

Sensortek Technology Corporation

2025 Annual Report

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Sensortek annual report is available at <https://www.sensortek.com.tw>

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Tel : 02-25048125

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IV. Auditor:

Company : Deloitte & Touche

Auditors : Ya Yun Chang, Ming Hui Chen

Address : 6F, No.2, Prosperity Rd. I, Hsinchu Science Park, Taiwan, R.O.C

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Website : <http://www.deloitte.com.tw>

V. Name of overseas securities dealers and methods to inquire into overseas securities:

Not Applicable

VI. Company website: <http://www.sensortek.com.tw>

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Chapter 1 Letter to Shareholders

To all shareholders:

I 2025 Operational Results

(I) Business plan implementation results

As smartphone brands actively integrate generative AI capabilities into their flagship and upper-mid-range models, leveraging hardware-software integration and user experience optimization to enhance product value, the global smartphone market continued to exhibit moderate growth in 2025. Sensortek Technology benefited from rising smartphone shipment volumes and an expanded market share in wearable devices, resulting in overall shipment growth. However, product pricing came under pressure from intensifying competition in the mainland Chinese market and a sharp appreciation of the New Taiwan Dollar. Revenue for fiscal year 2025 was NT\$4.56 billion, representing a decline of 7.67% year-over-year. Despite efforts to optimize the product mix and improve cost structures, gross profit margin fell, with gross operating profit reaching NT\$820 million, a decrease of 30% compared to the prior year. Operating profit was NT\$160 million, net profit after tax was NT\$304 million, translating to earnings per share of NT\$6.22.

Sensortek Technology's optical sensing products maintained product differentiation and consolidated market share in the upper-mid-range smartphone segment through high-sensitivity under-display sensing solutions and multi-channel sensing technology solutions for smartphone rear camera applications. Skin-sensing technology continued to expand its adoption in wearable devices, while electromagnetic wave specific absorption rate (SAR) and barometric pressure sensing applications achieved successful client-side adoption, further boosting shipment momentum.

In addition, Sensortek Technology continued to strengthen its corporate governance and environmental sustainability practices. The Company restructured its Board of Directors such that independent directors now constitute a majority of seats, and appointed two female independent directors to enhance board independence and diversity. In alignment with its carbon reduction targets, the Company has progressively increased the proportion of renewable energy used at its own operating sites on an annual basis, and is gradually advancing carbon footprint audits across its upstream and downstream value chain, demonstrating its commitment to sustainable action.

(II) Budget performance

Sensortek did not provide the financial forecast for 2025; thus it is unnecessary to disclose the budget performance.

(III) Profitability Analysis

Item		2025	2024
Return on assets		5.46%	9.28%
Return on equity		7.05%	12.16%
Paid-in capital ratio (%)	Operating income	32.87%	103.73%
	Net profit before tax	62.79%	127.92%
Net profit margin		6.67%	10.93%
Earnings per share (NTD) (Note)		6.22	11.05

Note: This calculation is based on the weighted average number of shares outstanding in the year.

(IV) Status of Research and Development

As OLED panel penetration in the smartphone market continues to rise, the Company's long-standing investment in under-display optical sensing technology has advanced in parallel. In response to the challenge of reduced light transmittance posed by high-resolution panels, the Company has continued to enhance the performance of its ambient light and proximity sensing solutions, while augmenting functionality in areas such as ambient color temperature adjustment, ultraviolet light source detection, and light source flicker detection, thereby furthering the differentiation of its optical sensing products and enhancing overall added value. In the micro-electro-mechanical systems (MEMS) sensing domain, the Company has continued to drive generational product upgrades through systematic optimization of key characteristics in existing accelerometers and ASIC technologies, simultaneously achieving performance improvements and cost reductions to strengthen overall price competitiveness. In terms of product portfolio, the Company has launched a consumer-grade Inertial Measurement Unit (IMU) integrating gyroscope and accelerometer functions, and introduced a new Monolithic single-chip accelerometer sensor to improve integration, reduce form factor, and improve cost structure, thereby broadening penetration across consumer and multi-scenario applications.

II 2026 Business Plan Overview

Looking ahead, Sensortek Technology will continue to pursue "increased penetration in premium-tier end markets" and "differentiated functionality driving unit pricing and solution value" as the core pillars of its research and development and product strategy. As OLED adoption in the smartphone market continues to expand, the Company will deepen its under-display optical sensing technology, focusing on key technical bottlenecks such as reduced light transmittance and signal attenuation caused by high-resolution panels. The Company will continue to strengthen ambient light and proximity sensing performance, and enhance customer system-level experience and design adoption stickiness through features such as

ambient color temperature adjustment, ultraviolet light source identification, and light source flicker detection.

In the MEMS sensing and inertial measurement domain, the Company will pursue "integration, modularization, and platformization" as its core strategic direction, continuing to drive systematic optimization of key characteristics in existing accelerometer sensors and ASIC technologies to simultaneously improve performance and cost structure, thereby consolidating price competitiveness in the consumer market. The Company will expand multi-scenario penetration through its integrated IMU and Monolithic single-chip accelerometer sensor, enhancing the overall added value of the product portfolio. Furthermore, the barometric pressure sensor product line has completed the development of both standard and waterproof variants and is being actively promoted to increase market share and contribute to revenue momentum. The Company will also leverage its existing IMU design and calibration capabilities to develop mass-producible, rapidly deployable AHRS (Attitude and Heading Reference System) modular products for broad promotion across upper-mid-range markets including unmanned aerial vehicles and various unmanned vehicles, industrial automation, and automotive applications, progressively strengthening the Company's standing and commercial value in high-reliability and high-barrier application solutions.

III Future Corporate Development Strategy, Effect of External Competition, Legal Environment, and Overall Business Environment

The smartphone industry has sustained its recovery over the past two years; however, 2026 presents a number of uncertainties, including rising costs of key components such as memory, softening demand, and supply chain volatility, which may shift the market toward a dynamic of declining volume with rising prices. In response to economic cyclicality, consolidating competitive pressures among industry peers, and ongoing pricing headwinds, Sensortek Technology will maintain prudent capacity and cost management while strengthening its penetration of the upper-mid-range market and long-term earnings resilience.

Looking forward, in the face of global market volatility and emerging opportunities, Sensortek Technology will continue to drive product innovation and expand its product portfolio. The Company will cultivate the global market to mitigate regional risks and provide optimal sensing technology solutions to its clients. By deepening client trust and strengthening supply chain partnerships, the Company will consistently enhance shareholder value.

Sensortek Technology Corporation

Chairman: Sheng-Su Lee

Chapter 2 Corporate Governance Report

I Information on Directors, Supervisors, General Manager, Deputy General Managers, Assistant Vice Presidents, and Heads of Departments and Branch Offices

(I) Directors

April 19, 2025; Unit: shares; %

Title	Nationality or Place of Incorporation	Name	Gender	Age	Date Elected	Term (Years)	Date First Elected	Shareholding When Elected		Current Shareholding		Spouse and Minor Shareholding		Shareholding by Nominee Arrangement		Experience (Education)	Current Position at Sensortek and Other Companies	Executives, Directors, or Supervisors Who Are Spouses or Within Second Degree of Kinship			Note
								Shares	Shareholding Percentage	Shares	Shareholding Percentage	Shares	Shareholding Percentage	Shares	Shareholding Percentage			Title	Name	Relation	
Chairman	R.O.C.	Sitronix Technology Corp.	-		2025.06.17	3	2009.11.10	22,584,596	46.17	22,651,596	46.31	-	-	-	-	-	-	-	-	-	Note 9
	R.O.C.	Rep.: Sheng-Su Lee	Male	61-70	2025.06.17	3	2009.11.10	474,150 (Note 1)	0.97	474,150 (Note 1)	0.97	-	-	-	-	Master of Electrical Engineering, National Taiwan University General Manager of Sitronix Technology Corp.	Note 2	-	-	-	
Director	R.O.C.	Sitronix Technology Corp.	-		2025.06.17	3	2009.11.10	22,584,596	46.17	22,651,596	46.31	-	-	-	-	-	-	-	-	-	
	R.O.C.	Rep.: Vincent Mao	Male	61-70	2025.06.17	3	2009.11.10	327,492	0.67	327,492	0.67	433,209	0.89	-	-	Executive MBA, National Taiwan University Master of Electrical Engineering, National Cheng Kung University General Manager of Sitronix Technology Corp. Market Planner at United Microelectronics Corp.	Note 3	-	-	-	

Title	Nationality or Place of Incorporation	Name	Gender Age	Date Elected	Term (Years)	Date First Elected	Shareholding When Elected		Current Shareholding		Spouse and Minor Shareholding		Shareholding by Nominee Arrangement		Experience (Education)	Current Position at Sensortek and Other Companies	Executives, Directors, or Supervisors Who Are Spouses or Within Second Degree of Kinship			Note
							Shares	Shareholding Percentage	Shares	Shareholding Percentage	Shares	Shareholding Percentage	Shares	Shareholding Percentage			Title	Name	Relation	
	R.O.C.	Rep.: Chu-Yuan Yang	Male 51-60	2025.06.17	3	2019.05.21	50,519	0.10	50,519	0.10	-	-	-	-	Master of Electrical Engineering, National Taiwan University Deputy General Manager of Sensortek Technology Corp.	Note 4	-	-	-	
Independent Director	R.O.C.	Chun-Yi Hsu	Male 61-70	2025.06.17	3	2019.05.21	-	-	-	-	-	-	-	-	Master of Business Administration, University of Texas, USA Assistant Manager at CDIB Executive Director at United Management Consulting Co., Ltd.	Note 5	-	-	-	
Independent Director	R.O.C.	Shu-Chun Huang	Female 51-60	2025.06.17	3	2019.05.21	-	-	-	-	-	-	-	-	Executive MBA, Business Administration, National Taiwan University Master of Management of Technology, National Chiao Tung University Special Assistant to the General Manager/Consultant at ITE Tech. Inc. Manager, Strategic Marketing Department, Vanguard International Semiconductor Corporation	Note 6	-	-	-	
Independent Director	R.O.C.	Jen-Chi Lu	Male 41-50	2025.06.17	3	2019.05.21	-	-	-	-	-	-	-	-	Master of Accounting, Chung Yuan Christian University Assistant Manager at Deloitte Taiwan	Note 7	-	-	-	

Title	Nationality or Place of Incorporation	Name	Gender Age	Date Elected	Term (Years)	Date First Elected	Shareholding When Elected		Current Shareholding		Spouse and Minor Shareholding		Shareholding by Nominee Arrangement		Experience (Education)	Current Position at Sensortek and Other Companies	Executives, Directors, or Supervisors Who Are Spouses or Within Second Degree of Kinship			Note
							Shares	Shareholding Percentage	Shares	Shareholding Percentage	Shares	Shareholding Percentage	Shares	Shareholding Percentage			Title	Name	Relation	
Independent Director	R.O.C.	Hsuan Wang	Female 41-50	2025.06.17	3	2025.06.17	-	-	-	-	-	-	-	-	Ph.D., Department of Accounting, National Taiwan University Adjunct Lecturer, Department of Accounting, National Taiwan University	Note 8	-	-	-	

Note 1: At the time of appointment, Chairman Sheng-Su Lee held 300,000 shares, including trust shares, and he currently maintains the same number of shares.

Note 2: Currently serves as CEO of Sensortek Technology Corp., Vice Chairman and Deputy CEO of Silicon Power Computer & Communications Inc., a director of Silicon Power Investment Co., Ltd., and a director of Sitronix Technology Corp.

Note 3: Currently serving as Chairman and CEO of Sitronix Technology Corp., Chairman of Sitronix Holding International Limited, Chairman of Sitronix Global Limited, Director of mCore Technology Corp., Director of Sensortek Technology Corp., Chairman and CEO of Forcelead Technology Corp., Director of Infinno Technology Corp., Chairman of Sitronix Investment Corp., Director of Sync-Tech System Corp., Director of Silicon Power Computer & Communications Inc., Independent Director of Compal Broadband Networks, Inc., Director of EZGlobal Network Service Inc., Chairman and CEO of Seer Microelectronics, Inc., Director of Fong Huang Innovation Investment Corp., Director of Fong Huang II Innovation Investment Corp., Director of Fong Huang III Innovation Investment Corp., Director of Fong Huang IV Innovation Investment Corp., Director of Fong Huang VI Innovation Investment Corp., and Director of Fong Huang VII Innovation Investment Corp.

Note 4: Currently serves as General Manager of Sensortek Technology Corp.

Note 5: Currently serves as Chairman of Bo Rui International Asset Management Co., Ltd., Chairman of Kun Yi Capital Co. Ltd., a director of Kurochaya Restaurant Business Co., Ltd., and a director of Shenzhen China-Europe Rabbit Fund Management Co., Ltd.

Note 6: Currently serves as Chairman of Choice Delights Inc., a director of AURAS Technology Co., Ltd., an independent director of Qisda Corp., an independent director of Zero One Technology Co., Ltd., and an independent director of Sunplus Technology Co., Ltd.

Note 7: Currently serving as a Practicing CPA at Hong Qing CPAs, Director of Hon-Tsai Technology Co., Ltd., Director of Hong Qing Management Consulting and Valuation Co., Ltd., and an independent director of Sync-Tech System Corp.

Note 8: Currently serving as Director of the Center for Sustainability and Social Responsibility at Yuan Ze University, Chairman of the Internal Audit Committee at Yuan Ze University, Assistant Professor in the College of Management at Yuan Ze University, and an independent director of AP Memory Technology Corp.

Note 9: The Chairman is responsible for formulating the company's operational strategies, this role is essential and justified in terms of business management and internal control. Additionally, the company has four independent directors, and the majority of the board members do not concurrently serve as employees or managers, making the adopted measures appropriate.

(II) Major shareholders of the institutional shareholders

March 27, 2026

Name of Institutional Shareholder	Major Shareholders of Institutional Shareholders (Top 10 by Shareholding %)	Shareholding Percentage
Sitronix Technology Corp.	Gu Ming Investment Co., Ltd.	2.80
	Silicon Power Computer & Communications Inc.	2.62
	Sensortek Technology Corp.	2.03
	Taipei Fubon Commercial Bank Co., Ltd., Custodian for Fuh Hwa Taiwan Technology Dividend Highlight ETF Securities Investment Trust Fund Account	1.89
	Wen-Bin Lin	1.83
	Segregated Account of Yuanta Taiwan Value High Dividend ETF Securities Investment Trust Fund in Custody of Hua Nan Commercial Bank	1.76
	Vincent Mao	1.47
	HSBC Bank (Taiwan) Ltd., Custodian for Acadian Emerging Markets Small-Capital Equity Fund Ltd. Investment Account	1.37
	I-Hsi Cheng	1.34
	Wen-Long Lin	1.12

(III) Where the major shareholders are legal entities, their principal shareholders

March 31, 2026

Name of Legal Entity	Major Shareholders of Institutional Shareholders (Top 10 by Shareholding %)	Shareholding Percentage
Gu Ming Investment Co., Ltd.	Icon Peak Sdn. Bhd. (Malaysia)	100.00

Source: Department of Commerce, Ministry of Economic Affairs – Company Registration Public Information Inquiry System.

Name of Legal Entity	Major Shareholders of Institutional Shareholders (Top 10 by Shareholding %)	Shareholding Percentage
Silicon Power Computer & Communications Inc. (Shareholding information of April 21, 2025.)	Sitronix Technology Corp.	6.42
	Netcom Investment Co., Ltd.	4.42
	Guang-sheng Investment Ltd.	3.69
	Pei-Jung Yuan	1.46
	Mega International Commercial Bank, Custodian for the Hui-Min Chen Trust Property Account	1.45
	HSBC Bank (Taiwan) Ltd., Custodian for Acadian Emerging Markets Small-Capital Equity Fund Ltd. Investment Account	1.14
	Hui-Min Chen	1.12
	H&Z Technology Ltd.	1.11
	Chao-Ming Hsieh	1.03
	Mega International Commercial Bank, Custodian for the Pei-Jung Yuan Trust Property Account	0.93

March 28, 2026

Name of Legal Entity	Major Shareholders of Institutional Shareholders (Top 10 by Shareholding %)	Shareholding Percentage
Sensortek Technology Corp.	Refer to the information on the top 10 shareholders by shareholding ratio in the Company's annual report	-

(IV) Professional Qualifications of Directors and Independence Analysis of Independent Directors:

Criteria Name	Professional Qualifications and Experience	Independence Status	Number of Other Public Companies Where the Individual is Serving as an Independent Director
Director Sheng-Su Lee	<p>1. Sheng-Su Lee has an electrical engineering background, with operational management experience in the semiconductor industry (IC design and memory modules). He has professional expertise and experience in decision-making, business management, industrial technology, commerce, and operations.</p> <p>2. Please refer to "Director Information" in the Annual Report for the professional qualifications and experience of the directors.</p> <p>3. There are no circumstances as outlined in Article 30 of the Company Act.</p>	Not applicable	None
Director Vincent Mao	<p>1. Vincent Mao has an electrical engineering background, with operational management experience in the semiconductor industry (IC design and foundry). He has professional expertise and experience in decision-making, business management, industrial technology, commerce, and operations.</p> <p>2. Please refer to "Director Information" in the Annual Report for the professional qualifications and experience of the directors.</p> <p>3. There are no circumstances as outlined in Article 30 of the Company Act.</p>	Not applicable	1

Criteria Name	Professional Qualifications and Experience	Independence Status	Number of Other Public Companies Where the Individual is Serving as an Independent Director
Director Chu-Yuan Yang	<p>1.Chu-Yuan Yang has an electrical engineering background, with operational management experience in the semiconductor industry (IC design). He has professional expertise and experience in decision-making, business management, industrial technology, commerce, and operations.</p> <p>2.Please refer to "Director Information" in the Annual Report for the professional qualifications and experience of the directors.</p> <p>3.There are no circumstances as outlined in Article 30 of the Company Act.</p>	Not applicable	None
Independent Director Chun-Yi Hsu	<p>1.Chun-Yi Hsu has a background in investment and experience in venture capital and asset management company operations. He has professional qualifications and experience in decision-making, business management, finance, and business operations.</p> <p>2.Please refer to "Director Information" in the Annual Report for the professional qualifications and experience of the directors.</p> <p>3.There are no circumstances as outlined in Article 30 of the Company Act.</p>	The company's four independent directors met the qualification requirements stipulated in the "Regulations Governing Appointment of Independent Directors and Compliance Matters for Public Companies" and Article 14-2 of the Securities and Exchange Act for the two years prior to their appointment and during their tenure. They have also been granted full decision-making and opinion-expressing powers in accordance with Article 14-3 of the Securities and Exchange Act, allowing them to perform their duties independently.	None
Independent Director (Convener of the Remuneration Committee) Shu-Chun Huang	<p>1.Shu-Chun Huang has a background in semiconductor marketing and business, as well as operational management experience in the semiconductor industry (foundry and IC design). She has professional expertise and experience in decision-making, business management, commerce, and operations.</p> <p>2.Please refer to "Director Information" in the Annual Report for the professional qualifications and experience of the directors.</p> <p>3.There are no circumstances as outlined in Article 30 of the</p>		3

Criteria Name	Professional Qualifications and Experience	Independence Status	Number of Other Public Companies Where the Individual is Serving as an Independent Director
Independent Director (Convener of the Audit Committee) Jen-Chi Lu	<p>Company Act.</p> <p>1. Jen-Chi Lu has a background in accounting, holding a master's degree in accounting and a CPA license in Taiwan. He has professional qualifications and experience in decision-making, business management, finance, accounting, and auditing.</p> <p>2. Please refer to "Director Information" in the Annual Report for the professional qualifications and experience of the directors.</p> <p>3. There are no circumstances as outlined in Article 30 of the Company Act.</p>		1
Independent Director (Convener of the Sustainability and Risk Management Committee) Hsuan Wang	<p>1. Hsuan Wang has a background in finance, accounting, and sustainable development, holding a Ph.D. in Accounting and a Certified Public Accountant (CPA) license in the Republic of China (R.O.C.). Equipped with professional qualifications and experience in decision-making, business management, finance, accounting, and auditing.</p> <p>2. Please refer to "Director Information" in the Annual Report for the professional qualifications and experience of the directors.</p> <p>3. There are no circumstances as outlined in Article 30 of the Company Act.</p>		1

(V) Board Diversity and Independence

1. Board Diversity:

(1) Policy

According to Article 20 of the company's "Corporate Governance Best Practice Principles" and Article 3 of the "Board of Directors Election Procedures," the election of directors should consider the overall composition of the board. Board members should generally possess the knowledge, skills, and qualities necessary to perform their duties. The required competencies are as follows: A. Operational judgment ability, B. Accounting and financial analysis ability, C. Management

skills, D. Crisis management ability, E. Industry knowledge, F. International market perspective, G. Leadership skills, H. Decision-making ability. More than half of the board seats should be held by individuals who do not have familial relationships, such as spouses or close relatives within the second degree of kinship.

(2) Specific goals of the company

To implement board member diversity, the company has formulated the following goals and guidelines, considering the company's operations, business model, and development needs: A. Strive for diversity in the professional backgrounds of directors (e.g., law, accounting, industry, finance, marketing, or technology), professional skills, and industry experience. B. Ensure an appropriate allocation of seats between internal and external directors as well as independent directors.

The specific management goals of the company's diversity policy are as follows: A. The Board of Directors shall include at least one female director. B. The composition of the board should encompass diverse industry experience and professional backgrounds. C. The number of directors with employee status in the company, parent company, subsidiary, or affiliated companies shall be less than or equal to 1/3 of the total number of director seats. D. The number of independent directors shall make up more than 1/3 of the total number of director seats. Currently, there are two female directors and four independent directors (accounting for 57.1%). Each director has different industry experience and professional backgrounds, and these targets have been met.

(3) Achievement status

A. The current Board of Directors has seven seats. There are five male directors (accounting for 71.4%), two female directors (accounting for 28.6%), two directors who are employees of the company (accounting for 28.6%), one director who is an employee of a group company (accounting for 14.3%), and four independent directors (accounting for 57.1%). Three independent directors have served for between six and nine years (accounting for 75%). One independent director has served for between one and three years (accounting for 25%).

B. Three directors are over 60 years old (accounting for 42.8%), two are between 51 and 60 years old (accounting for 28.6%), and two are under 50 years old (accounting for 28.6%).

C. Four directors have practical management experience in domestic listed companies and multinational corporations, having held important management positions such as chairperson or CEO of listed companies. They demonstrate strong capabilities in leadership decision-making, operational judgment, crisis management, and international market perspectives. The company's industry is in the semiconductor field (including IC design, foundry, and memory

modules). The three independent directors are a practicing CPA from an accounting firm, the chairman of an international asset management company, and an assistant professor in a university accounting department who holds a Ph.D. in Accounting and an R.O.C. CPA license. They possess expertise in accounting and financial analysis.

- (4) If the Board of Directors does not have at least one-third representation from either gender, the company should provide an explanation and outline the measures it plans to take to improve gender diversity in its board composition

The current Board of Directors of the company consists of seven seats. There are five male directors (accounting for 71.4%) and two female directors (accounting for 28.6%). Because of the predominance of male directors with experience in semiconductor industry management, the board composition does not meet the one-third gender representation requirement.

The Company will proactively seek female director candidates moving forward to progressively enhance the gender diversity of the Board.

Title	Director			Independent Director			
Name	Sheng-Su Lee	Vincent Mao	Chu-Yuan Yang	Chun-Yi Hsu	Shu-Chun Huang	Jen-Chi Lu	Hsuan Wang
Gender	Male	Male	Male	Male	Female	Male	Female
Age	61-70	61-70	51-60	61-70	51-60	41-50	41-50
Nationality	R.O.C.						
Concurrent Employee of the Company	✓		✓				
Concurrent Employee of the Group		✓					
Term of Office for Independent Directors (Years)				6-9			under 3 years
Professional Background/Industry Experience							
Technology Expertise	✓	✓	✓				
Marketing and Sales					✓		
Finance and Accounting				✓		✓	✓
Industry Experience	IC Design Memory Module	IC Design Foundry	IC Design	Investment and Asset Management	IC Design Foundry	Accounting, Taxation, and Auditing	Accounting, Taxation, and Auditing

2. Board Independence:

The current Board of Directors of the company consists of seven seats. There are no spousal or family relationships within the second degree of kinship among the directors, in compliance with Article 26-3, Paragraphs 3 and 4 of the Securities and Exchange Act. Among them, four are independent directors, accounting for more than one-half of the board seats. Each independent director meets the independence criteria outlined in the "Regulations Governing Appointment of Independent Directors and Compliance Matters for Public Companies."

(VI) Information on General Manager, Deputy General Managers, Assistant Vice Presidents, and Heads of Departments and Branch Offices

March 31, 2026; Unit: shares; %

Title	Nationality	Name	Gender	Date Elected	Shareholding		Spouse and Minor Shareholding		Shareholding by Nominee Arrangement		Experience (Education)	Current Position at Sensortek and Other Companies	Managers Who Are Spouses or Within Second Degree of Kinship			Note
					Shares	Shareholding Percentage	Shares	Shareholding Percentage	Shares	Shareholding Percentage			Title	Name	Relation	
Chief Executive Officer (CEO)	R.O.C.	Sheng-Su Lee	Male	2014.08.19	474,150 (Note 1)	0.97	-	-	-	-	Master of Electrical Engineering, National Taiwan University General Manager of Sitronix Technology Corp.	Deputy Chairman & Deputy CEO of Silicon Power Computer & Communications Inc. Director of Silicon Power Investment Co., Ltd. Director of Sitronix Technology Corp.	-	-	-	Note 3
General Manager	R.O.C.	Chu-Yuan Yang	Male	2018.09.01	50,519	0.10	-	-	-	-	Master of Electrical Engineering, National Taiwan University System Design Engineer at Realtek Semiconductor Corp. Deputy General Manager of Sensortek Technology Corp.	-	-	-	-	
Chief Operating Officer(COO)	R.O.C.	Yuan-Ching Hsu (Note 2)	Male	2025.06.02	590,023	1.21	-	-	-	-	Master of Electrical Engineering, National Chung Hsing University Senior Manager at Sitronix Technology Corp.	-	-	-	-	
Deputy General Manager	R.O.C.	Chao-Shiun Wang	Male	2022.07.01	60,275	0.12	-	-	-	-	Ph.D. in Electronic Engineering, National Taiwan University Manager at Richtek Technology Corp.	-	-	-	-	
Deputy General Manager	R.O.C.	Liang-Kuang Wei (Note 2)	Male	2025.06.02	-	-	-	-	-	-	Master's degree in Materials Science, University of Southern California RichWave Technology Corp. Senior Quality Assurance Manager Customer Service Manager of Taiwan Semiconductor Manufacturing Co., Ltd.	-	-	-	-	

Title	Nationality	Name	Gender	Date Elected	Shareholding		Spouse and Minor Shareholding		Shareholding by Nominee Arrangement		Experience (Education)	Current Position at Sensortek and Other Companies	Managers Who Are Spouses or Within Second Degree of Kinship			Note
					Shares	Shareholding Percentage	Shares	Shareholding Percentage	Shares	Shareholding Percentage			Title	Name	Relation	
Financial Supervisor	R.O.C.	Lung Lee	Female	2020.07.16	-	-	-	-	-	-	Master of Finance, National Chengchi University Assistant Project Manager, Office of the Chief Strategy Officer, SinoPac Financial Holdings Co., Ltd. Manager at Sitronix Technology Corp.	-	-	-	-	
Accounting Supervisor	R.O.C.	Szu-Yu Lin	Female	2016.11.15	37,792	0.08	-	-	-	-	Bachelor of Economics, National Tsing Hua University Auditor at Deloitte & Touche Taiwan Professional Assistant Manager at Mega Securities Capital Markets Department	-	-	-	-	
Corporate Governance Officer	R.O.C.	Vivian Mao	Female	2023.10.31	5,335	0.01	-	-	-	-	Master of Business Administration, College of Management, National Taiwan University Double major in Economics and International Relations, University of Southern California. Assistant Project Manager at Sitronix Technology Corp. Assistant Project Manager at Sensortek Technology Corp.	Corporate Governance Officer of Sitronix Technology Corp. Corporate Governance Officer of Forcelead Technology Corp.	-	-	-	

Note 1: CEO Sheng-Su Lee's shareholding includes 300,000 shares held in trust.

Note 2: Deputy General Manager Yuan-Ching Hsu was promoted to Chief Operating Officer on June 2, 2025; Liang-Kuang Wei was appointed as Deputy General Manager on June 2, 2025.

Note 3: The Chairman is responsible for formulating the company's operational strategies, this role is essential and justified in terms of business management and internal control. Additionally, the company has four independent directors, and the majority of the board members do not concurrently serve as employees or managers, making the adopted measures appropriate.

II Remuneration Paid to Directors, Supervisors, General Manager, and Deputy General Managers in the Most Recent Fiscal Year

(I) Remuneration for Directors and Independent Directors

December 31, 2025; Unit: NT\$ (thousands); %

Title	Name	Remuneration								Total Remuneration and Ratio of Total Remuneration (A+B+C+D) to Net Income (%)		Relevant Remuneration Received by Directors Who are Also Employees								Total Remuneration and Ratio of Total Remuneration (A+B+C+D+E+F+G) to Net Income (%)		Parent Company and All Reinvested Businesses		
		Base Compensation (A)		Severance and Retirement Pay (B)		Director Compensation (C) (Note 1)		Allowance (D)				Salaries, Bonuses, and Special Allowances (E)		Severance and Retirement Pay (F)		Employee Compensation (G) (Note 2)								
		The Company	Companies in the Financial Report	The Company	Companies in the Financial Report	The Company	Companies in the Financial Report	The Company	Companies in the Financial Report	The Company	Companies in the Financial Report	The Company	Companies in the Financial Report	The Company		Companies in the Financial Report		The Company	Companies in the Financial Report					
Director	Chairman and CEO	Sitronix Technology Corp. Rep.: Sheng-Su Lee		-	-	-	-	959	959	24	24	983	983	10,648	10,648	108	108	997	-	997	-	12,736	12,736	16,666
	Director	Sitronix Technology Corp. Rep.: Vincent Mao		-	-	-	-	959	959	24	24	983	983	10,648	10,648	108	108	997	-	997	-	12,736	12,736	
	Director and General Manager	Sitronix Technology Corp. Rep.: Chu-Yuan Yang		-	-	-	-	959	959	24	24	983	983	10,648	10,648	108	108	997	-	997	-	12,736	12,736	
Independent Director	Independent Director	Chun-Yi Hsu		-	-	-	-	1,000	1,000	26	26	2,426	2,426	-	-	-	-	-	-	-	-	2,426	2,426	-
	Independent Director	Shu-Chun Huang		1,400	1,400	-	-	1,000	1,000	26	26	2,426	2,426	-	-	-	-	-	-	-	-	2,426	2,426	-
	Independent Director	Jen-Chi Lu		1,400	1,400	-	-	1,000	1,000	26	26	2,426	2,426	-	-	-	-	-	-	-	-	2,426	2,426	-
	Independent Director	Hsuan Wang(Note 3)		1,400	1,400	-	-	1,000	1,000	26	26	2,426	2,426	-	-	-	-	-	-	-	-	2,426	2,426	-
<p>1. Describe the independent director remuneration policy, system, standards, and structure, and explain the relationship between the remuneration amount and the responsibilities, risks, and time commitment involved: The company's independent directors serve on the Audit, Remuneration, and Sustainability and Risk Management Committees. In addition to receiving a fixed annual compensation, additional compensation is allocated to directors based on the company's operating performance, with appropriate compensation given according to the time invested and risks undertaken.</p> <p>2. In addition to the disclosures in the above table, no remuneration was received by any company director for providing services (such as consulting for the parent company, any company included in the financial reports, or any reinvested businesses, as a non-employee) in the most recent fiscal year.</p>																								

Note 1: The director compensation in this table was approved by the Board of Directors on March 3, 2026.

Note 2: The employee compensation in this table was approved by the Board of Directors on March 3, 2026. The proposed allocation amount was calculated based on the actual allocation ratio of the previous year.

Note 3: Independent Director Hsuan Wang was newly elected during the comprehensive election on June 17, 2025.

Note 4: Sheng-Su Lee, Vincent Mao, and Chu-Yuan Yang are representatives of the legal entity as a director, Sitronix Technology Corp. The director compensation is paid to the legal entity as a director, while the allowance is paid to them individually.

