

# 2024

## Sustainability Report



# Contents

Message from the Management	1						
About the Report	2						
Sustainability Performance and Recognition	3						
Sustainability Goals	4						
		<b>Sensortek</b>	<b>Identifying Impacts</b>	<b>Implementing Governance</b>	<b>Pursuing Innovation</b>		
		Explorer of Sensing Technology	Sensing the Drivers of Sustainability	Sensing the Growth of Business Operations	Sensing the Design Excellence in Product R&D		
		Company Overview	Sustainability and Risk Governance	Corporate Governance	Innovation Management		44
		Product Introduction	Identification and Engagement of Key Stakeholders	Tax Governance	Intellectual Property Protection & Competitive Behavior		48
		Business Overview	Identification and Analysis of Material Topics	Integrity Management	Product Lifecycle Management		50
		Social Impact	Sustainability Issue Management	Information Security Management			
		<b>Protecting the Environment</b>	<b>Connecting Partners</b>	<b>Diversity and Inclusion</b>	<b>Appendix</b>		
		Sensing the Mission of Energy Saving and Carbon Reduction	Sensing the Tightness of Value Chain Integration	Sensing Workplace Balance			
		Environmental Policy	Product Quality	Human Rights Management	Sustainability Disclosure Index		91
		Climate Management	Customer Relationship Management	Recruitment and Retention	Human Resources Data		91
		Energy Management	Supply Chain Management	Talent Training and Development	Occupational Safety and Health Data		95
		Water Resource Management	Materials Sourcing	Workforce Health and Safety	Sustainability Disclosure Indicators for the Semiconductor Industry		96
		Waste Management			Climate-Related Information for TWSE/TPEX-Listed Companies		97
					External Assurance Certificate		99



# Message from the Management

With the onset of the global interest rate cut cycle and the explosive growth in AI applications, the consumer electronics sector is entering a device replacement cycle. After two years of decline, the global smartphone market has finally rebounded. According to IDC, worldwide smartphone shipments reached 1.24 billion units in 2024, representing a 6.4% year-over-year increase and signaling a strong recovery. Benefiting from this rebound, Sensortek recorded annual revenue of NT\$4.9 billion in 2024, up 8.76% from the prior year. However, due to fierce competition in the China market that exerted downward pressure on product prices, gross margin declined despite efforts to optimize product mix and cost structure. Net income after tax was NT\$540 million, with earnings per share of NT\$11.05.

Sensortek focuses on four pillars—corporate governance, environmental sustainability, partnerships, and employee and social impact—as the foundation of sustainable operations. In 2024, the Company formally launched the Sustainability and Risk Management Committee to oversee short-, medium-, and long-term sustainability strategies and risk control. A cross-functional Sustainable Development Promotion Team was also established to enhance execution, integrating sustainability goals into daily management processes. The Company actively advances corporate governance and environmental sustainability, continuously strengthening information security and intellectual property management, while also implementing carbon management strategies. Sensortek has steadily increased renewable energy usage at its operations and expanded carbon footprint assessments across its value chain, aiming to achieve green operations and greater business resilience.

## Corporate Governance

Sensortek positions technological innovation as its core driver. In 2024, the Company earned Class A certification under the Ministry of Economic Affairs' TIPS Intellectual Property Management System, safeguarding the quality of IP assets and technology. The Company also adopted and obtained third-party certification for the ISO 27001:2022 Information Security Management System, building a comprehensive security framework to mitigate risks and strengthen operational resilience. In the 2024 Company Governance Evaluation, Sensortek remained ranked in the top 6%-20% among listed companies on the TPEX.

## Environmental Sustainability

In line with the global net-zero movement and the Financial Supervisory Commission's Sustainability Roadmap and Action Plan for Listed Companies, Sensortek conducts annual greenhouse gas inventories in accordance with ISO 14064-1:2018, verified by third-party agencies. Since 2023, the Company has followed the TCFD framework to identify and manage climate-related risks, designating 2023 as its carbon reduction baseline year, and has disclosed specific reduction targets, strategies, and action plans. Sensortek launched its green power procurement mechanism in 2023, raising the share of renewable energy used to 11% in 2024. Compared to the baseline year, operational carbon emissions were reduced by 5%, demonstrating tangible progress toward net zero. Additionally, to broaden its climate governance scope, Sensortek introduced a supply chain sustainability risk assessment mechanism, focusing on carbon intensity management of key suppliers, and gradually setting quantitative goals for a sustainable supply chain. Looking ahead, the Company will continue to increase renewable energy use and drive energy efficiency through both internal operations and supplier collaboration, fulfilling its vision of green operations and corporate net zero.

## Partnerships

From the design stage, Sensortek integrates green product concepts. In 2024, the Company officially launched its Green Product Management System, enabling real-time monitoring of material compliance and enhancing the transparency and accuracy of green supply chain management. By standardizing processes and ensuring the real-time exchange of product material safety data, Sensortek strengthens trust and transparency with customers. In 2024, the Company also advanced its sustainable supply chain management, initiating supply chain sustainability risk assessments to work hand in hand with suppliers in mitigating social and environmental risks, together building a resilient and sustainable ecosystem.

## Employee and Social Impact

In 2024, Sensortek maintained a highly competitive compensation system. The average salary of full-time non-managerial employees was 1.65 times the industry average, placing the Company among the top in the TPEX-listed semiconductor sector. Through attractive compensation packages and well-structured career development programs, Sensortek effectively motivates employees and retains top talent, underscoring the Company's long-term commitment to its people and society.

Chairman

*Sheng-Su Lee*



# About the Report

Sensortek Technology Corporation (hereinafter referred to as “Sensortek” ) provides the following information regarding the preparation of its 2024 Sustainability Report (hereinafter referred to as “this Report” ) :

## Contact Information

For any questions regarding this Report or suggestions for Sensortek, please contact us through the following channels:

<b>Responsible unit</b>	Executive Secretary, Sustainable Development Promotion Team
<b>Address</b>	11F, No. 6, Taiyuan 2nd Street, Zhubei City, Hsinchu County, Taiwan
<b>Phone</b>	03-560-1000
<b>Email</b>	esg@sensortek.com.tw
<b>Website</b>	www.sensortek.com.tw

### - Compliance Framework

This Report has been prepared in accordance with the GRI Sustainability Reporting Standards (GRI Standards) issued by the Global Sustainability Standard Board (GSSB) of the Global Reporting Initiative (GRI), as well as the SASB Standards (December 2023 version) for the Semiconductors industry within the Technology and Communications sector of the Sustainability Accounting Standards Board (SASB). In addition, supplementary disclosures have been included to address topics of concern to stakeholders and relevant sustainability assessments.

### - Reporting Period

- The 2021 Sustainability Report was first issued in September 2022
- Reporting period for this Report: January 1, 2024 to December 31, 2024
- Current report (Chinese version) publication date: August 2025
- Previous report (Chinese version) publication date: August 2024
- Future reporting frequency: Once per year

### - Scope of Disclosure

The scope of disclosure covers all operational activities of Sensortek, presenting performance across economic, social, and environmental dimensions. The Company’s primary operational site is located in Zhubei City, Hsinchu County, and environmental data are mainly based on the Hsinchu headquarters. However, greenhouse gas data also include information from the Taipei office, which will not be separately noted in subsequent reports. For comparability, the Report generally discloses data for the most recent four years. Some performance data are reported for only one or two years due to the lack of systematically collected or complete historical information, making it difficult to fully verify the accuracy of such data.

### - Description of Disclosure

The sustainability information and performance disclosed in this Report are also published on the Sensortek ESG website. Financial performance figures are based on audited financial statements, and all financial amounts are presented in New Taiwan Dollars, prepared in accordance with International Financial Reporting Standards (IFRSs). Other data in the Report are compiled and calculated internally, described using commonly accepted conventions, and rounded according to standard rounding rules.

### - Management Style

Data and information disclosed in this Report are provided by relevant responsible departments and compiled by the Sustainable Development Promotion Team. The completed Report is reviewed and confirmed by department heads and the Sustainable Development Promotion Team convener (General Manager), then submitted to the Chairman for approval. After internal review, the Report is submitted to the Board of Directors for discussion and approval before being publicly disclosed on the official Sensortek website.

### - External Assurance

To enhance transparency and reliability, the Report has undergone an assurance process conducted by a third-party organization (SGS Taiwan Ltd.), confirming that it meets AA1000 AS v3 Moderate Level Type 2 assurance and complies with the GRI Standards 2021. The verification statement can be found in the Appendix of this Report.



2024

# Sustainability Performance and Recognition

## Green Future | Environment

- Scope 1 and Scope 2 greenhouse gas emissions at headquarters reduced by 5% compared to the baseline year (2023).
- Acquired 94 renewable energy certificates, achieving 11% renewable energy usage.

### Recognition

- Recognized as “Outstanding Performance” in the 2024 Commonwealth Corporate Carbon Reduction Thermometer.
- Achieved CDP SME Climate Score “B” in 2024.

## Social Prosperity | Society

- Average salary of full-time non-managerial employees: NT\$2,166,000, 1.65 times higher than industry average.
- Parental leave retention rate: 100%.
- Annual social contribution exceeded NT\$1 million.

### Recognition

- Continuously included in the TPEX Compensation Index constituent stocks.

## Sustainable Operations | Governance

- First-time achievement of Class A certification under the Taiwan Intellectual Property Management System (TIPS).
- Obtained ISO/IEC 27001:2022 Information Security Management System certification.
- Board of Directors average attendance rate: 95.8%.
- Sustainability and Risk Management Committee officially operational, with 100% average attendance.
- High-Stability IMU Heterogeneous Integrated Sensor Chip & Low-Power AI-AHRS Chip Module for Unmanned Vehicle Development Project received funding under the IC Design Top-Up Subsidy Program by the Department of Industrial Technology, Ministry of Economic Affairs.

### Recognition

- Maintained Company Governance Evaluation ranking among the top 6%-20% of listed companies.
- Received “AA” rating in Taiwan Sustainability Evaluation.
- Achieved “A” rating in SinoPac+ ESG assessment.

# Sustainability Goals

Sustainability Goals	Risk Management	Information Security Management	Innovation Management	Sustainable Supply Chain Management	Climate Strategy	Greenhouse Gas Management	Labor Practices Indicators	Human Rights
	<p><b>Risk management culture and mechanism</b></p> <ul style="list-style-type: none"> <li>Strengthen risk management awareness through training.</li> </ul>	<p><b>Strengthen information security mechanisms</b></p> <ul style="list-style-type: none"> <li>Obtain ISO 27001 international information security management certification.</li> <li>Enhance information security awareness.</li> <li>Conduct information security incident drills.</li> <li>Conduct disaster recovery drills.</li> </ul>	<p><b>Intellectual property management</b></p> <ul style="list-style-type: none"> <li>Apply for Taiwan Intellectual Property Management System (TIPS) Class A certification.</li> </ul>	<p><b>Key supplier self-assessment</b></p> <ul style="list-style-type: none"> <li>Conduct onboarding and annual supplier sustainability risk assessments.</li> </ul> <p><b>High-risk supplier training</b></p> <ul style="list-style-type: none"> <li>Implement supplier guidance and counseling programs.</li> </ul>	<p><b>Climate change strategy</b></p> <ul style="list-style-type: none"> <li>Climate-related financial disclosures and implementation of climate governance mechanisms.</li> </ul> <p><b>Climate change management mechanism/ greenhouse gas reduction</b></p> <ul style="list-style-type: none"> <li>Purchase Renewable Energy Certificates (RECs, transferred supply), with renewable energy accounting for approximately 10% of total usage.</li> </ul>	<p><b>Greenhouse gas inventory</b></p> <ul style="list-style-type: none"> <li>Develop a timeline for Scope 3 greenhouse gas inventory across all categories.</li> </ul>	<p><b>Anti-discrimination and anti-harassment policy</b></p> <ul style="list-style-type: none"> <li>Establish anti-discrimination and anti-harassment policies and measures.</li> <li>100% of all employees complete training.</li> </ul>	<p><b>Human rights policy</b></p> <ul style="list-style-type: none"> <li>100% of all employees complete training.</li> </ul>
2024 Targets / Key Indicators	<ul style="list-style-type: none"> <li>Risk management training for all employees on :                             <ul style="list-style-type: none"> <li>Climate risk</li> <li>Trade secret protection</li> <li>Information security</li> </ul> </li> <li>Patent risk assessment training for R&amp;D personnel</li> </ul>	<ul style="list-style-type: none"> <li>Obtained ISO/IEC 27001:2022 Information Security Management System certification in February 2024.</li> </ul>	<ul style="list-style-type: none"> <li>Achieved TIPS Class A certification.</li> </ul>	<ul style="list-style-type: none"> <li>100% sustainability risk assessments completed for new and annual suppliers; 62.5% response rate for key supplier sustainability self-assessments.</li> <li>100% of new suppliers signed the Supplier Code of Conduct.</li> </ul>	<ul style="list-style-type: none"> <li>Acquired 94 renewable energy certificates, achieving 11% renewable energy usage.</li> <li>Scope 1 and Scope 2 greenhouse gas emissions at headquarters reduced by 5% compared to the baseline year (2023).</li> </ul>	<ul style="list-style-type: none"> <li>Conducted Scope 3 greenhouse gas inventory                             <ul style="list-style-type: none"> <li>Employee commuting</li> <li>Fuel- and energy-related activities</li> <li>Waste generated from operations</li> <li>Upstream transportation and distribution</li> </ul> </li> </ul>	<ul style="list-style-type: none"> <li>100% of employees completed training on anti-discrimination and anti-harassment policies and measures.</li> </ul>	<ul style="list-style-type: none"> <li>100% of employees completed training on the human rights policy.</li> </ul>
Short-Term Goals (Beyond 2025)	-	<ul style="list-style-type: none"> <li>Continue to maintain ISO 27001/IEC 27001:2022 Information Security Management System certification.</li> </ul>	<ul style="list-style-type: none"> <li>Continue to maintain TIPS Class A certification.</li> </ul>	<ul style="list-style-type: none"> <li>100% sustainability risk assessments for all new and annual suppliers; achieve an 80% response rate for key supplier sustainability self-assessments.</li> <li>100% of new suppliers to sign the Supplier Code of Conduct.</li> </ul>	<ul style="list-style-type: none"> <li>Increase renewable energy usage to 15%.</li> </ul>	<ul style="list-style-type: none"> <li>Establish a systematic data collection mechanism for Scope 3 activities and a digital carbon management platform.</li> </ul>	-	-

Note: For details on the mechanisms and goals for managing material sustainability issues, please refer to 2-4.



# Sensortek

## Explorer of Sensing Technology

Company Overview

Product Introduction

Business Overview

Social Impact



# Company Overview



Company Name

Stock Code

Chairman

Establishment Date

Listing Date

Headquarters

Operating Locations

Service Markets

Product Lines

Capital

Number of Employees

Revenue

Membership in External  
Organizations

## Sensortek Technology Corporation

6732
Sheng-Su Lee
2009 / 12 / 01
2020 / 06 / 08
11F, No. 6, Taiyuan 2nd Street, Zhubei City, Hsinchu County (Tai Yuen Hi-Tech Industrial Park)
Taiwan
Taiwan, China, East Asia

- **Optical Sensor Chips**
  - Proximity Sensor Chips
  - Ambient Light Sensor Chips
  - Color Sensor Chips
  - Flicker Detection Chips
  - Skin Sensor Chips
- **MEMS Sensor Chips**
  - Accelerometer Sensor Chips
  - Pressure Sensor Chips
- **Capacitive Sensor Chips**
  - Specific Absorption Rate Sensor Chips
  - Capacitive Touch Sensor Chips

NT\$489 million (as of the end of 2024)
203 (as of the end of 2024)
NT\$4.9 billion (2024)

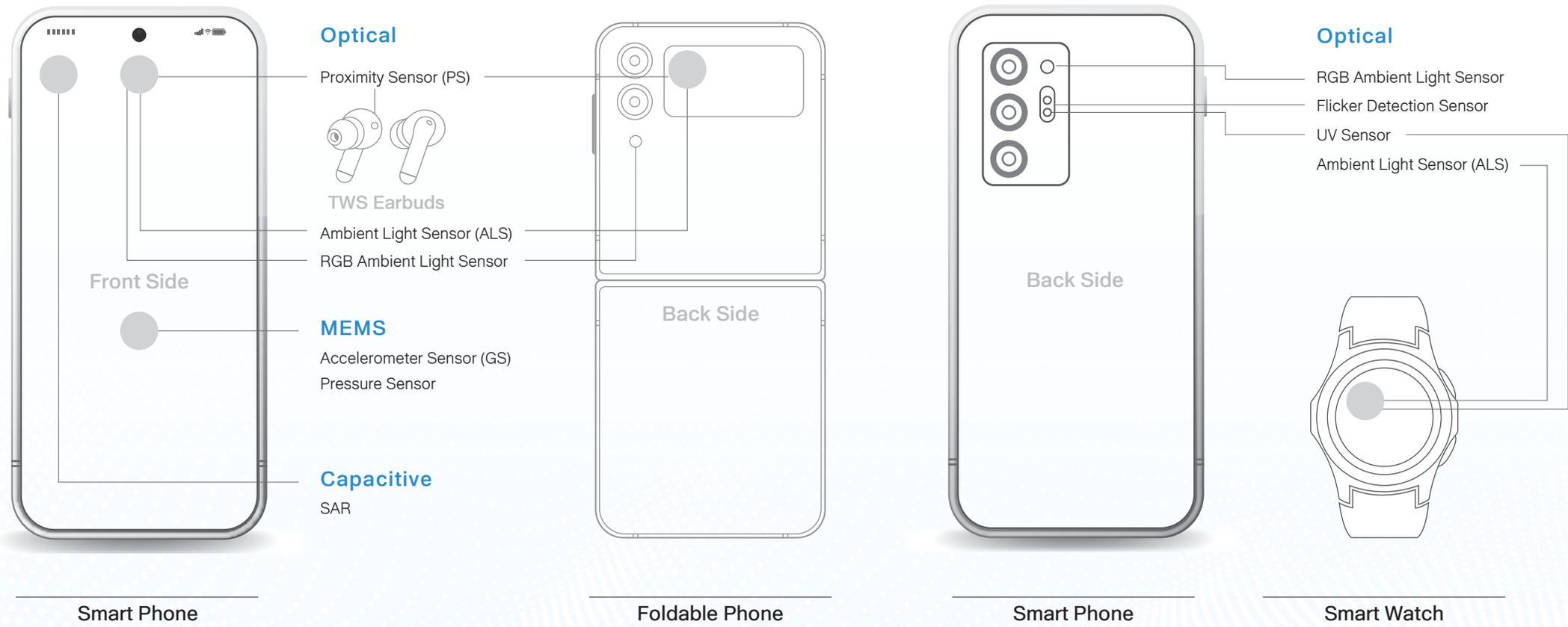
- National Tsing Hua University Micro Sensors and Actuators Industry-Academia Alliance (Member)
- Unmanned Vehicle System Industry Development Association, Taiwan (Member)

Note: For more information on Sensortek's milestones, please refer to Sensortek Milestones. For the Company's organizational structure, please visit the official website.



# Product Introduction

Sensor chips capture signals from the external environment—such as physical, chemical, and optoelectronic inputs—and process them by converting changes in proximity, ambient light, and gravity into electrical signals. These signals are then used to optimize user experiences, including screen activation, brightness and color display, and screen orientation. As a result, sensor chips have become critical components for connecting devices to their surroundings. Key application areas include ambient light detection, orientation, gravity, pressure, temperature, humidity, and facial recognition. Sensortek’s sensor chip products are primarily applied in smartphones, tablet PCs, wearable devices, and other consumer electronics.

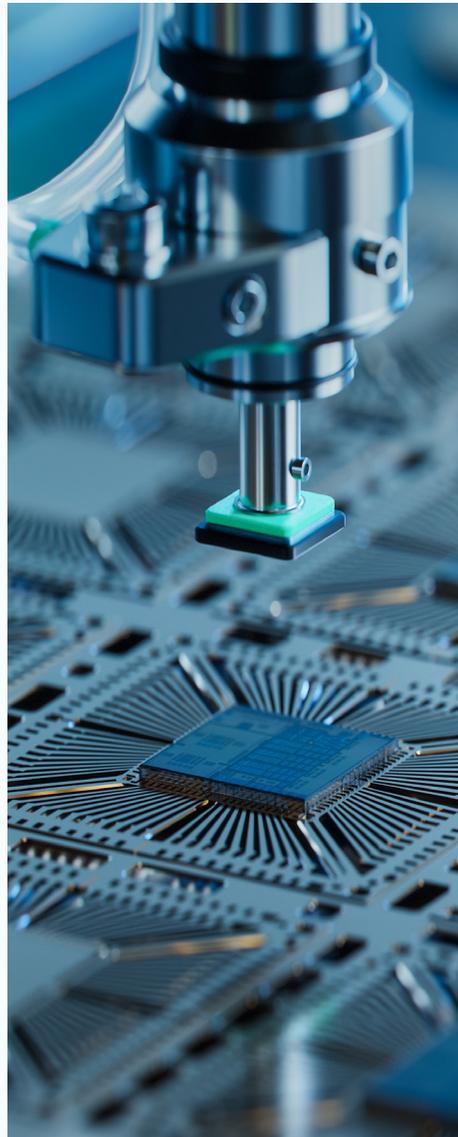


Category					
Optical Sensor Chips (Optical Sensor)					
Product Name	Ambient Light Sensor Chips (Ambient Light Sensor · ALS)	Proximity Sensor Chips (Proximity Sensor · PS)	RGB Ambient Light Sensor Chips (Color Sensor)	Flicker Detection Sensor Chips (Flicker Detection Sensor)	Skin Sensor Chips (Skin Detection Sensor)
Function	Ambient light sensing is used to adjust display brightness, achieving both user comfort and power efficiency.	Detects the proximity of objects to automatically turn off the display and prevent accidental touch.	Simultaneously detects ambient light intensity and color temperature to automatically adjust screen or camera brightness and color performance, providing a more realistic user experience.	Detects the flicker frequency of ambient light sources or screens from other electronic devices, eliminating banding in photos.	Detects whether a nearby object is human skin to automatically activate or deactivate wearable device functions (e.g., music playback or heart rate monitoring), thereby conserving power.
Development Trend	<ul style="list-style-type: none"> <li>As display resolution requirements continue to increase, display transmittance has been steadily decreasing. To maintain brightness at higher refresh rates, optical sensors must significantly improve their performance. As a result, optical sensing technologies are evolving toward advanced under-display specifications, while OLED panels are rapidly penetrating mid- and entry-level smartphones.</li> </ul>		<ul style="list-style-type: none"> <li>Consumer electronics such as smartphones emphasize eye-care features.</li> </ul>	<ul style="list-style-type: none"> <li>To meet the trend of smartphones requiring high-frequency light detection and multi-scene recognition, optical sensing technology is expanding to assist rear cameras.</li> </ul>	<ul style="list-style-type: none"> <li>Advanced earphones increasingly incorporate features such as active noise cancellation and heart rate monitoring, requiring high-precision in-ear sensing to enhance user experience and reduce power consumption.</li> </ul>
Response Strategy	<ul style="list-style-type: none"> <li>Optimize under-display solution costs and improve price-performance ratio to encourage wider adoption, capturing growth opportunities from the rising OLED penetration in smartphones.</li> <li>Address the growing demand for color temperature adjustment by strengthening high-sensitivity under-display RGB ambient light and proximity sensing technologies.</li> </ul>			<ul style="list-style-type: none"> <li>Enhance the detection range of light flicker frequencies while simultaneously adjusting camera settings to reduce banding, thereby expanding the application of optical sensing technology beyond the smartphone screen.</li> </ul>	<ul style="list-style-type: none"> <li>Utilize short-wave infrared (SWIR) light sources and sensing technology to accurately detect human skin, meeting the requirements of wearable device applications.</li> </ul>
Application	 				

Category	MEMS Sensor Chips ( MEMS Sensor )		Capacitive Sensor Chips ( Capacitive Sensing Sensor )	
Product Name	Accelerometer Sensor Chips ( Accelerometer Sensor · GS )	Pressure Sensor Chips ( Pressure Sensor )	Specific Absorption Rate Sensor Chips ( Specific Absorption Rate Sensor )	Capacitive Touch Sensor Chips ( Capacitive Touch Sensor )
Function	Supports screen rotation, posture detection, step counting, and related functions.	Measures altitude, tracks stair climbing or slope speed, supports weather forecasting, water depth measurement, and flight altitude control.	Used to detect whether a human body is near a mobile phone antenna, allowing the phone to adjust its transmitted power and control the radiation pattern to steer the emission beam away from the user.	Used to detect whether the ear is near or away from the device, automatically turning the device on or off to save power.
Development Trend	<ul style="list-style-type: none"> <li>Integrated with gyroscopes in inertial measurement units using MEMS technology.</li> </ul>	<ul style="list-style-type: none"> <li>Waterproof pressure sensing technology applied in high-precision, waterproof wearables and IoT devices, expanding applications beyond smartphones.</li> </ul>	<ul style="list-style-type: none"> <li>In response to the complex electromagnetic environments of 5G, Wi-Fi 6, and multi-antenna devices, SAR sensing is evolving toward higher detection sensitivity, smaller packaging, and multi-point detection integration to meet increasingly strict regulations and radiation control requirements.</li> </ul>	<ul style="list-style-type: none"> <li>As devices become increasingly slim, buttonless, and waterproof, touch sensor chips are evolving toward high sensitivity, curved/flexible surface support, low power consumption, and multi-point touch integration.</li> </ul>
Response Strategy	<ul style="list-style-type: none"> <li>By developing ultra-low power designs, modular platform pin configurations, and AI behavior recognition support, accelerometers are integrated early in brand Design-in decisions, strengthening wearable and smartphone market positioning.</li> </ul>	<ul style="list-style-type: none"> <li>Focusing on ultra-compact packaging and high-sensitivity MEMS design, combined with modular integration and intelligent algorithm support, the technology further targets wearable application scenarios and proactively provides brand customers with complete design support solutions, including barometric positioning and customized implementation.</li> </ul>	<ul style="list-style-type: none"> <li>By enhancing the SAR chip's stability and sensitivity, it provides a one-stop solution for human detection and automatic power adjustment modules.</li> </ul>	<ul style="list-style-type: none"> <li>Focusing on high-sensitivity performance in small areas and stable sensing across different materials (such as metal or glass), the technology also provides comprehensive touch parameter calibration tools and design references, capturing opportunities for smart wearable devices and advanced smartphone interaction solutions.</li> </ul>
Application				



## ■ Sensor Chip Manufacturing Process



## SASB Operational Activity Metrics

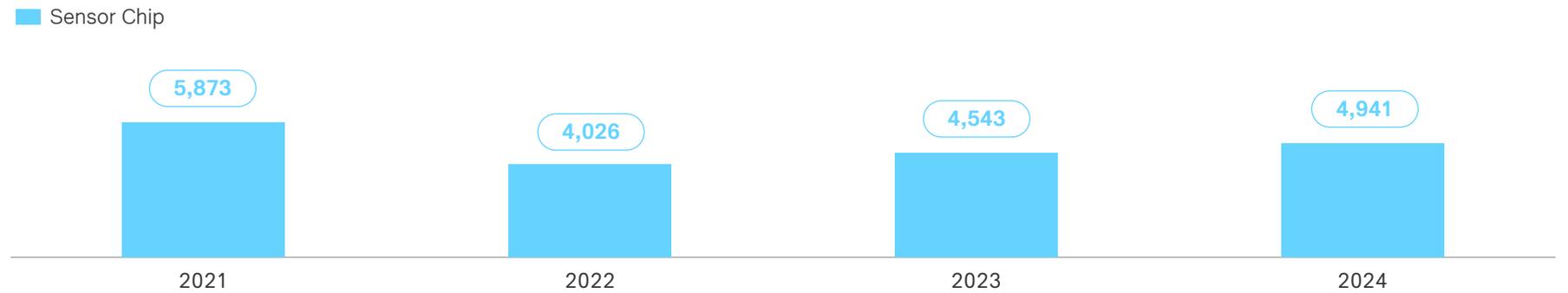


Code	Metric	2021	2022	2023	2024
TC-SC-000.A	Total production (Unit: 1,000 pcs)	806,370	479,830	574,951	790,325
TC-SC-000.B	Percentage of production from owned facilities <sup>Note</sup>	0	0	0	0

Note: Sensortek is a chip design company. Its main business activities are chip design and sales. The Company does not operate its own production lines and outsources 100% of manufacturing.

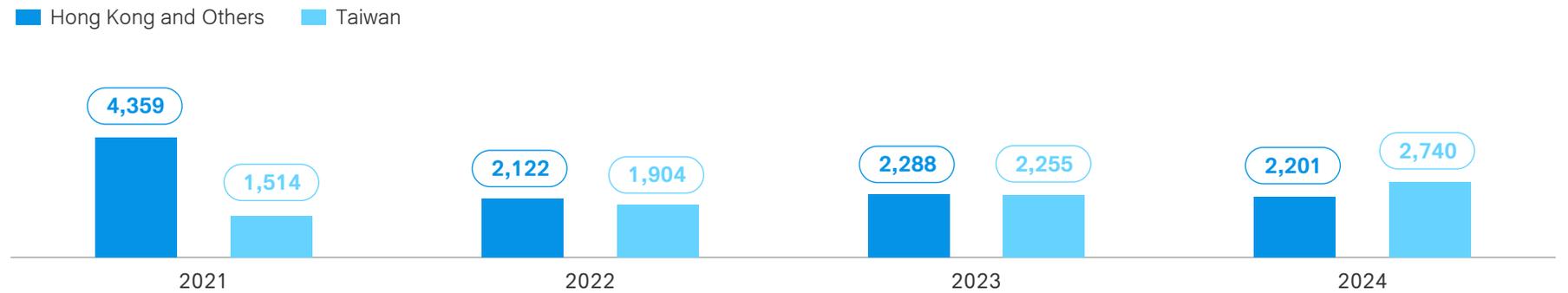
## Revenue by Product Category Over the Years

Unit: NT\$ million



## Revenue by Region Over the Years

Unit: NT\$ million



# Business Overview

## Operating Performance

With the onset of the interest rate cut cycle and the explosive growth in AI demand, the consumer electronics market is experiencing a replacement cycle. After two years of decline, the global smartphone market has finally entered a recovery phase. Benefiting from the increase in smartphone shipments, Sensortek recorded consolidated revenue of NT\$4.9 billion in 2024, representing an 8.76% increase compared to the previous year. Net income after tax was NT\$540 million, with earnings per share of NT\$11.05. For more details on operating results, please refer to the “Financial Overview” section of the 2024 Annual Report.

Historical Revenue and Net Income After Tax Unit: NT\$ thousand

■ Operating Revenue    ● Net Income



Unit: NT\$ thousand

	2021	2022	2023	2024	
Historical Revenue and Profit/Los	– Operating Revenue	5,873,003	4,025,559	4,542,817	4,940,683
	– Operating Costs	3,181,972	2,463,434	3,228,451	3,767,572
	– Gross Profit	2,691,031	1,562,125	1,314,366	1,173,111
	– Operating Expenses	791,559	670,661	656,513	665,772
	– Selling Expenses	117,352	96,903	105,142	107,037
	– Administrative Expenses	123,427	90,152	87,366	89,898
	– Research and Development Expenses	550,780	483,589	463,925	468,837
	– Expected Credit Impairment Losses	0	17	80	0
	– Other Income and Expenses	598	21	21	39
	– Operating Income	1,900,070	891,485	657,874	507,378
	– Non-Operating Income (Expenses)	70,613	99,298	122,813	118,328
	– Profit Before Tax	1,970,683	990,783	780,687	625,706
	– Income Tax Expense	309,334	148,010	105,171	85,229
	– Net Income	1,661,349	842,773	675,516	540,477
	– Other Comprehensive Income (Net of Tax)	48,935	(63,512)	72,866	(13,666)
– Total Comprehensive Income	1,710,284	779,261	748,402	526,811	
– Earnings Per Share (NT\$)	33.97	17.23	13.81	11.05	
GRI-Related Disclosure Information	– Employee Salaries and Benefits	697,990	516,110	490,639	476,542
	– Interest and Dividend Payments	1,100,705	1,467,743	733,849	619,618
	– Interest Expenses	171	364	160	8,210
	– Dividend Payments	1,100,534	1,467,379	733,689	611,408
– Community Investment Expenditures	349	587	598	555	
Government Grants/ Payments	– Other Government Financial Assistance	95,879	64,858	50,306	55,813
	– Payments to Government	288,452	141,010	103,656	89,103
R&D Expenses as % of Revenue	9.38%	12.01%	10.21%	9.49%	
Retained Economic Value	143,121	15,814	(57,969)	(79,655)	

Note: Retained economic value = “Economic value generated” – “Economic value distributed.”

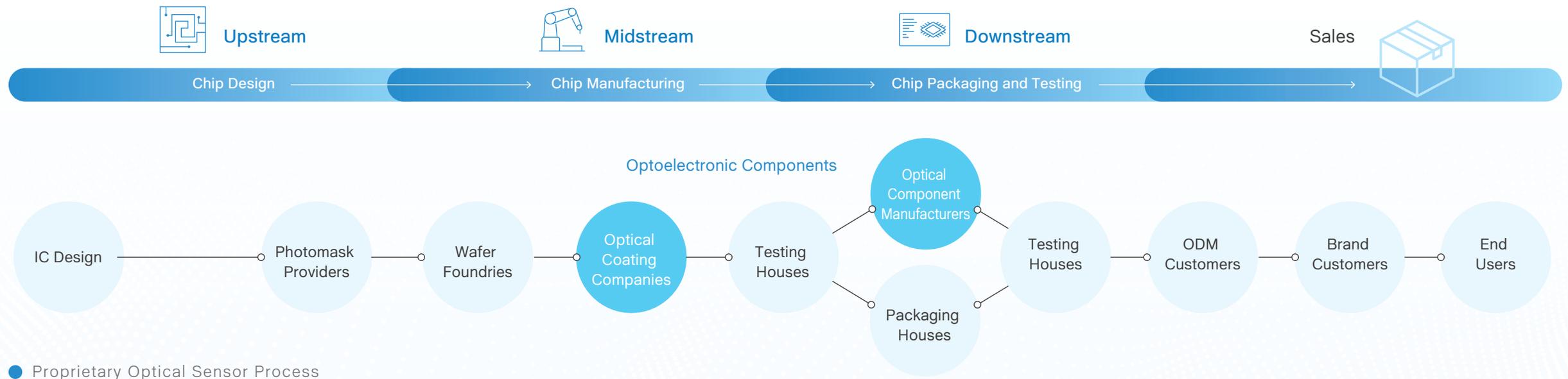


## ■ Role in the Industry Value Chain

Sensortek is an upstream professional sensor chip design company within the semiconductor value chain, responsible for IC and system design. Subsequent production is outsourced to specialized wafer foundries for wafer fabrication, followed by professional packaging and testing service providers for wafer inspection, dicing, packaging, and IC testing. The Company primarily sells products through distributors: once manufacturing is completed, products are shipped to distributors' regional warehouses, and then delivered to end customers (such as brand-name smartphone manufacturers) for assembly into final products, which are then sold to consumers worldwide.

Throughout the chip production process, Sensortek maintains long-term collaborative partnerships with midstream and downstream industry players through a specialized division of labor. This includes MEMS process optimization with wafer foundries, and customized packaging solutions with packaging houses to support optical module design. The Company has accumulated sufficient customized molds and test fixtures to ensure both production capacity and flexibility. Compared with the previous reporting period, there were no significant changes in the Company's organizational activities, products, services, markets served, supply chain, or downstream entities associated with its activities.

### Sensortek in the Semiconductor Industry Value Chain

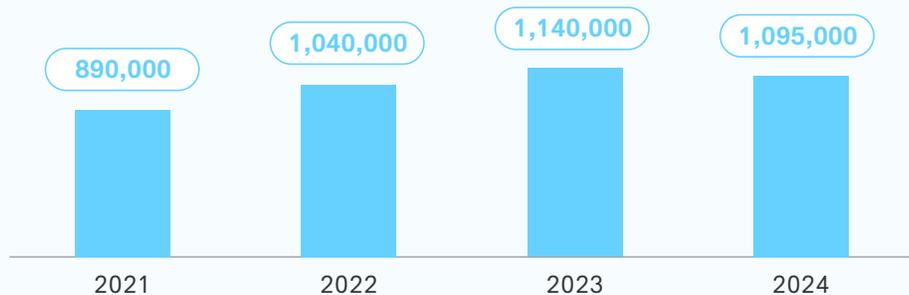


# Social Impact

## Social Contributions Over the Years

Unit: NT\$

### Charitable Donations



### Charitable Donations

We make fixed monthly donations and encourage employees to contribute annually. Our charitable giving supports organizations such as the Sunshine Social Welfare Foundation, Miaoli County Yu-An Educational and Nursing Institute, and the Taiwan Fund for Children and Families. In 2024, we launched a Christmas salary donation campaign in which employees shared love and support with Ching Shui Elementary School in Hsinchu County, providing additional resources to help students thrive. A total of 40 employees participated in this initiative. In 2024, the Company together with the Good Coffee Fund (proceeds from employee self-service coffee machines) donated a total of NT\$1.09 million.

### Material Donations

From time to time, Sensortek donates old computers to the ASUS Foundation and participates in the ASUS “Reverse Logistics Recycling, Recycled Computer Donation, and Love the Earth Project,” where the Company recycles obsolete information products into recycled computers and donates them to the disadvantaged groups to eliminate the digital gap and reduce pollution to protect the environment. As of the end of 2024, cumulative donations have helped reduce carbon emissions by 3.073 metric tons of CO<sub>2</sub>—equivalent to saving approximately 256.032 trees from being cut down (Source: ASUS Foundation).

### Cultivating Technology Talent

Sensortek aims to integrate academic and industry resources to enhance the level of sensor technology in Taiwan and improve its international competitiveness. Over the years, we have collaborated with academic institutions such as National Taiwan University, National Central University, National Tsing Hua University, National Yang Ming Chiao Tung University, and National Formosa University. We have also established partnerships with the NTU System-on-Chip Center and National Tsing Hua University's "Micro Sensors and Actuators Technology Consortium." Additionally, through campus lectures and the recruitment of R&D substitute military service candidates, we develop talents in related industries, nurturing outstanding professionals in Taiwan's sensor field. In 2024, we executed three industry-academia cooperation projects.

