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 **ICHIA TECHNOLOGIES, INC.**
2024 Sustainability Report



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About This Report

In line with its principle of transparency, ICHIA TECHNOLOGIES, INC. (ICHIA) officially published its annual Sustainability Report, prepared in compliance with the GRI Standards 2021. The report details our management strategies, implementation framework, and concrete achievements regarding key sustainability issues. It thoroughly explains how we effectively address the expectations of stakeholders – including investors, customers, and employees – and showcases our environmental and social impact across the entire value chain. Looking ahead, ICHIA is committed to regularly disclosing its latest developments and concrete actions in corporate governance, social responsibility, and environmental sustainability, ensuring transparency of information so that all stakeholders can clearly understand our progress and future plans on our sustainability journey.

Report Preparation Principles

The Report has been prepared in compliance with the requirements of the new GRI Standards (2021) and has adopted the sustainability metrics of the Sustainability Accounting Standards Board (SASB) and the Task Force on Climate-related Financial Disclosures (TCFD). The report also includes a relevant index for easy reference.

Disclosure Period

The Report discloses the actions and performance of ICHIA in the corporate governance, social, and environmental sustainability aspects of corporate social responsibility in 2024 (January 1, 2024 to December 31, 2024), and responds to the issues of stakeholders’ concern.

- Date of publication of the previous report: August 2024
- Date of publication of this report: August 2025
- Date of publication of the next report: August 2026

Boundary Scope

The financial data presented in the Report is from the financial statements on consolidated revenue, while the non-financial data covers corporate governance, environmental, and social performance. The Report also describes the performance of our production and operating locations, including:

- 1 Global Operations Headquarters and Linkou Plant (hereinafter referred to as ICHIA Linkou Headquarters)
- 2 ICHIA TECHNOLOGY (SUZHOU) CO., LTD (hereinafter referred to as ICHIA Suzhou Factory)
- 3 ZHONGSHAN ICHIA ELECTRONICS CO., LTD (hereinafter referred to as ICHIA Zhong Shan Factory)

The production base in Penang, Malaysia accounts for less than 3% of the Group’s revenue and production scale. Therefore, only the factory area is disclosed, and its corporate governance, environmental, and social performance are not disclosed in the Report.

Report Verification

The financial data used in the Report is based on the information of the consolidated financial statements disclosed to the public after being verified by Deloitte Taiwan.

The Company’s ISO 14001 environmental management system, ISO 14064-1:2018 GHG inventory, ISO 45001 occupational health and safety management system, and ISO 50001 energy management system have all been verified by a third-party certification body. However, this report has not yet obtained third-party assurance.

Contact Information

If you have any suggestions or comments about the Report, you are welcome to contact us.

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Letter from Our Management

Responding to change through resilient operations and building a sustainable future GRI 2-22, GRI 2-23, GRI 2-24

To our stakeholders and partners concerned about the sustainable development of ICHIA: Facing the rapidly changing global market and the wave of sustainable transformation, ICHIA, positioned at a key point in the value chain, understands that companies are not only manufacturers, but also drivers of innovation, practitioners of corporate responsibility, and facilitators of industry-wide benefits.

In 2024, the global geopolitical and economic landscape will be characterized by volatility and risks. Simultaneously, the accelerating pace of net-zero regulations and sustainability reporting standards will present new opportunities for transformation and drive increased resilience within the electronics manufacturing industry. ICHIA is proactively adapting and planning ahead, starting by creating a carbon inventory infrastructure and collaborating with its supply chain to reduce carbon emissions. From digitizing occupational safety systems to fostering a diverse and inclusive organizational culture, the Company is steadily building the foundations of a “future-resilient” technology company.

As a key supplier of printed circuit board and Mechanical Vertical Integration (MVI) components, we understand our responsibility in managing carbon emissions, energy, water resources, and chemical risks throughout our processes. We are continuously refining our organizational carbon inventory across all global sites and driving energy audits, equipment efficiency upgrades, and improvement projects for high-energy-consuming processes. Simultaneously, we are progressively conducting supply chain carbon inventories to strengthen data integration, traceability, and transparent disclosure, ultimately enhancing our overall carbon reduction management effectiveness.

In the social sphere, in response to the growing global focus on diversity and equality, we have integrated DEI (Diversity, Equity, Inclusion) metrics into our talent strategy. We are leveraging internal surveys, system design, and reviews of gender ratios in management roles to foster a multicultural environment that fuels the Company’s growth.

In terms of governance, we continue to strengthen risk identification and internal supervisory systems, comply with regulations from the competent authority and Corporate Governance Principles for TWSE and TPEX Listed Companies, and incorporate climate change risks into the board of directors’ regular agenda. We are also optimizing our supplier audit system, increasing the weighting of ESG indicators to help our suppliers move toward a responsible supply chain.

We believe that sustainability is not just a slogan, but a redefinition of what it means to be a capable company. At this moment of rapid change in technology and industry, we remain steadfast in our operations, uphold a policy of ethical governance, strengthen organizational resilience and risk management, and lay a solid foundation for long-term sustainable development, guided by our core spirit of “mission-driven, envisioning the future.”

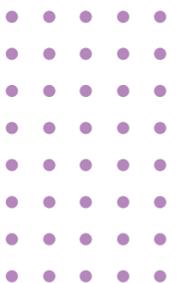


- Chairman: Benny Huang
- CEO: Eric Tseng



01

**Materiality and
Stakeholder Engagement**



1. Materiality and Stakeholder Engagement GRI 2-29, GRI 3-1, GRI 3-2, GRI 3-3

The needs and expectations of stakeholders are the core driver of sustainable corporate growth. Through stakeholder engagement mechanisms, ICHIA thoroughly identifies the concerns of all parties and provides concrete responses. This process not only helps the Company assess the completeness of its strategic planning, but also uncovers potential business opportunities and strengthens its sustainable competitive advantages.

1.1 Material Issue Identification Process

ICHIA identifies key governance, environmental, and social issues by applying the four steps of the GRI Standards (2021) and the four principles of AA1000 (inclusivity, materiality, responsiveness, and impact), alongside international standards like the SDGs and TCFD, to form the basis of its sustainability strategy.

Steps	Implementation Details
Step 1. Identify communication targets	In accordance with the AA1000 SES (AA1000 Stakeholder Engagement Standard), we identified six major stakeholder groups: investors (shareholders, the Board of Directors), competent authorities, customers, suppliers, employees, and financial institutions.
Step 2. Collect sustainability issues	Based on GRI, SDGs, and other international initiatives and stakeholder engagement, 15 sustainability issues were identified.
Step 3. Survey the extent of the impact.	Through a materiality assessment questionnaire, we surveyed six stakeholder groups to understand the impact of sustainability issues on them, and received 325 valid responses.
Step 4. Determine material issues	After reviewing the questionnaire results and making adjustments based on the ESG Sustainability Team’s recommendations, six sustainability issues of high concern were selected as the material of the year and reported to the Board of Directors.
Step 5. Assess the significance of impacts	Assessed the level of impact of the six material issues on corporate governance, the environment and society, scored the issues based on their positive/negative impacts, and understood the impact boundary and the level of involvement of the material issues in the value chain through internal questionnaires.

1.2 Identification of Stakeholders and Communication Channels

Based on the five characteristics of AA1000 SES (2015 Edition) engagement standards—dependency, responsibility, influence, diverse perspectives, and tension—ICHIA identified and prioritized stakeholders.

ICHIA has identified its key stakeholders as: Investors (including shareholders and the Board of Directors), competent authorities, customers, suppliers, all employees, and financial institutions. Through regular and flexible communication channels, we continuously monitor stakeholder concerns and incorporate this feedback into our sustainable issue management and risk assessment processes.

Stakeholder	Communication Mechanism and Frequency	Actions Taken
Employees	<p>[Regular] Labor-management meeting (quarterly)</p> <p>[From time to time] Direct supervisors, the personnel of the Sustainability Management Division, company bulletin board, employee suggestion mailbox, employee forums, employee complaint channels, training courses, and policy advocacy meetings</p>	Value and respect the voices of employees, and establish various communication channels so that employees can keep abreast of the Company’s dynamics and express any opinions or concerns on workplace-related matters.
Competent authorities	<p>[From time to time] Market Observation Post System (MOPS), official documents, policy advocacy meetings, on-site audits</p>	Conduct immediate rectification and develop preventive measures and procedures for non-compliance incidents. Disclose operational information on the MOPS on a regular basis.
Suppliers	<p>[Regular] Regular meetings, audits, evaluations, and guidance for suppliers</p> <p>[From time to time] Supplier complaint channels and technical seminars</p>	Continue to work with supplier partners to reduce the impact on the environment from the procurement of raw materials and production technology reforms (such as changing from electroplating to vapor deposition and from spraying to IML), continuously expand the key niche products of each factory to increase their added value and create high value-added products, and develop and sell products in the blue ocean market.

Stakeholder	Communication Mechanism and Frequency	Actions Taken
Customers	<p>【Regular】 Internal quality and review meetings, customer satisfaction surveys</p> <p>【From time to time】 Business visits, various business meetings, technical seminars</p>	Adopt a market-oriented growth strategy and actively develop new products to meet customers' needs in the face of the challenges of high competition in the global industry and the China-US trade war.
Investors (including shareholders and the Board of Directors)	<p>【Regular】 Shareholders' meeting (once a year), Board of Directors' meeting (five meetings in 2024), annual report (once a year), ESG report (once a year), financial statements (quarterly)</p> <p>【From time to time】 Company website</p>	Provide investors with open and transparent operational information and assist investors in understanding the Company's long-term strategic goals and prospects. Create stable profits and ROI while demonstrating good performance in sustainable governance.
Financial institutions	<p>【Regular】 Provide operational performance report summaries to lending banks (once a year)</p> <p>【From time to time】 Business visits</p>	Proactively address financial institutions' requirements regarding business risk, ESG performance, and information disclosure, continuously improve information transparency and governance mechanisms, and secure favorable ratings and sustainable financing conditions. Proactively provide sustainability performance data to address lenders' concerns and support the promotion of sustainable finance.

• Collection of Sustainability Issues

We integrated international sustainability standards and regulations (GRI, TCFD, SASB, etc.), the UN SDGs, and stakeholder interaction into 15 sustainability-related issues.

● Environmental (E)	● Social (S)	● Corporate Governance (G)
Water resource management	Employee Rights and Diversity, Equity, and Inclusion	Corporate Governance
Biodiversity	Occupational safety and health management	Business ethics
Energy and GHG management	Social Participation and Philanthropy	Information security and privacy management
Chemical Safety	Talent attraction and retention	Product Innovation and R&D
Waste Management	Product Quality and Security	Sustainable Supply Chain Management

• **Quantification of Questionnaire Results**

According to the stakeholder questionnaire results, two issues have higher environmental (E) impacts, two issues have higher social (S) impacts, and two issues have higher corporate governance (G) impacts. The ESG Sustainability Team ranks the material issues according to impact intensity.



For the six material issues, the ESG Sustainability Team conducted a comprehensive assessment of the level and likelihood of their actual/potential, positive/negative impacts on the environment, society, and governance for compilation.

(1) Impact assessment:

Relevant units scored each material issue on a range of 1 - 5 points based on the level of their positive and negative impacts on the economy, environment, and governance, and the ESG Sustainability Team compiled the scores. Examples are shown below:

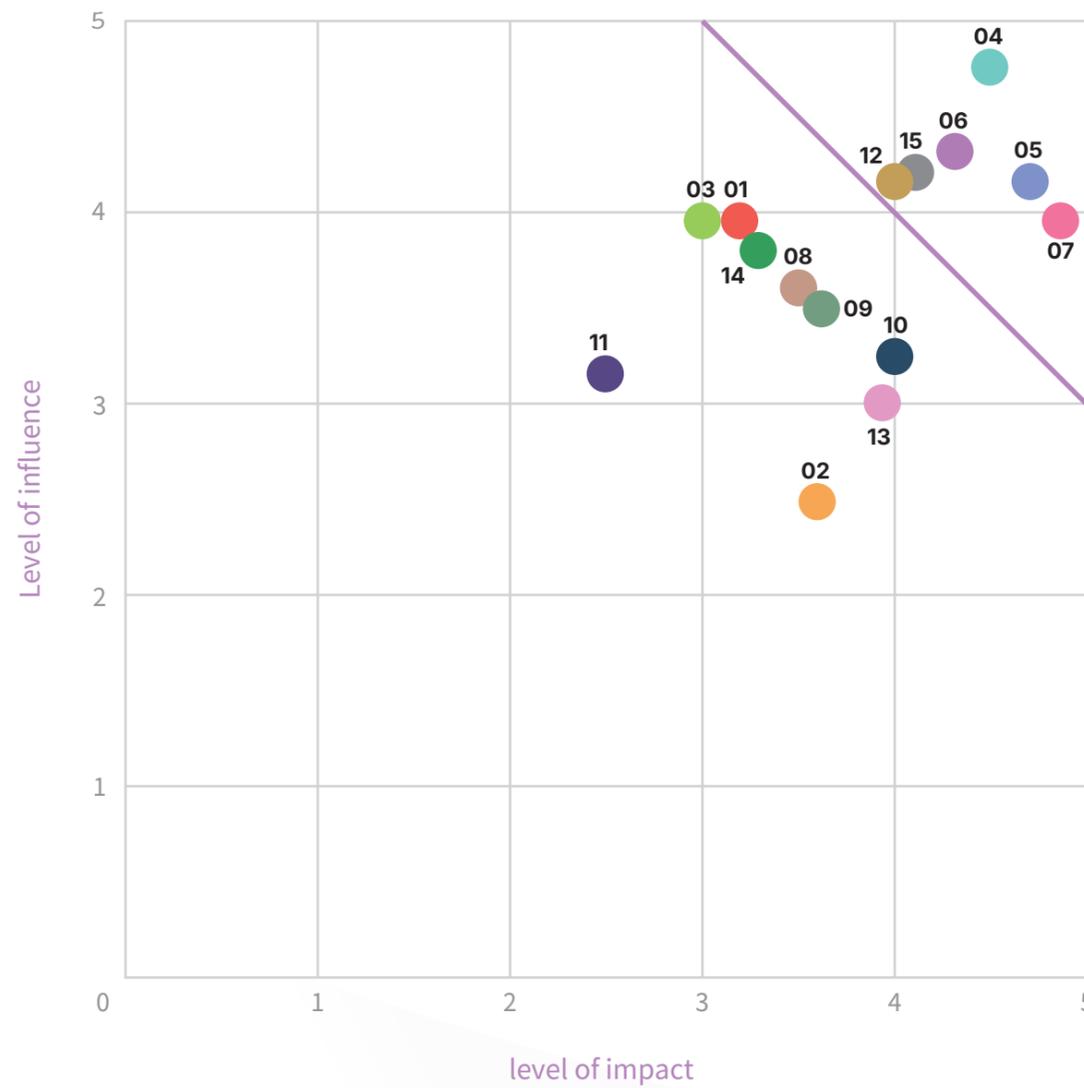
Material Issue	● Environmental (example)			
	Level of Impact		Likelihood	
	Positive	Negative	Positive	Negative
Energy and GHG management	5	3	4	2

Material Issue	● Social (example)			
	Level of Impact		Likelihood	
	Positive	Negative	Positive	Negative
Occupational safety and health management	5	2	5	3

Material Issue	● Corporate Governance (example)			
	Level of Impact		Likelihood	
	Positive	Negative	Positive	Negative
Sustainable Supply Chain Management	5	3	4	1