Remuneration Range Table

Remuneration Ranges for the Company's Directors	Director's Name			
	Total Remuneration (A+B+C+D)		Total Remuneration (A+B+C+D+E+F+G)	
	The Company	Companies in the Financial Report H	The Company	Companies in the Financial Report I
Less than NT\$1,000,000	Sitronix Technology Corp. (Corporate Representatives: Vincent Mao, Sheng-Su Lee, Chu-Yuan Yang), Chun-Yi Hsu, Shu-Chun Huang, Jen-Chi Lu, Hsuan Wang, Sitronix Technology Corp.	Sitronix Technology Corp. (Corporate Representatives: Vincent Mao, Sheng-Su Lee, Chu-Yuan Yang), Chun-Yi Hsu, Shu-Chun Huang, Jen-Chi Lu, Hsuan Wang, Sitronix Technology Corp.	Sitronix Technology Corp. (Corporate Representatives: Vincent Mao), Chun-Yi Hsu, Shu-Chun Huang, Jen-Chi Lu, Hsuan Wang, Sitronix Technology Corp.	Chun-Yi Hsu, Shu-Chun Huang, Jen-Chi Lu, Hsuan Wang, Sitronix Technology Corp.
NT\$1,000,000 (inclusive) to NT\$2,000,000 (exclusive)	-	-	-	-
NT\$2,000,000 (inclusive) to NT\$3,500,000 (exclusive)	-	-	-	-
NT\$3,500,000 (inclusive) to NT\$5,000,000 (exclusive)	-	-	-	-
NT\$5,000,000 (inclusive) to NT\$10,000,000 (exclusive)	-	-	Sitronix Technology Corp. (Corporate Representatives: Sheng-Su Lee, Chu-Yuan Yang)	Sitronix Technology Corp. (Corporate Representatives: Sheng-Su Lee, Chu-Yuan Yang)
NT\$10,000,000 (inclusive) to NT\$15,000,000 (exclusive)	-	-	-	Sitronix Technology Corp. (Corporate Representatives: Vincent Mao)
NT\$15,000,000 (inclusive) to NT\$30,000,000 (exclusive)	-	-	-	-
NT\$30,000,000 (inclusive) to NT\$50,000,000 (exclusive)	-	-	-	-
NT\$50,000,000 (inclusive) to NT\$100,000,000 (exclusive)	-	-	-	-
Over NT\$100,000,000	-	-	-	-
Total	8 people	8 people	8 people	8 people

(II) Remuneration for General Manager and Deputy General Managers

December 31, 2025; Unit: NT\$ (thousands); %

Title	Name	Salary (A)		Severance and Retirement Pay (B)		Bonuses and Special Allowances (C)		Employee Compensation (D) (Note 1)				Total Remuneration and Ratio of Total Remuneration (A+B+C+D) to Net Income (%)		Parent Company and All Reinvested Businesses
		The Company	Companies in the Financial Report	The Company	Companies in the Financial Report	The Company	Companies in the Financial Report	The Company		Companies in the Financial Report		The Company	Companies in the Financial Report	
								Cash	Stock	Cash	Stock			
CEO	Sheng-Su Lee													
General Manager	Chu-Yuan Yang													
COO	Yuan-Ching Hsu (Note 2)	13,178	13,178	387	387	10,236	10,236	2,213	-	2,213	-	26,014 8.55	26,014 8.55	2,708
Deputy General Manager	Chao-Shiun Wang													
Deputy General Manager	Liang-Kuang Wei (Note 2)													

Note 1: The employee compensation in this table was approved by the Board on March 3, 2026. The proposed allocation amount was calculated based on the actual allocation ratio of the previous year.

Note 2: Deputy General Manager Yuan-Ching Hsu was promoted to Chief Operating Officer on June 2, 2025; Liang-Kuang Wei was appointed as Deputy General Manager on June 2, 2025.

Remuneration Range Table

Remuneration Ranges for the Company's General Manager and Deputy General Managers	Name of General Manager and Deputy General Managers	
	The Company	Companies in the Financial Report E
Less than NT\$1,000,000	-	-
NT\$1,000,000 (inclusive) to NT\$2,000,000 (exclusive)	-	-
NT\$2,000,000 (inclusive) to NT\$3,500,000 (exclusive)	Liang-Kuang Wei	Liang-Kuang Wei
NT\$3,500,000 (inclusive) to NT\$5,000,000 (exclusive)	-	-
NT\$5,000,000 (inclusive) to NT\$10,000,000 (exclusive)	Sheng-Su Lee, Chu-Yuan Yang, Yuan-Ching Hsu, Chao-Shiun Wang	Sheng-Su Lee, Chu-Yuan Yang, Yuan-Ching Hsu, Chao-Shiun Wang
NT\$10,000,000 (inclusive) to NT\$15,000,000 (exclusive)	-	-
NT\$15,000,000 (inclusive) to NT\$30,000,000 (exclusive)	-	-
NT\$30,000,000 (inclusive) to NT\$50,000,000 (exclusive)	-	-
NT\$50,000,000 (inclusive) to NT\$100,000,000 (exclusive)	-	-
Over NT\$100,000,000	-	-
Total	5 people	5 people

(III) Names of the Managers Receiving Employee Compensation and Allocation Details

December 31, 2025; Unit: NT\$ (thousands)

Title		Name	Stock	Cash	Total	Ratio of Total Amount to Net Income (%)
Manager	CEO	Sheng-Su Lee	-	2,417	2,417	0.79
	General Manager	Chu-Yuan Yang				
	COO	Yuan-Ching Hsu (Note 2)				
	Deputy General Manager	Chao-Shiun Wang				
	Deputy General Manager	Liang-Kuang Wei (Note 2)				
	Financial Supervisor	Lung Lee				
	Accounting Supervisor	Szu-Yu Lin				
	Corporate Governance Officer	Vivian Mao				

Note 1: The employee compensation in this table was approved by the Board on March 3, 2026. The proposed allocation amount was calculated based on the actual allocation ratio of the previous year.

Note 2: Deputy General Manager Yuan-Ching Hsu was promoted to Chief Operating Officer on June 2, 2025; Liang-Kuang Wei was appointed as Deputy General Manager on June 2, 2025.

(IV) Comparison and Explanation of the Total Remuneration Paid to the Company's Directors, Supervisors, General Manager, and Deputy General Managers by the Company and All Entities Included in the Consolidated Financial Statements Over the Past Two Years, as a Percentage of Net Income in the Individual Financial Statements; Including a Description of the Remuneration Policy, Standards, and Structure, the Determination Process, and Their Correlation with Business Performance and Future Risks

1. Analysis of the total remuneration paid to directors, supervisors, general manager, and deputy general managers of the company in the last two years as a percentage of net income in the financial report

Unit: NT\$ (thousands)

Item	2024		2025	
	Total	Ratio of Total Amount to Net Income (%)	Total	Ratio of Total Amount to Net Income (%)
Director Remuneration	5,304	0.98	3,409	1.12
Remuneration for General Manager and Deputy General Managers	28,230	5.22	26,014	8.55
Net Income	540,477		304,291	

The total remuneration for directors, the General Manager, and Deputy General Managers in 2025 decreased compared to 2024 due to the decrease in net income for 2025.

2. Remuneration Policy, Standards, and Structure, the Determination Process, and Their Correlation with Business Performance and Future Risks
 - (1) The company's director remuneration includes base compensation, allowance, and director compensation. Independent directors, who serve on the Remuneration Committee, Audit Committee, and Sustainability and Risk Management Committee, are granted a fixed annual compensation based on industry standards.

The compensation for independent directors during the current term is reviewed by the Remuneration Committee and submitted to the Board for approval. Allowance refers to transportation allowances, which are paid based on the number of board meetings each director attends.

Director 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, up to 1% shall be allocated as director 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 addition to the "Board Member Performance Self-Assessment Questionnaire," the results of the board performance evaluation, board meeting attendance, and board member training are also considered when determining the allocation of remuneration. The proposed allocation is reviewed by the Remuneration Committee and submitted to the Board for approval.

- (2) The remuneration of the company's managers, including the CEO, general manager, and deputy general managers, comprises a fixed salary, operational bonus, and employee compensation. The fixed salary is determined based on the manager's position, responsibilities, and contributions to the company, with reference to industry standards. It is reviewed and adjusted annually in accordance with the "Manager Performance Evaluation Method."

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. Of the aforementioned employee compensation, no less than 50% shall be allocated for distribution to rank-and-file employees. Appropriate compensation is granted based on the results of evaluations conducted under the "Manager Performance Evaluation Method," which include criteria such as goal achievement and behavioral performance. The proposed amount is reviewed by the Remuneration Committee and submitted to the Board for approval. The ESG management performance is incorporated as part of the evaluation indicators for senior managers and accounts for 10% of the evaluation. 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 2025 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.

Furthermore, the company seeks to minimize potential operational risks and will review its remuneration system based on actual operating conditions and relevant regulations to ensure a balance between sustainable operations and risk management.

III Implementation of Corporate Governance

(I) Board of Directors

The Board of Directors held six meetings in the most recent fiscal year [A]. The director attendance was as follows:

Title	Name	Attendance in Person [B]	By Proxy	Attendance Rate (%) [B/A]	Note
Chairman	Sitronix Technology Corp. (Rep.: Sheng-Su Lee)	6	0	100%	June 17, 2025 Annual General Meeting of Shareholders: Re-elected as a director of the seventh term (independent director).
Director	Sitronix Technology Corp. (Rep.: Vincent Mao)	5	1	83%	
Director	Sitronix Technology Corp. (Rep.: Chu-Yuan Yang)	6	0	100%	
Independent Director	Chun-Yi Hsu	6	0	100%	
Independent Director	Shu-Chun Huang	6	0	100%	
Independent Director	Jen-Chi Lu	6	0	100%	June 17, 2025 Annual General Meeting of Shareholders: Newly elected as a director of the seventh term (independent director).
Independent Director	Hsuan Wang	4	0	100% (Required attendance: 4 times)	

Other matters to be included:

I. If any of the following circumstances occur in the operation of the Board, the date of the meeting, session, proposal, opinions of all independent directors, and the company's response to those opinions shall be specified:

- (I) Matters specified in Article 14-3 of the Securities and Exchange Act: The company has established an Audit Committee; therefore, the provisions of Article 14-3 of the Securities and Exchange Act do not apply.
- (II) Other board resolutions with independent directors' objections or reservations, as recorded or stated in written declarations: None.

II. If there are directors' recusal from matters involving conflicts of interest, the directors' names, proposal, reasons for recusal due to conflicts of interest, and voting participation shall be specified:

Board Meeting Date	March 4th, 2025
Director's Name	Vincent Mao, Sheng-Su Lee, Chun-Yi Hsu, Shu-Chun Huang, Jen-Chi Lu
Proposal	Proposal to release newly elected directors (including independent directors) and their representatives from non-competition restrictions
Reasons for Recusal	Conflict of interest with the director
Voting Participation	During the discussion and voting of this proposal, the directors with a conflict of interest were requested to recuse themselves in turn. The remaining attending directors unanimously approved the proposal.

Board Meeting Date	March 4th, 2025
Director's Name	Sheng-Su Lee, Chu-Yuan Yang
Proposal	2024 operational bonus allocation plan for managers, reviewed by the

	Remuneration Committee
Reasons for Recusal	Directors concurrently serve as managers and have a conflict of interest
Voting Participation	Chairman Sheng-Su Lee and Director Chu-Yuan Yang abstained from discussion and voting because of a conflict of interest. The remaining attending directors unanimously approved the proposal.

Board Meeting Date	March 4th, 2025
Director's Name	Sheng-Su Lee, Chu-Yuan Yang
Proposal	2025 salary adjustment plan for managers, reviewed by the Remuneration Committee
Reasons for Recusal	Directors concurrently serve as managers and have a conflict of interest
Voting Participation	Chairman Sheng-Su Lee and Director Chu-Yuan Yang abstained from discussion and voting because of a conflict of interest. The remaining attending directors unanimously approved the proposal.

Board Meeting Date	March 4th, 2025
Director's Name	Vincent Mao, Sheng-Su Lee, Chu-Yuan Yang, Chun-Yi Hsu, Shu-Chun Huang, Jen-Chi Lu
Proposal	2024 compensation allocation plan for individual directors, reviewed by the Remuneration Committee
Reasons for Recusal	The compensation allocation for individual directors involves a conflict of interest with the legal entity the director represents and the directors themselves
Voting Participation	During the discussion and voting of this proposal, the directors with a conflict of interest were requested to recuse themselves in turn. The remaining attending directors unanimously approved the proposal.

Board Meeting Date	May 6th, 2025
Director's Name	Vincent Mao, Sheng-Su Lee, Chu-Yuan Yang
Proposal	Proposal for the Company's planned investment in marketable securities
Reasons for Recusal	The investment target has a conflict of interest with the legal entity represented by the directors.
Voting Participation	Chairman Sheng-Su Lee and Director Vincent Mao and Chu-Yuan Yang abstained from discussion and voting because of a conflict of interest. The remaining attending directors unanimously approved the proposal.

Board Meeting Date	May 6th, 2025
Director's Name	Sheng-Su Lee, Chu-Yuan Yang
Proposal	2024 cash distribution of employee compensation for managers, reviewed by the Remuneration Committee
Reasons for Recusal	Directors concurrently serve as managers and have a conflict of interest
Voting Participation	Chairman Sheng-Su Lee and Director Chu-Yuan Yang abstained from discussion and voting because of a conflict of interest. The remaining attending directors unanimously approved the proposal.

Board Meeting Date	July 29th, 2025
Director's Name	Chun-Yi Hsu, Shu-Chun Huang, Jen-Chi Lu, Hsuan Wang
Proposal	Proposal on independent director remuneration reviewed by the

	Company's Remuneration Committee
Reasons for Recusal	The determination of independent director remuneration involves a personal conflict of interest for the director.
Voting Participation	Independent Directors Chun-Yi Hsu, Shu-Chun Huang, Jen-Chi Lu, Hsuan Wang abstained from discussion and voting because of a conflict of interest. The remaining attending directors unanimously approved the proposal.

Board Meeting Date	October 28th, 2025
Director's Name	Vincent Mao
Proposal	Proposal to permit competitive actions by managerial officers of the Company
Reasons for Recusal	The managerial officer has a family relationship with the director, constituting a personal conflict of interest.
Voting Participation	Director Vincent Mao abstained from discussion and voting because of a conflict of interest. The remaining attending directors unanimously approved the proposal.

III. Listed companies shall disclose information regarding the Board of Directors' self-evaluation (or peer evaluation), including the evaluation cycle and period, scope, method, and content, and shall specify the implementation status of the board evaluation: please refer to the appendix titled "Implementation Status of Board Evaluation."

IV. Assessment of goals and implementation status for enhancing board functions in the current and most recent fiscal years:

The Company elected its seventh term of directors on June 17, 2025. Among them, independent directors account for a majority at 57.14%, and there are two female directors, thereby strengthening the independence and diversity of the Board.

Measures for Strengthening Board Functions	Implementation
Enhance board quality	Provide board members with information on training courses organized by external institutions from time to time. Arrange six hours of training annually to help them acquire new knowledge, stay up to date, and become familiar with their roles, functions, responsibilities, and obligations within the board. These efforts aim to strengthen board functions and enhance the board's operational and decision-making capabilities.
Strengthen the board structure	The Sustainability and Risk Management Committee was established to assist the board in making decisions related to sustainability initiatives, enabling the board to fulfill its responsibilities in safeguarding the company's sustainable operations and the rights and interests of employees, shareholders, and stakeholders.
Board performance evaluation	Once a year, the board members and functional committee members, along with the board's secretariat, complete a self-assessment performance evaluation, and the evaluation results are submitted to the board.

Note: Implementation of the board performance evaluation

The company's Board of Directors approved the "Board Performance Evaluation Method" on August 4, 2020. An internal performance evaluation of the Board of Directors, functional committees, and individual board members is conducted annually, with the evaluation results reported to the board in the first quarter. The company completed the performance evaluation of the Board of Directors, individual board members, and functional committees for 2025 in January 2026, and reported the results to the board on March 3, 2026.

Evaluation Cycle	Evaluation Period	Scope of Evaluation	Evaluation Method	Evaluation Items	Evaluation Results
Once a year	January 1, 2025, to December 31, 2025	Board of directors	Board of directors internal self-assessment	The level of participation in company operations, improvement of board decision-making quality, board composition and structure, director election and continuing education, internal controls, etc.	The responsible unit for meeting affairs collected relevant information on board activities and completed the "Board of Directors Performance Self-Assessment Questionnaire." The performance evaluation indicators include five areas and 45 indicators. The evaluation score is 4.73 points (out of 5 points). The evaluation results indicate that the board has effectively carried out its responsibility in guiding and supervising the company's strategy, major operations, and risk management, and has established an appropriate internal control system. The overall operation is sound and meets the requirements of corporate governance.
		Individual board members	Board members self-assessment.	Understanding of the company's goals and missions, awareness of director responsibilities, level of participation in company operations, management and communication of internal relationships, director expertise and continuing education, internal controls, etc.	The directors filled out the "Board Member Performance Self-Assessment Questionnaire." The performance evaluation indicators include six areas, with 23 indicators. The evaluation score is 4.73 points (out of 5 points), indicating that the directors have given positive feedback on the efficiency and effectiveness of the operation of each indicator.
		Functional committees 1. Audit Committee	Functional committees self-assessment.	The level of participation in company operations, understanding of the responsibilities of functional committees, improving the decision-making quality of functional committees, the composition and selection of committee members, internal controls, etc.	Each committee member completed the "Functional Committee Performance Self-Assessment Questionnaire." The performance evaluation indicators include five areas and 22 indicators. The evaluation score is 4.84 points (out of 5 points), indicating that the Audit Committee's operations are sound, meet corporate governance requirements, and effectively enhance board functions.

Evaluation Cycle	Evaluation Period	Scope of Evaluation	Evaluation Method	Evaluation Items	Evaluation Results
		2. Remuneration Committee			Each committee member completed the "Functional Committee Performance Self-Assessment Questionnaire." The performance evaluation indicators include four areas and 19 indicators. The evaluation score is 4.81 points (out of 5 points), indicating that the Remuneration Committee's operations are sound, meet corporate governance requirements, and effectively enhance board functions.
		3. Sustainability and Risk Management Committee			Each committee member completed the "Functional Committee Performance Self-Assessment Questionnaire." The performance evaluation indicators include four areas and 17 indicators. The evaluation score is 4.85 points (out of 5 points), indicating that the Sustainability and Risk Management Committee's operations are sound, meet corporate governance requirements, and effectively enhance board functions.

(II) Implementation of Audit Committee

1. Audit committee annual work priorities

The company's Audit Committee is composed of four independent directors, assisting the board in overseeing the proper presentation of the company's financial statements, the appointment and independence evaluation of CPAs, the effective implementation of the internal control system, compliance with relevant laws and regulations, and the management of current and potential company risks. It operates in accordance with the company's "Audit Committee Organizational Regulations," holding at least one meeting per quarter and convening additional meetings as necessary. The main duties and powers are as follows:

- (1) Establishment or amendment of the internal control system in accordance with Article 14-1 of the Securities and Exchange Act.
- (2) Assessment of the effectiveness of the internal control system.
- (3) Establishment or amendment of procedures for handling significant financial and business activities such as acquisition or disposal of assets, engagement in derivatives trading, lending of funds to others, and endorsements or guarantees for others, in accordance with Article 36-1 of the Securities and Exchange Act.
- (4) Matters involving directors' own interests.
- (5) Significant transactions of assets or derivatives.
- (6) Significant loans of funds, endorsements, or guarantees.
- (7) Fundraising, issuance, or private placement of equity-type securities.

- (8) Appointment, dismissal, or compensation of CPAs.
- (9) Appointment or dismissal of financial, accounting, or internal audit supervisors.
- (10) Annual financial reports are signed or sealed by the chairman, managers, and accounting supervisor, and second-quarter financial reports must be audited and attested by the CPAs.
- (11) Other significant matters as stipulated by the company or competent authorities.

A. Review of the annual financial report

The Board of Directors prepared the company's 2024 business report, financial report, and earnings distribution proposal. The financial report was audited by Deloitte Taiwan, and an audit report was issued. The above business report, financial report, and earnings distribution proposal were reviewed and determined to be accurate by the Audit Committee.

B. Assessment of the effectiveness of the internal control system

The Audit Committee assesses the effectiveness of the company's internal control system policies and procedures (including internal control measures for sales, procurement, production, human resources, finance, and legal compliance), monitors the implementation of audit operations by the internal audit unit, reviews the self-assessment results of the internal control system. The Audit Committee determines that the company's internal control system is effective.

C. Appointment of a CPA

To ensure the independence of the CPA firm, the Audit Committee has formulated an independence evaluation form based on Article 47 of the Certified Public Accountant Act and the "Independence of Audits and Reviews" in the National Federation of CPA Associations of ROC's "Ethics for Professional Accountants No. 10." In accordance with the "Audit Committee Interpretation of Audit Quality Indicators (AQI) Guidelines" issued by the competent authority, the committee evaluated the independence, professionalism, and competence of the accountants using five aspects and thirteen indicators. After review, the Audit Committee approved that the CPAs from Deloitte Taiwan, Ya-Yun Chang and Ming-Hui Chen, meet the independence evaluation standards.

2. Implementation of Audit Committee

The Audit Committee held four meetings in the most recent fiscal year [A]. The independent director attendance was as follows:

Title	Name	Attendance in Person [B]	By Proxy	Attendance Rate (%) [B/A]	Note
Independent Director	Chun-Yi Hsu	4	0	100%	June 17, 2025 Annual General Meeting of

Independent Director	Shu-Chun Huang	4	0	100%	Shareholders: Re-elected as a director of the seventh term (independent director).
Independent Director	Jen-Chi Lu	4	0	100%	
Independent Director	Hsuan Wang	2	0	100% (Required attendance: 2 times)	June 17, 2025 Annual General Meeting of Shareholders: Newly elected as a director of the seventh term (independent director).

Other matters to be included:

I. If any of the following circumstances occur in the operations of the Audit Committee, the date of the meeting, session, proposals, opinions of independent directors (including opposing views, reservations, or significant recommendations), the Audit Committee's resolution, and the company's response to the Audit Committee's opinions shall be specified.

(I) Matters listed in Article 14-5 of the Securities and Exchange Act:

Audit Committee Meeting Date and Session	Proposal	Audit Committee's Resolution	Company's Response
2025.03.04 11th Meeting of the 2nd Term	1. Financial report and business report for 2024. 2. Internal control system statement for 2024. 3. Competency assessment of the CPAs. 4. Review of the CPA fees for 2025. 5. Amendment of certain provisions of the company's internal control system and internal audit implementation rules. 6. Lifting the non-compete restrictions on directors (including independent directors) and their representatives.	Unanimously approved by attending committee members.	Unanimously approved by attending directors.
2025.05.06 12th Meeting of the 2nd Term	1. Financial report for Q1 2025. 2. Proposal for the Company's planned investment in marketable securities.		
2025.07.29 1st Meeting of the 3rd Term	Financial report for Q2 2025.		
2025.10.28 2nd Meeting of the 3rd Term	1. Financial report for Q3 2025. 2. Pre-approval of the 2026 list of non-assurance services.		

(II) Other than the abovementioned matters, there were no resolutions that were not approved by the Audit Committee but were passed with the consent of at least two-thirds of the Board of Directors.

II. Recusal by independent directors on matters involving conflicts of interest should specify the independent director's name, proposal, reasons for recusal, and their participation in voting.

Board Meeting Date	March 4th, 2025
Independent Director's Name	Chun-Yi Hsu, Shu-Chun Huang, Jen-Chi Lu
Proposal	Lifting the non-compete restrictions on newly elected directors (including independent directors) and their representatives
Reasons for Recusal	Conflict of interest with the independent director

Voting Participation	During the discussion and voting of this proposal, the directors with a conflict of interest were requested to recuse themselves in turn. The remaining attending directors unanimously approved the proposal.
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III. Communication between independent directors and the internal audit supervisor and the CPAs (should include major financial and business matters, the methods of communication, and the outcomes):

- (I) Communication between independent directors and the internal audit supervisor
1. The internal audit supervisor sends the previous month's audit report to each independent director via email for review. Independent directors can directly communicate with the audit supervisor regarding the report's content. Additionally, the audit supervisor must attend at least two meetings annually with the CPAs and independent directors and separately report on the execution of audit activities.
 2. Report by the internal audit supervisor at the Audit Committee meeting
 - (1) Annual risk assessment results and internal audit plan
 - (2) Effectiveness of the design and implementation of the internal control system
 - (3) Quarterly internal audit execution and follow-up on audit findings and improvements
 3. Other: In the event of significant exceptional matters or issues that the independent directors, audit supervisor, and accountants deem necessary for independent communication, meetings can be convened on an ad hoc basis.

Date	Communication Methods	Communication Matters	Opinions of Independent Directors and Subsequent Actions
2025.03.04	Independent Directors and Accountant Seminar	Internal audit report for Q4 2024.	None
2025.03.04	Audit Committee	1. Internal audit implementation for Q4 2024. 2. Internal control self-assessment results and internal control system statement for 2024.	Independent directors expressed agreement with the content of the report
2025.05.06	Audit Committee	Internal audit implementation and audit findings for Q1 2025.	Independent directors expressed agreement with the content of the report
2025.07.29	Independent Directors and Accountant Seminar	Internal audit report for Q2 2025.	None
2025.07.29	Audit Committee	Internal audit implementation and audit findings for Q2 2025.	Independent directors expressed agreement with the content of the report
2025.10.28	Audit Committee	1. Internal audit implementation for Q3 2025. 2. Annual risk assessment results and internal audit plan for 2026.	Independent directors expressed agreement with the content of the report

(II) Communication between independent directors and the CPAs

The CPAs hold meetings with the independent directors at least twice a year to report on the results of financial statement audits/reviews, major issues such as accounting policies and estimates, upcoming or newly applicable standards and regulations, and to discuss any questions raised by the independent directors.

Date	Communication Methods	Communication Matters	Opinions of Independent Directors and Subsequent Actions
2025.03.04	Independent Directors and Accountant Seminar	1. Audit results and key audit matters of the 2024 financial reports. 2. Upcoming or newly applicable standards and regulations.	None
2025.07.29	Independent Directors and Accountant Seminar	1. Review results of the 2025 Q2 financial reports. 2. Upcoming or newly applicable standards and regulations.	None

(III) Implementation of corporate governance and deviations from the Corporate Governance Best Practice Principles for TWSE/TPEX Listed Companies, and reasons for such deviations

Evaluation Item	Implementation Status			Deviations and Reasons
	Yes	No	Summary	
I. Has the company established and disclosed its Corporate Governance Best Practice Principles in accordance with the Corporate Governance Best Practice Principles for TWSE/TPEX Listed Companies?	✓		The company has established its own Corporate Governance Best Practice Principles in accordance with the Corporate Governance Best Practice Principles for TWSE/TPEX Listed Companies, and has disclosed them on the Market Observation Post System and the company's website.	None.
II. Shareholding structure and shareholders' rights				None.
(I) Has the company established internal procedures to handle shareholders' suggestions, concerns, disputes, and litigation matters, and is the procedure implemented accordingly?	✓		(I) To ensure shareholders' rights, the company has designated a spokesperson and a deputy spokesperson. Additionally, shareholder contact information is provided in the stakeholder section of the company website, with dedicated personnel responsible for handling shareholder suggestions, concerns, and disputes.	
(II) Does the company maintain a list of the major shareholders who control the company and their ultimate controllers?	✓		(II) The company reports monthly, in accordance with regulations, the shareholdings of directors, managers, and shareholders holding more than 10% of the company's shares, and maintains a list of the major shareholders who effectively control the company and their ultimate beneficial owners.	

Evaluation Item	Implementation Status			Deviations and Reasons
	Yes	No	Summary	
(III) Has the company established and implemented risk management and firewall mechanisms between related parties?	✓		(III) On March 14, 2023, the company's Board of Directors established the "Operating Procedures for Financial and Business Transactions Between Related Parties," which includes management procedures for purchase and sale transactions, and the acquisition or disposal of assets. The procedures stipulate that such significant transactions must be approved by the Board of Directors before proceeding and must be reported at the most recent shareholder meeting at the end of the fiscal year. This is to clearly define the management objectives and responsibilities for personnel, assets, and finances between the company and its related parties, ensuring effective risk assessment and establishment of appropriate firewall mechanisms.	
(IV) Has the company established internal regulations to prohibit insider trading?	✓		(IV) To maintain fairness in the securities trading market, the company has established the "Operating Procedures for Internal Material Information Processing and Insider Trading Prevention" in accordance with the relevant regulations of the competent authorities. The company has also promoted the relevant regulations prohibiting insider trading, ensuring insiders are clearly informed and strictly adhere to measures preventing insider trading. It is also stipulated that directors are prohibited from trading their shares during the blackout period, which is the thirty days prior to the annual financial report announcement and the fifteen days prior to the quarterly financial report announcement.	

Evaluation Item	Implementation Status			Deviations and Reasons
	Yes	No	Summary	
			In the fourth quarter of each year, the company schedules the dates for board meetings for the following year. After the fourth-quarter board meeting, directors are informed of the blackout periods prior to the announcement of each quarterly financial report. Additionally, insiders are notified by email each quarter to help prevent inadvertent violations of the trading restrictions.	
III. Board composition and responsibilities				None.
(I) Has the board formulated and implemented a diversity policy with clear objectives?	✓		(I) The company has specified a board diversity policy in its "Board Member Election Procedures." Current board members have professional expertise in finance, accounting, and areas related to the company's business. For details regarding board diversity, management objectives, and implementation status, please refer to the company's annual report, Chapter 2. Corporate Governance Report, I. Information on Directors, (V) Board Diversity and Independence.	
(II) Apart from establishing a Remuneration Committee and an Audit Committee as required by law, has the company voluntarily established other functional committees?	✓		(II) In addition to the Audit Committee and Remuneration Committee, the company established the Sustainability and Risk Management Committee on October 31, 2023. The committee primarily assists the Board of Directors in promoting sustainability and risk management efforts. Its scope covers environmental (E), social (S), and governance (G), including formulating risk management policies,	

Evaluation Item	Implementation Status			Deviations and Reasons
	Yes	No	Summary	
(III) Has the company established a performance evaluation method for the Board of Directors and its evaluation approach, conducted regular performance evaluations annually, submitted the evaluation results to the board, and used the results as a reference for individual directors' compensation and nomination for re-election?	✓		<p>identifying risks, assessing impacts, and developing corresponding strategies and action plans related to sustainability issues affecting the company's operations.</p> <p>(III) The company approved the "Board Performance Evaluation Method" at the board meeting on August 4, 2020 and disclosed it on the company's website. The company conducts an internal performance evaluation of the Board of Directors, functional committees, and individual board members once a year, and submits the results to the board in the first quarter. The company completed the performance evaluation for the Board of Directors, individual board members, and functional committees (including the Audit Committee, Remuneration Committee, and Sustainability and Risk Management Committee) for 2025 in January 2026, and submitted the results to the board on March 3, 2026. Please refer to the company's annual report, Chapter 2. Corporate Governance Report, III. Implementation of Corporate Governance, (I) Board of Directors.</p>	
(IV) Does the company regularly assess the independence of its CPAs?	✓		<p>(IV) The company's Audit Committee regularly assesses the independence and competence of the CPAs once a year. The most recent assessment was approved by the Audit Committee on March 3, 2026, and was subsequently presented to and approved by the board on the same date.</p> <p>1. Independence assessment The company has established the following evaluation</p>	

Evaluation Item	Implementation Status		Summary	Deviations and Reasons																		
	Yes	No																				
			<p>items, referencing Article 47 of the Certified Public Accountant Act and the "Independence of Audits and Reviews" in the National Federation of CPA Associations of ROC's "Ethics for Professional Accountants No. 10." The CPAs also issue an independence declaration for auditing the company's financial statements.</p> <table border="1"> <thead> <tr> <th>Evaluation Item</th> <th>Evaluation Results</th> </tr> </thead> <tbody> <tr> <td>1. The CPAs do not have a direct or significant indirect financial interest in the company.</td> <td>Yes</td> </tr> <tr> <td>2. The CPAs do not have a close business relationship with the company.</td> <td>Yes</td> </tr> <tr> <td>3. The CPAs do not have a potential employment relationship with the company.</td> <td>Yes</td> </tr> <tr> <td>4. The CPAs and their audit team have not served as directors, managers, or in any position with significant influence over the audit matters of the company during the audit period or in the past two years.</td> <td>Yes</td> </tr> <tr> <td>5. The CPAs do not have a financial lending relationship with the company.</td> <td>Yes</td> </tr> <tr> <td>6. The CPAs have not provided non-audit services to the company that could directly affect the audit work.</td> <td>Yes</td> </tr> <tr> <td>7. Do the CPAs comply with the independence requirements outlined in the Ethics for Professional Accountants No. 10, and has the company obtained an "independence declaration" from the CPAs?</td> <td>Yes</td> </tr> <tr> <td>8. The CPAs have not provided audit services to the company for seven consecutive years.</td> <td>Yes</td> </tr> </tbody> </table>	Evaluation Item	Evaluation Results	1. The CPAs do not have a direct or significant indirect financial interest in the company.	Yes	2. The CPAs do not have a close business relationship with the company.	Yes	3. The CPAs do not have a potential employment relationship with the company.	Yes	4. The CPAs and their audit team have not served as directors, managers, or in any position with significant influence over the audit matters of the company during the audit period or in the past two years.	Yes	5. The CPAs do not have a financial lending relationship with the company.	Yes	6. The CPAs have not provided non-audit services to the company that could directly affect the audit work.	Yes	7. Do the CPAs comply with the independence requirements outlined in the Ethics for Professional Accountants No. 10, and has the company obtained an "independence declaration" from the CPAs?	Yes	8. The CPAs have not provided audit services to the company for seven consecutive years.	Yes	
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			<p>2. Competency assessment</p> <p>The company has obtained audit quality indicators (AQIs) information provided by the accounting firm. In accordance with the "Audit Committee Interpretation of Audit Quality Indicators (AQI) Guidelines" issued by the competent authority, the company confirmed the CPAs' and firm's AQI data based on five aspects and thirteen indicators (as shown in the table below). The company assessed the audit quality of the firm and its audit team by comparing these indicators with those of industry peers and the company's past performance.</p> <table border="1"> <thead> <tr> <th>Aspect</th> <th>Indicator</th> <th>Evaluation Results</th> </tr> </thead> <tbody> <tr> <td rowspan="4">Professionalism</td> <td>1-1 Audit experience</td> <td rowspan="4">All indicators, except for "training hours" and "professional support," exceed the industry average.</td> </tr> <tr> <td>1-2 Training hours</td> </tr> <tr> <td>1-3 Attrition rate</td> </tr> <tr> <td>1-4 Professional support</td> </tr> <tr> <td rowspan="4">Quality Control</td> <td>2-1 Auditor workload</td> <td rowspan="4">All indicators, except for "Auditor workload" exceed the industry average.</td> </tr> <tr> <td>2-2 Audit effort</td> </tr> <tr> <td>2-3 Engagement quality control review</td> </tr> <tr> <td>2-4 Quality control support capability</td> </tr> <tr> <td rowspan="2">Independence</td> <td>3-1 Non-audit service fees</td> <td rowspan="2">The proportion of non-audit service fees and the accumulated years of engagement both demonstrate independence.</td> </tr> <tr> <td>3-2 Customer familiarity</td> </tr> <tr> <td>Supervision</td> <td>4-1 External inspection</td> <td>All supervisory indicators</td> </tr> </tbody> </table>	Aspect	Indicator	Evaluation Results	Professionalism	1-1 Audit experience	All indicators, except for "training hours" and "professional support," exceed the industry average.	1-2 Training hours	1-3 Attrition rate	1-4 Professional support	Quality Control	2-1 Auditor workload	All indicators, except for "Auditor workload" exceed the industry average.	2-2 Audit effort	2-3 Engagement quality control review	2-4 Quality control support capability	Independence	3-1 Non-audit service fees	The proportion of non-audit service fees and the accumulated years of engagement both demonstrate independence.	3-2 Customer familiarity	Supervision	4-1 External inspection	All supervisory indicators	
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Innovative Capability	5-1 Innovative planning or Initiatives	Four measures, including the introduction of audit innovation tools in the past three years, have been implemented to enhance audit quality.								
IV. Does the listed company have an appropriate number of qualified corporate governance personnel, and has a corporate governance officer been designated for corporate governance matters (including but not limited to providing directors and supervisors with necessary information for business execution, assisting directors and supervisors in complying with laws and regulations, handling board and shareholder meeting matters according to legal requirements, and preparing board and shareholder meeting minutes)?	✓		<p>A dedicated corporate governance officer has been appointed to coordinate the corporate governance culture and policies of the group. On October 31, 2023, the company's Board of Directors passed the resolution to appoint Vivian Mao, the group's dedicated corporate governance officer, to also serve as the corporate governance officer for the company. She has over three years of experience in managing corporate governance matters, such as shareholder services or board and shareholder meetings in publicly listed companies. Vivian Mao works with the accounting department to handle corporate governance-related matters. Her primary responsibilities include handling matters related to board and shareholder meetings in accordance with the law, preparing minutes of board and shareholder meetings, providing directors with the information necessary to perform their duties, assisting directors with taking office and continuing education, and supporting directors in complying with legal requirements. The continuing education from 2025 is as follows:</p>	None.						