To support local education and provide students with practical work experience, Sensortek partnered with nearby universities in Hsinchu County, and the students received hands-on training. The cooperation details for 2024 are as follows:

Category	University	Headcount	Duration
Off-Campus Internship	Minghsin University of Science and Technology	1	June 2023 to June 2024
		1	June 2024 to June 2025
Industry-Academia Cooperation - Mode Matching Gyroscope Design Research Project	National Taiwan University	1	September 2023 to April 2024

Note: The cooperation with National Taiwan University aligns with the Company's R&D plans.



# Identifying Impacts

## Sensing the Drivers of Sustainability

Sustainability and Risk  
Governance

Identification and Engagement of Key  
Stakeholders

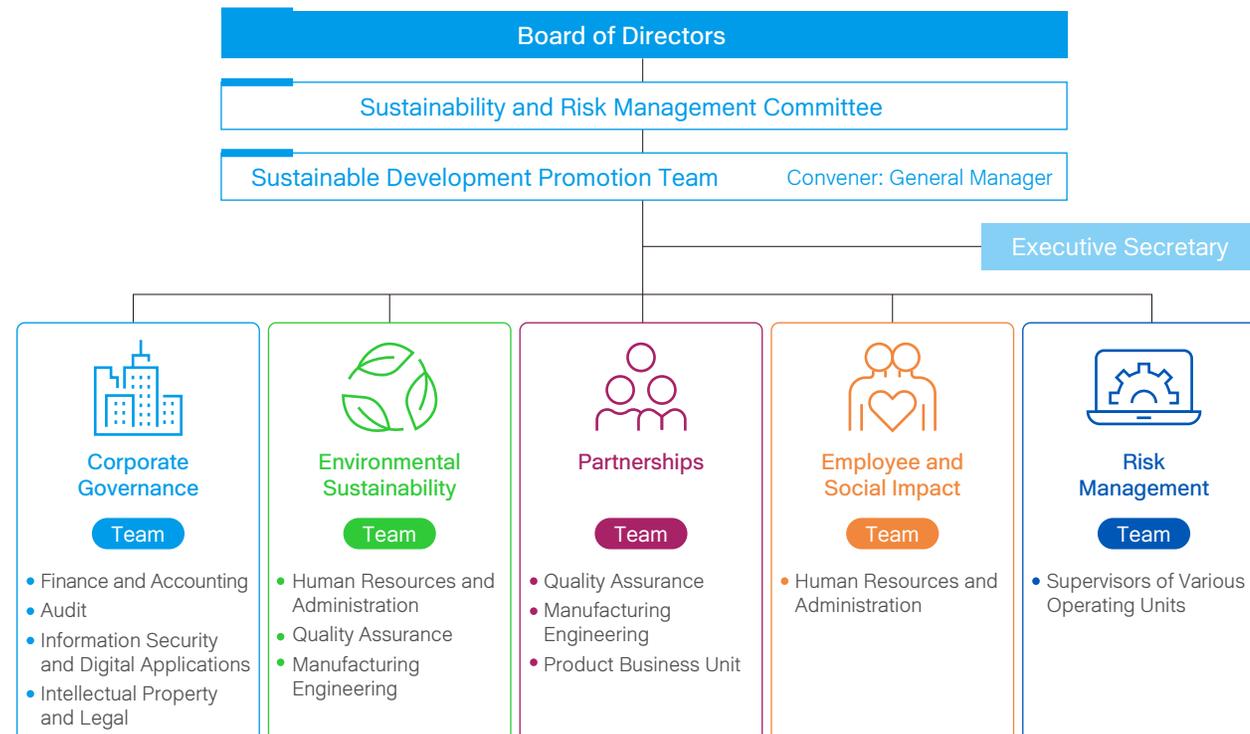
Identification and Analysis of Material  
Topics

Sustainability Issue  
Management

# Sustainability and Risk Governance

## Sustainability and Risk Governance Structure

Under its Board of Directors, Sensortek has established the Sustainability and Risk Management Committee, with a majority of members serving as independent directors and chaired by an independent director. The committee oversees the Sustainable Development Promotion Team, convened by the General Manager and executed by relevant functional departments. This structure supports the Board in formulating and implementing sustainability and risk management strategies. By integrating sustainability risk management into business operations and daily management processes, the Company ensures that its sustainability strategies are effectively embedded in routine operations, thereby achieving steady business performance and advancing toward long-term corporate sustainable development goals.



### Responsibilities of the Sustainability and Risk Management Committee

- Formulate policies, governance structures, roles, and responsibilities for advancing sustainability and risk management.
- Review the policies, management guidelines, and concrete implementation plans on sustainability issues proposed by the Sustainable Development Promotion Team.
- Oversee, review, and track the execution and effectiveness of sustainability and risk management initiatives.

### Responsibilities of the Working Groups



- Composed of representatives appointed by the heads of operating units, with responsibilities assigned according to each unit's scope of authority.
- Serve as the executing bodies for sustainability issue management, consolidating key stakeholders' concerns and expectations regarding the Company's sustainability matters.
- Comprised of operating unit heads, acting as the drivers and executors of the Company's risk management efforts.
- Assess potential risks (including opportunities) arising from sustainability issues, evaluating both positive and negative impacts. Develop short-, medium-, and long-term management policies and objectives, and take responsibility for planning, implementing, and monitoring risk management activities.



The Convener of the Sustainable Development Promotion Team regularly submits risk management reports to the Sustainability and Risk Management Committee and the Board of Directors. These reports cover sustainability issues relevant to the Company’s operations and stakeholders, the outcomes of sustainability initiatives, and future action plans. The committee and the Board review the progress of various strategies to guide and prompt the management team to make necessary adjustments.

### 2024 Reporting to the Board on the Implementation of Corporate Sustainability Initiatives

Sustainability issue risk assessment and risk management policies, guidelines, and objectives

Review and tracking of sustainability and risk management execution and effectiveness

- Greenhouse gas reduction baseline, carbon reduction targets, strategies, and action plans
- Stakeholder engagement and communication
- Implementation of sustainability initiatives
- Corporate governance operations and integrity management

Sustainability information management

- Evaluation of assurance provider competence for sustainability information
- Procedures for preparation and assurance of the sustainability report
- Sustainability report
- Greenhouse gas inventory and assurance status

## Pillars of Sustainability

Sensortek’s mission is to “create sensing technologies that enable limitless possibilities in everyday life, allowing users to experience a better life through our technologies.” The Company advances its sustainability strategy through three key pillars: “Green Future,” “Social Prosperity,” and “Sustainable Operations.” These pillars are aligned with the Sustainable Development Goals (SDGs), demonstrating Sensortek’s strong commitment and impact in addressing global sustainability challenges. Under these three pillars, specific sustainability objectives are established. The Sustainability and Risk Management Committee regularly monitors the progress and performance of these objectives. The management mechanisms for achieving these sustainability goals are detailed in the Sustainability Issue Management.



## Risk and Opportunity

Sensortek integrates sustainability into its existing risk management framework in accordance with the Risk Management Policy and Procedures. This integration not only enhances team member engagement, satisfaction, and productivity, but also conserves energy and reduces waste, contributing to cost savings. Additionally, it strengthens relationships with key stakeholders, including customers, suppliers, investors, and employees. Our supply chain, operations, and markets continuously face challenges, including risks such as extreme weather events exacerbated by climate change, geopolitical risks, talent shortages, and material supply issues. We remain focused on identifying, assessing, quantifying, and managing sustainability-related risks and opportunities (for risk assessment methods and results, see 2-3 and 2-4). Relevant risk management strategies and objectives are established, with progress regularly reported to the Sustainability and Risk Management Committee and presented to the Board of Directors on April 30, 2024

## Education and Training

2024	Risk Management Awareness Training
March	– Company-wide Training on Fundamentals of Trade Secret Protection and Management Systems
June	– Company-wide Information Security Training – Employee Training on Email-based Social Engineering
July	– Company-wide Environmental Risk Training
October	– Employee Training on Email-based Social Engineering
November	– Patent Risk Assessment Training for R&D Personnel

## Emerging Risks

With the continuous tightening of global regulatory requirements, rapid development of emerging technologies, and threats posed by climate change, the semiconductor industry faces significant uncertainties in risk management. To proactively address these trends, Sensortek has established an Emerging Risk Management Mechanism to further enhance the efficiency and effectiveness of risk control.



### 01 Annual Emerging Risk Identification

#### Risk Data Collection :

Gather internal and external risk events, referencing risk research reports published by domestic and international institutions to initiate the emerging risk identification process

#### Risk Factor Identification :

Identify risk factors that may impact Company operations, including technological changes, market volatility, regulatory changes, and climate change.



### 02 Risk Assessment

#### Risk Analysis :

Each department evaluates the potential impact and scope of identified risk factors based on the Company's scale, business nature, and likelihood of occurrence.

#### Risk Measurement :

Assess the severity and probability of risks, analyzing their potential impact on operations, finances, and reputation.



### 03 Risk Management

#### Risk Control Measures :

Develop and implement management measures to mitigate the impact of each risk factor on Company operations

#### Risk Mitigation :

Based on assessment results, adopt specific risk reduction and preventive measures for certain risk factors.



### 04 Risk Reporting and Feedback

#### Risk Reporting :

Regularly report to management and the Board of Directors on the types of emerging risks, their potential impacts, and response measures to ensure company-wide awareness and attention.

#### Regular Review :

Periodically review the effectiveness of risk management strategies and measures, adjusting and improving them in line with the latest risk trends and internal and external changes to ensure continuous improvement and dynamic adaptation.



# Identification and Engagement of Key Stakeholders

## ■ Identification of Key Stakeholders

Following the AA1000 Stakeholder Engagement Standard (SES), Sensortek identifies key stakeholders based on five dimensions: responsibility, influence, tension, diverse perspectives, and dependency. In 2022, senior executives responsible for driving sustainability at Sensortek conducted evaluations and discussions, identifying four main categories of key stakeholders: customers, employees, shareholders, and suppliers. In 2024, the Sustainable Development Promotion Team reviewed the results and confirmed that there were no significant changes; the identified key stakeholder categories remain consistent with the previous reporting year.

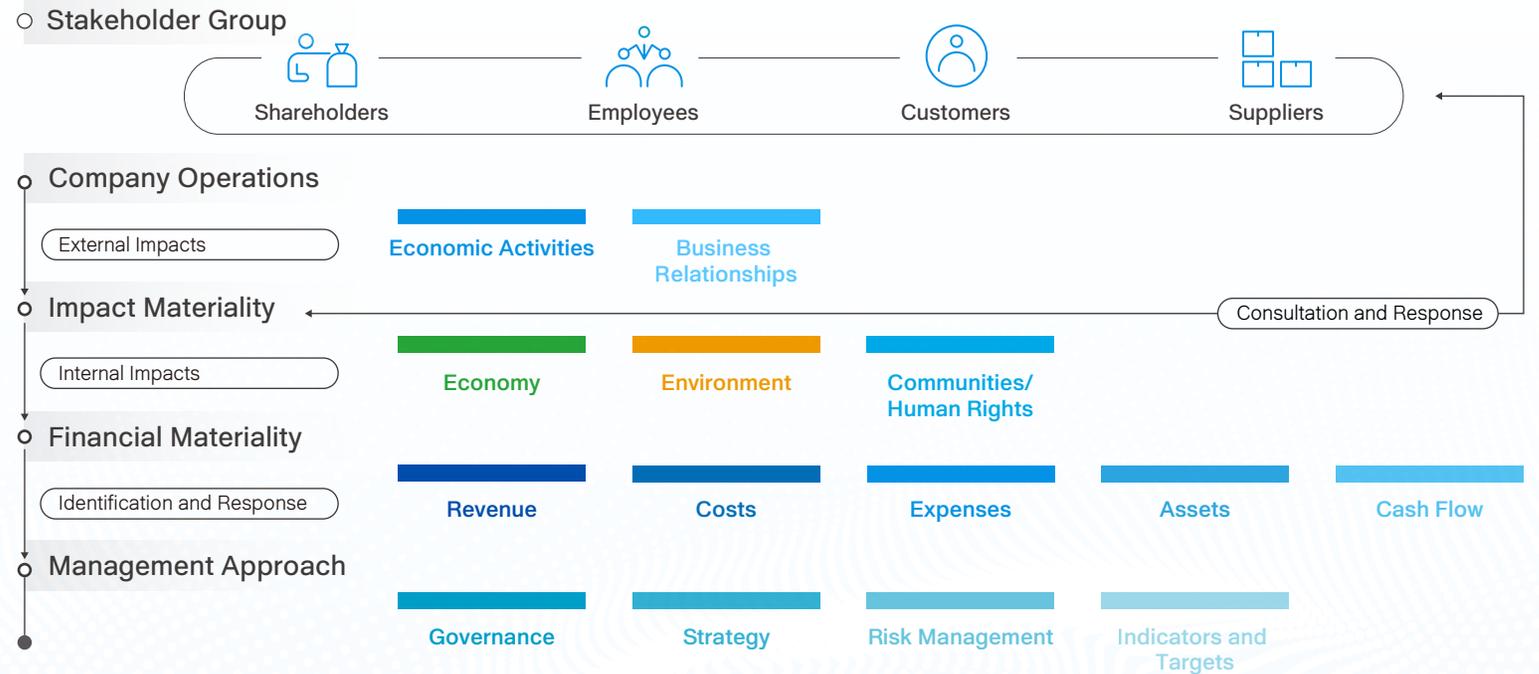
### Approach to stakeholder engagement

Stakeholder Group	Customers	Employees	Shareholders	Suppliers			
Meaning to Sensortek	Sensortek is a pioneer in the field of sensor chips for consumer electronics. With customers serving as the driving force for innovation, the Company is committed to developing sensor chips across diverse application areas, while continuously improving product quality and reliability. Sensortek provides customers with comprehensive sensor chip solutions, aiming to create innovative products with irreplaceable competitiveness in the market.	A professional and stable talent base is a key factor in maintaining sound business operations and enhancing organizational competitiveness. Therefore, Sensortek offers diverse and innovative reward and benefit programs to meet the expectations of employees and further enhance their contributions to the team, helping achieve the Company's operational goals.	Responsible investment is gaining attention, and investors are increasingly focused on Sensortek's sustainability performance. Sustainable operations and information transparency have become priorities for the Company. Ongoing communication with shareholders and key investors regarding sustainability strategies and outcomes is a critical factor for continued growth.	Supply chain management and carbon management have become important trends in the technology industry. As an upstream semiconductor sensor chip design company, Sensortek has built long-term collaborative partnerships with downstream manufacturers. The Company is committed to strengthening the resilience of its supply chain and promoting sustainable development in environmental and social aspects through close cooperation.			
Key Topics of Concern	<ul style="list-style-type: none"> <li>Product Quality</li> <li>Sustainable Supply Chain</li> <li>Financial Performance</li> </ul>	<ul style="list-style-type: none"> <li>Information Security</li> <li>Integrity Management</li> </ul>	<ul style="list-style-type: none"> <li>Product Quality</li> <li>Financial Performance</li> <li>Talent Development</li> </ul>	<ul style="list-style-type: none"> <li>Talent Attraction and Retention</li> <li>Innovation Management</li> </ul>	<ul style="list-style-type: none"> <li>Financial Performance</li> <li>Product Responsibility</li> <li>Talent Development</li> <li>Talent Attraction and Retention</li> </ul>	<ul style="list-style-type: none"> <li>Innovation Management</li> <li>Product Quality</li> <li>Integrity Management</li> </ul>	<ul style="list-style-type: none"> <li>Financial Performance</li> <li>Product Responsibility</li> </ul>
Responsible Department	Marketing and Sales/Quality Assurance		Human Resources and Administration	Finance and Accounting	Manufacturing Engineering/Quality Assurance		
Consultation Method/Frequency	<ul style="list-style-type: none"> <li>Customer satisfaction survey (annual)</li> <li>Customer audits (as needed)</li> <li>Participation in customer supplier meetings (as needed)</li> </ul>	<ul style="list-style-type: none"> <li>Employee Welfare Committee (quarterly)</li> <li>Performance reviews (semiannual)</li> <li>Training and education (as needed)</li> <li>Labor-management meetings (quarterly)</li> <li>Internal website or email announcements (as needed)</li> <li>Employee complaint box/Welfare Committee suggestion box (as needed)</li> </ul>	<ul style="list-style-type: none"> <li>Investor briefings (as needed)</li> <li>Annual shareholders' meeting (annual)</li> <li>Market Observation Post System/Company website announcements (as needed)</li> </ul>	<ul style="list-style-type: none"> <li>Quality meetings (monthly)</li> <li>Supplier audits (semiannual/annual)</li> </ul>			
Consultation Outcomes	<ul style="list-style-type: none"> <li>Conducted 1 customer satisfaction survey</li> <li>Conducted 2 on-site customer audits</li> </ul>	<ul style="list-style-type: none"> <li>average employee training hours: 11.14 hours</li> <li>Held 4 Employee Welfare Committee meetings</li> <li>Held 4 labor-management meetings</li> <li>Published 12 EAP news articles</li> <li>Held 2 cross-department supervisor communication meetings</li> <li>Held 1 Company annual meeting</li> </ul>	<ul style="list-style-type: none"> <li>Held 1 shareholders' meeting</li> <li>Participated in 8 investment forums</li> </ul>	<ul style="list-style-type: none"> <li>Conducted annual supplier audits for 7 suppliers</li> <li>Conducted sustainability risk assessment for 6 new suppliers and annual sustainability risk assessment for 22 suppliers</li> <li>5 new suppliers signed the "Declaration of Non Use of Environment Hazardous Substance"</li> <li>7 new suppliers signed Sensortek's "Supplier Code of Conduct"</li> <li>10 key suppliers submitted the "Supplier Code of Conduct Self-Assessment Form"</li> </ul>			



# Identification and Analysis of Material Topics

Sensortek conducts an annual sustainability impact assessment to review high-impact issues, formulate sustainability strategies and action plans, and set short-, medium-, and long-term targets for key topics. In 2023, the IFRS Sustainability Disclosure Standards and the European Sustainability Reporting Standards (ESRS) were officially released. Therefore, Sensortek, based on “GRI 3: Material Topics 2021” and also referencing IFRS and ESRS guidance on sustainability impacts, applies the principle of “double materiality” to integrate both impact materiality and financial materiality. The Company implements a five-stage identification process to evaluate the impacts of its operational activities on society, the environment, communities, and human rights (external impacts), as well as the financial impacts that arise from managing these external impacts (internal impacts). By weighing both external and internal impacts, Sensortek derives a sustainability impact analysis and determines which material sustainability topics should be prioritized for reporting. Additionally, responsible departments within Sensortek develop policies, action plans, and target settings for each topic based on the impact assessment results.



Review of Management Approach Effectiveness (Incorporating IFRS and GRI Standards)



## Sustainability Impact Assessment Description

01

### Understanding Organizational Context

- Identify the key topics and potential impacts for four types of important stakeholders.
- Analyze the potential impacts arising from economic activities within operations and business relationships across the supply chain.
- Map the potential impacts to 21 sustainability topics.

02

### Identifying External Impacts (Impact Materiality)

- Considering comprehensive information from ongoing consultation with stakeholders, responsible departments evaluate the impacts of each topic across actual or potential, positive or negative dimensions. Under current management intensity, the assessment identifies the materiality of impacts on upstream and downstream supply chains, the environment, and social aspects (external to the organization) for the 21 sustainability topics.
- **Identification indicators:**
  - Negative impact materiality: severity (scale, scope, remediability) x likelihood
  - Positive impact materiality: benefit level (scale, scope) x likelihood

03

### Identifying Internal Impacts (Financial Materiality)

- Financial materiality: Based on the impact materiality of the 21 sustainability topics, responsible departments further evaluate the short-, medium-, and long-term financial impacts on operational activities (external-to-internal). The assessment considers the significance thresholds used in financial statements, analyzing the relevance of various financial indicators to Sensortek's value, with 2023 revenue as the benchmark for measuring financial impact.
- The financial impact assessment fully incorporates IFRS sustainability disclosure indicators, SASB semiconductor industry standards, and other topics with equal or higher financial impact significance, ensuring completeness of sustainability-related risk and opportunity information.
- **Identification indicators:**
  - Financial materiality: operational impact x likelihood

Note: Financial impacts include revenue, costs, expenses, cash flows, and financing activities, as related to financial statements.

04

### Formulating Management Approach

- Summarize the results of impact materiality and financial materiality assessments for all topics. Sort the topics by positive/negative impacts for both impact and financial materiality. Responsible departments then confirm the final materiality assessment based on Sensortek's future operational plans and develop policies, action plans, and targets for each topic.

05

### Determining Material Sustainability Topics

- Fully consider the double materiality of each topic. After discussion by the "Risk Management" working group under the Sustainable Development Promotion Team, eight material topics are confirmed for disclosure in the sustainability report.
- Corresponding GRI topics/disclosure indicators (aligned with 7 GRI standard topics and 2 custom topics).
- Corresponding SASB industry standards: Semiconductors within the Technology and Communications sector.

06

### Incorporating Governance and Responsibility

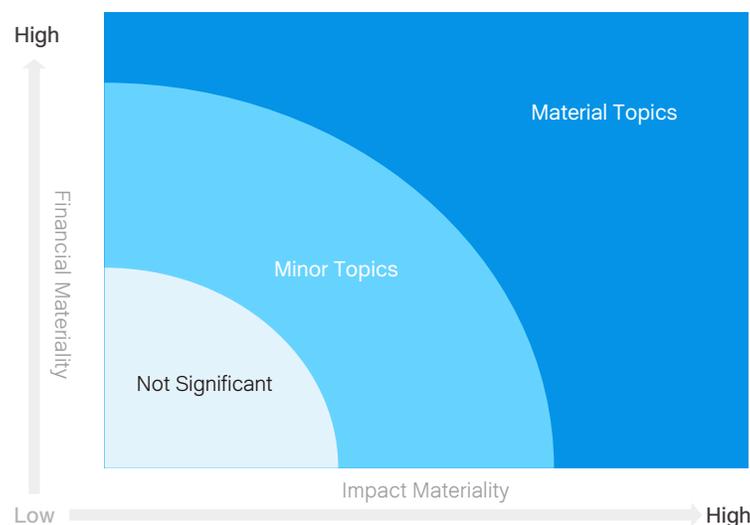
- The results of the sustainability impact analysis as of February 2025 will be incorporated into committee proposals and submitted for board approval.



## ■ Identification of Priority Material Topics for Disclosure

Based on the double materiality impact analysis of sustainability topics, there are eight negative material topics and four positive material topics. In addition, six negative minor topics and four positive minor topics are identified as topics for ongoing monitoring. After comprehensive discussion and evaluation by the “Risk Management” working group under the Sustainable Development Promotion Team, eight topics with significant negative impacts—human capital development, innovation management, economic influence, climate strategy, talent attraction and retention, product responsibility, sustainable supply chain, and information security—and their corresponding management approaches and implementation outcomes are prioritized for reporting in this sustainability report.

The assessment methodology for material topics continues to apply the principle of double materiality. Compared to the previous reporting year, one material topic, energy management, has been removed from the priority list.



Ranking	Impact Materiality		Financial Materiality		Double Materiality	
	Negative	Positive	Negative	Positive	Negative	Positive
1	Product Responsibility	Product Safety and Marketing	Economic Influence	Product Safety and Marketing	Human Capital Development	Product Safety and Marketing
2	Innovation Management	Innovation Management	Human Capital Development	Innovation Management	Innovation Management	Innovation Management
3	Human Capital Development	Human Capital Development	Innovation Management	Economic Influence	Economic Influence	Economic Influence
4	Climate Strategy	Economic Influence	Information Security	Talent Attraction and Retention	Climate Strategy	Human Capital Development
5	Talent Attraction and Retention	Climate Strategy	Talent Attraction and Retention	Human Capital Development	Talent Attraction and Retention	Climate Strategy
6	Economic Influence	Product Responsibility	Climate Strategy	Social Impact	Product Responsibility	Talent Attraction and Retention
7	Sustainable Supply Chain	Quality Management	Water Resource Management	Quality Management	Sustainable Supply Chain	Quality Management
8	Energy Management	Integrity Management	Sustainable Supply Chain	Climate Strategy	Information Security	Product Responsibility
9	Diversity and Inclusion	Sustainable Supply Chain	Quality Management	Sustainable Supply Chain	Quality Management	Social Impact
10	Information Security	Talent Attraction and Retention	Product Responsibility	Product Responsibility	Water Resource Management	Integrity Management
11	Integrity Management	Social Impact	Energy Management	Integrity Management	Energy Management	Sustainable Supply Chain
12	Quality Management		Product Safety and Marketing		Diversity and Inclusion	
13	Water Resource Management		Waste Management		Product Safety and Marketing	
14	Waste Management		Diversity and Inclusion		Waste Management	
15	Product Safety and Marketing		Occupational Safety and Health		Integrity Management	
16	Air Pollution Management		Integrity Management		Air Pollution Management	
17	Biodiversity		Tax Management		Biodiversity	
18	Tax Management		Air Pollution Management		Occupational Safety and Health	
19	Occupational Safety and Health		Biodiversity		Tax Management	
20	Social Impact		Social Impact		Social Impact	
21	Privacy Protection		Privacy Protection		Privacy Protection	



## Material Sustainability Topics and Standards Alignment

A review of the 31 GRI sustainability reporting standards was conducted to map them against the identified material topics. Six relevant GRI standards and two custom topics were selected, along with corresponding SASB semiconductor industry indicators, to initiate the preparation of this report.

Material Topics	Positive Impacts	Negative Impacts	Impact Aspect			Value Chain Impact Scope					Corresponding GRI Standards or SASB Indicators	
			Economic	Environmental	Social (including Human Rights)	Upstream Suppliers	Tier-1 Suppliers	Sensortek	Customers	End Customers		
Human Capital Development	●				●			●				● GRI 404: Training and Education 2016
Innovation Management	●	●	●	●	●		●		●		●	● Custom topic: energy consumption and efficiency
Economic Influence	●	●	●		●		●	●	●			● GRI 201: Economic Performance 2016
Climate Strategy	●	●	●	●			●	●				● GRI 305: Emissions 2016 ● TC-SC-110a.1, TC-SC-110a.2 Greenhouse Gas Emissions
Talent Attraction and Retention	●	●			●			●				● GRI 401: Employment 2016 ● TC-SC-330a.1 Recruiting & Managing a Global & Skilled Workforce
Product Responsibility	●	●	●	●		●	●		●			● TC-SC-410a.1 Product Lifecycle Management
Sustainable Supply Chain	●	●		●	●	●	●	●	●	●		● GRI 204: Procurement Practices 2016 ● TC-SC-440a.1 Materials Sourcing
Information Security		●	●					●	●			● Custom topic: information security incidents



## ■ Impact Timeframe of Material Sustainability Topics

Key Disclosure Topics	External Sustainability Impact Description	Internal Financial Impact Description	Impact Timeframe			
			Already	Future Impact		
			Within 1-2 Years	Within 3-5 Years	Over 5 Years	
Human Capital Development	<b>Positive</b> Establishing comprehensive talent cultivation and career development mechanisms enhances employee value.	Aligning human capital with business growth and technological innovation needs maintains the Company's competitiveness in the industry.	●			
	<b>Negative</b> Pressure from product sensitivity requirements and R&D timelines.	If product innovation and development fail to meet customer expectations, this may delay customer product launches, damage trust, result in lost orders, and negatively impact financial performance.		●		
Innovation Management	<b>Positive</b> Optimizing IC design capabilities improves sensing technologies and supports the development of emerging applications.	Launching new products attracts new customers and orders, driving revenue growth.		●		
	<b>Negative</b> Global political and economic fluctuations and geopolitical developments.	Geopolitical risks may lead some customers to shift orders, resulting in declining revenue.		●		
Economic Influence	<b>Positive</b> Expanding into new application fields.	Continuous innovation to meet customer specifications helps customers grow market share of their end products, which in turn boosts Company performance.	●			
	<b>Negative</b> Increasing customer and regulatory requirements for carbon reduction.	Pressures from stakeholders accelerate climate strategy implementation. As a fabless semiconductor company, Sensortek relies heavily on foundries and material suppliers, which face supply risks if alternative sources are unavailable, leading to revenue decline, reduced market share, and increased costs.				●
Climate Strategy	<b>Positive</b> Increasing renewable energy use reduces environmental impacts. Integrating low-power or fewer light-emitting components into new optical IC products helps conserve resources and improve efficiency.	Collaborating with suppliers ensures that materials and production meet high environmental standards, aligning with global climate requirements and reducing overall risks.	●			
	<b>Negative</b> Challenges in maintaining the retention rate of key talent.	Expanding recruitment channels to attract diverse talent pools increases hiring costs.	●			
Talent Attraction and Retention	<b>Positive</b> Providing competitive benefits and compensation attracts top talent, making human capital a driver of sustainable development.	Improving or optimizing retention mechanisms reduces turnover and associated costs (recruitment, delays, etc.).	●			
	<b>Negative</b> Stricter international regulations on substances of concern (e.g., PFAS).	Suppliers unable to comply with regulations or customer requirements may face exclusion. Lack of alternatives could lead to additional development and validation costs or even supply disruptions.				●
Product Responsibility	<b>Positive</b> Phasing out regulated substances early increases market share and provides a first-mover advantage.	Early engagement with suppliers ensures access to compliant materials before regulatory or customer deadlines, enabling earlier customer adoption and higher order volumes.	●			
	<b>Negative</b> Poor ESG performance by suppliers may indirectly damage Sensortek's reputation, sales, and environmental standing.	Continued supplier underperformance could limit supplier options, requiring order transfers that increase costs.				●
Sustainable Supply Chain	<b>Positive</b> Enforcing ESG standards across the supply chain strengthens corporate sustainability resilience.	Working with sustainability-focused suppliers supports customer requirements, increasing opportunities to secure and expand orders.				●
	<b>Negative</b> Rapidly evolving cyber threats, intensified by AI applications, are increasing vulnerabilities in hardware and software.	Enhancing cybersecurity requires higher investments in equipment, systems, consulting, and audits, raising management costs. Risks also include potential ransomware incidents and data loss, resulting in financial damages.		●		

# Sustainability Issue Management

Material Topic

## Product Responsibility

Policy	Under the ISO 9001 Quality Management System framework, establish an “Environmental Substance Management System,” along with the “Environmental Manual” and the “Environmental Restricted Substance Management Guidelines,” to ensure that outsourced suppliers provide products compliant with international environmental regulations and customers’ green product certification requirements.
Commitment	Implement green design for products and their raw materials, strengthen green product management, and ensure that products, services, and outsourced suppliers align with international green trends to fulfill the Company’s environmental sustainability commitments.
Management Responsibility	<ul style="list-style-type: none"> <li>Sustainable Development Promotion – Partnerships Team</li> <li>Business Unit (Deputy General Manager)/Manufacturing Unit (Deputy General Manager)/Quality Unit (Director)</li> </ul>
Goals	<p><b>Short-term (1-2 years)</b></p> <ul style="list-style-type: none"> <li>Continue compliance with the latest international RoHS, Halogen-Free, REACH environmental regulations, and customer environmental substance requirements.</li> <li>Continue requiring suppliers to procure conflict-free raw materials, achieving 100% usage of certified minerals.</li> <li>Establish an environmental management performance evaluation mechanism; suppliers scoring below 90% will be required to attend environmental meetings for issue communication.</li> <li>Establish a Green Product Management System, actively monitor and promote updates on international regulations, and provide regulatory training at least semi-annually.</li> </ul>
	<p><b>Mid-term (3-5 years)</b></p> <ul style="list-style-type: none"> <li>Require suppliers scoring below 95% in performance evaluations to attend environmental meetings to exchange insights and review management performance.</li> <li>Regularly review and update the Environmental Substance Management Policy to remain aligned with global environmental requirements.</li> </ul>
	<p><b>Long-term (5-10 years)</b></p> <ul style="list-style-type: none"> <li>Continuously comply with international substance restriction regulations, ensuring that production processes and final products prioritize customer health and safety. Strictly prohibit the use of any materials harmful to human health or the environment, providing 100% safe products, and jointly achieving sustainability goals.</li> </ul>
Action Plans	<p><b>Enhancing positive impacts</b></p> <ul style="list-style-type: none"> <li>Expand the Green Product Management System across the entire supply chain to achieve platform-based information integration. Use the system’s database to analyze and compare testing data, continuously monitoring substance compliance.</li> </ul>
	<p><b>Reducing negative impacts</b></p> <ul style="list-style-type: none"> <li>Regularly track international environmental regulations and maintain up-to-date certifications for green products.</li> <li>Conduct regular evaluations of new and qualified suppliers.</li> </ul>
Annual Results	<ul style="list-style-type: none"> <li>Launched the Green Product Management System and expanded its implementation across the supply chain for platform-based interaction.</li> <li>Achieved 100% product environmental surveys and compliance through the Green Product Management System.</li> <li>Completed the latest CMRT and EMRT conflict minerals surveys, achieving 100% usage of certified minerals.</li> </ul>
Tracking and Review Mechanism	<ul style="list-style-type: none"> <li>Use the Green Product Management System to periodically issue supplier announcements on the latest REACH regulations, international regulatory updates, and environmental protection knowledge. Review product material data to ensure compliance with the latest requirements.</li> <li>Use the Supplier Management System to monitor supplier evaluation results.</li> <li>The Environmental Substance Management Team reviews all product material lists and environmental testing reports to ensure that raw materials and packaging materials are free of harmful substances and comply with customer and international requirements. Findings are reported annually in management review meetings.</li> </ul>
Stakeholder Engagement	<ul style="list-style-type: none"> <li>Regularly gather information from international environmental organization websites, chemical policy advocacy sites, newsletters, and ad-hoc environmental seminars. Collect customer environmental specifications and participate in customer supply chain environmental training. Summarize the latest international and customer requirements, proactively distribute and collect surveys from suppliers.</li> </ul>



Material Topic

# Human Capital Development

Policy	Integrate talent development strategies with the Company's goals, vision, and core values. Align employee competency development blueprints across all job levels with business strategies, continuously building momentum for sustainable talent development while realizing the Company's vision.	
Commitment	Establish a comprehensive talent training framework that provides employees at all levels with appropriate self-development goals, corresponding training, and learning resources. This ensures the sustainable development of both their job competencies and career paths.	
Management Responsibility	<ul style="list-style-type: none"> <li>Sustainable Development Promotion – Employee and Social Impact Team</li> <li>Human Resources and Administration/General Manager</li> </ul>	
Goals	Short-term (1-2 years)	<ul style="list-style-type: none"> <li>Review leadership development blueprints in response to environmental changes, cultivating leaders capable of meeting future challenges.</li> </ul>
	Mid-term (3-5 years)	<ul style="list-style-type: none"> <li>Continue organizing advanced technology forums and training programs to enhance employees' innovative thinking and competitiveness</li> </ul>
	Long-term (5-10 years)	<ul style="list-style-type: none"> <li>Strengthen employees' and managers' professional expertise and leadership capabilities, maintaining the Company's leading position in technology and operations.</li> </ul>
Action Plans	Enhancing positive impacts	<ul style="list-style-type: none"> <li>Provide training programs and diversified learning channels tailored to employees at all levels.</li> <li>Conduct post-training satisfaction surveys and evaluate learning effectiveness.</li> <li>Implement the Talent Quality-management System (TTQS) to enhance the quality of training programs.</li> </ul>
	Reducing negative impacts	<ul style="list-style-type: none"> <li>Adopt the TTQS framework to strengthen education and training quality.</li> </ul>
Annual Results	<ul style="list-style-type: none"> <li>Successfully passed the Workforce Development Agency's TTQS certification (valid from June 5, 2024, to June 4, 2025).</li> <li>Approved under the Workforce Development Agency's Enterprise Human Resources Enhancement Program.</li> </ul>	
Tracking and Review Mechanism	<ul style="list-style-type: none"> <li>Use post-training surveys to track training effectiveness.</li> <li>The Human Resources and Administration Department, together with department managers, reviews training effectiveness and course offerings, and formulates annual training plans with follow-up evaluations.</li> </ul>	
Stakeholder Engagement	<ul style="list-style-type: none"> <li>Employees may provide feedback through supervisor communication meetings, performance review discussions, or labor-management meetings. Stakeholders may also submit feedback, reports, or complaints via the "Stakeholder Section" on the Company's official website.</li> </ul>	

Material Topic

# Talent Attraction and Retention

Policy	In accordance with international human rights conventions and compliance with the Labor Standards Act and Gender Equality in Employment Act, the Company recruits talent with inclusiveness, equality, and respect. A fair, reasonable, and competitive compensation system is established to foster a positive employer brand image.	
Commitment	"Discover your true self with Sensortek, shaping a brighter future through IoT. Your uniqueness begins here." Employees are encouraged to discover self-value and fulfill their career development while working. By creating a healthy and enjoyable work environment and offering competitive compensation and benefits, the Company attracts and retains key talent.	
Management Responsibility	<ul style="list-style-type: none"> <li>Sustainable Development Promotion – Employee and Social Impact Team</li> <li>Human Resources and Administration/General Manager</li> </ul>	
Goals	Short-term (1-2 years)	<ul style="list-style-type: none"> <li>Continue to provide competitive, performance-linked rewards.</li> </ul>
	Mid-term (3-5 years)	<ul style="list-style-type: none"> <li>Establish innovative and diversified recruitment channels to attract suitable talent.</li> </ul>
	Long-term (5-10 years)	<ul style="list-style-type: none"> <li>Build a positive work environment, organizational culture, and attractive employer brand to recruit top talent.</li> </ul>
Action Plans	Enhancing positive impacts	<ul style="list-style-type: none"> <li>Develop diversified recruitment channels to attract outstanding talent.</li> <li>Regularly review the competitiveness of compensation and benefits compared to industry peers.</li> <li>Provide employee well-being programs, physical and mental health support, and a healthy workplace environment.</li> </ul>
	Reducing negative impacts	<ul style="list-style-type: none"> <li>Conduct employee activity and service satisfaction surveys.</li> </ul>
Annual Results	<ul style="list-style-type: none"> <li>In 2024, the new hire rate was 9.90%, while the turnover rate was 8.91%.</li> <li>In 2024, Sensortek's average and median annual salaries for full-time employees not holding managerial positions were NT\$2,165,000 and NT\$1,960,000, respectively—outperforming the industry average by 0 times.</li> </ul>	
Tracking and Review Mechanism	<ul style="list-style-type: none"> <li>Business, workforce (including personnel changes), financials, and product development updates are regularly discussed in monthly meetings. Open communication channels are maintained to encourage employees to provide feedback and suggestions, with proactive responses to their needs and concerns.</li> </ul>	
Stakeholder Engagement	<ul style="list-style-type: none"> <li>Employees may provide feedback through supervisor communication meetings, performance review discussions, or labor-management meetings. Stakeholders may also submit feedback, reports, or complaints via the "Stakeholder Section" on the Company's official website.</li> </ul>	



