings, and Welfare Committee meetings, we have established multiple communication channels, such as a physical suggestion box and an electronic complaint email. This provides employees with more options to fully express their opinions and concerns. We believe that proactively listening to our employees' voices and addressing and responding to their issues in a timely manner is the key to positive labor-management communication. We hope that both parties can exchange ideas and negotiate on issues based on principles of harmony and integrity. We also aim to promptly understand employees' needs and adjust our management policies accordingly through active and effective two-way communication, to create a friendly workplace as a win-win outcome for both labor and management.

Employee Cultivation

Based on job category and employee development, the Company provides extensive on-the-job training and diverse learning opportunities, to establish a systematic training framework. This helps employees to enhance their expertise and develop their managerial skills, thus achieving a win-win situation for both employee development and business growth.

- **Annual plan:** At the end of each year, the Company prepares an annual education and training plan, and conducts a training history analysis based on the Company's core values, with the aim of establishing a positive working atmosphere, improving employees' management skills and professional skills, thereby boosting the Company's overall competitiveness.
- **Training method:** Every year, the Company sends employees to participate in professional skills training at home and abroad, absorb the latest technologies and new knowledge, in an effort to bolster the Company's R&D capabilities. Management skills training is conducted by external lecturers to improve employees' skills, thereby effectively enhancing the competitiveness of both the Company and employees.
- **Training framework:** A systematic training framework is established based on job categories and employee development.
- **Course evaluation:** In order to effectively utilize training resources, different types of post-training evaluations must be conducted in accordance with supervisor's demand and course requirements after training is completed, in order to confirm the effectiveness of the courses and knowledge transfer, thereby effectively carrying out knowledge management.

Training Category	Training Content
Business Management Training	Employees are trained to develop a full range of business management skills and improve the organization's performance in business management. Such training covers various areas, including project management, performance management, business analysis, and leadership.
Professional Training	Different functional departments establish professional competence training for their respective department based on different expertise and needs, such as IC circuit design, IC circuit analysis, and instrument operation.
Training For Specific Professional Personnel	Employees who are required to possess the relevant licenses pursuant to laws and regulations to perform their job duties shall receive professional education and training and obtain the relevant licenses in various professions, such as internal auditors, instrument calibration management personnel, labor safety and health management personnel, special operation supervisors, fire prevention management personnel, and first aid personnel.
Labor Safety and Health Training	According to the Occupational Safety and Health Education and Training Rules, the Enforcement Rules of Fire Services Act, and The Military Duty Support and Civil Defense Team Organization Training Exercise Regulations, general workers shall receive at least three hours of on-the-job safety and health training every three years and firefighting team personnel should train at least four hours of fire extinguisher, reporting, and evacuation training every six months. Civil defense team personnel are required to undergo a minimum of 8 hours of annual training each year.
Environmental Quality Training	Quality assurance outsourcing, inspection personnel, material management personnel, new packaging type approval personnel, and internal auditors should regularly attend professional environmental quality training courses. The content includes an introduction to environmental quality management and environmentally managed substances, a description of the selection of finished products/raw materials and packaging materials, and requirements for ICP test reports and Safety Data Sheets (SDS/MSDS). This is intended to reduce the environmental impact of business growth and fulfill the organization's commitment to environmental protection.
New Employee Training	Newly hired employees are required to undergo new employee training for new employees, which covers a host of topics including corporate spirit and culture, introduction to the Company and HR rules and regulations, human rights policy, prevention of workplace sexual harassment (including complaint and disciplinary procedures), "Statement on Prohibiting Workplace Violence", "Statement on Prohibiting Workplace Sexual Harassment", the Procedures for Ethical Management and Guidelines for Conduct, general labor safety and health education and training, cybersecurity and social engineering awareness training, the ISO 9001/ISO 14001 Environmental Quality Management Systems standards, and professional training at each department, in order for them to quickly integrate into the Company, unleash their potential, and grow.
Others	Training courses which are not part of the aforementioned training categories are categorized as others, such as language courses, general studies courses, and health seminars.



In 2024, the Company spent NT\$409,925 on education and training, and conducted a total of 148 training classes, which saw the participation of 1,921 people over 4,773.5 training hours in total.

Training Classification Description									
Item/Category		Management		Non-Management		Direct Staff		Indirect Staff	
Unit/Gender		Male	Female	Male	Female	Male	Female	Male	Female
Total Number of People	(People)	55	13	148	70	3	17	200	66
Total Training Hours	(Hours)	734.5	312	2,398.5	1,328.5	29	125	3104	1,515.5
Average Training Hours	Hours/ Person	13.35	24	16.21	18.98	9.67	7.35	15.52	22.96
Training Costs	NTD	24,105	29,174	220,143	136,503	0	147	244,248	165,530

● (Total number of management positions + Total number of non-management positions) = Total number of people at the operational site.

● (Total number of direct staff + Total number of indirect staff) = Total number of people at the operational site.



To ensure the sustainable development of our talent, we implement a lifelong learning program - from student to instructor. We offer a wide range of in-person and online courses and establish diverse learning resources to increase employees' participation and effectiveness, improve job performance, and enhance employees' self-worth. We design a tailored training and development roadmap for employees at different stages of their career, to keep up with the times to support the Company's sustainable operations and meet employees' lifelong learning needs. We have also established an internal instructor training system, allowing for the sharing of individual knowledge and experience to pass on wisdom and create value within the Company. Internal instructors not only help with the effective transfer of knowledge but also improve their own abilities and sense of self-worth, thus creating a win-win situation where both instructors and participants learn from each other.



Fair Performance Management System

The Company adheres to relevant laws and regulations, such as the Labor Standards Act, and has established a comprehensive employee performance evaluation system. Through performance management, we build a consensus on how the organization and individuals can achieve their goals, without being limited by gender, age, or employee type. All employees receive two performance evaluations annually, and the results are used as an important reference for promotions, salary adjustments, and other human resources processes. Performance evaluations help us understand an employee's work performance and professional development. This process not only assists the Company in achieving its sustainable development and profitability goals but also provides employees with appropriate compensation and promotion opportunities, thereby fostering their growth.

Item	Management	Non-Management	Direct Staff	Indirect Staff
Proportion of Male Employees Receiving Evaluations (%)	100	100	100	100
Proportion of Female Employees Receiving Evaluations (%)	100	100	100	100

- The above personnel do not include: (1) personnel at the Vice President level or above, (2) new employees who have been with the Company for less than three months or have not yet passed their probationary period evaluation, and (3) personnel on unpaid leave at the time of the evaluation.

The Company implements an employee competency management program to ensure the sustainable development of its talent and provide employees with regular performance and career development reviews. To achieve the Company's operational goals and unleash employees' potential, and ensure team operational efficiency, we have established a performance evaluation management policy. We conduct evaluations regularly at mid-year and year-end and use the results as a basis for salary adjustments, promotions, bonus distribution, and training course arrangements. Regular performance reviews enhance communication between employees and their supervisors on work goals, thus enabling outstanding employees to continue to grow. In conjunction with promotion plans, it helps elevate top performers to ensure that the right talent is in the right role. For employees with unsatisfactory performance, their supervisors will provide coaching and necessary resources as appropriate. If necessary, they will also adjust job duties or recommend specific training to help the employees improve. This process, supported by encouragement and assistance, allows employees to redirect their efforts and achieve their goals. In 2024, 100% of the Company's employees completed their performance evaluations.

Recruitment of Diverse Employee Groups

The Company's employment of diverse employee groups over the past three years is shown in the table below:

Item/Gender	Age	2022		2023	2024
		Number of People	Number of People	Number of People	Number of People
Minority or Disadvantaged Groups	Male	Under 30	0	0	0
		30-50 Years Old	0	1	1
		Over 50 Years Old	0	0	1
	Female	Under 30	0	0	0
		30-50 Years Old	1	1	1
		Over 50 Years Old	0	0	0

- "Minority or disadvantaged groups" are groups with certain specific conditions or characteristics (e.g., in economic, physiological, political, or social aspects) who may experience more severe negative impacts from organizational activities compared to the general population. This can include children and youth, the elderly, people with disabilities, veterans, internally displaced persons, refugees or returning refugees, families affected by AIDS, indigenous peoples, and ethnic minorities.

The Company's recruitment and hiring of employees are fundamentally based on the protection of human rights. We comply with labor and human rights-related regulations, such as the Labor Standards Act, the Employment Service Act, and the Act of Gender Equality in Employment. We are also committed to adhering to international human rights conventions and have established a "Human Rights Policy" to convey our emphasis on and support for human rights issues. We are dedicated to maintaining a diverse, safe, and equal work environment. We provide fair opportunities for employment, training, compensation, evaluation, and promotion, and we do not discriminate or treat employees differently based on indigenous status. We also regularly offer relevant training and provide a complaint channel for potential violations of indigenous peoples' rights. Through these multiple safeguards, we aim to prevent any infringement on the rights of indigenous peoples and maintain a friendly employment environment for this group. During this reporting period, no incidents of infringement on the rights of indigenous peoples occurred. The Company strictly adheres to the spirit and purpose of its "Human Rights Policy" and includes it in the new hire training materials to educate all new employees about our commitment to human rights and our management measures.



5.3 Employee Benefits and Well-Being

Compensation System

The Company is committed to creating a fair, inclusive, and legally compliant work environment. The starting salary for all employees meets the minimum wage standards under the Labor Standards Act, demonstrating the Company's emphasis on employees' rights and its commitment to social responsibility. We adhere to the principle of "equal pay for equal work" and do not discriminate or treat employees differently based on an employee's race, class, language, ideology, religion, party affiliation, origin, birthplace, gender, sexual orientation, age, marital status, appearance, facial features, disability, zodiac sign, or blood type. We are committed to a fair compensation system. However, to ensure that our compensation system is competitive in the market, in addition to participating in an international market salary survey annually, our salary system is mainly based on job category, education and experience, professional knowledge and skills, years of professional experience, and individual performance and contribution. Therefore, reasonable salary differences may exist. The annual compensation ratio for the reporting period is shown below.

Position	Number of People		Compensation Ratio	
	Female	Male	Female	Male
Management	13	55	1	1.38
Non-Management	70	148	1	1.42

Item	2022	2023	2024	Unit: NT\$ Thousands
				Difference Between the Current Year and the Previous Year (%)
Number of Full-Time Non-Managerial Employees	278	276	284	8 (2.9%)
Total Salary for Full-Time Non-Managerial Employees	466,725	400,345	460,883	60,538 (15.12%)
Average Salary for Full-Time Non-Managerial Employees	1,679	1,451	1,623	172 (11.85%)
Median Salary for Full-Time Non-Managerial Employees	1,434	1,270	1,443	173 (13.62%)

- The main scope of disclosure covers the Company's headquarters and the Taipei office.
- Difference from the previous year (%).
- Formula: 2024 - 2023 [(2024 - 2023) / 2023].



Parental Leave Implementation

The Company is well aware of employees' needs during parental leave. In accordance with government policy, we provide comprehensive support and assistance to employees with childcare needs. We offer unpaid parental leave, allowing employees to maintain a work-life balance while caring for their families. This ensures that they do not have to sacrifice their career development for family responsibilities and can retain their position and receive appropriate support during unpaid parental leave. As of the end of 2024, one employee at the Company applied for unpaid parental leave and returned as scheduled.