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Evaluation Item	Implementation Status			Deviations and Reasons
	Yes	No	Summary	
			<p>perform their duties.</p> <p>7. Assisted directors in complying with laws and regulations.</p>	
V. Has the company established communication channels with stakeholders (including but not limited to shareholders, employees, customers, and suppliers), set up a stakeholder section on its website, and properly responded to key corporate social responsibility issues of concern to stakeholders?	✓		<p>The company has established an employee complaint mailbox and designated a spokesperson and deputy spokesperson as external communication channels. A stakeholder section is also available on the company website, covering customers, suppliers, investors, employees, and other stakeholders. This section provides email addresses and contacts to allow stakeholders to raise inquiries and receive prompt responses to issues of concern.</p> <p>On October 28, 2025, the Company's Board of Directors approved the report on the status of communication with various stakeholders.</p>	None.
VI. Has the company appointed a professional shareholder services agency to handle shareholder meeting affairs?	✓		<p>The company has appointed a professional shareholder services agency, Taishin Securities Co., Ltd. Transfer Agency Department, to handle the company's shareholder meetings and various shareholder-related matters.</p>	None.
VII. Information disclosure (I) Does the company have a website that discloses financial, business, and corporate governance information?	✓		<p>(I) The company has established a website and set up an investor relations section to disclose financial, business, and corporate governance information. Shareholders and investors can also access the company's financial, business, and corporate governance information through the Market Observation Post System.</p>	Except for (III), which will be assessed based on legal regulations and the company's practical operations, there are no significant deviations.

Evaluation Item	Implementation Status			Deviations and Reasons
	Yes	No	Summary	
(II) Does the company adopt other methods of information disclosure, such as setting up an English website, designating personnel responsible for collecting and disclosing company information, implementing a spokesperson system, or posting the proceedings of corporate briefings on the company website?	✓		(II) The company's website contains information in both Chinese and English. A dedicated unit, according to its responsibilities, is responsible for collecting and disclosing information on the company website and the Market Observation Post System. Additionally, a spokesperson system has been established to handle external communication of the company's information. Presentations and video recordings from corporate briefings are also available on the company website.	
(III) Does the company announce and file its annual financial report within two months after the end of the fiscal year, and does it announce and file the first, second, and third quarter financial reports and monthly operating results ahead of the prescribed deadlines?		✓	(III) The company did not announce and file its annual financial report within two months after the end of the fiscal year; however, the quarterly financial reports and monthly operating results were announced and filed ahead of the prescribed deadlines.	
VIII. Does the company have any other important information that facilitates an understanding of its corporate governance practices (including but not limited to employee rights, employee care, investor relations, supplier relationships, stakeholder rights, continuing education for directors and supervisors, implementation of risk management policies and metrics, implementation of customer policies, and the purchase of liability insurance for directors and	✓		(I) Employee rights and care: In addition to providing various statutory insurance plans, implementing a pension system, and establishing an employee welfare committee, the company also holds regular labor-management meetings for communication between labor and management. The protection of employee rights and implementation of the welfare system are based on legal regulations. Please refer to the company's annual report, Chapter 4. Operations Overview, V. Labor Relations.	None.

Evaluation Item	Implementation Status			Deviations and Reasons
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supervisors)?	✓		(II) Investor relations: To protect shareholders' rights and make it easier for the investing public to understand the company's operations, the company has designated a spokesperson and deputy spokesperson responsible for corporate communication. They participate in corporate briefings occasionally and disclose relevant information in accordance with regulations on the Market Observation Post System and the company's website.	
	✓		(III) Supplier relations: The company's business strategy is based on integrity, honoring commitments made to suppliers and stakeholders, and maintaining positive and cooperative relationships with its suppliers.	
	✓		(IV) Stakeholders' rights: The company maintains effective communication channels with stakeholders, including employees, customers, and suppliers, and respects and safeguards their legitimate rights and interests.	
	✓		(V) Status of continuing education for board members: To implement corporate governance, all company directors have professional expertise and practical management experience. All seven directors (including independent directors) have completed more than six hours of learning.	

Evaluation Item	Implementation Status			Deviations and Reasons
	Yes	No	Summary	
	✓		<p>Please refer to the Market Observation Post System for the continuing education status of the company's directors.</p> <p>(VI) Implementation of risk management policies and risk assessment standards:</p> <ol style="list-style-type: none"> 1. The company has established an "internal control system" and relevant management regulations in accordance with legal requirements to prevent risks. The internal audit unit evaluates the effectiveness of the internal control system based on an audit plan developed through risk assessment. 2. On October 31, 2023, the company established the Sustainability and Risk Management Committee, which convenes at least twice a year and reports to the Board of Directors at least once annually. Under the committee, the Risk Management Task Force of the Sustainability Promotion Team, composed of heads of various operating units, serves as the executing body for the company's risk management. It is responsible for planning, implementing, and overseeing risk management-related matters, and regularly submitting risk management reports to the Sustainability and Risk Management Committee. It has also established a dynamic risk management and reporting mechanism to ensure effective oversight and execution. 	
	✓		(VII) Implementation of customer policies:	

Evaluation Item	Implementation Status			Deviations and Reasons
	Yes	No	Summary	
	✓		<p>The company conducts all collaborations with customers in accordance with internal regulations and the terms of contracts signed by both parties to safeguard mutual interests. A dedicated contact is assigned to communicate with customers and handle related matters.</p> <p>(VIII)Purchase of liability insurance for directors:</p> <p>The company has purchased liability insurance for directors and managers, and conducts regular assessments of the coverage amount each year. The insurance status is reported to the Board of Directors.</p>	
<p>IX. Explain the improvements made based on the corporate governance evaluation results published by the Corporate Governance Center of the Taiwan Stock Exchange in the most recent year, and identify priority areas for further strengthening and the corresponding measures for areas that have not yet been improved.</p> <p>(I) To strengthen corporate governance, the company has made improvements based on the results of the corporate governance evaluation. The following actions were completed in 2025:</p> <ol style="list-style-type: none"> 1. Strengthening board structure and operations: Independent directors account for more than one-half of the Board of Directors' seats. 2. Enhancing information transparency: Publication of the Annual Report disclosed in English. <p>(II) Planned improvements for 2026 include:</p> <ol style="list-style-type: none"> 1. Convene the Annual General Meeting of Shareholders before the end of May. 2. Establish a Nominating Committee. 				

(IV) If the company has established a Remuneration Committee or Nomination Committee, the composition and operation of the committee must be disclosed.

1. Information on the members of the Remuneration Committee

March 31, 2026

Criteria		Professional Qualifications and Experience	Independence Status	Number of Other Public Companies Where the Individual is Serving as a Remuneration Committee Member
Title	Name			
Independent Director (convener)	Shu-Chun Huang	Please refer to the company's annual report, Chapter 2. Corporate Governance Report, I. Information on Directors, (IV) Professional Qualifications of Directors and Independent Analysis of Independent Directors.	1. The company's four independent directors met the qualification requirements stipulated in the "Regulations Governing Appointment of Independent Directors and Compliance Matters for Public Companies" and Article 14-2 of the Securities and Exchange Act for the two years prior to their appointment and during their tenure. They have also been granted full decision-making and opinion-expressing powers in accordance with Article 14-3 of the Securities and Exchange Act, allowing them to perform their duties independently. 2. In the two years prior to their appointment and during their tenure, there has been no violation of the independence requirements stipulated in Article 6 of the "Regulations Governing the Appointment and Exercise of Powers by the Remuneration Committee of a Company Whose Stock is Listed on the Taiwan Stock Exchange or the Taipei Exchange."	3
Independent Director	Chun-Yi Hsu			None
Independent Director	Jen-Chi Lu			1
Independent Director	Hsuan Wang			1

2. Responsibilities of the Remuneration Committee

The Remuneration Committee performs its duties in good faith and with the care of a prudent manager. Its responsibilities include the following, with recommendations submitted to the board for discussion:

- (1) Regularly review the company's "Remuneration Committee Organizational Regulations" and propose amendments.
- (2) Establish and periodically review the policies, systems, standards, and structure for the remuneration of directors and managers.
- (3) Regularly evaluate the remuneration packages and amounts for directors and managers.

3. Remuneration Committee operations

- (1) The company's Remuneration Committee consists of 4 members.
- (2) Current term of the committee members: July 1, 2025 to June 16, 2028. The Remuneration Committee held four meetings in the most recent fiscal year [A]. The qualifications and attendance of the members are as follows:

Title	Name	Attendance in Person [B]	By Proxy	Attendance Rate (%) [B/A]	Note
Convener	Shu-Chun Huang	4	0	100%	June 17, 2025 Annual General Meeting of Shareholders: Re-elected as a director of the seventh term (independent director), and reappointed as a member of the Remuneration Committee on July 1, 2025.
Committee Member	Chun-Yi Hsu	4	0	100%	
Committee Member	Jen-Chi Lu	4	0	100%	
Committee Member	Hsuan Wang	2	0	100% (Required attendance: 2 times)	

Other matters to be included:

- I. If the Board of Directors does not adopt or modifies the recommendations of the Remuneration Committee, the company shall specify the date of the board meeting, session, proposal, the resolution of the board, and the company's response to the committee's opinions (if the board-approved remuneration is more favorable than that recommended by the committee, the differences and reasons shall be specified): Not applicable.
- II. If any member of the Remuneration Committee expresses an objection or reservation regarding a resolution, and such opinion is recorded or stated in writing, the company shall specify the date of the committee meeting, session, proposal, all members' opinions, and the committee's response to those

opinions: Not applicable.

III. Discussion topics and resolutions of the Remuneration Committee in the most recent fiscal year:

Meeting Date and Session	Proposal	Resolution	Company's Response
2025.03.04 9th Meeting of the 2nd Term	<ol style="list-style-type: none"> 1. Approval of the 2025 salary adjustment plan for managers. 2. Approval of the 2024 compensation allocation plan for employees and directors. 3. Approval of the 2024 compensation allocation plan for individual directors 	Unanimously approved by attending committee members.	Submitted to the Board of Directors and approved by the attending directors.
2025.05.06 10th Meeting of the 2nd Term	Approval of the 2024 cash distribution of employee compensation for managers.		
2025.07.29 1st Meeting of the 3rd Term	Proposal on independent director remuneration.		
2025.12.17 2nd Meeting of the 3rd Term	Approval of the 2025 operational bonus allocation plan for managers.		

(V) Implementation of sustainable development initiatives and deviations from the Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies, and reasons for such deviations

Promotion Item	Implementation		Deviations and Reasons
	Yes	No	
I. Has the company established a governance structure for promoting sustainable development, designated a dedicated (or concurrent) unit responsible for its implementation, delegated authority to senior management by the Board of Directors, and ensured board oversight of these efforts?	✓		<p>(I) On October 31, 2023, the Board of Directors approved the "Risk Management Policy and Procedures" and established the "Sustainability and Risk Management Committee" under the board. The majority of the committee members are independent directors, with an independent director serving as chairperson. The "Sustainability Promotion Team" under the committee is convened by the general manager. This team consists of the Corporate Governance, Environmental Sustainability, Partnerships, and Employee and Social Impact task forces formed by representatives designated by heads of operating units. Each task force is responsible for managing sustainability issues according to its unit's area of authority, and serves as the execution body for the company's sustainability matters, consolidating the concerns and expectations of key stakeholders on various sustainability issues. A Risk Management Task Force is established under the Sustainability Promotion Team. It is composed of heads of operating units and is responsible for promoting and executing the company's risk management efforts. The task force evaluates the potential negative and positive impacts (including opportunities) that sustainability issues may pose and formulates short-, medium-, and long-term management policies and objectives. It is responsible for planning, implementing, and overseeing risk management-related matters. The company monitors implementation effectiveness through occasional meetings and issue-specific task forces to ensure that sustainability strategies are fully integrated into daily operations. The company also manages various risks that may affect the achievement of sustainability goals by embedding risk management into business activities and day-to-day management processes.</p> <p>(II) The current term for the Sustainability and Risk Management Committee consists of four independent directors (term: July 1, 2025 to June 16, 2028). The Committee convenes regularly at least twice a year. It reports to the Board of Directors at least once annually</p>

Promotion Item	Implementation				Deviations and Reasons																																					
	Yes	No	Summary																																							
			<p>regarding the execution outcomes and future work plans for sustainable development. The Board reviews the progress of various strategies to urge the management team to make necessary adjustments.</p> <p>1. Members of the Sustainability and Risk Management Committee:</p> <table border="1"> <thead> <tr> <th>Name/Title</th> <th>Sustainability Expertise Professional Knowledge and Capabilities</th> <th>Attendance in Person [B]</th> <th>By Proxy</th> <th>Attendance Rate (%) [B/A]</th> <th>Note</th> </tr> </thead> <tbody> <tr> <td>Hsuan Wang (Convener) / Independent Director</td> <td> <ul style="list-style-type: none"> Director of the Center for Sustainable Development and Social Responsibility, Yuan Ze University Practices of Organizational Greenhouse Gas Inventory </td> <td>2</td> <td>0</td> <td>100% (Required attendance: 2 times)</td> <td>June 17, 2025 Annual Shareholders' Meeting: Newly elected as a director of the seventh term (independent director), and appointed as a member of the Sustainability and Risk Management Committee on July 1, 2025.</td> </tr> <tr> <td>Shu-Chun Huang / Independent Director</td> <td> <ul style="list-style-type: none"> Upgrading Corporate Governance to Create a New Era of Talent Competitiveness Labor Human Rights Trends in Global Supply Chains and Sharing of Corporate Practices Corporate Governance in a Changing Environment </td> <td>4</td> <td>0</td> <td>100%</td> <td rowspan="2">June 17, 2025 Annual Shareholders' Meeting: Re-elected as a director of the seventh term (independent director), and reappointed as a member of the Sustainability and Risk Management Committee on July 1, 2025.</td> </tr> <tr> <td>Chun-Yi Hsu / Independent Director</td> <td> <ul style="list-style-type: none"> Leading Strategies for Corporate Sustainability in AI Transformation </td> <td>4</td> <td>0</td> <td>100%</td> </tr> <tr> <td>Jen-Chi Lu / Independent Director</td> <td> <ul style="list-style-type: none"> Global Net-Zero Emissions Trends, Practices of Organizational Greenhouse Gas Inventory IFRS Sustainability Disclosure Standards </td> <td>4</td> <td>0</td> <td>100%</td> <td></td> </tr> </tbody> </table> <p>2. The Committee convened four meetings in 2025, and the matters discussed included the following:</p> <table border="1"> <thead> <tr> <th>Meeting Date</th> <th>Session</th> <th>Proposal</th> <th>Resolution</th> </tr> </thead> <tbody> <tr> <td>2025.02.24</td> <td>5th Meeting of the 1st Term</td> <td> <ul style="list-style-type: none"> Proposal on the Impact Assessment of Risks (and Opportunities) Arising from Sustainability Issues Relevant to the Company's Operations </td> <td>Approved as proposed by the unanimous consent of all attending</td> </tr> </tbody> </table>		Name/Title	Sustainability Expertise Professional Knowledge and Capabilities	Attendance in Person [B]	By Proxy	Attendance Rate (%) [B/A]	Note	Hsuan Wang (Convener) / Independent Director	<ul style="list-style-type: none"> Director of the Center for Sustainable Development and Social Responsibility, Yuan Ze University Practices of Organizational Greenhouse Gas Inventory 	2	0	100% (Required attendance: 2 times)	June 17, 2025 Annual Shareholders' Meeting: Newly elected as a director of the seventh term (independent director), and appointed as a member of the Sustainability and Risk Management Committee on July 1, 2025.	Shu-Chun Huang / Independent Director	<ul style="list-style-type: none"> Upgrading Corporate Governance to Create a New Era of Talent Competitiveness Labor Human Rights Trends in Global Supply Chains and Sharing of Corporate Practices Corporate Governance in a Changing Environment 	4	0	100%	June 17, 2025 Annual Shareholders' Meeting: Re-elected as a director of the seventh term (independent director), and reappointed as a member of the Sustainability and Risk Management Committee on July 1, 2025.	Chun-Yi Hsu / Independent Director	<ul style="list-style-type: none"> Leading Strategies for Corporate Sustainability in AI Transformation 	4	0	100%	Jen-Chi Lu / Independent Director	<ul style="list-style-type: none"> Global Net-Zero Emissions Trends, Practices of Organizational Greenhouse Gas Inventory IFRS Sustainability Disclosure Standards 	4	0	100%		Meeting Date	Session	Proposal	Resolution	2025.02.24	5th Meeting of the 1st Term	<ul style="list-style-type: none"> Proposal on the Impact Assessment of Risks (and Opportunities) Arising from Sustainability Issues Relevant to the Company's Operations 	Approved as proposed by the unanimous consent of all attending	
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Promotion Item	Implementation				Deviations and Reasons	
	Yes	No	Summary			
				<ul style="list-style-type: none"> •Proposal for the Company's Management Strategies and Targets for Material Sustainability Issues 	committee members, and submitted to the Board of Directors for reporting.	
			2025.05.02	6th Meeting of the 1st Term	<ul style="list-style-type: none"> •Proposal for the 2024 Greenhouse Gas Inventory and Assurance Status Report •Proposal for the 2024 Greenhouse Gas Reduction Status Report 	
			2025.07.25	1st Meeting of the 2nd Term	<ul style="list-style-type: none"> •Proposal for the 2024 Sustainability Report 	Approved as proposed by the unanimous consent of all attending committee members, and submitted to the Board of Directors for approval by the attending directors.
			2025.10.24	2nd Meeting of the 2nd Term	<ul style="list-style-type: none"> •Proposal for the 2025 Corporate Governance Operations and Ethical Corporate Management Implementation Status Report •Proposal for the 2025 Stakeholder Communication Status Report •Proposal for the 2025 Competence Assessment of the Assurance Institution for the Company's Sustainability Information 	Approved as proposed by the unanimous consent of all attending committee members, and submitted to the Board of Directors for reporting.
II. Has the company conducted risk assessments of ESG issues related to its operations based on the materiality principle, and established corresponding risk management policies or strategies?	✓		<p>The Company bases its approach on the GRI 2021 Standards (GRI Standards) - "GRI 3: Material Topics 2021." It also references the sustainability impact guidelines from the IFRS Sustainability Disclosure Standards (IFRS) and the European Sustainability Reporting Standards (ESRS). Applying the principle of "Double Materiality," the Company incorporates sustainability impacts into Impact Materiality and Financial Materiality to construct a materiality analysis methodology. The Company determines material sustainability issues through six primary steps: (1) understanding the organizational context; (2) identifying the impact materiality of external impacts; (3) identifying the financial materiality of internal impacts; (4) formulating management approaches for sustainability issues; (5) integrating governance and accountability; and (6) correlating with sustainability reporting topics and indicators.</p> <p>In 2025, the scope of the sustainability risk assessment focused on evaluating the impacts of the company's operational activities on various sustainability aspects—specifically, their effects on society, the environment, people, and human rights (external impacts), as well as the resulting financial impacts on the company from the need to manage those external impacts</p>		None.	

Promotion Item	Implementation		Deviations and Reasons	
	Yes	No		Summary
			(internal impacts). The company produced a sustainability impact analysis by weighing internal and external impacts. Following a comprehensive review and evaluation by the "Risk Management Task Force" under the Sustainability Promotion Team, the issues were identified as material topics. The company continues to develop corresponding sustainability goals and implement necessary measures to reduce the impact of related sustainability risks. Please refer to "VII. Other important information that facilitates an understanding of sustainable development implementation" for additional details.	
<p>III. Environmental issues</p> <p>(I) Has the company established an appropriate environmental management system based on the characteristics of its industry?</p>	✓		<p>As a professional IC design company focused on IC research and development, the company outsources all manufacturing processes and is not directly engaged in production. In accordance with environmental regulations set by the Ministry of Environment, the company has established an "Environmental Control Procedure" to ensure proper waste disposal in workplaces and laboratories, implement recycling, maintain a clean environment, prevent pollution, safeguard employee health and safety, reduce waste, and enhance resource reuse. The company also conducts an annual greenhouse gas inventory in accordance with ISO 14064-1:2018 to track the effectiveness of emission reduction efforts.</p> <p>Additionally, under the ISO 9001 framework, the company has established an Environmental Substance Management System and implemented green supply chain management. This includes sourcing products that comply with EU environmental regulations (such as the RoHS Directive and REACH) and other relevant international environmental standards (HSF policy). The company verifies supplier-provided material inspection certificates to ensure that the delivered raw materials do not contain environmentally hazardous restricted substances.</p> <p>The company has established a Green Product Management System based on regulatory requirements across different countries and customer demands, focusing on environmentally restricted substances that may pose risks to ecosystems, the environment, and human health. The company has formulated the "Environmentally Restricted Substances Management Procedure," which clearly outlines compliance requirements for suppliers and provides for ongoing audits and oversight to ensure the effective operation of the Green Product</p>	None.

Promotion Item	Implementation			Deviations and Reasons																																																											
	Yes	No	Summary																																																												
			Management System. The company is recognized as a long-term partner under the SAMSUNG ECO Partner program and is certified as a green partner by SONY GP.																																																												
(II) Is the company committed to improving energy efficiency and using environmentally friendly renewable materials?	✓		<p>The company actively promotes various energy reduction measures by selecting office equipment with high energy efficiency and energy-saving designs to reduce overall energy consumption. Since 2023, the company has been evaluating renewable energy usage plans and has expanded renewable energy use each year to optimize energy efficiency. The short-term goal is to have renewable energy account for 15% of total energy consumption by 2025, and the mid-term goal is to reach 50% by 2030. In 2025, 81.65% of the energy used was non-renewable electricity purchased from Taipower, while 18.35% was solar power supplied through Taipower's grid. A total of 165 renewable energy certificates were obtained.</p> <table border="1"> <thead> <tr> <th rowspan="2">Category</th> <th rowspan="2">Item</th> <th>2024</th> <th colspan="2">2025</th> </tr> <tr> <th>Consumption (GJ)</th> <th>Consumption (GJ)</th> <th>Consumption (GJ)</th> </tr> </thead> <tbody> <tr> <td colspan="2">Scope</td> <td>Headquarters</td> <td>Headquarters</td> <td>Taipei Office</td> </tr> <tr> <td rowspan="3">Direct Energy (A)</td> <td>Natural gas</td> <td>-</td> <td>-</td> <td>-</td> </tr> <tr> <td>Diesel fuel</td> <td>-</td> <td>-</td> <td>-</td> </tr> <tr> <td>Gasoline</td> <td>-</td> <td>-</td> <td>-</td> </tr> <tr> <td>Indirect Energy (B)</td> <td>Purchased electricity (Excluding renewable energy)</td> <td>2,626.11</td> <td>2,498.00</td> <td>126.79</td> </tr> <tr> <td>Non-renewable energy (C)</td> <td>(A)+(B)</td> <td>2,626.11</td> <td>2,498.00</td> <td>126.79</td> </tr> <tr> <td rowspan="3">Renewable energy (F)</td> <td>Self-generated for self-consumption (D)</td> <td>-</td> <td>-</td> <td>-</td> </tr> <tr> <td>Procurement (E)</td> <td>349.58</td> <td>561.24</td> <td>-</td> </tr> <tr> <td>(D)+(E)</td> <td>349.58</td> <td>561.24</td> <td>-</td> </tr> <tr> <td>Total energy (G)</td> <td>(C)+(F)</td> <td>2,975.69</td> <td>3,059.24</td> <td>126.79</td> </tr> <tr> <td>Renewable energy percentage (H)</td> <td>(F)/(G)</td> <td>11.75%</td> <td>18.35%</td> <td>-</td> </tr> </tbody> </table>	Category	Item	2024	2025		Consumption (GJ)	Consumption (GJ)	Consumption (GJ)	Scope		Headquarters	Headquarters	Taipei Office	Direct Energy (A)	Natural gas	-	-	-	Diesel fuel	-	-	-	Gasoline	-	-	-	Indirect Energy (B)	Purchased electricity (Excluding renewable energy)	2,626.11	2,498.00	126.79	Non-renewable energy (C)	(A)+(B)	2,626.11	2,498.00	126.79	Renewable energy (F)	Self-generated for self-consumption (D)	-	-	-	Procurement (E)	349.58	561.24	-	(D)+(E)	349.58	561.24	-	Total energy (G)	(C)+(F)	2,975.69	3,059.24	126.79	Renewable energy percentage (H)	(F)/(G)	11.75%	18.35%	-	None.
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Promotion Item	Implementation		Deviations and Reasons
	Yes	No	
			<p>Considering the potential environmental impact of IC manufacturing processes, the company uses low-hazard chemical materials that comply with current regulatory requirements from the early stages of product design and development. During initial material selection, environmentally restricted substance requirements are included in the review criteria. An "Environmental Substance Management Team" has been established to promote environmental substance management. The company has also formulated the "Environmentally Restricted Substances Management Procedure," which strictly regulates substances with high environmental impact. In accordance with the procedure, all product material bills of materials (BOM) and environmental testing reports are reviewed to ensure that all raw materials and packaging materials are hazardous-substance free (HSF) and comply with the latest international environmental regulations and customer environmental requirements.</p>
(III) Has the company assessed the potential risks and opportunities that climate change may pose to its current and future operations, and adopted corresponding response measures?	✓		<p>According to the Global Risks Report published annually by the World Economic Forum (WEF), climate change-related issues have long been identified as one of the most significant risks. The company recognizes the impact of climate change on its operations and the potential related challenges. Based on an assessment of its business operations and industry characteristics, the company operates in a low-energy-consumption and low-emission industry. However, considering climate change is a global issue affecting the entire supply chain, it is essential to proactively understand and address its impact. The company follows the Recommendations of the Task Force on Climate-related Financial Disclosures (TCFD) to build its governance and management capabilities for climate change, laying the foundation for adaptation and mitigation, while addressing climate-related issues along with stakeholders. For information regarding the company's identification and assessment of climate-related risks and opportunities, as well as the corresponding results and response measures, please refer to 1. Implementation of climate-related information under Company's climate-related disclosures.</p>

Promotion Item	Implementation			Deviations and Reasons										
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Indicators and Objectives	Climate-related management indicators have been established, and the progress toward these targets is reviewed regularly.													
(IV) Has the company compiled statistics on its greenhouse gas emissions, water consumption, and total waste volume over the past two years, and	✓		The company is a professional IC design firm engaged in product design, research and development, and sales. Manufacturing processes such as wafer fabrication, packaging, and testing are outsourced to specialized foundries; therefore, the company does not generate manufacturing-related waste or wastewater.	None.										