Material Topic

# Information Security

Policy	Formulate the “Information Security Policy” in compliance with the ISO 27001 Information Security Management System standard to ensure the confidentiality, integrity, and availability of information assets, protecting them from intentional or accidental threats both internally and externally.
Commitment	Establish a comprehensive information security management framework and preventive mechanisms to prevent the leakage of Company and customer confidential information caused by security incidents, while continuously enhancing and strengthening cybersecurity defenses.
Management Responsibility	<ul style="list-style-type: none"> <li>Sustainable Development Promotion – Corporate Governance Team</li> <li>Information Security Committee Convener (General Manager)</li> </ul>
Goals	<p><b>Short-term (1-2 years)</b></p> <ul style="list-style-type: none"> <li>Continuously maintain ISO 27001 Information Security Management System certification and obtain third-party verification.</li> <li>Conduct social engineering drills, monthly cybersecurity awareness campaigns, and annual training; reduce the social engineering email click-through rate to below 15%.</li> </ul>
	<p><b>Mid-term (3-5 years)</b></p> <ul style="list-style-type: none"> <li>Perform security system testing and patching.</li> </ul>
	<p><b>Long-term (5-10 years)</b></p> <ul style="list-style-type: none"> <li>Build an in-house cybersecurity monitoring system to expand coverage.</li> </ul>
Action Plans	<p><b>Reducing negative impacts</b></p> <ul style="list-style-type: none"> <li>ISO 27001/IEC 27001:2022 Information Security Management System certification.</li> <li>Strengthen employee information security awareness.</li> <li>Conduct information security incident response drills.</li> <li>Conduct disaster recovery drills.</li> </ul>
Annual Results	<ul style="list-style-type: none"> <li>Obtained ISO/IEC 27001:2022 Information Security Management System certification (valid from February 9, 2024 to February 8, 2027).</li> <li>Released 12 information security awareness bulletins and conducted annual training.</li> <li>Carried out social engineering drills (click rate: 1.79%).</li> <li>Conducted penetration testing and vulnerability patching.</li> <li>Established a Security Operation Center (SOC).</li> </ul>
Tracking and Review Mechanism	<ul style="list-style-type: none"> <li>The Information Security Committee convenes annually to review matters related to information security management and evaluate the implementation of the Information Security Policy.</li> </ul>
Stakeholder Engagement	<ul style="list-style-type: none"> <li>Promote cybersecurity awareness through the Company intranet to strengthen employees’ security consciousness.</li> </ul>

Material Topic

# Economic Influence

Policy	Pursue continuous technological innovation to create maximum value for customers, while achieving the Company’s long-term, sustainable, and stable revenue, profitability, and growth.
Commitment	Dedicated to sustainable operations and long-term stable profitability, creating lasting economic value and sharing it with shareholders, employees, customers, suppliers, and all stakeholders.
Management Responsibility	<ul style="list-style-type: none"> <li>Board of Directors and senior management</li> </ul>
Goals	<p><b>Short-term (1-2 years)</b></p> <ul style="list-style-type: none"> <li>Increase the penetration rate of the Company’s full range of sensor products among existing mobile phone brand customers to boost orders and enhance profitability.</li> </ul>
	<p><b>Mid-term (3-5 years)</b></p> <ul style="list-style-type: none"> <li>Expand the breadth and depth of product applications, strengthen long-term collaboration with customers and the supply chain, and jointly achieve technological innovation to improve customer loyalty.</li> </ul>
	<p><b>Long-term (5-10 years)</b></p> <ul style="list-style-type: none"> <li>Cultivate the global market and become the preferred partner for customers’ sensor product needs.</li> </ul>
Action Plans	<p><b>Enhancing positive impacts</b></p> <ul style="list-style-type: none"> <li>Expand product lines by developing multiple sensor technologies for diverse applications, including consumer products, wearable devices, IoT, and smart automotive solutions, to optimize the product portfolio.</li> <li>Innovate and optimize production processes to improve efficiency and resource utilization, lower costs, enhance competitiveness, and expand market share.</li> </ul>
	<p><b>Reducing negative impacts</b></p> <ul style="list-style-type: none"> <li>Continue to invest in R&amp;D to launch mobile application sensor chips with industry-leading specifications and high cost-performance ratios.</li> <li>Strengthen technical services for existing customers, maintain long-term co-development partnerships, and enhance customer loyalty.</li> </ul>
Annual Results	<ul style="list-style-type: none"> <li>Achieved annual revenue growth of 8.76%, with an operating profit of NT\$540 million.</li> <li>Invested NT\$469 million in R&amp;D, accounting for 10% of revenue; collaborated with brand customers on leading-edge technologies, yielding fruitful R&amp;D results.</li> </ul>
Tracking and Review Mechanism	<ul style="list-style-type: none"> <li>Regular R&amp;D project reviews and business meetings to assess product development progress and customer engagement.</li> <li>Senior management reviews operational performance through cross-departmental monthly meetings.</li> </ul>
Stakeholder Engagement	<ul style="list-style-type: none"> <li>Relevant stakeholders may provide feedback through the “Stakeholder Section” on the Company website.</li> </ul>



Material Topic

# Climate Strategy

Policy	In response to climate change initiatives, the Company is committed to conserving energy and increasing the share of renewable energy usage, while collaborating with suppliers to reduce the negative environmental impact of operations, products, and services.	
Commitment	Through internal greenhouse gas inventories, the Company formulates greenhouse gas reduction and renewable energy plans, and works with the supply chain to implement green operations that reduce energy consumption and carbon emissions in the production process.	
Management Responsibility	<ul style="list-style-type: none"> <li>Sustainable Development Promotion – Environmental Sustainability Team</li> <li>Sustainability and Risk Management Committee</li> </ul>	
Goals	Short-term (1-2 years)	<ul style="list-style-type: none"> <li>Expand greenhouse gas inventory to include Scope 3 emissions and establish a carbon emissions information platform.</li> <li>Achieve 15% renewable energy usage by 2025.</li> </ul>
	Mid-term (3-5 years)	<ul style="list-style-type: none"> <li>Achieve 50% renewable energy usage by 2030.</li> <li>Achieve a 30% reduction in Scope 1 and Scope 2 greenhouse gas emissions by 2030 (baseline year: 2023).</li> </ul>
	Long-term (5-10 years)	<ul style="list-style-type: none"> <li>Achieve 100% renewable energy usage by 2050.</li> </ul>
Action Plans	Enhancing positive impacts	<ul style="list-style-type: none"> <li>Procure green electricity and steadily increase the proportion of renewable energy usage year by year.</li> </ul>
	Reducing negative impacts	<ul style="list-style-type: none"> <li>Conduct annual greenhouse gas inventories with third-party verification, continuously expanding the scope and categories, and tracking progress toward reduction targets.</li> <li>In line with IFRS Sustainability Disclosure Standards (S2) on Climate-related Disclosures and referencing CDP questionnaire best practices, formulate improvement plans for carbon management mechanisms.</li> </ul>
Annual Results	<ul style="list-style-type: none"> <li>Achieved 11.75% renewable energy usage.</li> <li>Completed customer CDP Supply Chain Questionnaire.</li> <li>Conducted Scope 3 greenhouse gas inventory across all categories.</li> </ul>	
Tracking and Review Mechanism	<ul style="list-style-type: none"> <li>Perform annual greenhouse gas inventory and third-party verification.</li> <li>Human Resources and Administration Department reviews electricity bills monthly to track green electricity transfer and ensure annual renewable energy targets are met.</li> <li>The Sustainable Development Promotion Team reports climate management performance to the Board of Directors at least once a year via the Sustainability and Risk Management Committee.</li> </ul>	
Stakeholder Engagement	<ul style="list-style-type: none"> <li>Provide environmental education and training to help employees understand global climate challenges and the Company’s environmental policies, increasing awareness and participation in environmental sustainability initiatives.</li> <li>Require suppliers to sign the Company’s “Supplier Code of Conduct” and undergo annual sustainability risk assessments covering environmental aspects, working together to achieve sustainability goals.</li> </ul>	

Material Topic

# Innovation Management

Policy	Continuously explore advanced technologies, gain precise insights into user needs, and create optimized user scenarios, positioning sensor chips as a critical link between the external environment and electronic products.	
Commitment	<ul style="list-style-type: none"> <li>Develop sensor technologies that unlock unlimited possibilities in everyday life, enabling users to enjoy a better quality of life through our innovations.</li> <li>In response to the impacts of climate change, incorporate sustainability thinking into chip design from the outset, investing in low-power, high-performance products and technological innovation to minimize environmental impacts of product applications.</li> </ul>	
Management Responsibility	<ul style="list-style-type: none"> <li>Sustainable Development Promotion – Partnerships Team</li> <li>Business Units (Deputy General Manager)</li> </ul>	
Goals	Short-term (1-2 years)	<ul style="list-style-type: none"> <li>Enhance sensor performance of photodetectors and add screen color temperature sensing to address the decline in transmittance caused by higher display resolutions and the growing demand for eye-protection features.</li> </ul>
	Mid-term (3-5 years)	<ul style="list-style-type: none"> <li>Expand the application of diverse sensing technologies in smartphones to provide customers with a complete portfolio of mobile-related sensor chip solutions.</li> </ul>
	Long-term (5-10 years)	<ul style="list-style-type: none"> <li>Continuously expand product lines and develop sensor chips for multiple applications, broadly applied in IoT, smart automotive, and other fields.</li> </ul>
Action Plans	Enhancing positive impacts	<ul style="list-style-type: none"> <li>Increase R&amp;D investment to expand the application fields of sensing technologies.</li> <li>Continuously implement the Taiwan Intellectual Property Management System (TIPS) to leverage intellectual property for competitive advantage and value creation.</li> </ul>
	Reducing negative impacts	<ul style="list-style-type: none"> <li>Promote industry-academia cooperation for technology exchange and recruitment of outstanding R&amp;D talent.</li> </ul>
Annual Results	<ul style="list-style-type: none"> <li>Executed three industry-academia cooperation projects and participated with business partners in the IC Design Top Grant Program.</li> <li>Submitted 12 invention proposals and obtained 15 domestic and international patents.</li> <li>Achieved Taiwan Intellectual Property Management System (TIPS) Class A certification for the first time (valid until December 31, 2025).</li> <li>Launched a new sensing application—skin-sensing technology for wearable devices.</li> </ul>	
Tracking and Review Mechanism	<ul style="list-style-type: none"> <li>Conduct R&amp;D project meetings to discuss and track project progress and performance.</li> <li>Optimize and validate IP projects, ensuring cross-review and sharing among different initiatives.</li> </ul>	
Stakeholder Engagement	<ul style="list-style-type: none"> <li>Maintain customer communication and service mechanisms to promptly respond to product- or service-related inquiries and suggestions.</li> <li>Engage with customers during product development and design stages to understand front-end technical needs, align with customer requirements, and meet project timelines.</li> </ul>	

Material Topic

# Sustainable Supply Chain

Policy	Follow the Responsible Business Alliance Code of Conduct to ensure safe and respectful working conditions for supply chain labor, compliance with environmental regulations, and adherence to business ethics, thereby building a sustainable business model.
Commitment	Incorporate ESG performance into procurement decisions and supplier evaluation through sustainable supplier management, exercising responsible sourcing influence, and working with suppliers to reduce potential social and environmental risks while shaping a sustainable supply chain.
Management Responsibility	<ul style="list-style-type: none"> <li>Sustainable Development Promotion – Partnerships Team</li> <li>Manufacturing Unit (Deputy General Manager)/Quality Unit (Director)</li> </ul>
Goals	<b>Short-term (1-2 years)</b> <ul style="list-style-type: none"> <li>80% of key suppliers to complete a sustainability risk self-assessment questionnaire.</li> <li>80% of high-risk suppliers to receive sustainability training and education.</li> </ul>
	<b>Mid-term (3-5 years)</b> <ul style="list-style-type: none"> <li>100% of key suppliers to complete a sustainability risk self-assessment questionnaire.</li> <li>100% of high-risk suppliers to receive sustainability training and education.</li> <li>Collaborate with key suppliers to set energy-saving and carbon-reduction targets in response to climate change.</li> </ul>
	<b>Long-term (5-10 years)</b> <ul style="list-style-type: none"> <li>Continuously enhance suppliers' performance in environmental and social aspects.</li> </ul>
Action Plans	<b>Enhancing positive impacts</b> <ul style="list-style-type: none"> <li>Through the supplier sustainability management mechanism, conduct ESG risk assessments on new and qualified suppliers.</li> </ul>
	<b>Reducing negative impacts</b> <ul style="list-style-type: none"> <li>Require suppliers to sign the Company's Supplier Code of Conduct.</li> <li>Require key suppliers to conduct sustainability risk self-assessments and achieve annual greenhouse gas emission intensity reductions of more than 2%.</li> </ul>
Annual Results	<ul style="list-style-type: none"> <li>100% of new suppliers (7 companies) signed the Supplier Code of Conduct and completed sustainability risk assessments.</li> <li>100% of qualified suppliers (22 companies) completed annual sustainability risk assessments.</li> <li>Distributed Supplier Code of Conduct Self-Assessment Questionnaires to 16 key suppliers for sustainability risk self-assessment, with a 62.5% response rate.</li> </ul>
Tracking and Review Mechanism	<ul style="list-style-type: none"> <li>Monitor supplier sustainability risk evaluations through the Supplier Management System.</li> <li>The Sustainable Development Promotion Team conducts annual sustainability risk assessments of qualified suppliers and compiles reports to the convener (General Manager)</li> </ul>
Stakeholder Engagement	Require suppliers to sign the Company's Supplier Code of Conduct and participate in annual sustainability risk assessments, while communicating the Company's sustainability goals to suppliers.



# Implementing Governance

## Sensing the Growth of Business Operations

Corporate Governance

Tax Governance

Integrity Management

Information Security Management



# Corporate Governance

Sensortek follows the Corporate Governance Best Practice Principles for TWSE/TPEX Listed Companies as the framework for its corporate governance operations. To protect shareholders' rights, strengthen the functions of the Board of Directors, optimize the role of functional committees, respect stakeholder interests, and enhance information transparency, the Company ensures compliance with relevant laws and regulations in both governance and internal management mechanisms.

## Board Composition and Operation

The highest management authority of Sensortek is the Board of Directors, supported by the Audit Committee, Compensation Committee, and Sustainability and Risk Management Committee. These committees assist the Board in fulfilling its supervisory responsibilities, ensuring transparency of operational and financial information to safeguard shareholder interests. The Company's Articles of Incorporation stipulate a candidate nomination system for board elections (including independent directors). Director nominations undergo a rigorous selection process considering diverse backgrounds, professional skills, and experience, with attention to candidates' ethical conduct and leadership reputation. Professional qualifications, shareholding, concurrent positions, nomination, and election procedures for independent directors comply with the Company Act, Securities and Exchange Act, and other relevant regulations.

The current Board consists of three directors with ties to the parent company Sitronix Group and Sensortek, and three independent directors (representing 43% of all board seats). There are no spousal or second-degree kinship relationships among directors. The three independent directors form the Audit Committee, Compensation Committee, and Sustainability and Risk Management Committee, exercising oversight functions. All directors were re-elected on June 21, 2022, and plans are in place to add one additional independent director in the next election cycle (2025).

The Chairman of the Board (also serving as CEO) is the highest governance officer, responsible for operational strategy formulation, managing operations, and evaluating the necessity and effectiveness of internal controls. The dual role of Chairman and CEO is intended to enhance decision-making efficiency and execution, reduce friction or misunderstandings among management, ensure proper operational oversight, and promptly identify and address issues.

Sensortek's Board of Directors convenes at least once per quarter. In 2024, four board meetings were held, with an average attendance rate of 95.8% among all directors.

## Functional Committees

Audit Committee	Compensation Committee	Sustainability and Risk Management Committee
In 2024, 4 meetings were held, with an average attendance rate of <b>91.7%</b>	In 2024, 3 meetings were held, with an average attendance rate of <b>88.9%</b>	In 2024, 4 meetings were held, with an attendance rate of <b>100%</b>

## Board Diversity

Sensortek, in accordance with Article 20 of the Corporate Governance Best Practice Principles and Article 3 of the Procedures for the Election of Directors, considers the overall composition of the Board when selecting directors. Board members possess the necessary knowledge, skills, and competencies to perform their duties. The current six-member Board comprises individuals with diverse backgrounds, including industry experience in the semiconductor sector, accounting expertise, and proficiency in finance and asset management. In addition to leveraging directors' professional expertise in various fields, the participation of independent directors ensures the objectivity and independence of Board proceedings.

Sensortek has established standards for the professional knowledge, skills, experience, gender diversity, and independence required of Board members and senior executives. Among the seven directors, one is female (representing 14%). Furthermore, the Company places full trust in and respects the contributions of independent directors, fostering a proactive and effective Board culture.



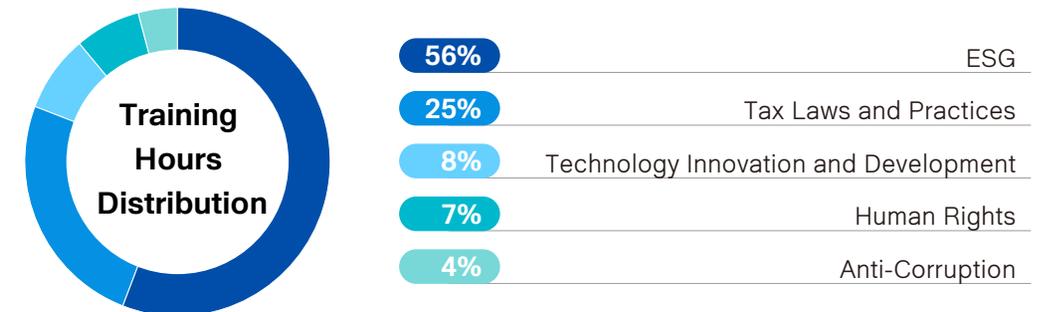
Sensortek Diversity Policy – Specific Management Goals
→ Ensure that at least one female director serves on the Board.
→ Compose the Board with members having diverse industry experience and professional backgrounds.
→ Limit the number of directors who are employees of the Company, parent, subsidiary, or sister companies to no more than one-third of total Board seats.
→ Ensure that independent directors occupy at least one-third of the Board seats.
→ For detailed core diversity items of the Board, please refer to the Company website.

## ■ Director ESG Training

Board members of Sensortek participate in relevant training in accordance with the Directions for the Implementation of Continuing Education for Directors and Supervisors of TWSE Listed and TPEX Listed Companies, continuously enhancing their understanding of regulatory updates and emerging issues to improve corporate governance effectiveness. The Company periodically arranges training programs on economic, environmental, and social topics relevant to operations, helping directors strengthen their sustainability competencies.

For the selection of training courses, programs are tailored to directors’ interests and practical needs, delivered online or in-person, assisting directors in acquiring new knowledge, staying up-to-date, and familiarizing themselves with their roles, functions, responsibilities, and obligations on the Board. This strengthens Board capabilities in line with regulatory expectations and enables directors to better integrate with Company operations.

In 2024, Board members completed a total of 9 ESG-related training sessions totaling 44 hours, 1 human rights course totaling 6 hours, and 1 anti-corruption course totaling 3 hours. Additionally, in August 2024, Sensortek commissioned the Taiwan Investor Relations Institute to deliver two in-house training sessions— “Key Strategies for Enhancing ESG Performance” and “Opportunities and Challenges for Taiwanese Businesses in China” —totaling 6 hours, enhancing directors’ understanding of industry trends and improving Board effectiveness. For reference, please see the publicly disclosed information on Sensortek’s “Director and Supervisor Attendance, Training Records, and Independent Directors’ Current Positions, Experience, and Concurrent Roles (Individual)” on the Market Observation Post System.



## ■ Conflicts of Interest

To ensure that the Chairman of the highest governance body and other senior executives avoid or mitigate conflicts of interest, they are required to disclose any personal interests when participating in decision-making. This prevents involvement in decisions that may affect their own interests. Any conflicts of interest are disclosed in the annual report, specifying the directors involved, the relevant agenda items, and the reasons for recusal. Additionally, information regarding controlling shareholders and related-party transactions is disclosed in the annual report to prevent or mitigate potential conflicts of interest.

## ■ Communication on Key Issues

The Board of Directors establishes major strategies each year to safeguard the interests of stakeholders and provide essential guidance for sustainable management. Management also regularly reports to the Board on critical issues—including financial risks, ESG matters, information security, integrity management, and internal audit and control—as well as related information such as quarterly derivative transactions, quarterly financial reports, and quarterly internal audit reports. For further details, please refer to Sensortek’s 2024 Annual Report under “Board of Directors’ Operations” and “Audit Committee Operations.”

## ■ Executive Remuneration Policy

The remuneration is determined based on: “Evaluation Questionnaire for Board Members,” Board performance assessment outcomes, Board meeting attendance records, and Directors’ participation in training programs. Remuneration proposals are reviewed by the Compensation Committee, approved by the Board of Directors, and subsequently reported to the Shareholders’ Meeting. Directors’ remuneration consists of both compensation and rewards. Compensation is fixed and, in accordance with Article 16 of the Company’s Articles of Incorporation, is determined by the Board of Directors based on each director’s level of participation in operations, contribution to the Company, and prevailing domestic and international industry standards. Rewards, on the other hand, are variable and directly linked to Sensortek’s profitability and operating performance. Pursuant to Article 18-1 of the Articles of Incorporation, directors’ rewards may be distributed within a cap of 1% of the Company’s annual profit.



## ■ Senior Management Remuneration Policy

The remuneration of Sensortek’s executives—including the CEO, general manager, and deputy general managers—comprises fixed salaries, performance bonuses, and employee profit-sharing. Fixed salaries are determined with reference to the executive’s role, responsibilities, contribution to the Company, and industry benchmarks. Each year, it is reviewed and adjusted based on the “Manager Performance Evaluation Method,” taking into account factors such as goal achievement and behavioral assessments. The Compensation Committee reviews these evaluations and submits them to the Board of Directors for approval.

The operational bonus is tied to the Company’s overall operational performance and is allocated based on a fixed percentage of profits. Employee compensation is determined in accordance with Article 18-1 of the Company’s Articles of Incorporation, which stipulates that if the Company is profitable in a given year, no more than 25% and no less than 1% of the profit shall be allocated as employee compensation. However, if the Company has accumulated losses, the amount needed to cover such losses shall first be reserved before allocating compensation based on the aforementioned percentage. In April 2024, the Company revised its “Manager Performance Evaluation Method” to include ESG management performance (accounting for 10%) as part of the evaluation indicators for senior managers. The ESG sustainability performance evaluation indicators are based on the achievement of targets set for high-impact issues identified through the annual sustainability impact assessment, thereby strengthening the implementation of the Company’s sustainability policy. The 2024 ESG sustainability performance evaluation is based on eight topics: human capital development, innovation management, economic impact, climate strategy, talent attraction and retention, product responsibility, sustainable supply chain, and information security.

To minimize potential future operational risks, the Company continuously reviews and updates its remuneration system in accordance with actual business conditions and relevant regulations, ensuring a balance between sustainable operations and risk management. For details regarding directors’ and executives’ remuneration, please refer to the 2024 Annual Report section: “Remuneration Paid to Directors, Supervisors, General Manager, and Deputy General Managers in the Most Recent Fiscal Year.”

## ■ Board Performance Evaluation

In accordance with the “Rules for Performance Evaluation of Board of Directors,” Sensortek conducts an internal performance evaluation once a year, covering the overall Board of Directors, individual board members, and functional committees. In addition, every three years, and as deemed necessary for management purposes, an evaluation may be conducted by an external independent professional institution or a team of external experts and scholars. The evaluation results are reported to the Board of Directors in the first quarter of the following year to ensure continuous improvement in board effectiveness. For details on the Board’s performance evaluation, please refer to the section “Board of Directors’ Operations” in Sensortek’s 2024 Annual Report.

## ■ Internal Audit

Sensortek has established an internal control system in compliance with regulatory requirements and set up an Internal Audit Unit that reports directly to the Board of Directors. The internal audit unit regularly reports to both the Board and the Audit Committee to ensure its independence and professionalism. Dedicated auditors conduct annual routine and special audits, provide recommendations for improvement, and continuously follow up until improvements are completed. The appointment, evaluation, and remuneration of internal auditors are submitted by the Audit Director to the Chairman for approval, further enhancing corporate governance and audit independence.

## ■ Integration of Sustainability Information Management into Internal Control

In May 2024, in line with the Taipei Exchange’s revised “Reference Items for Determining the Effectiveness of Internal Control Systems” and the Company’s updated internal procedures, Sensortek introduced a new internal control process on “Management of Sustainability Information Preparation and Assurance.” This process has been incorporated into the Company’s 2025 audit plan. It was approved by both the Audit Committee and the Board of Directors on October 29, 2024. By embedding ESG into the internal control mechanism, the Company ensures the completeness, accuracy, and compliance of ESG-related information, thereby strengthening sustainability information management and enhancing the quality of corporate sustainability disclosures.

## ■ Communication between Internal Audit, Independent Directors, and CPA

The Audit Director circulates the previous month’s audit reports to all independent directors on a monthly basis, allowing them to communicate directly with the Audit Director regarding the report contents. In addition, the Audit Director regularly attends meetings between independent directors and CPA, and separately reports audit activities directly to independent directors. In 2024, such communications were held twice. For further details on communication between independent directors, the internal audit function, and CPA, please refer to Sensortek’s 2024 Annual Report.

## ■ Legal Compliance

Sensortek complies with all relevant regulations governing publicly listed companies and has established dedicated Intellectual Property and Legal Affairs units to provide legal consultation and support to business operations. Each department monitors regulatory updates and announcements from competent authorities on a regular basis, revising or introducing internal rules and procedures as needed to ensure legal compliance and to prevent operational risks or significant penalties that could arise from regulatory violations. The audit unit also conducts annual audits on “compliance with laws and regulations,” updates related internal policies accordingly, and reports the audit results and follow-up actions to both the Audit Committee and the Board of Directors.

In accordance with the “Procedures for Handling Material Inside Information and Prevention of Insider Trading,” Sensortek assesses whether an event has a material impact on its financial performance, operations, shareholder rights, or stock price when determining “material violations.” From 2023 to 2024, the Company recorded no incidents of non-compliance with social, economic, or environmental laws and regulations.

Furthermore, Sensortek incorporates relevant compliance requirements into standard contracts, which serve as binding terms for all business partners. The responsible units exercise strict oversight during contract reviews to ensure that all applicable regulatory requirements and international standards are properly embedded, reinforcing the Company’s commitment to lawful and ethical business practices.

# Tax Governance

## ■ Tax Governance Principles

All of Sensortek’s business activities are conducted in compliance with Taiwan’s tax regulations. The accounting unit oversees day-to-day tax administration and various tax credit applications. Employees responsible for tax matters regularly participate in tax-related training programs or seminars organized by competent authorities, supplemented by professional advice from external tax consultants. In addition, the Company’s financial reports are reviewed quarterly by an external CPA firm to ensure the accuracy and fairness of tax disclosures.

Sensortek supports government tax policies that promote industrial innovation and economic growth. In accordance with the Statute for Upgrading Industries and the Industrial Innovation Statute, the Company benefited from a five-year tax holiday (2016-2020) related to capital increases and business expansion. Beginning in 2021, the Company has utilized tax credits derived from R&D expenditures and investments in smart machinery, and since 2022, it has also benefited from tax credits for investments in cybersecurity services and products.

## ■ Tax Risk Management

All business operations follow the Company’s internal control procedures, including the identification, assessment, and management of tax risks arising from regulatory changes. The Audit Committee oversees the implementation of internal control systems related to accounting, taxation, and financial reporting processes.

## ■ Transfer Pricing Management

Transactions between Sensortek and its related parties follow the arm’s length principle and comply with the “Regulations Governing Assessment of Profit-Seeking Enterprise Income Tax on Non-Arm's-Length Transfer Pricing.” The Company engages an external CPA firm to issue transfer pricing reports in accordance with these requirements.





## Tax Payments

Unit: NT\$ thousand

Income Tax Information	2021	2022	2023	2024
Profit Before Tax (A)	1,970,683	990,783	780,687	625,706
Income Tax Expense (B)	309,334	148,010	105,171	85,229
Book Effective Tax Rate (B) ÷ (A)	15.70%	14.94%	13.47%	13.62%
Reasons for Tax Credits or Reductions (C)	Applicable under the “Industrial Innovation Statute” and the “Act for Development of Small and Medium Enterprises.”			
	Eligible for tax credits on R&D expenditures and investments in smart machinery.	Eligible for tax credits on R&D expenditures, investments in smart machinery, and cybersecurity services or products.		
Income Taxes Paid (D)	285,587	137,400	100,246	84,879
Cash Effective Tax Rate (D) ÷ (A)	14.49%	13.87%	12.84%	13.57%

Note 1: No income tax payments outside of Taiwan.

2: Book Effective Tax Rate = Annual income tax expense ÷ Annual pre-tax income; Cash Effective Tax Rate = Annual income tax paid ÷ Annual pre-tax income

## Integrity Management

Sensortek upholds the principle of integrity in business operations, continuously monitoring domestic and international policies and regulations that may have potential impacts on its business and financial performance. The Company establishes and updates corporate governance policies and procedures in a timely manner, while the Audit Unit conducts regular compliance checks and revises relevant internal regulations as necessary.

On April 9, 2019, the Board of Directors approved the Ethical Corporate Management Best Practice Principles, Code of Ethical Conduct, and Procedures for Ethical Management and Guidelines for Conduct, which require all employees to conduct business with fairness, honesty, and in compliance with government regulations. Board members and management likewise adhere to the highest standards of integrity. Each year, through the Company’s internal control self-assessment process, all departments complete self-evaluation forms on compliance with ethical standards, thereby strengthening the effectiveness of the overall internal control environment.

The Human Resources and Administration Department is responsible for promoting and implementing integrity management. The department reports annually to the Board of Directors on the Company’s integrity policies, anti-misconduct measures, and supervision results (most recently on October 29, 2024).

Sensortek adopts a zero-tolerance policy toward corruption, bribery, unfair competition, information leaks, intellectual property infringement, and insider trading. Any violations identified through whistleblowing mechanisms or internal audits will be documented, investigated, and sanctioned in accordance with Company policies to uphold a reputation of fairness and integrity.

All directors sign a Confidentiality Agreement upon assuming office, and 100% of employees sign an Employment Contract and a Confidential Information and Intellectual Property Guarantee Letter upon onboarding. These agreements clearly define intellectual property ownership and confidentiality obligations during employment and require strict adherence to the principle of integrity and intellectual property protection. New employees are explicitly required and reminded to review their existing intellectual property rights and obligations upon joining the Company. Likewise, employees who have been involved with critical organizational intellectual property are reminded of their confidentiality and intellectual property compliance obligations upon departure.

In the event that unethical conduct is identified, the Human Resources and Administration Department, together with the relevant department heads, will be responsible for reviewing the case, implementing corrective measures, and reporting the outcome to the Board of Directors.

<ul style="list-style-type: none"> <li>Prohibition of bribery and corruption</li> </ul>	<ul style="list-style-type: none"> <li>Prohibition of intellectual property infringement</li> </ul>	<ul style="list-style-type: none"> <li>Prohibition of unfair competition</li> </ul>
<ul style="list-style-type: none"> <li>Strict prohibition of insider trading</li> </ul>	 <p>Ethical Corporate Management Best Practice Principles – Eight Key Principles</p>	<ul style="list-style-type: none"> <li>Prohibition of improper charitable donations or sponsorships</li> </ul>
<ul style="list-style-type: none"> <li>Prevention of products or services causing harm to stakeholders</li> </ul>	<ul style="list-style-type: none"> <li>Prohibition of unreasonable gifts, hospitality, or other improper benefits</li> </ul>	<ul style="list-style-type: none"> <li>Prohibition of unlawful political contributions</li> </ul>

## Whistleblowing Procedures and Channels

Based on the Procedures for Ethical Management and Guidelines for Conduct, Sensortek has established a whistleblowing system, providing both internal and external reporting mechanisms for violations of integrity management. A dedicated whistleblowing mailbox is managed by the Audit Office, with support from other relevant departments when necessary.

In 2024, neither the internal nor external whistleblowing mailboxes received any reports of violations related to integrity management.

Reporting Channel ▶	Dedicated Investigation Unit ▶	Reporting and Adjudication ▶	Improvement Measures
<ul style="list-style-type: none"> <li>Ethical violation whistleblowing mailbox: report@sensortek.com.tw</li> </ul>	<ul style="list-style-type: none"> <li>Investigation of reported case.</li> <li>Evidence collection, clarification, and verification</li> </ul>	<ul style="list-style-type: none"> <li>Report violations of professional ethics</li> <li>Convene meetings and present investigation reports</li> <li>Adjudication and disciplinary actions in accordance with the Code of Ethical Conduct and the Ethical Corporate Management Best Practice Principles</li> </ul>	<ul style="list-style-type: none"> <li>Require relevant departments to internally review the root causes of the violation and submit a corrective action report</li> <li>Revise internal and external management policies and internal procedures</li> <li>Strengthen internal and external communication, awareness campaigns, and training to prevent recurrence of similar incidents</li> </ul>
Audit Office, relevant units	Intellectual Property and Legal Affairs Unit, Human Resources and Administration Department, relevant units		Audit Office, relevant units

## Whistleblower Protection Mechanism



The safety of whistleblowers shall be protected.

In accordance with the Whistleblowing Policy and the Personal Data Protection Act, the identity of whistleblowers and the content of their reports shall be kept confidential.

Whistleblowers shall not be subject to any adverse treatment or disciplinary action as a result of filing a report.



## ■ Integrity Training Programs

To ensure the effective implementation of integrity management and regulatory compliance, the Company regularly conducts training sessions and awareness programs on core values of integrity management to strengthen employees' awareness and commitment. Training materials and presentations are also published on the Company's internal learning platform, allowing employees to review them at any time.

In July 2023, Sensortek established its Supplier Code of Conduct, which was developed with reference to the Responsible Business Alliance (RBA) Code of Conduct. The Code sets out the ethical standards that suppliers are expected to follow. Key suppliers are required to provide a written commitment to comply with the Code, and Sensortek communicates its ethical standards through supplier audits.

2024 Course Title	Target Participants	Content	Completion Rate
Advocacy for Integrity Management Practices	All full-time employees	Code of Integrity and Integrity Management Policy, Procedures and Regulations for Handling Material Non-Public Information, Insider Trading Prevention, Trade Secrets and Intellectual Property Protection, Whistleblowing Channels	100%

## ■ Insider Trading Prevention Advocacy and Training

Sensortek upholds the principles of integrity and transparency, aiming to strengthen insiders' understanding of insider trading regulations. Each year, employees are required to complete mandatory online courses covering insider trading laws, confidentiality and disclosure requirements for material non-public information, legal responsibilities, and case studies. Course materials are also made available on the internal training platform to reinforce awareness of compliance requirements.

To further strengthen its insider trading prevention mechanisms, the Company revised its Procedures for Handling Material Inside Information and Prevention of Insider Trading in November 2022. The procedures explicitly prohibit directors from trading company shares during blackout periods: within 30 days prior to the announcement of annual financial reports and within 15 days prior to the announcement of quarterly financial reports. When the Board schedules the meeting calendar for the following year in the fourth quarter, the Company reports the blackout periods to directors in advance, and also sends quarterly email reminders to insiders (including directors and executives) to ensure strict compliance with insider trading regulations.

## ■ Political Contributions

Sensortek's Code of Ethical Conduct stipulates that the Company shall not engage in any contributions other than charitable activities (e.g., political donations). Sensortek does not provide financial support or expenditures to political campaigns, political organizations, lobbyists or lobbying groups, industry associations, or other tax-exempt entities, in order to maintain political neutrality. At the same time, the Company encourages employees to fulfill their civic responsibilities. In 2024, Sensortek made no political contributions.

Violations of Code of Conduct/ Ethics	2024 Number of Reports/ Substantiated Cases
Corruption or Bribery	No reports received
Discrimination or Harassment	No reports received
Customer Privacy	No reports received
Conflicts of Interest	No reports received
Money Laundering or Insider Trading	No reports received



# Information Security Management

Sensortek has implemented clear information security policies to fulfill its responsibilities in ensuring the robustness of the Company’s information security management system. A management framework has been established within the organization to initiate and monitor the implementation of information security. A management task force involving the management executives has been established to approve information security policies, delegate information security management responsibilities, and facilitate the implementation of information security across the whole organization. In February 2024, Sensortek obtained the ISO/IEC 27001:2022 Information Security Management System certification (Certificate No. 10584069; valid from February 9, 2024, to February 8, 2027). In 2024, Sensortek recorded zero major information security incidents.