Year	2022			2023			2024		
	Male	Female	Total	Male	Female	Total	Male	Female	Total
Total Number of Employees Eligible for Parental Leave A	19	4	23	23	3	26	21	1	22
Number of Employees who Actually Took Unpaid Parental Leave During the Year B	0	0	0	1	0	1	1	0	1
Number of Employees Scheduled to be Reinstated from Unpaid Parental Leave During the Year C	0	0	0	0	0	0	1	0	1
Number of Employees who were Actually Reinstated from Unpaid Parental Leave During the Year D	0	0	0	0	0	0	1	0	1
Number of Employees who were Actually Reinstated from Unpaid Parental Leave in the Previous Year E	0	0	0	0	0	0	0	0	0
Number of Employees who Continued to Work for One Year after Being Reinstated from Unpaid Parental Leave in the Previous Year F	0	0	0	0	0	0	0	0	0
Reinstatement Rate from Unpaid Parental Leave for the Year (%) (D/C)	-	-	-	-	-	-	100	-	100
Unpaid Parental Leave Retention Rate for the Year (%) (F/E)	-	-	-	-	-	-	-	-	-

- Employees scheduled to be reinstated = The number of employees on unpaid parental leave expected to be reinstated in that year.
- Retention count for 2024 = The number of employees who were actually reinstated in 2023 and were still employed as of December 31, 2024.
- Reinstatement rate from unpaid parental leave for the year (%) = (Number of employees who were actually reinstated from unpaid parental leave during the year) / (Number of employees scheduled to be reinstated from unpaid parental leave during the year) (D/C).
- Unpaid parental leave retention rate for the year (%) = (Number of employees who continued to work for one year after being reinstated from unpaid parental leave in the previous year) / (Number of employees who were actually reinstated from unpaid parental leave in the previous year) (F/E).

Minimum Notification Period for Operational Changes

To effectively protect employees' right to work and maintain harmonious labor-management relations, the Company complies with relevant regulations under the Labor Standards Act and respects international standards. If there are significant operational changes or a need to terminate an employment relationship, the termination of the employment contract with the employee will be based on government regulations, with the notice period determined as follows:

- For employees who have worked for three months or more but less than one year: notice must be given ten days in advance.
- For employees who have worked for one year or more but less than three years: notice must be given 20 days in advance.
- For employees who have worked for three years or more: notice must be given 30 days in advance.

After receiving the aforementioned notice, an employee may request leave during work hours to seek new employment. The leave time shall not exceed two working days per week, and the employee's wages for the leave period will still be paid.

If the Company terminates the contract without following the notice period as stipulated in the first paragraph, it must pay the wages for the notice period.



Employee Retirement System and Implementation

In accordance with the Labor Standards Act, the Company has established a defined benefit pension plan under the “ANPEC Electronics Co. Labor Retirement Regulations” for all regular employees prior to the implementation of the Labor Pension Act on July 1, 2005, and for employees who choose to be subjected to the Labor Standards Act after the implementation of the Labor Pension Act.

- Old System:

Retirement System: Pursuant to the relevant laws and regulations, a monthly pension reserve of 2% of the total remuneration paid is set aside by the Company and deposited into a pension fund account opened with the Bank of Taiwan.

Implementation: As of December 31, 2024, the balance of the labor retirement reserve fund deposited at Bank of Taiwan was NT\$47,294 thousand. A total of 32 employees of the Company are covered by the retirement system under the Labor Standards Act (old system).

- New System:

Since July 1, 2005, the Company has had a defined contribution pension plan in accordance with the Labor Pension Act. Each month, the Company makes contributions, equal to 6% of each employee's salary, to their personal accounts with the Bureau of Labor Insurance. Employees may also voluntarily contribute up to 6%, which is deposited into the same account, providing sufficient retirement security.

To ensure the sustainable development of its talent, the Company provides consultation and support to employees when they approach retirement age. We help them understand their retirement preparedness and needs, offer career development counseling services, and assist them in preparing for and adapting to the career transition from work to retirement.

Employee Benefits

- (1) In accordance with the Enforcement Rules of the Employee Welfare Fund Act, the Company has established an Employee Welfare Committee. Based on regulations, both the Company and employees contribute to the welfare fund, which is managed and used at the committee's sole discretion.
- (2) With the aim of encouraging employees to take an appropriate amount of rest, the Company provides more days off than those stipulated in the laws and regulations. Moreover, the Company does not abolish the seven national holidays stated in the previous version of the Labor Standards Act, so that employees can relax their body and mind and then improve their work efficiency, thereby achieving work-life balance.
- (3) In addition to the institutionalized year-end bonus, the Company distributes employee compensation annually based on its profit performance. Additionally, the Company may issue incentive bonuses depending on operational conditions to reward employees.
- (4) The Company has an employee cafeteria and a coffee bar that provide breakfast, lunch, dinner, various Western-style meals, juice, and coffee. Employees are not only given subsidies for lunch, but can also enjoy free dinner when they are required to work overtime. A variety of meal options are provided, including noodles, buffets, fruit meals, and healthy meals, to take care of employees' daily dietary needs.
- (5) The Company provides comprehensive sports and leisure facilities such as gymnasium, badminton court, billiard court, basketball court, and aerobics classroom for employees to exercise and maintain their physical and mental health.
- (6) Comfortable and private breastfeeding rooms are provided for mothers with breastfeeding needs.
- (7) Establish gender-friendly restrooms that respect diverse communities and provide a friendly, convenient, and private environment for using the facilities. This ensures that individuals of all genders can use the restrooms comfortably and without barriers.
- (8) Reserved compassionate parking spaces are provided for pregnant employees and those in need of assistance. These spaces are located near the elevators, reducing the walking distance.
- (9) We present awards to employees who have served for five and ten years to encourage long-term commitment.

(10) Employee Benefits Include: Labor insurance, National Health Insurance, group insurance, labor pension contribution, birthday gift, coupons for Chinese New Year, Dragon Boat Festival, and Mid-Autumn Festival, wedding and funeral subsidies for employees and their dependents, hospitalization subsidy for employees, employee recreational activities subsidy, domestic and overseas travel subsidy, holiday gifts, education training, and year-end dinner and employee lottery. The following is a list of employee benefits and their content:

Employee Benefits	Content
Insurance and Health Care	All employees of the Company are covered by both the labor insurance and national health insurance pursuant to the law, and are entitled to insurance benefits according to the relevant laws and regulations. In addition, the Company also takes out group insurance for employees, including life insurance, injury insurance, accidental medical care, hospitalization insurance, cancer insurance, in order to provide employees with better protection. Dependents (i.e., spouse and children of the employees) can participate in group insurance at their own expense.
Diverse Activities	Organizing hiking activities, movie events, social welfare activities, parent-children parties and activities, life talks, year-end dinners, family days and various holiday celebrations.
Affiliated Stores	The Company has signed contracts for employee discounts with a number of stores that provide food, clothing, housing, transportation, education and entertainment, so that employees can enjoy a convenient life.
Employee Travel	According to the Regulations on Travel Subsidy, employees can participate in domestic and overseas travel trips either on their own or in groups, and the subsidy period and amount for these trips are determined based on the Company's annual budget. The Company also organizes domestic and overseas travel activities to help employees relieve stress and improve work efficiency, thereby uniting all employees.
Club Activities	In order to enhance employees' emotional, physical, and mental health, employees can participate in clubs of their own interest, such as badminton club, basketball club, aerobics club, boxing aerobics, yoga club, and outdoor walking club, etc. Employees are entitled to subsidies for various club activities.



(11) We Provide the Following Health Promotion Programs:

Health Promotion Programs	Program Content
Health Examination and Management	The Company endeavors to safeguard employees' health so that their work and life at the Company will not be affected by health problems. The Company has established the basic health information of employees in order to keep track of their health status. Suitable work is assigned to employees based on such information to prevent employees from getting occupational diseases and reduce the occurrence of health problems. According to the "Regulations Governing Labor Health Protection", new employees are subject to general physical examinations, while current employees are subject to regular health examinations that are better than the limitations on age and examination items stipulated in the relevant laws and regulations. In addition, dependents are allowed to enjoy the same preferential examinations at their own expense, so as to protect the health of both employees and their families, thereby establishing a set of reasonable employee health management standards. Aside from items that are better than the limitations stipulated in the relevant laws and regulations, self-funded examination items are also offered to provide employees with different choices. After analyzing the medical examination results, the Company organizes health promotion activities.
Medical Consultation Services	Medical personnel grade risks based on physical examination results, while referencing chronic disease risk factors, such as blood pressure, blood count, blood sugar, blood lipids, urinalysis, liver function, and kidney function. In line with our internal labor health protection plan, we establish a special care list and proactively invite employees to health consultations with one-on-one counseling and personalized health guidance. The consultation rate was 100% in 2024.
Health Seminars	Health seminars are held to inculcate various health concepts among employees.
Providing Healthy and Energy-Boosting Meals	Dietitians are in charge of planning and preparing such meals, which feature mixed grains, low-fat meat, and a low amount of oil when cooking, with the amount of calories clearly marked on them, in order to facilitate self-health management among employees.
Sports Club Activities	Weekly club activities are carried out to help employees strengthen physical fitness, burn body fat, and relieve physical and mental stress (i.e., aerobics, yoga, and various ball games).
Health and Psychological Counseling Mailbox and Hotline	The Company assists employees in dealing with various psychological and health problems, as well as addressing the problems and troubles they face.

(12) Conduct Regular Employee Satisfaction Surveys:

- A. The Company places significant value on the opinions of its employees and regularly conducts surveys to gauge their satisfaction. The results of these surveys are reported to the relevant supervisors during their meetings. This information serves as a foundation for the personal development of employees and the improvement of supervisors' leadership styles, ultimately enhancing the effectiveness of the Company's management.
- B. An employee opinion survey covers a variety of topics including job satisfaction, salary and benefits, employee development, communication and teamwork, leadership and management of direct supervisors, and company management policies and goals. The statistical analysis report on these surveys will be used as a basis for employees' personal development and improving supervisors' leadership style to realize growth in business management at the Company.
- C. A random sample of 60 employees is selected each quarter for the satisfaction survey. In 2024, a total of 240 employees participated in the satisfaction survey, accounting for 87.6% of all employees.
- D. The satisfaction survey ratings range from 1 to 5 points: Strongly Agree (5 points), Agree (4 points), Neutral (3 points), Disagree (2 points), and Strongly Disagree (1 point). If an employee rates an option as Neutral (3 points) or below, they are asked to provide relevant suggestions and thoughts. HR will then conduct interviews with these employees, compile the interview records, categorize the feedback, and forward it to the respective responsible units for handling. Progress will be tracked, and the final results will be communicated to the interviewed employees.
- E. In 2024, the target satisfaction score for each quarter was set to be ≥ 4.2 . The scores for all quarters throughout the year exceeded this target.

(13) A physical and online library database has been established to provide employees with more diverse channels to acquire new knowledge. This not only helps employees enhance their professional capabilities but also encourages sharing and exchanging information with internal colleagues, fostering a win-win situation for both employee development and company growth.



5.4 Health & Safety

Occupational Health and Safety Management System

The Company currently references the principles and relevant standards of TOSHMS and ISO 45001 to continuously implement an occupational safety and health management system. We have formed a TOSHMS promotion team, whose members include the occupational safety and health personnel, relevant supervisors, and employee representatives from each department. This team works to create a safety and health management system that meets the needs of both the organization and its employees. In the process of implementation, the team progressively strengthens employees' knowledge and skills in occupational health and safety, which in turn enhances the Company's overall safety culture. The promotion team holds an Occupational Safety and Health Committee meeting every three months to announce the latest company policies on occupational safety and health management. It also tracks the implementation effectiveness and improvement methods of past measures. Employees can also raise relevant issues through their departmental representatives at the committee meetings, thus collectively building a safe and secure workplace. In addition to regular meetings, the Company conducts periodic internal risk assessments. Each department identifies occupational safety and health hazards and assesses their potential for risk and severity, while examining current improvement plans. The promotion team is ultimately responsible for the assessment, follow-up, and effectiveness review to continuously improve the Company's occupational safety and health conditions. With a spirit of thoroughness and comprehensiveness, we thoroughly implement the occupational safety and health management system and strive for 100% coverage of all workers (including 286 employees and 13 permanent outsourced personnel). This scope includes all operational areas, locations, and equipment under the Company's control, as well as all routine and non-routine operational activities. Furthermore, the scope of our occupational safety and health management extends to activities conducted by external parties within our facilities. This includes activities conducted by external units at the Company's premises, the operation of facilities and equipment provided by external units at the Company, and activities performed by contractors (such as catering service providers, security, equipment repair or maintenance, and on-site medical staff) working in areas under our Company's control.