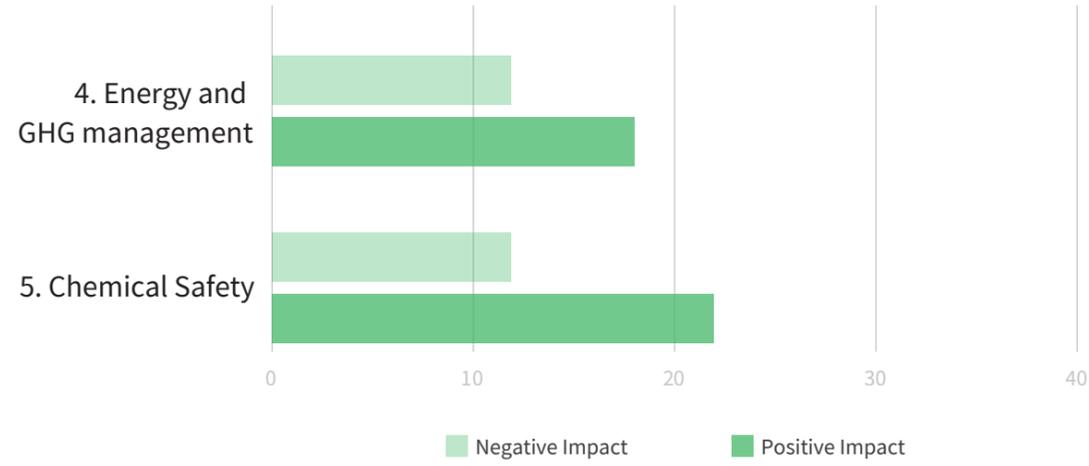
(2) Ranking by impact:

The ESG Sustainability Team quantified the impact of the 6 material issues, and obtained the following assessment results after considering the recommendations of the management team:

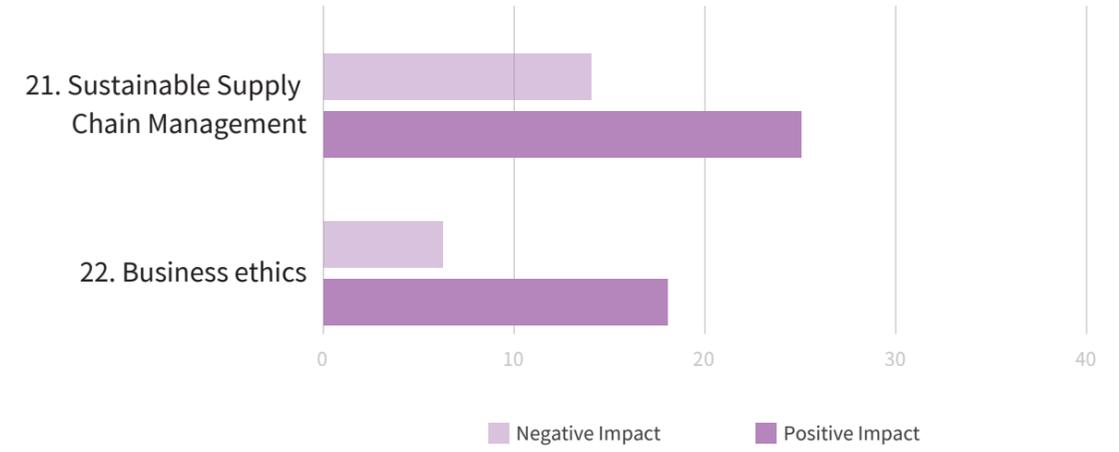


- 01. Water resource management
- 02. Biodiversity
- 03. Waste Management
- 04. Energy and GHG management
- 05. Chemical Safety
- 06. Employee rights and diversity, equity, and inclusion
- 07. Occupational safety and health management
- 08. Social Participation and Philanthropy
- 09. Talent attraction and retention
- 10. Product Quality and Security
- 11. Corporate Governance
- 12. Business ethics
- 13. Information security and privacy management
- 14. Product Innovation and R&D
- 15. Sustainable Supply Chain Management

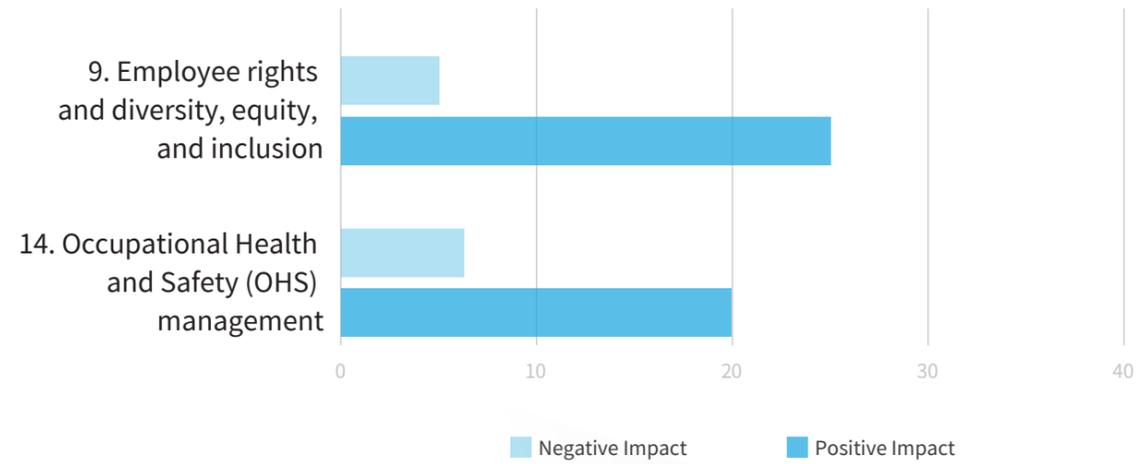
● environmental impact



● Governance Impact



● Social Impact

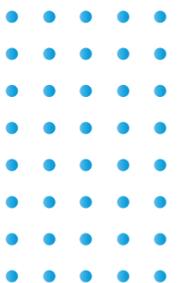


• Scope of Impact and Performance Indicators of Material Issues

Aspect	Material Issue	Material Topics	Performance indicator	Level of Involvement and Scope of Impact						
				Investors	Competent authorities	Customers	Suppliers	Employees	Financial institutions	Media
Environmental	Chemical Safety	GRI 403 GRI 416	1.2024 Chemical Leak Incident: 0 2.Customer chemical safety complaints: 0 3.Chemical compliance rate: 100% 4.Establish and publish chemical management policies		●	●		●		
	Energy and GHG management	GRI 302 GRI 305	Carbon reduction target: Reduce carbon emissions by 30% by 2030 compared to 2021 target year, and achieve net-zero emissions by 2050. As of 2024, carbon emissions have been reduced by 36.87% compared with the target year		●	●			●	
Social	Occupational safety and health management	GRI 403	1. Number of occupational diseases in 2024: 0 2. One fewer accidents than in 2023. 3. Safety training coverage: 100%		●	●		●		
	Employee Rights and Diversity, Equity, and Inclusion	GRI 405 GRI 406	1. In 2024, 30% of senior managers were women, up 2% from 2023. 2. The ratio of Indigenous and minority employees is 3%, up 1% from 2023. 3. Number of discrimination or harassment complaints: 0					●		
Governance	Sustainable Supply Chain Management	GRI 308 GRI 414	1. Increase in local procurement of Electrical Vertical Integration (EVI) modules was 17.2% higher than in 2023. 2. A total of 78 new suppliers were assessed and all passed the new supplier assessment.			●	●			
	Business ethics	GRI 205 GRI 206	In 2024, there were no illegal acts or corruption incidents in violation of the principle of integrity	●	●	●	●		●	

02

Corporate Governance



2. Corporate Governance

Aspect	Material Issue	Management Approach and Its Elements	Management Approach Evaluation
Corporate Governance	Business ethics	Comply with the principle of integrity, improve the legal compliance mechanism, and be accountable to stakeholders.	Establish a corporate culture of integrity and sound systems.
	Sustainable Supply Chain Management	<ul style="list-style-type: none"> Formulate a Supplier Code of Conduct and sustainable procurement policy, requiring suppliers to comply with standards of labor rights, environmental protection, and business ethics. Key suppliers are required to conduct ESG self-assessments and risk classification, which are incorporated into the procurement evaluation and audit processes. Promote sustainability initiatives such as carbon accounting, waste reduction, and resource recycling throughout the supply chain to build a responsible value chain. 	<ul style="list-style-type: none"> Complete ESG reviews for key suppliers to a certain standard annually and track progress on improvements. Periodically review supplier compliance with the signed guidelines and include it as a factor in performance evaluations. Evaluate the progress of sustainability performance based on data such as the supply chain greenhouse gas (GHG) inventory and raw material usage reports.

Future Strategic Goals:

1. Economies of scale for production

The Group is a professional supplier of electronic components. In recent years, the Group has continued to transform and develop its business in the field of automotive products. The Group’s related products have achieved economies of scale and gained presence in the industry. Continuous growth in the depth and breadth of product sales will help maximize the benefits of economies of scale, thereby creating a barrier to entry into the industry.

2. Future Strategic Goals:

In addition to Taiwan, the Company has production sites and marketing centers overseas including China, Malaysia, and Vietnam to not only serve customers nearby, but also gather market information, adjust production capacity, and reduce production costs to mitigate the operational risk generated by the China-US trade war.

Corporate Governance Performance

- In 2024, there were no illegal acts or corruption incidents in violation of the principle of integrity.
- Over 97% of Mechanical Vertical Integration (MVI) modules are sourced locally; electronic integrated modules also increased by 17.2% compared to 2023.
- A total of 78 new suppliers were assessed and all passed the new supplier assessment in 2024.

○ 2.1 Company Profile GRI 2-1

ICHIA was founded in November 1983 as "ICHIA Industrial". In response to changes in the external environment and product diversification, it was officially renamed "ICHIA TECHNOLOGIES, INC." in 1989. ICHIA is headquartered in Hwa Ya Technology Park, Guishan District, Taoyuan City. After more than 40 years of hard work and management, the Company has developed into a multinational enterprise with production bases in Suzhou and Zhongshan in China, as well as Malaysia. In line with the business philosophy of "mission-driven, envisioning the future," we continue to strive toward sustainable operations.

Basic Information	
Company name	ICHIA TECHNOLOGIES, INC.
Date of establishment	November 1989
Location of headquarters	No. 268, Huaya 2nd Rd., Guishan Dist., Taoyuan City, Taiwan
Major production locations	ICHIA's Global Operations Management Headquarters (Linkou Factory) (Factory area: about 290,545 square feet) ICHIA Suzhou Factory (Factory area: about 1,442,364 square feet) ICHIA Zhongshan Factory (Factory area: about 358,797 square feet) ICHIA Malaysia Factory (Factory area: about 76,048 square feet)
Paid-in capital	NTD 3,075,366 thousand
Revenue in 2024	NTD 9,531,011 thousand
Main Products	Mechanical Vertical Integration (MVI) modules, Electrical Vertical Integration (EVI) modules
Production volume	68,702 (thousand sets), 167,948 (thousand pieces)

ICHIA's Current Main Business Items

Main Products	Purpose and Description
Electrical Vertical Integration (EVI) modules	Wiring design and testing of FPCs, PCBs, and SLPs, compatible with SMT processes and other component assembly.
Mechanical Vertical Integration (MVI) modules	Integration of Mechanical and Electrical Vertical Integration (EVI) components allows for customized design and manufacturing of single components or modules, providing customers with a one-stop solution.
Thermal Module	One-stop service from thermal simulation design to mass production, covering applications in personal computers, servers, AI-related technologies, industrial control, portable devices, automotive electronics, and optical communication.

○ 2.2 Global Market Presence

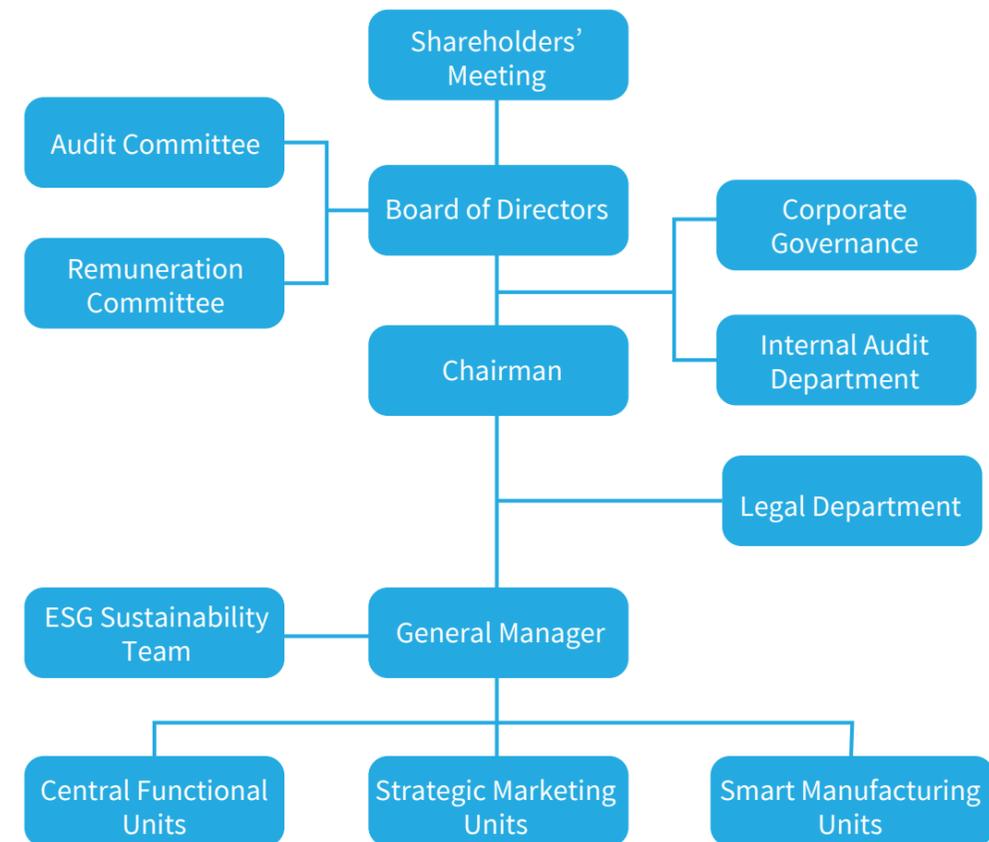
After 40 years of hard work and management, ICHIA has developed into a multinational enterprise with production bases in Suzhou and Zhongshan in China, as well as Malaysia, and Mexico. In response to rapid changes in the global economy and industrial development, we have also considered expanding our business to Southeast Asia. Since 2023, we have planned to build our second factory in Kulim Hi-Tech Park in Malaysia, which is slated for completion and production by Q3 of 2025.

By setting up production bases and marketing centers overseas, we can not only serve customers nearby, gather market information, adjust production capacity, and reduce production costs, but also win the trust of customers with flexible shipping locations and shorter delivery times.



○ 2.3 Governance Structure

◎ 2.3.1 Administrative Organizational Structure GRI 2- 9



Business Scope of Each Department

Department	Business Scope Description
Corporate Governance	Implement corporate governance and legal compliance; provide directors and independent directors with the information needed to execute their duties; handle matters related to board meetings and shareholders' meetings.
Internal Audit Department	Establish, revise and review the internal audit system, and examine, review and audit the internal control system (for both domestic and overseas subsidiaries).
Legal Department	Responsible for corporate legal affairs, auditing and managing contracts, etc.
ESG Sustainability Team	Strive for various issues of concern to stakeholders, including in the five aspects of corporate governance, customer relationship and supplier management, sustainable environment, employee care, and social engagement. Communicate with stakeholders from time to time, pay attention to issues of concern to them, and respond to these issues in a timely manner.
Central Functional Units	Covering the Company's general affairs, factory operations, the ADM Center, Financial & Accounting Center, IT Center, and other units, the Central Functional Units are responsible for the planning and execution of procedures related to human resources, education and training, finance, accounting, stock affairs, budgets, affiliated enterprise management, as well as the construction of information environments and the maintenance of information exchange mechanisms and information security.
Strategic Marketing Units	Responsible for the logistics, R&D, and marketing management of the Company's products.
Smart Manufacturing Units	Responsible for the production and quality management of the Company's products.