Promotion Item	Implementation		Deviations and Reasons									
	Yes	No		Summary								
established policies for reducing greenhouse gas emissions, conserving water, or other waste management?			<p>1. Greenhouse gas emissions The company completed the ISO 14064-1:2018 greenhouse gas inventory and third-party verification for the year 2025. The main source of emissions is purchased electricity, while the remainder comes from fugitive emissions. The company has no stationary or mobile emission sources and no process-related emissions due to the absence of manufacturing operations. For information on the company's greenhouse gas emissions, assurance status, and reduction policies over the past two years, please refer to 1-1 Company greenhouse gas inventory and assurance status for the past two years under Company's climate-related disclosures.</p> <p>2. Water consumption (data coverage: Sensortek Headquarters) Water usage primarily comes from general domestic use and the cooling towers of the air conditioning system.</p> <table border="1"> <thead> <tr> <th>Year</th> <th>Water Consumption (million liters)</th> <th>Water Intensity (million liters/m²)</th> </tr> </thead> <tbody> <tr> <td>2024</td> <td>3.25</td> <td>0.00067</td> </tr> <tr> <td>2025</td> <td>3.85</td> <td>0.00079</td> </tr> </tbody> </table> <p>Note: Water intensity = water consumption (million liters)/floor area (m²)</p> <p>The office building where the Company is located is equipped with a rainwater recovery system to recycle and reuse rainwater. The Company utilizes water-saving labeled faucets, toilets, and urinals, and adjusts faucet water flow to appropriate volumes to prevent the waste of water resources. The Company continually promotes the concept of water conservation to employees. The Company will also discuss and track public water usage with building management to ensure no abnormal leaks exist within the building's water facilities, in addition to internal water-saving schemes. The target is to reduce water consumption by 1% annually. However, water consumption in 2025 increased by 18% compared to 2024, primarily due to an increase in the number of employees.</p>	Year	Water Consumption (million liters)	Water Intensity (million liters/m ²)	2024	3.25	0.00067	2025	3.85	0.00079
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Promotion Item	Implementation			Deviations and Reasons																	
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			<p>3. Total waste volume (data coverage: Sensortek Headquarters)</p> <p>Waste comes from household garbage, which is divided into general waste, kitchen waste, and recyclable materials. Employees gather the waste in a temporary storage area. Then, the cleaning company confirms the recycling classification and transports it to the designated recycling area in the Tai Yuen Hi-Tech Industrial Park. The waste is then handled by a qualified waste disposal company, which takes it to the incineration plant for treatment. Additionally, defective ICs produced through outsourcing are recycled in-house, as well as a small amount of business waste from product development and testing, including general business waste and electronic waste (such as wafers, plastics/coils/films, discarded ICs, gold-plated boards, etc.). The company entrusts the handling to qualified disposal companies.</p> <table border="1"> <thead> <tr> <th rowspan="2">Year</th> <th>Household Waste</th> <th>Hazardous Waste</th> <th rowspan="2">Total Weight (metric tons)</th> <th rowspan="2">Density</th> </tr> <tr> <th>Direct Disposal</th> <th>Recycling and Reuse</th> </tr> </thead> <tbody> <tr> <td>2024</td> <td>7.14</td> <td>1.87</td> <td>9.01</td> <td>0.00182</td> </tr> <tr> <td>2025</td> <td>6.72</td> <td>2.66</td> <td>9.38</td> <td>0.00206</td> </tr> </tbody> </table> <p>Note 1: The statistics for household waste are based on the total waste generation per phase in the Tai Yuen Hi-Tech Industrial Park, where our office is located, divided by the total number of people at the park, then multiplied by our company's estimated number of employees.</p> <p>Note 2: Density = total weight (metric tons)/revenue (NT\$ million)</p> <p>Our company reduces business waste generation through three measures: source reduction, reducing product scrap, and circular economy. We manage waste at the source by improving process technologies in the outsourced production supply chain and reducing raw material usage. Higher product yields and lower return rates reduce waste from products failing to meet shipping standards and scrap from un-reworkable sales returns. Industrial waste is entrusted to professional waste disposal vendors for gold</p>	Year	Household Waste	Hazardous Waste	Total Weight (metric tons)	Density	Direct Disposal	Recycling and Reuse	2024	7.14	1.87	9.01	0.00182	2025	6.72	2.66	9.38	0.00206	
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			<p>recovery and recycling processes to mitigate environmental impacts and further achieve a circular economy. The Company targets a 1% annual reduction in industrial waste weight. Total industrial waste amounted to 2.66 metric tons in 2025, representing an increase from 2024 due to the scrapping of defective production items.</p> <p>4. The building where the company is located has obtained the silver-level green building certification. It meets green building standards in terms of daily energy saving, carbon dioxide reduction in buildings, water resources (household water saving), and ventilation. The office area is designed with energy-saving and carbon-reduction considerations: (1) LED lighting is used throughout, (2) the air conditioning system has been upgraded with forced return air equipment to enhance cooling efficiency; automatic on/off scheduling is set and integrated with the security system to ensure air conditioning is turned off during non-working hours, reducing energy consumption, (3) a high-efficiency green data center is established with a hot and cold aisle separation mechanism and intelligent load control to reduce air conditioning load and improve efficiency. The data center management system builds a green data center using hyper-converged infrastructure (HCI), pre-integrating computing, storage, and networking components to reduce electricity usage and increase overall power usage effectiveness (PUE).</p>	
<p>IV. Social issues</p> <p>(I) Does the company have relevant management policies and procedures in place in accordance with applicable regulations and international human rights conventions?</p>	✓		<p>1. The company strictly adheres to domestic labor and related regulations, supports and follows the principles and spirit outlined in international human rights conventions such as the Universal Declaration of Human Rights, the Guiding Principles on Business and Human Rights, the United Nations Global Compact, and the International Labor Organization's Declaration on Fundamental Principles and Rights at Work. The company has established its human rights policy, and promotes and recognizes human rights protection among employees, partners, and customers. We expect that all stakeholders, including but not limited to employees, partners, and customers, are treated fairly and with dignity.</p> <p>2. The company's main human rights concerns and specific practices are as follows:</p>	None.

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			<p>3. The company recognizes human rights protection issues and conducts human rights-related education and training for employees to raise awareness of human rights protection. The Company organized an online course titled "Occupational Safety and Health Continuing Education and Training (Covering Chemicals, Unlawful Infringement, and Sexual Harassment Prevention)" in December 2025. A total of 208 employees registered, with 192 actually participating, yielding a training completion rate of 92%.</p> <p>4. The Company has established the "Sensortek Technology Corp. Supplier Code of Conduct" in accordance with the Code of Conduct of the Responsible Business Alliance (RBA). The contents are derived from the provisions of the "UN Guiding Principles on Business and Human Rights" and comply with internationally recognized standards, including the International Labor Organization's (ILO) "Declaration on Fundamental Principles and Rights at Work" and the UN "Universal Declaration of Human Rights," thereby driving the supply chain to focus on human rights issues.</p> <p>The Company requires new suppliers to sign a written commitment to comply with the "Sensortek Technology Corp. Supplier Code of Conduct," requires key suppliers to</p>							

Promotion Item	Implementation		Summary	Deviations and Reasons														
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			<p>conduct an annual self-assessment based on this Code of Conduct to thoroughly understand their current status, and reviews supplier responses to labor-focused surveys to effectively manage potential human rights risks. A total of 13 key suppliers returned the self-assessment questionnaire in 2025, and 2 key suppliers provided RBA certificates (achieving a coverage rate of 79%).</p> <table border="1"> <tr> <td>Labor Aspect Survey Items</td> <td>Suppliers are committed to respecting the human rights of workers and treating them with dignity. This applies to all direct and indirect suppliers, as well as all workers, including temporary workers, migrant workers, students, contract workers, direct employees, and any other types of workers.</td> </tr> <tr> <td>Prohibition of Forced Labor</td> <td>All forms of forced labor are strictly prohibited.</td> </tr> <tr> <td>Young Workers</td> <td>The use of child labor is strictly prohibited in any manufacturing process.</td> </tr> <tr> <td>Working Hours</td> <td>Working hours must not exceed the maximum limit prescribed by local laws.</td> </tr> <tr> <td>Wages and Benefits</td> <td>Wages paid to workers must comply with all applicable compensation laws, including those concerning minimum wage, overtime, and statutory benefits.</td> </tr> <tr> <td>Anti-Discrimination / Anti-Harassment / Humane Treatment</td> <td>Suppliers must commit to providing a workplace free of harassment and unlawful discrimination.</td> </tr> <tr> <td>Freedom of Association and Collective Bargaining</td> <td>Open communication and direct engagement between employees and management constitute the most effective approach to resolving workplace and compensation issues.</td> </tr> </table>	Labor Aspect Survey Items	Suppliers are committed to respecting the human rights of workers and treating them with dignity. This applies to all direct and indirect suppliers, as well as all workers, including temporary workers, migrant workers, students, contract workers, direct employees, and any other types of workers.	Prohibition of Forced Labor	All forms of forced labor are strictly prohibited.	Young Workers	The use of child labor is strictly prohibited in any manufacturing process.	Working Hours	Working hours must not exceed the maximum limit prescribed by local laws.	Wages and Benefits	Wages paid to workers must comply with all applicable compensation laws, including those concerning minimum wage, overtime, and statutory benefits.	Anti-Discrimination / Anti-Harassment / Humane Treatment	Suppliers must commit to providing a workplace free of harassment and unlawful discrimination.	Freedom of Association and Collective Bargaining	Open communication and direct engagement between employees and management constitute the most effective approach to resolving workplace and compensation issues.	
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(II) Has the company established and implemented reasonable employee welfare measures (including compensation, leave, and other benefits), and appropriately reflect business performance or results in employee compensation?	✓		<p>1. Employee compensation The company's compensation policy includes a fixed monthly salary, year-end bonuses, and a fixed percentage of operational bonuses based on company profits. In accordance with Article 18-1 of the company's Articles of Incorporation, if the company is profitable in a given year, no more than 25% and no less than 1% of the profits shall be allocated for employee compensation, and no more than 1% for director compensation. However, if the company has accumulated losses, the amount needed to cover such losses shall first be reserved before allocating employee and director compensation based on the</p>	None.														

Promotion Item	Implementation		Deviations and Reasons
	Yes	No	
			<p>aforementioned percentage. Of the total employee compensation amount, no less than 50% shall be distributed to entry-level employees.</p> <p>Business performance or results are reflected in employee compensation, and annual performance evaluations are conducted to measure employees' contributions to achieving organizational goals. These evaluations are a reference for reward and compensation decisions.</p> <p>2. Employee welfare measures</p> <p>In addition to providing a comfortable working environment, the company offers a flexible leave system and vacation calculations that are better than those required by the Labor Standards Act. Employees also receive an annual free health checkup, travel subsidies, and various other welfare measures. Please refer to the company's annual report, Chapter 4. Operations Overview, V. Labor Relations.</p> <p>3. Workplace diversity and equality</p> <p>The company's human resources policies do not discriminate based on gender, race, socio-economic status, age, marital or family status, ensuring equality and fairness in employment, hiring conditions, compensation, benefits, training, performance evaluations, and promotion opportunities. The company is an IC design company in the semiconductor industry, with research and development capabilities as its core competitive strength. In 2025, R&D and engineering personnel accounted for 73.33% of the total workforce, primarily from the electronics and electrical fields. Female employees make up 29.05%, while female managers account for 10.87%. Although the R&D and management are composed of mostly male employees, the company continues to seek and recruit female employees, and strives to create a gender-equal work environment to increase the proportion of female managers. Additionally, the company respects the rights of persons with disabilities and complies with relevant legal regulations. In accordance with Article 38 of the People with Disabilities Rights Protection Act, the company has hired two persons with disabilities, fulfilling the required quota, and provides fair and</p>

Promotion Item	Implementation			Deviations and Reasons
	Yes	No	Summary	
			diverse employment opportunities.	
(III) Does the company provide a safe and healthy work environment for employees and regularly conduct safety and health education for them?	✓		<p>1. The company provides a safe and healthy work environment, with various office facilities prioritized to protect employee safety. We comply with occupational safety and health regulations to reduce hazards in the workplace, prevent occupational accidents, and ensure the safety and health of employees. The Human Resources and Administration Department is the responsible unit for occupational safety and health. In accordance with the requirements of the Regulations Governing Occupational Safety and Health, a Class A occupational safety and health supervisor is appointed. The department is dedicated to providing a safe, hygienic, and healthy office environment. It is responsible for formulating, planning, and promoting safety and health management matters, continuously advancing a safe working environment and the prevention of occupational accidents.</p> <p>(1) The company is located within the Tai Yuen Hi-Tech Industrial Park. The building has security management on the first floor, and the elevator enforces floor access control, requiring a key card to reach the company's floor. All external entrances to the company are equipped with access control and surveillance cameras to prevent unauthorized entry and protect employees from potential threats. An internal "Legal Infringement and Sexual Harassment Complaint Mailbox" is provided as a channel for complaints. Additionally, an "Illegal Infringement Survey" is distributed annually to ensure that no employees are subjected to inappropriate behavior or treatment. The Company randomly sampled 10 employees in 2025 to investigate the presence of internal unlawful infringement, with all results indicating no such incidents. The Company also sampled 3 managers to determine whether behaviors such as nitpicking, yelling, belittling, or denying leave occurred toward subordinates, with all results similarly indicating no incidents of unlawful</p>	None.

Promotion Item	Implementation		Deviations and Reasons
	Yes	No	
			<p>infringement.</p> <p>(2) Fire safety personnel are designated to conduct daily checks on electrical usage and fire sources. Monthly inspections of fire escape facilities and fire safety equipment are carried out. Annually, a professional safety agency is engaged to conduct office electrical detection tests for smoke dampers, smoke detectors, and fire alarm systems to ensure proper operation of all firefighting equipment. Fire drills are conducted twice a year in coordination with the building management unit to enhance emergency response capabilities during disasters. Additionally, employees are assigned to attend fire safety training annually to further improve their ability to respond to emergencies. The Company organized "Fire Survival Techniques," "Self-Defense Fire Response Team Drills," and "Tai Yuen Hi-Tech Industrial Park Fire Organization Training" in 2025. A total of 222 employees registered, with 213 actually participating, to yield a training completion rate of 96%.</p> <p>(3) Professional cleaning staff are hired to clean the office environment daily, manage kitchen waste recycling, and sort trash. Recycling bins that comply with environmental regulations and are clearly labeled are also provided. Occasionally, environmental protection and waste sorting regulations are promoted to all employees. Total general domestic waste amounted to 6.72 metric tons in 2025, representing a 6% decrease from 2024.</p> <p>(4) The Company commissions professional agencies annually to test carbon dioxide concentrations in the office working environment and lead concentrations in the soldering area to provide a safe and healthy working environment for employees. All test results comply with regulatory standards. The Company also conducts autonomous annual assessments of office noise, lighting, temperature, humidity, and ventilation to maintain all conditions at optimal levels.</p> <p>2. The company values employee health and invests resources in strengthening occupational disease prevention, providing employees with comprehensive workplace healthcare.</p>

Promotion Item	Implementation		Deviations and Reasons
	Yes	No	
			<p>(1) An annual health checkup is conducted for all employees, followed by a consultation with a doctor. Employees can discuss the results of their health checkup with the doctor and receive health guidance.</p> <p>(2) The company provides on-site health services, including a designated doctor visit four times a year and a nurse visit four times a month, each session lasting two hours. In addition to routine health care and guidance, maternity health protection, and managing excessive workload, employees can also schedule consultations if they have any physical or mental health concerns.</p> <p>(3) On-site nurses use employee health questionnaires to analyze potential personal health risks and assist employees with health management and promotion, preventing occupational injuries and the development of chronic diseases. Health risks are classified based on employee health checkup reports, with health interviews conducted according to the different risk levels.</p> <p>(4) Employee health promotion activities are organized occasionally, and rewards are provided to encourage employees to improve their physical health.</p> <p>(5) The Employee Assistance Program (EAP) provides a platform for employee well-being, reminding employees to prioritize health management and relieve stress when needed. The company continues to promote the establishment of a supportive work environment, focusing on the physical and mental well-being of employees.</p> <p>3. The company provides various workplace safety training to address the situations employees may encounter, including fire safety training, first aid training, general safety and health education, and occupational safety and health supervisor training. The company has established a dedicated health promotion section on the internal website, occasionally providing health-related information.</p> <p>4. In 2025, there were no employee occupational accidents.</p> <p>5. In 2025, there were no fire incidents.</p>

Promotion Item	Implementation			Deviations and Reasons
	Yes	No	Summary	
(IV) Does the company have an effective career development training program for employees?	✓		<ol style="list-style-type: none"> 1. The company places great importance on talent training and development. We have established an "Education and Training Management Procedure" to encourage employees to participate in various educational training courses and technical seminars. An annual budget is allocated for both internal and external training programs to enhance employees' career skills. Through experience sharing and knowledge transfer, we aim to achieve mutual improvement and growth. Please refer to the company's annual report, Chapter 4. Operations Overview, V. Labor Relations. 2. The company focuses on meeting operational needs by maintaining a comprehensive talent pool. Considering the development objectives from different perspectives, we offer complete training plans to ensure a strong overall talent base. Additionally, we strengthen the leadership and management capabilities of all levels of management, including senior executive development, leadership development for supervisors, and professional skill cultivation. By establishing individual development plans, we help supervisors and employees continuously enhance their career sustainability through a diverse and comprehensive education and training system. 	None.
(V) Does the company comply with relevant regulations and international standards regarding customer health and safety for products and services, customer privacy, marketing, and labeling? Has the company established policies and complaint procedures to protect consumer or customer rights?	✓		<ol style="list-style-type: none"> 1. The Company is committed to providing safe, compliant, and high-quality products. The production process strictly adheres to international hazardous substance regulations to prohibit the use of materials harmful to the human body and the environment. The Company proactively executes the IEC 60825 Eye Safety Test for distance sensing products utilizing laser light. This ensures the products achieve a Class-1 safety rating to eliminate the risk of visual impairment. All products must undergo rigorous quality control inspections prior to shipment. Furthermore, product labeling complies with RoHS and halogen-free product certifications to ensure product quality meets customer requirements. 2. The company adheres to a customer-oriented service strategy. In addition to continuously innovating and developing sensor technologies to maintain product quality stability, we provide real-time technical support services to foster long-term collaborative development 	None.

Promotion Item	Implementation		Deviations and Reasons
	Yes	No	
			<p>relationships with customers, enhancing customer loyalty. To gain a deeper understanding of customer product needs, the product planning team holds online meetings occasionally or visits customers on-site for communication. For key customers, dedicated personnel are stationed locally to provide ongoing technical support services, helping customers resolve technical issues promptly. An annual customer satisfaction survey is conducted based on the "Customer Satisfaction Process," with results collected through questionnaires. Specific improvement measures are proposed based on the feedback to continuously enhance customer service quality. The top ten end customers' "Customer Satisfaction Survey" response rate for 2025 was 100%, with an average customer satisfaction score of 90.82%. The Company failed to achieve the set annual target (92%). Consequently, the Company has conducted relevant analysis and reviews based on customer feedback and formulated improvement approaches. The customer satisfaction target remains at 92% for 2026, with continuous efforts and expectations dedicated to achieving optimal customer satisfaction.</p> <p>The company maintains close communication with customers, values their feedback, and continuously monitors customer needs. We have established a "Customer Service and Complaint Handling Procedure," and integrated customer technical support requests and complaint handling information through the "Customer Service Management System." The initial technical service team responds promptly to customer needs. If the issue cannot be resolved immediately, the defective product is transferred to the quality assurance team for clarification. Once an effective sample that can be analyzed and relevant circuit information are received, responsibility is assigned for general cases within three to seven business days. Root cause analysis is conducted, and corresponding improvement measures are proposed. The process is documented in the "Customer Service Handling Form" for performance tracking, with the goal of meeting customer technical support needs and preventing further complaints through proactive service and actions. The quality assurance team has a dedicated customer complaint service contact,</p>

Promotion Item	Implementation			Deviations and Reasons
	Yes	No	Summary	
			responsible for monthly statistics on complaints and returns. Through weekly quality meetings, effective solutions for product issues and improvement measures are identified. Simultaneously, a review and tracking of various issues are conducted to prevent recurrence.	
(VI) Has the company established a supplier management policy that requires suppliers to comply with relevant regulations on environmental protection, occupational safety and health, or labor rights, and how is the implementation of these requirements monitored?	✓		<p>The Company is dedicated to establishing a robust and sustainable supply chain. The Company ensures suppliers comply with standards regarding quality, environmental protection, occupational safety and health, and labor rights through the "Supplier Management Procedures." To further strengthen supply chain management and social responsibility, the company has established the "Supplier Sustainability Management Guidelines." Based on the importance of suppliers to the company's sustainable development in the economic, environmental, and social aspects, different risk weights are assigned. The evaluation results are categorized into low, medium, and high risk levels, with corresponding management actions taken to build a sustainable supply chain.</p> <ol style="list-style-type: none"> 1. The Company has established the Sensortek Technology Corp. "Supplier Code of Conduct" with reference to the Code of Conduct of the Responsible Business Alliance (RBA) and the "UN Guiding Principles on Business and Human Rights." The provisions therein are derived from and comply with internationally recognized standards, including the International Labor Organization's (ILO) "Declaration on Fundamental Principles and Rights at Work" and the UN "Universal Declaration of Human Rights." The Company requires suppliers to comply with sustainable management dimensions, including labor, health and safety, environmental protection, ethics, and management systems. Furthermore, the Company requires new suppliers to issue a written commitment to comply with the Sensortek Technology Corp. Supplier Code of Conduct. 2. Supplier management includes the evaluation of new suppliers, regular evaluations of qualified suppliers, and annual audits to ensure that suppliers' operations comply with the company's standards, thereby maintaining the quality and sustainable development of the supply chain. 	None.

Promotion Item	Implementation		Deviations and Reasons
	Yes	No	
			<p>(1) New suppliers The evaluation covers multiple indicators, including quality, process capability, environmental management, and occupational safety and health, to ensure the quality and technical capabilities of our partners. Suppliers that initially meet the standards must still pass an audit to verify their actual production capacity and compliance before being formally registered on the qualified supplier list. The evaluation standards integrate the three major aspects of economy, environment, and society, adding multiple criteria that align with ESG certification standards to assess the sustainable risks of suppliers.</p> <p>(2) Qualified suppliers A regular management and monitoring mechanism is established, including semi-annual evaluations and annual audits, to ensure that suppliers continue to meet the required standards. The evaluation includes quality, delivery time, environmental standards, occupational safety, and social responsibility. For suppliers whose evaluation results do not meet the standards, a re-audit will be arranged by the evaluation team, with improvement requirements set, and progress will be regularly monitored. Following the "Supplier Sustainability Management Guidelines," the company conducted a supplier sustainability risk assessment based on economy, environment, and social aspects. The Company requires key suppliers to conduct an annual self-assessment based on the "Sensortek Technology Corp. Supplier Code of Conduct." This assessment covers five major Aspects: labor, health and safety, environment, ethics, and management systems to evaluate their sustainability risks. In addition to self-assessment scores, the Company reviews supplier responses to grasp potential risks. In addition, the Company reviews key suppliers' progress in reducing carbon emission intensity each year, with a 2% reduction set as the qualification standard to ensure the supply chain aligns with global decarbonization trends.</p>

Promotion Item	Implementation		Deviations and Reasons
	Yes	No	
		<p>3. Management mechanisms for wafer and outsourced processing suppliers</p> <p>The company focuses on sensor chip design and entrusts professional wafer foundries for wafer manufacturing, which is then handed over to specialized packaging and testing companies for cutting, packaging, and IC testing. To ensure the quality and sustainable development of the supply chain, the following management mechanisms are established for wafer and outsourced processing suppliers:</p> <p>(1) Economic aspect Work with suppliers to pursue high-quality standards, continuously improving and developing innovative technologies. Suppliers must pass ISO9001 or other international standard quality management system certifications to ensure product quality stability and compliance with international standards.</p> <p>(2) Environmental aspect Ensure that suppliers do not use harmful substances, adopting green products alongside green procurement to reduce environmental impact and collaboratively create a sustainable ecosystem. Suppliers must comply with the ISO14001 Environmental Management System or establish an environmental substance management procedure. If certification has not yet been obtained, they must provide a plan and commit to a timeline for completion. In accordance with international environmental regulations such as RoHS, REACH, and halogen-free directives, suppliers must sign the "Supplier Non-Use of Hazardous Environmental Substances Declaration" and provide third-party testing reports to ensure compliance with the standards.</p> <p>(3) Social aspect Ensure that suppliers fulfill their social responsibilities, comply with international labor rights, and provide a healthy and safe working environment. Suppliers must pass the ISO45001 Occupational Health and Safety Management System certification or have measures in place that comply with labor safety and</p>	

Promotion Item	Implementation			Deviations and Reasons														
	Yes	No	Summary															
			<p>occupational health regulations. The company follows the Responsible Minerals Initiative (RMI) and requires suppliers to complete the Conflict Minerals Reporting Template (CMRT) to ensure that the supply chain does not involve conflict minerals from the Democratic Republic of Congo and surrounding countries. We also regularly monitor procurement sources to avoid using controversial metal materials.</p> <p>4. In 2025, 100% of the newly added wafer and outsourced processing suppliers (1 company) signed the "Supplier Code of Conduct." An annual sustainability risk assessment was conducted for 100% of the qualified suppliers (29 companies). For key suppliers (19 companies), the "Supplier Code of Conduct Self-Assessment Survey" was issued for sustainability risk self-assessment, with a response rate of over 79%. They account for over 90% of procurement.</p> <table border="1"> <thead> <tr> <th>Aspect (Weight)</th> <th>Management Approach</th> <th>Management Standards</th> <th>Overall Average Score</th> </tr> </thead> <tbody> <tr> <td>Economic Aspect (34%)</td> <td>The Company works with suppliers to uphold high quality standards and continuously improve and develop innovative technologies.</td> <td>ISO 9001 Quality Management Systems, IATF 16949 Automotive Quality Management System, Others (e.g., ISO 27001 Information Security Management System)</td> <td rowspan="3">77 points. (Grade B)</td> </tr> <tr> <td>Environmental Aspect (33%)</td> <td>The Company ensures suppliers do not utilize hazardous substances and combines green products with green procurement to reduce environmental impacts and jointly create a sustainable ecosystem.</td> <td>ISO 14001 Environmental Management System, ISO 14064-1 Organizational Greenhouse Gas Inventory Management System, ISO 50001 Energy Management System, QC 080000 HSPM Hazardous Substance Process Management System, Others (e.g., SONY Green Partner)</td> </tr> <tr> <td>Social Aspect (33%)</td> <td>The Company ensures suppliers fulfill their social responsibilities, comply with international labor</td> <td>ISO 45001 Occupational Health and Safety Management System, Conflict Minerals Reporting Template (CMRT)</td> </tr> </tbody> </table>	Aspect (Weight)	Management Approach	Management Standards	Overall Average Score	Economic Aspect (34%)	The Company works with suppliers to uphold high quality standards and continuously improve and develop innovative technologies.	ISO 9001 Quality Management Systems, IATF 16949 Automotive Quality Management System, Others (e.g., ISO 27001 Information Security Management System)	77 points. (Grade B)	Environmental Aspect (33%)	The Company ensures suppliers do not utilize hazardous substances and combines green products with green procurement to reduce environmental impacts and jointly create a sustainable ecosystem.	ISO 14001 Environmental Management System, ISO 14064-1 Organizational Greenhouse Gas Inventory Management System, ISO 50001 Energy Management System, QC 080000 HSPM Hazardous Substance Process Management System, Others (e.g., SONY Green Partner)	Social Aspect (33%)	The Company ensures suppliers fulfill their social responsibilities, comply with international labor	ISO 45001 Occupational Health and Safety Management System, Conflict Minerals Reporting Template (CMRT)	
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Promotion Item		Implementation			Deviations and Reasons
		Yes	No	Summary	
		renewable energy utilized. 2.Establish a systematized collection process for Scope 3 category activity data through the carbon management information platform. 3.Expand the inventory and verification scope of Scope 3 greenhouse gas emissions. 4.Formulate a carbon management mechanism improvement plan in accordance with IFRS Sustainability Disclosure Standard S2 "Climate-related Disclosures," while referencing the benchmark practices of the CDP disclosure questionnaire.			
	Quality Management and Product Responsibility	Establish a quality and environmental substance management system in accordance with the ISO 9001 framework to ensure products provided by outsourced suppliers comply with international environmental protection regulations and customer requirements for green product certifications. Implement green design for products, process raw materials, and strengthen green product management to ensure both corporate products and the supply chain align with international sustainability trends to demonstrate the enterprise's commitment to environmental sustainability. Establish a comprehensive quality management system, and adhere to the P-D-C-A continuous improvement model to achieve maximum customer satisfaction with the most competitive costs and quality. Management Approach: 1.Establish a green product management system to conduct information-integrated management with supply chain partners through the platform. 2.Periodically track and update the latest international environmental protection regulations and green product certifications. 3.Periodically execute evaluations for new and qualified suppliers and promote supplier quality improvement counseling projects. 4.Convene new product mass production review meetings to ensure stable mass production quality, reduce product returns, and enhance customer satisfaction.			1.The Company has established an environmental protection management performance evaluation mechanism and completed environmental meetings with 1 supplier to conduct communication and exchanges regarding environmental protection issues. 2.Advocate the latest environmental protection regulatory knowledge on the green product management system platform.
	Sustainability Supply Chain	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. 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 Approach: 1.Execute sustainability risk assessments for new and qualified suppliers based on the three major ESG aspects through the supplier sustainability management mechanism. 2.Drive suppliers to sign the "Sensortek Technology Corp. Supplier Code of Conduct." 3.Require key suppliers to conduct an annual sustainability risk self-assessment.			1.100% of new suppliers (1 company) signed the Supplier Code of Conduct and completed sustainability risk assessments. 2.100% of qualified suppliers (29 companies) completed annual sustainability risk assessments. 3.For key suppliers (19 companies), the "Supplier Code of Conduct Self-Assessment Survey" was issued for sustainability risk self-assessment, with a response rate of over 79%. They account for over 90% of procurement.
	Human Capital Development	Plan talent development strategies and formulate competency development blueprints according to job grades in order to integrate corporate targets, visions, and core values to accumulate sustainable talent momentum and realize the corporate vision. Establish a comprehensive talent training framework to provide appropriate self-development targets, complementary training, and learning resources for employees across all job grades to support their competency refinement and career development.			1.Average employee training hours increased to 11.32 hours (an increase compared to 11.14 hours in 2024). 2.Obtained the qualification of the 8th Potential Mittelstand Enterprise under the "Taiwan Mittelstand Enterprise Leap Program" by the Ministry of Economic Affairs, meeting the qualification requirements for the Enterprise Human Resource

Promotion Item		Implementation			Deviations and Reasons
		Yes	No	Summary	
		Management Approach: 1. Execute post-course satisfaction surveys and learning effectiveness evaluations. 2. Implement training plans for employees across all job grades and provide diversified learning channels.		Improvement Program administered by the Workforce Development Agency of the Ministry of Labor.	
	Talent Attraction and Retention	Recruit talent based on principles of inclusion and respect to strictly comply with international human rights conventions, the Labor Standards Act, and regulations governing gender equality in employment. Formulate a fair and competitive remuneration system to shape a premier employer brand image. With the vision "Sensing the True Life, Connecting a Beautiful Future: Your Distinctiveness Begins at Sensortek," the Company enables employees to discover their self-worth and fulfill their career development at work, while attracting and retaining key talent through a healthy, safe, and comprehensively beneficial workplace environment. Management Approach: 1. Establish diversified recruitment channels. 2. Annually review the industry competitiveness of remuneration and benefits. 3. Promote physical and mental health care alongside a healthy workplace environment. 4. Collect employee feedback through biannual performance evaluations.		1. The new employee hiring rate was 11.90%, and the turnover rate was 9.05% in 2025. 2. Executed an employee satisfaction survey (covering aspects such as administrative services, workplace environment, training and development, and employee activities) with a response rate of 11.33%; collected employee feedback and held improvement meetings during two performance evaluations. 3. The "average salary of full-time employees not in supervisory positions" for 2024 outperformed the average of Taipei Exchange-listed semiconductor companies.	
	Information Security	In accordance with the ISO 27001 Information Security Management System standards, the company has established the Information Security Policy to ensure the confidentiality, integrity, and availability of information assets, protecting them from intentional or accidental threats, both internal and external. 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 Approach: 1. Maintain the ISO 27001/IEC 27001:2022 certification. 2. Strengthen employee information security awareness. 3. Conduct information security incident drills, disaster recovery exercises, and vulnerability management activities on a regular basis to enhance information security resilience.		1. Complete the second annual periodic audit for ISO 27001. 2. Issued a total of 12 information security awareness materials during the year. 3. Complete one annual social engineering drill, achieving an inadvertent click rate of 10.9%. 4. Complete one annual disaster recovery drill. 5. Conduct penetration testing drills and vulnerability remediation: Commission a third party to perform a security exposure assessment (scoring 88 points).	
Corporate Governance	Innovation Management	Continuously explore advanced technologies, gain insights into user needs, and create optimized user scenarios, positioning sensor chips as a critical link between the external environment and electronic products. Develop sensor technologies that unlock unlimited possibilities in everyday life, enabling users to enjoy a better quality of life through our innovations. In response to the impacts of climate change, incorporate sustainability thinking into chip design from the outset, and commit to low-power and high-efficiency product and technology innovation to reduce the environmental impact of product applications. Management Approach: 1. Allocate R&D resources actively to innovate and optimize the functions and applications of sensor technology. 2. Expand industry-academia collaboration and R&D talent cultivation to strengthen core technologies and capabilities. 3. Channel innovative ideas through the R&D proposal system. 4. Introduce AI to accelerate innovation and production efficiency.		1. Execute 3 industry-academia collaboration projects. 2. Collaborate with business partners on the IC Design Top-notch Subsidy Program. 3. Submitted 12 invention proposals and obtained 18 domestic and international patents. 4. Maintain the Class A certification of the Taiwan Intellectual Property Management System (TIPS) (valid until December 31, 2025). 5. Reduce product energy consumption by 10%; reduce chip area by 25%. 6. Launch new sensor application products.	