We regularly conduct various activities, including occupational health and safety assessments, ergonomic hazard prevention, maternal health protection, investigations into illegal harm in the workplace, and the prevention of excessive workloads. We also provide regular health checkups and have established relevant internal regulations and a systematic mechanism to ensure proper employee safety and health management, thereby effectively preventing work-related accidents. In accordance with legal regulations, we have appointed occupational health and safety management personnel. We provide them with regular training to keep them updated on the latest regulations and to share industry experience, thereby strengthening the Company's overall occupational safety system. Additionally, our Occupational Health and Safety Committee, established in accordance with our management policies, makes suggestions about the Company's safety and health policies and management systems. This committee is responsible for jointly reviewing, coordinating, and advising on all safety and health matters. Under the committee's structure, there is a chair (President), management representatives (department heads), and members (unit heads/occupational safety personnel/labor representatives). Currently, there are 15 labor representatives and four management representatives, for a total of 19 people. With employee representatives comprising 78.95% of the committee, we ensure consultation and communication with all employees. To strengthen policy dissemination, encourage employees' participation and communication, and jointly improve our occupational health and safety system, the Company convenes an Occupational Health and Safety Committee meeting every three months. This ensures the effective operation of our occupational health and safety management system and allows us to regularly review its performance and goal attainment for continuous improvement, ultimately enhancing employee participation, consultation, and communication. The meeting content includes the following matters:

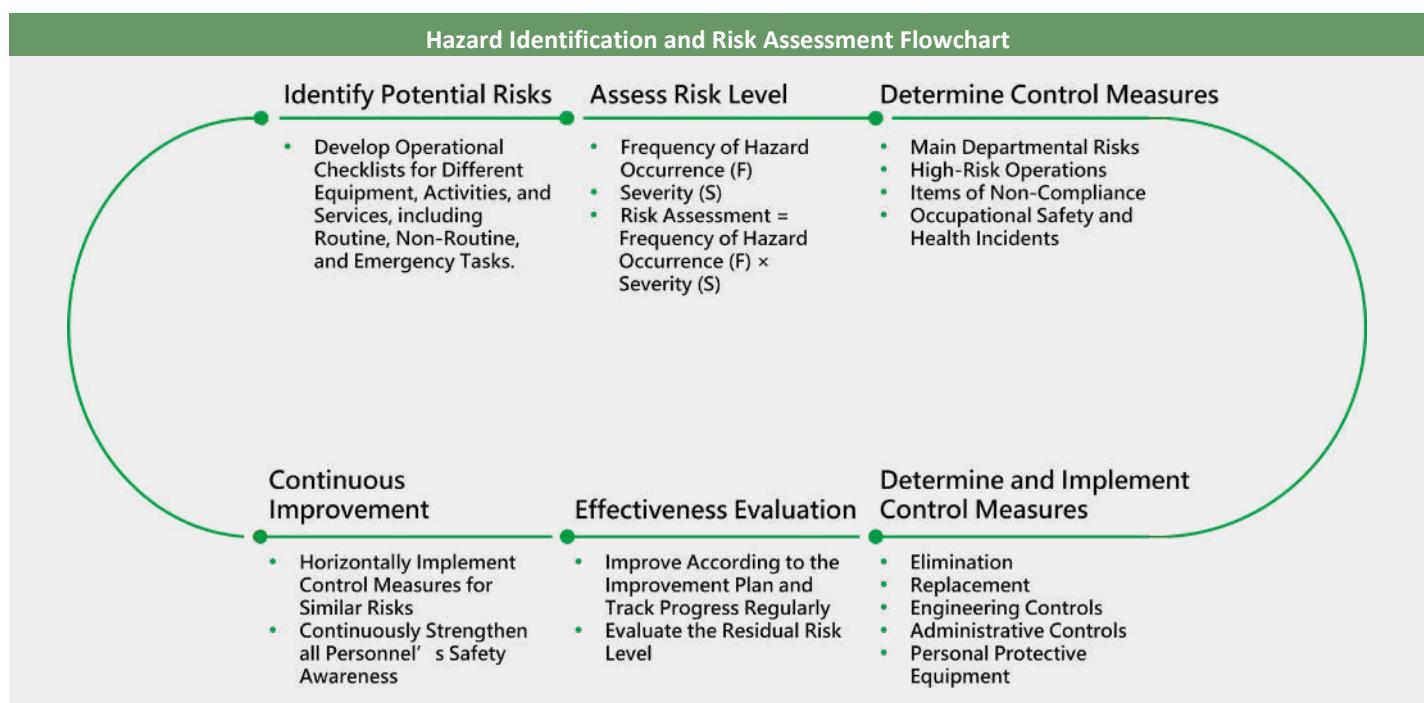
1. Making Suggestions about the Occupational Safety and Health Policy Drafted by the Employer.
2. Coordinating and Making Suggestions about Occupational Safety and Health Management Plans.
3. Reviewing the Implementation Plan for Safety and Health Education and Training.
4. Reviewing the Work Environment Monitoring Plan, Monitoring Results, and Measures to be Taken.
5. Reviewing Health Management, Occupational Disease Prevention, and Health Promotion Matters.
6. Reviewing Various Safety and Health Proposals.
7. Reviewing Matters Related to the Business Unit's Self-Inspections and Safety and Health Audits.
8. Reviewing Prevention Measures for Hazards from Machinery, Equipment, Raw Materials, or Materials.
9. Reviewing Occupational Accident Investigation Reports.
10. Assessing On-Site Safety and Health Management Performance.
11. Reviewing Safety and Health Management Matters for Contracting Business.
12. Other Matters Related to Occupational Safety and Health Management.



Hazard Identification and Risk Assessment

The Company continuously identifies and assesses various types of hazards—physical, chemical, biological, and ergonomic—that may arise from the raw materials, machinery, equipment, work environment, and personnel activities involved in our operations or services. We implement reasonable, effective, and feasible control measures to reduce the impact on the safety and health of our personnel, contract workers, and other relevant third parties. To this end, we have established a “Hazard Identification and Risk Assessment Management Procedure”. We conduct an annual review of all work items in every department to identify potential hazards and note existing protective measures. This allows us to continuously identify, assess, and control risks. Furthermore, items with a higher risk are submitted to the department head for review and are ultimately compiled by the Occupational Safety and Health Management Office before being submitted to the management representative for approval. Such data serves as a reference for each unit to formulate annual targets and management plans. We carefully evaluate and improve to minimize risks, and the Occupational Safety and Health Committee regularly reports on the implementation of safety and health measures to the employee representatives of each department.

The Company strictly adheres to occupational safety and health regulations and has established an “Occupational Safety and Health Management Manual” as a basis and guideline for implementation to ensure workplace safety and achieve a zero-accident goal. Additionally, we regularly convene the Occupational Safety and Health Committee to review and optimize our occupational safety and health policies and plans, monitor each department’s implementation effectiveness and adjust relevant measures as needed. During occupational safety and health meetings, we report on the statistics and investigation results of recent occupational accident cases. We also invite committee members to make suggestions and discuss issues related to occupational safety and health and health promotion. In 2024, the Company had zero occupational accident cases, and we will continue to strive to maintain a zero-accident, safe workplace. By improving safety management and strengthening employee safety awareness, we are building a safer and healthier work environment.

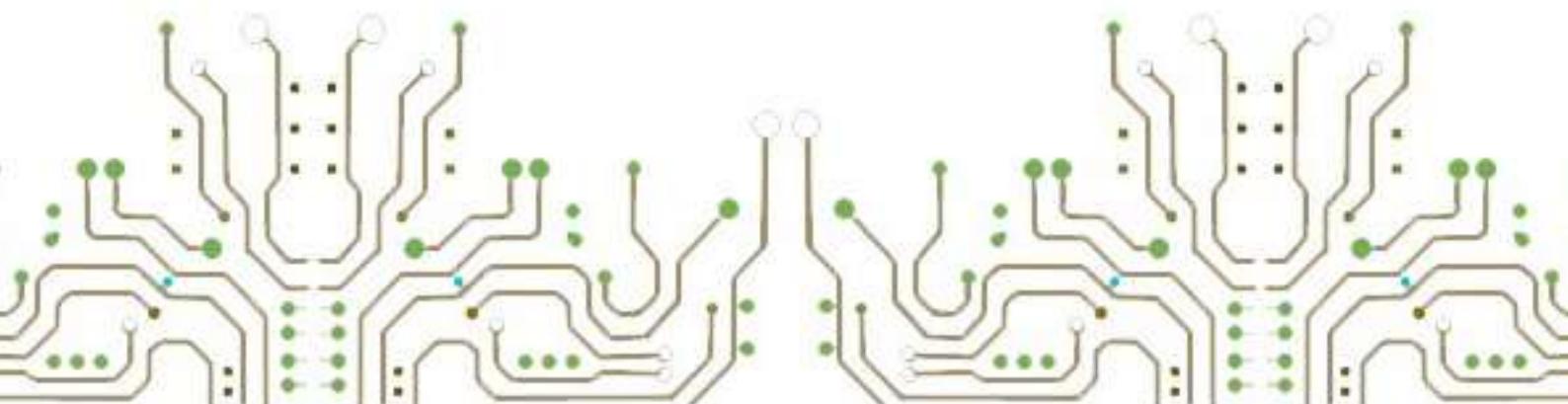
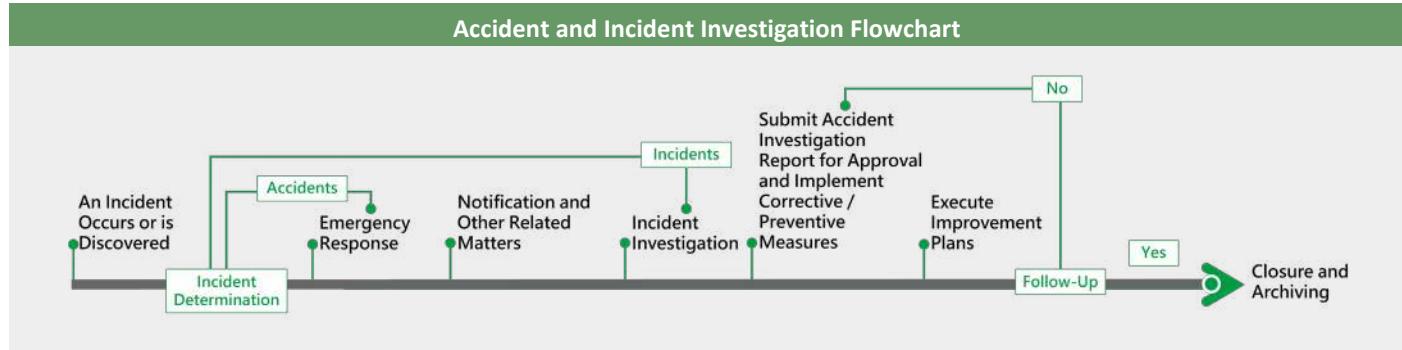


Accident Reporting and Investigation Process

The Company values the safety and health of its employees. Any occupational safety and health issue is discovered during work can be reported immediately to the unit head or to the departmental representatives of the occupational safety and health team. Issues can also be brought up for discussion at the quarterly Occupational Safety and Health Committee meetings. The Company provides multiple communication channels, including email, a physical suggestion box, and a dedicated hotline for reporting. The Company will prioritize taking protective measures and simultaneously initiate investigation and evaluation. If an occupational safety and health risk is confirmed, it is included in our management tracking system. We then strengthen subsequent communication and training, to build a safe workplace with our employees. In the event of any emergency or immediate danger, employees have the right to use their own judgment to stop work or take necessary protective measures, without endangering the safety of other workers, and immediately report to their direct supervisor. The Company promises not to take any punitive or adverse action for doing so.

To encourage employees to bravely offer suggestions or report illegal incidents, the Company promises that whistleblowers will not face any adverse consequences or unfair treatment. We will respect their wishes and keep their personal information confidential, without disclosing any information that could identify them. Furthermore, a whistleblower shall not, because of their reporting, be subject to dismissal, termination, demotion, salary reduction, infringement upon their legal, contractual, or customary rights, or any other adverse actions. We also guarantee that the handling of related issues will be highly confidential and timely, and will be managed impartially and rigorously in accordance with internal procedures. Anyone who violates the above regulations will be removed from their involvement in the occupational safety incident. The Company will also, depending on the severity of the situation, impose penalties or pursue accountability in accordance with relevant regulations. If necessary, their employment or appointment will be terminated.