**Timeline of Objectives**

**Strategic Direction**

### Short-term goals

- Continuously collect and analyze system logs
- Continuously collect network device logs and analyze network traffic
- Continuously implement endpoint detection and response (EDR) measures
- Continuously apply automated security vulnerability updates on endpoint devices

### Mid-term goals

- Establish a Cybersecurity Operation Center with the following objectives**
- High visibility of information security incidents
  - Collection of data from various system sources
  - Semi-automated vulnerability patching
  - Endpoint device management and network traffic anomaly monitoring

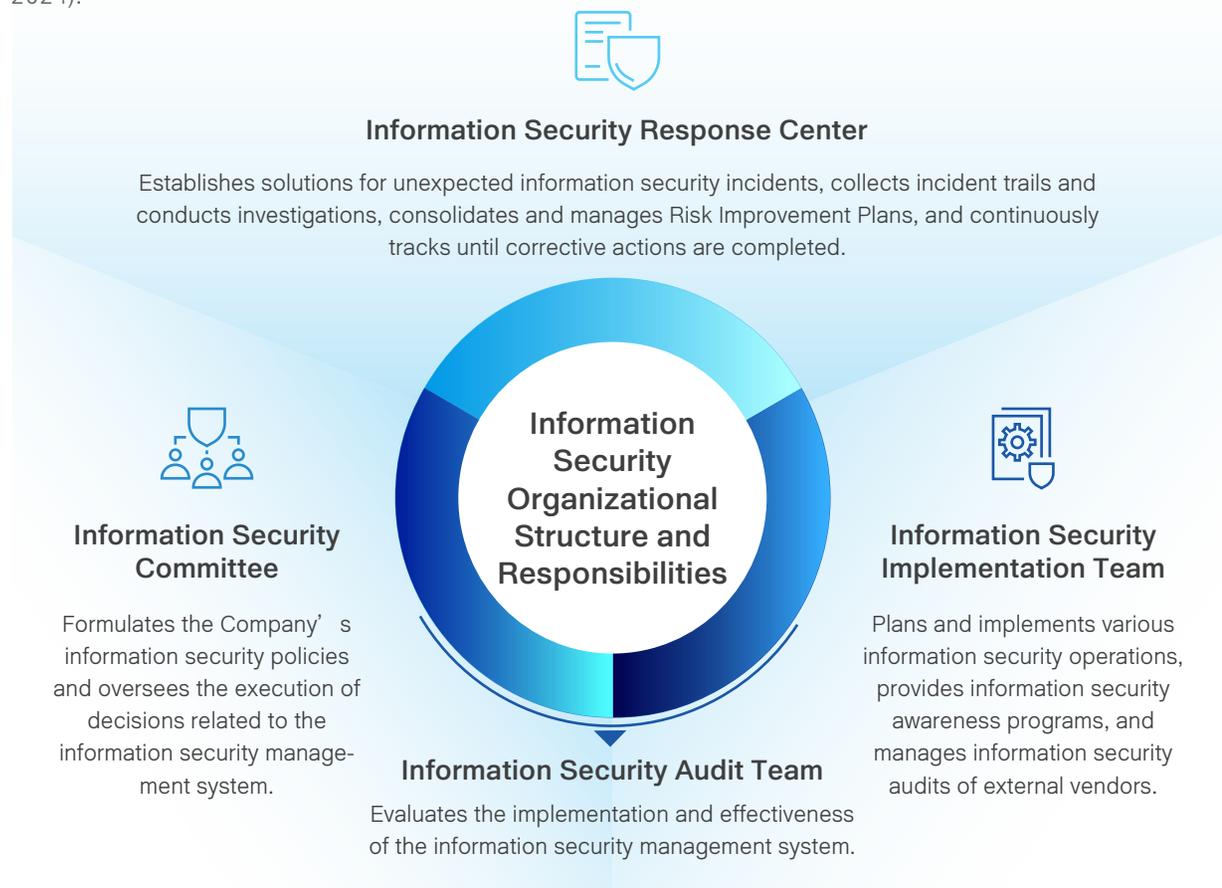
### Long-term goals

- Establish a comprehensive information security framework and ensure continuous improvement to fully protect and manage organizational information assets**
- Building a comprehensive cybersecurity culture
  - Ensuring cybersecurity compliance and regulatory adherence
  - Sharing and collaborating on information security threat intelligence
  - Managing information security risks
  - Continuous cybersecurity education and training
  - Continuous improvement of IT infrastructure
  - IT disaster recovery and business continuity planning

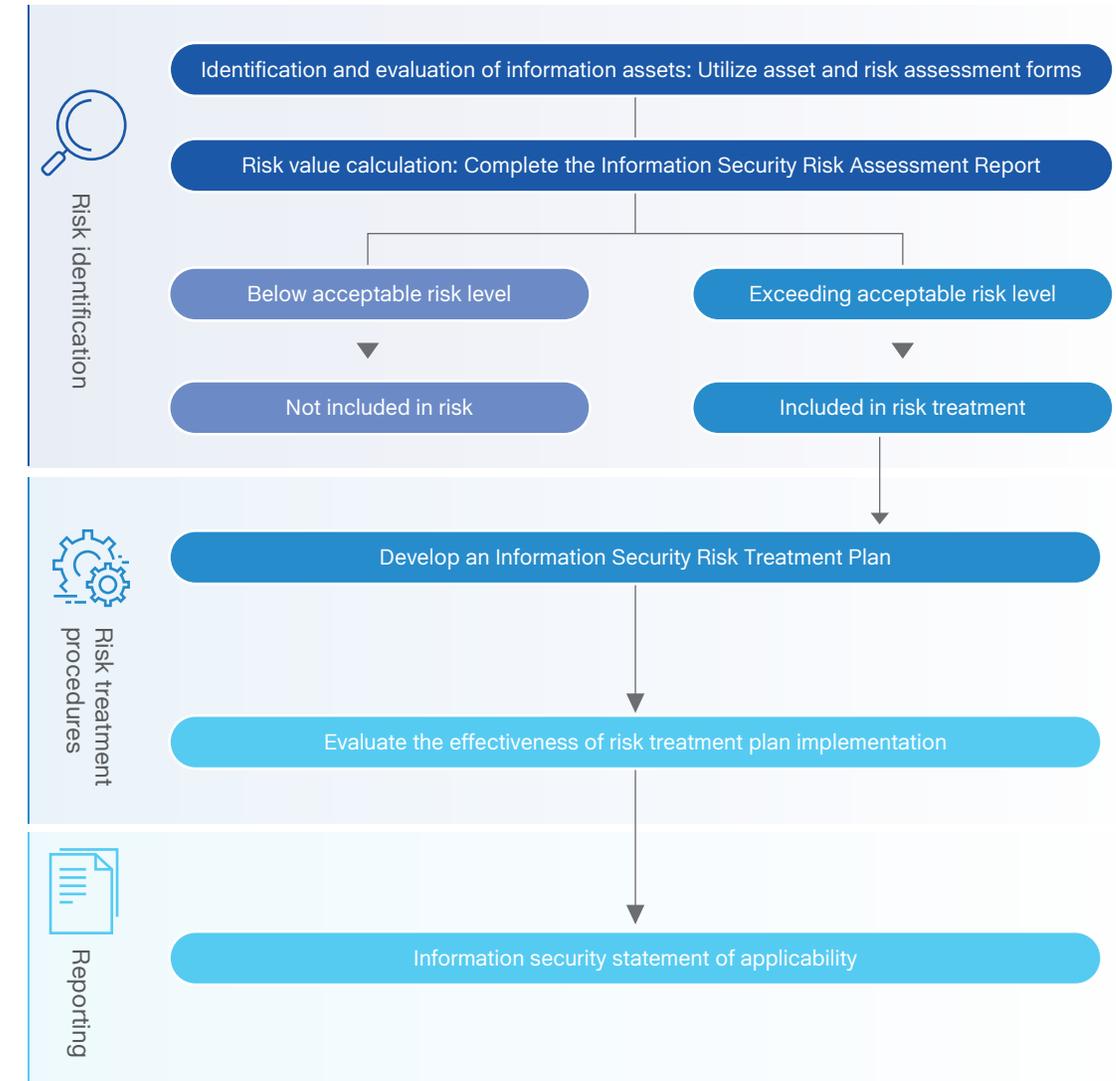
2024 Information Security Management Objectives		Implementation Status
Information Security Risk Management	International standard certification	Obtained ISO 27001:2022 certification.
	Information security training	100% of new employees included in information security training.
	Information security awareness	Monthly security awareness communications issued (12 times in total) to strengthen employees’ information security awareness.
	Information Security Committee reports	Held once annually.
	Personal computer updates	Quarterly updates of Company computers with a 99% update completion rate.
Information security audit	Social engineering exercises	Click-through rate remained below 15%; employees who clicked participated in information security awareness training.
	Information security incident management	No major information security incidents in 2024; the organization continues to maintain a secure information environment.
	Penetration testing	Completed penetration testing exercises and applied vulnerability patches.

## Information Security Committee

The Information Security Committee is chaired by the General Manager and consists of three sub-groups: the Information Security Response Center, the Information Security Implementation Team, and the Information Security Audit Team. The committee meets once annually to review matters related to the Company's information security management and to evaluate the implementation of information security policies. The committee also reports to the Board of Directors once a year (on October 29, 2024).

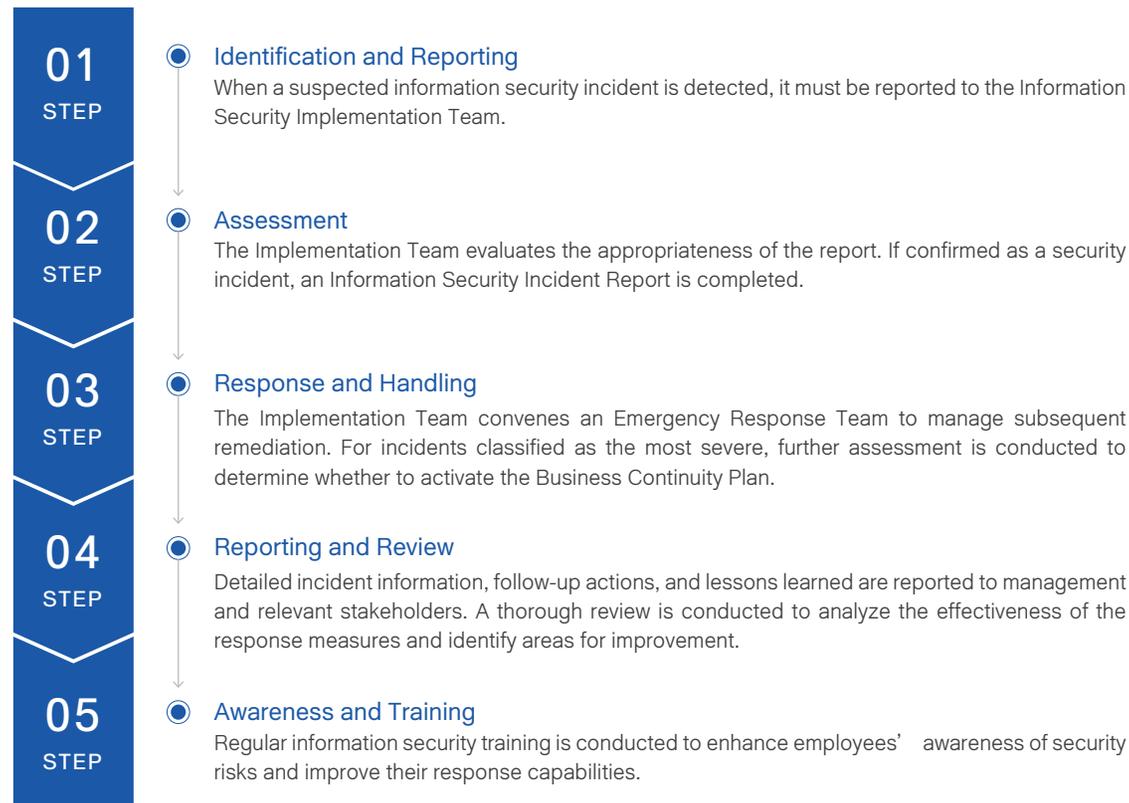


## Information Security Risk Management Procedures



## Information Security Incident Management Procedures

To ensure rapid mitigation of damage when an information security incident occurs, Sensortek has established the Information Security Incident Management Procedures. When a suspected information security incident is detected, it must be reported to the Information Security Implementation Team. The Implementation Team evaluates and confirms the appropriateness of the report. If confirmed as a security incident, an Information Security Incident Report is completed, and an Emergency Response Team is convened to handle subsequent remediation and corrective actions.



## Information Security Management Detailed Plan

Information Security Management/Controls	Corresponding Measures
Information Security Policy and Training Program	<ul style="list-style-type: none"> <li>The Information Security Committee reviews and submits the information security policy to the General Manager for approval and official announcement.</li> <li>Employee awareness of information security is enhanced through training programs, e-learning modules, and security bulletins.</li> </ul>
Information Classification and Protection	<ul style="list-style-type: none"> <li>In accordance with the Data Security Management Policy, access controls are established for critical information, including personal data and customer privacy.</li> <li>Controls include USB write restrictions, outbound email self-audits, file and directory permission consolidation, and audit mechanisms implemented according to management regulations.</li> </ul>
System and Application Access Control	<ul style="list-style-type: none"> <li>Two-factor authentication is enforced to strengthen access control.</li> <li>System access rights are granted after approval in line with access control management policies.</li> <li>Login records of critical information systems are audited regularly.</li> </ul>
Protection of Information Records	<ul style="list-style-type: none"> <li>Necessary information records are collected and preserved according to data security management regulations.</li> <li>Offsite backup: Critical services are backed up at the Taipei office to reduce recovery time.</li> </ul>
Network Security Management	<ul style="list-style-type: none"> <li>Firewalls are deployed to segregate internal and external networks. Connections and data flows to critical information zones are monitored and controlled, with firewall rules reviewed regularly.</li> </ul>
Malware and Virus Protection	<ul style="list-style-type: none"> <li>A comprehensive malware protection mechanism is implemented from the network gateway to endpoints.</li> <li>Security bulletins are issued to increase employee awareness of information security threats.</li> </ul>
Information Security Incident Management	<ul style="list-style-type: none"> <li>Procedures are established in accordance with the Information Security Incident Management Process.</li> <li>Industry information security incidents are analyzed to reduce the likelihood and impact of similar events.</li> </ul>
Supply Chain Information Security Management	<ul style="list-style-type: none"> <li>In line with Supplier Management Guidelines, the security of supplier relationships is ensured. A procedural supplier relationship management control mechanism is implemented to maintain secure and proper supplier operations.</li> </ul>



## ■ Implementation Results

### Information Security Report (1 time)

- The ISO 27001 management review meeting is held annually, and the results are also reported to the Board of Directors.

### Information Security Certification ISO 27001

- Achieved ISO/IEC 27001:2022 Information Security Management System certification in February 2024.

### Education and Training 100%

- New employees: 100% received information security training.
- All employees: One company-wide information security training session was conducted.

### 12 Information Security Awareness Bulletins

- Regular information security awareness bulletins: Published monthly, with a total of 12 issues, to strengthen employee information security awareness.

### New Offsite Backup

- Added a new offsite backup location.

### Disaster Recovery Drill (1 time)

- Conducted one annual disaster recovery drill.

### Penetration Test (1 time)

- External website penetration test: Conducted once. (including penetration testing and vulnerability remediation)

### Social Engineering Drills (2 times)

- Employee click-through rate in 2024: 1.79%.

### Information Security Audits (2 times)

- Regular internal and external information security audits were performed.

### Asset and Risk Assessment (1 time)

- Conducted one annual information asset and risk assessment.

### Computer Update Rate 99%

- Quarterly computer updates conducted.

### Expanded Scope of Two- Factor Authentication

- Two-factor authentication: Expanded to include additional critical services.

## ■ Personal Data Protection

Sensortek places great importance on the protection of its partners' trade secrets. Following the "Taiwan Intellectual Property Management System (TIPS)" established by the Industrial Development Administration of the Ministry of Economic Affairs, trade secrets are included as part of the company's intellectual property management targets. The Company has developed confidentiality document management guidelines, including document standards and confidentiality classifications. Internally, an information security environment has been established for confidential documents, with strict access control and owner review mechanisms to ensure that document access and sharing are properly governed and protected. Sensortek has obtained ISO 27001 international certification for its information security management system and continues to update and implement rigorous information security measures across hardware, software, and personnel operations, ensuring the confidentiality of critical assets for the Company and its stakeholders. In the event of a personal data breach, the "Information Security Committee," under which the "Information Security Response Center," the "Information Security Implementation Team," and the "Information Security Audit Team" operate, will immediately activate the incident reporting mechanism in accordance with the "Information Security Incident Management Procedure." Investigations and remediation are carried out according to standards to ensure incidents are properly handled and reports are completed within the required timeframe.

To safeguard employees' personal data privacy and security, Sensortek has established the "Personal Data Protection Management Regulations" in compliance with the Personal Data Protection Act. These regulations are applied to all employees, with the Human Resources Department designated as the primary responsible unit for promoting and executing related policies. This ensures that the collection, processing, use, and storage of personal data comply with legal requirements, while implementing robust security protection measures. For details on Sensortek's Privacy Protection Policy, please refer to the Privacy Statement.

Management Project	Content
Confidentiality agreements	<ul style="list-style-type: none"> <li>• Signed employment contracts and personal data usage consent forms with employees.</li> <li>• Signed confidentiality agreements with customers and suppliers for relevant business operations to prevent the disclosure of trade secrets by employees, customers, or suppliers.</li> </ul>
Education and training	<ul style="list-style-type: none"> <li>• In 2024, conducted an online training course on "Fundamentals of Trade Secret Protection and Introduction to Management Systems" for employees. A total of 199 participants completed the course, with a cumulative training duration of 133 hours.</li> </ul>
Information security protection	<ul style="list-style-type: none"> <li>• Implemented phishing email detection and conducted regular employee awareness testing.</li> <li>• Conducted ransomware attack drills.</li> <li>• Promoted awareness of privacy and personal data protection.</li> <li>• Conducted disaster recovery plan drills for information systems.</li> </ul>



# Pursuing Innovation

## Sensing the Design Excellence in Product R&D

Innovation Management

Intellectual Property Protection & Competitive Behavior

Product Lifecycle Management



# Innovation Management

## Technological Innovation

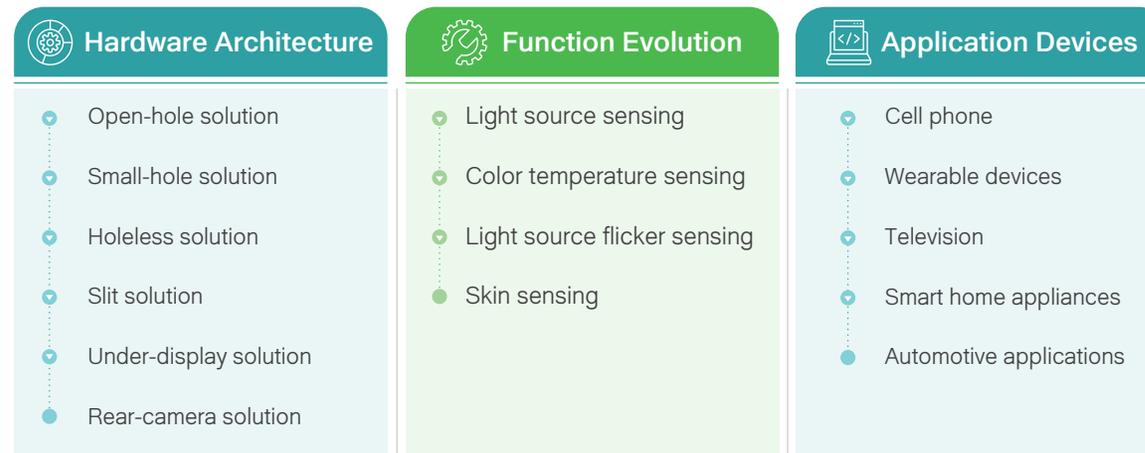
Sensortek will continue to advance the specifications of its OLED under-display sensing products by enhancing circuit signal-to-noise ratios and optimizing RGB coatings to improve color temperature accuracy. These improvements aim to deliver industry-leading performance while reducing costs and increasing product cost-effectiveness, thereby sustaining market share in the mid-to-high-end smartphone segment. The Company is also developing the next generation of skin detection technology, aiming to optimize circuit design, enhance detection accuracy, stabilize production yields, and contribute to both revenue and profitability.

The development of micro-electromechanical systems (MEMS) sensing technology integrates gyroscope and accelerometer chips to deliver more competitive inertial sensing solutions, with applications in consumer toys, robotic vacuum cleaners, and a wide range of other products. We have also launched a new Monolithic accelerometer sensor chip—a compact, highly integrated solution that combines MEMS and ASIC technologies. This innovation is designed to lower costs and strengthen our competitive edge. Additionally, we are actively expanding into emerging sensing applications, such as specialized electromagnetic wave absorption rate sensing and barometric sensing, to further grow our market presence. Sensortek is committed to extending sensor product applications beyond mobile devices, actively deploying solutions for automotive, industrial control, and AI-related fields. In 2024, the Company invested NT\$468 million in R&D, representing 10% of its annual revenue.

Unit: NT\$ thousand

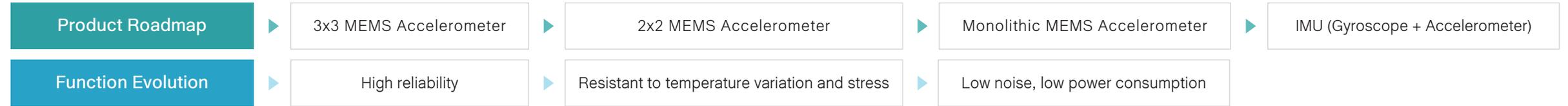
Related Information	2021	2022	2023	2024
R&D Expenses	550,780	483,589	463,925	468,837
Percentage of Revenue	9.38%	12.01%	10.21%	9.49%

## Optical Sensing Technology Roadmap

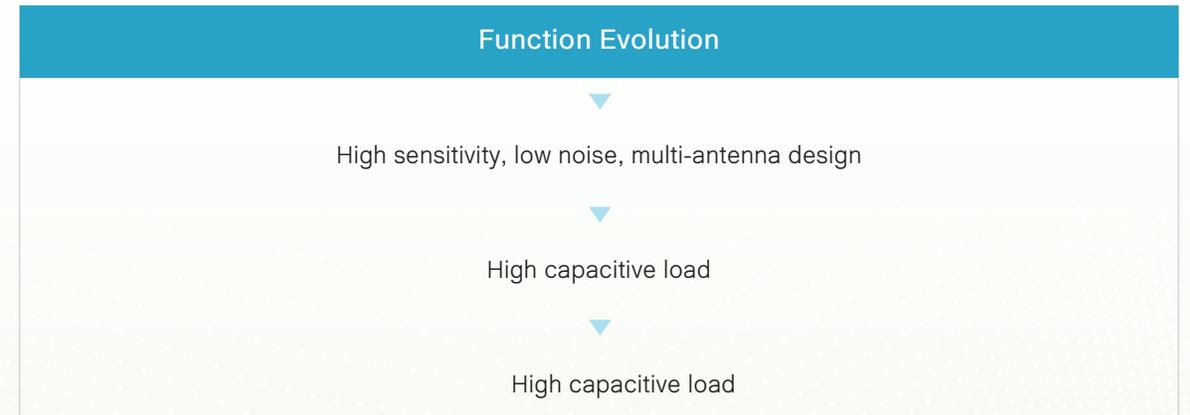




## MEMS Sensor Technology Roadmap



## Capacitive Sensing Technology Roadmap





## ■ Sustainable Products

### Environmentally Sustainable Products

#### High-Efficiency Products

- **Supporting Energy Saving for End Devices :**
  - Detects ambient light to automatically adjust screen brightness.
  - Detects proximity to automatically activate or deactivate the device.

#### Low-Carbon Products

- **Reducing Product Carbon Footprint :**
  - Design optimization: Products adopt wafer-level packaging, using wafers directly as substrates without additional submounts or molding processes, reducing packaging material usage.
  - Packaging reel diameter reduced (from 13 inches to 7 inches), minimizing packaging material consumption.
- **Enhancing Production Efficiency :**
  - Multifunctional test platforms: Perform spectral testing (red, green, blue, flicker). Test data can be observed and monitored in real time via the internet, with AI computation and analysis applied to improve test efficiency.

### Socially Sustainable Products

#### Health Applications

- **SAR sensing chips:** Detect human proximity to smartphone antennas, enabling devices to adjust transmission power and control radiation patterns, directing beams away from the human body.
- **Barometric pressure sensors:** Integrated into wearables for comprehensive health monitoring and activity tracking.
- **Ambient light and color sensors:** Reduce blue light impact on vision.

#### Social Applications

- **Barometric pressure sensors:** Integrated into smartphones for high-precision positioning to support rescue operations. Used in drones for emergency search and rescue, reducing risks for personnel in disaster zones.

Note: "Low-Carbon" is defined as reducing energy or resource consumption.

## Industry Technology Collaboration



### Ministry of Economic Affairs R&D Project: IC Design Top-Up Subsidy Program

#### Project Name

Development of High-Stability IMU Heterogeneous Integrated Sensor Chips and Low-Power AI-AHRS Chip Modules for Unmanned Vehicle Applications

#### Project Background

Currently, Taiwan relies on imports in this technology field, making supply chain disruptions and national security risks significant challenges. This project integrates domestic companies, including Sensortek, Upbeat Technology, and AWAN, connecting upstream and downstream industry technologies to establish an independent supply chain. Upon completion, the technological achievements will fill gaps in the drone industry and extend applications to autonomous vehicles, robotics, and other fields, creating a market value of tens of billions of NTD. At the same time, the project strengthens Taiwan's key technology autonomy, enhancing international competitiveness and national security.

#### Project Description

The project focuses on the Attitude and Heading Reference System (AHRS) chip modules, which are critical components of unmanned vehicle flight control systems. It aims to develop high-stability IMU heterogeneous integrated sensor chips and low-power AI-AHRS chip modules, with the goal of full domestic production. AHRS acts as the "brain" of a drone, integrating signals from multiple sensors and performing attitude compensation, making it the core technology for stable flight. The project leverages innovative chip design and heterogeneous integration packaging technology, combined with AI-based attitude correction algorithms, to achieve high precision, low drift, and low power consumption. The specifications are expected to surpass international competitors by more than three years.

## Industry-Academia Cooperation

Sensortek aims to integrate academic and industry resources to enhance the level of sensor technology and improve its international competitiveness. Over the years, we have collaborated with academic institutions such as National Taiwan University, National Central University, National Tsing Hua University, and National Yang Ming Chiao Tung University. We have also established partnerships with the NTU System-on-Chip Center and National Tsing Hua University's "Micro Sensors and Actuators Technology Consortium."

In 2024, we executed three industry-academia cooperation projects. These partnerships not only strengthen the product design capabilities of our team, but also provide valuable learning and development opportunities for students. The outcomes have had a significant impact on both academic research and industry practice, injecting new vitality and innovative thinking into Sensortek's growth—while also helping us successfully recruit top talent. Additionally, through campus lectures and the recruitment of R&D substitute military service candidates, we develop talents in related industries, nurturing outstanding professionals in Taiwan's sensor field.

Academic Institution	Cooperation Title	Content	Benefits to Sensortek
National Taiwan University	Mode Matching Gyroscope Design Research Project	<ul style="list-style-type: none"> <li>Investigate Mode Match architecture for gyroscopes to enhance the performance characteristics of Sensortek's current designs.</li> <li>Assist in analyzing nonlinear effects in gyroscope design to improve product performance</li> </ul>	<ul style="list-style-type: none"> <li>Support Sensortek in addressing nonlinear effects during product development, enhancing product characteristics.</li> <li>Conduct research on new gyroscope architectures to explore future research directions.</li> <li>Provide doctoral students with internship opportunities at Sensortek, with post-graduation recruitment to attract top talent.</li> </ul>
National Formosa University	Development of VAD Algorithms and Optimization of Wafer Test Analysis Platform	<ul style="list-style-type: none"> <li>Establish a CP/FT data analysis database and apply AI to analyze correlations in test data, improving wafer manufacturing yield.</li> <li>Utilize AI algorithms to analyze bone-conduction vibration signals collected by G Sensors, enabling future edge computing applications on VAD chips.</li> </ul>	<ul style="list-style-type: none"> <li>Enhance CP/FT data analysis processes, reducing costs associated with purchasing commercial analysis software.</li> <li>Automate report generation by linking CP/FT/EQC data, saving manual labor previously required for analysis.</li> <li>Use large datasets collected by the university for AI analysis and model training in G Sensor voice analysis.</li> <li>Graduating students involved in the project will join Sensortek, contributing to talent cultivation.</li> </ul>
National Formosa University	Automated Optimization Process for MEMS Component Design	<ul style="list-style-type: none"> <li>Utilize AI in conjunction with MEMS EDA tools (e.g., COMSOL) to optimize structural design analysis.</li> <li>Implement AI Agents to assist in structural optimization, improving the automated MEMS component design process.</li> </ul>	<ul style="list-style-type: none"> <li>Enhance the MEMS component design automation and structural optimization analysis workflow.</li> </ul>

# Intellectual Property Protection & Competitive Behavior

Disclosure Topic: Intellectual Property Protection & Competitive Behaviour

SASB Code	Metric	2021	2022	2023	2024
TC-SC-520a.1	Total amount of monetary losses as a result of legal proceedings associated with anti-competitive behaviour regulations (Unit: NT\$)	0	0	0	0

## Intellectual Property Management



Sensortek pursues continuous technological innovation with the goal of creating maximum value for customers while achieving long-term, sustainable, and stable growth. Intellectual property is regarded as one of the Company's most important assets. Through its intellectual property management program, Sensortek continues to expand both the quantity and quality of R&D patents, thereby strengthening its competitiveness for sustainable growth. Since 2023, the Company has adopted the Taiwan Intellectual Property Management System (TIPS) established by the Industrial Development Administration, Ministry of Economic Affairs. By implementing the PDCA management cycle, Sensortek has enhanced its internal intellectual property management system. The Company established a cross-departmental intellectual property management task force to review differences between its existing management practices and TIPS standards, and then made improvements and adjustments accordingly. As part of this initiative, Sensortek developed an Intellectual Property Management Manual, revised and updated 16 intellectual property-related operational procedures, and formulated intellectual property management policies and objectives to ensure robust and systematic intellectual property governance.

Education  
and  
Training

New employee training

All new hires are required to complete an online onboarding program within two weeks of employment. The training covers basic intellectual property education, confidentiality document management, patent management, and contract management. In 2024, 100% of new employees successfully completed the online training program.

Intellectual property management personnel training

In 2024, the R&D department completed a specialized course on "Patent Risk Assessment and Product Design-Around Strategies."



In August 2024, the Company applied for Taiwan Intellectual Property Management System (TIPS) A-Level Certification, with patents designated as the management scope. On December 31, 2024, the application was approved and announced by the Institute for Information Industry. The certificate is valid until December 31, 2025.

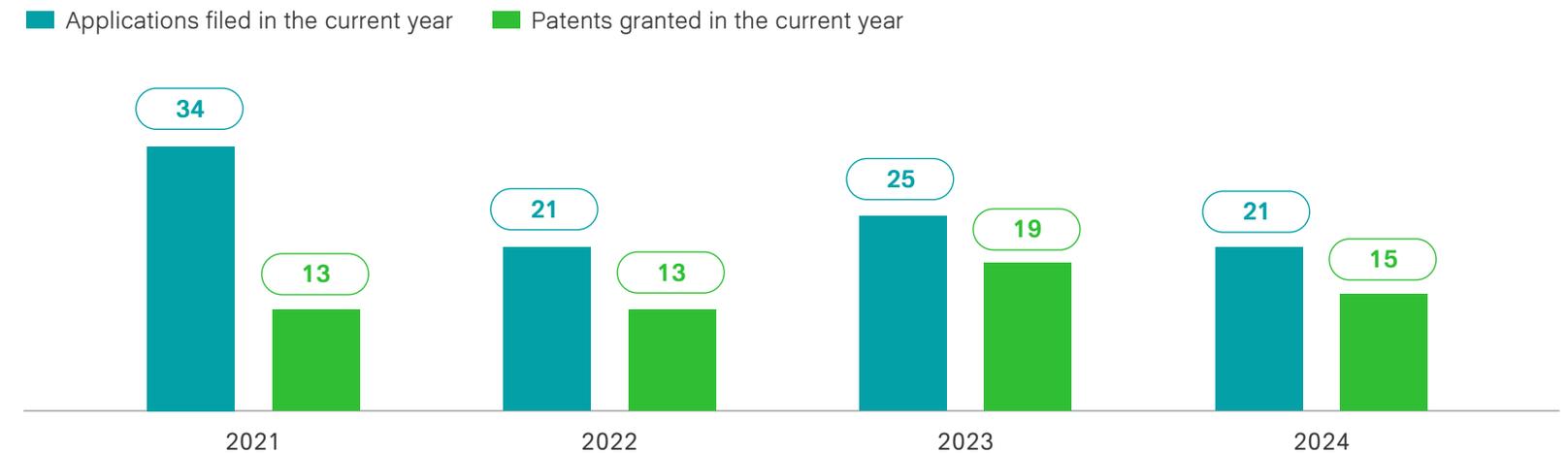


## ■ Patent Management

Sensortek encourages innovation and carefully values employee inventions and proposals. Through the implementation of the Patent Policy, employees are motivated to apply creativity in technologies related to their job functions, actively engage in R&D and improvements, and apply for patents. This protects the Company’s intellectual property, accumulates R&D achievements, and strengthens competitiveness. The Company has established a Patent Management System to streamline processes and facilitate the effective conversion of R&D outcomes into patent applications. The system also enables continuous monitoring of granted patents, including their utilization and relevance to products, to regularly assess the necessity of patent maintenance. This approach strengthens the volume of core technology patents and enhances their overall quality.

- The Company has established both proposal incentives and grant incentives. In 2024, a total of 12 invention and innovation proposals were submitted, with incentive payouts amounting to NT\$318,000.
- As of December 31, 2024, Sensortek held a total of 182 domestic and international patents (including 70 pending applications and 112 granted patents). Among these, 15 new patents were granted in 2024.

### Patent Applications, Grants, and Active Cases Over the Years



## ■ Trademark Management

Sensortek has registered its company name and logo as trademarks and maintains them in accordance with applicable laws. The Company aims to prevent preemptive registrations by others in key markets, thereby safeguarding its brand identity and logo.



# Product Lifecycle Management

## Disclosure Topic: Product Lifecycle Management

SASB Code	Metric	2021	2022	2023	2024
TC-SC-410a.1	Percentage of products by revenue that contain IEC 62474 declarable substances	0%	0%	0%	0%
TC-SC-410a.2	Processor energy efficiency at a system level for: (1) servers, (2) desktops and (3) laptops	<ul style="list-style-type: none"> <li>Sensortek complies with the latest EU RoHS Directive and REACH SVHC restricted substances requirements. During the reporting period, the Company confirmed that the volume of chemical substances used in its products did not reach the threshold levels requiring disclosure under the IEC 62474 standard.</li> <li>As Sensortek is a fabless IC design company responsible for chip development and sales, it is not able to manage processor energy efficiency at the system level of customers' products. In addition, since the Company's products are not applied in commercial servers or personal computers, this disclosure indicator is not applicable</li> </ul>			

## Environmental Substance Management

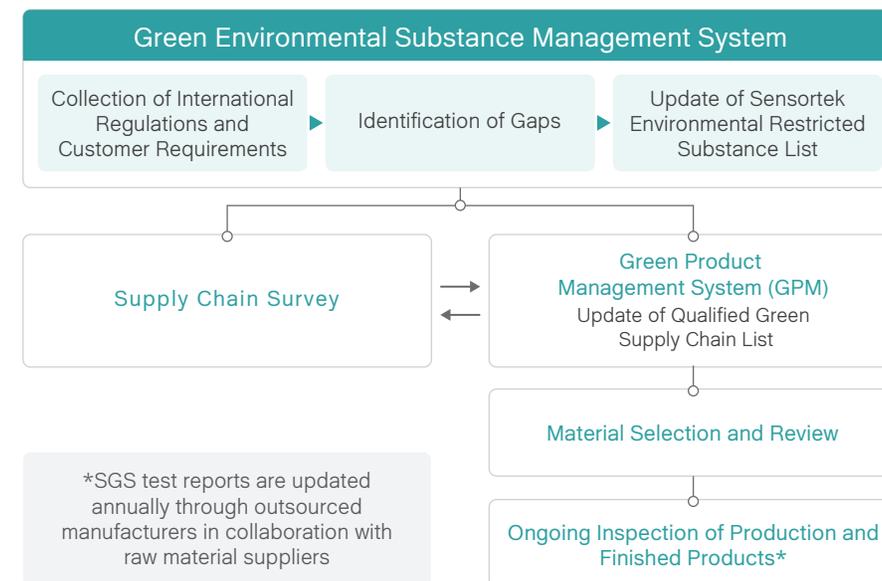
Sensortek has established an Environmental Substance Management Team responsible for promoting environmental substance control and formulating the Environment Substance Management Procedure. This procedure strictly regulates the control of substances with significant environmental impact, requiring reviews of all product Bills of Materials (BOM) and environmental test reports to ensure that raw materials and packaging materials are Hazardous Substance Free (HSF) and compliant with the latest international environmental regulations and customer requirements.

In response to new product design and development, evolving international environmental regulations, and customer-specific restrictions on chemical substances, Sensortek launched the Green Product Management System (GPM) in 2023. The system was officially implemented in the second quarter of 2024 and broadly extended across the supply chain for interactive engagement on the platform. This digitalized system replaces manual electronic form management, enabling integrated information management and broader collection and consolidation of documentation related to material types, composition content, and other product data. It enhances efficiency in supplier chemical testing reports, safety data sheets, and conflict mineral sourcing investigations, while also supporting database-driven analysis and comparison of test data. This allows Sensortek to continuously monitor substance compliance, fully implement green supply chain management, and provide customers with timely and accurate product material safety information—reinforcing confidence and trust in the Company's products.

In accordance with the Environment Substance Management Procedure, Sensortek conducts material management and process audits for new suppliers. Only after becoming qualified suppliers are they required to submit investigation data in compliance with GPM requirements.

In 2024, Sensortek continued to maintain its Sony Green Partner (GP) certification and successfully passed Samsung's biennial audit to obtain the latest Eco-Partner certification. Internally, the Company conducts annual product testing and clearly labels product packaging with "RoHS GP," ensuring that all products are free from hazardous substances—further strengthening customer confidence and trust.

## Environmental Substance Management Process





## Collection of International and Customer Requirements

International Environmental Conventions	Montreal Protocol (Ozone Layer Protection)
	Samsung Product Substance Control Standards
Customer Requirements	Stockholm Convention (POPs – Persistent Organic Pollutants)
	OPPO Hazardous Substance Management Standard
	VIVO Environmental Procurement Material Standard
European Union Environmental Directives	RoHS Directive
	REACH Regulation
	Halogen-Free Directive
	Packaging and Packaging Waste Directive (PPWD)
	Norway PoHS
	Other EU Regulations
	France – Mineral Oil Restriction Regulations
Environmental Regulations in Asia, Europe, and the United States	Taiwan RoHS
	China RoHS
	California Proposition 65
	Toxic Substances Control Act (TSCA)
	Toxics in Packaging Clearinghouse (TPCH) Requirements
	Canada – Prohibition of Certain Toxic Substances Regulations
	Other Environmental Regulations in Asia, Europe, and the United States
	Japan – Chemical Substances Control Law (CSCL)

## Supply Chain Survey

- Issuance of the “Declaration of Non Use of Environment Hazardous Substance” : Issued to 6 suppliers in 2024, with a 100% signing rate.
- Issuance of the “Declaration of Non-Use of Conflict Minerals” : Issued to 5 suppliers in 2024, with a 100% signing rate. (including 1 supplier that provided a public document: Responsible Minerals Sourcing Policy Statement)
- Verification of “Periodic Raw Material Testing Reports” : Suppliers must submit annual testing reports for RoHS-restricted substances and halogen-free (HF) compliance. These reports must cover the following substances: lead (Pb), cadmium (Cd), mercury (Hg), hexavalent chromium (Cr<sup>6+</sup>), polybrominated biphenyls (PBBs), polybrominated diphenyl ethers (PBDEs), bis(2-ethylhexyl) phthalate (DEHP), benzyl butyl phthalate (BBP), dibutyl phthalate (DBP), diisobutyl phthalate (DIBP), chlorine (Cl), and bromine (Br).
- Verification of “Environmental Substance Data Sheets” : Suppliers must provide investigation results and material survey forms in compliance with new international and customer-specific environmental substance requirements.
- Planned Implementation of the “Supplier Environmental Performance Evaluation System” starting in 2025: Monthly evaluations will review supplier performance metrics, including overdue rate, rejection rate, and closure rate of environmental compliance surveys, to ensure 100% compliance with environmental substance requirements. Suppliers with low performance scores will be required to make improvements

## Green Product Management System

Suppliers are required to upload material declaration data (including the Declaration of Non Use of Environment Hazardous Substance, material certifications, test reports, etc.) to the GPM system in accordance with Sensortek’s “List of Environmentally Restricted Substances.” The submitted documents are reviewed through the GPM system to ensure that materials comply with international environmental regulations and Sensortek’s customer requirements.