Promotion Item	Implementation		Deviations and Reasons
	Yes	No	
(II) The company focuses on developing innovative technologies and pursuing profits to create shareholder value, while also paying attention to social needs and environmental issues. Through supporting vulnerable groups and environmental protection, we encourage employees to contribute their efforts, collectively fulfilling corporate social responsibility and obligations, and sharing in the well-being of society.			
1. Charitable donations			
In 2025, the company and the Good Coffee Fund (proceeds from the employee-operated, coin-operated coffee machine) donated NT\$960 thousand.			
(1) The company makes monthly donations to three organizations: the Sunshine Social Welfare Foundation, the Yu An Retarded Children's Home Miaoli, and the Taiwan Fund for Children and Families.			
(2) Plan the 2025 public welfare donation theme "Rebirth and Protection: Extending Love" directing support to the Bornanew Youth Caring Association to help vulnerable children, adolescents, and families receive care and acceptance, rebuild confidence and dignity, and pursue the lives they aspire to.			
(3) Donate to The Garden of Hope Foundation's "Children and Youth Education Assistance Project" to fulfill educational dreams and support disadvantaged children;			
(4) Donate to the Stray Animal Garden Association to provide stray animals with more appropriate medical care, shelter, and promotion programs.			
2. Environmental Protection			
(1) In response to the government's plastic reduction policy, the company no longer provides disposable tableware or plastic straws for daily meals and afternoon tea. Instead, we distribute eco-friendly tableware and straws to employees, implementing plastic reduction.			
(2) 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 2025, cumulative donations have helped reduce carbon emissions by 3.956 metric tons of CO ₂ —equivalent to saving approximately 329.624 trees from being cut down (Source: ASUS Foundation).			
3. Cultivate 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."			

Promotion Item	Implementation			Deviations and Reasons										
	Yes	No	Summary											
<p>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.</p> <p>4. Promote Community Development 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 collaboration details for 2025 are as follows:</p> <table border="1"> <thead> <tr> <th>Category</th> <th>University</th> <th>Headcount</th> <th>Duration</th> </tr> </thead> <tbody> <tr> <td rowspan="2">Off-Campus Internship</td> <td rowspan="2">Minghsin University of Science and Technology</td> <td>1</td> <td>June 2024 to June 2025</td> </tr> <tr> <td>1</td> <td>June 2025 to June 2026</td> </tr> </tbody> </table> <p>(III) Support Green Bond Programs to Implement Responsible Investment The Company added a new investment of NT\$4.88 million in green bonds in 2025 (Bond Abbreviation: FENC E2 Sustainability; Code: 140202). This bond obtained green bond qualification approval from the Taipei Exchange.</p> <p>(IV) Intellectual Property Management Execution Status Pursue 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. The Company has established the following intellectual property management policies:</p> <ul style="list-style-type: none"> • Cultivate employee awareness of intellectual property rights • Implement the Company's intellectual property rights management system • Enhance innovative R&D capabilities <p>1. Patent Management The Company insists on the independent development of key components and comprehensive patent layouts. The Company researches, develops, and explores critical technologies for core products intended for sale in the market or for future development, subsequently applying for protective patents. The Company covers the scope of critical technologies as comprehensively as possible during the application process and plans to combine these with existing patents to form a complete patent portfolio, ensuring the Company's products can be sold freely in the Market or</p>					Category	University	Headcount	Duration	Off-Campus Internship	Minghsin University of Science and Technology	1	June 2024 to June 2025	1	June 2025 to June 2026
Category	University	Headcount	Duration											
Off-Campus Internship	Minghsin University of Science and Technology	1	June 2024 to June 2025											
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Promotion Item	Implementation		Deviations and Reasons
	Yes	No	
<p>excluding competitors.</p> <ul style="list-style-type: none"> • The Company has established patent regulations to govern patent applications and remuneration matters, encouraging employees to unleash creativity regarding technologies related to their duties. The Company actively encourages employees to engage in research, development, and improvement, applying for patents accordingly to protect the Company's intellectual property and accumulate R&D results. • The Company has established dedicated patent management personnel and a patent management system. Furthermore, the Company has commissioned professional patent law firms to assist in patent searches and applications to manage various R&D innovation proposals effectively and increase the approval rate of patent applications. • Conduct advance patent searches based on R&D strategies and directions to facilitate subsequent patent layout application planning. Strengthen the awareness of the importance of patent applications among R&D colleagues continuously to ensure the Company effectively enhances patent quality and management efficiency. <p>2. Trade Secret Management</p> <ul style="list-style-type: none"> • The R&D unit establishes a technical database to preserve R&D results. Furthermore, the unit formulates file and security management operational procedures within the internal control system and implements them thoroughly. • The Company had established a Confidential Information and Intellectual Property Policy, had signed employment contracts with employees, and had entered into confidentiality agreements with customers and suppliers concerning related business, in order to prevent employees, customers, or suppliers from disclosing the Company's trade secret. • Promote and update online e-learning courses for new personnel continuously to elevate and strengthen the intellectual property protection awareness and cognition of the Company's personnel. <p>3. Trademark Management</p> <ul style="list-style-type: none"> • Apply for trademark registration for the Company's English name and logo mark. <p>4. Implementation Status</p> <p>The Company reported matters related to intellectual property management to the Board of Directors once during the year (October 28, 2025) and continued to advance the Intellectual Property Management Improvement Plan.</p> <ul style="list-style-type: none"> • Introduce the Taiwan Intellectual Property Management System (TIPS) from the Industrial Development Administration, Ministry of Economic Affairs 			

Promotion Item	Implementation		Deviations and Reasons
	Yes	No	
<ul style="list-style-type: none"> ○ 2023 <ul style="list-style-type: none"> ▪ Establish a cross-departmental intellectual property management working group to construct an intellectual property management system in accordance with the Taiwan Intellectual Property Management System (TIPS). The intellectual property management working group consists of the intellectual property legal, information technology, quality system, manufacturing management, human resources and administration, auditing, and R&D units. ▪ All employees conducted the "Basic Awareness of Intellectual Property" online training course to achieve a 100% completion rate. ○ 2024 <ul style="list-style-type: none"> ▪ Developed the "Intellectual Property Management Manual," formulated intellectual property management policies and objectives, and revised 16 related operational specifications for intellectual property management. ▪ All employees conducted the "Introduction to Basic Knowledge and Management Systems for Trade Secret Protection" and "Intellectual Property Management Policies and Annual Intellectual Property Management Targets" online training courses to achieve a 100% completion rate. ▪ The R&D department conducted the "Patent Risk Assessment and Product Design Around" course. ○ 2025 <ul style="list-style-type: none"> ▪ Revised the "Intellectual Property Management Manual" and amended four procedures related to intellectual property management. ▪ All employee members completed an online training course on the 'Intellectual Property Management Manual' and the 'Intellectual Property Management Policy and Annual Target'. ▪ All employees conducted the "Analysis of Patent Infringement Risk Cases" training course. ▪ The Research and Development Department conducted training courses on "Offensive and Defensive Applications in Patent Invalidation Challenges" and "Patent Search and Analysis." <p>2025 Implementation Status</p> <ul style="list-style-type: none"> ○ All employees conducted the "Integrity Operations Behavior Advocacy" online course. The trainees included all full-time employees. The course incorporated advocacy for intellectual property and trade secret protection to strengthen the confidentiality awareness of colleagues. The online learning course for new employees covers an introduction to intellectual property rights and an introduction to the Company's patent application and reward system. ○ The Company's Patent Measures stipulated matters concerning "Patent Application," "Proposal Incentive," and "Patent Grant Incentive" rewards. The Measures encouraged employee creativity in technologies related to their duties, promoted active engagement in research, development, and improvement, and thereby fostered patent applications to protect the Company's intellectual property, accumulate research and development achievements, and strengthen competitiveness. 			

Promotion Item	Implementation		Deviations and Reasons
	Yes	No	
<ul style="list-style-type: none"> ▪ A total of 12 invention innovation proposals were submitted in 2025. ▪ The reward amount distributed in 2025 was NT\$514 thousand. ▪ As of December 31, 2025, the Company held a total of 188 domestic and international patents (including 58 pending applications and 130 granted patents). In 2025, 18 domestic and foreign patents (i.e., certified patents) were obtained. <p>5. Obtain Certification</p> <p>Maintained Taiwan Intellectual Property Management System (TIPS) Class A certification (valid until December 31, 2025).</p>			

Company's climate-related disclosures

1. Implementation of climate-related information

Item	Implementation								
<p>1. Describe the Board of Directors' and management's oversight and governance of climate-related risks and opportunities.</p>	<p>The Board of Directors serves as the highest decision-making unit for issues related to the Company's sustainable and climate change risk management. The Board guides and supervises the response status of climate-related risks and opportunities and incorporates considerations of climate-related risks and opportunities during operational decision-making processes. The Company has established a functional committee under the Board of Directors—the Sustainability and Risk Management Committee—as the governance unit for climate and sustainability-related issues. A Sustainable Development Promotion Team has been established under the Committee, convened by the General Manager. The team is responsible for identifying climate change risks and opportunities and promoting response solutions. The team integrates the climate change risk management process with existing risk management processes. It operates regularly in accordance with the Company's "Risk Management Policies and Procedures" to enhance overall climate and sustainability-related issue governance effectiveness.</p> <table border="1" data-bbox="698 748 1951 1286"> <thead> <tr> <th data-bbox="698 748 1120 794">Governing Body</th> <th data-bbox="1120 748 1951 794">Authority and Responsibility</th> </tr> </thead> <tbody> <tr> <td data-bbox="698 794 1120 831">Board of Directors</td> <td data-bbox="1120 794 1951 831">Oversee the effectiveness of climate change risk management.</td> </tr> <tr> <td data-bbox="698 831 1120 1094">Sustainability and Risk Management Committee</td> <td data-bbox="1120 831 1951 1094">Independent directors with a background in sustainability and risk management serve as committee members, responsible for formulating policies to promote sustainability and risk management. They also review the policies, management guidelines, and specific promotion plans related to sustainability issues proposed by the Sustainability Promotion Team, and regularly review and monitor their implementation and effectiveness. Meetings are held at least twice a year, and reports are submitted to the Board of Directors.</td> </tr> <tr> <td data-bbox="698 1094 1120 1286">Sustainability Promotion Team</td> <td data-bbox="1120 1094 1951 1286">Led by the General Manager as convener, with department heads serving as team leaders. The team members are responsible for identifying risks and opportunities, and for planning and implementing response plans. The Sustainability and Risk Management Committee reports the execution results of climate management to the board at least once a year.</td> </tr> </tbody> </table>	Governing Body	Authority and Responsibility	Board of Directors	Oversee the effectiveness of climate change risk management.	Sustainability and Risk Management Committee	Independent directors with a background in sustainability and risk management serve as committee members, responsible for formulating policies to promote sustainability and risk management. They also review the policies, management guidelines, and specific promotion plans related to sustainability issues proposed by the Sustainability Promotion Team, and regularly review and monitor their implementation and effectiveness. Meetings are held at least twice a year, and reports are submitted to the Board of Directors.	Sustainability Promotion Team	Led by the General Manager as convener, with department heads serving as team leaders. The team members are responsible for identifying risks and opportunities, and for planning and implementing response plans. The Sustainability and Risk Management Committee reports the execution results of climate management to the board at least once a year.
Governing Body	Authority and Responsibility								
Board of Directors	Oversee the effectiveness of climate change risk management.								
Sustainability and Risk Management Committee	Independent directors with a background in sustainability and risk management serve as committee members, responsible for formulating policies to promote sustainability and risk management. They also review the policies, management guidelines, and specific promotion plans related to sustainability issues proposed by the Sustainability Promotion Team, and regularly review and monitor their implementation and effectiveness. Meetings are held at least twice a year, and reports are submitted to the Board of Directors.								
Sustainability Promotion Team	Led by the General Manager as convener, with department heads serving as team leaders. The team members are responsible for identifying risks and opportunities, and for planning and implementing response plans. The Sustainability and Risk Management Committee reports the execution results of climate management to the board at least once a year.								
<p>2. Describe how the identified climate risks and opportunities impact the business, strategy, and</p>	<p>In 2026, the Company invited relevant departments to conduct a climate-related risk and opportunity assessment, identifying a range of risk factors and opportunities with potential short-, medium-, and long-term impacts. Following internal and external discussions and confirmation by the Sustainability Promotion Task Force, seven potential risks</p>								

Item	Implementation			
<p>finances of the company (short-, medium-, and long-term).</p>	<p>and five potential opportunities were identified. The Company has also established a plan to reassess and re-evaluate climate risks and opportunities every three years, with annual reviews of implementation progress and target plans.</p>			
	Risk Items	Potential Financial Impact	Period During Which Impacts May Occur	Response Plan
	<p>Variation in Domestic (National) Regulations</p>	<p>Climate disclosure, electricity and environmental protection regulations may continue to be tightened, increasing compliance requirements and the costs of regulatory compliance, audits, and system implementation. They could also result in higher capital expenditures.</p>	<p>Already Occurred</p>	<p>Track the development of domestic climate and environmental protection regulations continuously and review legal compliance gaps regularly. Strengthen greenhouse gas inventory, internal control systems, and information disclosure processes.</p>
	<p>Lack of Mature Certification Systems and Sustainability Standards</p>	<p>Inconsistent standards among clients and/or the market may increase the difficulty of supply chain coordination and verification to escalate verification and communication costs. This may also extend order acceptance and implementation timelines to affect revenue growth.</p>	<p>Short Term (1-3)</p>	<p>Collect trends in client, industry, and international sustainability standards continuously and prepare product carbon footprints, supply chains, and certification data in advance. Strengthen communication with clients and suppliers.</p>
	<p>Poor Coordination Among Regulatory Authorities</p>	<p>Different competent authorities may have varying frequencies and intensities of regulatory requirements, complicating compliance judgments and increasing internal control and reporting burdens. This may also result in delayed reporting or penalties.</p>	<p>Short Term (1-3)</p>	<p>Establish an interdepartmental legal compliance and reporting coordination mechanism and inventory competent authority requirements regularly. Strengthen reporting, data management, and auditing mechanisms.</p>
	<p>Carbon Pricing Mechanism</p>	<p>The impacts of carbon fees and carbon management requirements may diffuse along the value chain, leading to increased supplier costs, further pushing up outsourced manufacturing and procurement costs, and increasing production costs.</p>	<p>Short Term (1-3)</p>	<p>Promote energy-saving and carbon reduction measures continuously. Evaluate internal carbon pricing mechanisms as a reference for procurement, investment, and operational decisions. Elevate the proportion of green electricity usage and establish carbon reduction targets.</p>
	<p>Insufficient Availability and/or Increased Costs of Raw Materials</p>	<p>Wafers, packaging materials, or logistics may be affected by climate and supply fluctuations, pushing up unit costs and potentially causing delayed deliveries and order loss risks, affecting revenue.</p>	<p>Medium Term (3-5)</p>	<p>Establish diversification strategies for critical raw materials and outsourced manufacturing suppliers. Strengthen supply chain risk monitoring and delivery time management.</p>
	<p>Insufficient Availability and/or Increased Costs of Certified Sustainable Materials</p>	<p>Clients may require specific materials, limiting material and supplier choices, and escalating procurement costs. This may also affect production due to recertification or alternative material evaluations.</p>	<p>Medium Term (3-5)</p>	<p>Monitor potential sustainable material requirements and certification specifications continuously, and incorporate these into supplier sustainability management considerations to expand the qualified supplier list or collaborate with suppliers to obtain relevant certifications.</p>
<p>(Long Term) Temperature Changes (Air, Freshwater, Seawater)</p>	<p>The increased risk of long-term high temperatures and water shortages may affect the supply of outsourced wafer fabs, packaging, and testing plants to cause supply interruptions, escalate rush order dispatch costs, and defer revenue.</p>	<p>Long Term (5~)</p>	<p>Track climate and water resource risks in the locations of principal suppliers continuously, and incorporate relevant scenarios into supply chain risk management. Evaluate backup supply and dispatch mechanisms.</p>	

Item	Implementation			
	Opportunity Items	Potential Financial Impact	Period During Which Impacts May Occur	Response Plan
	Financial Rewards from Buyers	If principal clients incorporate carbon reduction, green products, or sustainable supply chain performance into procurement evaluations, order acceptance opportunities may increase, driving revenue growth.	Short Term (1-3)	We continued to strengthen green supply chain management, the management of environment-restricted substances, and the completeness of product compliance data, and sought to secure orders by aligning with customers' sustainable procurement requirements.
	Easier access to more affordable and/or more sufficient credit/financing	Elevating the maturity of sustainable governance, information disclosure, and carbon reduction management continuously may facilitate obtaining more favorable financing terms and enhance capital acquisition capabilities.	Short Term (1-3)	Promote sustainable development and risk management mechanisms, greenhouse gas inventories, and information disclosure continuously to enhance external trust in the Company's corporate governance and sustainability management.
	Expanded into a new market.	Expanding low-carbon, energy-saving, and smart sensing applications to more consumer electronics or new terminal fields is expected to broaden applications beyond existing mobile phones, driving revenue growth resulting from entering emerging or new markets.	Short Term (1-3)	Evaluate opportunities in wearable devices and other consumer electronic applications based on existing sensor chip design capabilities to diversify the volatility of a single terminal market.
	Develop New Products or Services Through Research, Development, and Innovation	Sensortek utilizes IC R&D design as its core. Launching low-power, high-integration, or sustainability-compliant new sensor chips continuously is expected to drive revenue growth resulting from new products or services.	Medium Term (3-5)	Invest in R&D resources continuously to strengthen new product development and specification integration capabilities to incorporate energy-saving, low power consumption, and environmental protection requirements into the initial design phase.
	Stronger Competitive Advantages	The Company possesses a certain global market share and client base in optical sensor chips. Satisfying the quality, delivery, and sustainability requirements of international brand clients continuously is expected to strengthen differentiation, driving revenue growth resulting from acquired reputation.	Long Term (5~)	Maintain quality management, Green Partner certification, and supply chain management standards, integrating sustainability disclosure and risk management results to enhance client trust.
3. Describe the impact of extreme climate events and transformation actions on finances.	The financial impacts generated by extreme climate events (physical risks) and transition actions (transition risks and opportunities) on the Company are as disclosed in the preceding section 2. The Company has promoted response solutions based on the identification results of climate-related risks and opportunities. The Company tracks and manages these continuously to ensure the implementation of the response solutions.			
4. Describe how the identification, assessment, and management processes of climate risks are integrated into the overall risk management system.	2023 marked the company's first year of systematically promoting the identification and assessment of climate risks and opportunities to address the potential impacts of policies, technologies, and customers under climate change. The Company conducted identification and evaluation operations again in 2026 to consider the potential impacts brought by policies, technologies, and clients under climate change. The company follows the "Risk Management Policy and Procedures" to integrate the climate change risk assessment process into the existing risk management system,			

Item	Implementation								
	<p>executing it in accordance with the risk management guidelines.</p> <table border="1" data-bbox="674 247 1995 820"> <tr> <td data-bbox="674 247 943 427">Risk and Opportunity Identification</td> <td data-bbox="943 247 1995 427"> <p>(1) Referencing TCFD recommendations, industry-related information, and internal and external discussions, potential risk and opportunity factors relevant to the company are selected.</p> <p>(2) Referencing domestic policy directions, net-zero commitments, and international assessment reports, climate risk and opportunity assessment scenarios are set. Transition risks focus on the 2050 net-zero emission scenario, while physical risks focus on the SSP5-8.5 scenario.</p> </td> </tr> <tr> <td data-bbox="674 427 943 555">Risk and Opportunity Assessment</td> <td data-bbox="943 427 1995 555"> <p>Invite relevant departments to conduct a risk and opportunity assessment. The results are then confirmed and discussed internally and externally to understand the impact of risk factors on the company, potential timeframes, and possible financial impacts.</p> </td> </tr> <tr> <td data-bbox="674 555 943 683">Response Planning</td> <td data-bbox="943 555 1995 683"> <p>For the identified potential risks and derived opportunities, relevant departments plan response strategies, considering the company's existing operational development strategy. The subsequent review and execution are carried out in accordance with the "Risk Management Policy and Procedures."</p> </td> </tr> <tr> <td data-bbox="674 683 943 820">Supervision and Reporting</td> <td data-bbox="943 683 1995 820"> <p>Report climate change risk and opportunity identification results and response strategies to the Board of Directors regularly.</p> <p>Convene management-related meetings regularly to manage and report the execution status of response solutions.</p> </td> </tr> </table>	Risk and Opportunity Identification	<p>(1) Referencing TCFD recommendations, industry-related information, and internal and external discussions, potential risk and opportunity factors relevant to the company are selected.</p> <p>(2) Referencing domestic policy directions, net-zero commitments, and international assessment reports, climate risk and opportunity assessment scenarios are set. Transition risks focus on the 2050 net-zero emission scenario, while physical risks focus on the SSP5-8.5 scenario.</p>	Risk and Opportunity Assessment	<p>Invite relevant departments to conduct a risk and opportunity assessment. The results are then confirmed and discussed internally and externally to understand the impact of risk factors on the company, potential timeframes, and possible financial impacts.</p>	Response Planning	<p>For the identified potential risks and derived opportunities, relevant departments plan response strategies, considering the company's existing operational development strategy. The subsequent review and execution are carried out in accordance with the "Risk Management Policy and Procedures."</p>	Supervision and Reporting	<p>Report climate change risk and opportunity identification results and response strategies to the Board of Directors regularly.</p> <p>Convene management-related meetings regularly to manage and report the execution status of response solutions.</p>
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Supervision and Reporting	<p>Report climate change risk and opportunity identification results and response strategies to the Board of Directors regularly.</p> <p>Convene management-related meetings regularly to manage and report the execution status of response solutions.</p>								
<p>5. When using scenario analysis to assess resilience to climate change risks, the scenarios, parameters, assumptions, analysis factors, and key financial impacts used should be explained.</p>	<p>The Company has referenced domestic and foreign policy directions, net-zero commitments, and international scenario reports when evaluating climate change-related risks and opportunities to establish evaluation scenarios for transition risks and physical risks and incorporate the principal changes likely to be faced within the next 5 years for analysis. Transition risks primarily adopt net-zero scenarios to reference scenarios such as the IEA Net Zero Roadmap and NZE 2050 to assume that the world and Taiwan will develop continuously toward a low-carbon transition, with the trends of carbon fees, energy usage efficiency, renewable energy procurement, supply chain carbon reduction requirements, and low-carbon technology introduction strengthening progressively; physical risks primarily adopt the SSP5-8.5 high-warming scenario disclosed in IPCC AR6 to assume an increasing frequency and intensity of future high temperatures, heavy rainfall, water shortages, unstable power supplies, and extreme climate events.</p> <p>The Company comprehensively considers factors including policies/regulations, energy usage and combinations, technological changes, climate patterns, natural resource availability, land use, and social aspects during scenario analysis to evaluate the impacts of various risks and opportunities on operational activities, supply chain management, product competitiveness, and resource allocation. Principal financial impacts encompass increased costs</p>								

Item	Implementation												
	for legal compliance, carbon management, energy conservation and carbon reduction, renewable energy procurement, and system implementation; escalated costs for raw materials, electricity usage, and outsourced manufacturing; supply interruptions, deferred delivery times, or declined operational efficiency caused by water shortages, power outages, and extreme climate events; and increased equipment improvements, backup implementations, and relevant capital expenditures required to address resilience enhancement. Furthermore, under the low-carbon transition trend, the demand for products featuring high energy efficiency, low power consumption, and compliance with client sustainability requirements may be driven to form new market opportunities.												
6. If there is a transformation plan to manage climate-related risks, explain the content of the plan and the indicators and targets used to identify and manage physical and transformation risks.	The company’s operational strategy references the identification of climate risks and opportunities, integrating low-carbon awareness into existing business plans. By deepening customer relationships and continuously strengthening technological capabilities, the company aims to expand the benefits of low-carbon manufacturing to create a win-win outcome. On the other hand, regarding supplier sustainability management, the company strengthens awareness and engagement on carbon-related issues, seeking more opportunities to reduce the carbon footprint within the low-carbon industry. The company will continue to set climate-related indicators based on the results of climate change risk identification and discussions with the governing body, and will regularly review progress toward the targets.												
7. If internal carbon pricing is used as a planning tool, the basis for setting the price should be explained.	The Company plans to reference Taiwan's carbon fee system and relevant policy developments as the formulation foundation for internal carbon pricing to incorporate it as a reference for procurement, investment, and operational decision evaluations to elevate the quality of decisions related to the low-carbon transition.												
8. If climate-related targets are set, the activities covered, greenhouse gas emission scopes, timeline, and annual progress should be explained. If carbon offsets or renewable energy certificates (RECs) are used to achieve these targets, the sources and quantity of the offset emissions or the number of RECs should be disclosed.	<p>Considering the Surface Mount Technology (SMT) production line and cleanroom constructed in 2023, the company has set 2023 as the baseline year for emissions reduction.</p> <table border="1" data-bbox="672 1066 1993 1393"> <thead> <tr> <th data-bbox="672 1066 842 1102">Climate Targets</th> <th data-bbox="842 1066 1088 1102">Scope</th> <th data-bbox="1088 1066 1352 1102">Timeline</th> <th data-bbox="1352 1066 1993 1102">2025 Performance</th> </tr> </thead> <tbody> <tr> <td data-bbox="672 1102 842 1262">Greenhouse Gas Reduction</td> <td data-bbox="842 1102 1088 1262">Sensortek (headquarters) Scope 1 and Scope 2 emissions</td> <td data-bbox="1088 1102 1352 1262">Baseline Year: 2023 <u>Short-term target:</u> 30% reduction by 2030 <u>Long-term target:</u> Net-zero by 2050</td> <td data-bbox="1352 1102 1993 1262">In 2025, Sensortek (headquarters) Scope 1 and Scope 2 emissions were 384.999 metric tons of CO₂e, a 12% reduction compared to the baseline year (2023), which was 438.892 metric tons of CO₂e.</td> </tr> <tr> <td data-bbox="672 1262 842 1393">Renewable Energy Usage</td> <td data-bbox="842 1262 1088 1393">Sensortek (headquarters)</td> <td data-bbox="1088 1262 1352 1393"><u>Short-term target:</u> 15% usage by 2025 <u>Medium-term target:</u> 50% usage by 2030</td> <td data-bbox="1352 1262 1993 1393">(1) In 2025, 81.65% of the energy used was non-renewable electricity purchased from Taipower, while 18.35% was solar power supplied through Taipower's grid. A total of 165 renewable energy certificates were obtained, equivalent to a reduction of 73 metric</td> </tr> </tbody> </table>	Climate Targets	Scope	Timeline	2025 Performance	Greenhouse Gas Reduction	Sensortek (headquarters) Scope 1 and Scope 2 emissions	Baseline Year: 2023 <u>Short-term target:</u> 30% reduction by 2030 <u>Long-term target:</u> Net-zero by 2050	In 2025, Sensortek (headquarters) Scope 1 and Scope 2 emissions were 384.999 metric tons of CO ₂ e, a 12% reduction compared to the baseline year (2023), which was 438.892 metric tons of CO ₂ e.	Renewable Energy Usage	Sensortek (headquarters)	<u>Short-term target:</u> 15% usage by 2025 <u>Medium-term target:</u> 50% usage by 2030	(1) In 2025, 81.65% of the energy used was non-renewable electricity purchased from Taipower, while 18.35% was solar power supplied through Taipower's grid. A total of 165 renewable energy certificates were obtained, equivalent to a reduction of 73 metric
Climate Targets	Scope	Timeline	2025 Performance										
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Item	Implementation			
			<u>Long-term target:</u> 100% usage by 2050	tons of carbon emissions. (2) The usage proportion reached 18.35% in 2025.
9. Greenhouse gas inventory and assurance status, reduction targets, strategies, and action plans.	Please refer to 1-1 Company greenhouse gas inventory and assurance status for the past two years, and 1-2 Greenhouse gas reduction targets, strategies, and action plans.			

Note: Sensortek (headquarters) is the main operational base, thus the target is set for the headquarters.

1-1 Company greenhouse gas inventory and assurance status for the past two years

1-1-1 Greenhouse gas inventory information

Describe the greenhouse gas emissions (MtCO₂e), intensity (MtCO₂e/million), and data coverage for the past two years.

The company is classified as a company with a capital of less than NT\$5 billion and has no subsidiaries. According to the "Sustainable Development Roadmap for Listed Companies," the company is required to complete the 2025 greenhouse gas inventory by 2026. The company has established a greenhouse gas inventory mechanism based on the ISO 14064-1:2018 greenhouse gas inventory standard. Since 2023, the company has conducted an annual greenhouse gas inventory to fully monitor its emissions and usage. The company's greenhouse gas emissions for the past two years are as follows:

1. Organizational boundaries

The company's operational sites include 1. Headquarters and 2. Taipei Office.

2. Greenhouse gas emissions

Site	Scope		2024		2025	
			Emissions (tCO ₂ e)	Intensity (tCO ₂ e/NT\$ million in revenue)	Emissions (tCO ₂ e)	Intensity (tCO ₂ e/NT\$ million in revenue)
Headquarters	Scope 1 Direct GHG emissions		55.5119		56.0963	
	Scope 2 Indirect GHG emissions	Location-based	408.3299		402.7999	
		Market-based	360.3600		328.9033	
	Subtotal	Location-based	463.8418	0.0939	458.8962	0.1006
		Market-based	415.8719	0.0842	384.9996	0.0844
Taipei Office	Scope 1 Direct GHG emissions		-		-	
	Scope 2 Indirect GHG emissions	Location-based	15.3062		16.6937	
		Market-based	15.3062		16.6937	
	Subtotal	Location-based	15.3062	0.0031	16.6937	0.0037
		Market-based	15.3062	0.0031	16.6937	0.0037
Total	Location-based	479.1480	0.0970	475.5899	0.1043	
	Market-based	431.1781	0.0873	401.6933	0.0881	

Note: Scope 1: Direct emissions, which come directly from sources owned or controlled by the company;

Scope 2: Indirect emissions from energy, which result from the purchase of electricity, heat, or steam that cause indirect greenhouse gas emissions.

1-1-2 Greenhouse gas assurance information

Describe the assurance status for the past two years as of the date of the annual report's publication, including the assurance scope, assurance body, assurance standards, and assurance opinion.

The company is classified as a company with a capital of less than NT\$5 billion and has no subsidiaries. According to the "Sustainable Development Roadmap for Listed Companies," the company is required to conduct assurance for the 2027 greenhouse gas inventory by 2028. The assurance status for the company's greenhouse gas inventory for the past two years is as follows:

Scope		2024 Emissions (tCO ₂ e)	2025 Emissions (tCO ₂ e)	
Sensortek (headquarters)	Scope 1 Direct GHG emissions	55.5119	56.0963	
	Scope 2 Indirect GHG emissions	Location-based	408.3299	402.7999
		Market-based	360.3600	328.9033
	Subtotal	Location-based	463.8418	458.8962
		Market-based	415.8719	384.9996
	The percentage of the data disclosed in 1-1-1 mentioned above.		96.81%	96.49%
Assurance Body		BSI Group Singapore Pte. Ltd. Taiwan Branch		
Explanation of Assurance Status		ISO 14064-3:2019 Reasonable Assurance		
Assurance Opinion/Conclusion		Unqualified opinion		
		Complete assurance information will be disclosed in the Sustainability Report.		

1-2 Greenhouse gas reduction targets, strategies, and action plans.

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

1. According to the "Sustainable Development Action Plan for Listed Companies," listed companies must disclose their carbon reduction targets, strategies, and action plans no later than the year in which they disclose the inventory data in their consolidated financial report. The baseline year should be the earliest year in which the inventory data in the consolidated financial report are completed.
2. The company completed the 2022 greenhouse gas inventory and verification in April 2023. Considering the Surface Mount Technology (SMT) production line and cleanroom constructed in 2023, the company has set 2023 as the baseline year for emissions reduction.

Baseline Year	Scope	Reduction Target	Strategy and Action Plan	Achievement of Reduction Targets
2023	Sensortek (headquarters) Scope 1 and Scope 2 emissions	<p><u>Short-term target:</u> 30% reduction by 2030</p> <p><u>Long-term target:</u> Net-zero by 2050</p>	<p>1. Renewable energy use</p> <p><u>Short-term target:</u> 15% usage by 2025</p> <p><u>Medium-term target:</u> 50% usage by 2030</p> <p><u>Long-term target:</u> 100% usage by 2050</p> <p>2. In 2025, 81.65% of the energy used was non-renewable electricity purchased from Taipower, while 18.35% was solar power supplied through Taipower's grid. A total of 165 renewable energy certificates were obtained, equivalent to a reduction of 73 metric tons of carbon emissions.</p>	In 2025, Sensortek (headquarters) Scope 1 and Scope 2 emissions were 384.999 metric tons of CO ₂ e, a 12% reduction compared to the baseline year (2023), which was 438.892 metric tons of CO ₂ e.