Accident and Incident Investigation Flowchart





Occupational Safety and Health Education and Training

Occupational safety and health is a crucial cornerstone of a company's sustainable development. Ensuring that employees work in a safe environment not only boosts work efficiency but also promotes the company's overall development. The Company recognizes this importance and therefore actively enhances occupational safety and health management. Through a robust safety system and education and training, we strengthen employees' ability to identify and respond to potential risks. In 2024, the Company invested a total of NT\$90,300 in occupational safety and health-related training. This included fire safety, first aid, Class-1 occupational safety and health, and ISO 9001 & ISO 14001 internal auditor training. We are also continuously improving the work environment and operational processes to reduce the risk of occupational accidents and ensure that all employees can perform their duties in a safe and healthy environment.

Statistics on Occupational Safety and Health Training Items		
Training Item Name	Number of Participants	Training Cost (NTD)
Occupational Safety and Health Education and Training for New Hires	15	0
Occupational Safety and Health On-the-Job Training for General Industry Workers	293	0
Fire Safety Education and Training	361	4,000
Fire Safety Manager (Refresher Training)	1	1,500
First Aid Personnel (Refresher Training)	1	800
Occupational Safety and Health Personnel (Refresher Training)	1	3,500
Class-1 Occupational Safety and Health Affairs Manager (Refresher Training)	1	1,800
Workplace Illegal Harm Prevention Education and Training	293	0
Health Seminars	113	0
6S Management Education and Training	11	0
ISO 9001 & ISO 14001 Internal Auditor Training Course	41	77,700
Civil Defense Education and Training	29	1,000
CPR + AED Training Course	40	0

- This includes employees and non-employees whose work and/or workplace are controlled by the organization.
- Non-employees whose work and/or workplace are controlled by the organization include contractors and outsourcing partners, such as security, cleaning personnel, and construction workers.
- The occupational safety and health education and training here includes general training or training for specific occupational hazards and dangerous situations.

The Company attaches great importance to safety and security. We have outsourced some of our security systems to a professional security firm. The contracted security personnel are handled in accordance with Article 10-2 of the Private Security Service Act. Security personnel receive at least one week of pre-service professional training and annual professional training as required by the Occupational Safety and Health Act.

The training content includes accident prevention, rescue, and practical duty training. We ensure a safe work environment and continuously enhance the professional capabilities of our security personnel to protect the safety of employees and visitors. In the future, we will continue to strengthen our security management system and improve the quality of security services. Up to 100% of our security personnel have received training on our human rights policy and procedures.





Contractor Management

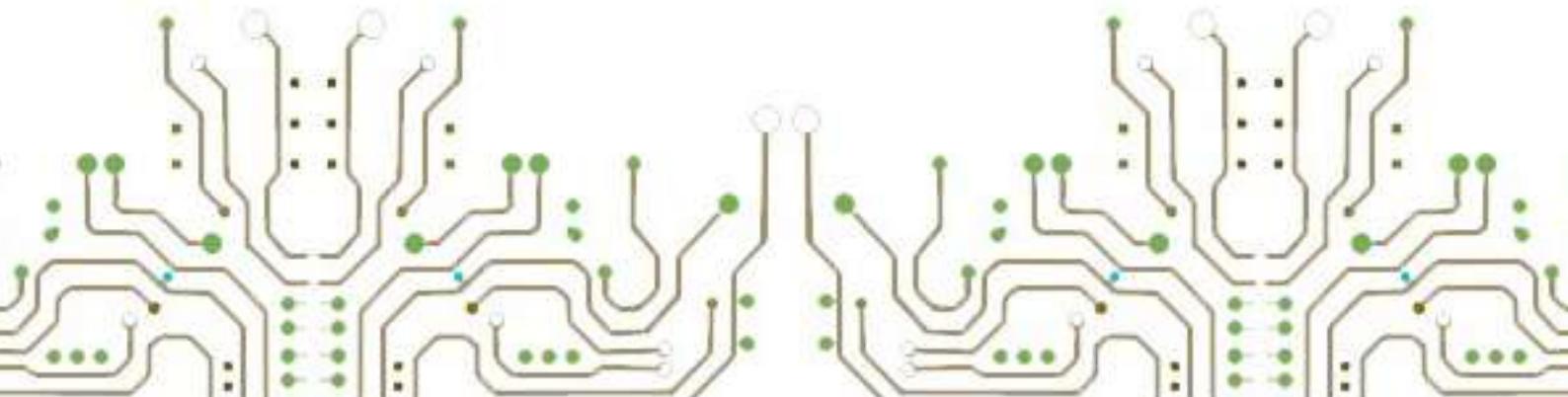
To prevent safety and health hazards, risks, and negative impacts on the Company from suppliers and contractors, we implement the following management and audit measures for suppliers and contractors:

- **Contractor Management:**

The Company upholds a people-centered safety culture, controls safety risks, and builds an inherently safe work environment. In addition to complying with relevant laws and regulations and ensuring our employees' occupational safety and health, we provide a range of safety management measures for our contractors. We have established a "Contractor Safety and Health Management Process" that clearly stipulates the relevant matters that all contractor personnel must be aware of, thereby fulfilling our responsibility for promoting occupational safety. Our primary focus is on work safety management, with a two-pronged approach of system and implementation to achieve a goal of zero disasters and zero accidents. We strictly screen and select qualified contractors during the initial stage and include their occupational safety and health legal compliance and promotional criteria in our contractor evaluation and assessment. Before they enter the facility, we provide contractors with our occupational safety and health manual to review, and communicate various safety regulations, on-site hazard information, and important guidelines with them. This ensures that contractors understand the work environment, potential hazards, and relevant safety regulations. They must also follow our "one pass, one card" entry and exit control measures, which allows us to manage their movement within the facility. During operations, our safety personnel conduct unscheduled inspections to ensure the safety of their work. Contractors can also discuss occupational safety and health matters with our occupational safety personnel in real time. Finally, we review and discuss contractor safety management at our quarterly Occupational Safety and Health Committee meetings, allowing us to strictly supervise the occupational safety and health environment at ANPEC Electronics. In 2024, the Company had no occupational safety and health disasters or accidents involving contractors. We will continue to improve related procedures in the future, to continuously enhance the concept of safety and health and promote a sustainable management mindset.

- **Supplier Management:**

When a new supplier is approved, the Company requires them to sign a commitment letter to the RBA Code of Conduct Commitment. The content of the commitment letter defines a set of standards to ensure that working conditions in the electronics industry or industries where electronics are a key component are safe, workers are treated with respect and dignity, and business operations are environmentally responsible and conducted ethically.





Employee Health Promotion

To prevent potential hazards and risks posed to employees from factors, such as personnel, equipment, activities, services, machinery, and changes in work areas, the Company has established the "Hazard Identification and Risk Assessment Management Procedure". We adopt a scoring system for the likelihood and severity of hazards to determine risk levels and continuously identify, assess, and control risks. This is conducted, along with the Occupational Safety and Health Committee, the establishment of labor safety officers, and education and training for new and existing employees to develop their emergency response and safety self-management skills. This ensures that relevant personnel have the appropriate knowledge to maintain work safety and health, thereby reducing and preventing potential risks. The Company has also established and implemented a Labor Health Services Promotion Plan, an Ergonomic Hazard Prevention Plan, a Maternal Health Protection Plan, a Prevention of Abnormal Workload-Induced Diseases Plan, and a Prevention of Illegal Harm Plan. We adopt questionnaires to comprehensively survey employees' physical and mental health to improve their quality of life. We also regularly plan comprehensive health checkups that surpass legal requirements, track employees' health status, and provide follow-up health management for employees with abnormal test results. We also offer necessary individual health counseling and guidance, combined with on-site medical services, to provide health consultations, health education and suggestions, and health seminars to help employees understand their health status and provide a basis for health self-management. This allows us to achieve the goal of prevention being better than cure and creating a safe and secure work environment. In addition to providing health checkups for employees, we assist in arranging health checkups for their family members, further protecting the health of employees' families.



The Company is committed to creating a physically and mentally healthy and friendly workplace and actively implementing workplace health promotion measures. We provide several services to promote the physical and mental health of all employees, as detailed below:

Health Checkup Care

According to the "Regulations Governing Labor Health Protection", new employees are subject to general physical examinations with a cost subsidy, while current employees are subject to regular health examinations that are better than the limitations on age and examination items stipulated in the relevant laws and regulations.

In addition, dependents are allowed to enjoy the same preferential examinations at their own expense, so as to protect the health of both employees and their families, thereby establishing a set of reasonable employee health management standards. In addition to the checkup items that surpass legal requirements, employees are offered various paid options. They can choose appropriate checkup items based on factors, such as age and high health risk factors, to create a customized checkup package. The health checkup results are statistically analyzed by on-site medical staff. Based on the results, we provide follow-up counseling services and health promotion activities. We, with the most rigorous and proactive attitude, assist employees in protecting their health and implement caring services.



On-Site Services and Health Counseling Services

Employees are the cornerstone of our continuous progress. To protect their health, the Company has contracted for on-site medical and nursing services. The medical staff helps establish and monitor each employee's health profile. By tracking health check-up indicators and reviewing past reports, we are able to assign suitable tasks, prevent occupational diseases, and reduce the occurrence of health issues. Our health consultations are conducted by appointment, with on-site service hours posted on the Company's internal electronic bulletin board. This allows employees to freely book a convenient time slot, which in turn improves the accessibility of our medical and nursing resources. For employees with abnormal health check-up reports, our medical staff analyzes and evaluates their records, and proactively provide care based on their risk profile. If necessary, they will provide on-site services and arrange a consultation to offer professional health guidance and care.

Health Promotion Activities

1. We convey complex medical knowledge in an interesting and engaging manner, to guide employees to understand the importance of health management. In 2024, we held two health seminars with 113 participants.
2. We encourage employees to participate in sports and related activities to improve their own health and strengthen their bonds. In 2024, we received the "Taiwan i Sports" certification from the Sports Administration of the Ministry of Education. We offer a variety of sports clubs for employees to enjoy after work, including badminton, basketball, cardio aerobics, boxing aerobics, yoga, and outdoor hiking. With the power of these small groups of sports enthusiasts, we are cultivating a company-wide culture of fitness and wellness. These clubs also assist in company-sponsored events to promote a healthy culture.
3. We regularly update health education information on the electronic bulletin board to ensure that employees have access to the latest and most comprehensive health information, thus maintaining optimal health management.
4. Our lunch and dinner menus are planned and designed by a nutritionist and feature multi-grain rice, low-fat meat, and low-oil cooking, with diverse options, such as fruit and healthy meals. This allows employees to choose meals that suit their individual needs. Calorie counts are clearly marked on the menu to help employees with health self-management.

Protection of Female and Maternal Workers

We have established a "Maternal Health Protection Plan". Medical staff provide relevant knowledge and suggestions, and the Occupational Safety and Health Management Office, unit heads, and medical staff assist in evaluating whether female employees need work adjustments according to the plan. This ensures the physical and mental health of pregnant, postpartum, and breastfeeding employees, and achieves the goal of maternal health protection. In addition, the Company implements measures in accordance with the "Gender Equality in Employment Act", such as maternity leave, unpaid parental leave options, breastfeeding time, and breastfeeding rooms. We also provide friendly parking spaces and discounted access to contracted childcare facilities that surpass legal requirements.

Protection from Abnormal Working Hours, Ergonomic Hazards, and Illegal Harm

We have established an “Ergonomic Hazard Prevention Plan” and a “Prevention of Abnormal Workload-Induced Diseases Procedure”. We conduct risk assessments and needs surveys using a scale and build a relevant database for comparison. For employees at risk, we provide medical counseling and appropriate treatment and suggestions. Furthermore, we have established an “Prevention of Illegal Harm Plan” to respond to illegal harm in the workplace. We regularly conduct surveys and follow-up tracking. This plan is included in regular training for new and existing employees to continuously update them on the latest legal knowledge and gender equality concepts, thus strengthening all employees’ awareness of illegal harm prevention and eliminating the risk of occurrence in the workplace. In 2024, 15 new hires and 293 existing employees received training, with a 100% participation rate for formal employees in the illegal harm prevention education and training.