Through the GPM system, announcements are periodically issued to suppliers to promote awareness of the latest REACH regulations, international regulatory updates, and relevant environmental protection knowledge. At the same time, product material data is reviewed to ensure compliance with the latest regulatory control requirements. Starting from Q2 2024, the GPM system began tracking management performance, achieving a 100% system audit completion rate and improving staff operational efficiency by 47%.

### 2024 GPM System Management and Optimization

#### Management Objectives

- Collection of product material composition data and periodic updates of test reports (valid for one year) are managed through system-generated notifications to suppliers. The system records the entire audit process, tracks each material declaration’s progress, and monitors testing data, replacing manual spreadsheets and email follow-ups to enhance management efficiency.
- When international or customer-specific environmental regulations are updated, the system performs real-time conformity checks against products, reducing the time spent on manual list-by-list verification.
- The system generates standardized, comprehensive product reports, minimizing staff workload in data consolidation, reducing manual entry errors, and improving the timeliness of material substance declarations.
- The system ensures 100% of materials undergo RMI conflict minerals due diligence, verifying smelter locations and compliance status.



### 2024 GPM System Management and Optimization

#### Supplier Training

- Through supplier environmental conferences, live demonstrations of GPM system functions and operations were conducted, including material environmental declaration items and methods. These efforts strongly promoted Sensortek’s environmental compliance requirements, significantly improving the completeness of supplier submissions, reducing incomplete data, cutting down communication time, and greatly enhancing efficiency in environmental data collection and review processes.

#### PFAS Management Enhancement

- Sensortek conducted screening of materials to determine fluorine content. If fluorine was detected, further material investigations were carried out, and suppliers were required to provide additional signed declarations.
- 2024 Material Investigation Results: Ten materials were found to contain the fluorine (F) element. A 100% review was completed to verify whether these materials contained PFAS restricted substances, and suppliers were required to submit sourcing declarations.

#### Participation in Environmental Substance Management Training

- In 2024, Sensortek attended 3 customer environmental substance management conferences and 6 environmental regulatory seminars, while also subscribing to newsletters and actively obtaining the latest requirements and regulatory strategies for environmental management.

## ■ Ongoing Production and Finished Product Testing

To ensure the stability of raw material sources, Sensortek conducts X-ray fluorescence (XRF) spectrometer analysis on materials prior to production to confirm that chemical element content values fall within regulatory limits before they are approved for use in manufacturing.

XRF Testing Items	RoHS			Halogen		Monitor	
	Cadmium (Cd)	Lead (Pb)	Mercury (Hg)	Chromium (Cr)	Bromine (Br)	Chlorine (Cl)	Antimony (Sb)

After manufacturing the finished products, Sensortek implements final-stage control of chemical substances in the products. Based on the product packaging type, samples are sent annually to third-party certification organizations (e.g., SGS) for precision composition analysis. Testing includes RoHS, Halogen, REACH, PFOS, PFOA, and TVOC, ensuring strict monitoring and quality control of product materials.

## ■ Environmental Knowledge Management

Starting in 2025, Sensortek plans to establish an Environmental Knowledge Management System. The Environmental Substance Management Team will use the platform to periodically share the latest environmental regulations and knowledge internally, at least twice a year, ensuring that all employees participate in environmental policy awareness. This initiative aims to enhance environmental consciousness and responsibility, align with international environmental trends, and collectively promote sustainable development of green products.

## ■ Material Selection and Review

Sensortek takes into account the potential environmental impact of the IC manufacturing process. From the early stages of product design and development, the principle is to adopt low-hazard chemical materials that comply with current regulatory requirements. During the initial material selection phase, environmental restricted substance requirements are included in the review process. This includes homogeneous material precision testing reports, material safety data sheets, and other supporting documents to verify data validity and confirm that the materials used do not contain restricted hazardous substances. All approved environmental compliance documents are archived in the GPM system for at least 10 years.

### Goal Setting

- Establish the Environmental Knowledge Management System to raise environmental awareness and responsibility among all employees.
- Ensure environmental regulation updates are communicated at least semi-annually and remain aligned with international environmental trends.

### System Planning and Development

- The Environmental Substance Management Team is responsible for planning and building the platform.
- Design announcement and notification mechanisms to ensure timely communication of regulatory updates.

### Content Development and Maintenance

- Regularly collect the latest environmental regulations and international trend information from government agencies, environmental organizations, and industry standards.
- Use the platform to manage and track current regulatory requirements, ensuring internal teams are always up-to-date.

### Internal Promotion and Implementation

- Create a database of regulations, case studies, and environmental standards for employee reference.
- Conduct at least two environmental regulation awareness sessions annually.
- Encourage employees to participate in knowledge learning, enhancing product environmental awareness and corporate responsibility.

### Effectiveness Tracking and Optimization

- Regularly assess the effectiveness of awareness initiatives to ensure sustainable development goals are met.
- Periodically review and optimize platform functions and content to ensure continuous improvement in environmental knowledge management.



# Protecting the Environment

## Sensing the Mission of Energy Saving and Carbon Reduction

Environmental Policy

Climate Management

Energy Management

Water Resource  
Management

Waste Management



# Environmental Policy

## ■ Environmental Policy

Sensortek has established an environmental policy to ensure that products comply with the latest international regulations such as RoHS and REACH, promote a green supply chain, and encourage full employee participation. Under the ISO 9001 framework, the Company has implemented an Environmental Substance Management System to plan, establish, implement, maintain, measure, monitor, analyze, and continuously improve environmental management, driving sustainable development and reducing operational impacts on the environment.

In response to global climate change and sustainability trends, Sensortek conducted environmental education and training for all employees in July 2024. The training covered the current global and Taiwan climate situation, global and domestic measures addressing environmental changes, and Sensortek’s environmental policy. The initiative aims to increase employees’ awareness and understanding of climate change issues and ensure company-wide participation in energy-saving and carbon-reduction strategies.



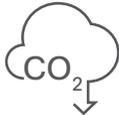
→ Environmental Policy QR CODE

# Climate Management

## ■ Implementation Plan

According to the annual Global Risks Report published by the World Economic Forum (WEF), climate change has consistently been identified as a significant global risk. Sensortek recognizes the potential impacts of climate change on business operations and related risks. After evaluating the Company’s operational profile and industry characteristics—classified as low energy consumption and low emission—Sensortek acknowledges that climate change, as a global issue, can still affect the entire supply chain and therefore requires proactive assessment of its potential impacts. In line with the Recommendations of the Task Force on Climate-related Financial Disclosures (TCFD), Sensortek has established governance and management capabilities related to climate change, building a foundation for adaptation and mitigation measures. The Company works together with stakeholders to raise awareness and address climate-related issues.

## ■ Net Zero Emissions Blueprint

Climate Target Items	Scope of Targets		
 <b>Greenhouse Gas Reduction</b>	<b>Scope 1 &amp; 2 Emissions of Sensortek Headquarters</b>		
	Base Year	Short-Term Target	Long-Term Target
Planned Timeline	● 2023	● 30% reduction by 2030	● 2Net zero by 2050
 <b>Renewable Energy Usage</b>	<b>Sensortek Headquarters</b>		
	Short-Term Target	Mid-Term Target	Long-Term Target
Planned Timeline	● 15% share by 2025	● 50% share by 2030	● 100% share by 2050

## ■ Governance Mechanism and Structure

The Board of Directors serves as Sensortek’s highest decision-making body for climate-related issues, providing guidance and oversight on the management of climate-related risks and opportunities. To strengthen sustainability and climate risk management, the Company has established the Sustainability and Risk Management Committee under the board, responsible for matters related to sustainability and climate change risk management.

Additionally, Sensortek has set up a Sustainable Development Promotion Team, led by the General Manager as convener, with department heads serving as team leaders. This team is responsible for identifying climate-related risks and opportunities and implementing corresponding response measures. The Company integrates climate risk management processes with existing risk management workflows, ensuring regular and systematic operation.



## ■ Climate Risk and Opportunity Identification and Assessment

2023 marked the first year that Sensortek systematically carried out climate risk and opportunity identification and assessment. This initiative aims to address potential impacts from policies, technologies, and customers under climate change. Sensortek has planned to re-conduct the identification and assessment process every three years. In line with its Risk Management Policy and Procedures, the Company has integrated the climate risk assessment process into its existing risk management framework and executes it in accordance with overall risk management standards.

### Risk and Opportunity Identification

- Based on TCFD recommendations, industry insights, and both internal and external discussions, Sensortek screened for risk and opportunity factors that may be relevant to the Company.
- Considering national policy directions, net-zero commitments, and international assessment reports, the Company established climate risk and opportunity assessment scenarios. Transition risks were evaluated primarily under the 2050 net-zero emission scenario, while physical risks were assessed mainly under the SSP-8.5 scenario.

### Risk and Opportunity Assessment

- Relevant departments were invited to participate in the assessment process. The results were reviewed and validated through internal and external discussions to understand the potential impacts of risk factors on the Company, the likely timeframes of occurrence, and the possible financial implications.
- Key outcome: Identification of three types of potential risks and one type of derived opportunity

### Response Planning

- For the identified risks and opportunities, relevant departments formulated response plans in alignment with the Company’s existing business strategies. These plans follow the Risk Management Policy and Procedure for subsequent review and implementation.

### Supervision and Reporting

- The Sustainable Development Promotion Team convenes regular meetings to oversee the implementation of response measures. Progress is reported to the Board of Directors through the Sustainability and Risk Management Committee.



## ■ Short-, Medium-, and Long-term Climate-related Risks and Opportunities

In 2023, Sensortek invited relevant departments to conduct a comprehensive assessment of climate-related risks and opportunities. A total of 12 potential risk factors across short-, medium-, and long-term time horizons and 4 potential opportunities were initially identified. After internal and external discussions, and validation by the Sustainable Development Promotion Team, the Company recognized three key risks and one potential opportunity. To ensure continuous improvement, Sensortek has planned to re-execute the identification and assessment process every three years, while conducting annual reviews to evaluate implementation progress and revisit targets and action plans.

Risk Type	Potential Financial Impact	Response Measures
<b>Physical risk</b> <b>Short-term (0-1 year):</b> <ul style="list-style-type: none"> <li>Increased severity and frequency of extreme weather events</li> <li>Impact area: Direct operations</li> </ul>	Higher indirect costs	<ul style="list-style-type: none"> <li><b>Set proactive carbon reduction targets:</b> Gradually increase renewable energy use, targeting 50% by 2030 and net zero by 2050. In 2024, 88.25% of electricity came from non-renewable power purchased from Taipower, while 11.75% came from solar energy transmitted through the Taipower grid. Sensortek obtained 94 Renewable Energy Certificates, with a short-term target achievement rate of approximately 78%.</li> <li><b>Strengthen sustainable supply chain management:</b> Enhance supplier awareness of climate risks and resilience. Assess electricity usage across the supply chain and evaluate the feasibility of increasing renewable energy adoption. In 2024, following the "Supplier Sustainability Management Guidelines," Sensortek conducted sustainability risk assessments covering economic, environmental, and social aspects. Key suppliers were required to complete the Supplier Code of Conduct self-assessment and commit to reducing carbon intensity by 2% annually. Risk assessment results were categorized into low, medium, and high levels for appropriate management.</li> </ul>
<b>Transition risk</b> <b>Medium-term (1-3 years):</b> <ul style="list-style-type: none"> <li>Stricter carbon-related regulations</li> <li>Impact areas: Direct operations, upstream suppliers</li> </ul>	Higher indirect costs	<ul style="list-style-type: none"> <li><b>Enhance business resilience:</b> Continue expanding greenhouse gas inventories to cover broader items and scopes. Conduct product carbon footprint assessments and establish a comprehensive emissions database. In 2024, Sensortek initiated a system for structured data collection of Scope 3 activities and a digital carbon management platform.</li> <li><b>Strengthen sustainable supply chain management:</b> Integrate greenhouse gas-related standards into supplier sustainability risk assessments, encourage supplier partnerships, and jointly reduce emissions across the value chain. In 2024, Sensortek conducted supplier risk assessments across economic, environmental, and social dimensions, along with corresponding management measures to build a sustainable supply chain. This process integrates existing new-supplier evaluations and incorporates additional certifications aligned with international sustainability trends as benchmarks. The manufacturing engineering team will identify new suppliers with both professional engineering capabilities and production suitability, then work with the Sustainable Development Promotion Team to form an evaluation committee for capability reviews. Based on assessment criteria, suppliers will be categorized into low-risk or high-risk.</li> </ul>
<b>Medium-term (1-3 years):</b> <ul style="list-style-type: none"> <li>Negative feedback from stakeholders and international assessments</li> <li>Impact area: Direct operations</li> </ul>	Decline in revenue	<ul style="list-style-type: none"> <li><b>Enhance business resilience:</b> Continuously monitor international ESG rating requirements, update reduction plans annually, and actively address carbon management issues. With 2023 as the baseline year, Sensortek began disclosing progress toward reduction targets in 2024. In 2024, Scope 1 and Scope 2 emissions were 415.872 metric tons of CO<sub>2</sub>e, representing a 5% reduction compared to the baseline year (438.892 metric tons of CO<sub>2</sub>e in 2023).</li> <li><b>Strengthen sustainable supply chain management:</b> Increase the proportion of sustainable suppliers in the long term to collaboratively reduce value chain emissions.</li> </ul>

Transition Opportunities	Potential Financial Impact	Guidelines for Realizing Transition Opportunities
<b>Low-carbon manufacturing</b>	Lower direct costs, lower indirect costs, increase revenue	<p>In response to downstream customers' growing focus on supply chain carbon footprint management, Sensortek continues to allocate resources to communicate and coordinate with key suppliers to ensure the achievement of carbon reduction and resilience goals. By strengthening sustainable supply chain management, the Company can reduce the impact of climate risks on operations. As customers increasingly value product carbon footprint information, low-carbon products enhance the attractiveness of the Company's offerings, while reinforcing partnerships with international brands and driving additional order revenue.</p> <ul style="list-style-type: none"> <li><b>Supplier Engagement:</b> Gain insights into suppliers' low-carbon energy usage and encourage a higher share of renewable electricity. Assess the feasibility of digital information exchange to improve collaborative efficiency with suppliers, reduce costs, and shrink the industry's carbon footprint.</li> <li><b>Supporting Existing Product Life Cycle Management Strategy through Low-Carbon Manufacturing Initiatives:</b> Actively track customer needs, optimize production planning, and improve transportation efficiency.</li> </ul>

## Low-Carbon Transition Strategy

Sensortek incorporates the results of climate risk and opportunity assessments into its operational strategy, embedding low-carbon awareness into existing business plans. By deepening customer relationships and continuously enhancing technical capabilities, the Company aims to expand the benefits of low-carbon manufacturing, creating a win-win outcome. On the supply chain sustainability front, Sensortek strengthens awareness and engagement on carbon-related issues with suppliers, exploring further opportunities to reduce the industry’s carbon footprint. Moving forward, the Company will continue to set climate-related indicators based on climate risk identification results in consultation with governance units and regularly review progress toward these targets.

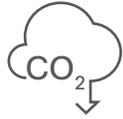
## Internal Carbon Pricing

Starting in 2025, Sensortek plans to evaluate the impact and risks of carbon emissions on its operations and, with reference to the “Carbon Fee Collection Measures” issued by the Ministry of Environment, implement an Internal Carbon Pricing (ICP) mechanism. Through the internal carbon fee system, funds will be allocated to support energy-saving and carbon-reduction projects as well as renewable energy procurement, further promoting the Company’s low-carbon transition. Once implemented, this mechanism will incorporate carbon costs into capital asset acquisitions or renewable energy investments, improving decision-making quality and more effectively achieving carbon reduction targets.

### Metrics and Targets

- The climate change risk assessment process has been integrated into the existing risk management system and is executed in accordance with the “Risk Management Policy and Procedure.” Moving forward, the Company will continue to set climate-related indicators based on climate risk identification results in consultation with governance units and regularly review progress toward these targets.
- Sensortek Greenhouse Gas Emissions and Targets

Considering the setup of the Surface Mount Technology (SMT) production line and the construction of a cleanroom in 2023, the Company uses 2023 as the baseline year for reduction targets.

Climate Target Items	Scope of Targets		
	Sensortek (Headquarters) Scope 1 & Scope 2 Emissions		
	Base Year	Short-Term Target	Long-Term Target
 <b>Greenhouse Gas Reduction</b> Planned Timeline	<ul style="list-style-type: none"> <li>• 2023</li> </ul>	<ul style="list-style-type: none"> <li>• 30% reduction by 2030</li> </ul>	<ul style="list-style-type: none"> <li>• Net zero by 2050</li> </ul>
	Sensortek (Headquarters)		
	Short-Term Target	Medium-Term Target	Long-Term Target
 <b>Renewable Energy Usage</b> 2024 Performance	<ul style="list-style-type: none"> <li>• 15% by 2025</li> </ul>	<ul style="list-style-type: none"> <li>• 50% by 2030</li> </ul>	<ul style="list-style-type: none"> <li>• 100% by 2050</li> </ul>
	<ul style="list-style-type: none"> <li>• In 2024, 88.25% of the Company’s energy was purchased non-renewable electricity from Taipower, while 11.75% came from solar energy supplied through the Taipower grid. A total of 94 renewable energy certificates were obtained, equivalent to reducing 46 tons of carbon emissions.</li> <li>• The short-term target achievement rate is approximately 78%.</li> </ul>		

Note: Sensortek (headquarters) is the main operational site, so targets are set based on headquarters operations.



## Greenhouse Gas Emissions

Sensortek is a professional IC design company engaged in product design, R&D, and sales. All operations are conducted within office buildings, while manufacturing-related activities—such as wafer fabrication, packaging, and testing—are outsourced to specialized contract manufacturers. As a result, the Company does not generate significant air pollutants, wastewater, waste, or greenhouse gas emissions that could have substantial environmental impact.

In response to international carbon reduction trends and the policies of the Financial Supervisory Commission, Sensortek conducts greenhouse gas inventories in accordance with ISO 14064-1:2018, with external verification performed since 2022. The inventory covers: Category 1: Direct greenhouse gas emissions and Category 2: Purchased electricity. Considering the nature of operations, Categories 3-6 are gradually added based on materiality and reduction potential. By 2024, the inventory has expanded to include: 3.1 Upstream transportation and distribution, 3.2 Downstream transportation and distribution, 3.3 Employee commuting, 3.5 Business travel, 4.1 Purchased goods and services, and 4.3 Waste generated from operations.

In 2024, the total Category 1 and Category 2 emissions amounted to 463.842 tonnes CO<sub>2</sub>e based on the location-based method and 415.872 tonnes CO<sub>2</sub>e based on the market-based method. In 2023, the emissions were 459.307 tonnes CO<sub>2</sub>e (location-based) and 438.892 tonnes CO<sub>2</sub>e (market-based). Additionally, using floor area (m<sup>2</sup>) as the basis for calculating greenhouse gas intensity, in 2024 emissions were 0.096 tonnes CO<sub>2</sub>e / m<sup>2</sup> on a location-based basis and 0.085 tonnes CO<sub>2</sub>e / m<sup>2</sup> on a market-based basis. In 2023, the corresponding figures were 0.095 tonnes CO<sub>2</sub>e / m<sup>2</sup> (location-based) and 0.091 tonnes CO<sub>2</sub>e / m<sup>2</sup> (market-based). As Sensortek plans to gradually increase the use of renewable electricity each year, market-based emissions are expected to decrease annually, progressing toward net-zero carbon.

### Disclosure Topic: Greenhouse Gas Emissions

SASB Code	Metric	2021	2022	2023	2024
	Gross global Scope 1 emissions (Unit: tonnes CO <sub>2</sub> e)	1,210.90	63.37	62.66	55.51
TC-SC-110a.1	Amount of total emissions from perfluorinated compounds (Unit: tonnes CO <sub>2</sub> e)				
	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				

- Sensortek is primarily engaged in IC design, R&D, and sales. As the Company does not perform wafer fabrication, packaging, or testing—key processes in semiconductor manufacturing—there are no emissions of perfluorinated compounds.
- From 2021 to 2024, the proportion of Scope 1 greenhouse gas emissions <sup>Note 3</sup> was 81.25%, 13.68%, 14.28%, and 11.97%, respectively.
- Scope 1 emission sources include methane from septic tanks, one-time use of fire extinguishers in server rooms, and refrigerant leakage from air conditioners and refrigerators, which are difficult to reduce. In the future, the Company will continue to assess the feasibility of Scope 1 reductions, such as connecting to the sewage system to eliminate septic tanks, or evaluating the use of equipment with environmentally friendly refrigerants when replacing refrigerators and chillers.
- In addition to Scope 1 reduction measures, the Company has also implemented plans to reduce greenhouse gas emissions from Scope 2 purchased electricity. Beginning in 2023, green power has been adopted, with the share of renewable energy use to be increased each year, targeting 50% of total electricity consumption by 2030.

Note 1: Greenhouse gas emissions are calculated using the operational control approach; the global warming potential (GWP) values for each type of greenhouse gas are based on the IPCC Sixth Assessment Report (AR6) published in 2021.  
 2: The emission factors for Scope 1 are referenced from the Greenhouse Gas Emission Factor Management Table 6.0.4 issued by the Climate Change Administration, Ministry of Environment. For Scope 2 electricity emissions, the emission factors published by the Energy Administration, Ministry of Economic Affairs are applied. (0.495 tons CO<sub>2</sub>e per MWh in 2022; 0.494 tons CO<sub>2</sub>e per MWh in 2023-2024)  
 3: The formula for calculating the Scope 1 share is: Scope 1 emissions ÷ (Scope 1 emissions + Scope 2 emissions).

### Direct Greenhouse Gas Emissions (by Gas Type)

(Unit: tonnes CO<sub>2</sub>e)

Greenhouse Gas	Methane (CH <sub>4</sub> )	Hydrofluorocarbons (HFCs)	Total
2021	14.2903	1,196.6157	1,210.9060
2022	15.5236	47.8500	63.3736
2023	14.2059	48.4531	62.6590
2024	7.0588	48.4531	55.5119

Note 1: The greenhouse gases included in the inventory are CO<sub>2</sub>, CH<sub>4</sub>, N<sub>2</sub>O, HFCs, PFCs, SF<sub>6</sub>, and NF<sub>3</sub>. Since Sensortek does not operate semiconductor manufacturing processes, there are no emissions of PFCs, SF<sub>6</sub>, or NF<sub>3</sub>.  
 2: Direct emissions do not include CO<sub>2</sub>, N<sub>2</sub>O, PFCs, SF<sub>6</sub>, or NF<sub>3</sub>.



### Greenhouse Gas Emissions (by Category)

(Unit: tonnes CO<sub>2</sub>e)

Scope	Scope 1	Scope 2	Scope 3						Total greenhouse gas emissions
Category	Direct greenhouse gas emissions	Purchased electricity	Upstream transportation and distribution	Downstream transportation and distribution	End-of-life treatment of IC products	Employee commuting	Business travel	Fuel- and energy-related activities (not included in Scope 1 or Scope 2)	
2021	1,210.9060	279.4408	1.7557	-	0.1517	-	-	-	1,492.2542
2022	63.3736	399.9721	2.0102	-	0.1213	-	-	-	465.4772
2023	62.6590	Location-based 396.6481	20.3132*	-	0.0177	98.2034*	-	73.955	Location-based 651.7964
		Market-based 376.2333							Market-based 631.3816
2024	55.5119	Location-based 408.330	15.416	151.131*	0.3057	92.6817	67.981*	70.9778	Location-based 858.8229
		Market-based 360.360							Market-based 862.3351

Note: \*Verified externally for the year

	greenhouse gas emissions (tonnes CO <sub>2</sub> e)	tonnes CO <sub>2</sub> e	(tonnes CO <sub>2</sub> e / m <sup>2</sup> )	(tonnes CO <sub>2</sub> e/NT\$ million in revenue)
	Scope 1 + Scope 2 + Scope 3	Scope 1 + Scope 2 emissions	Greenhouse gas emission intensity <sup>Note 2</sup>	Greenhouse gas emission intensity <sup>Note 3</sup>
2021	1,492.2542	1,490.3468	0.5207	0.2538
2022	465.4772	463.3457	0.0956	0.1151
2023	Location-based 651.7964	459.3071	0.0947	0.1011
	Market-based 631.3816	438.8923	0.0905	0.0966
2024	Location-based 639.7109	463.8419	0.0957	0.0939
	Market-based 814.3651	415.8719	0.0858	0.0842

Note 1: Since Sensortek's operations are office buildings, greenhouse gas emission intensity is managed based on floor area. In 2021, due to an office relocation in the second half of the year, the weighted average floor area was calculated based on the number of days each office location was in use.

2: The formula for calculating greenhouse gas emission intensity is: [Scope 1 + Scope 2 greenhouse gas emissions (tonnes CO<sub>2</sub>e)] ÷ average floor area (m<sup>2</sup>). The average floor area in previous years was: 1,443.74 m<sup>2</sup> in 2020, 2,862.29 m<sup>2</sup> in 2021, and 4,848.27 m<sup>2</sup> for the period from 2022 to 2024.

3: In accordance with the "Regulations Governing Information to be Published in Annual Reports of Public Companies," Appendix 2-2-3 Climate-related Information of Listed Companies, greenhouse gas emission intensity must also be disclosed based on revenue (NT\$ million).

4: The emission factors for Scope 3 are referenced from the Carbon Footprint Information Platform.



# Energy Management

Disclosure Topic: Energy Management in Processing

SASB Code	Metric	2021	2022	2023	2024
	Total energy consumed (GJ)	1,976.4	2,828.88	2,736.24	2,626.08
TC-SC-130a.1	Percentage grid electricity	100%	100%	100%	100%
	Percentage renewable	0%	0%	5.15%	11.75%

Note 1: Unit conversion: 1 kWh = 860 Kcal; 1 Kcal = 4.186798 J; therefore, 1 kWh = 3.6 × 10<sup>-3</sup> GJ.

2: Since Sensortek has no manufacturing operations, 100% of its energy consumption comes from purchased electricity used in offices and laboratories.

## Energy Overview

As a professional IC design company, Sensortek does not engage in manufacturing, packaging, or testing processes that consume energy from production equipment. Its operations are primarily office-based, with air conditioning accounting for the largest share of overall energy use. In 2024, 88.25% of the Company's energy consumption came from non-renewable electricity purchased from Taipower, while approximately 11.75% came from solar power supplied through Taipower's grid. Total energy consumption amounted to 826,579 kWh, of which 97,105 kWh were renewable energy supplied, corresponding to 94 Renewable Energy Certificates (RECs) obtained.

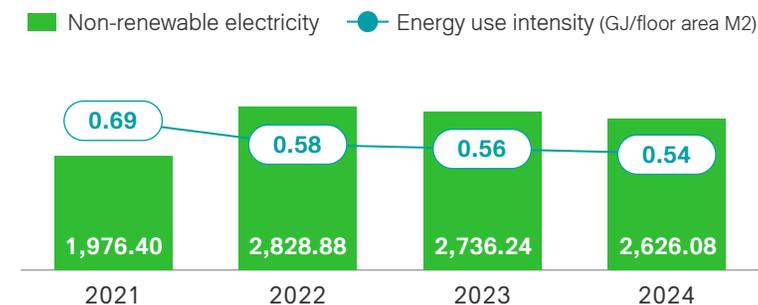
Considering the installation of a Surface Mount Technology (SMT) production line and the construction of a cleanroom in 2023, Sensortek has designated 2023 as the baseline year for energy reduction. The Company will continue to assess feasible opportunities for energy reduction and set future targets accordingly.

Unit: Gigajoules (GJ)

Total Energy Consumption Over the Years



Total Energy Consumption Over the Years



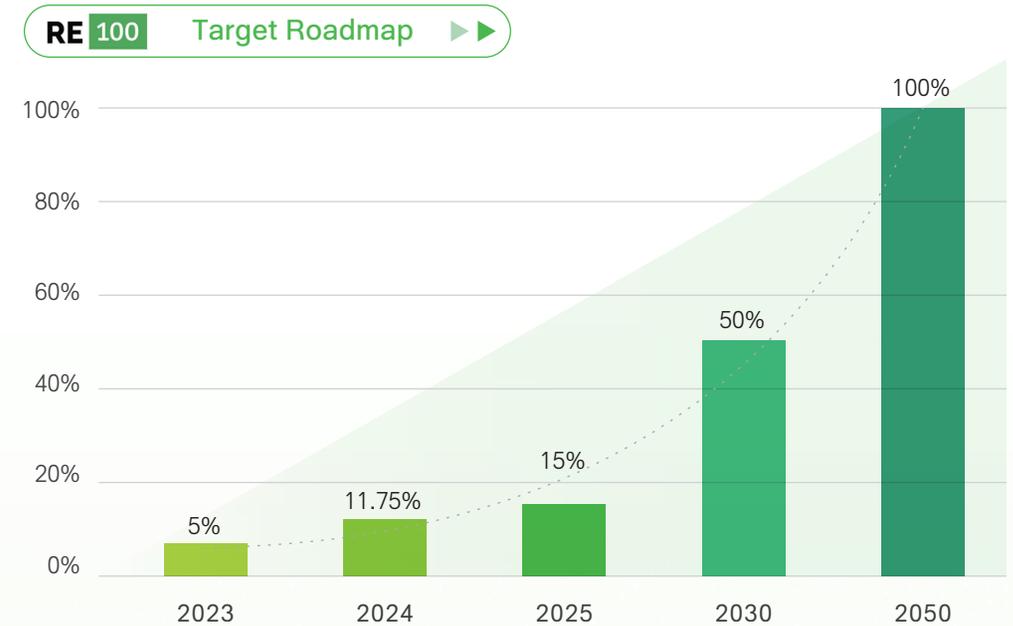


## ■ Energy Efficiency Improvements

In the second half of 2021, Sensortek relocated to a new office designed with energy efficiency as the core principle. Key initiatives include: selecting a building certified with a Silver-level Green Building Label, full adoption of LED lighting, installing heat-insulating window films to reduce air-conditioning loads, using variable-frequency compressors for air systems, automatic shutdown of lighting during lunch breaks, hot and cold aisle separation in server rooms, automated temperature controls, DC inverter fans, scheduled automatic start/stop of chillers, and establishing a high-efficiency, green data center. In addition, Sensortek regularly promotes energy-saving practices, such as turning off unused computers and electrical equipment, and switching off projectors, lighting, and air-conditioning after meetings.

## ■ Renewable Energy Usage and Planning

To actively support global greenhouse gas reduction goals and align with the global renewable energy trend, Sensortek evaluated renewable energy adoption plans in 2023 and began using green power in October of that year. The Company obtained 40 Renewable Energy Certificates (RECs) in 2023 and 94 RECs in 2024. Looking ahead, Sensortek plans to gradually increase the share of renewable energy each year, with the target of reaching 50% renewable energy by 2030 and 100% by 2050.





# Water Resource Management

Disclosure Topic: Water Management

SASB Code	Metric	2021	2022	2023	2024
TC-SC-140a.1	Total water withdrawn (thousand cubic meters); percentage of each in regions with High or Extremely High Baseline Water Stress	1.85	2.61	2.96	3.25
	Total water consumed (thousand cubic meters); percentage of each in regions with High or Extremely High Baseline Water Stress				

● Sensortek’s operations are located in Hsinchu County, which, according to the WRI Aqueduct Water Risk Atlas, is not classified as a high or extremely high water-stress area. Therefore, the percentage of water withdrawn from water-stressed areas is 0%.

● As an IC design company, Sensortek is not engaged in manufacturing activities; therefore, its operations do not involve water consumption through evaporation, transpiration, or process use, and this indicator is not applicable.

Note: 1,000 m<sup>3</sup> = 1 million liters (ML).

Sensortek products are 100% outsourced for manufacturing; therefore, all water use is for domestic purposes, sourced from the Taiwan Water Corporation. The Company’s office building is certified with a Silver-level Green Building Label, which covers water retention, water conservation (domestic water-saving), and wastewater management measures. The building is equipped with water-saving faucets, toilets, and urinals, all carrying water efficiency labels, with faucet flow adjusted to appropriate levels to prevent waste. The office park where Sensortek is located also has a basement wastewater treatment facility that processes domestic wastewater from restrooms and pantries across the buildings. The treated water must meet effluent discharge standards before release.

In 2024, total water withdrawal was 3.25 million liters, an increase of 0.29 million liters compared with 2023, primarily due to workforce growth. Of total consumption, 43.4% was domestic water use (indoor use), while 56.6% was shared public use (cooling towers for air conditioning and rooftop irrigation).

## Overview of Water Resource Management in Recent Years

Unit: Million Liters

Item	Source/Destination	Type	2021	2022	2023	2024			
Water withdrawal	Third-party water supply	Freshwater	1.85	Internal use	1.06	Internal use	1.23	Internal use	1.41
				Public	1.55	Public	1.73	Public	1.84
Discharge	Science park domestic wastewater treatment facilities	Others	1.85	2.61	2.96	3.25			
Consumption	Evaporation loss from cooling towers	Freshwater	0.00	0.00	0.00	0.00			

Note: A small amount of consumption results from water used in cooling towers. However, since the volume is minimal and cannot be accurately measured, it has been excluded from calculations.

## Water Withdrawal Intensity in Recent Years

Unit: Million Liters/Floor Area m<sup>2</sup>

Year	2021	2022	2023	2024
Water Withdrawal Intensity	0.00065	0.00054	0.00061	0.00067

Note: While the primary use of water is for employees’ daily needs, approximately 56.6% of the Company’s water consumption is allocated to shared public facilities within the building. Therefore, floor area has been used as the basis for calculating water withdrawal intensity.

# Waste Management

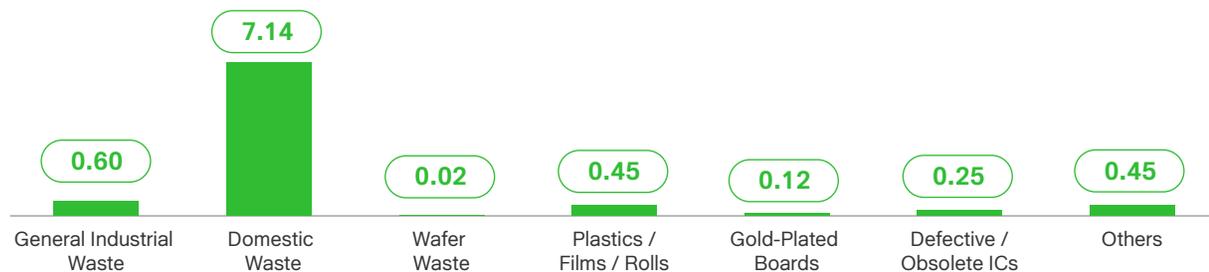
The majority of waste generated from Sensortek’s business operations consists of general domestic waste, with a smaller portion being industrial waste generated from product development and testing. This includes general industrial waste and electronic waste (such as wafers, plastics/films/rolls, discarded ICs, and gold-plated boards). The main sources are defective ICs or outdated ICs that can no longer be sold. In 2024, the total amount of waste generated was 9.01 tons, representing an 8.8% reduction compared with the previous year.

General domestic waste primarily consists of household garbage. Sensortek strictly implements waste separation, including general garbage, recyclable waste, and food waste, which are placed in the designated recycling area managed by the Tai Yuen Management Center. Subsequently, the science park’s management unit engages licensed waste contractors for collection and disposal. In 2024, general domestic waste amounted to 7.14 tons, all of which was classified as non-hazardous waste. The Company has maintained a record of zero hazardous waste for three consecutive years. Industrial waste mainly comes from defective ICs collected internally from outsourced manufacturing and discarded chips generated during product development and testing. In 2024, Sensortek recycled a total of 1.87 metric tons of such waste. Of this, 0.38 metric tons were processed by certified waste management contractors for precious metal recovery and reuse, supporting the Company’s commitment to the circular economy and minimizing environmental impact.

Additionally, in 2024, the Company introduced access control for office equipment via card swiping. This not only enhanced the protection of sensitive information but also reduced printing errors and misprints, thereby lowering paper consumption.

## Waste Generated in 2024

Unit: metric tons



Note 1: Data are based on Sensortek’s internal classification and may slightly differ from official reporting statistics.

2: “Others” include wastepaper, aluminum, and discarded wooden pallets.



Unit: Metric Tons

	Recycling and Reuse			Direct Disposal		
	Hazardous Waste	Non-Hazardous Waste	Total Weight	Hazardous Waste	Non-Hazardous Waste	Total Weight
2021	3.28	-	3.28	0	5.97	5.97
Percentage	100%	0%	-	0%	100%	-
2022	3.15	-	3.15	0	7.71	7.71
Percentage	100%	0%	-	0	100%	-
2023	1.64	-	1.64	0	8.24	8.24
Percentage	100%	0%	-	0	100%	-
2024	1.87	-	1.87	0	7.14	7.14
Percentage	100%	0%	-	0	100%	-

Note 1: Hazardous wastes are all included in the recycling and reuse category, handled by qualified contractors.

2: Direct disposal (all non-hazardous waste) consists of domestic waste, which is treated through incineration (including energy recovery). The weight of domestic waste is estimated based on the formula used by Tai Yuen Hi-Tech Industrial Park, where Sensortek’s offices are located: “Total waste generated by all tenant companies ÷ total number of employees in the park × Sensortek’s number of employees.”

3: Sensortek compiles annual waste management statistics based on disposal methods, recycling types, and waste characteristics, with 100% data coverage in 2024.

4: Data are based on Sensortek’s internal classification and may slightly differ from official reporting statistics.