(VI) Integrity in business practices and deviations from the Ethical Corporate Management Best Practice Principles for TWSE/TPEX Listed Companies, and the reasons for such deviations

Evaluation Item	Implementation		Deviations and Reasons	
	Yes	No		Summary
<p>I. Establishment of integrity management policies and programs</p> <p>(I) Has the company established an integrity management policy approved by the Board of Directors, and clearly stated the integrity management policy, practices, and the board and senior management's commitment to implement the policy in its regulations and external documents?</p> <p>(II) Has the company established a risk assessment mechanism for dishonest behavior, regularly analyzing and evaluating business activities within its scope that carry a higher risk of dishonest behavior? Based on this assessment, has the company stipulated measures to prevent dishonest behavior, which at a minimum, cover the preventive measures outlined in Article 7, Paragraph 2 of the Ethical Corporate</p>	<p>✓</p> <p>✓</p>		<p>(I) The Company has formulated relevant measures, including the "Ethical Corporate Management Best Practice Principles," "Code of Ethical Conduct," and "Procedures for Ethical Management and Guidelines for Conduct," in accordance with the "Ethical Corporate Management Best Practice Principles for TWSE/TPEX Listed Companies." These have subsequently been approved by the Board of Directors. These documents show the company's commitment to an integrity-driven corporate culture. They require all employees to act with integrity and fairness, while adhering to government laws and regulations in their business activities. Board members and senior management also uphold integrity in managing the company and report the implementation of integrity management to the board annually.</p> <p>(II) The company has established the "Procedures for Ethical Management and Guidelines for Conduct," based on the "Ethical Corporate Management Best Practice Principles," which specifically define business activities within its scope that carry a higher risk of dishonest behavior. For high-risk dishonest behaviors such as providing or accepting improper benefits, inappropriate charitable donations, or sponsorships, the company has stipulated preventive measures and reporting procedures.</p>	<p>None.</p>

Evaluation Item	Implementation			Deviations and Reasons
	Yes	No	Summary	
<p>Management Best Practice Principles for TWSE/TPEX Listed Companies?</p> <p>(III) Has the company specified the operating procedures, behavioral guidelines, penalties for violations, and appeal system in the preventive measures against dishonest behavior, and implemented them effectively? Additionally, does the company regularly review and revise the aforementioned measures?</p>	✓		<p>(III) The company has established the "Procedures for Ethical Management and Guidelines for Conduct," "Code of Ethical Conduct," and "Whistleblowing System," which clearly define the operating procedures, behavioral guidelines, penalties for violations, and appeal system, and ensures their effective implementation.</p>	
<p>II. Implementation of integrity management</p> <p>(I) Has the company evaluated the integrity record of its business partners and included integrity-related clauses in the contracts signed with these partners?</p>	✓		<p>(I) The company conducts background checks or evaluations on its suppliers and customers in accordance with internal control systems and various management regulations. If any dishonest behavior is found in business transactions or partnerships, the company will immediately cease all commercial dealings with them and classify them as a rejected business partner, enforcing the company's integrity management policy.</p>	None.
<p>(II) Has the company established a dedicated unit under the Board of Directors to promote corporate integrity management, and does it report to the board at least once a year on its integrity management policies, measures to prevent dishonest behavior, and the monitoring of their implementation?</p>	✓		<p>(II) The promotion and implementation of corporate integrity management are overseen by the Human Resources and Administration Department. The department reports annually to the Board of Directors on the integrity management policies, measures to prevent dishonest behavior, and the monitoring of their implementation. On October 28, 2025, the department presented a summary of the 2025 integrity management policy implementation to the board, as follows:</p>	

Evaluation Item	Implementation			Deviations and Reasons
	Yes	No	Summary	
			<ol style="list-style-type: none"> 1. Conducted the "Integrity Operations Behavior Advocacy" online course for all full-time employees in July 2025 to cover content including the Company's ethical principles and integrity operations policies, internal material information processing procedures and regulations, insider trading prevention, trade secret and intellectual property protection, and reporting channels. 2. An "integrity promotion section" is set up on the company's internal website, where electronic newsletters about integrity policies are occasionally distributed. 3. Referencing the Responsible Business Alliance (RBA) Code of Conduct, the company has established the "Supplier Code of Conduct," which includes ethical standards that suppliers must adhere to. For new suppliers, a written commitment to follow Sensortek's Supplier Code of Conduct is required. Additionally, the company communicates its business ethics through the annual supplier sustainability risk assessment, A total of 1 new supplier signed the "Supplier Code of Conduct" as of the end of September 2025. Issued the "Supplier Code of Conduct Self-Assessment Questionnaire" to key suppliers (19 companies) to receive replies from 12 companies. 4. The Company has established a violation of integrity reporting mailbox on the internal website and a violation of 	

Evaluation Item	Implementation			Deviations and Reasons
	Yes	No	Summary	
			integrity operations reporting channel in the "Stakeholder Section" of the Company's official website. The internal audit office serves as the dedicated unit to manage and accept relevant incidents. There were no violations of integrity reporting incidents in 2025.	
(III) Has the company established a conflict of interest prevention policy, provided appropriate channels for disclosure, and implemented them effectively?	✓		(III) The company's "Board Meeting Rules" include a conflict of interest avoidance system. If a director has a personal or corporate interest in a matter being discussed that may harm the company's interests, they are prohibited from participating in the discussion or voting. They must recuse themselves during the discussion and voting process and cannot delegate their voting rights to another director. The company has established a conflict of interest prevention policy in the "Ethical Corporate Management Best Practice Principles," "Code of Ethical Conduct," and "Integrity Management Procedures and Guidelines." An electronic whistleblowing channel (report@sensortek.com.tw) is provided, and the policy is effectively implemented.	
(IV) Has the company established effective accounting and internal control systems to implement integrity management? Are audit plans developed by the internal audit unit based on the results of the dishonest behavior risk assessment, and are these plans used to audit compliance with the measures to	✓		(IV) To ensure the implementation of integrity management, the company has established effective accounting and internal control systems, which are regularly reviewed and revised. The company's audit unit develops an annual audit plan based on the risk assessment results and then conducts the audit. Additionally, through self-assessment of operations, the company ensures that	

Evaluation Item	Implementation		Deviations and Reasons
	Yes	No	
prevent dishonest behavior? Alternatively, has the company entrusted external auditors to perform the audit?			the design and execution of internal control systems remain effective. This serves as the basis for the internal control system statement, which is submitted to the board for approval.
(V) Does the company regularly conduct internal and external training on integrity management?	✓		(V) The company conducts new employee training and online courses on integrity management-related topics, such as the "Integrity Management Procedures and Guidelines," "Internal Major Information Handling Procedures," and "Insider Trading Regulations." These courses help employees understand the company's integrity management principles and regulations, including the prohibition of insider trading or disclosing non-public information to others so as to prevent others from engaging in insider trading. In July 2025, the online course "Integrity Management Behavior Promotion" was conducted, covering the company's integrity code, integrity management policies, internal major information handling procedures and regulations, insider trading prevention, trade secret and intellectual property protection, and whistleblowing channels. The course presentation was uploaded to the internal training system. A total of 202 employees participated, with 50.5 hours of training and a 100% completion rate.

Evaluation Item	Implementation			Deviations and Reasons
	Yes	No	Summary	
<p>III. Operation of the company's whistleblowing system</p> <p>(I) Has the company established a clear whistleblowing and rewards system, provided convenient reporting channels, and assigned appropriate personnel to handle the reported cases?</p>	✓		<p>(I) To protect the company's reputation, safeguard its assets, and prevent unethical and dishonest behavior that may harm the interests of shareholders, employees, and partners, the company has established a "Whistleblowing System" based on the "Integrity Management Procedures and Guidelines." This system provides reporting channels for internal employees and external parties. A whistleblowing email address is shown on the company's internal and external websites, allowing individuals to report and address issues such as criminal activity, fraud, or violations. The company's Audit Department is the dedicated unit responsible for managing and handling related incidents. Report email: report@sensortek.com.tw</p>	None.
<p>(II) Has the company established standard operating procedures for investigating reported issues, including the follow-up actions after the investigation and related confidentiality mechanisms?</p>	✓		<p>(II) The company's "Whistleblowing System" has established procedures for handling reports, follow-up actions after the investigation, and related confidentiality mechanisms.</p> <ol style="list-style-type: none"> 1. Acceptance principle: Reports should be made with real names. Anonymous reports must provide details or evidence of the violation, and will only be accepted after verification of the facts. 2. Handling of reports: Reports should be documented in writing, including the whistleblower's information, the information of the person being reported, and specific facts and evidence that can be investigated. After the dedicated 	

Evaluation Item	Implementation		Deviations and Reasons
	Yes	No	
			<p>unit accepts the case, an investigation into the relevant facts will be conducted. If necessary, legal and other relevant departments will provide assistance. If the personnel of the dedicated unit have a conflict of interest with the whistleblower or the person being reported, they should disclose it and recuse themselves, allowing other personnel to conduct the investigation.</p> <p>3. Confidentiality mechanism: Personnel handling whistleblowing cases must sign a confidentiality agreement to ensure the protection of the whistleblower's information. If any leakage occurs, legal action will be taken if necessary.</p> <p>4. Corrective measures: If the reported issue is verified to be true, the relevant units should review the internal control systems and operating procedures, propose corrective measures, and report the reported issue, handling process, and subsequent corrective actions to the board.</p> <p>5. Reporting level: If the reported issue involves regular employees, it should be reported to the general manager. If the issue involves directors or senior management, it should be reported to the independent directors.</p>

Evaluation Item	Implementation			Deviations and Reasons
	Yes	No	Summary	
(III) Has the company implemented measures to protect whistleblowers from retaliation as a result of their report?	✓		<p>(III) Whistleblower protection</p> <ol style="list-style-type: none"> 1. The safety of the whistleblower should be protected. Any threats, intimidation, or other unlawful actions against the whistleblower should be reported to the relevant authorities for handling. 2. The company handles whistleblowing cases confidentially, keeping the identity of the whistleblower and the details of the report confidential, and taking appropriate protective measures in accordance with the law. When verifying the facts with the whistleblower, this should be done without disclosing their identity. 3. The whistleblower shall not be dismissed, demoted, have their salary cut, or have their legally, contractually, or customarily entitled rights or benefits harmed, nor shall they face any other adverse actions as a result of their whistleblowing. This does not apply if the whistleblower engages in illegal or improper conduct. <p>In 2025, there were no whistleblowing reports.</p>	
IV. Enhancement of information disclosure Has the company disclosed its Ethical Corporate Management Best Practice Principles and the implementation results on its website and the Market Observation Post System?	✓		The company has established the "Ethical Corporate Management Best Practice Principles," "Code of Ethical Conduct," and "Integrity Management Procedures and Guidelines," which are disclosed on the Market Observation Post System. Additionally, a corporate governance section has been set up on the company's website, where	None.

Evaluation Item	Implementation		Deviations and Reasons
	Yes	No	
			the Ethical Corporate Management Best Practice Principles and its implementation results are disclosed.
<p>V. If the company has established its own Ethical Corporate Management Best Practice Principles based on the "Ethical Corporate Management Best Practice Principles for TWSE/TPEX Listed Companies," please explain any deviations from the principles.</p> <p>The company has established the "Ethical Corporate Management Best Practice Principles," "Code of Ethical Conduct," and "Integrity Management Procedures and Guidelines" based on the Ethical Corporate Management Best Practice Principles for TWSE/TPEX Listed Companies. Board members and senior management uphold the principles of integrity management, and all employees are required to follow the code and related regulations. There are no significant deviations between the company's integrity management operations and the established principles.</p>			
<p>VI. Other important information that facilitates an understanding of the company's integrity management operations (e.g., the company reviewing and revising its established Ethical Corporate Management Best Practice Principles):</p> <p>The company adheres to relevant regulations and internal control systems, strictly prohibiting dishonest behavior or violations of the law. For more details, please visit the company's website at www.sensortek.com.tw.</p>			

(VII) Other important information that can further enhance the understanding of the company's governance operations may also be disclosed:

The company has set up a corporate governance section on its website, disclosing its governance operations, and promptly announcing significant information while occasionally participating in corporate briefings.

(VIII) Implementation of the internal control system

1. Internal control statement

Please visit the Market Observation Post System > Single Company > Corporate Governance > Company Regulations/Internal Control > Internal Control Statement Announcement.

Website: <https://mops.twse.com.tw/mops/#/web/t06sg20>

2. If the company has entrusted an accountant to review the internal control system, the accountant's review report should be disclosed: Not applicable.

(IX) Key resolutions of the shareholders' meeting and Board of Directors for the most recent fiscal year and up to the date of the annual report's publication.

1. Key resolutions of the shareholders' meeting and their implementation

Key Resolutions of the 2025 Shareholders' Annual Meeting.	Implementation
1. Approval of the 2024 financial statements and business report.	
2. Approval of the 2024 profit distribution plan.	1. The cash dividend, as authorized by the company's Articles of Incorporation, is subject to a special resolution by the Board of Directors to distribute a cash dividend of NT\$10 per share to shareholders. 2. The Board of Directors resolved to set the dividend record date as April 23, 2025, and the cash dividend was fully distributed on May 22, 2025.
3. Full re-election of directors (including independent directors). List of Elected Directors for the Seventh Term: Representatives of Sitronix Technology Corp.: Sheng-Su Lee, Ying-Wen Mao, and Chu-Yuan Yang. List of Elected Independent Directors: Hsuan Wang, Jen-Chi Lu, Shu-Chun Huang, and Chun-I Hsu.	Obtained approval for registration from the Ministry of Economic Affairs on July 2, 2025, to be announced on the Company's website.
4. Amendment of the company's "Articles of Incorporation."	Obtained approval for registration from the Ministry of Economic Affairs on July 2, 2025, to be announced on the Company's website.
5. Approval of lifting the non-compete restrictions on directors (including independent directors) and their representatives	

2. Key resolutions of the Board of Directors.

Meeting Date	Key Resolutions
2025.03.04 13th Meeting of the 6th Term	1. 2024 compensation allocation plan for employees and directors.
	2. Financial report and business report for 2024.
	3. 2024 profit distribution plan.
	4. Distribution of cash dividends for 2024.
	5. Setting the ex-dividend record date for 2024.
	6. Internal control system statement for 2024.
	7. Competency and independence assessment of the CPAs.
	8. Review of the CPA fees for 2025.
	9. Amendment of certain provisions of the company's internal control system and internal audit implementation rules.
	10. Amendment of the company's "Articles of Incorporation."
	11. Full re-election of directors (including independent directors).
	12. Nomination of directors and review of independent director candidates.
	13. Lifting the non-compete restrictions on directors (including independent directors) and their representatives.
	14. Matters related to convening the 2025 annual shareholders' meeting.
	15. 2025 business plan and budget proposal.
	16. 2024 operational bonus allocation plan for managers, reviewed by the Remuneration Committee
	17. 2025 salary adjustment plan for managers, reviewed by the Remuneration Committee
	18. 2024 compensation allocation plan for individual directors, reviewed by the Remuneration Committee
2025.05.06 14th Meeting of the 6th Term	1. Financial report for Q1 2025.
	2. The Company's proposed investment in marketable securities.
	3. 2024 cash distribution of employee compensation for managers, reviewed by the Remuneration Committee
2025.06.17 1st Meeting of the 7thTerm	1. Proposal for electing the Chairman.
2025.07.01 2nd Meeting of the 7thTerm	1. Proposal for appointing the Company's Remuneration Committee members.
	2. Proposal for appointing the Company's Sustainability and Risk Management Committee members.
2025.07.29 3rd Meeting of the 7thTerm	1. Financial report for Q2 2025.
	2. 2024 Sustainability Report.
	3. Proposal for the remuneration of Independent Directors deliberated by the Company's Remuneration Committee.
2025.10.28 4th Meeting of the 7thTerm	1. Financial report for Q3 2025.
	2. 2026 Audit Plan.
	3. Pre-approval of the 2026 list of non-assurance services.
	4. 2025 competency assessment of the assurance provider for the company's sustainability information.

Meeting Date	Key Resolutions
	5. Approval of the company's managers to engage in competitive activities.
2026.03.03 5th Meeting of the 7th Term	1. 2025 compensation allocation plan for employees and directors.
	2. Financial report and business report for 2025.
	3. 2025 profit distribution plan.
	4. Distribution of cash dividends for 2025.
	5. Internal control system statement for 2025.
	6. Competency and independence assessment of the CPAs.
	7. Review of the CPA fees for 2026.
	8. Amendment of certain provisions of the company's internal control system and internal audit implementation rules.
	9. Lifting the non-compete restrictions on directors (including independent directors) and their representatives.
	10. Matters related to convening the 2026 annual shareholders' meeting.
	11. 2026 business plan and budget proposal.
	12. 2026 salary adjustment plan for managers, reviewed by the Remuneration Committee
	13. 2025 compensation allocation plan for individual directors, reviewed by the Remuneration Committee
	14. The Company's proposed investment in marketable securities.

- (X) For the most recent fiscal year and up to the date of the annual report's publication, if any directors or supervisors expressed dissenting opinions on important board resolutions that were recorded or stated in writing, their main content is as follows: Not applicable.

IV Information on Certified Public Accountant (CPA) Fees

- (I) Amounts of audit and non-audit fees paid to the CPAs, their firm, and affiliated enterprises, as well as the details of non-audit services:

Unit: NT\$1,000

Name of CPA Firm	Name of CPAs	Audit Period	Audit Fees	Non-Audit Fees	Total	Note
Deloitte & Touche Taipei, Taiwan Republic of China	Ya-Yun Chang Ming-Hui Chen	2025.01.01~ 2025.12.31	2,050	670	2,720	Non-audit fees include tax certification, transfer pricing reports, and payroll reporting services for non-executive positions.

- (II) If the audit firm was changed and the audit fees paid in the year of the change are lower than those paid in the previous year, the company shall disclose the audit fees before and after the change and the reasons for the difference: Not applicable.
- (III) If audit fees decreased by more than 10% compared to the previous year, the company shall disclose the amount, percentage of the decrease, and the reason: Not applicable.

V Information on Change of CPAs

The Company has not changed CPAs within the most recent two years.

VI Employment of the Company's Chairman, General Manager, and Managers Responsible for Financial or Accounting Matters at the Certified Public Accountants' Firm or Its Affiliates in the Past Year

None of the company's chairman, general manager, or managers responsible for finance or accounting matters have been employed at the CPAs' firm or its affiliates within the past year.

VII Changes in Share Transfers and Share Pledges of Directors, Supervisors, Managers, and Shareholders Holding More Than 10% of Shares During the Most Recent Fiscal Year and up to the Date of the Annual Report's Publication

- (I) Changes in shareholding of directors, supervisors, managers, and major shareholders

Please visit the Market Observation Post System > Single Company > Equity Changes/Securities Issuance > Equity Transfer Data Inquiry > Ex-post Filing of Insiders Shareholding Change.

Website: https://mops.twse.com.tw/mops/#/web/query6_1

- (II) Share transfer information (where the counterparty is a related party)

None of the company's directors, managers, or shareholders holding more than 10% of shares were involved in any share transfers where the counterparty was a related party.

- (III) Share pledge information (where the counterparty is a related party)

None of the company's directors, managers, or shareholders holding more than 10% of shares were involved in any share pledges where the counterparty was a related party.

VIII Relationships Among the Top 10 Shareholders, Including Related Parties, Spouses, or Relatives Within the Second Degree of Kinship

March 28, 2026; Unit: shares; %

Name	Shareholding		Spouse And Minor Shareholding		Shareholding By Nominee Arrangement		Names And Relationships Of The Top 10 Shareholders, Including Related Parties, Spouses, Or Relatives Within The Second Degree Of Kinship		Note
	Shares	Shareholding Percentage	Shares	Shareholding Percentage	Shares	Shareholding Percentage	Name	Relationship	
Sitronix Technology Corp.	22,651,596	46.31	-	-	-	-	-	-	-
Rep.: Vincent Mao	327,492	0.67	433,209	0.89	-	-	Shu-Hui Cheng	Spouse	-
Yuan-Ching Hsu	590,023	1.21	-	-	-	-	-	-	-
Nan Shan Life Insurance Co., Ltd.	568,000	1.16	-	-	-	-	-	-	-
Rep.: Chung-Yao Yin	-	-	-	-	-	-	-	-	-
Shu-Hui Cheng	433,209	0.89	327,492	0.67	-	-	Vincent Mao	Spouse	-
Vincent Mao	327,492	0.67	433,209	0.89	-	-	Shu-Hui Cheng	Spouse	-
Wen-Bin Lin	300,000	0.61	-	-	-	-	-	-	-
Trust Property Account No. 2 of Sheng-Su Lee in Custody of Taishin International Bank	300,000	0.61	-	-	-	-	-	-	-
Zong-Yuan Huang	250,000	0.51	-	-	-	-	-	-	-
J.P. Morgan Securities Investment Account in Custody of Standard Chartered Bank	247,376	0.51	-	-	-	-	-	-	-
Guang-sheng Investment LTD.	211,910	0.43	-	-	-	-	-	-	-
Rep.: Li-Li Su	-	-	174,150	0.36	-	-	Sheng-Su Lee	Spouse	-

IX Shares Held by the Company, Its Directors, Supervisors, Managers, and Entities Directly or Indirectly Controlled by the Company in the Same Reinvested Business, and the Consolidated Shareholding Percentage: None

Chapter 3 Capital Raising Overview

I Capital and Shares

(I) Source of Share Capital

Unit: Thousands of Shares; NT\$ Thousands

Date	Issuance Price (NT\$)	Authorized Capital		Paid-in Capital		Remarks		
		Shares	Amount	Shares	Amount	Source of Share Capital	Non-cash capital contribution	Other
2009/12	10	200	2,000	200	2,000	Initial capital	None	Note 1
2013/02	10	25,000	250,000	13,000	130,000	Increase in cash capital amounting to NT\$128,000 thousand	None	Note 2
2014/04	10	25,000	250,000	14,225	142,250	Increase in cash capital amounting to NT\$12,250 thousand	None	Note 3
2015/04	13	25,000	250,000	14,600	145,995	Capital increase of NT\$3,745 thousand through the exercise of employee stock options	None	Note 4
2015/08	12.80	25,000	250,000	19,247	192,468	Capital increase of NT\$10,946 thousand through employee bonuses	None	Note 5
	10					Capital increase of NT\$35,527 thousand through retained earnings		
2016/05	10.74	25,000	250,000	20,538	205,380	Capital increase of NT\$1,154 thousand through employee compensation	None	Note 6
	10					Capital increase of NT\$4,958 thousand through retained earnings		
	11					Capital increase of NT\$6,800 thousand through the exercise of employee stock options		
2017/08	10.74	25,000	250,000	24,004	240,039	Capital increase of NT\$1,082 thousand through employee compensation	None	Note 7
	10					Capital increase of NT\$4,652 thousand through retained earnings		
	11					Capital increase of NT\$28,925 thousand through the exercise of employee stock options		
2018/06	10.79	25,000	250,000	24,115	241,146	Capital increase of NT\$1,107 thousand through employee compensation	None	Note 8
2019/03	24.12	50,000	500,000	37,781	377,813	Capital increase of NT\$19,229 thousand through employee compensation	None	Note 9
	10					Capital increase of NT\$117,438 thousand through retained earnings		
2019/05	-	80,000	800,000	37,781	377,813	-	None	Note 10
2020/06	498~683	80,000	800,000	41,356	413,563	Increase in cash capital amounting to NT\$35,750 thousand	None	Note 11
2020/07	10	80,000	800,000	48,912	489,126	Capital increase of NT\$75,563 thousand through retained earnings	None	Note 12

Note 1: Jing Shou Zhong Zi Di No. 09835047710 on December 1, 2009

Note 2: Jing Shou Zhong Zi Di No. 10233148070 on February 5, 2013

Note 3: Jing Shou Zhong Zi Di No. 10333273640 on April 22, 2014

Note 4: Jing Shou Zhong Zi Di No. 10433301620 on April 27, 2015

Note 5: Jing Shou Zhong Zi Di No. 10433604890 on August 3, 2015

Note 6: Jing Shou Zhong Zi Di No. 10533677600 on May 23, 2016

Note 7: Jing Shou Zhong Zi Di No. 10633482470 on August 15, 2017

Note 8: Jing Shou Zhong Zi Di No. 10733335000 on June 13, 2018

Note 9: Jing Shou Zhong Zi Di No. 10833142590 on March 8, 2019

Note 10: Jing Shou Zhong Zi Di No. 10833311060 on May 23, 2019

Note 11: Jing Shou Zhong Zi Di No. 10933328160 on June 17, 2020

Note 12: Jing Shou Zhong Zi Di No. 10933411730 on July 27, 2020

March 31, 2026; Unit: Shares

Types of Shares	Authorized Capital			Remarks
	Outstanding Shares	Unissued Shares	Total	
Common Stock	48,912,618	31,087,382	80,000,000	The Company's stock is listed on the over-the-counter (OTC) market.

Shelf registration statement: No related information.

(II) List of Major Shareholders

March 28, 2026; Unit: shares; %

Name of Major Shareholders	Shares	Number of Shares Held	Shareholding Percentage
Sitronix Technology Corporation		22,651,596	46.31
Yuan-Ching Hsu		590,023	1.21
Nan Shan Life Insurance Co., Ltd.		568,000	1.16
Shu-Hui Cheng		433,209	0.89
Vincent Mao		327,492	0.67
Wen-Bin Lin		300,000	0.61
Trust Property Account No. 2 of Sheng-Su Lee in Custody of Taishin International Bank		300,000	0.61
Zong-Yuan Huang		250,000	0.51
J.P. Morgan Securities Investment Account in Custody of Standard Chartered Bank		247,376	0.51
Guang-sheng Investment LTD.		211,910	0.43

(III) Company Dividend Policy and Implementation Status

1. Dividend policy as specified in the Articles of Incorporation

Should the Company have net income after tax for the current fiscal year, it shall be distributed in the following order.

- (1) To offset accumulated losses.
- (2) Ten percent shall be allocated to the legal reserve; however, if the legal reserve has reached the total paid-in capital of the Company, this requirement shall no longer apply.
- (3) To allocate or reverse special reserves as required by laws or regulatory authorities.
- (4) If there are earnings, together with undistributed earnings from the beginning of the period (including adjustments to the undistributed earnings amount), the Board of Directors shall prepare a proposal for the distribution of earnings, which will be submitted to the shareholders' meeting for approval of the dividend distribution.

The Company allocates a minimum of ten percent of its distributable earnings annually for the distribution of dividends to shareholders. Dividends may be distributed in cash or in stock; however, the proportion of cash dividends distributed shall not be less than ten percent of the total dividends. The policy for dividend distribution must take into account the current and future investment environment, capital requirements, domestic and international competitive conditions, and capital budgeting, while balancing the interests of shareholders with the Company's long-term financial planning. Each year, the Board of Directors shall prepare a dividend distribution proposal in compliance with legal requirements and submit it to the shareholders' meeting.

2. Proposed dividend distribution at the shareholders' meeting

(1) In accordance with the Company' Articles of Incorporation, the Board of Directors is authorized to resolve, with the attendance of more than two-thirds of the directors and a majority decision of those present, to distribute all or part of the dividends and bonuses in cash, and to report this at the most recent shareholders' meeting.

(2) On March 3, 2026, the Company's Board of Directors approved the distribution of cash dividends for the fiscal year 2025. The total amount allocated for dividends to shareholders is NT\$269,019,399, resulting in a cash distribution of NT\$5.5 per share.

3. Expected material changes to the dividend policy: None.

(IV) Impact of the proposed stock dividend distribution on the Company's operating performance and earnings per share: Not applicable.

(V) Remuneration to employees, directors, and supervisors

1. The percentages or ranges of remuneration to employees, directors, and supervisors as stipulated in the Articles of Incorporation

If the Company generates profits in a given fiscal year, no less than 1% and up to 25% of the profit shall be allocated for employee compensation, while an amount not exceeding 1% shall be allocated for director remuneration. However, if the Company has accumulated losses, it shall first offset such losses before allocating employee compensation and director remuneration in accordance with the aforementioned ratios. At least 50% of the total employee compensation amount, as mentioned above, shall be allocated to entry-level employees.

Employee compensation shall be determined by a resolution of the Board of Directors and may be distributed in the form of stock or cash. Eligible recipients may include employees of the Company's controlled or affiliated subsidiaries who meet specified criteria.

2. The basis for the estimated amounts of remuneration to employees, directors, and supervisors for the period, the calculation basis for the number of shares distributed as employee remuneration, and the accounting treatment if there is any difference between the estimated and actual distributed amounts.

The Company estimates employee and director remuneration based on the percentages stipulated in the Articles of Incorporation. If there is any difference between the estimated and the actual distributed amounts, such difference is accounted for as a change in accounting estimate and adjusted in the year when it is approved by the Board of Directors.

3. Approval of remuneration distribution by the Board of Directors

(1) Amounts of employees, director and supervisors remuneration distributed in cash or stock. If there is any discrepancy between the estimated amount recognized as expense in the year and the actual amount distributed, the difference, the reasons for the discrepancy, and the treatment thereof shall be disclosed:

On March 3, 2026, the Board of Directors of the Company approved the distribution plan for employee and director remuneration for the fiscal year 2025. The cash distribution for employee compensation was set at NT\$25,586,217, while the total remuneration for directors amounted to NT\$1,958,623, aligning with the estimated expenses for the fiscal year 2025.

(2) The amount of employee remuneration distributed in stock and its proportion to the net income after tax and the total amount of employee remuneration in the standalone or individual financial statements for the period: Not applicable.

4. The actual distribution of employee, director, and supervisor remuneration in the previous fiscal year (including the number of shares distributed, the amount, and the share price), and, if there is any discrepancy from the amount recognized as remuneration, the difference, the reasons for the discrepancy, and the treatment thereof shall be disclosed:

On March 4, 2025, the Board of Directors of the Company approved employee compensation for the fiscal year 2024 in the amount of NT\$48,642,893 and director remuneration in the amount of NT\$4,064,289, both of which were fully distributed in 2025, with no difference from the amount recognized in the 2024 financial statements.

(VI) Repurchase of the Company's own shares: None.

II Corporate Bonds: None.

III Preferred Stocks: None.

IV Overseas Depositary Receipts: None.

V Employee Stock Options: None.

VI Restricted Stock Awards for Employees: None.

VII Status of New Shares Issuance in Connection with Mergers and Acquisitions: None.

VIII Financing Plans and Implementation: None.

Chapter 4 Operations Overview

I Business Activities

(I) Scope of business

1. Main areas of operation:

As registered with the Ministry of Economic Affairs, the Company's main business items are as follows:

- (1) CC01080 Electronics Components Manufacturing
- (2) F113030 Wholesale of Precision Instruments
- (3) F118010 Wholesale of Computer Software
- (4) F119010 Wholesale of Electronic Materials
- (5) F213040 Retail Sale of Precision Instruments
- (6) F218010 Retail Sale of Computer Software
- (7) F219010 Retail Sale of Electronic Materials
- (8) F401010 International Trade
- (9) I301010 Information Software Services
- (10) I599990 Other Designing
- (11) ZZ99999 All business activities that are not prohibited or restricted by law, except those that are subject to special approval.

2. Main business activities and their percentage of operating revenue

Unit: NT\$ thousand

Main products	2025	
	Amount	Percentage (%)
Sensor chip	4,555,877	99.87
Other	5,987	0.13
Total	4,561,864	100.00

3. Current products and services

- (1) Optical sensor
 - A. Ambient light sensor
 - B. Color sensor
 - C. Flicker detection sensor
 - D. Proximity sensor
 - E. Long-range proximity sensor
 - F. Skin detection sensor
- (2) MEMS sensor
 - A. Accelerometer sensor
 - B. Pressure sensor
- (3) Capacitive sensing sensor
 - A. Specific absorption rate sensor

- B. Capacitive touch sensor
- 4. New products and services under development
 - (1) Optical sensor
 - A. Ambient Light RGB and Proximity Sensor Chips for New Generation COE OLED Under-Display Applications
 - B. Ambient Light RGB Combined with High Sampling Rate External Ambient Light Flicker Sensor Chips
 - (2) MEMS sensor
 - A. Accelerometer chips for Automotive and Industrial Control Applications
 - B. High-Pressure Range Pressure Meters
 - C. Edge-AI Smart Barometers
 - D. Multi-Channel SAR Sensor Chips for Smart Sensing

(II) Industry overview

1. Current status and development of the industry

The Company cultivates the frontier fields of sensor chips deeply to commit to the research, design, development, and sales of high-precision sensing solutions. Core product lines encompass optical sensors and MEMS sensors:

- (1) Optical Sensing Technology: Utilize ambient light sensors (ALS) and proximity sensors as the core to provide precise environmental perception capabilities for smart devices.
- (2) MEMS Sensing Technology: Focus on inertial measurement units (IMUs), such as accelerometers and gyroscopes within micro-electromechanical systems (MEMS), to realize precise dynamic tracking and stabilization through high-performance motion sensors to expand application opportunities in the drone and robotics fields.

Sensor chips serve as critical bridges connecting the physical and digital worlds to translate external signals such as optoelectronics, pressure, and motion into digital information. With the deep integration of Edge AI and the Internet of Things (IoT), sensor component applications have transcended traditional consumer electronics boundaries to permeate broadly into critical fields such as smartphones, wearable devices, smart cockpits, industrial automation, and high-end medical imaging.