Boundary Coverage		
Investor	Subsidiary name	Business nature
ICHIA TECHNOLOGIES, INC.	ZHONGSHAN ICHIA ELECTRONICS CO., LTD.	Manufacturing, processing and trading of various electronic components and materials for various electronic and telecommunication computers.
	ICHIA TECHNOLOGY (SUZHOU) CO., LTD	Manufacturing and sale of rubber, plastic keypads and flexible printed circuit boards.

© 2.3.2 Operations of the Board of Directors GRI 2-10, GRI 2-11, GRI 2-12, GRI 2-13, GRI 2-15, GRI 2-17, GRI 2-18

Since 2011, ICHIA has successively established the “Remuneration Committee” and “Audit Committee” in accordance with the relevant laws and regulations. The directors and members are elected according to the relevant regulations on a regular basis to make the best decisions that contribute to the sustainable development of ICHIA.

According to the “Corporate Social Responsibility Best Practice Principles,” the Company appoints professionals with rich business or academic experience in various industries as board members, taking their gender, age, nationality and cultural background into account. The Board of Directors held 5 meetings in 2024, and the attendance rate of all directors was 94%. The Board of Directors is responsible for reviewing and supervising the Company's decision-making on major issues related to the economy, society, and the environment to maximize the benefits for the Company's shareholders. In addition, if a director has a stake in any agenda item, the director shall abstain from discussion and voting on the item, and shall not exercise voting rights on behalf of other directors.

Director's education and experience

Title	Name	Gender	Education	Main Experience
Chairman	Benny Huang	Male	EMBA, National Taiwan University (Undergraduate)	Chairman of ICHIA Group; Chairman of ICHIA HOLDINGS (B.V.I) CO., LTD.; Chairman of ICHIA USA INC.; Chairman of ICHIA HOLDINGS (H.K.) CO., LTD.; Chairman of ICHIA UK LTD.; Director of ICHIA TECHNOLOGIES (MALAYSIA) SDN. BHD.; Chairman of Fa La Li Investment Co., Ltd.; Chairman of Creative Investment Co., Ltd.
Director	Huang Li Lin	Female	Department of Economics, Fu Jen Catholic University Completion of the MBA program of National Chung Hsing University	Vice Chairman of ICHIA Group; General Manager of ICHIA HOLDINGS (B.V.I) CO., LTD.; Director of ICHIA USA Inc.; Director of ICHIA RUBBER INDUSTRY (M) SDN BHD; Director and Managerial Officer of ICHIA Technologies Hungary Limited Liability Company; Director of ICHIA TECHNOLOGY (SUZHOU); Director of ZHONGSHAN ICHIA; Director of ICHIA HOLDINGS (H.K.)CO., LTD.; Chairman of SOGAI Investment Co., Ltd.
	Huang Tzu Cheng	Male	Pacific Western University	Chairman of I-SHENG ELECTRIC WIRE & CABLE CO., Ltd. Chairman of DRAGONJET CORPORATION
	Eric Tseng	Male	Department of Physics, Tamkang University	CEO of ICHIA Group; Chairman of ICHIA TECHNOLOGY (SUZHOU); Chairman of ZHONGSHAN ICHIA; Chairman of ICHIA TECHNOLOGIES (MALAYSIA) SDN. BHD.
Independent Director	Chen Tai Jan	Male	Ph.D., Department of Atmospheric and Environmental Sciences, State University of New York at Albany, USA	Distinguished Chair Professor, National Taiwan University Chairman of Chinese Culture University
	Huang Chin Ming	Male	Department of Electronic Engineering, National Chiao Tung University	Chairman of CHROMA ATE Inc. Chairman of DynaScan Technology Corp. Director of I-SHENG ELECTRIC WIRE & CABLE CO., LTD Director of Twoway Communications, Inc. Director of Tian Zheng International Precision Machinery Co., Ltd. Director of Leadtek Research Inc. Chairman of Testar Electronics Corporation Chairman of INNOVATIVE NANOTECH INCORPORATED
	Hsu Wan Lung	Male	Ph.D. from the Institute of Management of Technology, National Yang Ming Chiao Tung University UW Foster School of Business University of Washington Completion of Senior Management Program	Advisor of the Chinese Professional Management Association of Hsinchu Consultant of the National Tsing Hua University Digital Economy Technology Innovation R&D and Application Program Permanent Director of the Taiwan Intellectual Property Exchange Service Association

✓ Independence and Diversity of the Board of Directors

Independence of the Board of Directors:

The Company has 3 independent directors, accounting for 43% of total directors. In accordance with the regulations governing listed companies, the Company has obtained a written statement from each director confirming their eligibility for election and the independence of theirs and their immediate family from the Company, and that they do not violate Article 26-3, Paragraphs 3 and 4 of the Securities and Exchange Act.

The Company has established a performance evaluation system for the Board of Directors, and conducts internal self-evaluation of the Board of Directors and self-evaluation for board members once a year. The self-evaluation results are disclosed in the Company's annual report after being reported to the Board of Directors.

Diversity:

The 7 members of the Company's Board of Directors for the 13th term as a whole are equipped with the abilities of operational judgment, crisis management, industry knowledge, financial and accounting analysis, business management, international market perspective, leadership, and decision-making. Chairman Benny Huang, Vice Chairman Huang Li Lin, Director Huang Tzu Cheng, Independent Director Huang Chin Ming, Director and CEO Eric Tseng have years of practical experience in corporate management. Independent Director Chen Tai Jan holds a teaching position at a national university and is equipped with professional knowledge, management and teaching experience. Independent Director Hsu Wan Lung, who has been engaged in industry-academia collaboration for many years, has extensive experience.

All board members are Taiwanese, and their age distribution is as follows: 1 aged 51-59 years, 3 aged 61-69 years, and 3 aged 71-79 years; including one female director, accounting for 14%.

✓ Remuneration policy for directors and managerial officers

(I) Remuneration policy, standard, and package:

For the remuneration of the Company's directors, according to the Company's Articles of Incorporation, no more than 3% of the current pre-tax profit before deduction of employee remuneration and director remuneration for the year shall be set aside as director remuneration. In accordance with the "Board of Directors' Performance Evaluation Measures," the Company conducts regular performance evaluations covering six aspects: (1) Understanding of the Company's goals and missions (2) Awareness of directors' duties (3) Participation in the Company's operations (4) Internal relationship management and communication (5) Professionalism and continuing education of directors (6) Internal control.

For the remuneration of the Company's managerial officers, according to the Company's Articles of Incorporation, no less than 1% of the current pre-tax profit before deduction of employee remuneration and director remuneration for the year shall be set aside as employee remuneration. The performance evaluation for managerial officers covers three parts: (1) Duties of each managerial officer (2) Achievement of the performance goals for the current year (3) Contribution to the Company.

The remuneration package is as specified in the Remuneration Committee Charter and includes cash remuneration, stock options, dividends and shares, retirement benefits or severance pay, various allowances, and other substantive incentive measures.

(II) Process to determine remuneration

The performance of the Company's directors and managerial officers is linked to the Company's business performance indicators. Their remuneration and individual performance are subject to annual evaluation and review by the Remuneration Committee and the Board of Directors. The Board of Directors, board members, and the members of various functional committees received ratings of "Excellent" or higher for the performance self-evaluation in 2024, indicating sound operation as a whole. According to the results of the managerial officer performance evaluation in 2024, the performance of all managerial officers met or exceeded the set targets. The above evaluations took into account an individual's performance achievement rate and contribution to the Company, as well as the overall operational performance of the Company, future risks and development trends in the industry. In addition, the remuneration system has been reviewed in a timely manner based on the actual business status and in accordance with the relevant laws and regulations to provide reasonable remuneration. The remuneration to directors and managerial officers in 2024 was determined through performance evaluation, submitted to the Remuneration Committee for deliberation, and referred to the Board of Directors for resolution.

(III) Correlation with sustainability performance and future risks

The review of the payment standard and system related to the Company’s remuneration policy uses the Company’s overall operations as the main consideration, and the payment standard is determined based on performance achievement rates and contributions to improve the overall organizational efficiency of the Board of Directors and managerial officers. Starting in 2024, sustainability performance will be linked to the remuneration of senior executives, including the general manager and high-level managers. Annual performance targets include completing the GHG inventory (ISO 14064-1) for the consolidated company as disclosed in the annual report, and increasing carbon productivity by 1% per million NTD of revenue compared to the previous year (carbon productivity: Carbon emissions generated per million NTD of revenue; a performance deduction of one point will be applied for failing to meet the target; if the target is exceeded, for example: Obtaining green factory certification, etc., one point will be added to the performance score. In addition, reference is made to the remuneration standards in the industry to ensure that the remuneration of the Company’s management is competitive in the industry, so that outstanding management talent can be retained.

Important decisions of the Company’s management are made after balancing various risk factors. The performance of related decisions is reflected in the Company’s profitability. There is a positive correlation between management’s remuneration and the performance of risk control.

Remuneration paid to directors, general managers, and deputy general managers by the Company and subsidiaries includes long-term incentives, and is in the form of cash, shares, or stock options. The remuneration is not fully paid in the year when there are earnings, and the actual value of the remuneration is related to future stock prices, that is, the directors, general managers, and deputy general managers will assume future business risks together with the Company and subsidiaries.

Total Remuneration Paid in the Most Recent Two Years as a % of the Net Profits After Tax

Item	The Company				All Companies in Consolidated Financial Statements			
	2023		2024		2023		2024	
	Total (NTD thousand)	Percentage	Total (NTD thousand)	Percentage	Total (NTD thousand)	Percentage	Total (NTD thousand)	Percentage
Remuneration to directors	10,360	2.23%	12,320	1.73%	10,360	2.23%	12,320	1.73%
Remuneration to general manager and deputy general manager	41,625	8.95%	46,275	6.51%	44,005	9.46%	48,479	6.82%
Net profits after tax	465,261	-	711,214	-	465,261	-	711,214	-

✓ **Performance Evaluation for the Board of Directors**

In order to implement corporate governance and improve the functions and efficiency of the Board of Directors, the “Board of Directors’ Performance Evaluation Measures” have been formulated to stipulate that the Board of Directors shall conduct at least one performance evaluation for the Board of Directors, board members, and functional committees every year. The evaluation covers the following aspects: participation in the Company’s operations, the election and continuing education of directors, and internal control. In the future, external evaluations will be conducted to evaluate the performance of the Board of Directors from a more objective perspective.

Evaluation Cycle	Once a year
Evaluation Scope	Board of Directors Individual board members Functional committees
Evaluation Method	I. Self-evaluation of the Board of Directors II. Self-evaluation of board members III. Self-evaluation of functional committees (Audit Committee and Remuneration Committee)
Evaluation Content and Results	<p>Evaluation content:</p> <p>I. Self-evaluation of the Board of Directors</p> <ol style="list-style-type: none"> 1. Participation in the Company’s operations. 2. Improvement of the Board of Directors’ decision-making quality. 3. Composition and structure of the Board of Directors. 4. Election and continuing education of directors. 5. Internal control. <p>II. Self-evaluation of board members</p> <ol style="list-style-type: none"> 1. Understanding of the Company’s goals and missions. 2. Awareness of directors’ duties. 3. Participation in the Company’s operations. 4. Internal relationship management and communication. 5. Professionalism and continuing education of directors. 6. Internal control. <p>III. Self-evaluation of functional committees</p> <ol style="list-style-type: none"> 1. Participation in the Company’s operations. 2. Awareness of functional committees’ duties. 3. Improvement of functional committees’ decision-making quality. 4. Composition and member election of functional committees. 5. Internal control. <p>Evaluation results: The Company completed a performance evaluation for the Board of Directors, board members, Remuneration Committee, and Audit Committee in December 2024. The evaluation results were presented at the board meeting held on March 7, 2025. Ratings of “Excellent” or higher were given for the evaluation, indicating sound operation as a whole.</p>

(1) Self-evaluation of the operational performance of the Board of Directors:
There were a total of 45 indicators, and the result showed that the operation as a whole was sound.

Aspect of the Self-evaluation	Evaluation Item	Score in 2024
A. Participation in the Company’s operations	12 items	4.87
B. Improvement of the Board of Directors’ decision-making quality	12 items	4.88
C. Composition and structure of the Board of Directors	7 items	4.94
D. Election and continuing education of directors	7 items	4.69
E. Internal control	7 items	4.90

(2) Self-evaluation of the performance of board members:
There were a total of 23 indicators. The average score of each director participating in the self-evaluation for each item was calculated, and the result showed that the operation as a whole was excellent and sound.

Aspect of the Self-evaluation	Evaluation Item	Score in 2024
A. Understanding of the Company’s goals and missions	3 items	5.00
B. Awareness of directors’ duties	3 items	4.86
C. Participation in the Company’s operations	8 items	4.82
D. Internal relationship management and communication	3 items	5.00
E. Professionalism and continuing education of directors	3 items	4.90
F. Internal control	3 items	4.86

(3) Self-evaluation of the operational performance of functional committees:
There were a total of 26 indicators, and the result showed that the operation as a whole was sound.

Aspect of the Self-evaluation	Evaluation Item	Score in 2024
A. Participation in the Company’s operations	4 items	5.00
B. Awareness of functional committees’ duties	8 items	5.00
C. Improvement of functional committees’ decision-making quality	7 items	5.00
D. Composition and member election of functional committees	4 items	5.00
E. Internal control	3 items	5.00

✓ Continuing Education for the Board of Directors

According to the requirements of the Directions for the Implementation of Continuing Education for Directors and Supervisors of TWSE Listed and TPEX Listed Companies, new directors are advised to receive at least 12 hours of continuing education in the year they take office and at least 6 hours of continuing education every year thereafter.

In 2024, directors received a total of 70.4 hours of continuing education, with an average of 10 hours per director, 6 hours higher than the recommended legal threshold. In the future, the Company will continue to arrange diversified external training courses to enhance directors' professionalism, make them perform their duties faithfully and the duty of care as a good administrator, and give full play to the functions of business decision-making, leadership, and supervision.