Work-Related Injuries

The Company has always prioritized employee health and safety, strictly complies with all law and regulations, and has an occupational safety and health management system in place to reduce the risk of occupational injuries. According to the 2024 report, no employees or non-employees experienced any occupational injuries during this period. We will continue to offer employee safety training, enhance their safety awareness, and strengthen the regular inspection and maintenance of equipment in the workplace to ensure that every employee can work in a safe environment. In addition, we will regularly offer training on fire drills and first aid to improve employees’ ability to respond to emergencies. This is not only our commitment to employee health but also our goal to build a safe environment that the public can trust, making the Company a reliable business.



5.5 Social Responsibility

As an IC design company, the Company operates in an office environment and is located in the Hsinchu Science Park. This has created more job opportunities for the local community. By continuously working in the integrated circuit field and collaborating with industry partners, we contribute to the prosperity of the park. Our operational activities do not require a large amount of water, and the plant area only produces domestic sewage, resulting in an extremely low risk of water pollution. Furthermore, as the Company does not have a production line, the main source of greenhouse gas emissions is air conditioning, and the waste generated from our operations is general domestic waste. This results in low energy consumption and minimal negative impact on the local community. Despite this, we still consider giving back to society a responsibility. To fulfill our corporate social responsibility, we are actively committed to creating a positive impact. Led by our Welfare Committee, we align our efforts with the relevant indicators of the UN's Sustainable Development Goals (SDGs), focusing on environmental sustainability, caring for the disadvantaged, and promoting shared social prosperity. Through collaboration, co-creation, and cooperation, we aim to work hand-in-hand with our stakeholders for a better society.

Philanthropic Activities	Outcomes
<p>A Drop of Love, Unlimited Warmth! ANPEC Electronics's Blood Drive</p>	<p>Each year, ANPEC partners with the Hsinchu Blood Center of the Taiwan Blood Services Foundation to encourage employees to roll up their sleeves and donate blood. This direct action helps to extend the hope of life with every drop of blood donated. Outcome: A total of 117 units of blood were donated during this event. The goal is to ensure that those in urgent need have enough blood resources to get through difficult times. We are committed to continuing this virtuous cycle of giving back to society and becoming guardians of life with our employees.</p>
<p>Caring for the Disadvantaged - Buying Boxed Meals</p>	<p>To support our community, we purchased 300 snack boxes from the Children Are Us Foundation's bakery for a total of NT\$91,800. This initiative allows our employees to enjoy festive treats while contributing to a good cause and providing support to disadvantaged groups.</p>
<p>ANPEC's Heart, Yu An's Love – Donations and Purchases Drive</p>	<p>In a society with ever-increasing living costs, many vulnerable groups are marginalized and in urgent need of assistance to get through difficult times. In April 2024, ANPEC spearheaded a charitable initiative. Partnering with the Yu An Retarded Children's Home located in a remote area of Miaoli, we sincerely invited all ANPEC's employees to participate by purchasing charity gift boxes and making monetary or supply donations. Outcome: The drive successfully raised NT\$125,500 in donations and NT\$31,459 in supplies. Through this event, we aim to bring blessings and care into ANPEC and foster a lifestyle of sharing and love among our employees.</p>



Appendix



Appendix I: GRI Standards Content Index

Statement of Use	The Company has reported the information cited in the GRI content index for the period from January 1, 2024, to December 31, 2024, in accordance with the GRI Standards.		
GRI 1 Used	GRI 1: Foundation 2021		
Applicable GRI Sector Standards	N/A		

GRI Standards Category/Topic	No.	Disclosure Content	Corresponding Chapter	Page	Omissions/Notes
1. The Organization and its Reporting Practices					
GRI 2: General Disclosures 2021	2-1	Organizational Details	1.1 About ANPEC Electronics	6	
	2-2	Entities included in the Organization's Sustainability Reporting	About this Report	3	
	2-3	Reporting Period, Frequency and Contact Point	About this Report	3	
	2-4	Restatements of Information	About this Report	3	
	2-5	External Assurance	About this Report	3	
2. Activities and Workers					
GRI 2: General Disclosures 2021	2-6	Activities, Value Chain and Other Business Relationships	1.1 About ANPEC Electronics	8	
	2-7	Employees	5.2 Talent Recruitment and Training	62	
	2-8	Workers who are not Employees	5.2 Talent Recruitment and Training	62	
3. Governance					
GRI 2: General Disclosures 2021	2-9	Governance Structure and Composition	2.2 Governance Structure	22	
	2-10	Nomination and Selection of the Highest Governance Body	2.2 Governance Structure	22	
	2-11	Chair of the Highest Governance Body	2.2 Governance Structure	28	
	2-12	Role of the Highest Governance Body in Overseeing the Management of Impacts	2.2 Governance Structure	20	
	2-13	Delegation of Responsibility for Managing Impacts	2.2 Governance Structure	20	
	2-14	Role of the Highest Governance Body in Sustainability Reporting	2.2 Governance Structure	20	
	2-15	Conflicts of Interest	2.2 Governance Structure	28	
	2-16	Communication of Critical Concerns	2.2 Governance Structure	27	
	2-17	Collective Knowledge of the Highest Governance Body	2.2 Governance Structure	29	
	2-18	Evaluation of the Performance of the Highest Governance Body	2.2 Governance Structure	30	
	2-19	Remuneration Policies	2.2 Governance Structure	31	
	2-20	Process to Determine Remuneration	2.2 Governance Structure	31	
	2-21	Annual Total Compensation Ratio	-	-	The Total Annual Compensation for the Highest-Paid Individual is not Disclosed Due to a Salary Confidentiality Agreement.
4. Strategy, Policies and Practices					
GRI 2: General Disclosures 2021	2-22	Statement on Sustainable Development Strategy	A Message from Management	4	
	2-23	Policy Commitments	2.2 Governance Structure	33	
	2-24	Embedding Policy Commitments	2.2 Governance Structure	33	
	2-25	Processes to Remediate Negative Impacts	2.2 Governance Structure	33	
	2-26	Mechanisms for Seeking Advice and Raising Concerns	2.4 Compliance with Laws and Regulations	41	
	2-27	Compliance with Laws and Regulations	2.4 Compliance with Laws and Regulations	41	
	2-28	Membership Associations	1.1 About ANPEC Electronics	9	
5. Stakeholder Engagement					
GRI 2: General Disclosures 2021	2-29	Approach to Stakeholder Engagement	1.2 Stakeholder Engagement	10	
	2-30	Collective Bargaining Agreements	5.2 Talent Recruitment and Training	64	



Material Topics

GRI No.	Topic	Sector Standard No.	No.	Disclosure Content	Corresponding Chapter	Page	Omissions/Notes
GRI 3: Material Topics 2021	Management Approach	-	3-1	Process to Determine Material Topics	1.3 Identification of Material Topics	13	
		-	3-2	List of Material Topics	1.3 Identification of Material Topics	15	
Material Topic: Economic Performance							
GRI 3: Material Topics 2021	Management Approach		3-3	Management of Material Topics	2.1 Management Approach to Material Topics	19	
GRI 201	Economic Performance 2016	-	201-1	Direct Economic Value Generated and Distributed	2.3 Operational Performance	37	
		-	201-2	Financial Implications and Other Risks and Opportunities Due to Climate Change	4.2 Climate Change Management	54	
		-	201-3	Defined Benefit Plan Obligations and Other Retirement Plans	5.3 Employee Benefits and Well-Being	69	
		-	201-4	Financial Assistance Received from Government	2.3 Operational Performance	-	Not Disclosed
Material Topic: Information Security							
GRI 3: Material Topics 2021	Management Approach		3-3	Management of Material Topics	3.1 Management Approach to Material Topics	42	
GRI 418	Customer Privacy 2016	-	418-1	Substantiated Complaints Concerning Breaches of Customer Privacy and Losses of Customer Data	3.2 Products and Services	48	
Material Topic: Supplier Management							
GRI 3: Material Topics 2021	Management Approach	-	3-3	Management of Material Topics	3.1 Management Approach to Material Topics	44	
GRI 308	Supplier Environmental Assessment 2016	-	308-1	New Suppliers that were Screened using Environmental Criteria	3.3 Supply Chain Management	51	
		-	308-2	Negative Environmental Impacts in the Supply Chain and Actions Taken	3.3 Supply Chain Management	51	
GRI 414	Supplier Social Assessment 2016	-	414-1	New Suppliers that were Screened using Social Criteria	3.3 Supply Chain Management	51	
		-	414-2	Negative Social Impacts in the Supply Chain and Actions Taken	3.3 Supply Chain Management	51	
Material Topic: Emissions (Greenhouse Gas Emissions)							
GRI 3: Material Topics 2021	Management Approach	-	3-3	Management of Material Topics	4.1 Management Approach to Material Topics	52	
GRI 305	Emissions 2016	-	305-1	Direct (Scope 1) GHG Emissions	4.4 Energy Conservation and Carbon Reduction	59	
		-	305-2	Energy Indirect (Scope 2) GHG Emissions	4.4 Energy Conservation and Carbon Reduction	59	
		-	305-3	Other Indirect (Scope 3) GHG Emissions	4.4 Energy Conservation and Carbon Reduction	59	
		-	305-4	GHG Emissions Intensity	4.4 Energy Conservation and Carbon Reduction	59	
		-	305-5	Reduction of GHG Emissions	4.4 Energy Conservation and Carbon Reduction	59	
		-	305-6	Emissions of Ozone-Depleting Substances (ODS)	4.4 Energy Conservation and Carbon Reduction	59	
		-	305-7	Nitrogen Oxides (NOx), Sulfur Oxides (SOx), and Other Significant Air Emissions	-	-	Not Disclosed
Material Topic: Labor/Management Relations/Employment							
GRI 3: Material Topics 2021	Management Approach	-	3-3	Management of Material Topics	5.1 Management Approach to Material Topics	61	
GRI 401	Employment 2016	-	401-1	New Employee Hires and Employee Turnover	5.2 Talent Recruitment and Training	63	
		-	401-2	Benefits Provided to Full-Time Employees that are not Provided to Temporary or Part-Time Employees	5.3 Employee Benefits and Well-Being	69	
		-	401-3	Parental Leave	5.3 Employee Benefits and Well-Being	68	
GRI 402	Labor/Management Relations 2016	-	402-1	Minimum Notice Periods Regarding Operational Changes	5.3 Employee Benefits and Well-Being	68	