2026 Latest Market Data Guide: Benefiting from the global AI hardware wave and automotive electronics specification upgrades, the sensor Market continuously demonstrates robust growth momentum:

Global Total Sensor Market: According to the latest data from Mordor Intelligence, the global sensor Market size is projected to reach US\$269.4 billion in 2026 and advance toward 2030 with a compound annual growth rate exceeding 10%.

Optical Sensing Field: Research reports from Global Market Insights Inc. indicate the global optical sensor Market size is projected to surpass US\$30 billion in 2026 due to the popularization of smartphone under-display sensing technology and AI Smart Glasses. Among these, the single Market size of ambient light sensing is projected to reach US\$3.61 billion due to drivers from smart lighting and display optimization demands.

MEMS Sensing Field: The global MEMS sensor chip Market size has officially surpassed the US\$20 billion milestone, according to the latest 2026 reports from Verified Market Reports and Mordor Intelligence. Benefiting from the

implementation of humanoid robots and autonomous driving technologies, inertial sensor components have become one of the fastest-growing segmented markets.

Facing a dynamically changing industry landscape, the Company will continuously optimize product signal-to-noise ratios (SNR) and low power consumption performance through technological iterations to consolidate its leading position in the consumer electronics and wearable device markets and actively pioneer new growth curves for AIoT and automotive sensing.

(1) Optical sensor

A. Ambient light sensor

Currently, the Ambient light sensor is widely utilized in smart mobile devices, wearable technology, the Internet of Things (IoT), security monitoring, and the automotive industry. In smart mobile and wearable devices, the Ambient light sensor adjusts screen brightness in response to changes in ambient light, thereby reducing eye strain and promoting energy efficiency. In IoT applications, streetlights equipped with these chips can automatically detect sunlight and adjust their brightness according to ambient light conditions. Furthermore, in solar power plants, these sensors enable solar panels to rotate and align optimally for maximum energy collection efficiency based on the sun's position. In security monitoring applications, surveillance cameras can leverage environmental light sensing chips to assess surrounding light levels, thereby enhancing supplemental lighting and detection capabilities in low-light conditions. In the automotive industry, these chips facilitate automatic headlight activation and the adjustment of dashboard brightness.

B. Proximity sensor

Proximity sensors are now widely utilized in smartphones and wearable devices. When a user initiates a phone call, the smartphone automatically turns off the screen when brought close to the head, thereby preventing accidental touches from the ear or face. Additionally, placing the phone face down on a table during a call helps conserve battery life by automatically deactivating the screen. Furthermore, when users wear true wireless Bluetooth earbuds (TWS), the device automatically activates or deactivates based on the proximity to the ear.

C. Flicker sensor

Flicker sensors are broadly utilized in smartphones, tablets, and wearable devices alongside ambient light sensors to adjust display brightness and reduce visual fatigue and discomfort caused by light flickering for human eyes. Furthermore, they can be utilized for light source quality evaluation and real-time control in fields such as smart lighting, display calibration, industrial lighting monitoring, and automotive cockpit lighting to facilitate the enhancement of User Experiences and product safety.

(2) MEMS sensor

A. Accelerometer sensor

Accelerometer sensors were originally utilized primarily in the aerospace and defense industries. However, due to reductions in cost and size, they are now widely employed in the automotive industry and consumer electronics market. In the automotive industry, accelerometer sensors are primarily utilized for collision detection to activate airbags. Additionally, when satellite signal reception is poor, they are used in conjunction with gyroscopes to provide complementary orientation calculations in GPS navigation systems. In the consumer electronics market, accelerometer sensors are employed to facilitate functions such as step counting, speed measurement, automatic screen orientation, and hard drive protection during device falls in smart mobile and wearable devices. Furthermore, in gaming applications, these sensors offer dynamic sensing capabilities that enable players to control actions within the game.

B. Pressure sensor

Pressure sensors are extensively utilized in smart mobile devices and wearable technology, facilitating a range of functions including altitude measurement, barometric pressure measurement, stair climbing activity tracking, slope rate detection, weather forecasting, water depth measurement, and flight altitude control. Furthermore, the current pressure sensor meets the U.S. FCC E911 Z-axis positioning accuracy regulations, thereby enabling high-precision positioning capabilities.

C. Gyro. sensor

Gyro. sensors are typically integrated with accelerometers and magnetometers to form inertial measurement units (IMUs) to calculate the posture, direction, and motion status of devices in real time. Gyro. sensors are broadly applied in screen rotation, gesture recognition, game control, and image anti-shake functions for smartphones and wearable devices in the consumer electronics field; they can be used for vehicle stability control, navigation positioning, and robot motion control in the automotive electronics and industrial fields. Furthermore, high-precision and low-drift gyroscope sensors serve as critical core components to realize precise posture tracking and immersive experiences in emerging applications such as drones, virtual reality, and augmented reality.

(3) Capacitive sensing sensor

A. Specific absorption rate sensor

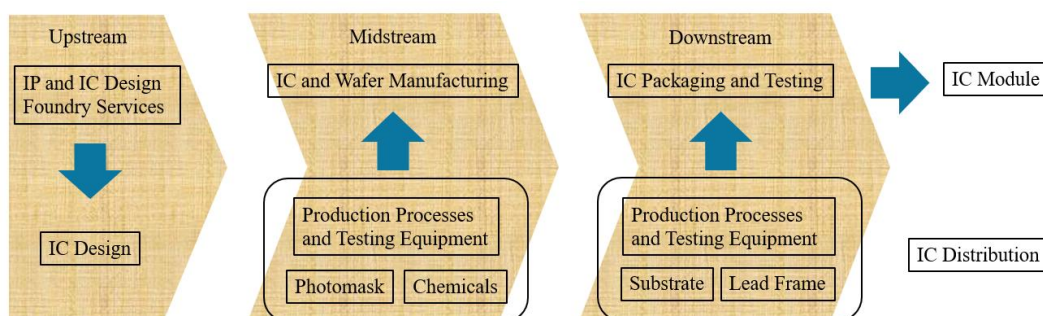
As communication technology continues to advance, there is increasing concern about the impact of electromagnetic waves on the human body.

Consequently, the Federal Communications Commission (FCC), the Conformité Européenne (CE), and the National Communications Commission (NCC) have established clear testing standards for the magnitude of electromagnetic wave radiation energy, specifically the Specific Absorption Rate (SAR), which quantifies the rate of energy absorption per unit mass of biological tissue. To comply with communication regulations in various countries, modern mobile phones are equipped with a SAR sensor. This sensor can detect inanimate objects as well as those in proximity to the human body. It adjusts the transmission power and radiation field pattern to modify the beam direction, ensuring that electromagnetic wave emissions are directed away from the human body in accordance with regulatory requirements. Currently, regulations in the United States, Europe, and Asian markets, including China and India, require that mobile phones be equipped with SAR sensors. As communication regulations in various countries continue to evolve, the application scope and penetration rate of these sensors are expected to increase gradually. The potential market for mobile phones and wearable devices equipped with SAR sensors remains significantly expansive in the future.

2. Relationship among upstream, midstream, and downstream of the industry

The Company operates as an upstream integrated circuit (IC) design firm within the semiconductor industry, primarily focusing on the research, design, development, and sales of sensor chips. We specialize in the design and development of IC circuits. Upon completion of the circuit design, the project is transferred to midstream IC manufacturing companies for the conversion of the circuit into chips. Subsequently, downstream IC packaging and testing facilities further package the manufactured IC chips to create the final IC products. These finished products are then distributed through various channels to assembly subcontractors for production into end products. Consequently, each stage of production involves distinct manufacturers, establishing a specialized division of labor system. The relationships among the upstream, midstream, and downstream sectors of the industry of the Company are outlined as follows (refer to Figure 1).

Figure 1. Relationship among upstream, midstream, and downstream of the industry



Source: Website of the Taipei Exchange

3. Product development trends

(1) Optical Sensing Products Serve as the Core for Full Screens and Image Optimization

Traditional sensors face more rigorous "under-display" optical challenges as OLED panels become mainstream in 2025-2026 (with an estimated Market share reaching 70%). Advanced ambient light sensor chips can precisely detect light intensity and analyze RGB spectrums and infrared (SWIR) bands. Their utilization under the front display resolves white spot interference issues under OLED screens and low transmittance issues of COE screens to become critical auxiliary technologies for "restoring true color temperatures" in high-end smartphone photography as rear camera assists.

According to Research & Markets, the global optical sensing market was forecast to grow at a compound annual growth rate (CAGR) of 10.8%, reaching US\$4.6 billion by 2030.

(2) MEMS Inertial and Pressure Sensing Products Advance from Smartphones to Automotive and Robotics Applications

Acceleration sensor chips are applied in smartphone screen rotations and game controls, and have extended to "health detection" and "gesture recognition" for wearable devices and automotive tire pressure detection. MEMS barometers are compact, energy-efficient, highly accurate, and durable, which makes them widely applicable in the automotive, industrial, healthcare, and consumer electronics sectors. With the ongoing advancements in MEMS manufacturing technology, the accuracy and resolution of barometers are steadily improving. Under the E911 rules, mobile phones are mandated to possess the capability to transmit location information. The use of barometers can enhance the accuracy of location data, thereby assisting rescue personnel in locating individuals in need of assistance more swiftly. Furthermore, the barometer can be utilized in wearable watches to help users monitor their health status and physical activity. In the context of drones, it contributes to stabilizing flight and achieving altitude control, among other functions.

Additionally, combining high-precision pressure sensor chips (Pressure Sensors) complies with U.S. FCC E911 positioning regulations to realize precise 3D altitude positioning (Z-axis) in complex indoor scenarios, which is critical for future indoor navigation and drone control.

According to a report by Yole Développement, the current global market size for MEMS accelerometers is US\$12.5 billion, and it is projected to reach US\$20.4 billion by 2030. As MEMS technology continues to advance, the size and cost of accelerometers are steadily decreasing. This trend is expected to facilitate the widespread adoption of accelerometers across various application areas. Significant

application demands are anticipated in the fields of automotive electronics, industrial control, and healthcare in the future.

(3) Capacitive sensing sensor

In recent years, the proliferation of products such as smartphones and wearable wireless devices has heightened public concern regarding the effects of electromagnetic waves on human health. This concern has resulted in an increasing demand for Smart Sensing Electromagnetic Wave SAR Sensors. Currently, in many regions, including Europe, the United States, and Asia, portable devices (such as mobile phones and tablets) are progressively required to comply with SAR standards. Non-compliance with these regulations will lead to restrictions on market entry.

4. Competitive landscape of the industry

(1) Optical sensor

The primary competitor is the foreign major AMS-OSRAM AG; in China, competing manufacturers include Wuhan Juxin Microelectronics and Goodix Technology, Inc.

(2) MEMS sensor

Currently, the global market MEMS inertial sensors is dominated by large international companies. The foremost manufacturers of accelerometer sensors are Bosch Sensortec GmbH from Germany and STMicroelectronics N.V. from Switzerland. The Company has been consistently increasing its market share in this sector, with cumulative shipments surpassing 300 million accelerometer sensors to date.

(3) Capacitive sensing sensor

Taiwan has made significant investments in touch ICs and capacitive sensing control ICs in the past. However, there has been limited emphasis on low-noise, high-dynamic-range, low-power SAR sensors. Currently, the primary products available for the next generation of multi-band mobile phones are supplied by the American company Semtech. Recently, Chinese manufacturers have also begun to actively enter this market. As the electromagnetic energy regulation standards mentioned above are further refined, smartphones will be required to incorporate capacitive sensing chips, indicating that the market will have significant growth potential in the future.

(III) Overview of technology and research development

1. Research and development expenses for the most recent fiscal year and up to the date of publication of this annual report

Unit: NT\$ thousand

Year	2024	2025
Research and development expenses	468,837	473,424
Percentage of operating revenue (%)	10	10

2. Technologies or products successfully developed in the most recent fiscal year and up to the publication date of annual report

Research and development results	Explanation
Launch of long-wavelength (1300nm light-emitting wavelength) ambient light RGB and proximity sensor for under-display OLED applications	Enhance the SNR to accommodate display screens with lower penetration rates, while simultaneously improving RGB sensitivity and optimizing under-display calculations
Launch of a compact ambient light RGB sensor with external light source flicker detection capability	Reduction in chip and package size while enabling brightness, color temperature, and flicker measurement
Launch of a skin sensor for wearable devices	Designed to detect whether the proximate object is human skin, enabling automatic activation or deactivation of wearable device functions (e.g., music playback or heart rate measurement), thereby achieving power-saving benefits
Launch of a next generation of miniaturized barometric pressure sensor	Reduced package height to lower circuit noise and power consumption, enabling applications in altitude positioning and navigation for smartphones and drones
Launch of a next-generation acceleration sensor	Optimize and enhance the characteristics of ASIC chips to minimize operational power consumption and noise
Launch inertial sensor chips that integrate gyroscopes and acceleration sensor chips applied in consumer products	Integrate MEMS gyroscopes, accelerometers, and ASIC chips to provide more competitive inertial sensing solutions applied in products such as consumer toys and robot vacuums
Launch novel monolithic acceleration sensor chips	Develop small-dimension acceleration sensor chips with highly integrated MEMS and ASICs to reduce costs and enhance competitiveness
Launch ambient light RGB and proximity sensor chips for COE OLED under-display applications	Elevate circuit signal-to-noise ratios (SNR), optimize functions to lower power consumption, mitigate light spot effects, and reduce costs alongside microstructures to resolve FOV issues under COE screens
Next-generation ambient light RGB and proximity sensor for full-screen and narrow-bezel	Improved circuit signal-to-noise ratio (SNR), optimized RGB coatings to enhance color temperature accuracy, and reduced costs.
Launch new generation skin sensor chips	Optimized circuit characteristics, improved skin-detection accuracy, and reduced costs.
Launch sensor chips combining multi-channel ambient light (UV+ALS) and ambient light flicker (Flicker)	Optimize UV PD designs to increase sensitivity, reduce infrared light leakage, and elevate indoor and outdoor judgment accuracy

(IV) Long-term and short-term business development plans

1. Short-term business development plans

(1) Marketing strategy

- A. Enhance the introduction of various new application products into the existing supply chain of mobile phone brand customers by providing comprehensive mobile-related sensor chip solutions to improve customer penetration.
- B. Continuously enhance technical services for existing clients to maintain long-term collaborative relationships and strengthen client loyalty.

(2) Product strategy

- A. In response to the rapidly evolving smartphone industry, we will leverage the Company's research and development capabilities to continuously design and launch mobile application sensors that set industry standards in specifications while providing high cost-performance ratios.
- B. Continuously expand the product line and develop a range of application-specific sensor chips that are widely utilized in consumer products, wearable devices, the Internet of Things, and the smart automotive sector. Optimize the product portfolio to mitigate the impact of economic cycles on the product line.

(3) Production strategy

- A. Enhance collaboration with key wafer foundries, packaging factories, testing facilities, and other outsourcing vendors to ensure adequate production capacity and flexibility.
- B. Leverage our extensive experience in optical packaging design technology, we collaborate with packaging manufacturers to develop specialized processes that address the rapid changes in mobile phone structural design.
- C. MEMS sensors are engineered to fulfill a wide range of application requirements. The production and testing of these products entail stringent standards and considerable diversity. It is crucial to enhance relationships with current partners, foster technical exchanges to ensure quality management, and sustain supply stability.

2. Long-term business development plans

- (1) Continuously enhance the breadth and depth of product applications, establish a comprehensive sales channel, and improve the loyalty and market visibility of international brand clients.
- (2) Strengthen long-term cooperative relationships with customers and the supply chain, while continuing to collaborate on innovative development and process improvement.
- (3) Thoroughly understand market dynamics and product development trends to sustain a technological advantage over competitors.
- (4) Foster new product development to enhance the product portfolio.

II Overview of Market, Production, and Sales

(I) Market analysis

1. Major markets for products and services

Unit: NT\$ thousand

Sales region	2024		2025	
	Amount	Percentage (%)	Amount	Percentage (%)
Domestic sales	2,739,734	55.45	2,434,646	53.37
Export	2,200,949	44.55	2,127,218	46.63
Total	4,940,683	100.00	4,561,864	100.00

2. Market share

The primary applications of the Company's optical sensors are in smartphones, while the accelerometer sensors are categorized as consumer products. According to industry research reports estimating the actual shipment volumes for global smartphones and Sensortek's optical sensors in 2025, the Company's global market share for optical sensing chips is approximately 53%, whereas the market share for accelerometer sensing chips still holds substantial room for elevation.

3. Outlook for future supply and demand and market growth

The following is a comprehensive overview of the application markets for the Company's primary products:

(1) Smartphone

In 2025, as 5G applications become more prevalent, AI technology continues to integrate into smartphones, and the foldable phone market matures, the market is anticipated to experience further recovery. Forecasts indicate that global smartphone shipments are projected to reach 1.26 billion units by 2025, reflecting an annual growth rate of approximately 1.9% (refer to Figure 2 for details). The high-end market will remain the primary driver of growth, with Apple and Samsung continuing to compete, while Xiaomi and other Chinese brands will enhance their market presence through differentiation strategies (refer to Figure 3 for details). However, the market recovery remains relatively slow due to the extended replacement cycle of consumer devices. Each brand must enhance its innovation and marketing strategies to improve market share and revenue performance.

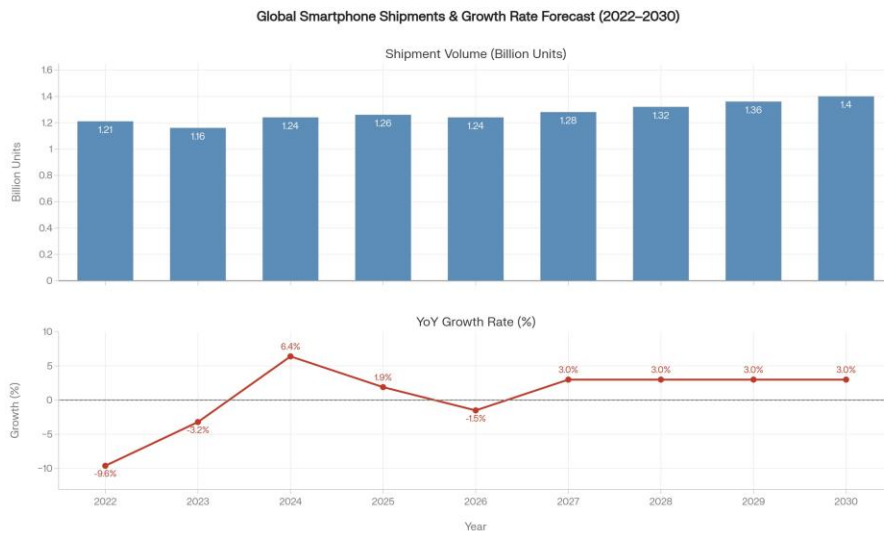
In 2026, multiple firms (Counterpoint and IDC) have warned that mobile phones are expected to experience a slight contraction—an estimated decline of 1.5%—due to rising memory (DRAM/NAND) prices and the crowding-out effect of AI data centers.

Soaring memory costs act as the primary cause to compel chip foundries to shift capacity focus toward high-end memory required for AI servers, which results in a tightened supply of traditional DRAM utilized by smartphones. Counterpoint

indicates that this may significantly escalate bill of materials (BoM) costs for low-end smartphones to force manufacturers to raise prices to subsequently suppress consumer demand. The prolonged replacement cycle and the relatively high sensitivity of the mid-to-low-end Market to price hikes have impacted overall shipment expectations for 2026.

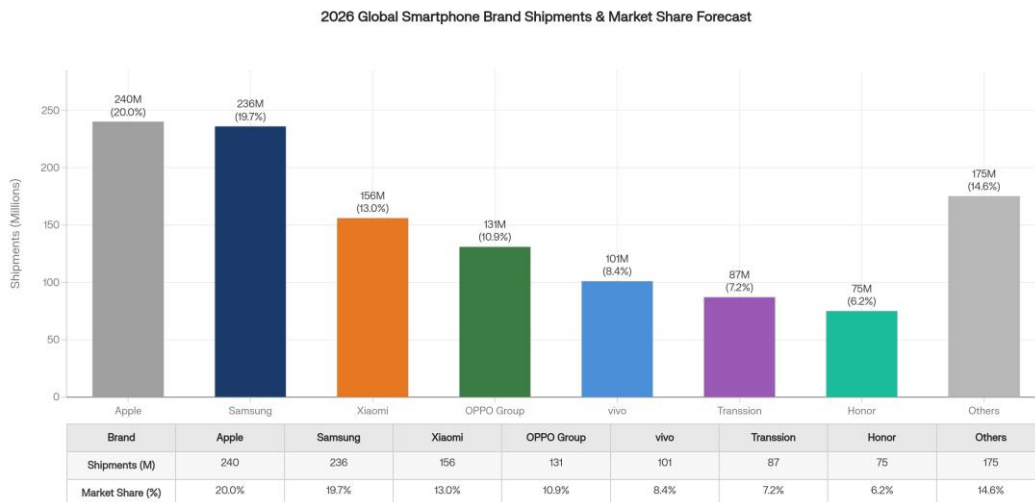
2027-2030 (AI-Driven Growth Period): The Market is projected to resume a compound annual growth rate of approximately 3%, with global shipments expected to challenge the 1.4 billion unit milestone by 2030 as generative AI smartphones (GenAI Smartphones) popularize.

Figure 2. Overview of the global smartphone market



Source: Compiled from various market research firms' data (February 2026)

Figure 3. Overview of global Smartphone brand shipments and market shares



Source: Compiled from various market research firms' data (February 2026)

(2) Wearable devices

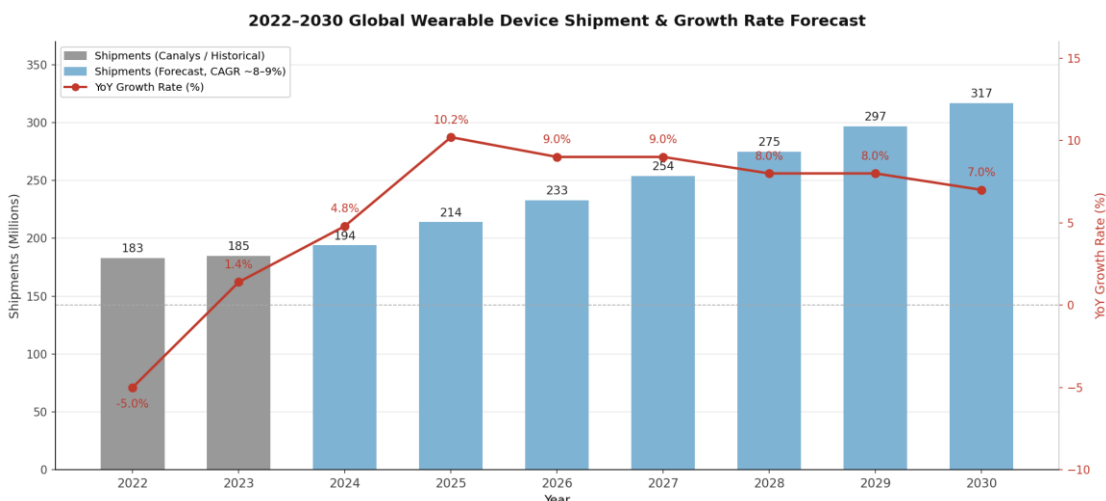
Wearable devices are electronic devices that are worn or attached to the user, capable of connecting to the internet and equipped with sensors for data collection.

These devices feature a computing core and a software system that performs various functions, allowing them to automatically collect, transmit, display information, or respond based on different conditions. They are primarily categorized into smartwatches and wristbands.

Future Principal Application Directions: Devices featuring blood pressure and blood sugar trend monitoring functions will propel replacement demands following FDA/CE certification approvals. Furthermore, wearable devices will become the core entry point for Edge AI to provide more real-time health advice and voice interactions.

Institutions such as Canals, IDC, and Mordor Intelligence forecast a long-term compound annual growth rate of 8-9% for the wearable Market size by 2030 (as shown in Figure 4) as the popularity of basic watches continues to grow globally. Xiaomi and Huawei have launched increasingly powerful entry-level smartwatches to drive shipments among price-sensitive consumers, resulting in shipment growth. As battery life and cost competitiveness continue to improve in the smartwatch segment, smartwatches are expected to meet more complex use cases. This growth trend reflects the evolving expectations of consumers, indicating an increasing demand not only for basic data tracking but also for detailed and personalized healthcare solutions. Companies such as Huawei, Zepp Health, and Samsung are transitioning towards software services by integrating advanced sensors and wearable devices to incentivize consumers to upgrade. The bundling of basic smartwatches serves not only to drive shipment growth, but also to enhance ecosystem stickiness and strengthen customer retention.

Figure 4. Wearable device shipment forecast



Source: Canals、IDC、Mordor Intelligence Sep. 2025

4. Competitive niche

The Company has established profound technological foundations and R&D capabilities in fields such as circuit design, optical and packaging design, and micro-

electromechanical (MEMS) processes. The Company has collaborated with upstream supply chains for the long term to co-develop MEMS processes and cooperates with packaging plants to optimize optical packaging technologies to flexibly address the rapid iterations of smartphone structural designs regarding supply chain integration. Meanwhile, the Company has accumulated sufficient customized molds and testing machines during the packaging and testing phase to possess highly flexible backend mass production capabilities.

The Company has encompassed major global non-Apple smartphone brand manufacturers (including Samsung, Xiaomi, OPPO, VIVO, and Honor) regarding client deployment. The Company can grasp the R&D trends and functional specifications of future products precisely to provide customized designs that comply entirely with requirements by establishing a close "Joint Development and Manufacturing (JDM)" collaboration model with leading manufacturers. Looking forward, the Company will continuously deepen the diverse applications of sensor chips to commit to introducing new products into existing smartphone supply chains to provide comprehensive sensing solutions and penetrate further into emerging application fields such as wearable devices.

5. Favorable and unfavorable factors for future development and corresponding countermeasures

(1) Favorable factors

A. Optical Sensing Upgrade Requirements:

Mobile devices have become a rigid demand of modern life as consumer requirements for screen display comfort (such as color temperature adjustments) and true photographic restoration increase steadily. Changes in screen transmittance pose challenges to sensing technologies to further drive the continuous upgrade and specification elevation of optical sensing technologies as high-resolution OLED panel technologies decentralize from high-end models to the mid-range Market due to declining costs.

B. AI and Robotics Drive MEMS Growth:

Micro-electromechanical systems (MEMS) motion sensing technologies are broadly applied in smartphones and wearable devices to act as the critical key for the future virtual-real integration of robots. Combining user motion posture detection with pressure-sensing technologies can realize more realistic virtual somatosensory interactions. The vigorous development of AI, smart homes, and robotics applications will drive the long-term growth of multi-axis motion platforms and relevant sensing markets.

(2) Unfavorable factors and corresponding countermeasures

A. Unfavorable Factors:

The Company's products are closely tied to the terminal consumer electronics Market where brand manufacturers adopt rapid iteration strategies to stimulate consumption, resulting in shortened product lifecycles. Furthermore, physical economic growth has slowed due to global inflation, impacts to turn consumer

device replacement willingness conservative and prolonged replacement cycles. Major brands have pivoted to actively compete in the high-end flagship Market to maintain revenue in response to sluggish demand for mid-to-low-end smartphones.

B. Response Solutions:

(a) Forward-looking R&D and High-end Deployment:

The Company actively deploys next-generation products and launches customized solutions integrating multiple technologies by relying on the joint development model with leading smartphone manufacturers. The Company leads peers to launch products with high cost-performance ratios and successfully penetrates the flagship and high-end application markets through excellent R&D adaptability to mitigate the risks associated with product generation transitions and sluggish mid-to-low-end demand.

(b) Optimize Product Portfolios and Deploy in the Blue Oceans of Automotive and Industrial Control:

The Company actively invests in the R&D of high-margin industrial control and automotive applications to mitigate the risk of over-reliance on a single consumer electronics Market. The Company develops sensors complying with automotive certifications and industrial grades by utilizing existing MEMS process advantages to target business opportunities in smart cockpits and smart manufacturing. The automotive and industrial control markets feature high certification thresholds, long order visibility, and stable prices. These characteristics facilitate the optimization of the Company's profit structure to elevate the overall gross profit ratio and enhance resilience against economic fluctuation risks to achieve the goal of sustainable operations.

(c) Optimization of Quality and Enhancement of Services:

The Company adheres to a client-oriented strategy to implement strict controls over quality, delivery schedules, and yield rates. The Company refines circuit design optimization and technological R&D continuously to provide clients with efficient and stable product quality to consolidate existing client relationships and expand Market share continuously.

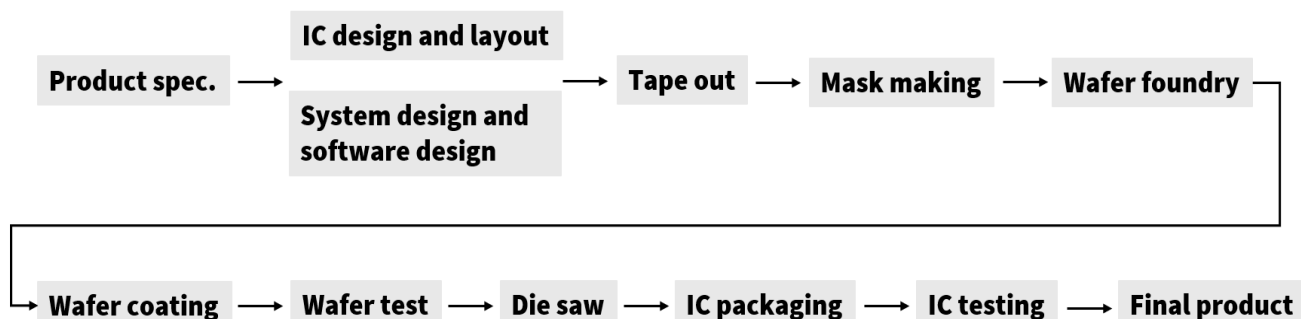
(II) Significant applications and production processes of key products

1. Significant applications of key products

Category	Product Name	Primary Applications or Functions
Optical sensor	Ambient light sensor	Applied in consumer electronic products such as smartphones, tablets, and televisions, ambient light sensors are used to adjust display brightness to enhance viewing comfort and improve energy efficiency.
	Color sensor	Applied in smartphones or related electronic devices to simultaneously detect ambient light intensity and color temperature, enabling automatic adjustment of screen or camera brightness and color performance for a more realistic user experience aligned with the actual environment.
	Flicker detection sensor	Applied to the front and rear cameras of smartphones to detect the flicker frequency of ambient light sources or screens of other electronic devices, eliminating flicker artifacts (banding) in photos.
	Proximity sensor	Applied in consumer electronics such as smartphones and tablets for proximity sensing, enabling screen shutdown to prevent accidental touch input.
	Long-range proximity sensor	Applied in consumer electronics such as VR devices, drones, and robots for long-range object proximity sensing.
	Skin detection sensor	Designed to detect whether the proximate object is human skin, enabling automatic activation or deactivation of wearable device functions (e.g., music playback or heart rate measurement), thereby achieving power-saving benefits.
MEMS sensor	Accelerometer sensor (GS)	Applied in consumer electronics such as smartphones, tablets, and wearable devices to enable functions such as screen rotation, motion detection, and step counting.
	Pressure sensor	Applied in smartphones and wearable devices for functions such as altitude measurement, stair climbing activity tracking, slope rate detection, weather forecasting, water depth measurement, and altitude control during flight.
Capacitive sensing sensor	Specific absorption rate sensor	Applied in smartphones to detect human proximity to the antenna, enabling the device to adjust transmission power and control the radiation pattern to steer the beam away from the user's body.
	Capacitive touch sensor	Applied in in-ear detection designs of TWS (True Wireless Stereo) earphones and other wearable electronic devices to automatically activate or deactivate the device when the ear approaches or moves away, achieving power-saving efficiency.

2. Production processes of key products

The Company is responsible for the development of specifications, IC design, and system design. The processes of mask making, wafer foundry, wafer coating, wafer testing, die saw, IC packaging, and final testing are outsourced to specialized manufacturers.



Note: Wafer coating is a proprietary process for optical sensing products.

(III) Supply status of major raw materials

The primary raw material for the Company is wafers, with Company A serving as our main supplier. This preference is attributed to their consistent product quality, high capacity for supply-demand alignment, and timely delivery. Additionally, we have fostered a long-standing partnership with them, and there are currently no concerns regarding potential shortages in raw material supply. The Company has also enhanced collaboration with other specialized wafer foundries to actively diversify our sources of supply.