# Connecting Partners

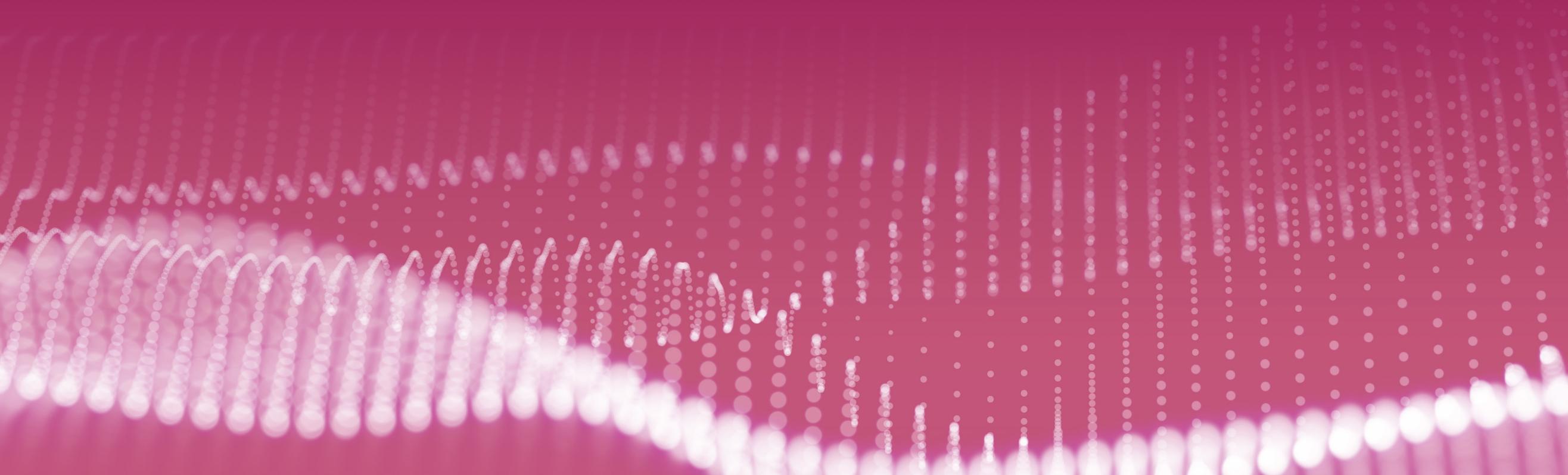
## Sensing the Tightness of Value Chain Integration

Product Quality

Customer Relationship Management

Supply Chain Management

Materials Sourcing



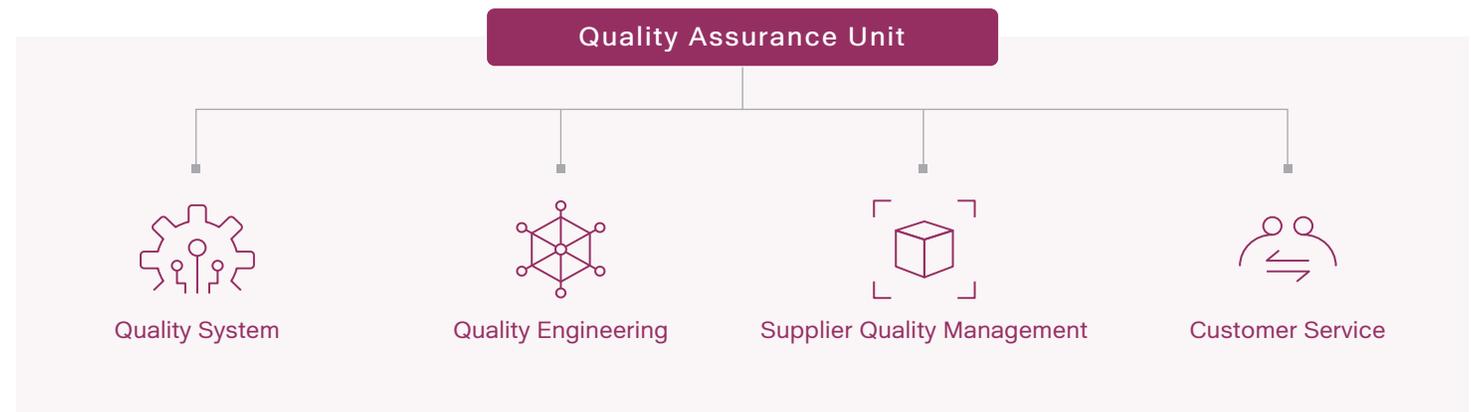


# Product Quality



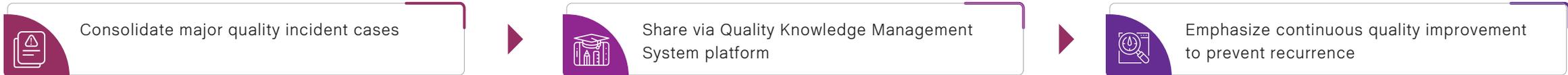
Since 2014, Sensortek has been certified under the ISO 9001 quality management system. By establishing a comprehensive quality management framework, the Company has strengthened its operational quality capabilities, adhered to the PDCA continuous improvement cycle, and strived to meet customer service needs and expectations. These efforts enhance customer confidence in product quality and ensure customer satisfaction. In 2024, there were no incidents of non-compliance with health and safety regulations related to products and services, including voluntary violations.

To strengthen the quality of R&D products and production processes, Sensortek implements a “New Product Development Quality Review Mechanism.” In 2024, the Company completed quality review procedures for 13 new product series that reached mass production standards. The quality unit convened formal product review meetings with relevant departments to jointly examine product design, manufacturing processes, quality reliability, and pilot production verification results. All monitored items and data were confirmed to meet the established product specifications and targets. Currently, there have been no customer feedback issues regarding product quality specifications. Through this rigorous pre-mass-production control, the Company enhances the stability and reliability of product shipments.



In 2025, Sensortek plans to implement a Quality Knowledge Management System. This platform will share cases of significant quality incidents and improvement outcomes, enabling all employees to better understand the value of new product design, process control specifications, and production quality requirements. The initiative aims to prevent recurrence of similar issues, while enhancing product quality and strengthening competitiveness.

# Customer Relationship Management



## Customer Satisfaction

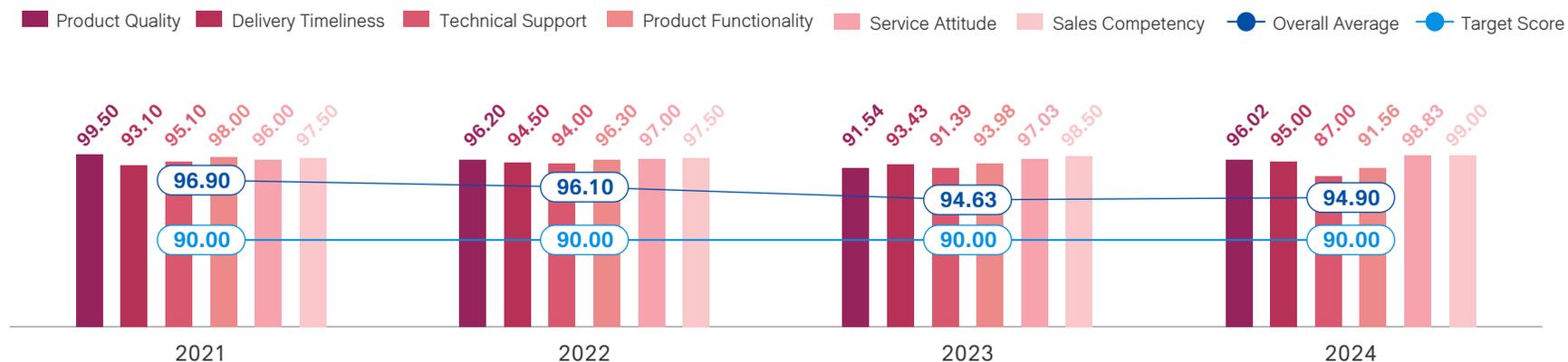
Upholding a customer-first attitude as a core value, Sensortek conducts annual customer satisfaction surveys based on its “Customer Satisfaction Procedure” to better understand gaps between customer needs and expectations. Survey results serve as a key input for continuous improvement of the overall quality management system, supporting the Company’s sustainable business objectives.

In 2024, the top 10 end customers completed the satisfaction survey with a 100% response rate, yielding an average satisfaction score of 94.9%, surpassing the annual target of 90%. The results have been analyzed and discussed to define improvement measures. For 2025, the Company has set a customer satisfaction target of 92%, aiming to maintain high levels of customer satisfaction.

Looking ahead, Sensortek plans to implement a Customer Satisfaction Management System in 2025. This platform will consolidate annual customer feedback and survey results to generate accurate statistical insights, identify underlying issues, and enhance collaboration and communication among internal departments. By continuously monitoring, listening, and addressing customer feedback, the Company will compile reports for senior management to inform medium- and long-term operational planning. Through ongoing improvement and enhancement of customer service quality, Sensortek seeks to strengthen trust in its innovative products, foster long-term stable partnerships, and achieve sustainable business value and objectives.



## Historical Customer Satisfaction Survey



## 2024 Customer Service Achievements and Recognitions

### Awarded Customer Excellence Quality Award

#### Reason for Award

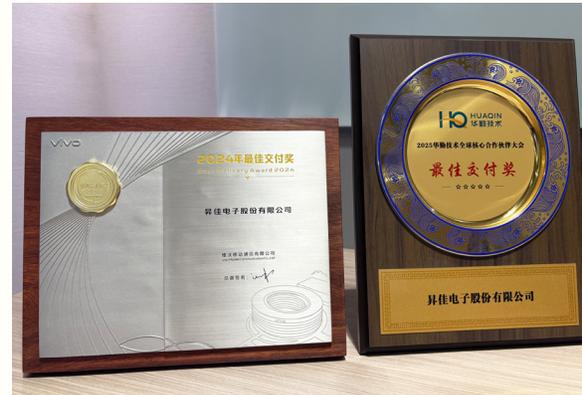
In 2024, Sensortek actively ensured stable product supply, consistently delivered required products to customers, and maintained zero major quality incidents. This exemplary performance earned the recognition.



### Awarded Customer Best Delivery Award

#### Reason for Award

Achieved 100% on-time delivery, demonstrated rapid response and adjustment to unexpected schedule changes, proactively communicated and proposed solutions, resulting in the top delivery performance.



### Collaboration with Customers on Product Life Cycle Forecasting

In recent years, the global natural replacement cycle for smartphones has extended to over three years, increasing the reliability requirements for products. The reliability of the Light Sensor IC, a core component of mobile phone systems, is critical. By analyzing post-sale data from customers' flagship products and considering the semiconductor characteristics of the light sensors—using temperature and chemical diffusion theories—Sensortek developed a product life cycle model. This model assists customers in accurately evaluating product longevity and predicting failure rates, enhancing reliability planning.

## Customer Complaint Management

Sensortek maintains close communication and interaction with customers, emphasizing feedback and continuously monitoring customer needs. The Company has established a Customer Service and Complaint Handling Procedure, integrated via the Customer Service Management System, to consolidate customer technical support requests and complaint handling information. The initial technical service team responds immediately to customer requests whenever possible. If issues cannot be resolved promptly, defective products are forwarded to the Quality Assurance Unit for investigation. Upon receipt of valid samples and relevant circuit information, responsibility is assigned within three to seven working days for standard cases, root cause analysis is conducted, and corresponding corrective actions are implemented. All handling processes are recorded in the Customer Service Processing Form for follow-up tracking, ensuring proactive service and meeting customer technical support needs while preventing recurring complaints.

The Quality Assurance Unit has a dedicated complaint service contact, responsible for monthly statistics on complaints and return/exchange cases. Through weekly quality meetings, the unit identifies effective solutions for product issues, implements improvement measures, and concurrently monitors and reviews various issues to prevent recurrence.



### Customer Feedback, Technical Support Requests, and Complaints

Log into the Customer Service Management

Categorize According to Type of Technical Issue

Level 1: FAE Technical Support

Level 2: Analysis of Defective Product Functionality and Appearance Issues

Level 3: Root Cause Investigation and Consolidated Reporting

Corrective Actions and Effectiveness Tracking

Case Closure

# Supply Chain Management

## Supplier Overview

Sensortek is an upstream semiconductor company specializing in sensor IC design, responsible for integrated circuit and system design. Subsequent wafer production is outsourced to professional foundries, followed by wafer inspection, dicing, packaging, and IC testing performed by specialized packaging and testing service providers. For optical sensor IC products, customization is required to fit different smartphone structures. This involves selecting appropriate light-emitting components, such as LEDs or VCSELs, designing optical mechanisms, and adopting or developing suitable packaging methods to optimize product characteristics and meet diverse customer requirements.

Due to the highly customized nature of the products, production tools such as packaging molds and testing fixtures must be specially developed for downstream packaging and testing stages. Accordingly, suppliers are categorized into four major groups: Raw Materials (e.g., wafers, light-emitting components, printed circuit boards), Outsourced Processing (e.g., optical film coating, dicing, packaging, and testing), Production Tools (e.g., packaging molds and testing fixtures), and General Procurement (e.g., IT hardware and software, components, consumables, and engineering testing services). Definition of key suppliers:

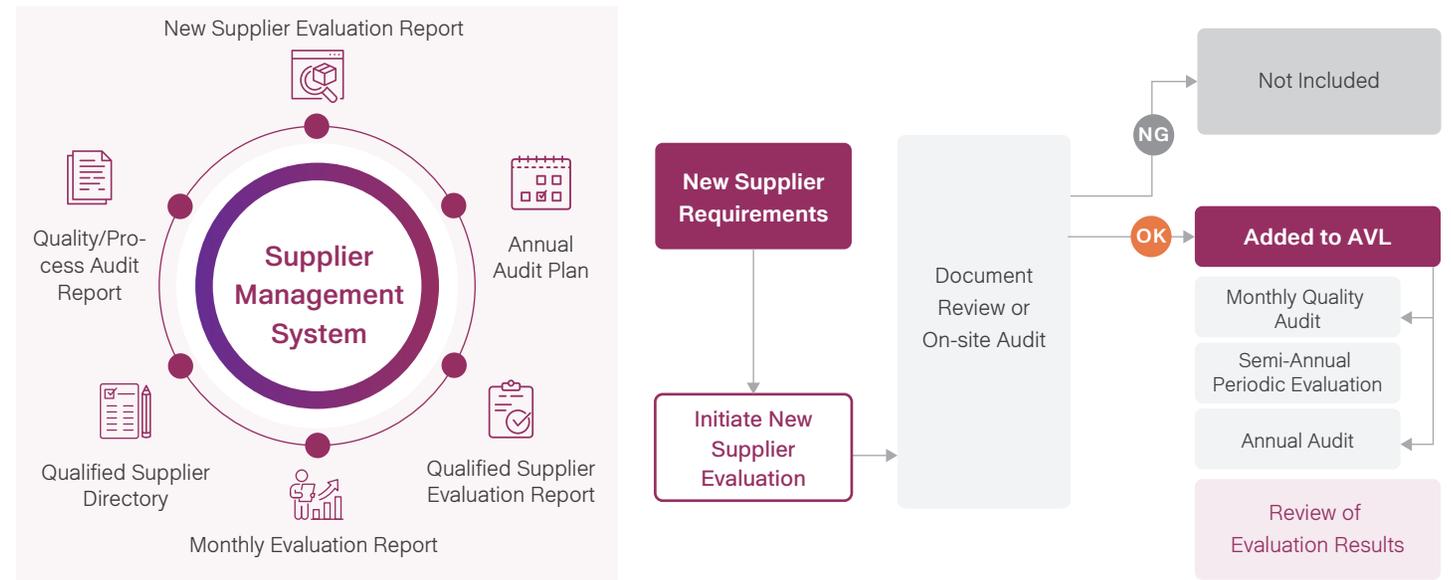
<ul style="list-style-type: none"> <li>● <b>Raw Materials:</b> Top 80% of annual procurement expenditure.</li> </ul>	<ul style="list-style-type: none"> <li>● <b>Outsourced Processing:</b> Top three suppliers by capacity for each type of processing.</li> </ul>
<ul style="list-style-type: none"> <li>● <b>Production Tools:</b> Top three suppliers by procurement expenditure for testing tools and packaging molds.</li> </ul>	<ul style="list-style-type: none"> <li>● Critical and irreplaceable suppliers.</li> </ul>

In 2024, Sensortek engaged a total of 33 suppliers, of which 19 are key suppliers. To advance sustainable operations, the Company aims to collaborate closely with suppliers to establish a resilient and sustainable supply chain, reinforcing corporate sustainability initiatives.

## Supplier Quality Management

Sensortek operates as an upstream chip design company within the semiconductor industry value chain. Downstream processes, including raw material procurement, wafer foundry production, packaging, and testing, are executed by suppliers, forming a professional partnership based on specialized collaboration. As such, working with suppliers to mitigate potential social and environmental risks and promoting a sustainable supply chain are key components of the Company’s sustainability initiatives.

To strengthen supplier management, Sensortek has implemented a Supplier Management System Platform. The platform is utilized by all evaluation units to record and integrate management processes and performance data—from new supplier audits to periodic evaluations of qualified suppliers. Through a clear management mechanism, the Company ensures that non-compliant suppliers are excluded, achieving stability in supply chain production and product quality.



In 2024, Sensortek enhanced its monthly production performance evaluation for suppliers involved in critical manufacturing processes. As product requirements and process capabilities increased, the number of evaluated suppliers expanded from 5 suppliers (1 wafer foundry, 4 packaging vendors) to 10 suppliers (adding 3 wafer foundries and 2 packaging vendors). All wafer and packaging process suppliers are now included in the monthly evaluation program. The Company achieved 100% completion of monthly supplier evaluations in 2024, with the overall average scores exceeding 80 points.

By monitoring delivery schedules, quality, yield, and engineering support on a monthly basis, Sensortek improves real-time responsiveness to production changes, strengthens communication and collaboration with suppliers, and effectively manages product quality. This ensures maximum production efficiency and stability across the supply chain.

## ■ New Supplier Evaluation

Sensortek, following its Supplier Management Procedure, identifies new suppliers with professional engineering capabilities that meet production requirements. A dedicated evaluation team—comprising members from Quality Assurance and Manufacturing Engineering—conducts a comprehensive capability assessment based on key evaluation criteria for new suppliers. Suppliers that meet the evaluation standards are officially added to the AVL. In 2024, 7 new suppliers were evaluated and approved, 100% of new suppliers signed the Declaration of Non Use of Environment Hazardous Substance, and 100% of new suppliers provided the RMI Conflict Minerals Survey.

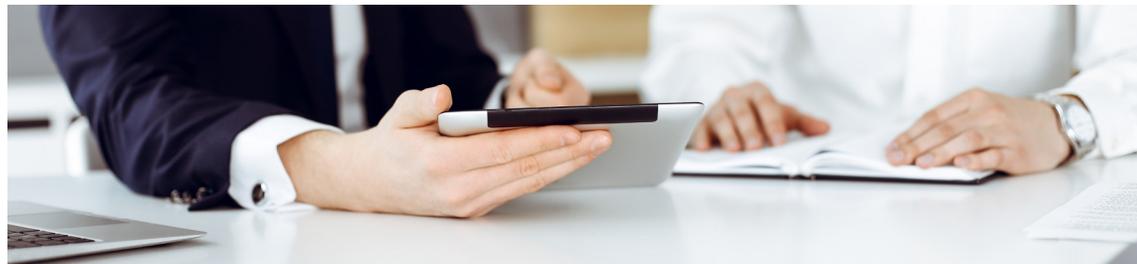
### Sustainability Criteria for New Supplier Evaluation

- Suppliers must hold valid certifications such as ISO 9001, ISO 14001, ISO 45001, IATF 16949, or other recognized international quality management system certifications.
- All products and process materials must meet Sensortek’s Restricted Substances Management Standards, and suppliers are required to sign the Declaration of Non Use of Environment Hazardous Substance.
- Suppliers must provide the RMI Conflict Minerals Survey, ensuring responsible sourcing and transparent disclosure of mineral origins.

## ■ Qualified Supplier Management

Sensortek’s primary suppliers are well-known domestic and international companies, and maintaining long-term partnerships is essential. To ensure suppliers consistently provide stable products and engineering services, the Company conducts on-site evaluations through semi-annual approved supplier assessments and annual audits. These evaluations verify the stability of new product processes and provide a comprehensive understanding of supplier capabilities.

If on-site audits are not feasible due to geographic or other constraints, suppliers’ Quality Assurance departments conduct self-assessments and submit relevant audit documentation, which is then reviewed and approved by Sensortek.



## ■ Supplier Management Results

In 2024, a total of 28 suppliers were audited. For approved suppliers in the raw materials and outsourced processing categories, 100% completed both the semi-annual assessments and annual audits, with all suppliers achieving scores above 80 points. Suppliers of production tools, which are not classified as critical process items, were not subject to audits.

### Evaluation Items and Results

Frequency	Evaluation Criteria	Weighting	Results in 2024
Semi-annual	Delivery performance	30 points	<b>First half:</b> Average score 94.9 <b>Second half:</b> Average score 96.47
	Quality capability	60 points	
	Process yield		
Annual	Engineering services	10 points	Average score: 94.2 Average score: 88.44
	Quality System Assessment (QSA)	100 points	
	Quality Process Audit (QPA)	100 points	

### Evaluation Grading Standards

Grade	Score Range	Definition
A	≥ 80 points	Approval
B	79-65 points	Conditional approval
C	< 65 points	Dis-approval

Note: If a supplier receives a C Grade, the evaluation team must arrange a follow-up audit. If the supplier still fails to meet requirements upon re-evaluation, they will be removed from the AVL.

## ■ Supplier Coaching and Guidance

Sensortek holds regular weekly and monthly meetings with suppliers to discuss quality and environmental management, production schedules, and product engineering development progress, while reviewing opportunities for improvement. For suppliers who fail to meet evaluation standards, Sensortek establishes a Supplier Quality Coaching Project. Weekly on-site meetings are arranged to discuss improvement topics and track progress until the project is completed. Once all deficiencies are corrected, the evaluation team will conduct a re-assessment. If the supplier still does not meet the qualification standards after re-validation, it will be removed from the AVL.

## ■ Supplier Sustainability Management

### Supplier Code of Conduct

Sensortek has developed its Supplier Code of Conduct based on the Responsible Business Alliance (RBA) Code of Conduct and in alignment with the UN Guiding Principles on Business and Human Rights. The Code also incorporates internationally recognized standards, including the International Labour Organization (ILO) Declaration on Fundamental Principles and Rights at Work and the UN Universal Declaration of Human Rights. Suppliers are required to comply with Sensortek’s Code of Conduct across sustainability dimensions such as labor, health and safety, environmental protection, ethical business practices, and management systems. All new suppliers must provide a written commitment to comply with Sensortek’s Supplier Code of Conduct.

Management System	Labor	Health and Safety	Environmental Protection	Ethics
<ul style="list-style-type: none"> <li>● Company commitment</li> <li>● Management accountability and responsibility</li> <li>● Legal and customer requirements</li> <li>● Risk assessment and risk management</li> <li>● Improvement objectives</li> <li>● Training</li> <li>● Communication/Employee feedback/ Participation and grievance mechanisms</li> <li>● Audits and assessments/Corrective actions</li> <li>● Documentation and records</li> <li>● Supplier responsibility</li> </ul>	<ul style="list-style-type: none"> <li>● Freely chosen employment</li> <li>● Prevention of child labor</li> <li>● Working hours</li> <li>● Wages and benefits</li> <li>● Humane treatment</li> <li>● Non-discrimination/Anti-harassment</li> <li>● Freedom of association</li> </ul>	<ul style="list-style-type: none"> <li>● Occupational safety</li> <li>● Emergency preparedness</li> <li>● Occupational injury and illness</li> <li>● Industrial hygiene</li> <li>● Physically demanding work</li> <li>● Machine safeguarding</li> <li>● Sanitation, food, and housing</li> <li>● Health and safety communication</li> </ul>	<ul style="list-style-type: none"> <li>● Environmental permits and reporting</li> <li>● Pollution prevention and resource reduction</li> <li>● Hazardous substances management</li> <li>● Solid waste management</li> <li>● Air emissions</li> <li>● Materials restrictions</li> <li>● Water resource management</li> <li>● Energy consumption and greenhouse gas emissions</li> </ul>	<ul style="list-style-type: none"> <li>● Integrity management</li> <li>● No improper advantage</li> <li>● Information disclosure</li> <li>● Intellectual property</li> <li>● Fair business, advertising, and competition</li> <li>● Protection of identity and non-retaliation</li> <li>● Responsible sourcing of minerals</li> <li>● Privacy</li> </ul>

Note: Within the Supplier Code of Conduct, the Social Assessment Standards correspond to the management requirements under the Labor and Health & Safety dimensions, which are two of the five core areas of the Code.

## ■ Supplier Sustainability Risk Assessment

Sensortek is committed to building a resilient and sustainable supply chain. Through the Supplier Management Procedure, the Company ensures that suppliers comply with standards on quality, environmental protection, occupational safety, and labor rights. To further strengthen supply chain management and corporate social responsibility, Sensortek has established the Supplier Sustainability Management Guidelines. Based on the economic, environmental, and social significance of each supplier to corporate sustainability, different risk weightings are assigned. Assessment results are then categorized into low, medium, and high risk levels, with corresponding management measures applied to build a sustainable supply chain.



### New Supplier Sustainability Risk Assessment :

Sensortek has enhanced its evaluation criteria across the three dimensions of economic, social, and environmental performance. These standards are integrated into the existing new supplier evaluation process and further aligned with global sustainability trends by incorporating additional certifications relevant to sustainable operations. Once potential suppliers with professional engineering capabilities and production capacity are identified by the Manufacturing Engineering Department, an evaluation committee—formed in collaboration with the Sustainable Development Promotion Team—conducts capability assessments. Based on the results, suppliers are classified as low risk or high risk. Low-risk suppliers are prioritized for procurement, while high-risk suppliers are procured on a selective basis.



### Annual Sustainability Risk Assessment of Qualified Suppliers

In line with the Supplier Sustainability Management Guidelines, we conduct supplier sustainability risk assessments across three key dimensions: economic, environmental, and social. For critical suppliers, we also incorporate the Sensortek Supplier Code of Conduct self-assessment and require an annual 2% reduction in carbon intensity. These measures help us evaluate suppliers' sustainability risks, ensure that the supply chain aligns with global carbon reduction trends, and classify the results into three risk levels: low, medium, and high. Low-risk suppliers are prioritized for procurement. Medium-risk suppliers are considered selectively. High-risk suppliers are subject to follow-up and improvement requirements.

To ensure both supply chain quality and sustainable development, Sensortek has established the following management mechanisms for wafer and outsourced processing suppliers:

Aspect	Weighting	Description
<b>Economic</b>	34%	We work with suppliers to pursue high-quality standards, while continuously improving and developing innovative technologies. Suppliers are required to obtain ISO 9001 or other internationally recognized quality management system certifications to ensure product quality remains stable and meets global standards.
<b>Environmental</b>	33%	We ensure that suppliers do not use hazardous substances, promote green products and green procurement, and reduce environmental impact to create a sustainable ecosystem together. Suppliers must comply with ISO 14001 Environmental Management System or establish environmental substance management procedures. If certification has not yet been obtained, suppliers are required to provide a plan with a committed completion schedule. In line with international environmental regulations such as RoHS, REACH, and halogen-free directives, suppliers must sign the Declaration of Non Use of Environment Hazardous Substance and provide third-party test reports to verify compliance.
<b>Social</b>	33%	We ensure that suppliers uphold social responsibility, respect international labor rights, and provide a safe and healthy workplace. Suppliers must be certified under ISO 45001 Occupational Health and Safety Management System, or have measures in place that comply with labor safety and occupational health regulations. In accordance with the Responsible Minerals Initiative (RMI), we require suppliers to submit the Conflict Minerals Reporting Template (CMRT) to ensure the supply chain does not involve conflict minerals from the Democratic Republic of Congo and its neighboring countries. We also regularly monitor sourcing practices to avoid the use of controversial metal materials.

In 2024, all new wafer and outsourced processing suppliers (7 in total) signed the Supplier Code of Conduct. For qualified suppliers (22 in total), 100% underwent the annual sustainability risk assessment. Among critical suppliers (16 in total), the Supplier Code of Conduct Self-Assessment Survey was issued for sustainability risk self-assessment, with a response rate of 62.5%. Furthermore, a conflict minerals policy was established, and we continued to advocate for its implementation across the supply chain, achieving a 100% return rate on the Supplier Non-Use of Conflict Minerals Declaration.

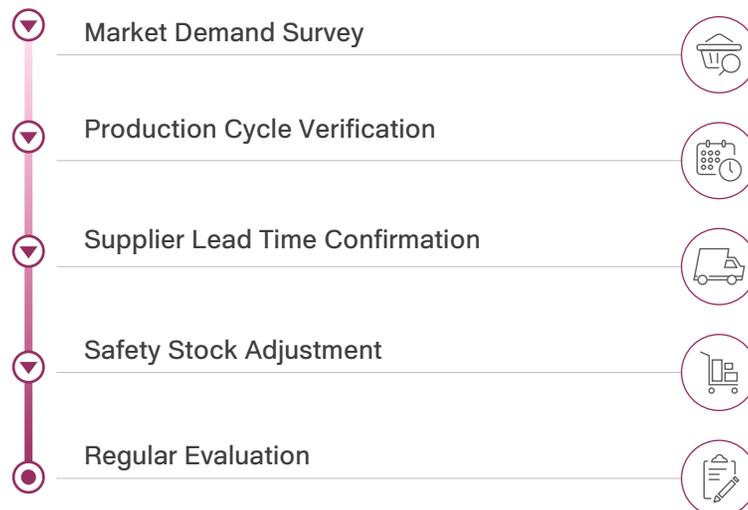
# Materials Sourcing

Disclosure Topic: Materials Sourcing

SASB Code	Metric	Description
TC-SC-440a.1	Description of the management of risks associated with the use of critical materials	The Company's primary raw material, wafers, is 100% outsourced to wafer foundries for manufacturing. Although we do not directly use rare earth metals as referenced in the SASB standards, these materials are critical raw inputs for wafer foundries. Therefore, the supply capacity of wafer foundries remains a procurement risk issue that Sensortek closely monitors. At the same time, we continue to conduct regular supplier evaluations to identify and manage potential supplier risks.

## Raw Material Risk Management

At Sensortek, the Manufacturing Management Department recommends material stocking levels based on inventory status and supplier lead times. Purchase orders are then placed in line with procurement procedures, followed by ongoing tracking of supplier delivery schedules. At the same time, safety stock levels are adjusted according to market demand, and regular supplier evaluations are conducted to mitigate risks such as supply interruptions.



## Conflict Minerals Management

In 2024, Sensortek established a Conflict Minerals Policy and has continuously promoted its implementation across all supply chain partners. We achieved a 100% return rate on the Supplier Non-Use of Conflict Minerals Declaration, ensuring that all metal raw materials supplied to Sensortek do not originate from conflict-affected regions. Through this initiative, we jointly fulfill corporate social responsibility while continuing to pay close attention to human rights issues in international conflict mineral regions.

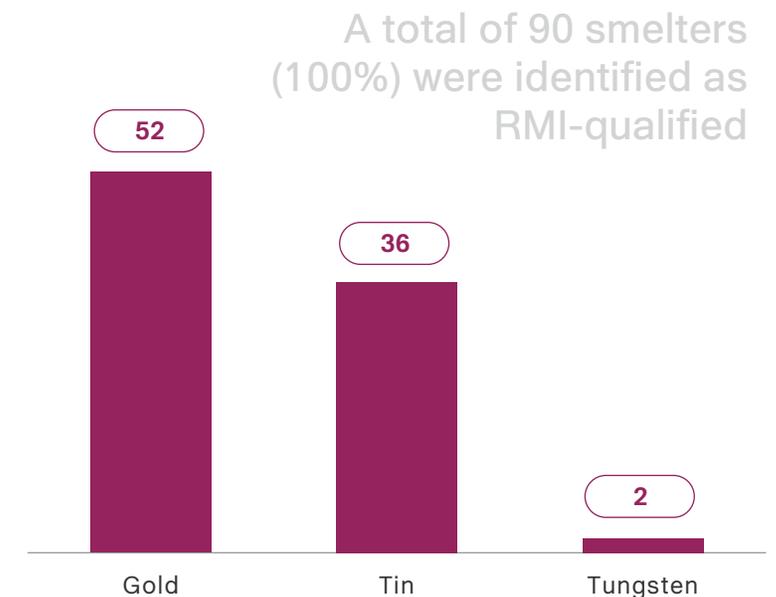
Sensortek adopts the reporting templates published by the Responsible Minerals Initiative (RMI), namely the Conflict Minerals Reporting Template (CMRT) and the Extended Minerals Reporting Template (EMRT), to survey suppliers. This process ensures that the metals contained in products supplied to us do not come from mining areas in the Democratic Republic of the Congo or its neighboring conflict regions. We also continue to monitor upstream sourcing practices to avoid the procurement of controversial metal materials.



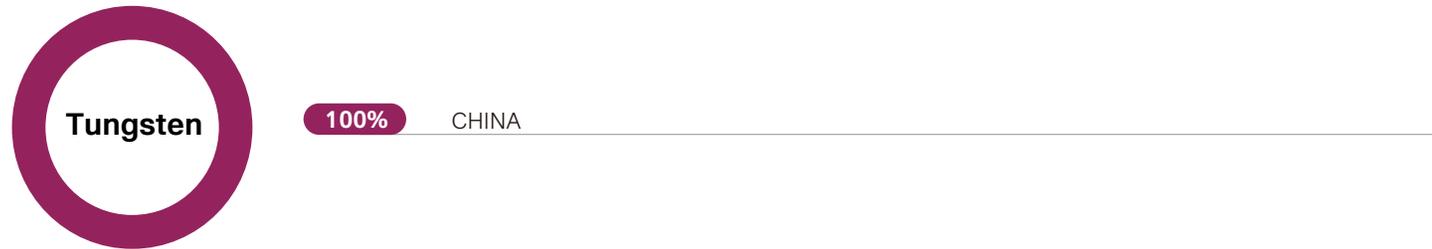
→ Conflict Minerals Management QR CODE

In 2024, raw material surveys of wafer and packaging/testing suppliers identified 90 smelters, 100% of which were qualified. The sources of their metal materials are as follows:

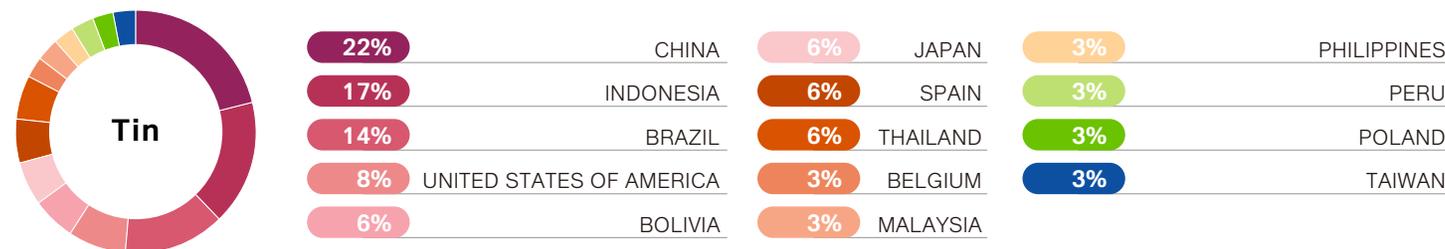
### RMI Qualified Smelters



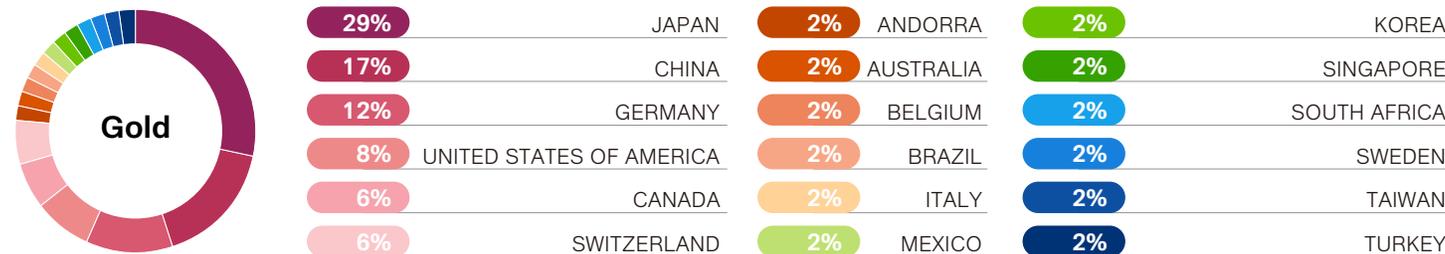
### Distribution of Tungsten Qualified Smelters by Source



### Distribution of Tin Qualified Smelters by Source



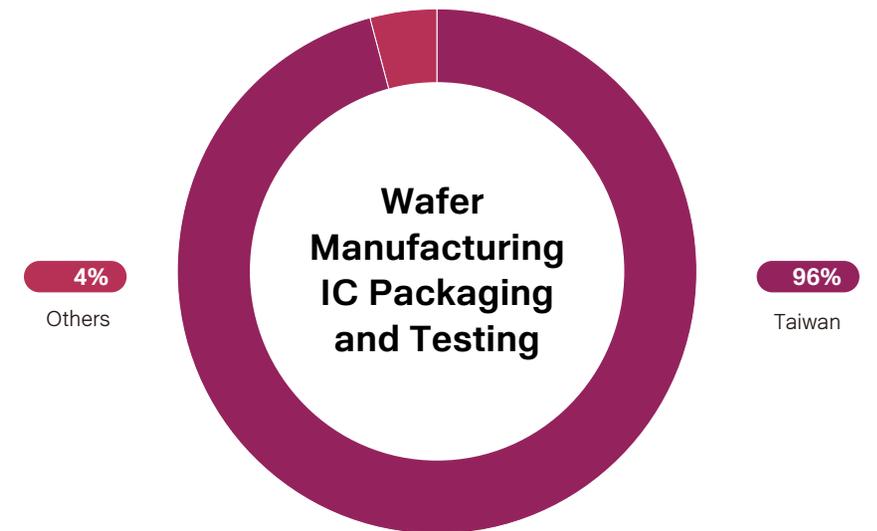
### Distribution of Gold Qualified Smelters by Source



### Local Procurement

Sensortek, in consideration of reducing transportation carbon mileage and supporting local economic development, adheres to a local procurement principle. In 2024, approximately 96% of total procurement expenditures were sourced from Taiwan-registered suppliers. Moving forward, we will continue to manage procurement from a risk perspective, optimizing sourcing regions and expenditure allocation based on global market supply and demand conditions. This approach ensures supply stability and product quality while fostering close, collaborative partnerships with our suppliers.