Other

GRI Standards Category/Topic	No.	Disclosure Content	Corresponding Chapter	Page	Omissions/Notes
Specific Topic Standards: 200 Series (Economic Topics)					
<ul style="list-style-type: none"> Market Presence 					
GRI 202 Market Presence 2016	202-1	Ratios of Standard Entry Level Wage by Gender Compared to Local Minimum Wage	5.3 Employee Benefits and Well-Being	67	
	202-2	Proportion of Senior Management Hired from the Local Community	-	-	Not Disclosed
<ul style="list-style-type: none"> Indirect Economic Impacts 					
GRI 203 Indirect Economic Impacts 2016	203-1	Infrastructure Investments and Services Supported	5.5 Social Responsibility	80	
	203-2	Significant Indirect Economic Impacts	5.5 Social Responsibility	80	
<ul style="list-style-type: none"> Procurement Practices 					
GRI 204 Procurement Practices 2016	204-1	Proportion of Spending on Local Suppliers	3.3 Supply Chain Management	51	
<ul style="list-style-type: none"> Anti-Corruption 					
GRI 205 Anti-Corruption 2016	205-1	Operations Assessed for Risks Related to Corruption	2.4 Compliance with Laws and Regulations	39	
	205-2	Communication and Training about Anti-Corruption Policies and Procedures	2.4 Compliance with Laws and Regulations	40	
	205-3	Confirmed Incidents of Corruption and Actions Taken	2.4 Compliance with Laws and Regulations	39	
<ul style="list-style-type: none"> Anti-Competitive Behavior 					
GRI 206 Anti-Competitive Behavior 2016	206-1	Legal Actions for Anti-Competitive Behavior, Antitrust, and Monopoly Practices	2.4 Compliance with Laws and Regulations	39	
<ul style="list-style-type: none"> Tax 					
GRI 207 Tax Management 2019	207-1	Approach to Tax	2.3 Operational Performance	38	
	207-2	Tax Governance, Control, and Risk Management	2.3 Operational Performance	38	
	207-3	Stakeholder Engagement and Management of Concerns Related to Tax	2.3 Operational Performance	38	
GRI 207 Tax s 2019	207-4	Country-by-Country Reporting	-	-	N/A
Specific Topic Standards: 300 Series (Environmental Topics)					
<ul style="list-style-type: none"> Materials 					
GRI 301 Materials 2016	301-1	Materials Used by Weight or Volume	4.3 Materials Management	58	
	301-2	Recycled Input Materials Used	-	-	Not Disclosed
	301-3	Reclaimed Products and their Packaging Materials	-	-	Not Disclosed
<ul style="list-style-type: none"> Energy 					
GRI 302 Energy 2016	302-1	Energy Consumption within the Organization	4.4 Energy Conservation and Carbon Reduction	58	
	302-2	Energy Consumption Outside of the Organization	4.4 Energy Conservation and Carbon Reduction	58	
	302-3	Energy Intensity	4.4 Energy Conservation and Carbon Reduction	58	
	302-4	Reduction of Energy Consumption	4.4 Energy Conservation and Carbon Reduction	59	
	302-5	Reductions in Energy Requirements of Products and Services	4.4 Energy Conservation and Carbon Reduction	59	
<ul style="list-style-type: none"> Water and Effluents 					
GRI 303 Water and Effluents 2018	303-1	Interactions with Water as a Shared Resource	4.5 Water Resource Management	60	
	303-2	Management of Water Discharge-Related Impacts	-	-	Only domestic wastewater is discharged; therefore, no disclosure is required.
GRI 303 Water and Effluents 2018	303-3	Water Withdrawal	4.5 Water Resource Management	60	
	303-4	Water Discharge	4.5 Water Resource Management	60	
	303-5	Water Consumption	4.5 Water Resource Management	60	



GRI Standards Category/Topic	No.	Disclosure Content	Corresponding Chapter	Page	Omissions/Notes
Biodiversity					
GRI 304 Biodiversity 2016	304-1	Operational Sites Owned, Leased, Managed in, or Adjacent to, Protected Areas and Areas of High Biodiversity Value Outside Protected Areas	-	-	Not Disclosed
	304-2	Significant Impacts of Activities, Products and Services on Biodiversity	-	-	Not Disclosed
	304-3	Habitats Protected or Restored	-	-	Not Disclosed
	304-4	IUCN Red List Species and National Conservation List Species with Habitats in Areas Affected by Operations	-	-	Not Disclosed
Waste					
GRI 306 Waste Management 2020	306-1	Waste Generation and Significant Waste-Related Impacts	4.6 Waste Management	60	
	306-2	Management of Significant Waste-Related Impacts	4.6 Waste Management	60	
GRI 306 Waste 2020	306-3	Waste Generated	4.6 Waste Management	60	
	306-4	Waste Diverted from Disposal	4.6 Waste Management	60	
	306-5	Waste Directed to Disposal	4.6 Waste Management	60	
GRI 306 Effluents and Waste 2016	306-3	Significant Spills	4.6 Waste Management	60	
Specific Topic Standards: 400 Series (Social Topics)					
Occupational Health and Safety					
GRI 403 Occupational Health and Safety 2018	403-1	Occupational Health and Safety Management System	5.4 Health & Safety	72	
	403-2	Hazard Identification, Risk Assessment, and Incident Investigation	5.4 Health & Safety	73	
	403-3	Occupational Health Services	5.4 Health & Safety	77	
	403-4	Worker Participation, Consultation, and Communication on Occupational Health and Safety	5.4 Health & Safety	72	
	403-5	Worker Training on Occupational Health and Safety	5.4 Health & Safety	75	
	403-6	Promotion of Worker Health	5.4 Health & Safety	77	
	403-7	Prevention and Mitigation of Occupational Health and Safety Impacts Directly Linked by Business Relationships	5.4 Health & Safety	76	
GRI 403 Occupational Health and Safety 2018	403-8	Workers Covered by an Occupational Health and Safety Management System	5.4 Health & Safety	72	
	403-9	Work-Related Injuries	5.4 Health & Safety	79	
	403-10	Work-Related Ill Health	-	-	N/A
Training and Education					
GRI 404 Training and Education 2016	404-1	Average Hours of Training Per Year Per Employee	5.2 Talent Recruitment and Training	64	
	404-2	Programs for Upgrading Employee Skills and Transition Assistance Programs	5.3 Employee Benefits and Well-Being	69	
	404-3	Percentage of Employees Receiving Regular Performance and Career Development Reviews	5.2 Talent Recruitment and Training	66	
Diversity and Equal Opportunity					
GRI 405 Diversity and Equal Opportunity 2016	405-1	Diversity of Governance Bodies and Employees	5.2 Talent Recruitment and Training	66	
	405-2	Ratio of Basic Salary and Remuneration of Women to Men	5.3 Employee Benefits and Well-Being	67	
Non-Discrimination					
GRI 406 Non-Discrimination 2016	406-1	Incidents of Discrimination and Corrective Actions Taken	2.2 Governance Structure	33	
Freedom of Association and Collective Bargaining					
GRI 407 Freedom of Association and Collective Bargaining 2016	407-1	Operations and Suppliers in which the Right to Freedom of Association and Collective Bargaining may be at Risk	-	-	Not Disclosed



GRI Standards Category/Topic	No.	Disclosure Content	Corresponding Chapter	Page	Omissions/Notes
● Child Labor					
GRI 408 Child Labor 2016	408-1	Operations and Suppliers at Significant Risk for Incidents of Child Labor	2.2 Governance Structure	33	
● Forced or Compulsory Labor					
GRI 409 Forced or Compulsory Labor 2016	409-1	Operations and Suppliers at Significant Risk for Incidents of Forced or Compulsory Labor	2.2 Governance Structure	33	
● Security Practices					
GRI 410 Security Practices 2016	410-1	Security Personnel Trained in Human Rights Policies or Procedures	5.2 Talent Recruitment and Training	75	
● Rights of Indigenous Peoples					
GRI 411 Rights of Indigenous Peoples 2016	411-1	Incidents of Violations Involving Rights of Indigenous Peoples	5.5 Social Responsibility	66	
● Local Communities					
GRI 413 Local Communities 2016	413-1	Operations with Local Community Engagement, Impact Assessments, and Development Programs	5.5 Social Responsibility	80	
	413-2	Operations with Significant Actual and Potential Negative Impacts on Local Communities	5.5 Social Responsibility	80	
● Public Policy					
GRI 415 Public Policy 2016	415-1	Political Contributions	-	-	Not Disclosed
● Customer Health and Safety					
GRI 416 Customer Health and Safety 2016	416-1	Assessment of the Health and Safety Impacts of Product and Service Categories	3.2 Products and Services	45	
	416-2	Incidents of Non-Compliance Concerning the Health and Safety Impacts of Products and Services	3.2 Products and Services	45	
● Marketing and Labeling					
GRI 417 Marketing and Labeling 2016	417-1	Requirements for Product and Service Information and Labeling	3.2 Products and Services	47	
	417-2	Incidents of Non-Compliance Concerning Product and Service Information and Labeling	3.2 Products and Services	47	
	417-3	Incidents of Non-Compliance Concerning Marketing Communications	3.2 Products and Services	47	



Appendix II: SASB Content Index

Sector: Semiconductors						
Disclosure Topic	Metric No.	Metric	Unit	Report Disclosure	Corresponding Chapter	Page
Greenhouse Gas Emissions	TC-SC-110a.1	(1) Gross Global Scope 1 Emissions (2) Amount of Total Emissions from Perfluorinated Compounds	Metric Tons (t CO ₂ e)	(1) Scope 1 Direct Greenhouse Gas Emissions were 5.6294 Metric Tons of CO ₂ e. (2) Emissions of Fluorinated Greenhouse Gases were 4.2036 Metric Tons of CO ₂ e.	4.4 Energy Conservation and Carbon Reduction	58
Greenhouse Gas Emissions	TC-SC-110a.2	Discussion of Long- and Short-Term Strategy or Plan to Manage Scope 1 Emissions, Emissions Reduction Targets, and an Analysis of Performance Against those Targets	Description and Analysis	Scope 1 Refers to Direct Emissions from a Company's Processes or Facilities. As an IC Design Company without its Own Production Lines, ANPEC Electronics's Direct Greenhouse Gas Emissions are Relatively Low. Consequently, Scope 1 is not a Primary Focus of Our Greenhouse Gas Management Efforts, though we Completed an Inventory in 2024. Our Main Carbon Reduction Measures Focus on Refrigerants, including Regularly Replacing Old Equipment, Turning Off Some Air Conditioners at Night, and Controlling Air Conditioner Temperature Settings and Operating Times, to Ensure More Efficient Operation and Reduce Refrigerant Consumption.	4.4 Energy Conservation and Carbon Reduction	58
Energy Management in Manufacturing	TC-SC-130a.1	(1) Total Energy Consumed (2) Percentage Grid Electricity (3) Percentage Renewable	Gigajoules (GJ), Percentage (%)	(1) Total Energy Consumed: 10,876.62 GJ. (2) Percentage of Purchased Electricity to Total Energy Consumption: 99.85%. (3) Percentage Renewable: 0%.	4.4 Energy Conservation and Carbon Reduction	58
Water Resource Management	TC-SC-140a.1	(1) Total Water Withdrawal (2) Total Water Consumed (3) Percentage of Total Water Withdrawn in Regions with High or Extremely High Baseline Water Stress (4) Percentage of Total Water Consumed in Regions with High or Extremely High Baseline Water Stress	Thousand Cubic Meters, Percentage (%)	(1) Total Water Withdrawn: 7,002,000 Cubic Meters. (2) As the Company is not a Manufacturing Facility without a Meter for Wastewater Discharge and only Use Water for Domestic Purposes, Data on Total Water Consumption is not Available. (3) Percentage of Total Water Withdrawn in Regions with High or Extremely High Baseline Water Stress: 0%.	4.5 Water Resource Management	60
Waste Management	TC-SC-150a.1	Amount of Total Waste from Manufacturing, Percentage Hazardous Waste Recycled	Metric Tonnes (t), Percentage (%)	As the Company is not a Manufacturing Company, all Waste Generated is Non-Hazardous.	4.6 Waste Management	60
Employee Health & Safety	TC-SC-320a.1	Description of Efforts to Assess, Monitor, and Reduce Exposure of Employees to Human Health Hazards	Description and Analysis	We are Committed to all Employees' Health and Safety and a Healthy Workplace Culture. We View it as Our Responsibility to Build an Inherently Safe Work Environment. We have Announced a "Health Promotion Declaration" on Our Internal Bulletin Board, Centered on Four Main Principles: "Building a Healthy Lifestyle", "Implementing Disease Prevention", "Executing Special Protection", and "Enhancing Medical Care". These Efforts Ensure that Employees Work in a Healthy and High-Quality Environment.	5.4 Health & Safety	72
Employee Health & Safety	TC-SC-320a.2	Total Amount of Monetary Losses as a result of Lawsuits Associated with Employee Health and Safety Violations	Amount	In 2024, there were no Legal Issues Related to Employee Health and Safety Regulations.	5.4 Health & Safety	72
Recruiting & Managing a Global, Diverse & Skilled Workforce	TC-SC-330a.1	Description (1) Employees that are Foreign Nationals (2) Percentage of Employees that are Located Offshore	Percentage (%)	Percentage of Employees that are Foreign Nationals and Located Offshore: 0%.	5.2 Talent Recruitment and Training	62
Product Lifecycle Management	TC-SC-410a.1	Percentage of Products by Revenue that Contain IEC 62474 Declarable Substances	Percentage (%)	Our Products Contain a Lead Content of <4ppm, which is far below the IEC 62474 Standard (<1000ppm). Therefore, the Percentage is 0%.	3.2 Products and Services	45