(IV) Customers whose purchases (or sales) accounted for more than 10% of total purchases (or sales) in either of the most recent two fiscal years, including the amount and percentage, and explanation of any changes

1. The information of major suppliers in the most recent two fiscal years

Unit: NT\$ thousand

Item	2024				2025			
	Name	Amount	Percentage of net purchases for the year (%)	Relationship with the issuer	Name	Amount	Percentage of net purchases for the year (%)	Relationship with the issuer
1	Company A	998,869	56.19	None	Company A	938,494	59.38	None
2	Company B	230,950	12.99	None	Company B	Remark		None
	Other	547,802	30.82		Other	641,972	40.62	
	Net purchases	1,777,621	100.00		Net purchases	1,580,466	100.00	

Note: The amounts did not exceed 10% of the net purchases; therefore, disclosure is not required.

Explanation of fluctuations:

The Company is an IC design firm that primarily utilizes wafers as its main raw material, in addition to light-emitting components for optical sensors and printed circuit boards. Due to changes in the sales items and adjustments in the materials used for the products, fluctuations have occurred in the purchase amounts from the primary suppliers.

2. The information of major customers in the most recent two fiscal years

Unit: NT\$ thousand

Item	2024				2025			
	Name	Amount	Percentage of net sales for the year (%)	Relationship with the issuer	Name	Amount	Percentage of net sales for the year (%)	Relationship with the issuer
1	Sitronix Technology Corp.	2,264,188	45.83	Parent company	Sitronix Technology Corp.	2,112,192	46.30	Parent company
2	Client A	499,130	10.10	None	Client A	Remark		None
	Other	2,177,365	44.07		Other	2,449,672	53.70	
	Net sales	4,940,683	100.00		Net sales	4,561,864	100.00	

Note: The amounts did not exceed 10% of the net sales; therefore, disclosure is not required.

Explanation of fluctuations:

Changes in the product sales mix have resulted in fluctuations in sales amounts for major customers.

III Employees

Year		2024	2025	As of March 31, 2026
Number of employees	Supervisory personnel	37	45	47
	Professional personnel	127	125	118
	Assistant personnel	29	31	30
	Technical personnel	10	9	9
Total		203	210	204
Average age		37.9	38.6	39.2
Average years of service		5.0	5.3	5.4
Educational background distribution	Doctorate (Ph.D.)	4%	4%	4%
	Master's Degree	56%	57%	56%
	Associate/ Bachelor's Degree	37%	37%	38%
	High School and Below	3%	2%	2%

IV Environmental Protection Expenditures

Losses incurred due to environmental pollution in the most recent fiscal year and up to the date of annual report publication, including estimated amounts and response measures for current and potential future events. If reasonable estimation is not possible, an explanation should be provided: None.

V Labor Relations

- (I) The Company's employee welfare measures, including continuing education, training, and retirement systems, along with their implementation status, as well as the agreements between labor and management and the measures for the protection of employee rights

The Company is an IC design firm operating within a highly knowledge-intensive industry. Our operational development is primarily driven by the design capabilities and experience of our research and development personnel. A high-quality and experienced R&D team represents the Company's greatest asset. To effectively attract and retain exceptional talent, the Company provides competitive compensation and comprehensive benefits. Additionally, we facilitate employee participation in both internal and external educational training programs to ensure comprehensive professional development.

1. Employee welfare initiatives

The Company provides a diverse array of benefits to employees, fostering their physical and mental well-being while enabling them to achieve a balance between work and family life.

- (1) In addition to humane management and the provision of a comfortable working environment, we offer a flexible leave system and vacation calculations that surpass the standards established by the Labor Standards Act.
- (2) To promote employee health, we offer complimentary annual health check-ups for our employees. Designated physicians and nurses provide on-site services four times a month, with each session lasting two hours. In addition to routine health care and guidance, we also focus on maternal health protection and the management of work-related stress. Employees facing any physical or mental health challenges are encouraged to schedule consultation services.
- (3) Incorporating social welfare initiatives, we have engaged visually impaired massage therapists to offer massage services to our employees, providing employees with opportunities for stress relief.
- (4) Comprehensive group insurance coverage is provided not only for employees themselves but also for their spouses, parents, and children, ensuring both medical quality and financial security for employees and their families.
- (5) We prioritize employee health by organizing various sports competitions, including ball games and health walks regularly. Rewards are offered to encourage participation in sports and to promote the concept of personal health.

- (6) Organize employee gatherings, annual meetings, and provide subsidies for company clubs on a regular basis to strengthen camaraderie among employees and enhance the organizational atmosphere.
- (7) We periodically organize Family Days and Parent-Child Work Days to help employees achieve a balance between their family life and work commitments.
- (8) In compliance with regulations, an Employee Welfare Committee has been established to allocate welfare funds on a monthly basis. The Committee is responsible for planning and providing employees with a diverse range of benefits, including annual travel subsidies, holiday bonuses, birthday gifts, subsidies for weddings and funerals, three-festival bonuses, and electronic discount coupons.
- (9) Provide weekly on-site banking services for employees.

2. Employee continuing education and training programs

The Company has established an "Education and Training Management Procedure" to encourage employees to participate in educational training courses and technical seminars. Each year, a budget is allocated to implement both internal and external training programs aimed at enhancing employees' career skills. Through experience sharing and knowledge transfer, the Company seeks to achieve mutual improvement and refinement. The supervisor will evaluate individual work skills and organize training tailored to personal differences in order to improve work quality and meet the standards set by the department and the Company. In addition to the comprehensive implementation of various training programs, we highly value the feedback provided by employees during their training period. Moreover, the individual educational training outcomes of employees will be taken into account as a reference for future promotions and transfers. All internal and external educational training is managed through the "Learning Development System" and the digital learning platform (e-Learning), which track and record employees' learning progress. Additionally, training course materials are retained to facilitate the transmission and sharing of knowledge and experience.

To improve the effectiveness of talent cultivation, the Company has developed a talent development framework that delineates various courses tailored to different job levels and categories.

(1) Development and training for senior executives

Regularly coordinate with the Company to ensure that the development of senior management aligns with organizational and business development objectives. These objectives include implementing a coaching mechanism for senior executives, enhancing professional competencies, and establishing personal development plans. In relation to the development planning for key management personnel, emphasis is placed on the organizational and talent capabilities necessary to achieve the Company's future development goals. It is emphasized that senior managers should not only possess exceptional skills in corporate strategy formulation and operational

capabilities but also demonstrate a strong commitment to and practice of the core values of commitment, proactivity, innovation, and passion. Regular discussions are held regarding the performance, development direction, and plans of company executives to ensure that the cultivation of senior management aligns with the organization's and business's strategic objectives.

(2) Leadership development for supervisors

Courses are designed to meet the development needs of organizations, facilitating thoughtful discussions among supervisors. Each year, the Human Resources department develops and offers thematic courses aligned with management competency training objectives. Utilizing diverse facilitation methods and discussions of best practices, the goal is to enhance supervisors' critical thinking skills and their ability to address a range of issues.

(3) Development of professional competence

Professional training by function will enhance the transfer of expertise across departments. It will offer individual development plans and work assignments, while encouraging employees to engage in self-directed learning to expedite the advancement of their professional capabilities. For non-supervisory employees, courses on personal effectiveness and various learning resources will be made available to improve work efficiency, including training in presentation and communication skills. Furthermore, training related to professional technical skills will be provided, covering both foundational and advanced technical training.

To sustain the Company's technological advantage in the semiconductor industry, we will modify the learning and development programs for all levels of management and employees to align with the demands of both internal and external environments. For instance, create a dedicated technical course section on the online learning platform, such as an online learning resource section, to allow all employees to continuously acquire new knowledge at any time.

(4) Newcomers competency development

The exclusive learning blueprint, coupled with mentorship to facilitate the development of newcomers' skills, ensures that each newcomer receives a personalized learning plan. Through various learning methods, including orientation camps and mentor assignments, they are guided to quickly grasp the company's core values, systems, and product information. Notably, the core values course includes a one-day experience camp where the General Manager personally shares management philosophies and future prospects with newcomers, fostering a shared understanding.

3. Retirement system and implementation status

The Company has implemented an employee retirement plan in compliance with the Labor Pension Act, classified as a defined contribution plan. The Company contributes 6% of each employee's salary to the retirement fund on a monthly basis, which is deposited into individual accounts established by the Bureau of Labor Insurance for labor pension purposes. Additionally, support will be provided for voluntary contributions

based on employee preferences. Employees may voluntarily contribute up to six percent of their monthly salary to their retirement fund. The portion of the contribution made voluntarily by the employee may be fully deducted from their total annual income for that year. The Company recognized expenses of NT\$14,548 thousand for defined contribution plans in 2025.

4. Status of agreements between labor and management

The Company conducts labor-management meetings quarterly to address pertinent issues. The relationship between labor and management is harmonious, and to date, no labor disputes have arisen.

5. Measures for protecting employee rights and interests

The Company values the individual opinions of employees and maintains an open leadership style that transcends hierarchical levels. We are dedicated to fostering a seamless two-way communication environment. Regular communication meetings are conducted, including training for new employees, labor-management meetings (where all employee opinions can be expressed through labor representatives), and biannual performance reviews, ensuring that communication channels, from lower levels to upper management, remain unobstructed. Dedicated emails are provided for employees to express their opinions, allowing them to submit inquiries, suggestions, and complaints. Through two-way communication, these inputs serve as a basis for enhancing and improving management practices. All cases are handled confidentially and tracked by designated personnel to monitor progress and outcomes, ensuring effective and harmonious communication between employees and the Company.

(II) Losses incurred due to labor disputes in the most recent fiscal year and up to the date of annual report publication, including estimated amounts and response measures for current and potential future events. If reasonable estimation is not possible, an explanation should be provided: None.

VI Information Security Management

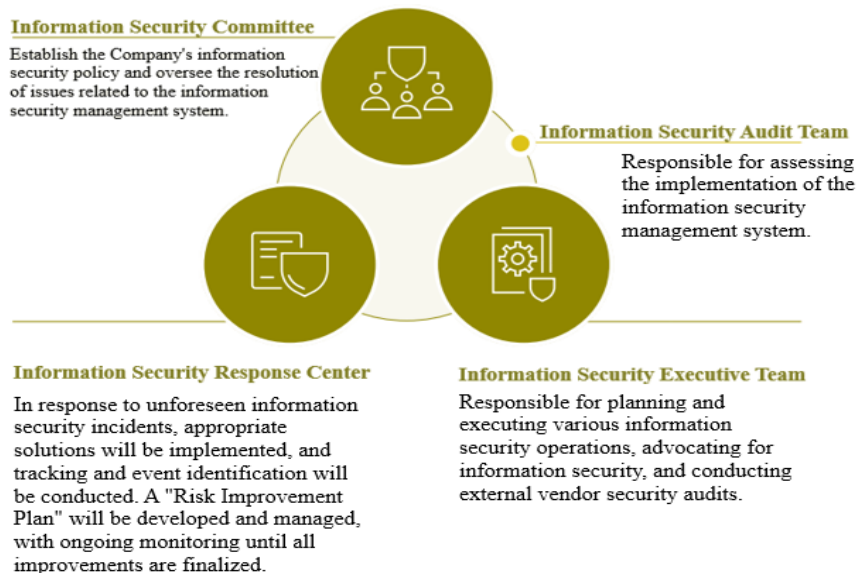
(I) Information security risk management framework, policies, specific management measures, and resources invested in information security management

1. Information security risk management framework

The Company 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, the Company obtained the ISO/IEC 27001:2022 Information Security Management System certification (Certificate No. 10584069; valid from February 9, 2024, to February 8, 2027).

The Information Security Committee, chaired by the General Manager, comprises the Information Security Response Center, the Information Security Executive Team, and the Information Security Audit Team. An annual meeting is convened to review issues pertaining to the Company's information security management and to evaluate the implementation of the information security policy. Furthermore, a report is submitted to the Board of Directors annually (October 28, 2025 this year).

Organizational structure and responsibilities



2. Information security policy and specific management plan

The Company's information security policy is designed to ensure the confidentiality, integrity, and availability of its information assets in compliance with relevant regulatory requirements. The policy aims to prevent the improper use, leakage, alteration, and destruction of the company's information systems and data, thereby establishing effective information security protection and management mechanisms. To enhance information security and ensure stable operations within the Company, as well as to provide reliable information services, the following specific management measures are proposed:

Information Security Management and Control Items	Countermeasures
Information Security Policy and Training Program	The Information Security Committee submitted the information security policy for approval by the General Manager following their discussion. Enhance employees' awareness of information security through education and training, e-Learning modules, and information security announcements.
Information Classification and Protection	In compliance with data security management regulations, a mechanism for access control has been established to protect sensitive information, including personal data and customer privacy. Control USB write access and consolidate file and directory permissions.
System and Application Access Control	Utilize two-factor authentication to enhance access control. In accordance with the access control management regulations, system permissions will be granted upon approval. Audit of critical information system login history.

Information Security Management and Control Items	Countermeasures
Protection of Information Records	In compliance with data security management regulations, consolidate and retain essential information records. Offsite backup: For critical services, backups are stored at the Taipei office to ensure data protection.
Network Security Management	Establish a firewall to separate internal and external networks, implement controls for connections and data flow in critical information areas, and conduct regular reviews of firewall rules.
Prevention of Malicious Code and Protection Against Computer Viruses	Implement a comprehensive malware protection mechanism that extends from the gateway to the endpoint. Enhance employees' information security awareness through security announcements.
Information security incident management	Establish processing procedures in accordance with the information security incident management procedures. Analyze information security incidents within the industry to mitigate the likelihood and impact of such events.
Supply Chain Information Security Management	In accordance with the supplier management regulations, ensure the security of supplier relationship management and facilitate its normal operation through a procedural security control mechanism. Supplier Information Security Management: Strengthened supplier information security reviews, risk controls, and contract requirements to ensure external collaborations comply with the Company's information security standards.

3. Investment in information security management resources

Items	Invested Resources
Information Security Report	Convened one ISO 27001 management review meeting in 2025.
Information Security Certification	Completed the second annual periodic audit for ISO/IEC 27001:2022.
Training	New employees: 100% received information security training.
Information Security Promotion	Monthly information security awareness messages are published, totaling twelve times a year, to strengthen employees' information security awareness.
Off-site Backup	Daily off-site backups were performed.
Disaster Recovery Drill	Conduct a disaster recovery drill annually.
External Service Exposure Assessment	External service exposure assessment scored 88 points.
Social Engineering Drill	One social engineering drill was conducted, with an employee click rate of 10.9%.
Information Security Audit	Conducted two regular information security audits, including internal and external audits.
Asset and Risk Assessment	An assessment of information assets and risk assessment is conducted annually.
Quarterly updates for the computer.	Computer update rate reached 99%.
Expansion of Two-Factor Authentication Application	Add two-factor verification for critical services.

Items	Invested Resources
Supply Chain Information Security Management	Two management reviews of the supply chain information system were conducted.

- (II) Losses, potential impacts, and response measures resulting from major information security incidents in the most recent fiscal year and up to the date of publication of the annual report. If a reasonable estimate cannot be made, the reason for such inability should be disclosed: None.

VII Important Contracts

Nature of the Contract	The Involved Party	Contract Start and End Dates	Main Content	Restrictive Clauses
Housing Lease Agreement	Chi Cheng Development Company Limited.	2024/2/1~2029/1/31	Regulations governing the scope of lease usage	None
Technical Support Services Contract	Sitronix Technology Corporation	2018/1/1~Present	Provide technical services to clients in the China region.	None

Chapter 5 Review of Financial Status, Financial Performance, and Risk Management

I Review of Financial Status

Unit: NT\$ thousand

Item \ Year	2025	2024	Difference	
			Amount	%
Current Assets	3,663,528	4,179,580	(516,052)	(12.35)
Property, Plant and Equipment	521,166	550,806	(29,640)	(5.38)
Intangible Assets	34,823	44,974	(10,151)	(22.57)
Other Assets	1,297,576	942,228	355,348	37.71
Total Assets	5,517,093	5,717,588	(200,495)	(3.51)
Current Liabilities	1,203,517	1,226,092	(22,575)	(1.84)
Non-Current Liabilities	92,766	91,735	1,031	1.12
Total Liabilities	1,296,283	1,317,827	(21,544)	(1.63)
Share Capital	489,126	489,126	-	-
Capital surplus	2,202,370	2,202,370	-	-
Retained Earnings	1,493,363	1,678,198	(184,835)	(11.01)
Other Equity	35,951	30,067	5,884	19.57
Total Equity	4,220,810	4,399,761	(178,951)	(4.07)
<p>The following explains changes in the increase or decrease ratio of 20% or more, as well as changes amounting to NT\$10 million or more, along with the primary reasons and their impacts:</p> <ol style="list-style-type: none"> 1. Decrease in intangible assets: This decline is primarily attributed to the amortization of intangible assets. 2. Increase in other assets: Primarily attributed to the increase in financial assets measured at FVTOCI. 				

II Review of Financial Performance

Unit: NT\$ thousand

Item \ Year	2025	2024	Difference	
			Amount	%
Operating Revenues	4,561,864	4,940,683	(378,819)	(7.67)
Operating Costs	3,743,908	3,767,572	(23,664)	(0.63)
Gross Profit	817,956	1,173,111	(355,155)	(30.27)
Operating Expenses	657,186	665,772	(8,586)	(1.29)
Operating Income	160,816	507,378	(346,562)	(68.30)
Non-Operating Income and Expenses	146,342	118,328	28,014	23.67
Income before income tax	307,158	625,706	(318,548)	(50.91)
Income Tax Expense	2,867	85,229	(82,362)	(96.64)
Net income	304,291	540,477	(236,186)	(43.70)
Other Comprehensive Income (Net of income tax)	5,884	(13,666)	19,550	(143.06)
Total Comprehensive Income	310,175	526,811	(216,636)	(41.12)

- The following explains changes in the increase or decrease ratio of 20% or more, as well as changes amounting to NT\$10 million or more, along with the primary reasons and their impacts:
 - Decrease in gross profit: Primarily attributed to intense product price competition and exchange rate fluctuations.
 - Decrease in operating income, income before income tax, net income for the current period, and total comprehensive income for the current period: Primarily attributed to the decrease in operating revenue and the decline in the gross profit ratio, resulting in the decrease in operating income and income before income tax.
 - Decrease in income tax expense: Primarily attributed to the reversal of overestimated income tax expenses from previous years.
 - Increase in non-operating revenues and expenses: This was mainly attributable to increases in government subsidy income and dividend income.
 - Increase in other comprehensive income for the period: This is primarily attributed to an increase in unrealized valuation gains on equity instrument investments measured at fair value through other comprehensive income.
- Expected sales volume, its underlying basis, potential impacts on the Company's future financial operations, and corresponding response plans:
The Company establishes its operational objectives based on industry conditions, considering research and development alongside business expansion plans. Future sales volumes are expected to be influenced by industry trends. The Company is actively involved in developing new products, with the aim of aligning its financial status with business growth and profitability, thereby maintaining a stable and favorable position.

III Review of Cash Flow

(I) Analysis of changes in cash flows for the most recent fiscal year

Unit: NT\$ thousand

Beginning Cash Balance	Net Cash Flow from Operating Activities for the Year	Net Cash Flow from Investing and Financing Activities for the Year	Cash Balance Amount	Remedial Measures for Cash Deficit	
				Investment Plan	Financial Planning
748,503	437,036	(242,807)	942,732	-	-
Explanation of changes in cash flows for the most recent fiscal year:					
1. Operating activities: The net cash inflow from operating activities was primarily attributable to pre-tax profit recorded for 2025.					
2. Investment and financing activities: The net cash outflow from financing activities was primarily attributable to the distribution of cash dividends.					

(II) Improvement plan for insufficient liquidity: Not applicable.

(III) Cash flow liquidity analysis for the coming year

Unit: NT\$ thousand

Beginning Cash Balance	Expected Net Cash Flow from Operating Activities for the Year	Expected Net Cash Flow from Investing Activities for the Year	Expected Net Cash Flow from Financing Activities for the Year	Expected Cash Balance Amount	Expected Remedial Measures for Cash Deficit	
					Investment Plan	Financial Planning
942,732	416,206	(72,246)	(244,563)	1,042,129	-	-
Analysis explanation:						
1. Cash flow liquidity analysis for the coming year:						
Operating activities: The net cash inflow from operating activities was primarily attributable to expected operating profits.						
Investment activities: The primary reason is the anticipated increase in capital expenditures, resulting in a net cash outflow from investment activities.						
Financing activities: The net cash outflow from financing activities is primarily expected to result from the planned distribution of cash dividends.						
2. Remedial measures for expected cash shortfall and improvement plan for insufficient liquidity: Not applicable.						

IV Impact of Major Capital Expenditures on the Company's Finance and Business in the Most Recent Fiscal Year

(I) Funding sources and utilization of major capital expenditures:

Unit: NT\$ thousand

Item	Source of Funds	2025
Property, Plant and Equipment	Self-funded	66,412
Intangible Assets	Self-funded	23,819
Total		90,231

(II) Expected benefits:

The acquisition of property, plant and equipment primarily relates to the production molds and tools for products. Additionally, the inclusion of intangible assets is essential for the research and development of products, which can improve the efficiency of R&D design.

V Recent Equity Investment Policies, Main Reasons for Profit or Loss, Improvement Plans, and Investment Plans for the Coming Year: None.

VI Risk Analysis and Assessment

(I) The impact of interest rates, exchange rate fluctuations, and inflation on the Company's profit and loss, and future countermeasures

1. Interest rate fluctuations

(1) Impact on profit and loss

In 2025, the Company recorded interest income of NT\$47,139 thousand, representing 1.00% of net operating revenue. In 2025, interest expenses amounted to NT\$3,188 thousand, accounting for 0.07% of net operating revenue. As of the end of the 2025 financial reporting period, the Company held bank deposits with floating interest rates. A 0.1% increase or decrease in interest rates would have resulted in an increase or decrease of NT\$163 thousand in pre-tax profit for 2025.

(2) Future countermeasures

As the Company expands its operational scale and enhances its profitability, it possesses sufficient operating capital and relies minimally on borrowing from financial institutions. The utilization of idle funds is carried out in accordance with the principles of maintaining liquidity and safety. The Company will continue to monitor trends in interest rate fluctuations to mitigate the impact of these changes on its profits and losses.

2. Foreign exchange rate fluctuations

(1) Impact on profit and loss

The Company conducts its purchase and sales transactions in U.S. dollars. As a result, fluctuations in the U.S. dollar exchange rate represent a key risk to the Company's operating activities. To mitigate the potential adverse effects of

exchange rate volatility, the Company primarily uses foreign currency revenues generated from sales to settle foreign currency payables arising from purchases, and adheres to a prudent and conservative approach in its foreign exchange risk management.

In 2025, the Company recorded a net foreign exchange gain of NT\$10,935 thousand, representing 0.24% of net operating revenue. The gain was primarily attributable to fluctuations in the U.S. dollar exchange rate. The proportion of net foreign exchange gain to net operating revenue was relatively minor. As of the end of the 2025 financial reporting period, the Company conducted a sensitivity analysis of foreign exchange rate risk related to its U.S. dollar exposure. A 5% depreciation/appreciation of the New Taiwan dollar against the U.S. dollar would have resulted in an increase/decrease of NT\$3,593 thousand in pre-tax profit for 2025.

(2) Future countermeasures

The Company consistently gathers exchange rate information to monitor trends in exchange rates. It actively manages the net positions of foreign currency assets and liabilities, converting these positions to New Taiwan Dollars or engaging in foreign exchange hedging transactions as necessary to mitigate potential foreign exchange risks.

3. Inflation

The pricing of the Company's products is dynamically adjusted in response to fluctuations in the market prices of raw materials. Consequently, inflation does not significantly impact the Company's operations. The Company consistently monitors fluctuations in market prices and maintains strong relationships with suppliers and customers. It swiftly responds to changes in the prices of upstream raw materials and adjust our sales prices accordingly to mitigate the risks to the Company's profit and loss resulting from cost variations due to inflation.

(II) Policies concerning high-risk, high-leverage investments, lending funds to third parties, providing endorsements and guarantees, and trading in derivative products, along with the primary factors contributing to profits or losses and future response strategies.

The Board of Directors of the Company has established the following procedures as the compliance framework: "Procedures for Lending Funds to Others," "Procedures for Endorsement and Guarantee," "Procedures for Engaging in Derivative Transactions," and "Procedures for Acquiring or Disposing of Assets."

The financial policy of the Company is grounded in principles of conservatism and stability. The primary objective of engaging in derivative transactions is to hedge accounts receivable and payable that arise from the company's business operations. The derivative financial products employed for trading are primarily capital-preserving instruments, designed to safeguard the Company's operational profits. In the most recent annual report and as of the

publication date, there have been no activities involving high-risk, high-leverage investments, lending of funds to third parties, or providing endorsements and guarantees.

(III) Future research and development plans and projected investments in research and development

1. Future research and development plans

(1) Optical sensor

- A. Ambient Light RGB and Proximity Sensor Chips for New Generation COE OLED Under-Display Applications
- B. Ambient Light RGB Combined with High Sampling Rate External Ambient Light Flicker Sensor Chips

(2) MEMS sensor

- A. Accelerometer chips for Automotive and Industrial Control Applications
- B. High-Pressure Range Pressure Meters
- C. Edge-AI Smart Barometers
- D. Multi-Channel SAR Sensor Chips for Smart Sensing

2. Projected investment in research and development

The Company's research and development expenditures are allocated based on the progress of new product and technology development projects. The Company continues to invest in R&D resources to meet market and customer demands and to ensure the maintenance of its competitive advantage. In 2025 and 2024, the Company's research and development expenses amounted to NT\$473,424 thousand and NT\$468,837 thousand, respectively, representing 10.38% and 9.49% of net operating revenue for the respective years. The Company plans to allocate approximately 11.01% of its revenue to research and development personnel and expenditures in 2026.

(IV) Impact of significant domestic and international policy and regulatory changes on the Company's financial and business operations, and countermeasures

As of the publication date of this annual report, the Company has not experienced any significant impacts on its financial operations due to changes in key domestic or international policies and laws. Furthermore, the Company conducts its operations in compliance with applicable domestic and international legal regulations, while continuously monitoring trends in policy developments and regulatory changes both domestically and internationally. The Company periodically assigns relevant personnel to participate in external training courses and consults with professional experts or organizations as necessary to fully understand and respond to changes in the market environment. Thus, material impact in domestic and overseas policies and laws are not expected to have a material impact on the company's financial and business operations.

(V) Impact of technological changes (including information security risks) and industry developments on the company's financial and business operations, and countermeasures

The semiconductor and mobile phone industries are experiencing rapid changes, with technology evolving at an unprecedented pace. The transformations within these industries and advancements in technology will significantly impact all stakeholders in the sector. If the company fails to adapt its strategies or introduce competitive products in response to technological changes or industry shifts, it may adversely affect its financial performance. The Company consistently monitors industry and technological changes, assesses their potential impacts, and proposes effective response strategies accordingly. We also develop products that align with market demands to ensure the timely launch of competitive offerings, thereby maintaining and enhancing the company's competitive strategy.

In compliance with risk management requirements, the Company implements comprehensive control measures for information security. These measures include policies, organizational structures, processes, as well as software and hardware tools to fulfill management requirements. Also, through effective planning, operation, regulation, and continuous improvement measures, the Company ensures the reduction of improper threats to minimize management risks.

To ensure the confidentiality, integrity, and availability of the Company's information have been implemented to prevent the improper use, leakage, alteration, and destruction of the Company's information systems and data. The Company has established information security protection measures related to networks and computers, and through continuous inspections and assessments, it ensures the appropriateness and effectiveness of its information security management procedures. However, as information security threats evolve rapidly, the Company cannot guarantee that it will not face new risks and attacks. Cyberattacks may potentially compromise a company's trade secrets and other confidential information, including data pertaining to customers and other stakeholders, as well as employees' personal information.

Due to business requirements, a company may inadvertently acquire and install equipment that contains malicious software, potentially resulting in a security breach. To prevent and mitigate the damage caused by such attacks, the Company is committed to continuously improving and implementing information security protection and management mechanisms. This includes establishing antivirus measures to prevent machines containing malicious software from entering the organization, enhancing the management and monitoring of network firewalls to inhibit the spread of computer viruses within the Company, regularly conducting training to strengthen employees' awareness of information security, introducing new information technologies to bolster data protection, and engaging external experts to assess and validate our information security protocols. While the Company is committed to

enhancing information security measures, we cannot guarantee immunity against malware and hacker attacks.

If advanced computer monitoring systems or third-party service providers are unable to promptly address malicious attacks or ensure the integrity and availability of data, it may severely undermine the company's commitments to customers and other stakeholders. This could adversely affect the company's performance, prospects, and reputation, potentially leading to significant negative consequences.

(VI) Impact of changes in corporate image on crisis management and countermeasures

As of the publication date of this annual report, the Company has not encountered any incidents impacting its crisis management due to changes in corporate image. Since its inception, the Company has concentrated on its core business operations, adhered to relevant laws and regulations, and committed to upholding its corporate image. There have been no operational crises arising from changes in corporate image. The Company is committed to maintaining a strong corporate image, consistently enhancing product technology and quality to meet customer demands, actively strengthening internal management, and improving management quality and performance. These efforts aim to reduce the occurrence of business risks and their impact on the Company.

(VII) Expected benefits, potential Risks, and mitigation strategies of mergers and acquisitions

The Company has not engaged in any merger or acquisition activities during the recent fiscal year and up to the date of the publication of the annual report.

(VIII) Expected benefits, potential risks, and countermeasures related to plant expansion

The Company is an IC design firm operating in the upstream segment of the semiconductor industry. Both wafer manufacturing and packaging testing are outsourced, and the Company does not own any production facilities or significant machinery. The expansion of the Company's facilities is a response to operational growth, designed to meet both current and short-term projected demand for office space for research and development, sales, management, and production management personnel. The Company possesses sufficient operating capital and does not encounter any risks related to operational capital turnover that may arise from the facility expansion.

(IX) Risk associated with centralized purchase and sales, and countermeasure

1. Purchase

The Company is a professional IC design firm. Upon completion of the IC design, we entrust the manufacturing of the raw material—wafers—to specialized wafer fabrication manufacturers. Subsequently, the wafers are transferred to professional packaging and testing firms for packaging and testing. Due to the characteristics of the industry, IC design companies must collaborate closely with wafer fab companies regarding capacity,

processes, quality, and delivery timelines. The Company has selected globally renowned and exceptional wafer fab companies as our primary suppliers of raw material wafers and has established long-term cooperative relationships with them. This approach ensures that the capacity they provide meets the Company's flexible demands while also enhancing wafer quality and the stability of delivery timelines. Consequently, our procurement strategy is highly focused. However, if wafer foundry partners experience insufficient production capacity, the Company may face risks of supply shortages or delivery delays. To mitigate such risks, the Company has distributed its wafer production across different fabs of existing foundry partners and has also added other professional wafer foundries as alternative sources of supply.

2. Sales

The Company's products are primarily utilized in smartphones, with mobile phone brand manufacturers as the primary sales targets. Sales are predominantly conducted through agents. While the sales targets are somewhat concentrated among a limited number of agents, the end customers are distributed across various mobile phone brands; thus, there is currently no risk of sales concentration. The Company will actively expand into new application markets and target end customers for our products, thereby mitigating the risks associated with a concentrated reliance on a single customer.

- (X) Impact, risks, and countermeasures associated with the significant transfer or alteration of shares by directors, supervisors, or major shareholders holding more than ten percent of the company's shares

As of the most recent annual report and the date of publication, there have been no significant transfers or changes in the shareholdings of directors or major shareholders holding more than ten percent of the shares.

- (XI) Impact, risks, and countermeasures related to changes in corporate control

As of the most recent fiscal year and up to the date of this annual report, there have been no changes in the Company's corporate control.

- (XII) In the event of litigation or non-litigation matters, the company and its directors, president, de facto responsible persons, major shareholders holding more than 10% of the shares, and subsidiaries have not been involved in any material litigation, non-litigation, or administrative disputes—either concluded or pending—where the outcome may have a significant impact on shareholders' equity or the market price of the company's securities. The facts of such disputes, the amount involved, the date of commencement, the main parties, and the status as of the date of this annual report should be disclosed if applicable: None.

- (XIII) Other significant risks and response measures: None.

VII Other Important Matters: None.

Chapter 6 Special Disclosures

I Information on Affiliated Companies:

Please refer to the Market Observation Post System > Single Company > Electronic Document Download > Affiliated Enterprises Report Section.

website: https://mopsov.twse.com.tw/mops/web/t57sb01_q10.

II Private Placement of Securities in the Most Recent Fiscal Year and up to the Date of the Annual Report's Publication: None.

III Other Necessary Supplements: None.

IV Matters Affecting Shareholders' Equity or Securities Prices With Significant Impact, as Defined in Article 36, Paragraph 3, Item 2 of the Securities and Exchange Act, in the Most Recent Fiscal Year and up to the Date of the Annual Report's Publication: None.

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