### Local Procurement Expenditure Ratio



Note: Other regions include Mainland China



# Diversity and Inclusion

## Sensing Workplace Balance

Human Rights Management

Recruitment and Retention

Talent Training and Development

Workforce Health and Safety

# Human Rights Management

→ Human Rights Policy QR CODE



## Human Rights Policy

Sensortek strictly complies with domestic labor and related regulations, and supports and adheres to the principles and spirit outlined in international human rights instruments, including the Universal Declaration of Human Rights, the UN Guiding Principles on Business and Human Rights, the United Nations Global Compact, and the ILO Declaration on Fundamental Principles and Rights at Work. We strive to promote and safeguard human rights among employees, business partners, and customers. We are committed to ensuring that all stakeholders, including but not limited to employees, partners, and customers, are treated fairly and with dignity. In 2024, Sensortek established its Human Rights Policy, which was approved by the Chairman.

## Human Rights Initiatives and Improvement Measures

Sensortek promotes human rights systems and measures to ensure the effective implementation of its human rights strategies.

Equal Opportunity and Anti-Discrimination	Actions Implemented	<ul style="list-style-type: none"> <li>Established the Personnel Selection and Appointment Measures and the Grading and Promotion Management Measures to implement the above-mentioned commitment to equality.</li> </ul>
	Improvements Achieved	<ul style="list-style-type: none"> <li>Continuously review the workplace environment and regulations in accordance with government laws and changes in the social environment.</li> <li>In cases of violations of human rights policies, necessary corrective actions will be taken to restore employees' rightful entitlements.</li> </ul>
Reasonable Working Hours	Actions Implemented	<ul style="list-style-type: none"> <li>Implemented an attendance access control system. The system automatically issues alerts to employees with abnormal working hours.</li> </ul>
	Improvements Achieved	<ul style="list-style-type: none"> <li>Added a reminder function within the attendance system to regularly monitor and manage working hours.</li> </ul>
Prohibition of Child Labor	Actions Implemented	<ul style="list-style-type: none"> <li>Recruitment forms require age-related information; candidates under 18 are not eligible for interviews.</li> <li>Newly hired employees must provide valid identification on the reporting day to confirm they are at least 18 years old before onboarding.</li> </ul>
	Improvements Achieved	<ul style="list-style-type: none"> <li>Conduct periodic reviews of government regulations to ensure compliance with corporate social responsibility and ethical standards.</li> </ul>
Health and Safety Workplace	Actions Implemented	<ul style="list-style-type: none"> <li>Established the Labor Health Management Procedures, Fire Protection Plan, and Employee Complaint Handling Measures. The employee handbook includes measures for preventing sexual harassment, as well as complaints and disciplinary procedures, all managed by the responsible units.</li> </ul>
	Improvements Achieved	<ul style="list-style-type: none"> <li>Conduct employee training, workplace inspections, and internal/external audits in line with government regulations to evaluate the Company's overall environment, safety, and sanitation practices, ensuring a safe workplace.</li> </ul>

## Anti-Discrimination and Anti-Harassment

Sensortek is committed to eliminating and preventing all forms of discrimination within the Company and throughout all employment processes. To ensure a fair and respectful working environment, Sensortek has embedded anti-discrimination principles into its corporate culture and actively extends these values to external stakeholders, including customers, suppliers, and the public. In 2024, Sensortek established anti-discrimination and anti-harassment measures and continues to update and strengthen related practices to ensure that all employees and partners can work in an environment free from discrimination and harassment.

### Training Content

The training aims to enhance employees' awareness and preventive capabilities regarding workplace misconduct, discrimination, and sexual harassment. The program includes learning about relevant regulations, identifying potential risks, and developing response strategies to help employees protect their rights and foster a fair, safe, and harmonious workplace.

### Effectiveness

Training results show that employees have improved awareness of preventing workplace discrimination and sexual harassment, and are better equipped to understand and apply effective response strategies. These initiatives contribute to building a healthy, respectful, and equitable workplace culture.

### Participation Rate

100%

Freedom of Association	Actions Implemented	<ul style="list-style-type: none"> <li>Regularly hold Welfare Committee meetings, during which committee members plan employee welfare activities.</li> <li>Organize events according to the Club Management Guidelines and provide financial subsidies to support smooth club operations</li> </ul>
	Improvements Achieved	<ul style="list-style-type: none"> <li>Responsible units review club establishment applications and regularly monitor club activities and expense reimbursements. Any violations of employee rights or other unlawful activities are subject to correction.</li> </ul>
Forced Labor	Actions Implemented	<ul style="list-style-type: none"> <li>Comply with the Labor Standards Act, respecting employees' freedom to choose their profession. Employees must not be forced to work through violence, threats, detention, or other illegal means.</li> <li>The employee handbook includes grievance and disciplinary measures, managed by the responsible units.</li> </ul>
	Improvements Achieved	<ul style="list-style-type: none"> <li>Regularly review records of normal working hours and overtime hours.</li> </ul>

## Human Rights Grievance Channels and Procedures

Sensortek has set up an Employee Grievance Mailbox, a Workplace Misconduct Grievance Mailbox, and a Welfare Committee Suggestion Box on its internal website. In addition, the Company provides multiple communication channels such as regular labor-management meetings and welfare committee meetings to allow employees to raise concerns or file grievances. All grievance cases are received by the Human Resources and Administration Department and then forwarded to the relevant responsible units, which communicate with employees depending on the issue. In 2024, there were no grievances related to gender discrimination or violations of labor laws, nor were there any human rights or compliance incidents.

## Human Rights Education and Training

Year	Course Type	Course Title	Description	Number of Participants	Completion Rate
2024	Occupational safety training series	General Workplace Safety and Health Training (Online Course)	Covers workplace misconduct prevention, including anti-discrimination and anti-harassment training.	196	100%
		Fire Safety Training	Basic fire safety course with hands-on practice using fire extinguishers and fire hydrants.	19	
		First Aid Training	Overview of first aid, CPR and AED, emergency response to loss of consciousness (fainting, dizziness, coma), stroke, and seizure management.	1	

Note: The total number of employees on staff at the time of the training is used as the denominator when calculating the completion rate.

## Supplier Human Rights Management

In 2024, based on the Responsible Business Alliance (RBA) Code of Conduct, Sensortek established its own Supplier Code of Conduct, outlining the ethical standards suppliers are expected to uphold. As a first step, key suppliers were required to provide a written commitment to comply with the Sensortek Supplier Code of Conduct, thereby promoting awareness of human rights issues across the supply chain.



# Recruitment and Retention

## ■ Diverse and Equitable Recruitment Strategies

Sensortek firmly believes that talent is the foundation of sustainable corporate growth. While pursuing technological innovation and business expansion, the Company is committed to building a human resources strategy that values diversity, emphasizes fairness, and encourages development. This approach helps attract, nurture, and retain key talent, further shaping a stable and sustainable human capital structure.

Recruitment practices are carried out in compliance with the Labor Standards Act, Gender Equality in Employment Act, and Employment Service Act. Upholding the principle of “the right person for the right position,” all job openings are processed through transparent and fair hiring procedures. Recruitment channels include job bank platforms, internal referrals, headhunting firms, campus recruitment, internship programs, and industry – academia cooperations, thereby expanding diverse talent sources and strengthening corporate competitiveness.

Sensortek also prioritizes hiring local residents in its operating areas to foster community inclusion. In addition, the Company provides alternative military service positions in R&D and summer internship opportunities for students, enabling young talent to connect with industry applications early, enhance practical skills, and inject new energy into the Company.

## ■ Talent Development and Retention

To help new hires quickly integrate into teams and build trust in the Company, a systematic onboarding and mentoring program has been established. This includes assigning a departmental mentor prior to onboarding, designing a three-month training plan with learning objectives, and conducting an end-of-term supervisor interview with a performance review to improve early retention and role alignment.

Moreover, through the Newcomer Orientation Camp, senior executives personally communicate the Company’s vision and business philosophy. A face-to-face session with the General Manager is also arranged, ensuring that new employees feel valued and trusted from the very beginning.



「To Sense, Be Yourself」  
Experience your true self, embrace a smarter IoT future. Your uniqueness begins with Sensortek.」

### New Employee Experience Sharing



During the newcomer orientation, I gained many valuable insights, especially from the experiences shared by senior executives. It gave me a deeper perspective on the Company’s long-term direction and my own career path. First, I realized that the Company not only values immediate results but also has ambitious long-term development goals. Second, I understood that every employee should embody the core values of integrity and innovation in their work, which are essential to driving the Company forward. Finally, I learned that customer needs and product quality are key to success. These strategies sharpened my understanding of the market and taught me how to face challenges while continuously growing. This training not only enhanced my professional skills but also filled me with confidence and excitement for the future. °



Sensortek has established a well-rounded career development framework with a dual-track system for both professional and managerial roles. Employees are provided with individualized development and evaluation plans, tailored to their needs and strengths, to support their career growth and advancement opportunities. For new hires, we offer a care program and orientation training to help them understand the Company’s management philosophy and culture. In addition, learning courses are arranged according to job competency requirements to ensure smooth integration into the workplace.

## ■ Building a Sustainable Talent Culture

Sensortek is dedicated to shaping a workplace culture that emphasizes participation and inclusiveness. We continuously promote open communication and participatory management mechanisms, encouraging employees to engage in corporate operations and cultural development through surveys, communication meetings, and internal proposals.

Looking ahead, Sensortek will further strengthen its sustainable talent strategy by integrating Diversity, Equity, and Inclusion (DEI) values. Our goal is to create a workplace that fosters belonging, achievement, and growth, embodying our “people-oriented” philosophy and enabling both the Company and its employees to thrive together.

## ■ Workforce Structure

As of the end of 2024, Sensortek employed a total of 203 staff members (excluding contractors and dispatched workers), maintaining a stable overall workforce structure. By role classification, there were 6 senior executives, 31 mid-level managers, and 166 non-managerial employees, with engineering roles comprising the majority.

In terms of gender distribution, the overall ratio remained consistent with the previous year at approximately 7:3 (71.92% male, 28.08% female), with 146 male employees and 57 female employees.

Regarding age distribution, the majority of employees (165, or 81.28%) were between 31-50 years old. There were 30 employees under 30 (14.78%) and 8 employees over 50 (3.94%), reflecting a relatively young workforce aligned with the Company’s growth phase.

For employment type, including management, 201 employees (99.01%) were on permanent contracts (146 male, 71.92%; 55 female, 27.09%), while 2 part-time staff were on fixed-term contracts. Additionally, 3 outsourced workers supported cleaning services.

According to the analysis by job function, engineering roles accounted for 128 employees (63.05%), administrative staff for 29 (14.29%), production technicians for 9 (4.43%), and managerial roles (senior and mid-level combined) for 37 (18.23%).

To fulfill its corporate social responsibility and strengthen local engagement, Sensortek continues to prioritize local employment. 100% of full-time employees are local residents, including all members of the senior management team.

For more detailed workforce information, please refer to the Appendix: Human Resources Data.



## 2024 Management Structure by Gender and Age

Category	Gender Ratio (%)		Age Ratio (%)		
	Female	Male	Under 30	30-50	Over 50
Management	16.7	83.3	0	86.5	13.5
Non-Management	30.7	69.3	18.1	80.1	1.8

Note: The scope of management includes senior managers at department-head level and above, and mid-level managers below the department-head level.

## 2024 Employee Count by Employment Type and Gender

Category	Gender		Total
	Female	Male	
Permanent Employees (Full-Time)	55	146	201
Fixed-Term Employees (Temporary)	1	1	2
Full-Time Employees	55	146	201
Part-Time Employees	1	1	1

Note: Permanent employees (full-time) are those with an open-ended employment contract. Fixed-term employees (temporary) have a contract for a specific period or project, which ends upon completion (e.g., interns or massage therapists). Part-time employees work fewer hours than full-time employees.

## 2024 Total Employees by Job Function and Gender

	Senior Management	Mid-Level Management	Engineering Staff	Administrative Staff	Production/ Technical Staff
Female	0.49%	2.46%	10.84%	9.85%	4.43%
Male	2.46%	12.81%	52.22%	4.43%	0.00%

## Employee Onboarding and Turnover

In 2024, 22 new employees joined the Company, representing approximately 10.84% of the total workforce. Among them, women accounted for 14.04% of all female employees, slightly lower than in 2023. By age group, the majority of new hires were under 30 years old (19.35%). During the same period, 20 employees left the Company, representing a 9.85% turnover rate, slightly lower than the previous year. Female departures totaled 6 employees (10.53% of all female employees), slightly higher than the male turnover rate of 9.59%. By age, the highest turnover occurred among employees under 30 years old (19.35%).

## 2024 New Hires and Employee Turnover by Gender and Age

2024		Gender Ratio (%)		Age Ratio (%)		
		Female	Male	Under 30	30-50	Over 50
New Hires	22	14.04	9.58	20.00	9.70	0.00
Turnover	20	10.53	9.59	20.00	8.48	0.00

Note 1: New Hire Rate = (Number of new hires in the category during the year) ÷ (Total employees in that category at year-end).

Note 2: Turnover Rate = (Number of employees leaving in the category during the year) ÷ (Total employees in that category at year-end).

## Employee Satisfaction Survey

In 2024, Sensortek conducted its first employee satisfaction survey focused on human resources and administrative services. The aim was to understand employees' experiences and perceptions regarding administrative support, workplace environment, training and development, and employee activities, providing a foundation for optimizing internal management and fostering a more employee-friendly workplace.

A total of 203 questionnaires were distributed, with 23 valid responses returned, resulting in a response rate of approximately 11.33%. The survey covered 18 areas, including front desk reception, travel arrangements, catering services, environmental safety, cleaning and maintenance, training programs, and employee activities. An open-ended comment section was also included to collect diverse employee perspectives.

Going forward, the Company will continue to refine the survey process, increase participation, and implement improvements through regular communication and corrective actions. These efforts aim to strengthen the sense of belonging and engagement among employees, enhancing the connection between the organization and its staff, while advancing the Company's sustainability goals.

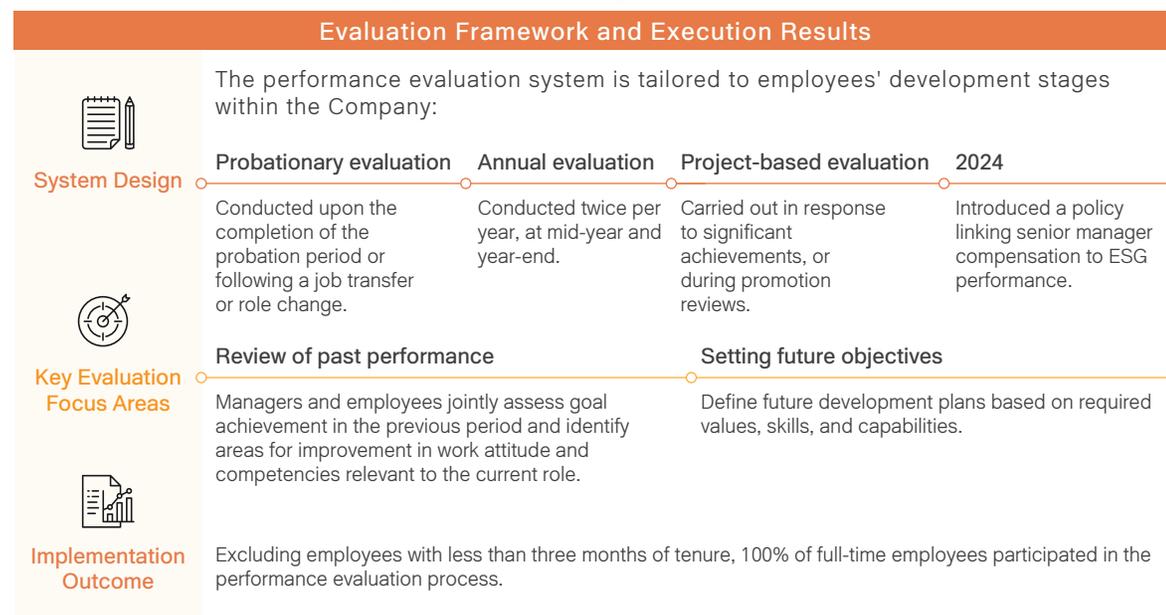
## ■ Compensation System

Sensortek has established a comprehensive performance management and compensation system that aligns organizational and individual performance goals. The system includes regular reviews, feedback, and assessments, with rewards linked to Company performance, departmental outcomes, and individual contributions, in accordance with the principle of “high performance, high contribution, high reward.” The Company adheres to its human rights policy to ensure fair and equitable pay, following the principle of equal pay for equal work regardless of gender. Performance outcomes are regularly reviewed to ensure fairness, and salaries are paid on time. There are no gender-based differences in compensation, and all base salaries exceed the statutory minimum wage. Annual market surveys are conducted to adjust salaries and performance-based rewards, supporting talent recognition and retention.

## ■ Performance Management

To ensure alignment between employee goals and managerial expectations, Sensortek conducts performance review interviews with all employees every six months. These evaluations not only assess work performance and results but also help managers understand the challenges employees face and the resources they need. The outcome of performance reviews is used as a key reference for decisions related to promotions, salary adjustments, and bonus distribution in the following year.

### Performance Evaluation System and Design



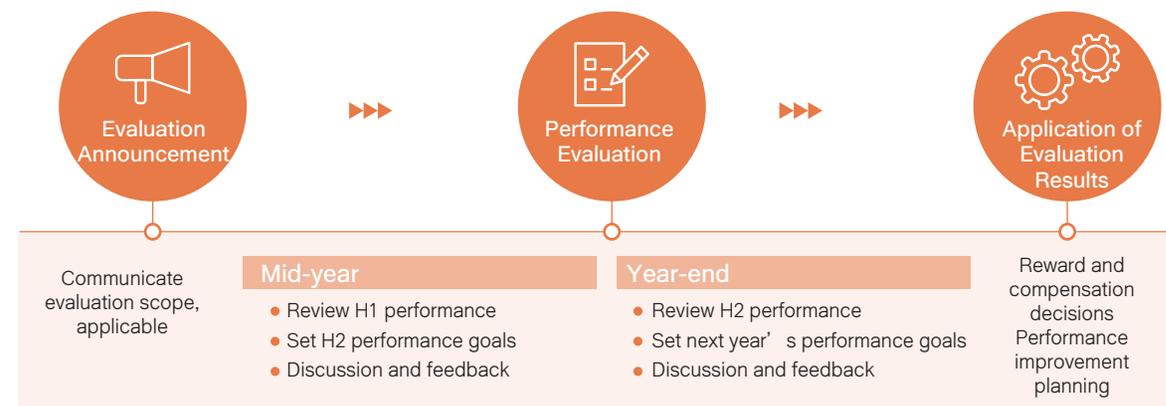
### Overview of Salaries for Non-Managerial Full-Time Employees

Item	2022	2023	2024
<b>Number of Non-Managerial Full-Time Employees</b>	180	182	190
<b>Average Salary</b>	2,352 thousand	2,204 thousand	2,166 thousand
<b>Median Salary</b>	2,116 thousand	2,066 thousand	1,960 thousand

Note 1: Data includes non-managerial, full-time, permanent employees who have been employed for more than six months in 2024 at Sensortek.

2: The data is consistent with the disclosure on the Market Observation Post System, stock code: 6732

### Performance Appraisal Process



Note: The data covers full-time employees at Sensortek in 2024 who were eligible for performance evaluations.



## Comprehensive Employee Benefits

Sensortek values employee well-being. Beyond providing legally mandated benefits, the Company has designed multiple programs that exceed statutory requirements, demonstrating its commitment to employee care and sustainable development. Benefits cover compensation and incentives, leave policies, health promotion, and mental well-being support. Additionally, seasonal celebrations and club activities are organized periodically.

Category	Statutory Requirement	Exceeding Law
Compensation and incentives	Fixed salary	<ul style="list-style-type: none"> <li>Referral bonus program: encourage employees to recommend talent, rewarded upon successful hiring</li> <li>Patent bonus: reward for innovation or obtaining patents</li> <li>Internal trainer bonus: encourage knowledge sharing</li> <li>Wedding, funeral, and family celebration subsidies</li> <li>Department meals, afternoon tea allowances, and travel subsidies to boost morale</li> </ul>
Leave policy	Paid leave and overtime compensatory leave per Labor Standards Act	<ul style="list-style-type: none"> <li>Annual leave available from day of hire (no 6-month waiting period)</li> <li>Flexible work and compensatory leave policies to support work-life balance</li> </ul>
Insurance and protection	Mandatory labor and health insurance	<ul style="list-style-type: none"> <li>Additional group insurance (life, accident, critical illness)</li> <li>Optional coverage for spouse, children, and parents at employee expense</li> </ul>
Health promotion program	Annual employee health check-up	<ul style="list-style-type: none"> <li>Employee Assistance Program (EAP): counseling, stress management, and life support services</li> <li>Enhanced health check-ups beyond statutory requirements for comprehensive care</li> </ul>

## Diversity, Inclusion, and Maternity Protection

Diversity and inclusion play a critical role in shaping corporate culture. They not only strengthen employees' sense of belonging and engagement but also serve as key strategies for long-term business development, while aligning with government and societal expectations for continuous workplace improvement. To foster a more inclusive, supportive, and innovative work environment, Sensortek promotes diversity, inclusion, and maternity-friendly initiatives. These include career development support, equal pay policies, and inclusive welfare programs. We are committed to eliminating gender disparities, ensuring every employee has the opportunity to realize their professional aspirations. By building flexible and adaptive diverse teams, we strive to collectively respond to evolving market dynamics and external challenges.

	2022		2023		2024	
	Female	Male	Female	Male	Female	Male
Employees Eligible for Parental Leave (A)	4	6	5	10	6	7
Employees Who Applied for Parental Leave (B)	3	2	5	-	3	1
Employees Scheduled to Leave During the Year (C)	2	1	4	1	2	1
Employees Who Actually Returned to Work (D)	2	1	4	-	2	1
Employees Remaining Employed for 12 Months After Returning (E)	2	1	4	1	4	-
Parental Leave Application Rate (B) / (A)	75.00%	33.33%	100.00%	0.00%	50.00%	14.29%
Return-to-Work Rate After Leave (D) / (C)	100.00%	100.00%	100.00%	0.00%	100.00%	100.00%
Retention Rate One Year After Returning (E) / Previous Year's (D)	0.00%	0.00%	200.00%	100.00%	100.00%	-

Note (A): Employees who gave birth between January 1, 2021 and December 31, 2024, and those who applied for maternity or paternity leave in 2023, are all eligible for parental leave in 2024.

(B): Employees who were eligible for parental leave and actually took the leave during the year.

(C): Employees who began their parental leave in a prior year (carried forward) and were expected to return to work in 2024.

(D): Employees who began their parental leave in a prior year (carried forward) and actually returned to work in 2024.

(E): The total number of employees who completed their parental leave in 2023 and remained employed for at least 12 months after returning to work.

## Retirement Plan

Sensortek has established an employee retirement program in accordance with the Labor Pension Act, providing a secure retirement plan. For Taiwanese employees, the Company contributes 6% of the employee's monthly wages to their individual pension account with the Bureau of Labor Insurance. Employees may also make additional voluntary contributions ranging from 0% to 6% of their monthly wages, thereby enhancing financial independence for retirement.

### Overview of the Labor Pension System

Eligible Employees	Taiwanese employees	
Applicable Regulation	Labor Pension Act	
Contribution Method	<b>Company:</b> Contributes 6% of monthly wages to the employee's individual pension account with the Bureau of Labor Insurance.	<b>Employee:</b> May voluntarily contribute an additional 0-6% of monthly wages to their individual pension account.
Employee Participation in the Retirement Plan	100%	
Total Contributions in 2024	13,888 thousand	



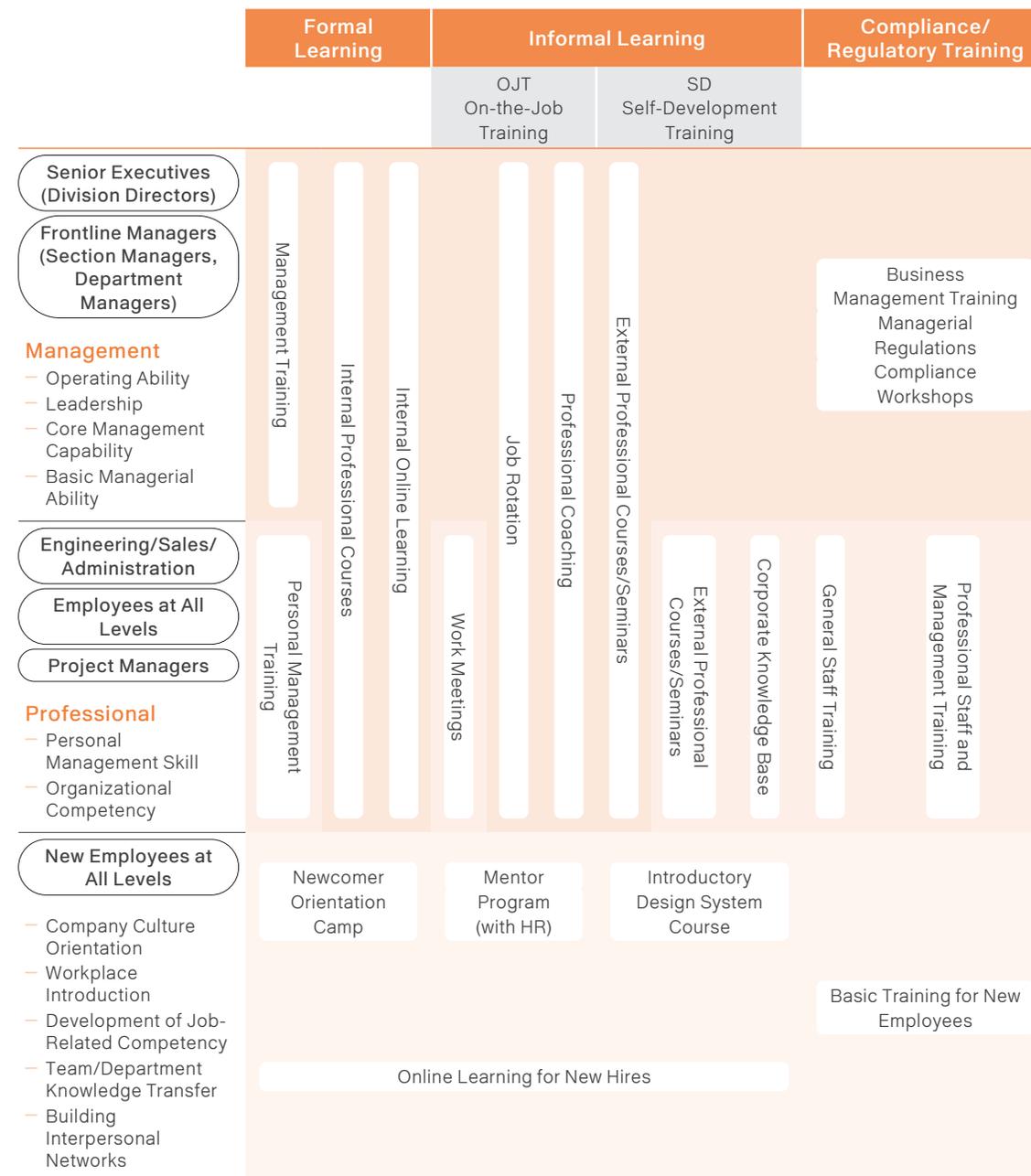
# Talent Training and Development

As a knowledge-intensive industry, Sensortek’s core competitiveness lies in the design capabilities and experience of its R&D personnel. Therefore, the Company places great emphasis on talent training and development. A dedicated Procedures for Education and Training Management has been established to encourage employees to participate in various training courses and technical seminars. Each year, Sensortek allocates a budget for both internal and external training programs to enhance employees’ career skills. In addition, experience-sharing and mentorship help foster mutual learning and continuous improvement. For details, please refer to the Talent Training and Development framework available on the Company’s website.

## Talent Training and Development Pathways

Sensortek values the diverse development of its employees and offers various learning opportunities and support mechanisms to help employees grow and achieve both professional and personal success.

Training Category	Content
Formal Learning	<p><b>Approach</b></p> <ul style="list-style-type: none"> <li>Offers a variety of professional courses through the internal instructor training program, where employees serve as trainers. Training covers product line introductions, R&amp;D design, market technology trends, and process-related skills.</li> <li>Provides in-person and online courses, enabling employees to access professional knowledge anytime, anywhere.</li> </ul> <p><b>Purpose</b></p> <ul style="list-style-type: none"> <li>Facilitates knowledge sharing and establishes a common language across R&amp;D, manufacturing, and marketing to improve cross-departmental communication efficiency and align team efforts with Company objectives.</li> <li>Deepens employees’ understanding of other departments’ responsibilities, fostering appreciation, team cohesion, and collaboration opportunities to enhance productivity.</li> </ul>
Informal Learning	<ul style="list-style-type: none"> <li>Focuses on job-required professional skills through on-the-job training, professional guidance, and job rotation to help employees achieve work objectives effectively.</li> <li>Supports employees in learning new technologies and understanding the latest products and market trends, with training units providing real-time industry insights.</li> <li>Regularly shares information on new courses and seminars from external institutions, encouraging employees to attend technical conferences and exhibitions.</li> <li>Provides diverse learning channels that allow employees to continuously update technical knowledge and stay aligned with industry developments.</li> </ul>
New Employee Training	<ul style="list-style-type: none"> <li>For new employees, Sitronix Technology Corp. provides a comprehensive series of training programs. These include online onboarding courses on the first day of employment, annual Newcomer Orientation Camps, a mentorship program, and introductory courses in IC design systems. Through these well-structured training initiatives, employees are guided to gradually learn and grow, while developing the skills necessary to succeed in their roles.</li> </ul>





## ■ Diverse Training and Education Programs

In 2024, Sensortek responded to rapid industry changes and the growing need for sustainable governance by strengthening its curriculum strategy, centered on AI-powered applications and ESG value integration. Training programs focused on enhancing organizational resilience and accelerating digital transformation, with seven major course categories:

### Onboarding Programs

To help new employees quickly adapt to the Company's culture and workplace environment, Sensortek designed blended learning programs tailored to newcomers' needs, combining in-person training with digital learning resources. Senior executives are invited to deliver lectures and interact directly, reinforcing corporate values, organizational identity, and a smooth talent integration mechanism.

### AI Applications and Digital Transformation Programs

To meet the demands of the AI era, Sensortek significantly enhanced employees' AI literacy and application capabilities. In 2024, the Company launched cross-departmental AI projects and training initiatives covering topics such as generative AI, the use of AI in business intelligence (BI), data science, and audit applications. These programs strengthen the practical adoption of AI in R&D, operations, governance, and ESG management. Through hands-on, scenario-based courses and real-world business cases, Sensortek effectively drives AI-powered decision-making and sustainable innovation.

### Technical Development Programs

These programs integrate core technology areas such as sensors, IC design, MEMS, cybersecurity, and carbon management, continuously strengthening R&D depth and technological foresight. Through hosting annual technology events such as DevDays, CYBERSEC, and Inertial Forum, along with the operation of professional technical committees, Sensortek promotes cross-departmental knowledge sharing and innovation communities, reinforcing the Company's sustainable technological competitiveness.

### Leadership and Management Programs

Based on competency models and organizational needs, Sensortek offers strategic management and leadership development programs for mid- to senior-level managers. The curriculum covers goal setting, performance coaching, strategic planning, and cross-departmental collaboration. Through well-designed training and practical exercises, these programs help managers strengthen leadership resilience, enhance organizational execution, and drive transformation.

### Key Talent Development Programs

Focusing on critical positions and high-potential employees, Sensortek provides personalized career development and professional certification support. By participating in industry forums and international conferences such as IEEE Inertial and ISACA, employees broaden their global perspectives, stay aligned with industry trends, and strengthen the Company's dual strategy of talent retention and development.

### Sales and Marketing Programs

Sales roles have shifted from product-driven to customer-oriented, making customer focus the key to success. From understanding client needs and providing comprehensive solutions to closing deals, programs train employees to use effective questioning techniques to identify true customer demands. This approach equips them to act as trusted product experts and advisors, ultimately facilitating clients' final decisions.

### Personal Effectiveness Programs

Employees are encouraged to pursue continuous learning and cross-disciplinary development through digital courses on topics such as presentation skills, time management, communication, and AI tool applications. Flexible learning formats strengthen employees' ability to grow independently and adapt to a rapidly changing environment.

### Sustainability Practice Programs

These programs are closely aligned with the Company's ESG strategy, covering topics such as carbon footprint verification, greenhouse gas inventory, business integrity, and workplace equity. Training enhances employees' knowledge and awareness of sustainable governance and regulatory compliance. By integrating AI with ESG, the Company fosters data-driven decision-making and green innovation, fulfilling its corporate social responsibility and advancing long-term sustainability.



## Key Strategic Talent Development

2024 Talent Development Strategic Projects	Course Categories	Strategy and Course Description	Annual Outcomes	Number of Trainees and Participation Rate	Training Effectiveness and Value to the Company
<p><b>Digital Competence</b></p> <p>Accelerating Digital Transformation through Talent Development</p>	<ul style="list-style-type: none"> <li>AI Applications and Digital Transformation Programs</li> <li>Personal Effectiveness Programs (Digital Tools Application)</li> </ul>	<ul style="list-style-type: none"> <li>Promoted the use of generative AI, data science, and AI for BI in R&amp;D, operations, and governance. Through cross-departmental projects, hands-on training, and scenario-based applications, employees strengthened AI-driven decision-making and sustainable innovation.</li> <li>Personal effectiveness programs included presentation skills, time management, and AI tool applications, fostering self-directed learning and adaptability.</li> </ul>	<ul style="list-style-type: none"> <li>Launched AI projects across R&amp;D, operations, and internal control, enhancing organization-wide AI literacy and data interpretation capabilities.</li> <li>Achieved over 70% participation in platform-based digital learning.</li> </ul>	<p>408 participants (25.5%)</p>	<p>L1: Post-training satisfaction: 93%</p> <p>L2: Average AI course assessment score: 85</p> <p>L3: 50+ employees obtained AI/data application certifications</p> <p>L4: Reporting efficiency improved, reducing manual analysis time by 30%</p>
<p><b>Managerial Competence</b></p> <p>Global Promotion of Managerial Skills Innovative Leadership</p>	<ul style="list-style-type: none"> <li>Leadership and Management Programs</li> <li>Sales and Marketing Programs</li> </ul>	<ul style="list-style-type: none"> <li>Designed training for mid- to senior-level managers based on competency models, covering goal setting, performance coaching, strategic thinking, and customer orientation.</li> </ul>	<ul style="list-style-type: none"> <li>Implemented leadership training programs with cross-departmental collaboration, integrating practical exercises and coaching systems.</li> </ul>	<p>189 participants (11.8%)</p>	<p>L1: Satisfaction rate: 95%</p> <p>L2: 100% completion of post-training strategic practice by managers</p> <p>L3: 20+ managers promoted and tracked for cross-department integration capability</p> <p>L4: Team performance target achievement rate improved by 15%, with stronger organizational collaboration</p>
<p><b>Sustainability Competence</b></p> <p>Embedding Sustainability Knowledge to Drive Global Collaboration</p>	<ul style="list-style-type: none"> <li>Sustainability Practice Programs</li> </ul>	<ul style="list-style-type: none"> <li>Courses covered integrity, equity, information security, ESG disclosure, carbon inventory, and environmental regulations, enhancing employees' knowledge and awareness of governance and sustainability.</li> </ul>	<ul style="list-style-type: none"> <li>Delivered 18 ESG and sustainability-related courses, totaling over 600 hours, covering 100% of departments.</li> </ul>	<p>576 participants (36.0%)</p>	<p>L1: Employee awareness of sustainability issues improved; satisfaction rating: 4.6</p> <p>L2: Carbon management simulation pass rate: 95%</p> <p>L3: Carbon inventory processes implemented in 5 departments within 3 months</p> <p>L4: Prepared the Company's first ISO carbon inventory report, strengthening corporate sustainability reputation</p>
<p><b>Technological Innovation Competence</b></p> <p>Strengthening Technological Foresight and Cross-Disciplinary Integration</p>	<ul style="list-style-type: none"> <li>Technical Development Programs</li> <li>Key Talent Development Programs</li> <li>Onboarding Programs</li> </ul>	<ul style="list-style-type: none"> <li>Integrated IC design, MEMS, carbon footprint, sensors, and cybersecurity courses, while promoting technical forums, international conferences, and specialized knowledge communities.</li> </ul>	<ul style="list-style-type: none"> <li>Participated in CYBERSEC, DevDays, and IEEE Inertial to establish both internal knowledge networks and external collaboration platforms.</li> </ul>	<p>427 participants (26.7%)</p>	<p>L1: Hands-on training satisfaction: 95%</p> <p>L2: Core technical training assessment average: above 90</p> <p>L3: 8 new technology projects implemented within 3 months</p> <p>L4: Innovation proposal success rate increased by 25%, with higher commercialization conversion rates</p>

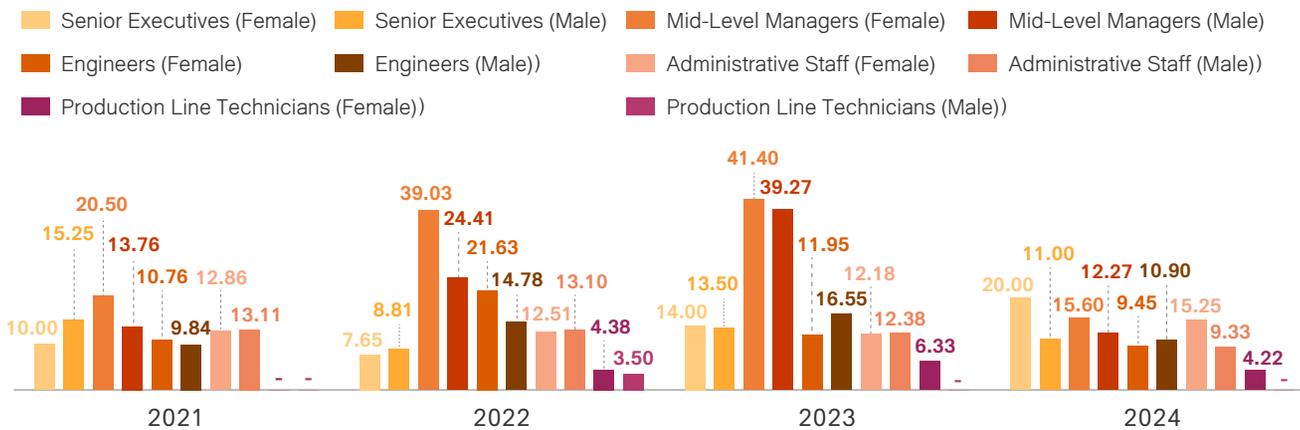
## Training Performance

The total training expenditure was approximately NT\$290,000, with an accumulated 2,262 training hours (calculated by the number of courses multiplied by the duration of each course). On average, employees received 11.14 hours of training, with male employees averaging 11.05 hours and female employees averaging 11.39 hours.