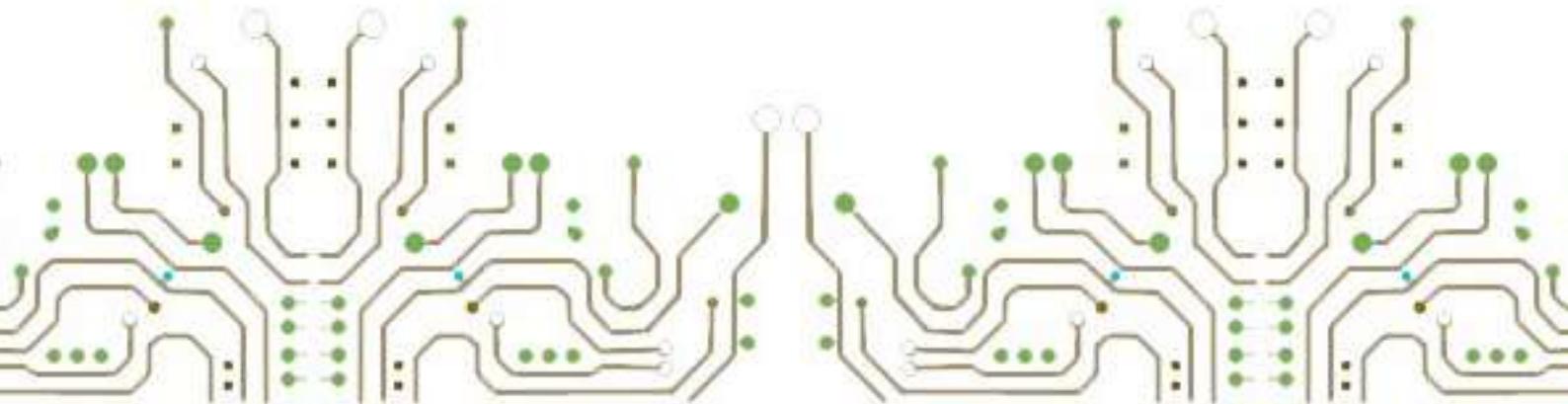
Sector: Semiconductors						
Disclosure Topic	Metric No.	Metric	Unit	Report Disclosure	Corresponding Chapter Page	
Product Lifecycle Management	TC-SC-410a.2	Processor Energy Efficiency at a System Level: (1) Servers (2) Desktops (3) Laptops	Efficiency	This Metric is not Applicable as Our Products are not at the System Level.	-	
Raw Material Traceability	TC-SC-440a.1	Discussion of the Management of Risks Associated with the use of Critical Materials	Description and Analysis	<p>We adhere to the Electronic Industry Code of Conduct (EICC) and do not use Conflict Minerals. We Specifically Avoid Minerals like Tin, Gold, Tantalum, Tungsten, and Cobalt from Conflict-Affected Areas, Particularly the Democratic Republic of Congo and its Neighboring Countries, to Uphold Human Rights and Fulfill Our Corporate Social Responsibility. As Per Standards, such as the "Conflict-Free Smelter Program (CFSP)", "RBA", and the "Global e-Sustainability Initiative (GeSI)", as well as ANPEC's own "Code of Conduct of Corporate Social Responsibility for Suppliers" and "Environmental Management Substance Regulations", we Require All Suppliers to Comply and Conduct Due Diligence. They must Provide Detailed Information on All Smelters, using the Conflict Minerals Reporting Template (CMRT) and Extended Minerals Reporting Template (EMRT) to Trace the Origin of Materials. This Ensures that All Mineral Raw Materials used in Our Products come from Smelters or Countries Recognized by the Responsible Minerals Initiative (RMI), thereby Jointly Upholding Global Human Rights.</p> <p>To Ensure Supply Chain Stability and Sustainability, we Implement the Following Risk Management Strategies:</p> <ol style="list-style-type: none"> (1) All Suppliers must Sign and Comply with ANPEC's "Supplier RBA Code of Conduct Commitment", "Letter of Guarantee for Non-Use of Prohibited/Restricted Substances", and "Environmental Management Substance Control Specification Sheet" and the "Supplier Self-Declaration Form" to Ensure Environmental Protection and Raw Material Traceability. (2) As Per Our "Supplier Evaluation Procedures," Suppliers must Conduct an Annual Quality Self-Assessment (QSA). ANPEC then Performs an Annual On-Site (or Remote) or Written Audit to Understand Each Supplier's Risk Status, and Requires Corrective Measures within a Set Timeframe based on the Results. (3) We Regularly Review the "Conflict Minerals Reports" from All Suppliers to Ensure that their Materials Originate from Qualified Smelters. 	4.3 Materials Management	58
Intellectual Property Protection and Competitive Behavior	TC-SC-520a.1	Total Amount of Monetary Losses as a result of Legal Proceedings Associated with Anti-Competitive Behavior Regulations	Amount	The Power Management IC Industry is Open and Highly Competitive, with no Single Dominant or Monopolistic Players. As a result, Anti-Competitive Behaviors, such as Dumping, Monopolization, Price-Fixing, Market-Sharing Agreements, and Limit Pricing, are Unlikely to Occur. In the Reporting Year, there were no Financial Losses Resulting from Violations of Anti-Competitive Regulations Among Competing Manufacturers.	2.4 Compliance with Laws and Regulations	39

Activity Metric	No.	Category	Measurement Unit	2024 Disclosure
Total Production	TC-SC-000.A	Quantitative	Quantity	(1) Power Converter and Management ICs: 579,656 (Thousand Units). (2) Amplifier and Driver ICs: 329,034 (Thousand Units).
Percentage of Production from Own Plants	TC-SC-000.B	Quantitative	Percentage (%)	ANPEC Electronics is an IC Design Company, not a Manufacturing Company, so the Percentage of Production from its Own Plants is 0%.



Appendix III: Sustainability Disclosure Standards - Semiconductor Sector

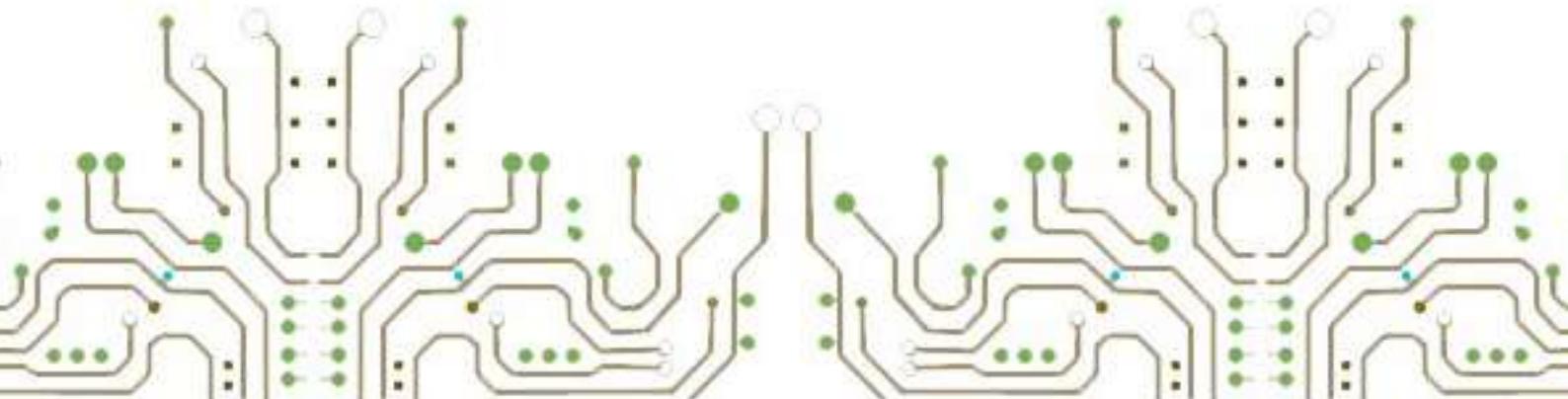
No.	Metrics	Metric Type	Annual Disclosure	Corresponding Chapter	Page
1	Total Amount of Energy Consumed, the Proportion Derived from Grid Electricity, and the Proportion Originating from Renewable Sources	Quantitative	(1) Total Energy Consumed: 10,876.62 GJ. (2) Percentage of Purchased Electricity to Total Energy Consumption: 99.85%. (3) Percentage Renewable: 0%.	4.4 Energy Conservation and Carbon Reduction	58
2	Total Water Withdrawn and Consumed	Quantitative	(1) Total Water Withdrawn: 7,002,000 Cubic Meters. (2) As the Company is not a Manufacturing Facility without a Meter for Wastewater Discharge and Only Use Water for Domestic Purposes, Data On Total Water Consumption is not Available.	4.5 Water Resource Management	60
3	Total Weight of Hazardous Waste Generated and the Percentage that is Recycled or Otherwise Recovered	Quantitative	As the Company is not a Manufacturing Company, all Waste Generated is Non-Hazardous.	4.6 Waste Management	60
4	Description of the Number of Recordable Occupational Injuries and Rate	Quantitative	The Company had Zero Occupational Accidents in 2024.	5.4 Health & Safety	72
5	Disclosure of Product Lifecycle Management: The Weight of Discarded Products and Electronic Waste and the Percentage of these Products and Waste Recycled	Quantitative	(1) The Weight of Discarded Products and Electronic Waste is 1.81 Metric Tons. (2) Percentage Recycled is 35%.	3.2 Products and Services	45
6	Description of Risk Management Related to the use of Critical Materials	Quantitative	For more Details, Please Refer to SASB Metric TC-SC-440a.1.	3.2 Products and Services	45
7	Total Monetary Losses from Legal Proceedings Associated with Anti-Competitive Behavior Regulations	Qualitative Description	There were No Financial Losses Incurred from Violations of Anti-Competitive Behavior Regulations Among Competing Companies During the Reporting Year.	2.4 Compliance with Laws and Regulations	39
8	Production Volume of Major Products by Product Category	Quantitative	(1) Power Converter and Management ICs: 579,656 (Thousand Units). (2) Amplifier and Driver ICs: 329,034 (Thousand Units).	3.2 Products and Services	45





Appendix IV: Climate-Related Information for TWSE/TPEx Listed Companies

Item	Implementation Status	Page
1. Describe the Board of Directors' and Management's Oversight and Governance of Climate-Related Risks and Opportunities.	4.2 Climate Change Management	54
2. Describe how the Identified Climate Risks and Opportunities Affect the Business, Strategy, and Finances of the Business (Short, Medium, and Long Term).	4.2 Climate Change Management	54
3. Describe the Financial Impact of Extreme Weather Events and Transformative Actions.	4.2 Climate Change Management	54
4. Describe how Climate Risk Identification, Assessment, and Management Processes are Integrated into the Overall Risk Management System.	4.2 Climate Change Management	54
5. If Scenario Analysis is used to Assess Resilience to Climate Change Risks, the Scenarios, Parameters, Assumptions, Analysis Factors and Major Financial Impacts used should be Described.	-	-
6. If there is a Transition Plan for Managing Climate-Related Risks, Describe the Content of the Plan, and the Indicators and Targets used to Identify and Manage Physical Risks and Transition Risks.	-	-
7. If Internal Carbon Pricing is used as a Planning Tool, the Basis for Setting the Price should be Stated.	-	-
8. If Climate-Related Targets have been set, the Activities Covered, the Scope of Greenhouse Gas Emissions, the Planning Horizon, and the Progress Achieved each Year should be Specified. If Carbon Credits or Renewable Energy Certificates (RECs) are used to Achieve Relevant Targets, the Source and Quantity of Carbon Credits or RECs to be offset Should be Specified.	-	-
9. Greenhouse Gas Inventory and Assurance Status (Separately Fill Out in Point 1-1 and 1-2 Below).	4.4 Energy Conservation and Carbon Reduction	58





1-1 Greenhouse Gas Inventory and Assurance

1-1-1 Greenhouse Gas Inventory Information

Describe Greenhouse Gas Emissions (tCO₂e), Intensity (tCO₂e/NT\$ million), and Data Coverage for the last Two Years.