Title	Name	Date		Organizer	Name of Course	Hours
		From	To			
Chairman	Benny Huang	113/09/06	113/09/06	Securities and Futures Institute	2024 Annual Briefing on Prevention of Insider Trading and Insider Equity Trading	3
		113/10/07	113/10/07	Chinese National Association of Industry and Commerce	2024 Taishin Net Zero Summit	3
Vice Chairman	Huang Li Lin	113/09/04	113/09/04	Taiwan Corporate Governance Association	Taipei - Net Zero Carbon Emission Awareness Conference	3
		113/09/20	113/09/20	Securities and Futures Institute	2024 Annual Briefing on Prevention of Insider Trading and Insider Equity Trading	3
Director	Huang Tzu Cheng	113/09/20	113/09/20	Securities and Futures Institute	2024 Annual Briefing on Prevention of Insider Trading and Insider Equity Trading	3
		113/09/30	113/09/30	Taiwan Stock Exchange	Taiwan Capital Market Summit	3
Director	Eric Tseng	113/09/30	113/09/30	Taiwan Stock Exchange	Taiwan Capital Market Summit	3
		113/10/18	113/10/18	Securities and Futures Institute	2024 Annual Briefing on Prevention of Insider Trading and Insider Equity Trading	3
Independent director	Huang Chin Ming	113/06/03	113/06/03	Securities and Futures Institute	Institutional Investor Perspectives Forum	3
		113/09/30	113/09/30	Taiwan Stock Exchange	Taiwan Capital Market Summit	3

Title	Name	Date		Organizer	Name of Course	Hours
		From	To			
Independent director	Chen Tai Jan	113/03/22	113/03/22	BCSD Taiwan	CDP Taiwan Conference - Promoting a New Carbon Era with Sustainability Insights	3
		113/04/17	113/04/17	Taiwan Institute of Directors	Benchmark learning: How to break through and grow by mastering core technologies.	3
		113/05/13	113/05/13	Securities and Futures Institute	Goldsun Building Materials Sponsored Training Program – Advanced Workshop for Directors and Corporate Governance Officers: “Implementing and Developing Sustainable Innovation and Ethical Business Practices”	3
		113/06/03	113/06/03	Securities and Futures Institute	Institutional Investor Perspectives Forum	3
		113/08/12	113/08/12	Securities and Futures Institute	Goldsun Building Materials Sponsored Training Program - Board of Directors and Corporate Governance Officer Advanced Practice Seminar“Legal risks of joint monopoly under antitrust law (including gender equality) and related joint activities under the Fair Trade Act”	3
Independent director	Hsu Wan Lung	113/01/30	113/01/31	Securities and Futures Institute	Practical Training Workshop for Directors, Supervisors (Including Independents), and Corporate Governance Officers - Taipei Session.	12
		113/02/02	113/02/02	Securities and Futures Institute	Director and Supervisor & Corporate Governance Officer Series Courses - Carbon Trading Mechanisms and Carbon Management Applications	3
		113/03/22	113/03/22	Taiwan Institute for Sustainable Energy	Corporate Sustainability Elite Training Class	3
		113/09/30	113/09/30	ITRI College	Market-oriented patent strategy	2.7
		113/09/30	113/09/30	ITRI College	2024 IP Startups	2.7

◎ 2.3.3 Audit Committee

The Company’s Audit Committee consists of 3 independent directors and aims at assisting the Board of Directors in supervising the quality and integrity of the Company’s execution of accounting, auditing, financial reporting procedures, and financial control. The Audit Committee holds meetings on a regular basis, and the matters that it deliberates on mainly include:

1. Review of financial statements.
2. Assessment of the effectiveness of the internal control system.
3. Independence, appointment, and remuneration of CPAs.
4. Significant asset transactions.
5. Loaning of funds.
6. Revision of the procedures for loaning funds and the procedures for the acquisition or disposal of assets, and establishment of risk management policies and procedures.
7. Matters concerning directors’ personal interests.
8. Management of existing or potential risks to the Company.

Five Audit Committee meetings were held in 2024. The attendance of the Audit Committee members is as follows:

Title	Name	Number of Attendances (as a Non-voting Participant) in Person	Number of Attendances by Proxy	Actual Attendance (as a Non-voting Participant) Rate	Remarks
Convener	Huang Chin Ming	5	0	100%	None
Committee member	Chen Tai Jan	5	0	100%	None
Committee member	Hsu Wan Lung	5	0	100%	None

◎ 2.3.4 Remuneration Committee

The Company has set up a Remuneration Committee in accordance with 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.” The Committee consists of 3 independent directors with a tenure of 3 years and holds at least 2 meetings every year. It is responsible for examining and determining if the Company’s internal salary system complies with laws and regulations and is good enough to attract and retain outstanding talent.

The Committee shall faithfully perform the following duties and powers with the due care of a good administrator, and submit recommendations to the Board of Directors for discussion. However, recommendations regarding the remuneration of independent directors are submitted to the Board of Directors for discussion, provided that the remuneration of supervisors has been specified in the Articles of Incorporation or the shareholders’ meeting has resolved to authorize the Board of Directors to determine the remuneration:

1. Regularly review the Company’s “Remuneration Committee Charter” and propose revisions.
2. Establish and regularly review the annual and long-term performance goals and remuneration policies, systems, standards, and structures for the Company’s directors, supervisors, and managerial officers.
3. Regularly assess the achievement of the performance goals of the Company’s directors, supervisors, and managerial officers, and determine the content and amount of their individual remuneration.

3 meetings were held in 2024. The actual attendance of the committee members is as follows:

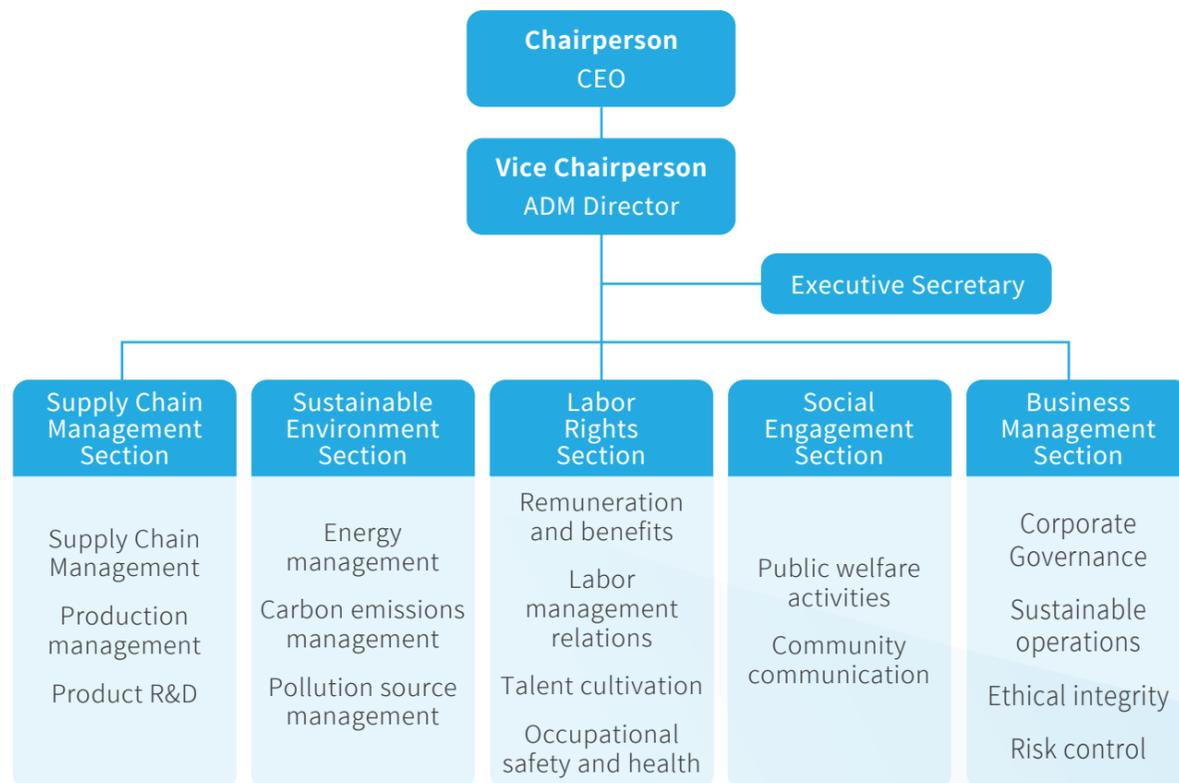
Title	Name	Number of Actual Attendances	Number of Attendances by Proxy	Actual Attendance Rate	Remarks
Convener	Huang Chin Ming	3	0	100%	None
Committee member	Chen Tai Jan	3	0	100%	None
Committee member	Hsu Wan Lung	3	0	100%	None

◎ 2.3.5 ESG Sustainability Team

An ICHIA “ESG Sustainability Team” has been established, with the personnel of each unit concurrently serving as members. Its organizational structure is shown in the figure below. The implementation status is reported to the highest governing body – the Board of Directors – quarterly, for their review and approval.

The ESG Sustainability Team is responsible for ensuring the accuracy, completeness, and reliability of the Company’s sustainability information, collecting and verifying data accuracy, preparing the annual sustainability report, and making related disclosures. Promote transparency and compliance in sustainability information disclosure, and ensure the proper management and secure preservation of sustainability data.

The Company’s ESG Sustainability Team is committed to various issues of concern to stakeholders, including in the five aspects of corporate governance, customer relationship and supplier management, sustainable environment, employee care, and social engagement. The team reviews international norms every year to ensure compliance with international standards. Communicate with stakeholders from time to time, pay attention to issues of concern to them, and respond to these issues in a timely manner.



◎ 2.3.6 Association Membership and Initiatives

As a major domestic manufacturer of flexible printed circuits, ICHIA has been a long-time corporate member of the Taiwan Electrical and Electronic Manufacturers’ Association and the Taiwan Printed Circuit Association. Recently, with global climate change and the global ESG trend, we have continued to pay attention to the development of various major ESG initiatives and joined to become their member if appropriate. In addition to externally declaring that we have the determination and power to contribute to the earth and society, we hope that these associations can bring the industries and peers together to make a modest contribution to our environment and society. In recent years, the Zhongshan Factory was the first in the Group to obtain RBA certification. In 2023, we joined the Taiwan Climate Partnership in the hope to realize the vision of sustainable corporate development through collective power.

Organization	Position
Taiwan Electrical and Electronic Manufacturers’ Association	Member
Taiwan Printed Circuit Association (TPCA)	Member
Republic of China Employee Welfare Development Association	Employee welfare committee member
Responsible Business Alliance (RBA)	Zhongshan Factory passed the on-site audit and obtained the VAP Recognition
Taiwan Climate Partnership	Member
CDP Global Environmental Information Research Center (Formerly known as the Carbon Disclosure Project)	Responding to the CDP Investor Questionnaire in response to the “CDP Commit to Action” initiative

○ 2.4 Operational Performance

ICHIA Group’s consolidated revenue for the full year of 2024 was NTD 9.531 billion, an increase of 11% over the previous year; the consolidated gross profit margin was 18%; the consolidated operating net profit was NTD 774 million; the consolidated net profits after tax were NTD 711 million; and the earnings per share was approximately NTD 2.36. The profit for the year bucked the trend and grew by 50%, achieving another good operational performance.

Unit: NTD (thousand)

Item \ Year	2023	2024
Operating revenue	8,561,414	9,531,011
Operating costs	7,287,462	7,822,192
Gross profits	1,273,952	1,708,819
Operating expenses	791,340	935,012
Operating profits	482,612	773,807
Non-operating incomes and expenses	65,871	76,847
R&D expenses	267,214	317,895
Net profits before tax	548,483	850,654
Income tax expenses	83,222	139,440
Net profits for the period	465,261	711,214
Earnings per share (NTD)	1.56	2.36

Note: Please refer to the Company’s 2024 annual report for details.

○ 2.5 Business Ethics and Legal Compliance

◎ 2.5.1 Integrity as a Core Value

Since its establishment, ICHIA has consistently upheld the core values of “Integrity & Honesty,” “Dedication,” “Innovation,” and “Achievement,” which are fundamental to its operations and corporate culture. From the Chairman down to every employee, we all adhere to this belief and practice a steady and pragmatic approach to management, viewing integrity as the bedrock for the Company’s sustainability.

In terms of internal governance, the Company requires all managerial-level employees and above to sign a Work Commitment and Confidentiality Agreement, clearly outlining their confidentiality obligations regarding trade secrets in their roles and strengthening their awareness of trade information protection and legal compliance. The Company strictly prohibits any acts of seeking improper gains through one’s position. The Company has established a reporting system and an ethics hotline to protect the Company’s interests and maintain shareholder trust.

In terms of talent evaluation, ICHIA’s annual employee performance reviews consider not only professional skills but also the demonstration of “core competencies,” encompassing three key indicators: integrity, dedication, and innovation. Employees are required to provide evidence of specific actions taken, and their direct supervisor will review it to ensure corporate values are put into practice daily.

In terms of external collaboration, ICHIA requires all suppliers to sign the Sustainable Supplier Code of Conduct and commit to full compliance with local laws and regulations and ICHIA’s internal code of ethics during all business transactions with the Company. All forms of bribery, kickbacks, improper payments, or seeking commercial gain through illegal means are strictly prohibited, including but not limited to providing benefits to ICHIA employees or their affiliates, jointly creating false negotiation documents, or taking any action intended to influence the fairness of transactions. Through clear commitments and oversight mechanisms, we establish a foundation for supply chain integrity governance, ensuring the stability and fairness of long-term cooperation between both parties.

In the future, ICHIA will continue to foster a culture of ethical corporate management based on a high degree of self-discipline and transparency, implementing this not only in its internal governance but also extending it to external collaborations and supply chain relationships, thereby demonstrating its long-term commitment to sustainability.

◎ 2.5.2 Whistleblowing and Complaint Systems and Channels

To implement corporate integrity governance and ensure employees have open and secure communication channels for reporting concerns, ICHIA Technologies has established a diversified feedback mechanism based on the Employee Suggestion and Complaint Management Regulations to help employees submit reasonable suggestions, file complaints, or disclose violations of laws and ethical standards.

The Company has established a formal suggestion and complaint reporting platform, including email, physical mailboxes, a dedicated hotline, and an anonymous reporting mechanism. A dedicated unit has been assigned to receive, investigate, process, and respond to reports, ensuring all submissions are handled promptly and fairly. The processing procedures have a strict confidentiality mechanism to protect the identity and rights of the complainant and prevent any form of retaliation.

This system is also a key component in building effective internal and external communication channels for the Company. It not only improves employee transparency and trust in the organization, but also helps management promptly identify operational risks and potential organizational issues. Through regular review of complaint types and handling effectiveness, the Company continuously optimizes its systems and processes. It also incorporates relevant issues into internal training and communication materials to enhance all employees' awareness of labor rights, the work environment, and ethical conduct.

In the future, ICHIA will continue to strengthen its culture of two-way communication and integrate it with corporate governance and human rights protection mechanisms, ensuring employees can voice their opinions and participate in a safe, respectful, and trusting workplace to jointly create a sustainable and inclusive work environment.

The channels are as follows:

1. "Employee Complaint Mailbox": Each factory has a physical suggestion box and a dedicated email address for complaints, which are shown as follows. The responsible units are the ADM Center and the HR head of each factory.
 - Linkou Factory 1999.hr.LK@ichia.com
 - Suzhou Factory 1999.hr.SZ@ichia.com
 - Zhongshan Factory 1999.hr.ZS@ichia.com

2. "Supplier, Consumer or Customer Complaint Mailbox": We have a dedicated email address (ichia.legal@ichia.com) in place, and the responsible unit is the ADM Center.
3. Relevant measures to prevent violation in the performance of duties: According to Articles 46, 55, and 56 of the "ICHIA Work Rules," the ADM Center is responsible for review and handling. We have ensured communication and advocacy between supervisors and employees and protected whistleblowers from workplace violence. No such incidents occurred in 2024.
4. Management measures related to sexual harassment prevention, complaints, and disciplinary actions in the workplace: According to Article 46 of the "ICHIA Work Rules," the ADM Center is responsible for accepting, investigating, and reviewing complaints. We foster a gender-friendly working environment and strictly prohibit any form of sexual harassment. We have established relevant management procedures to create a friendly and safe working environment for our employees. In addition, the information of complainants is strictly protected during these management procedures to protect their rights and interests. No complaints of sexual harassment were received in 2024.
5. "Employee Interviews": According to the Company's "Employee Performance Evaluation Management Regulations," each factory shall hold 2 meetings (midterm/first half of the year, final/second half of the year) of employees and their direct supervisors or senior supervisors every year, and the ADM Center is in charge of and cooperates with all relevant units in holding the meetings.

To uphold the principles of ethical corporate management and strengthen corporate governance, ICHIA has established a complete management system and investigation procedures for handling employee suggestions, complaints, and reports. All systems clearly define the responsibilities and standard operating procedures of the investigation unit, and strictly protect the identity and safety of whistleblowers or complainants. This ensures the confidentiality of the information they provide and all investigation-related materials throughout the process, preventing information leakage and subsequent retaliation.

To protect whistleblowers, the Company has established a "Whistleblower Protection System" based on its internal controls, including the "Employee Suggestions and Complaints Management Regulations" and the "Code of Ethics and Ethical Conduct," to ensure that individuals who file complaints or report wrongdoing are protected from retaliation. For cases verified as true, the Company will implement internal disciplinary actions in accordance with relevant procedures, and may initiate improvement or corrective measures depending on the severity of the case, to strengthen the integrity and reliability of our systems.