### Overview of Historical Investment in Employee Training Expenses



### Average Annual Training Hours (by Job Category and Gender)



Note: The average training hours for female senior executives were relatively high, primarily because there was only one individual in this category during the year. The average training hours for production line technicians were relatively low, mainly because their roles focused on receiving basic training.

## Employee Communication

Sensortek provides various email channels for employees to express their opinions, allowing colleagues to submit inquiries, suggestions, and complaints. Through two-way communication, these inputs serve as a basis for improving management measures and assisting employees in resolving issues. All cases are handled confidentially and tracked by designated personnel to ensure progress and results, fostering effective and harmonious communication between employees and the Company. In 2024, no employee complaints were reported.

### Open Communication Environment



Internal company website

- Electronic bulletin board
- Information sharing
- Health promotion
- EAP



Dedicated email accounts

- Employee complaint mailbox: Handles inquiries, suggestions, and complaints
- Welfare Committee suggestion box: Accepts welfare-related suggestions and feedback
- Workplace misconduct complaint mailbox
- Integrity violation whistleblower mailbox
- EAP employee assistance mailbox



Communication meetings

- Labor-management meetings
- Employee Welfare Committee meetings
- New employee orientation
- Performance review discussions
- Annual company meeting
- Cross-department manager communication meetings

2024 Annual Activities

Festive Events: Year-End Banquet,  
Father's Day, Family Day, Halloween

Charitable Donations



Group Events

Club Activities: Mountaineering  
Club, Basketball Club, Competitive  
Sports Club



# Workforce Health and Safety

Disclosure Topic: Workforce Health & Safety

SASB Code	Metric	2021	2022	2023	2024
TC-SC-320a.1	Description of efforts to assess, monitor, and reduce exposure of workforce to human health hazards	<ul style="list-style-type: none"> <li>Conduct annual risk assessments to identify and confirm potential hazards in the office.</li> <li>Test office carbon dioxide concentration every six months.</li> </ul>	<ul style="list-style-type: none"> <li>Monitor lead concentration in soldering work areas.</li> </ul>	<ul style="list-style-type: none"> <li>Conduct annual risk assessments to identify and confirm potential hazards in the office.</li> <li>Test office carbon dioxide concentration every six months.</li> <li>Monitor lead concentration in soldering work areas.</li> </ul>	
TC-SC-320a.2	Total amount of monetary losses as a result of legal proceedings associated with employee health and safety violations (Unit: NT\$)	0	0	0	0

● In recent years, there have been no incidents of violations related to employee health and safety regulations.

## Safety Management Mechanism

Sensortek is a professional IC design company, with all core operations conducted in office environments. Manufacturing operations are fully outsourced to specialized contract manufacturers. Therefore, none of the Company's operational activities involve hazardous chemicals, hot work, confined spaces, or other high-risk tasks.

Sensortek is committed to providing a safe, healthy, comfortable, and human-centered work environment. In 2023, the Company received the "Badge of Accredited Healthy Workplace - Health Initiation Label", earning high marks in tobacco control and health management.

The Human Resources and Administration Department serves as the authority responsible for occupational safety and health, following the requirements of the Regulations Governing Occupational Safety and Health. A Class-A Occupational Safety and Health Officer is appointed to plan, develop, and promote safety and health management initiatives. To prevent workplace accidents and safeguard employee safety and health, Sensortek has established safety and health work rules in accordance with Article 34 of the Occupational Safety and Health Act, fostering full employee participation and raising overall awareness of safety and health practices.



## Occupational Safety and Health Education and Training

In 2024, occupational safety and health training focused on “Prevention of Illegal Acts While Performing Duties,” a common concern in high-pressure, long-hour technology industries. The training emphasized raising awareness among supervisors and employees about verbal bullying, sexual harassment, and stalking, including prevention strategies and establishing clear boundaries. Additionally, staff participated in Tai Yuen Park Fire Drill Training, as well as internal health lectures and fire safety courses.

Course Type	Number of Sessions	Number of Participants in 2024
Health Lectures	3	47
Tai Yuen Park Fire Drill Training	2	4
Fire Safety Training	1	19
Prevention of Workplace Misconduct	1	196

## Safety Management Implementation

### Office Environment Monitoring and Safety Management

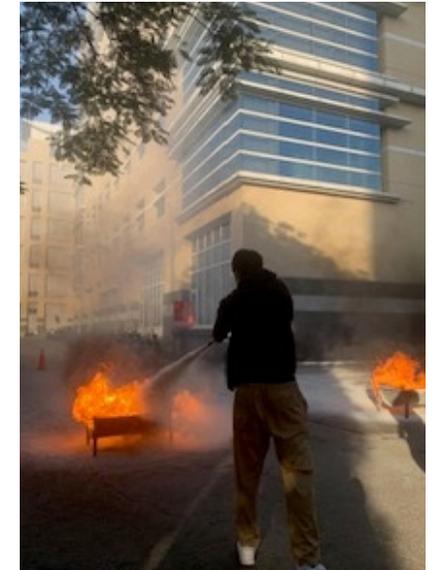
Every six months, Sensortek commissions a professional agency to test the carbon dioxide concentration in office areas. In addition, the Company has installed CO<sub>2</sub> monitors to continuously track indoor air quality, which, combined with fresh-air ventilation systems, helps maintain a healthy office environment. Annual assessments are also conducted for noise, lighting, temperature and humidity, as well as overall office environmental risk evaluations. Although soldering operations use lead-free solder and are equipped with local exhaust systems, to ensure greater employee confidence, lead concentration testing in soldering areas has been conducted since 2022. In 2024, monitoring showed lead levels below 0.0023 mg/m<sup>3</sup>, which is only 2% of the legal limit of 0.15 mg/m<sup>3</sup>.

Starting in 2023, electrical inspections were added, with a professional electromechanical company performing biannual inspections of the Company’s distribution panels to prevent potential electric shocks and fire hazards.

### Fire Safety Management

- A fire safety officer is appointed to conduct daily inspections of electricity use and fire sources, with monthly checks on fire escape routes and firefighting equipment.
- Annually, a professional fire safety agency is engaged to perform dynamic tests of smoke dampers, smoke detectors, and fire alarm systems to ensure proper operation of all firefighting equipment.
- An internal fire brigade has been established, with roles and emergency response responsibilities trained and communicated during occupational safety and health education sessions.

In May 2024, Sensortek invited the Association of Fire Safety Protection to conduct a training course covering fire causes, fire development stages, firefighting methods and fire classifications, emergency evacuation techniques, earthquake preparedness, and response strategies. All participating employees gained practical knowledge on fire safety and emergency escape procedures.





## Labor Health Protection Plan



### Prevention of Illegal Acts While Performing Duties

- Conducted educational training to strengthen supervisors' and employees' awareness of verbal bullying, sexual harassment, and stalking, including prevention strategies and establishing clear boundaries.
- In 2024, a random survey of 10 employees was conducted to check for any incidents of illegal acts in the workplace; no incidents were reported.
- A sample of 3 supervisors was surveyed to assess whether they had engaged in behaviors such as being overly critical, yelling, belittling, or denying leave to subordinates. No incidents were reported.
- An internal "Illegal Acts and Sexual Harassment Complaint Email" is provided as a reporting channel.

### Ergonomic Hazard Prevention Plan

- Employees complete an annual Musculoskeletal Symptom Questionnaire alongside health checkups. Based on the results, employees identified with confirmed or potential risks receive further analysis, assessment, and improvement measures. Subsequent interventions include related training, educational materials, or preventive services such as massage. In 2024, the musculoskeletal symptom evaluation under the "Ergonomic Hazard Prevention Plan" showed that no employees had a pain index greater than 3.

### Abnormal Workload Disease Prevention Plan

- Employees complete an annual Abnormal Workload Checklist to assess workload levels. High-risk employees or those with a family history of hypertension or other illnesses receive regular interviews and support from onsite medical staff. In 2024, under the "Abnormal Workload Disease Prevention Plan," all employees were assessed as having no high-risk or moderate workload conditions.

### Maternal Health Protection Plan

- Employees who are pregnant or within one year postpartum receive regular interviews and support from onsite medical staff, along with appropriate work adjustments. In 2024, 5 employees participated in the Maternal Health Protection Plan, ensuring safe employment during pregnancy and a smooth return to work postpartum, safeguarding maternal rights and workplace safety.
- A lactation room is provided in the office to offer postpartum mothers a secure environment for breastfeeding.

### Middle-Aged and Older Employee Plan

- Onsite medical staff review health checkup reports of employees aged 45 and above, with emphasis on musculoskeletal and cardiovascular assessments. Work fitness is evaluated, and necessary preventive measures and health guidance are provided.

### Health Promotion Activities

- In May 2024, the group held a "Mindfulness Stress Relief" lecture, designed to help employees apply mindfulness in daily life and work, improving stress management and mental stability. 24 employees participated.
- In September 2024, a health lecture on "Understanding Tumor Markers and Cancer Screening" was held, covering the accuracy of tumor markers, common screening methods, and the design of personalized screening plans to maximize preventive effects. 12 employees participated.
- In December 2024, a health lecture "Preventing Metabolic Syndrome" was held, with 11 participants.
- From January to April 2024, the group organized the "One Million Steps Challenge", a 100-day walking program targeting one million steps. Sensortek had 62 participants, with 22 employees successfully reaching the goal.

## ■ Accident Investigation Process and Handling Mechanism



Workplace injuries are reported immediately to the direct supervisor and the Human Resources and Administration Department.

Onsite first responders provide first aid and assess the severity of injuries to determine whether emergency medical treatment is required.

In the event of  
1. A fatality  
2. An injury requiring hospitalization, or  
3. Three or more individuals injured, the incident is reported immediately to the local regulatory authorities.

A thorough accident investigation is conducted, and corrective measures are proposed to prevent recurrence.

## ■ Occupational Injury Statistics

No cases of disability injuries, fatalities, high-consequence work-related injuries, recordable work-related injuries, frequency rates (FR), severity rates (SR), or lost time injury frequency rates (LTIFR) have occurred in the past three years. Sensortek will continue to optimize the office environment to ensure a safe and healthy workplace. Occupational safety data are collected, compiled, and disclosed with 100% coverage. Detailed data can be found in Appendix 8-2.

## ■ Contractor Safety Management

All office entrances are equipped with access control systems. Visitors and contractors must wait in the lobby and be personally escorted by employees. Contractors performing work must follow Sensortek's Safety and Health Guidelines, and the Human Resources and Administration Department provides hazard briefings and supervision to prevent accidents. In 2024, no occupational injuries occurred among contractors entering Sensortek's work areas.

## ■ Health Examinations

Sensortek fully subsidizes NT\$3,000 per employee annually for health checkups. A qualified medical team conducts examinations onsite. In July 2024, 172 employees completed health checkups, representing a 91% participation rate. The Company also contracts a professional health consulting firm to provide onsite nurse services four times per month and physician consultations four times per year, continuously ensuring employee health and safety. In addition to general health examinations, 11 employees exposed to soldering operations underwent specialized health checkups in 2024. The examinations included gum lead assessment, blood system, digestive system, nervous system, kidney system checks, hematocrit and red blood cell counts, and blood lead level testing. All results were normal.





# Appendix

Sustainability Disclosure Index

Human Resources Data

Occupational Safety and Health Data

Sustainability Disclosure Indicators for the  
Semiconductor Industry

Climate-Related Information for TWSE/TPEX-Listed  
Companies

External Assurance Certificate

# Sustainability Disclosure Index



GRI STANDARDS Index



Now part of IFRS Foundation

SASB STANDARDS Index



SDGs DISCLOSURE Index

# Human Resources Data

## Total Number of Employees Hired Over the Years (by Gender)

Year	2021	2022	2023	2024	
Headcount	- Female	56	55	57	57
	- Male	133	135	144	146
	- Total	189	190	201	203
Percentage	- Female	29.63%	28.95%	28.36%	28.08%
	- Male	70.37%	71.05%	71.64%	71.92%

## Total Number of Employees Hired Over the Years (by Position and Gender)

Year	2021	2022	2023	2024	
Senior Management	- Female	1	1	1	1
	- Male	8	7	6	5
Middle Management	- Female	4	5	5	5
	- Male	27	25	30	26
Engineering Staff	- Female	21	20	20	22
	- Male	89	92	99	106
Administrative Staff	- Female	25	25	22	20
	- Male	9	10	8	9
Production Line Technicians	- Female	5	4	9	9
	- Male	-	1	1	0

## Total Number of Employees Hired Over the Years (by Age Group)

Year	2021	2022	2023	2024	
Headcount	- Under 30	36	34	39	30
	- 31-50	149	151	155	165
	- Over 50	4	5	7	8
	- Total	189	190	201	203
Percentage	- Under 30	19.05%	17.89%	19.40%	14.78%
	- 31-50	78.84%	79.47%	77.11%	81.28%
	- Over 50	2.12%	2.63%	3.48%	3.94%

## Total Number of Employees Hired Over the Years (by Position and Age Group)

Year	2021	2022	2023	2024	
Senior Management	- Female	11%	13%	14%	17%
	- Male	89%	87%	86%	83%
Middle Management	- Female	13%	17%	14%	16%
	- Male	87%	83%	86%	84%
Engineering Staff	- Female	19%	18%	17%	17%
	- Male	81%	82%	83%	83%
Administrative Staff	- Female	74%	71%	73%	69%
	- Male	26%	29%	27%	31%
Production Line Technicians	- Female	100%	80%	90%	100%
	- Male	0%	20%	10%	0%



■ Total Number of Employees Hired Over the Years (by Position and Age Group)

Year	2021		2022		2023		2024	
Senior Management	– Under 30	- 0%	- 0%	- 0%	- 0%	- 0%	- 0%	
	– 31-50	6 67%	5 63%	4 57%	3 50%			
	– Over 50	3 33%	3 37%	3 43%	3 50%			
Middle Management	– Under 30	- 0%	- 0%	- 0%	- 0%			
	– 31-50	30 97%	30 100%	34 97%	29 94%			
	– Over 50	1 3%	- 0%	1 3%	2 6%			
Engineering Staff	– Under 30	23 21%	22 20%	24 20%	24 19%			
	– 31-50	87 79%	88 78%	93 78%	102 80%			
	– Over 50	- 0%	2 2%	2 2%	2 2%			
Administrative Staff	– Under 30	12 35%	10 29%	10 33%	6 21%			
	– 31-50	22 65%	25 71%	20 67%	23 79%			
	– Over 50	- 0%	- 0%	- 0%	- 0%			
Production Line Technicians	– Under 30	1 20%	2 40%	5 50%	- 0%			
	– 31-50	4 80%	3 60%	4 40%	8 89%			
	– Over 50	- 0%	- 0%	1 10%	1 11%			

Note 1: Senior Management refers to supervisors at the division level or above. Middle Management refers to managers with supervisory roles below the division level. Engineering Staff includes engineering, business, and R&D personnel. Administrative Staff includes finance, human resources, and general affairs personnel. Production Line Technicians are responsible for executing product inspection tasks. Starting in 2023, IT personnel have been reclassified under Engineering Staff.

2: Sensortek’s workforce disclosure covers Taiwan only; no overseas regions are included.

3: Headcount calculation method: The number of employees is counted as of December 31, 2024, excluding employees on leave.

4: Compared with the previous year, the 2023 headcount differed by only 11 employees, showing no significant change.

■ Total Number of Employees Hired Over the Years (by Employment Type)

Type	Year	2021	2022	2023	2024
Permanent Employees	Non-fixed-term	51	51	55	55
	Contract	133	134	144	146
Temporary Employees	Fixed-term	5	4	2	1
	Contract	-	1	-	1

■ Total Number of Employees Hired Over the Years (by Employment Category)

Year	2021	2022	2023	2024
Full-time (Female)	56	55	57	55
Full-time (Male)	133	135	144	146
Part-time (Female)	-	-	-	1
Part-time (Male)	-	-	-	1

Note: Sensortek had no part-time employees from 2019 to 2023.



### ■ Number of New Hires and Departures Over the Years (by Gender)

Year		2021	2022	2023	2024
New Hires	– Female	12	3	11	8
	– Male	22	14	17	14
	– Total	34	17	28	22
Departures	– Female	8	3	8	6
	– Male	8	13	9	14
	– Total	16	16	17	20

Note: Starting in 2024, the headcount for new hires excludes employees returning from unpaid leave and contract employees who were converted to regular positions. Departures exclude employees on unpaid leave and contract-to-regular conversions. The 2023 data have been retroactively corrected accordingly.

### ■ Number of New Hires and Departures Over the Years (by Age Group)

Year		2021	2022	2023	2024
New Hires	– Under 30	13	8	20	6
	– 31-50	21	8	8	16
	– Over 50	-	1	0	-
Departures	– Under 30	2	3	9	6
	– 31-50	12	12	7	14
	– Over 50	2	1	1	-

### ■ Number of New Hires and Departures (by Nationality)

Year		2023	2024
New Hires	– Taiwanese	28	22
	– Foreign	0	0
	– Total	28	22
Departures	– Taiwanese	17	20
	– Foreign	0	0
	– Total	17	20

### ■ Number of New Hires and Departures (by Position)

Year		2023	2024
New Hires	– Senior Management	0	0
	– Middle Management	0	0
	– Engineering Staff	14	13
	– Administrative Staff	14	4
	– Production Line Technicians	0	5
	– Total	28	22
Departures	– Senior Management	0	1
	– Middle Management	0	3
	– Engineering Staff	6	8
	– Administrative Staff	11	6
	– Production Line Technicians	0	2
	– Total	17	20



■ Employee Diversity

Employee Ethnicity	Percentage of Total Workforce (%)			Percentage of Management Positions (%)		
	2022	2023	2024	2022	2023	2024
Taiwanese	100	100	100	100	100	100
Foreign	0	0	0	0	0	0
Indigenous	0	0	0	0	0	0
Female Diversity	2022		2023		2024	
Percentage of Senior Management Positions Held by Women (%)	12.50		14.29		16.67%	
Percentage of Total Workforce Who Are Women (%)	28.95		28.36		28.08%	
Percentage of All Managers Who Are Women (%)	15.79		14.29		16.22%	
Percentage of Women in STEM Roles (%)	17.86		16.81		17.19%	
Percentage of Women in Revenue-Generating Functions (%) <sup>Note</sup>	46.15%		46.67%		42.86%	

Note: Departments such as Business/Sales are included, while support functions like HR, IT, and Legal are excluded.

Disclosure Topic: Recruitment and Management of Global Professional Talent					
SASB Code	Metric	2021	2022	2023	2024
TC-SC-330a.1	Recruiting & Managing a Global & Skilled Workforce	0%	0%	0%	0%



# Occupational Safety and Health Data

## Employee Occupational Injury Statistics Over the Years

	2021		2022		2023		2024	
	Employees	Non-employees	Employees	Non-employees	Employees	Non-employees	Employees	Non-employees
Annual Working Hours	339,416	1,652	379,616	3,250	381,208	3,224	394,608	3,172
Occupational Injury Fatalities	0	0	0	0	0	0	0	0
Occupational Injury Fatality Rate	0	0	0	0	0	0	0	0
Serious Occupational Injuries	0	0	0	0	0	0	0	0
Serious Occupational Injury Rate	0	0	0	0	0	0	0	0
Number of Recordable Occupational Injuries	0	0	0	0	0	0	0	0
Lost Time Injury Frequency Rate (LTIFR)	0	0	0	0	0	0	0	0
Disabling Injuries	0	0	0	0	0	0	0	0
Lost Workdays Due to Injury	0	0	0	0	0	0	0	0
Frequency Rate (FR)	0	0	0	0	0	0	0	0
Severity Rate (SR)	0	0	0	0	0	0	0	0
Frequency-Severity Indicator (FSI)	0	0	0	0	0	0	0	0

Note 1: The calculation basis for employee working hours is determined by the year-end headcount × 8 working hours per day × the total number of working days at Sensortek. For non-employees, such as contracted service providers (cleaning staff), the calculation basis is as follows: prior to the end of July 2021 at the old office, 1 hour per day; starting from August 2021 at the new office, 12 hours per day; and at the Taipei office, beginning in February 2021, 1 hour per day.

2: The calculation of indicators excludes traffic accident-related incidents.

3: Formulas

- Occupational Injury Fatality Rate = (Number of Occupational Injury Fatalities × 10<sup>6</sup>) ÷ Total Annual Working Hours.
- Serious Occupational Injury Rate = [(Number of Serious Occupational Injuries (excluding fatalities) × 10<sup>6</sup>) ÷ Total Annual Working Hours.
- Frequency Rate (FR) = (Number of Occupational Injuries × 10<sup>6</sup>) ÷ Total Annual Working Hours.
- Severity Rate (SR) = (Lost Work Days × 10<sup>6</sup>) ÷ Total Annual Working Hours.
- Frequency-Severity Indicator (FSI) = √(FR × SR) / 1000
- Lost Time Injury Frequency Rate (LTIFR) = (Number of Recordable Occupational Injuries × 10<sup>6</sup>) ÷ Total Annual Working Hours.



# Sustainability Disclosure Indicators for the Semiconductor Industry

No.	Indicator	Indicator Type	Description
1	Total energy consumption, percentage of purchased electricity, utilization rate (renewable energy)	Quantitative	Total energy consumption: 2,626.08 GJ Percentage of purchased electricity: 100% Renewable energy usage: 11.75 %
2	Total water withdrawn, total water consumption	Quantitative	Total water withdrawal: 3.25 thousand cubic meters Total water consumption: Not applicable
3	Total hazardous waste generated and percentage recycled	Quantitative	Hazardous waste: 1.87 metric tons Hazardous waste recycling rate: 100%
4	Types of, number of employees in and rate of occupational accidents	Quantitative	No incidents of non-compliance with employee health and safety regulations occurred in 2024.
5	Product Lifecycle Management Disclosure: including weights of scraps and electronic waste and percentage recycled <sup>(Note 1)</sup>	Quantitative	Weight of discarded products and electronic waste: 0.38 metric tons (waste wafers, gold-plated boards, and ICs) As all manufacturing processes are outsourced, no other electronic waste is generated or reused/recycled.
6	Description of the management of risks associated with the use of critical materials	Qualitative description	100% of the wafers used as key raw materials are manufactured externally. Although rare earth metals listed in SASB indicators are not directly used, as they are critical materials for wafer foundry processes, Sensortek continues to monitor related supply risks and manages them through regular supplier assessments.
7	Total amount of monetary losses as a result of legal proceedings associated with anti-competitive behavior regulations	Quantitative	No incidents of non-compliance with anti-competitive laws occurred in 2024
8	Production by product category	Quantitative	790,325 ( Thousand units )

Note: Descriptions including the sale of scraps and the recycling and processing of waste shall be provided.



# Climate-Related Information for TWSE/TPEX-Listed Companies

Item	Corresponding Chapter
Describe the oversight and governance by the Board of Directors and management regarding climate-related risks and opportunities. <sup>Note 2</sup>	Sustainability and Risk Governance Climate Management
Explain how identified climate risks and opportunities affect the Company’s business, strategy, and financials (short-term, medium-term, and long-term). <sup>Note 3</sup>	Sustainability and Risk Governance Climate Management
Describe the impact of extreme climate events and transformation actions on finances. <sup>Note 3</sup>	Climate Management Sustainability and Risk Governance
4Describe how the processes for identifying, assessing, and managing climate risks are integrated into the overall risk management system. <sup>Note 4</sup>	Innovation Management Climate Management
If scenario analysis is used to assess resilience to climate change risks, disclose the scenarios, parameters, assumptions, analytical factors, and major financial impacts used. <sup>Note 3</sup>	Climate Management
If there is a transition plan to manage climate-related risks, describe the plan content, and the indicators and targets used to identify and manage physical and transition risks. <sup>Note 5</sup>	Climate Management
If internal carbon pricing is used as a planning tool, disclose the basis for price setting. <sup>Note 5</sup>	Climate Management
If climate-related targets are set, explain the activities covered, greenhouse gas emission scopes, planning periods, and annual progress; if carbon offsets or Renewable Energy Certificates (RECs) are used to achieve targets, disclose the source and quantity of offset reductions or RECs. <sup>Note 5</sup>	Climate Management
Disclose the metrics used by the organization to assess climate-related risks and opportunities in accordance with its strategy and risk management processes. <sup>Note 5</sup>	Climate Management
Greenhouse gas inventory and assurance status, reduction targets, strategies, and action plans. <sup>Note 5</sup>	Climate Management
	- Please refer to the table below.

Note 1: Sensortek, in accordance with the TCFD framework and Appendix II “Climate-Related Information for TWSE/TPEX-Listed Companies” of the Rules Governing the Preparation and Filing of Sustainability Reports by TWSE/TPEX Listed Companies, discloses its governance, strategy, risk management, metrics, and targets regarding climate-related risks and opportunities.

- 2: Governance
- 3: Strategy
- 4: Risk Management
- 5: Metrics and Targets



■ Greenhouse Gas Inventory and Assurance

Site	Category	2023		2024		Assurance Provider	Description of Assurance Status
		Emissions (Metric Tons of CO <sub>2</sub> e)	Intensity (Metric Tons CO <sub>2</sub> e per Million Revenue)	Emissions (Metric Tons of CO <sub>2</sub> e)	Intensity (Metric Tons CO <sub>2</sub> e per Million Revenue)		
Headquarters	Scope 1 Direct Greenhouse Gas Emissions	62.6589		55.5119		BSI Group Singapore Pte. Ltd. Taiwan Branch	ISO14064-3:2019 Reasonable Assurance Unqualified opinion
	Scope 2 Indirect Greenhouse Gas Emissions						
	– Regional Benchmark	396.6481		408.3299			
	– Market Benchmark	376.2333		360.3600			
	Subtotal						
	– Regional Benchmark	459.3070	0.1011	463.8418	0.0939		
	– Market Benchmark	438.8922	0.0966	415.8719	0.0842		
Taipei Office	Scope 1 Direct Greenhouse Gas Emissions	-		-			
	Scope 2 Indirect Greenhouse Gas Emissions						
	– Regional Benchmark	15.7719		15.3062			
	– Market Benchmark	15.7719		15.3062			
	Subtotal						
	– Regional Benchmark	15.7719	0.0035	15.3062	0.0031		
	– Market Benchmark	15.7719	0.0035	15.3062	0.0031		
Total	– Regional Benchmark	475.0789	0.1046	479.1480	0.0970		
	– Market Benchmark	454.6641	0.1001	431.1781	0.0873		

Site	Category	2023	2024
Headquarters	– Upstream transportation and distribution	20.313	15.416
	Category 3: Indirect Greenhouse Gas Emissions from Transportation		
	– Downstream transportation and distribution	Not yet inventoried	151.131*
	– Employee commuting	98.203	92.682
	– Business travel	Not yet inventoried	67.981*
	– Fuel- and energy-related activities (not included in Scope 1 or Scope 2)	73.955	70.978
	Category 4: Indirect Greenhouse Gas Emissions from Organizational Use of Products		
	– Purchased goods and services	Not yet inventoried	Not yet inventoried
	– Capital goods	Not yet inventoried	Not yet inventoried
	– Waste generated in operations	0.0177	0.3057
– Upstream leased assets	Not yet inventoried	Not yet inventoried	

Note: These data for the reporting year were externally assured and correspond to items independently assessed by Sensortek. Scope 3 verification was conducted using Agreed-Upon Procedures (AUP), and a verification statement was obtained to enhance the credibility of the greenhouse gas inventory data. The verification statement from the assurance provider can be found on the [Company website](#).



# External Assurance Certificate



## ASSURANCE STATEMENT

### SGS TAIWAN LTD.'S REPORT ON SUSTAINABILITY ACTIVITIES AND IN THE Sensortek Technology Corp.'S SUSTAINABILITY REPORT FOR 2024

#### NATURE AND SCOPE OF THE ASSURANCE

SGS Taiwan Ltd. (hereinafter referred to as SGS) was commissioned by Sensortek Technology Corp. (hereinafter referred to as Sensortek) to conduct an independent assurance of the Sustainability Report for 2024 (hereinafter referred to as the Report). The assurance is based on the SGS Sustainability Report Assurance methodology and AA1000 Assurance Standard v3 Type 2 Moderate level during 2024/12/20 to 2025/05/29. The boundary of this report includes Sensortek Taiwan operational sites, aligning with its financial statement boundary.

SGS reserves the right to update the assurance statement from time to time depending on the level of report content discrepancy of the published version from the agreed standards requirements.

#### INTENDED USERS OF THIS ASSURANCE STATEMENT

This Assurance Statement is provided with the intention of informing all Sensortek's Stakeholders.

#### RESPONSIBILITIES

The sustainability information in the Sensortek's Sustainability Report of 2024 and its presentation are the responsibility of the directors or governing body and management of Sensortek. SGS has not been involved in the preparation of any of the material included in the Report.

Our responsibility is to express an opinion on the text, data, graphs and statements within the scope of assurance based upon sufficient and appropriate objective evidence.

#### ASSURANCE STANDARDS, TYPE AND LEVEL OF ASSURANCE

The assurance of this report has been conducted according to the AA1000 Assurance Standard (AA1000AS v3), a standard used globally to provide assurance on sustainability-related information across organizations of all types, including the evaluation of the nature and extent to which an organization adheres to the AccountAbility Principles (AA1000AP.2018).

Assurance has been conducted at a type 2 moderate level of scrutiny.

#### SCOPE OF ASSURANCE AND REPORTING CRITERIA

The scope of the assurance included evaluation of quality, accuracy and reliability of specified performance information as detailed below and evaluation of adherence to the following reporting criteria:

Select specific reporting criteria included in the contract

#### Reporting Criteria Options

1	AA1000 Accountability Principles (2018)
2	In accordance with GRI Universal Standards (2021)

- The evaluation of the reliability and quality of specified sustainability performance information in Sensortek's Report is limited to determined material topics or those clearly marked in the Report as conducted in accordance with type 2 of AA1000AS v3 sustainability assurance engagement at a moderate level of scrutiny for Sensortek.
- The evaluation of the report against the requirements of GRI Standards, includes GRI 1, GRI 2, GRI 3, 200, 300 and 400 series claimed in the GRI content index as material and is conducted in accordance with the standards.

#### SPECIFIED PERFORMANCE INFORMATION AND DISCLOSURES INCLUDED IN SCOPE

The assurance has verified the following indicators of Sensortek which disclosed in the Sustainability report as below:

- The specified performance information includes the data for 2024, which is related to GRI 2, GRI 3, GRI 200, 300, 400 series, in the GRI content index as material in Sensortek's Sustainability Report.
- The 2024 water withdrawal volume of Sensortek is 3,252 tonnes.

#### ASSURANCE METHODOLOGY

The assurance comprised a combination of pre-assurance research, interviews with relevant employees, superintendents, Sustainability and Risk Management Committee members and the senior management in Taiwan; documentation and record review and validation with external bodies and stakeholders where relevant.

#### LIMITATIONS

Financial data drawn directly from independently audited financial accounts, Greenhouse Gas Emission verified by external certification body, non-material topics and the related indicators have not been checked back to source as part of this assurance process.

#### INDEPENDENCE AND COMPETENCE

The SGS Group of companies is the world leader in inspection, testing and verification, operating in more than 140 countries and providing services including management systems and service certification; quality, environmental, social and ethical auditing and training; environmental, social and sustainability report assurance. SGS affirm our independence from Sensortek, being free from bias and conflicts of interest with the organisation, its subsidiaries and stakeholders.

The assurance team was assembled based on their knowledge, experience and qualifications for this assignment, and comprised auditors registered with professional qualifications such as ISO 26000, ISO 20121, ISO 50001, RBA, QMS, EMS, SMS, GPMS, CFP, WFP, GHG Verification and GHG Validation Lead Auditors and experience on the SRA Assurance service provisions.

#### FINDINGS AND CONCLUSIONS

##### ASSURANCE OPINION

On the basis of the methodology described and the assurance work performed, we are satisfied that the specified performance information included in the scope of assurance is accurate, reliable, has been fairly stated and has been prepared, in all material respects, in accordance with the AA1000 AccountAbility Principles (2018).

We believe that the organisation has chosen an appropriate level of assurance for this stage in their reporting.

##### ADHERENCE TO AA1000 ACCOUNTABILITY PRINCIPLES (2018)

##### INCLUSIVITY

Sensortek has demonstrated a good commitment to stakeholder inclusivity and stakeholder engagement. A variety of engagement efforts such as survey and communication to employees, customers, investors, suppliers, and other stakeholders are implemented to underpin the organization's understanding of stakeholder concerns.

##### MATERIALITY

Sensortek has established effective processes for determining issues that are material to the business. Formal review has identified stakeholders and those issues that are material to each group and the report addresses these at an appropriate level to reflect their importance and priority to these stakeholders.

##### RESPONSIVENESS

The report includes coverage given to stakeholder engagement and channels for stakeholder feedback. The organization has shown its ability and prompt responsiveness in its operation and strategy development.

##### IMPACT

Sensortek has demonstrated a process on identify and fairly represented impacts that encompass a range of environmental, social and governance topics from wide range of sources, such as activities, policies, programs, decisions and services, as well as any related performance.

##### QUALITY AND RELIABILITY OF SPECIFIED PERFORMANCE INFORMATION

On the basis of the verification work performed, we have checked top management meeting minutes, internal document policy and procedure, internal/external audit records, routine operation records from multiple departments, external third party certification. The assurance team have confidence that the specified performance information included in the scope of assurance is reliable at a moderate level of scrutiny for Sensortek.

#### ADHERENCE TO GRI

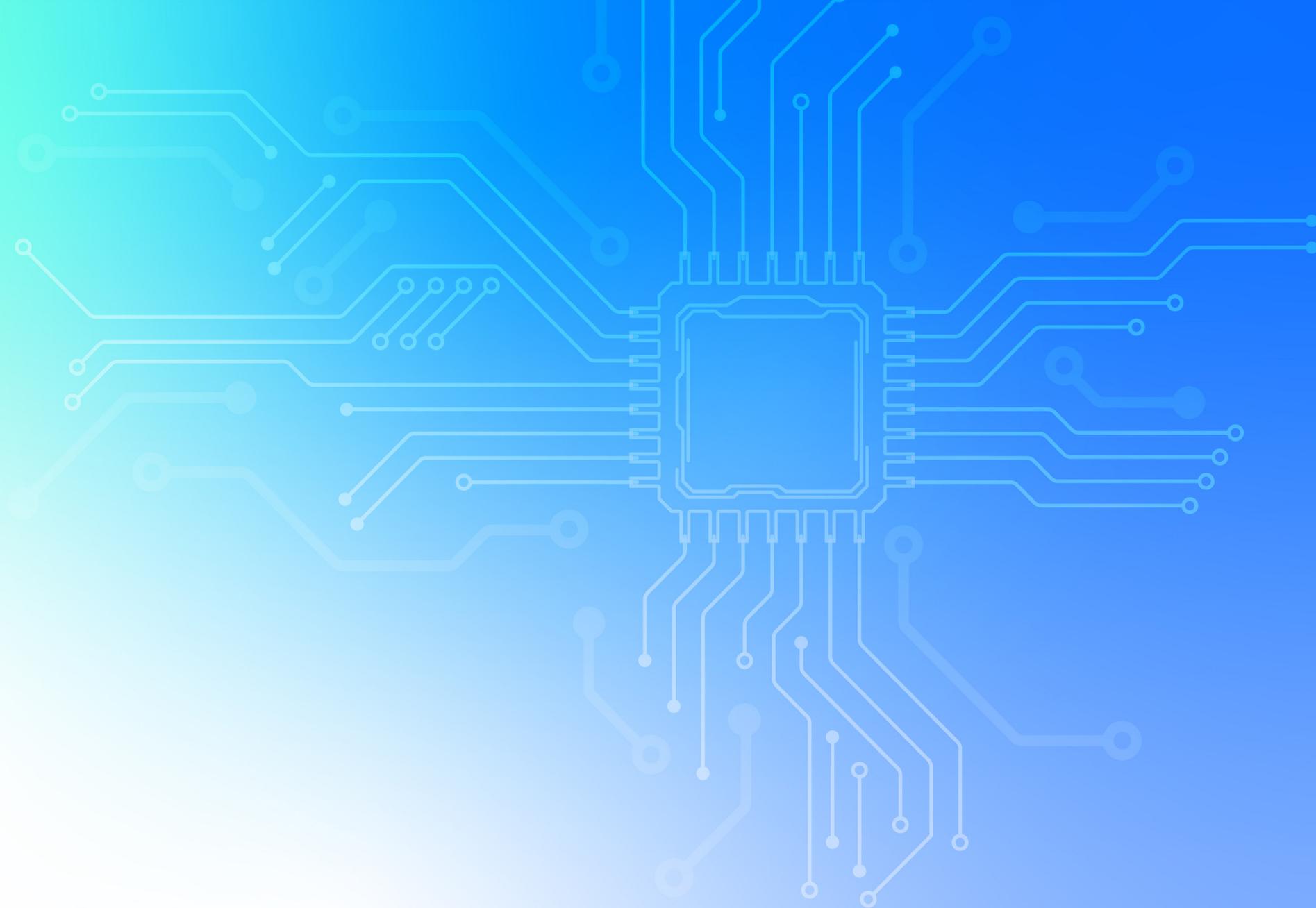
The report, Sensortek's Sustainability Report of 2024, is reporting in accordance with the GRI Universal Standards 2021. The significant impacts were assessed and disclosed in accordance with the requirement defined in GRI 3: Material Topic 2021 and the relevant 200/300/400 series Topic Standard related to the material topics claimed in GRI content index, the Appendix of the Report. The report has properly disclosed information related to Sensortek contributions and progress to sustainability development. By the report assurance process, Sensortek has demonstrated the clear understanding of stakeholders concern and expectation, reflecting through its internal management process to the execution response. For future reporting, it is recommended to disclose the cross functional communication and integration carried out through the operation of Sustainability and Risk Management Committee as well as the due diligence and impact evaluation.

Signed:

For and on behalf of SGS Taiwan Ltd.

Stephen Pao  
Business Assurance Director  
Taipei, Taiwan  
27 June, 2025  
[WWW.SGS.COM](http://WWW.SGS.COM)





[sensortek.com.tw](http://sensortek.com.tw)