Item	Year	2023		2024	
		Emissions (tCO ₂ e)	Density (tCO ₂ e/Total Revenue)	Emissions (tCO ₂ e)	Density (tCO ₂ e/Total Revenue)
Scope 1: Direct Emissions		-	-	5.6294	0.0017
Scope 2: Energy Indirect Emissions		1,464.117	0.4186	1,430.0086	0.4209
Scope 3: Other Indirect Emissions		-	-	486.3347	0.1431
Total		1,464.117	0.4186	1,921.9727	0.5657

- Scope 1 includes direct emissions from sources owned or controlled by the Company. Scope 2 includes indirect emissions from the generation of purchased electricity, heat, or steam. Scope 3 includes other indirect emissions from the Company's activities that are not covered by Scope 2, such as those from sources owned or controlled by other companies.
- The data coverage for Scope 1 and Scope 2 emissions should be implemented according to the schedule set forth in Article 4-1, Paragraph 2 of the "Taiwan Stock Exchange Corporation Rules Governing the Preparation and Filing of Sustainability Reports by TWSE Listed Companies" (hereafter referred to as "the Rules"). Disclosure of information on other indirect emissions is voluntary.
- Greenhouse Gas Inventory Standard: ISO 14064-1, published by the International Organization for Standardization (ISO).
- Greenhouse Gas Emission Intensity is Calculated Based on Revenue (In Millions of NTD).

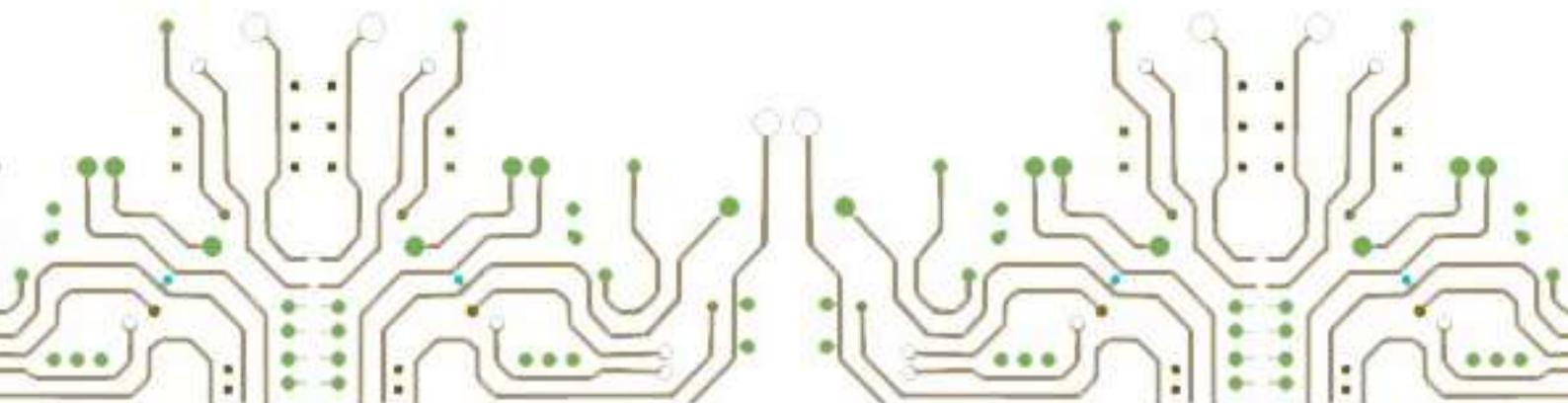
1-1-2 Greenhouse Gas Assurance Information

Describe assurance for the last two years, including the scope of assurance, the assurance provider, the assurance standard, and the assurance opinion.

ANPEC Electronics is in compliance with Article 4-1 of the "Rules Governing the Preparation and Filing of Sustainability Reports by TPEx Listed Companies". Voluntarily, the Company conducted a greenhouse gas inventory in 2024 according to the ISO 14064 standards, with the inventory results to be disclosed in 2025.

External assurance by an independent third party will be completed by 2028.

- This should be carried out according to the schedule specified in Article 4-1, Paragraph 3 of the Rules.
- The assurance provider must comply with the relevant regulations for sustainability report assurance providers set by the Taiwan Stock Exchange Corporation and the Taipei Exchange.





1-2 Greenhouse Gas Reduction Targets, Strategies, and Specific Action Plans

Basic Company Information

- A Company with Capital of NT\$10 billion or more, in the Steel or Cement Industries
- A Company with Capital of NT\$5 billion or more but less than NT\$10 billion
- A Company with Capital of less than NT\$5 billion

According to the "Sustainable Development Roadmap for TWSE/TPEx Listed Companies", at least the following must be disclosed:

- Parent Company's Individual Inventory Inventory of Subsidiaries in Consolidated Financial Reports
- Parent Company's Individual Assurance Assurance of Subsidiaries in Consolidated Financial Reports

Describe the greenhouse gas reduction baseline year and its data, reduction targets, strategies, specific action plans, and progress toward achieving the reduction targets.

Greenhouse Gas Reduction Targets

Short-term Targets (2024-2027)

- Introduce the ISO 14064-1 framework and establish a greenhouse gas inventory system.
- Conduct a carbon inventory based on the ISO 14064-1 methodology, and establish an inventory process and data management system.
- Complete the baseline year carbon emissions inventory and set specific and feasible reduction targets based on the results.
- Optimize energy-saving equipment to improve energy efficiency.
- Gradually replace traditional lighting equipment with LED energy-saving lamps.

Medium- and Long-term Targets (2027-2050)

- Align with the government's net-zero policy and gradually move toward net-zero operational emissions.
- Continuously increase the proportion of green electricity and the use of renewable energy.
- Promote digital and paperless operations to reduce indirect carbon emissions (Scope 3).

Greenhouse Gas Reduction Strategies and Specific Action Plans

The Company is an IC design company with no production line, and the main greenhouse gas emissions come from air conditioning and general domestic water. As temperatures rise, the Company aims to maintain a flat level of carbon emissions to achieve the goal of reducing carbon emissions and makes the greatest effort to reduce greenhouse gas emissions.

Reduction Goals: Building on the annual greenhouse gas inventory results, the Company will revise its energy-saving and carbon-reduction strategies. Additionally, we will encourage our employees to implement energy-saving and carbon-reduction practices in their daily lives. The Company expects to reduce carbon emissions by 1% in 2025.

Strategy and Specific Action Plan: The Company monitors and controls its water and electricity consumption, continuously reviewing and improving its practices to gradually reduce the usage. Efforts to improve environmental energy conservation in the Company's hardware will be strengthened, and the concept of energy conservation and sustainable operation development will be promoted among colleagues is to be promoted internally.

1. Cooperating with the Company's ISO 14001 environmental target management plan - save 1% of electricity by 1%, or keep consumption shall stay the same.
2. We conduct monthly reviews to identify areas for improvement, and actively promote and propose energy-saving and carbon-reduction projects will be actively promoted and proposed.
3. The Company complies with environmental protection laws and regulations and emphasizes the importance of environmental management; waste sorting and resource recycling are implemented, and advertisements to promote energy and carbon saving and water conservation policies are regularly published.
4. Old equipment is regularly replaced to improve the efficiency of operations and to implement green philosophy and environmental protection.
5. The Company optimizes its energy consumption by turning off a portion of its lighting and air-conditioning during non-business hours. Additionally, the temperature and on-off time of the air conditioners to make the air-conditioning units are carefully controlled to ensure efficient operation and minimize water and electricity usage.
6. Replace low-efficiency lighting fixtures with high-efficiency LED lighting. Gradually replace old ballasts to extend the lifespan of light tubes and achieve energy-saving effects.
7. The nets on the air outlets of the air conditioners in the entire factory are replaced with high-efficiency filtering nets to increase the ventilation efficiency, improve the heat exchange capacity, and reduce the number of start-ups of the air-conditioning compressors.
8. The temperature of the chiller is set 1°C higher to reduce the frequent start of the compressor start frequency.
9. During non-working days in winter, the ice machine will be turned off and replaced with split air conditioning.



2024 Reduction Progress

To tangibly reduce the Company's energy consumption, we continuously monitor water and electricity usage, regularly conduct reviews and improvements to gradually decrease energy consumption, and strengthen the Company's hardware for environmental energy efficiency. We also conduct internal awareness-raising campaigns to promote energy conservation and sustainable development concepts among our employees.

According to the above plan, the Company's water and electricity reduction performance for 2024 is as follows:

- Electricity Reduction: Due to operational needs, such as the addition of R&D machines, we were unable to achieve our 1% electricity reduction target.
- Water Reduction: The Company's total water consumption in 2024 was 7,002 cubic meters, a decrease of 1,627 cubic meters from 8,629 cubic meters in 2023, representing an 18.86% reduction and successfully achieving the 1% annual water-saving target.

In respect of products and services, our power management ICs are confirmed with customers for their application conditions and meet the required power standards for those conditions. In addition, we provide customers with customized integrated power management ICs. Besides meeting customers' power specifications, these ICs can significantly reduce the PCB area required for their applications, thereby reducing material usage and energy consumption.

For example, a four-channel DCDC integrated power management IC is estimated to save over 30% of the required PCB area compared to a solution using discrete power ICs.

The 2024 Greenhouse Gas Emissions (tCO₂e) are as Follows:

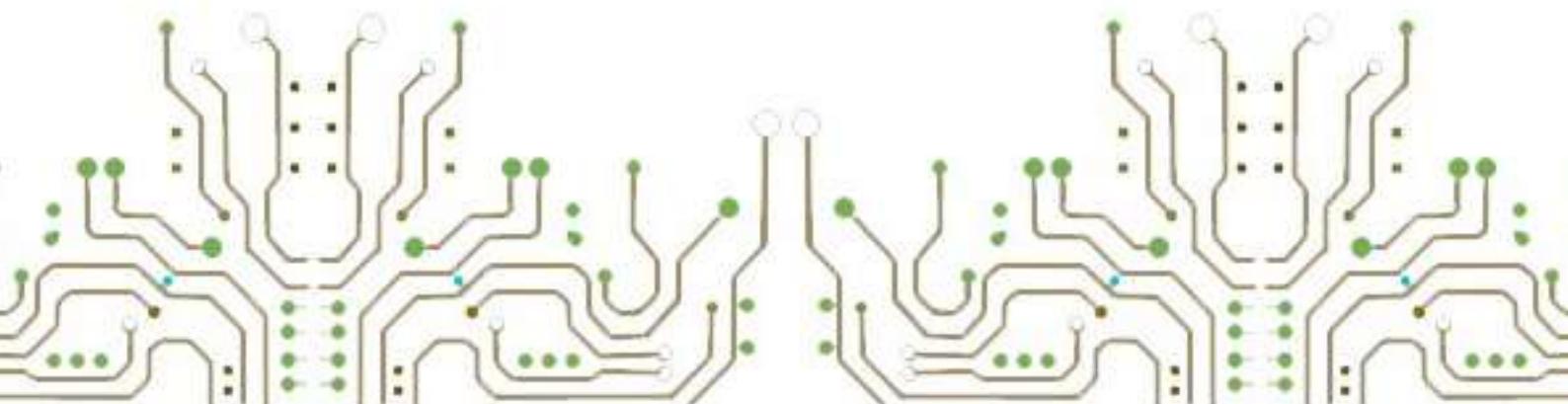
Scope 1: 5.6294 Metric Tons of CO₂e.

Scope 2: 1,430.0086 Metric Tons of CO₂e.

Scope 3: 486.3347 Metric Tons of CO₂e.

Total Emissions = Scope 1 + Scope 2 + Scope 3: 1921.9727 Metric Tons of CO₂e.

- This should be carried out according to the schedule specified in Article 4-1, Paragraph 4 of the Rules.
- The baseline year should be the year in which the inventory of the consolidated financial report boundary is completed. For example, according to Article 4-1, Paragraph 2 of the Rules, a company with capital of NT\$10 billion or more should complete the inventory per its consolidated financial report boundaries in 2025, making 2024 the baseline year. If a company completes the inventory per the consolidated financial report boundaries early, that earlier year may be used as the baseline year. The baseline year data can be calculated from a single year or as an average over several years.





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