The above reporting mechanism applies not only to the Group's internal employees, but also extends to external stakeholders, including suppliers, partners, their related companies, and those in charge. The Company has established a dedicated complaint mailbox and point of contact for external parties – all legal entities and individuals with a procurement or cooperative relationship with ICHIA. Any disclosure of the Company's business practices, integrity risks, or illegal or unethical conduct can be reported through publicly available channels. A dedicated unit within the Company will promptly receive and address these reports.

The establishment of this grievance and whistleblowing mechanism not only enhances the transparency and fairness of corporate governance, but also demonstrates ICHIA's firm commitment to supply chain human rights protection, responsible business practices, and collaborative partnerships. It reflects the company's dedication to sustainability, integrity, and open communication.

In accordance with the requirements of Article 26 of the "Taiwan Stock Exchange Corporation Procedures for Verification and Disclosure of Material Information of Companies with Listed Securities," the occurrence of the following conditions is deemed a significant critical incident and shall be communicated and reported to the Board of Directors:

1. Disasters, collective protests, strikes, environmental pollution, cybersecurity incidents, or other significant incidents that cause major damage or impact on the Company;
2. A work stoppage, suspension of operations, business closure, order is issued or pollution-related permits are canceled or withdrawn by relevant authorities;
3. The cumulative amount of fines for a single incident is NTD 1 million or more.

In 2024, no significant critical incidents occurred in ICHIA.

© 2.5.3 Legal Compliance

Compliance with laws and regulations is not only an enterprise's fundamental obligation, but also constitutes the fulfillment of corporate social responsibility and a key component of sustainable operations. As a global electronic component manufacturer, ICHIA's products and services span multiple markets. To this end, the company continuously monitors domestic and international laws, regulations, and operational trends to ensure compliance in all business activities and effectively mitigate potential compliance risks.

To systematically promote legal compliance management, we follow ISO 9001 (quality management), ISO 14001 (environmental management), and ISO 45001 (occupational health and safety management) – among other international standards – to establish a mechanism for identifying and continuously monitoring applicable laws and regulations, covering aspects such as operations, the environment, and labor safety and health. Each unit shall regularly conduct a regulatory compliance review and assess the implementation effectiveness during internal audits and management review meetings, to serve as the basis for continuous improvement and compliance strategy development.

In addition, ICHIA is committed to the honesty and integrity of information disclosure. We will truthfully disclose in our sustainability report any incidents of violations of laws and regulations resulting in penalties from competent authorities, or those with a material impact on the company's operations, adhering to the principles of "balanced reporting" and "information transparency" to strengthen trust with external stakeholders and the credibility of our corporate governance.

In the future, ICHIA will continue to optimize its compliance management system, strengthen legal compliance awareness at all levels, and proactively deploy systems to address global ESG regulatory trends (such as the EU's CSRD and supply chain due diligence regulations), ensuring the Company's operations remain steady and sustainable within a framework of the rule of law. Throughout 2024, there were no violations resulting in penalties.

○ 2.6 Information Security Management

In recent years, cybersecurity has become increasingly important to businesses and government agencies, and there have been numerous instances of hackers causing substantial losses to companies. To strengthen cybersecurity risk management, ICHIA has established a robust management framework, cybersecurity policies, and concrete management plans, and has invested related resources to ensure information security. Below are more specific descriptions:

◎ 2.6.1 Organizational Structure and Information Security Policy

The Artificial Intelligence Operations Division (AIO) is an independent department not subordinate to the user unit. It is responsible for coordinating and implementing information security policies, disseminating information security messages, raising employees' information security awareness, and collecting and improving the technology, products, or procedures of the organizational information security management system. Meanwhile, the Artificial Intelligence Operations Division (AIO) is also responsible for driving the digitalization of time and attendance management.

The Artificial Intelligence Operations Division (AIO) cooperates with the Company's audit unit to conduct information security audits, including internal audits and external audits, to ensure the proper implementation of the information security management mechanism. Its management scope includes network security, computer information and file security, device security, email security, and information system control and access.

This can ensure the security of the Company's systems, equipment, computer information and files, and networks, and create a safe and trustworthy computerized operating environment to protect the Company's interests and the sustainable operation of each unit's information system. The scope of information security includes computer system security management, network security management, system access control, information asset security management, physical and environmental security management, and information security audits.

◎ 2.6.2 Information Security Principles and Standards

In order to prevent computer virus attacks and infections on information systems and files, detection and prevention measures shall be adopted, and an active intrusion detection system shall be established for intrusion and malicious attacks to ensure computer data security.

To prevent natural disasters or major man-made events that will cause disruption to important information assets and key business or communication systems of the Company, a policy for the sustainable operation of information systems shall be established. To ensure business continuity, employees must strictly abide by relevant regulations and jointly maintain the Company's information security.

Relevant regulations that employees shall abide by:

- (1) Computer data and equipment shall not be arbitrarily destroyed, taken out, lent, or improperly modified to maintain data integrity.
- (2) The Company's policies for sending and receiving emails and surfing the Internet shall be abided by, and software not approved by the IT department and unlicensed software shall not be installed without authorization.
- (3) After accessing the mainframe, exit the mainframe after completing the work or when not using the mainframe for a long time to prevent the leakage of confidential data, damage by others, or crashes.
- (4) ICT equipment shall be placed in a place where it is easy to access and far away from tea, coffee, sunlight, or humidity. Use protective covers for equipment in acid-base environments to prolong its life.
- (5) When computer equipment fails to work normally, the user shall notify the IT unit immediately for inspection or maintenance.

In addition, we also invest resources in cybersecurity management, including optimizing various server hardware equipment, strengthening the operation of the backup mechanism, and introducing a desktop management system to accurately grasp the application scope of equipment. The Company conducts phishing email drills and education and training from time to time; an information security officer and information security personnel have been appointed to obtain information security certificates to strengthen the Company's information security management.

With these efforts, there were no business damage caused by major information security incidents in 2024.

© 2.6.3 Specific Management Plans for Information Security

Plan	Specific Measures
Internet security control	<ol style="list-style-type: none"> 1. Establish a firewall mechanism to prevent unauthorized network access. 2. Strengthen email security management to prevent malicious email attacks. 3. Regularly scan computers, systems, and data storage devices for viruses and malware. 4. Use various network services in accordance with the information security policy.
Data access control	<ol style="list-style-type: none"> 1. Have computer equipment kept by designated personnel and set an account and password. 2. Grant different access permissions according to competencies. 3. Cancel the permissions of transferred personnel. 4. Remove or overwrite confidential and sensitive data, and licensed software before equipment is scrapped. 5. Limit the use of portable access devices to data transmission in the Company's operating environment.
Response and recovery mechanism	<ol style="list-style-type: none"> 1. Establish a system backup mechanism and implement off-site backup. 2. Regularly review the emergency response plan. 3. Regularly review the computer network security control measures. 4. Maintain and evaluate collaboration with third-party partners to improve the recovery mechanism.
Emergency reporting procedures	When an information security incident occurs, the unit where it occurs shall notify the Security Team of the Information Center, which will determine the type of the incident, identify the problem, handle the incident immediately, and leave a record.

○ 2.7 Sustainable Supply Chain Management GRI 2-6

ICHIA continues to optimize its supply chain management mechanism. In addition to improving the production process, it also comprehensively enhances processes from the procurement source to the back end to ensure implementation of all operations and improved overall efficiency and quality. Leveraging the synergy of the Group's two key business units, we deployed multiple ISO management systems and implemented supplier audit programs. This holistic framework enhanced supply chain risk governance, reinforced quality management, and elevated our brand influence to support further market growth.

The Company is actively promoting a sustainable supply chain and has implemented several concrete measures over the past three years, including the complete adoption of halogen-free materials, the implementation of packaging material recycling and reuse programs, requiring all suppliers to sign a social responsibility commitment that includes a clause on "non-use of conflict minerals," and the ongoing auditing of their corporate social responsibility (CSR) and environmental, health, and safety (EHS) management systems. This helps ensure that raw materials comply with RoHS, HSF and customer specifications, further strengthening production efficiency and competitiveness.

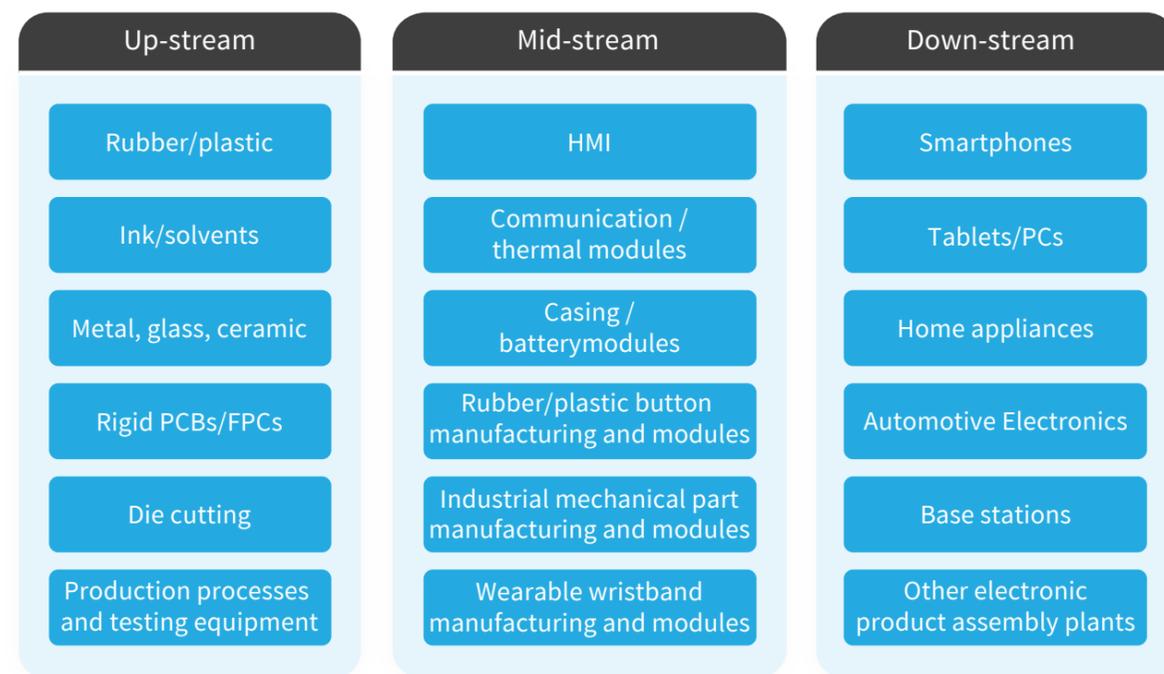
Looking forward, ICHIA will strengthen its partnerships with suppliers to drive green manufacturing initiatives, ranging from raw material sourcing to process technology upgrades – such as transitioning from electroplating to evaporation plating and spray coating to IML – and will continue to focus on high value-added products to tap into blue ocean markets. Life cycle assessment has also been incorporated into product development to comprehensively review the environmental impact of each stage, from raw material selection and manufacturing to transportation, use, and final disposal.

At the same time, the Company will strengthen research and development and application of sustainable materials and implement strategies to reduce packaging and product volume, material usage, and weight, while promoting reuse, moving towards a sustainable product vision of "zero harm, zero waste, and zero environmental impact" and achieving the dual goals of environmental stewardship and business resilience.

◎ 2.7.1 Overview of Supply and Procurement GRI 204-1

✓ Mechanical Vertical Integration (MVI) modules

✓ The main Mechanical Vertical Integration (MVI) module products include buttons of various materials (plastic, rubber, metal) and wearable device accessories, mechanical parts, and modules, which are currently the midstream products of various electronics, wearable devices, automotive accessories, and industrial products. The upstream of the industry chain consists mainly of suppliers of various raw materials, while the downstream consists mostly of assembly plants for various end products.



▲ Figure 3.7 Overview of the upstream and downstream supply chain for Mechanical Vertical Integration (MVI) modules.

The Mechanical Vertical Integration (MVI) module’s overall manufacturing process involves adding bridging agents and pigments to silicone or plastic, performing processes such as hot pressing or injection molding, punching, printing, laser engraving, spraying, modification, and PVD, and assembling metal and circuit boards to make various silicone, plastic and rubber products or modules. The three main raw materials used are silicone plastics and semi-finished products, circuit boards, and hardware. If customers have no special requirements, our factories mainly conduct local procurement.

At present, all our major raw material suppliers are well-known domestic and foreign companies with a certain level of quality. The Company has cooperated with various suppliers for many years and maintained good partnerships. We also actively seek new purchase sources to reduce the risk of a single source of raw materials. In addition, ICHIA continues to promote procurement localization, which can not only save costs and keep track of delivery dates, but also reduce carbon emissions during transportation and ensure local employment opportunities for each factory. In 2024, the percentage of local procurement of all factories reached over 97%.

Percentage of local procurement for Mechanical Vertical Integration (MVI) modules

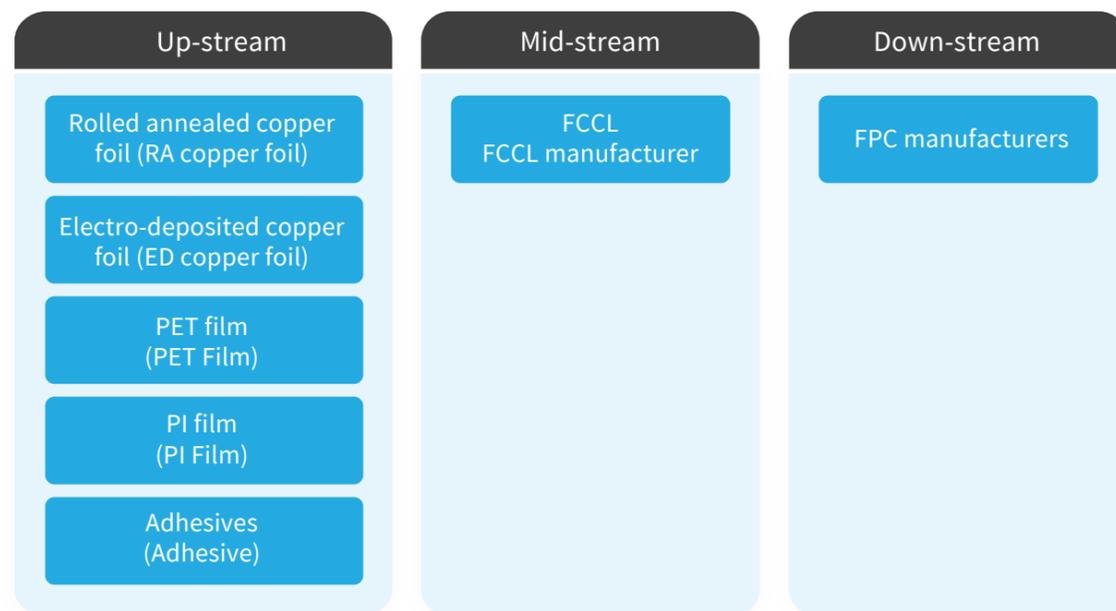
Year	Linkou Headquarters	Suzhou Factory	Zhongshan Factory
2023	99.54%	99.75%	97.66%
2024	99.6%	97.7%	97.4%

Note: We determine whether a purchase is made locally based on if the purchase is “imported” or undergoes “customs clearance.” (calculated based on the purchase amount)

✓ **Electrical Vertical Integration (EVI) modules**

The main Electrical Vertical Integration (EVI) module products are FPCs, which are mainly used in various mobile devices, panels, and various electronic products. FPCs are in the downstream of the FPC industry chain and are the main source of revenue for ICHIA.

ICHIA is currently in the downstream of the FPC industry chain. From the perspective of the entire FPC manufacturing industry chain, the upstream consists of suppliers of various raw materials required for circuit board manufacturing; the midstream suppliers are flexible copper clad laminate (FCCL) manufacturers; and the downstream vendors are various FPC manufacturers. Finally, FPCs are delivered to major brand manufacturers for the assembly of various products.



▲ Figure 3.8 Overview of the upstream and downstream supply chain for Electrical Vertical Integration (EVI) modules

The raw materials used for the main Electrical Vertical Integration (EVI) module products are FCCLs, protective coatings, stiffener films, etc. The suppliers of these materials are famous international and domestic companies with a certain level of quality. If customers have no special requirements, our factories mainly conduct local procurement.

Percentage of Local Procurement Amount for Electrical Vertical Integration (EVI) modules

Year	Suzhou Factory
2023	31.57%
2024	37%

Notes :

1. We determine whether a purchase is made locally based on if the purchase is “imported” or undergoes “customs clearance.” (calculated based on the purchase amount)
2. The Linkou and Zhongshan Factory do not have products related to Electrical Vertical Integration (EVI) components in 2024.

© **2.7.2 Supply Chain Management Mechanism GRI 308-1, GRI 414-1**

In addition to raw materials, equipment, engineering, waste disposal, and transportation, ICHIA’s suppliers also include those supplying cleaning, catering, and security services. To effectively manage diverse supply chain risks, the Company has established a comprehensive ISO management system and green quality management system, and requires all suppliers to undergo an assessment covering environmental, labor rights, human rights protection, and social responsibility aspects.

This not only helps ensure supply-side operations align with sustainable development principles, but also fosters shared goals in corporate responsibility and long-term business practices between suppliers and ICHIA. The Company also strengthens supply chain risk identification and response capabilities through institutionalized audit and tracking mechanisms, proactively identifies potential risk sources, and ensures operational resilience.

In addition, we value building long-term, stable partnerships with our suppliers. We proactively offer guidance and suggestions for improvement on any deficiencies identified during the evaluation process, helping suppliers optimize their management systems and jointly enhance sustainable competitiveness, working together to achieve a responsible supply chain.

© 2.7.2.1 Evaluation Mechanism for New Suppliers

In response to ESG initiatives and industry trends toward green practices, environmental protection, and sustainability, ICHIA has strengthened its new supplier screening process from the outset to ensure both the quality of collaboration and a commitment to sustainability align with the expectations of the Company and its customers. In addition to submitting fundamental contract details and management certifications like ISO 9001 and ISO 14001, incoming suppliers must also sign the Sustainable Supplier Principles, including the “Integrity Pledge,” “Social Responsibility Pledge,” “Confidentiality Pledge,” “Declaration of Non-use of Conflict Minerals,” and “Environmental Protection Policy Guarantee Letter”.

Meanwhile, suppliers must complete self-assessment forms (such as the "Supplier Quality Audit and Evaluation Form" and the "Green Product Supplier Evaluation Form"). Cooperation can begin only after these forms have been reviewed internally and successfully passed an on-site audit. For all major raw material suppliers, ICHIA also strictly requires a signed “Conflict Minerals Statement,” explicitly committing to not using gold, cobalt, tantalum, tungsten, tin, and palladium—metals illegally sourced from the Democratic Republic of the Congo and surrounding conflict zones (including Rwanda, Uganda, Burundi, Tanzania, and Kenya)—to ensure responsible mining practices and compliance with international regulations throughout the supply chain.

ICHIA’s New Supplier Survey

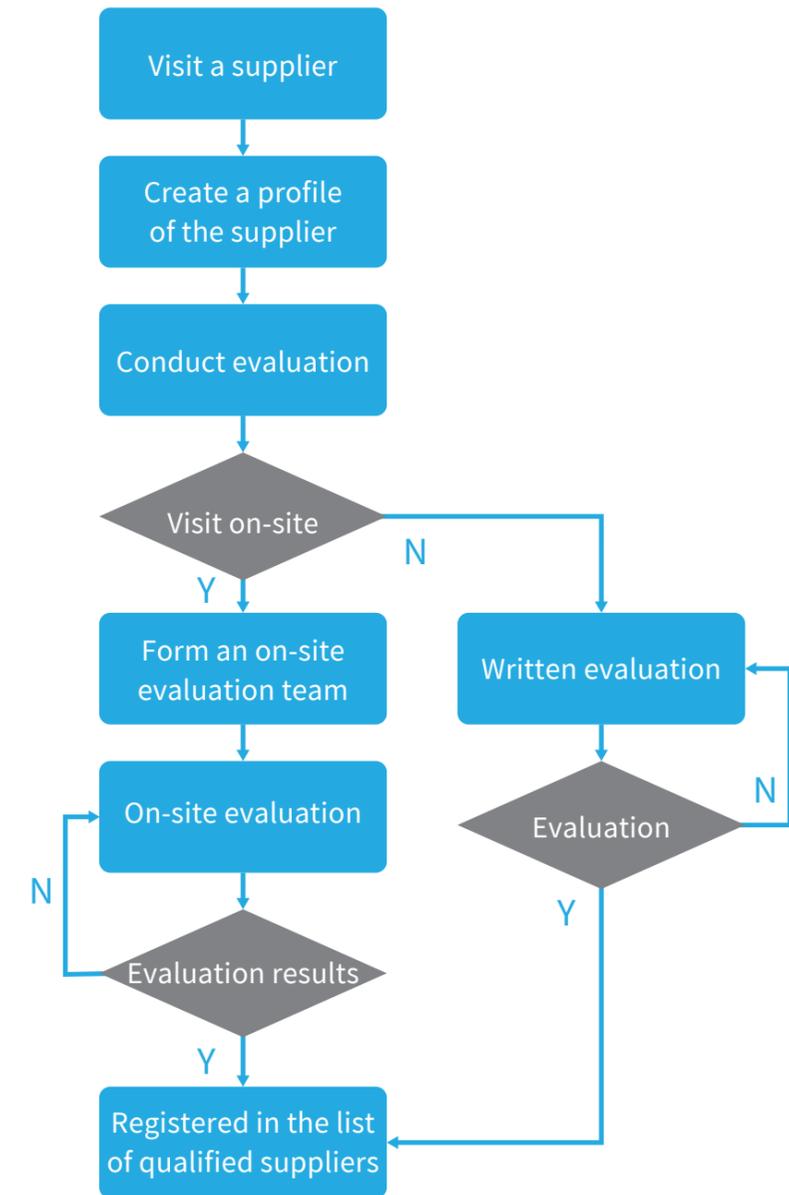
Item	Survey Content	Item	Survey Content
1	Company registration certificate, profit-seeking enterprise registration certificate	7	Supplier quality agreement
2	Factory registration certificate	8	Processing outsourcing contract*
3	Passed ISO 9001	9	Purchase contract*
4	Passed ISO 14001	10	Supplier Quality Audit and Evaluation Form
5	Passed IATF 16949*	11	Supplier CSR Evaluation Form*
6	Sustainable Supplier Principles (including Integrity Pledge, Social Responsibility Pledge, Confidentiality Pledge, Declaration of Non-use of Conflict Minerals, and Environmental Protection Policy Guarantee Letter)		

Note: *Suppliers may be required to sign part of the above, depending on the Company's cooperation with them.

In terms of level determination, based on the evaluation of the above 11 audit items, if the overall score reaches 80% or above, and the score of individual items is greater than 60%, the supplier will be approved to be listed in our list of qualified suppliers and may collaborate and deal with the Company normally. On the other hand, if the overall score does not reach 80% or the score of individual items is less than 60%, the Company will suspend collaboration with the supplier, and evaluations will be conducted after improvements are made to meet the standards. If there are special circumstances, the CEO will make a decision, and the Company will collaborate with the supplier in a limited time period and in a restricted manner. In 2024, a total of 78 new suppliers were evaluated, all of which were screened based on environmental and social standards.

ICHIA’s Evaluation of New Suppliers in the Past Two Years

Level		Description	Achievement Status			
			2023		2024	
			Number of suppliers	Percentage	Number of suppliers	Percentage
Qualified	The overall score is 80% or higher, and the score of individual items is higher than 60%	Qualified suppliers enter the list of qualified suppliers for normal collaboration.	67	100%	78	100%
Disqualified	The overall score is below 80% or the score of individual items is less than 60%	No collaboration for the time being. If collaboration is required under special circumstances, an application shall be submitted for collaboration in a limited time period and in a restricted manner according to relevant procedures.	0	0%	0	0%



▲ Fig. 3.9 New Supplier Evaluation Process

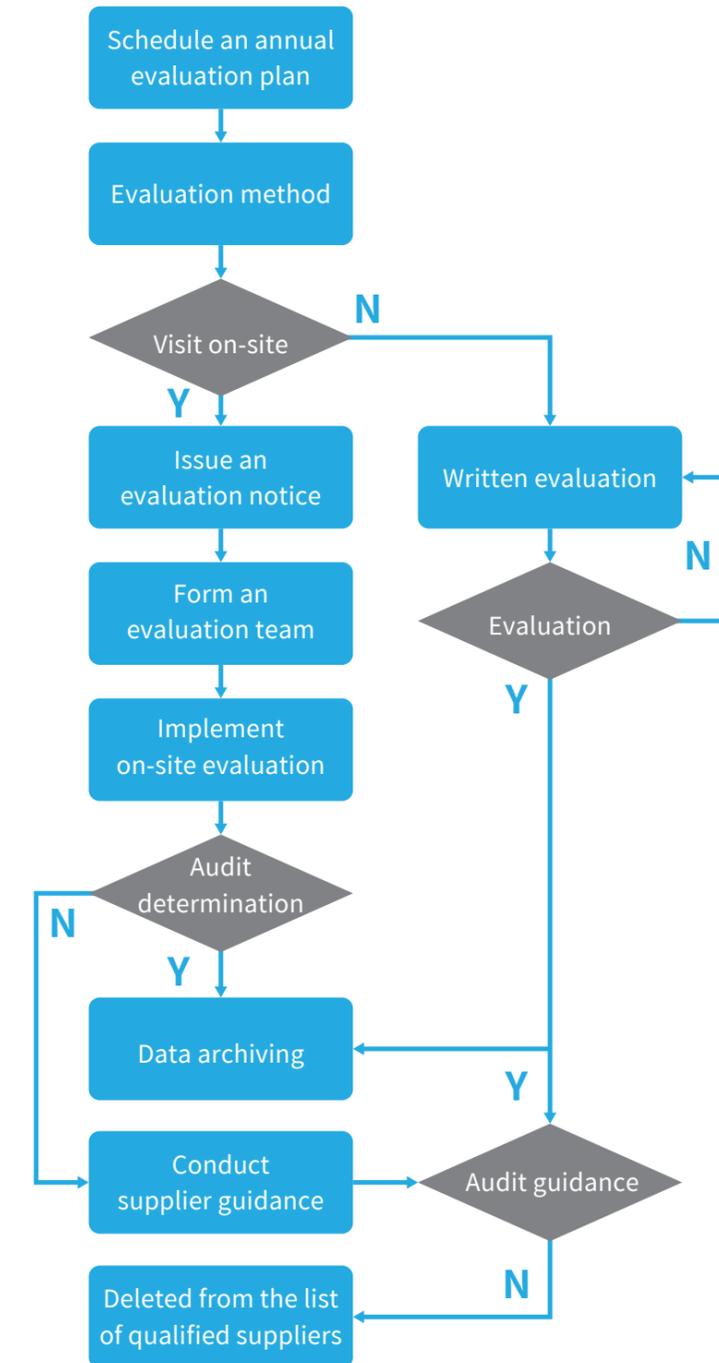
© 2.7.2.2 Regular Evaluation of Existing Suppliers

The raw materials provided by suppliers directly impact the quality of ICHIA’s products and services, and their social responsibility practices are also indirectly linked to the company’s reputation and operational risks. To strengthen supply chain management, the Company conducts pre-evaluation of new suppliers and also regularly performs annual supplier evaluations (both monthly and annually). These evaluations cover labor rights, environmental protection, and occupational safety. Based on the results, improvement plans are developed to help suppliers continuously enhance their sustainable management capabilities, reduce risks, and deepen cooperation.

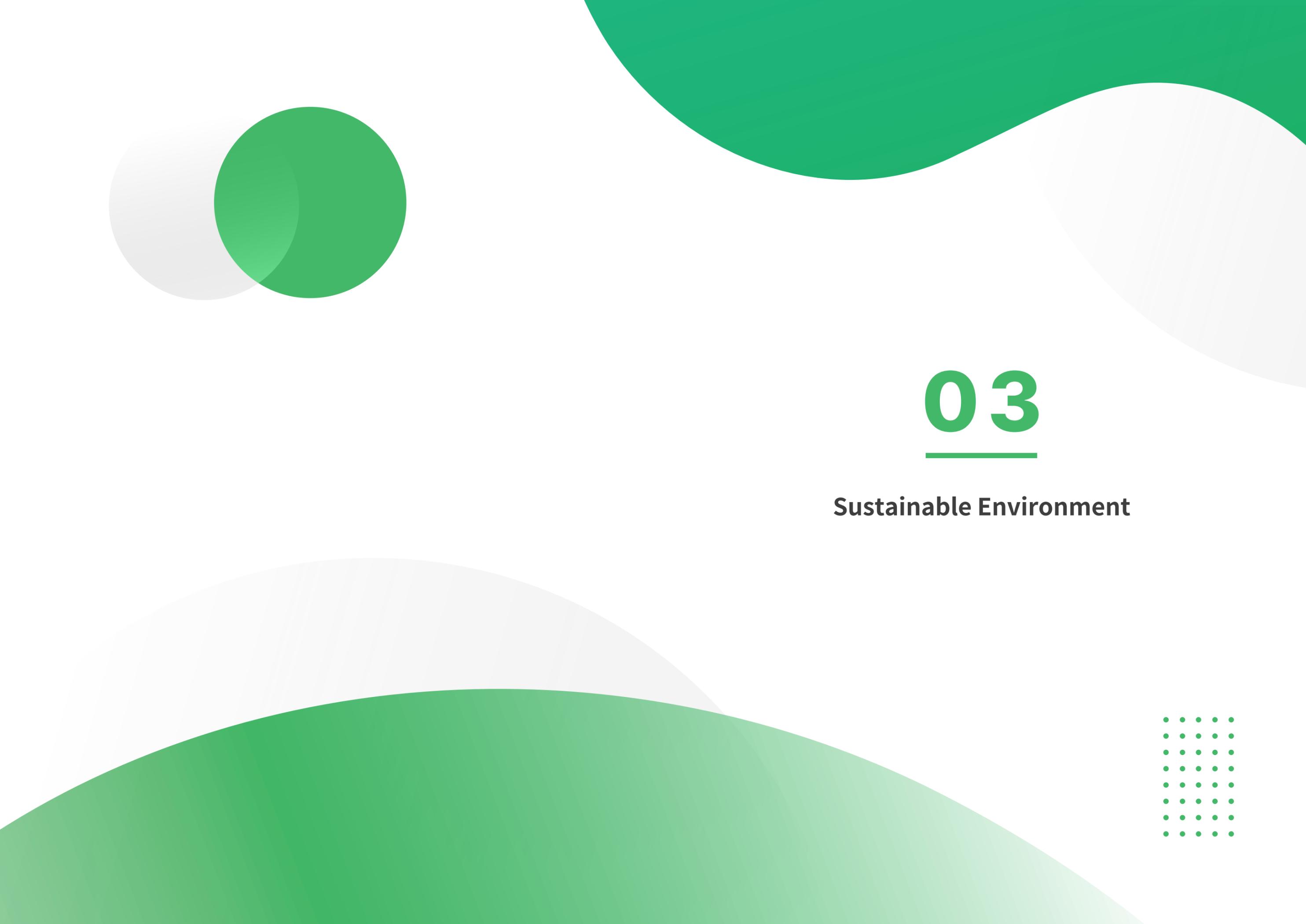
Each year, the evaluation is conducted by an audit team composed of members from Quality Control, Facilities, Manufacturing, and Procurement, with other relevant units included as needed. According to the scoring criteria, suppliers with an A-grade (90 points or above) will be prioritized for procurement opportunities; suppliers with a B-grade (80–89 points) will continue normal cooperation; suppliers with a C-grade (70–79 points) will be subject to a support program, and those remaining in C-grade for two consecutive months will see reduced procurement and be required to implement on-site improvements. After three months in C-grade, they will be downgraded to D-grade; suppliers with a D-grade (69 points or below) must improve within a specified timeframe, or their cooperation agreement will be terminated. The evaluation covers ten management indicators and corporate social responsibility indicators. Through on-site audits and communication, we understand the current situation of suppliers and provide necessary assistance to jointly build a resilient and sustainable supply chain.

ICHIA’s Supplier Audit and Evaluation in the Most Recent 2 Years

Level		Description	Achievement Status (Times)	
			2023	2024
Level A	Premium: 90 and above	Strengthening the area and scope of collaboration with the supplier	2,162	1,932
Level B	Excellent: 80-89	Improving trading conduct	479	555
Level C	Guidance: 70-79	If specific results are not achieved within the specified time frame, the supplier will be directly downgraded to Level D	1	2
Level D	Limited: 0-69	The supplier will be disqualified, and the Company will not purchase materials from the supplier	2	0

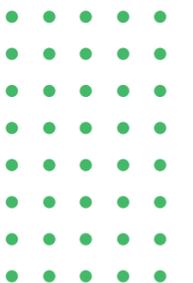


▲ Fig. 3.10 Existing Supplier Evaluation Process



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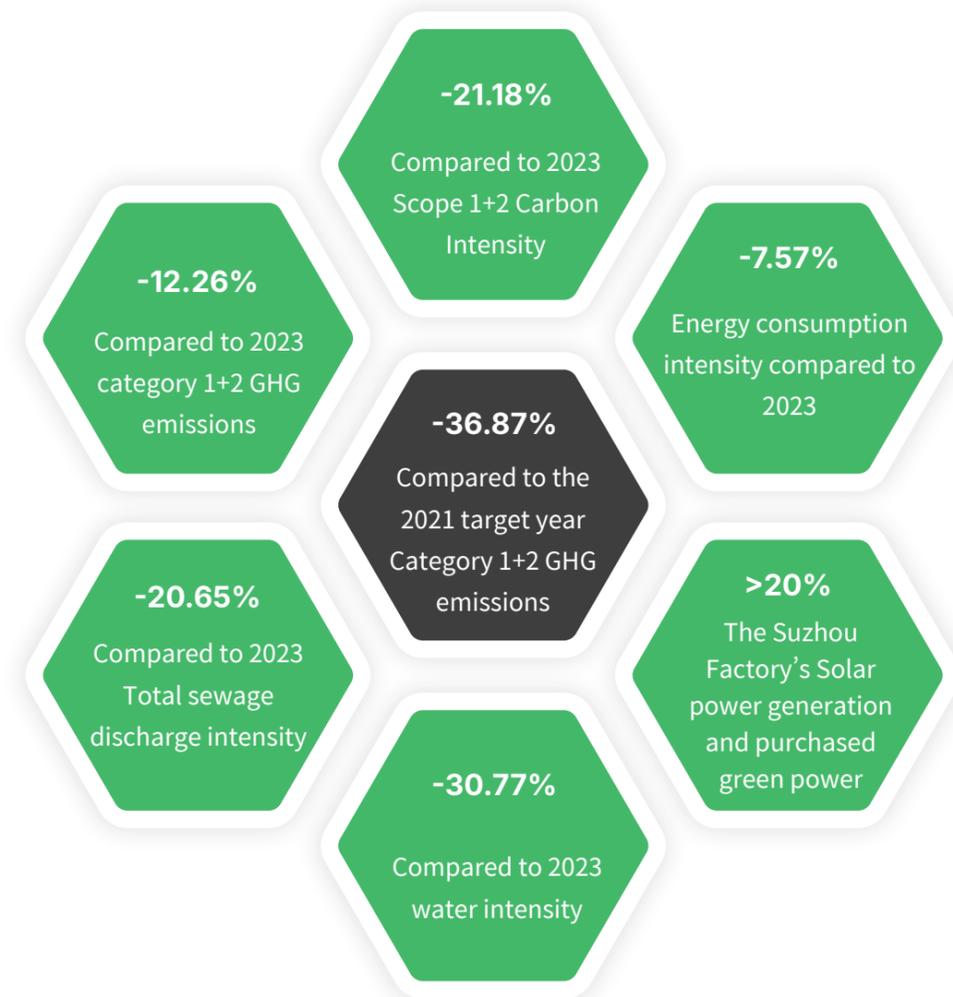
Sustainable Environment



3. Sustainable Environment

Aspect	Material Issue	Management Approach and Its Elements	Management Approach Evaluation
Environmental	Chemical Safety	<ol style="list-style-type: none"> 1. Establish a comprehensive chemical management system covering procurement, storage, use, and final disposal. 2. Conduct an alternative assessment of high-risk chemicals and gradually transition to using greener alternatives. 3. Annual training on chemical handling and spill response is conducted for employees to enhance on-site risk awareness. 	<ol style="list-style-type: none"> 1. The EHS team regularly inventories chemical usage and compliance status in each department. 2. Assess the effectiveness of employees' hazard identification and response capabilities through audits and feedback from education and training. 3. Conduct annual retrospective analyses of chemical incidents (e.g., leaks, misuse).
	Energy and GHG management	<ol style="list-style-type: none"> 1. Implement energy management planning in accordance with ISO 50001. 2. Develop short-, medium- and long-term green power procurement plans for the post-2025 period. 3. Introduce smart meters and monitoring systems for major public equipment. 4. Control GHG emissions and formulate carbon reduction measures. 	<ol style="list-style-type: none"> 1. Hold weekly ESG meetings to ensure the implementation of energy management. 2. Introduce smart meters and monitoring systems for major factory equipment to monitor electricity consumption and formulate more effective energy conservation and carbon reduction policies. 3. Pass an ISO 14064-1 audit and set reasonable and effective goals.

Sustainable Environmental Performance



Future Strategic Goals:

1. GHG emissions management: Reduce GHG emissions by 3.3% annually from the baseline year of 2021, cut GHG emissions by at least 30% by 2030, and achieve net-zero by 2050.
2. Water resource management: Improve water resource efficiency through diverse water resource utilization plans (condensate water, rainwater, reclaimed water, and grey water recycling technologies).
3. Waste Management: Continue to strengthen strategies for waste reduction at the source, resource utilization, and the introduction of recycled materials. Promote the implementation of waste sorting and recycling in all factory areas, improve reuse rates, and continuously monitor the flow of processing and disposal. We work with our supply chain partners to integrate circular economy principles, aiming to progressively achieve zero waste.
4. Use of renewable energy: Pay continuous attention to internal and external environmental changes and energy development trends, and review short-, medium- and long-term green power plans from time to time.

○ **3.1 Climate Change and GHG Management**

In order to implement corporate sustainable operations, each factory of ICHIA has conducted a comprehensive ISO 14064-1:2018 GHG inventory and implemented ISO 50001 energy management system measures since 2021 to demonstrate the Group's determination to move towards sustainable operations.

◎ **3.1.1 Climate Change Response and Management Policies**

In response to the potential challenges and risks posed by extreme weather, ICHIA follows the TCFD (Task Force on Climate-related Financial Disclosures) framework to systematically advance climate change management across three key areas: governance, strategy, and risk management. We are also concurrently establishing specific, measurable environmental performance indicators. Through comprehensive assessment and response mechanisms, we enhance organizational resilience, implement climate risk management, and are committed to realizing a vision of environmental sustainability and social prosperity.

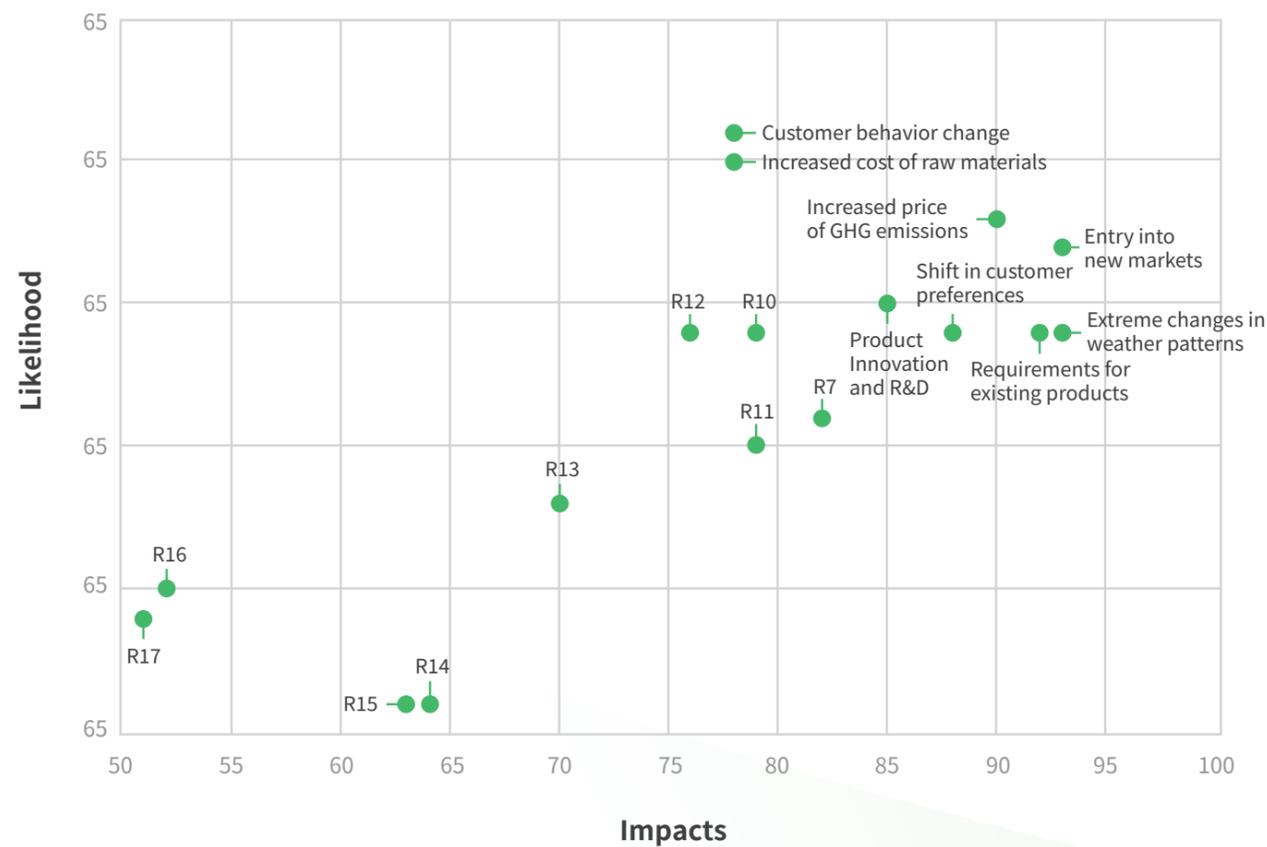
Table 3.1 ICHIA's Strategies and Actions

Core Framework	Strategy and Action
Governance	Established an ESG Sustainability Team; the Board of Directors reviews climate risk strategies at least annually; risk assessments and carbon reduction progress are reported to senior management regularly.
Strategy	Analyze short-, mid-, and long-term climate risks and opportunities, assess factors such as extreme weather events, water resources, and carbon costs, implement risk matrices, and formulate response strategies and resource allocation plans.
Risk management	Conduct annual climate risk identification and assessment, covering physical and transition risks, and integrate these into the operational risk management framework. Each factory should then develop preventive and mitigation measures.
Metrics and targets	Set and track climate-related performance indicators, including: <ul style="list-style-type: none"> · Greenhouse gases (GHG): Reduce emissions annually, starting with 2021 as the base year, by 30% before 2030 and achieve net zero by 2050. · Renewable energy: Formulate a medium- to long-term green power procurement plan · Water resources: Promote the reuse of condensation water, rainwater, and reclaimed water to improve water resource efficiency.

3.1.2 Climate Change Risk Identification and Implementation Goals

In the climate risk identification process, the sustainability team leveraged the recommended practices of the TCFD to design internal questionnaires and conduct a broad survey of heads of business units and functional departments. This gathered subjective assessments of a range of risk factors, including extreme climate events, carbon pricing policies, pressures related to supply chain carbon disclosure, energy regulations, and the need for low-carbon transition. The “level of impact” and “probability of occurrence” of each risk are quantified into five levels. After summarization, a climate risk matrix is drawn to intuitively present the potential impact distribution and priority levels for addressing the risks to the Company’s operations:

Fig. 3.1 ICHIA’s Climate Change Risk Matrix



Short-term (1-3 years)

Risks and Opportunities	Type	Countermeasures	Financial impact
Increased severity of extreme weather events like typhoons, heavy rainfall, and droughts	Physical risks	<ol style="list-style-type: none"> Investment in water-saving facilities (e.g., recycled water and rainwater harvesting systems) Strengthen water resource recycling (condensation water recovery) 	<ul style="list-style-type: none"> Increase in capital expenditures Rising operating costs, but water shortage risks are manageable.
Customers request a reduction in GHG emissions and increased reporting requirements for Scope 3 emissions	Transition risk	<ol style="list-style-type: none"> Accelerate carbon reduction efforts and expand carbon inventory to include Scope 3 emissions annually. Discuss packaging material recycling and reuse plans with customers. 	<ul style="list-style-type: none"> Increased operating costs (carbon footprint assessment, packaging redesign) Increase in customer order uncertainty

Medium-term (3-5 years)

Risks and Opportunities	Type	Countermeasures	Financial impact
Carbon tax, carbon fee regulations, and increasingly stringent renewable energy requirements	Transition risk	<ol style="list-style-type: none"> Pre-assess the feasibility of collection. Optimize energy use and process efficiency 	<ul style="list-style-type: none"> Increased labor and time costs The overall operating costs rise due to carbon tax collection.
Increased customer demand for low-carbon products and stricter regulatory standards	Transition opportunities	<ol style="list-style-type: none"> Jointly develop low-carbon products with customers R&D of new materials (e.g., bio-based plastics) and process 	<ul style="list-style-type: none"> Potential market expansion Successful transformation can enhance product competitiveness

Long-term (5+ years)

Risks and Opportunities	Type	Countermeasures	Financial impact
Supply Chain Management	Supply chain risk	<ol style="list-style-type: none"> Promotion of a circular economy (material recycling and process waste reduction) Adoption of low-carbon production and distribution processes 	<ul style="list-style-type: none"> Rising short-term operating costs Long-term reduction of resource dependency risks
Use lower-carbon production and distribution methods			

3.1.3 GHG Inventory

In accordance with the ISO 14064-1:2018 standard, we have completed inventory and compiled records. Through the inventory process and results, we can grasp the GHG emissions of our major production bases around the world, propose feasible plans for GHG reduction, and strictly follow the carbon reduction targets to slow down global warming.

We adopt the operational control approach. The 2024 inventory covers the Linkou Headquarters, Suzhou Factory in Jiangsu, and Zhongshan Factory in Guangdong. All disclosed emission sources of the above three factories are fully owned by the Group, and their facility-level GHG emissions and removals are aggregated using the operational control approach. All three factories have passed ISO 14064-1 third-party verification.

The GHG emissions inventory boundary covers the above three factories, including their direct GHG emissions and indirect GHG emissions identified as significant. The Company's reporting boundary includes the following:

Table 3.2 Scope of ICHIA Group's GHG Inventory

Factory	Full Company Name	Inventory Scope			
		2021	2022	2023	2024
Linkou Headquarters	ICHIA TECHNOLOGIES, INC.	Category 1 to Category 6			
Suzhou Factory	ICHIA TECHNOLOGY (SUZHOU) CO., LTD.	Category 1 to Category 6			
Zhongshan Factory	ZHONGSHAN ICHIA ELECTRONICS CO., LTD.	Category 1, Category 2	Category 1 to Category 6		

Table 3.3 Category 1 and Category 2 GHG Emissions

Unit: tCO₂e/year, NTD (million)

Factory	Linkou Headquarters		Suzhou Factory		Zhongshan Factory		Total	
	2023	2024	2023	2024	2023	2024	2023	2024
Category 1	33.4480	28.06	1,302.78	1,591.23	139.93	724.69	1,476.16	2,343.98
Category 2	8,934.42	2,835.47	32,421.29	32,968.99	5,745.48	5,133.63	47,101.19	40,938.09
			25,885.09	26,572.41			40,564.99	34,541.51
Category 1 + Category 2	8,967.87	2,863.53	33,724.07	34,560.22	5,885.41	5,858.32	48,577.35	43,282.07
			27,187.87	28,163.64			42,041.15	36,885.49
Category 1 + Category 2 Total GHG emission intensity (tCO ₂ e / total revenue)							5.67	4.54
							4.91	3.87

Note: Suzhou Factory purchased and used external green energy in 2023 and 2024. According to its ISO 14064-1 report, its Category 2 data in 2023 and 2024 is divided into location-based (excluding green power) and market-based (after using green power).

Table 3.4 Other Indirect GHG Emissions (Category 3 to Category 6)

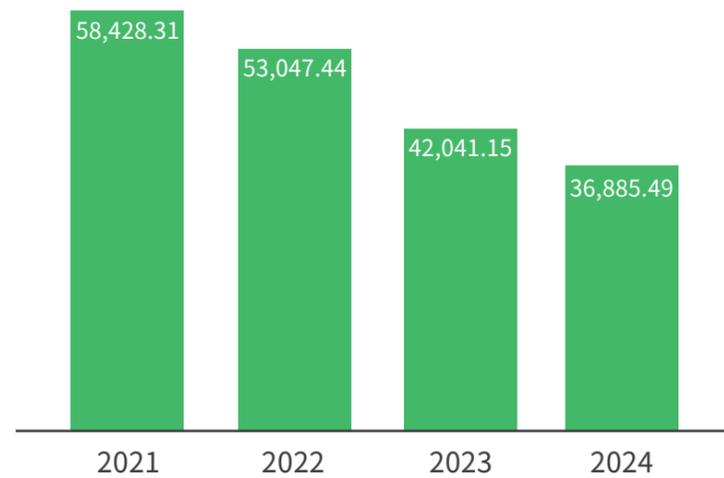
Unit: tCO₂e/year, NTD (million)

Factory	Linkou Headquarters		Suzhou Factory		Zhongshan Factory	
	2023	2024	2023	2024	2023	2024
Category 3 Indirect GHG emissions from upstream transportation	132.06	201.17	1,106.7	730.28	268.82	105.85
Category 4 Indirect GHG emissions from products used by the organization	1,073.62	600.86	14,582.89	4,885.04	1,764.22	4,353.48
Category 5 Indirect GHG emissions from the use of the organization's products	0.00	0.00	0.00	0.00	0.00	0.00
Category 6 Other indirect emissions	0.00	0.00	0.00	0.00	0.00	0.00

From 2021 to 2024, Scope 1 and Scope 2 carbon emissions decreased year over year, from 58,428.31 tons of carbon dioxide equivalent (tCO₂e) in 2021 to 36,885.49 tCO₂e in 2024, for a cumulative reduction of 21,542.82 tCO₂e – a reduction of 36.9% and a significant achievement.

Fig. 3.2 Category 1 and Category 2 GHG Emissions Compared to the Target Year (2021)

Carbon reduction benefits over the past four years



Item / Factory		Linkou Headquarters	Suzhou Factory	Zhongshan Factory	Total
Quantitative indicators	Unit	2024	2024	2024	2024
Electricity consumption	MWh/year	5,982.00	61,440.53	9,566.96	76,989.49
	GJ/year	21,538.79	221,222.77	34,446.80	277,208.36
Natural gas (NG) consumption	Cubic meters/year	0.00	607,719.00	0.00	607,719.00
	GJ/year	0.00	20,358.59	0.00	20,358.59
Gasoline consumption	1,000 liters/year	0.80	2.80	3.94	7.54
	GJ/year	26.13	91.44	128.67	246.23
Diesel consumption	1,000 liters/year	0.58	0.48	0.00	1.06
	GJ/year	20.40	16.88	0.00	37.28
Total energy consumption	GJ/year	21,585.31	241,689.68	34,575.46	297,850.46

*Note 1: Calculated with reference to the latest heat content of energy sources announced by the Energy Administration

© 3.1.4 Energy Management

ICHIA’s factories mainly use purchased electricity. Other fuels used include natural gas, gasoline, diesel, etc., which are mainly used for company vehicles, forklifts, kitchens, canteens, and dormitories. The total energy consumption in 2024 was 297,850.46 GJ, and the energy use intensity in 2024 was reduced by 7.56% compared to 2023.

1. Energy consumption of Factory 3 in 2024

○ 3.2 Plant Energy Efficiency Improvement Measures

We pay continuous attention to production and operational activities and schedule the introduction of relevant improvement work and equipment replacement. In addition, through the introduction of smart meters and monitoring systems for major public equipment, as well as the ISO 50001 energy management system, we can grasp the energy consumption and equipment operation efficiency of the entire factory in real time, effectively shorten the time for anomaly identification and response, and achieve effective energy conservation.

Moreover, the Company plans green power generation and green energy procurement. For example, both the Suzhou Factory and the Zhongshan Factory have installed solar power generation systems. In terms of green energy introduction, in 2024, the total purchased green power of Suzhou Factory reached 20% of its total power consumption, and the solar power generation of Zhongshan Factory accounted for about 10% of its total power consumption. In the future, the three factories in Taiwan and China will continue to negotiate with green energy providers to acquire the most appropriate green energy at the most reasonable price.

Regarding the implementation of the ISO 50001 energy management system, the Suzhou Factory was certified to ISO 50001:2018 in 2021. With the guidance and assistance of the consultant team, each factory has gradually introduced a smart energy management platform.

Table 3.6 ICHIA’s Energy Conservation Improvement Measures

Factory	2024 Energy Conservation Improvement Measures
Linkou Headquarters	<ul style="list-style-type: none"> · Completed frequency conversion modification of air compressors · Planned the introduction of air-conditioning cooling water systems, cooling towers, boilers, heat pumps, and cold and heat exchange systems · Conducted lighting energy-saving modification and gradually replaced existing light with LED lamps · Tracked compressed air leaks · Introduced green processes and refined and improved existing processes · Installed smart meters · Replaced all chillers with energy-saving pumps · Introduced an energy and operation monitoring interface system
Suzhou Factory	<ul style="list-style-type: none"> · Connected the solar power generation system to the grid · Purchased renewable energy · Installed smart meters · Tracked compressed air leaks · Introduced green processes and refined and improved existing processes · Installed operation monitoring systems (thermometers and flow meters with networking capabilities) for major public equipment · Introduced an energy and operation monitoring interface system
Zhongshan Factory	<ul style="list-style-type: none"> · Connected the solar power generation system to the grid · Purchased renewable energy · Tracked compressed air leaks · Introduced green processes and refined and improved existing processes · Installed operation monitoring systems (thermometers and flow meters with networking capabilities) for major public equipment · Introduced an energy and operation monitoring interface system

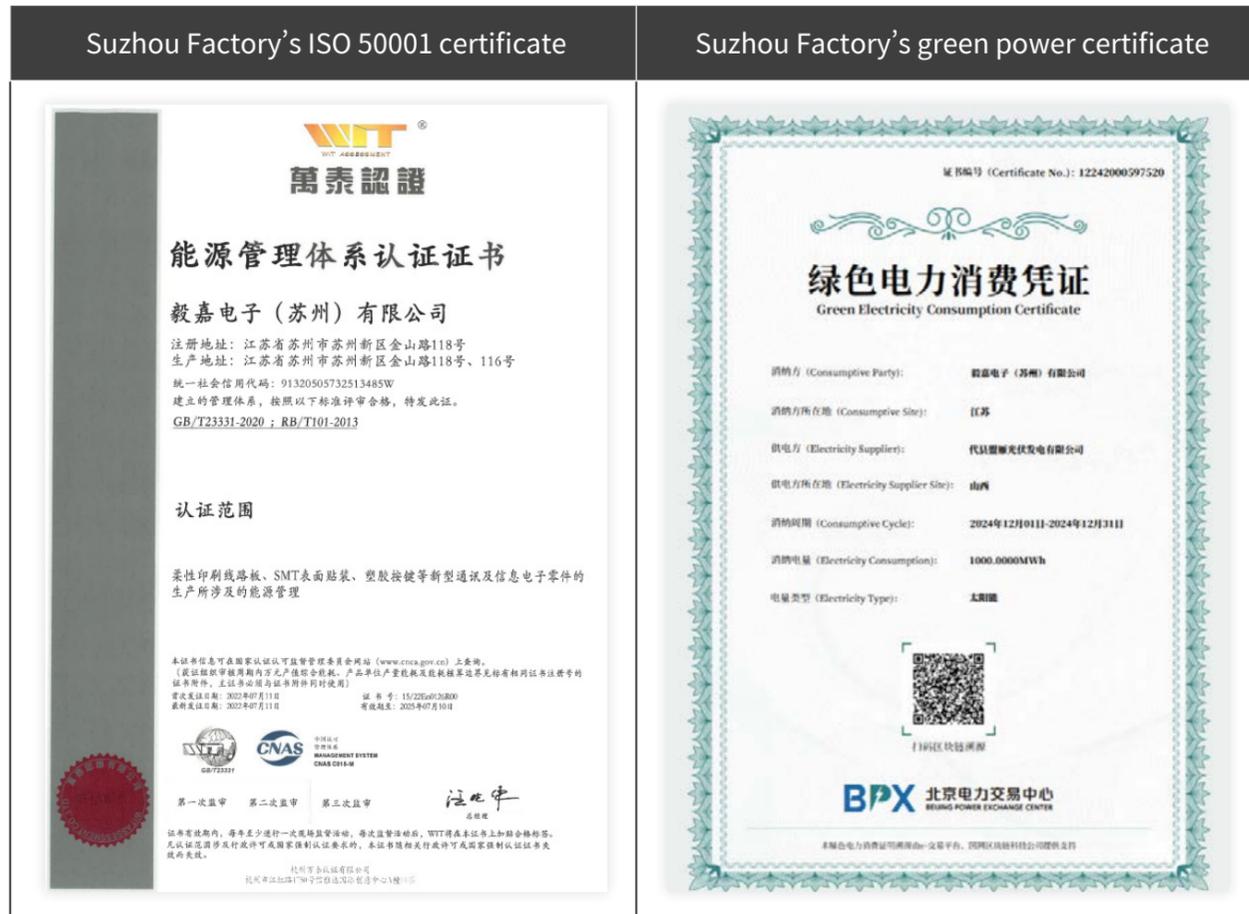


Table 3.7 Utilization of Water Resources Unit: m³ (1,000 liters), NTD thousands in revenue

Factory	Water Resource Type	2024
Linkou Headquarters	Tap water	34,807
	Recycled water	0
Total		34,807
Suzhou Factory	Tap water	599,992
	Recycled water	219,708
Total		819,700
Zhongshan Factory	Tap water	46,384
	Recycled water	3,109
Total		49,493
Total		904,000
Total water use intensity		0.09

Note 1: The revenue is in NTD.

Note 2: The total recycled water volume refers to reclaimed water.

3.3 Water Resources and Wastewater Management

3.3.1 Water Resource Management and Recycling

“Water” is an important resource for the circuit board industry. However, climate change and extreme weather have caused uneven rainfall around the world. In response to various water consumption risks, the Company has established risk response policies and procedures for management, evaluated and analyzed the risks of various water resource uses and wastewater treatment, and monitored water withdrawal and discharge to ensure normal water consumption in the factories for normal operations, thereby improving the Company’s tolerance to risks from the use of water resources. The total water consumption in 2024 was 681 million liters, with water usage reaching 458 million liters. Water intensity in 2024 decreased by 30.77% compared to 2023, and recycled water accounted for 24.6% of total water consumption.

We monitor and manage the production water consumption and tap water supply in each factory. The Suzhou Factory has a “reclaimed water recycling system” that treats the cleaning wastewater in the production line into soft water or pure water, which is then returned to the production site for use. With the system, more than 300,000 tons of tap water can be saved every year. The Zhongshan Factory is equipped with air conditioning condensation and water dispenser reverse osmosis wastewater recycling systems. The systems can recycle more than 3,000 tons of water per year for toilet flushing, which has been praised by the local government.

3.3.2 Wastewater Treatment and Management

In order to fulfill the social responsibility of environmental protection and friendliness to the community, the three major factories of ICHIA Group have been equipped with wastewater treatment systems to monitor the discharge quality and ensure that the effluent quality meets regulatory standards. The wastewater from the Linkou Headquarters is treated internally and then collected and sent to the sewage facility of Hwa Ya Technology Park for centralized management. The wastewater from the Suzhou Factory and the Zhongshan Factory is treated by their in-house wastewater treatment facilities and eventually legally discharged into the Fengjin River (Jinshanbang) in Suzhou City and the Bagongli River in Zhongshan City. We continue to optimize wastewater treatment. In the future, each factory will gradually introduce a reclaimed water recycling system to reduce the generation of wastewater. We will also keep track of the water consumption of each process in order to improve water use and treatment efficiency. The total sewage discharge intensity in 2024 was 20.65% lower than that in 2023.

Table 3.8 Sewage Discharge Volume and Intensity

Unit: cubic meters (m³)

Factory	Discharge Destination	2024
Linkou Headquarters	Sewage treatment facility in the park	33,146
Suzhou Factory	Surface water body + local sewage treatment facility	386,101
Zhongshan Factory	Surface water body + local sewage treatment facility	39,426
Total		458,673
Total sewage discharge intensity		48.12

3.4 Waste Management

ICHIA manages waste through “source control, generation statistics, and diverse treatment methods.” Each factory commissions qualified vendors to dispose of their waste, and there is no illegal disposal. In 2024, the waste clearance and disposal contractors were not in breach of laws or contracts, and the Group’s factories disposed of waste in accordance with local environmental protection regulations. In 2024, the overall waste recycling rate reached 62.68%. The table below shows the amount of waste generated and how the waste was treated:

Table 3.9 Overview of Waste Treatment in ICHIA’s Factories in 2024

Unit: Ton

Quantitative Indicator/ Factory		Linkou Headquarters		Suzhou Factory		Zhongshan Factory		Total
Year		2024	Final disposal method	2024	Final disposal method	2024	Final disposal method	2024
General	Reusable	56.0	Physical treatment	492.71	Selling for reuse	117.28	Selling for reuse	665.99
	Nonreusable	26.22	Incineration	892.29	Incineration/landfill	62.4	Incineration	980.91
	Total	82.22	/	1,385	/	179.68	/	1,646.90
Hazardous waste	Reusable	1.73	Reuse of waste as raw materials	1,455.8	Reuse	16.40	Reuse	1,473.93
	Nonreusable	46.23	Incineration/landfill	234.07	Incineration/landfill	13.14	Incineration	293.44
	Total	47.96	/	1,689.87	/	29.54	/	1,767.37

Looking at the waste management results of ICHIA’s three main factories in 2024, the total waste generated was 3,414.27 tons, with 62.68% being recyclable. This demonstrates the company’s ongoing efforts to promote waste resource utilization and increase the recycling rate. All factories adopt appropriate final treatment methods in accordance with local regulations and site-specific conditions, including physical treatment, incineration, landfill, or recycling for reuse as raw materials. In the future, ICHIA will continue to enhance source reduction efforts, improve the precision of sorting and management, and assess the adoption of emerging technologies to further boost resource recovery rates, minimize processing risks and environmental impact, and advance towards circular economy and resource sustainability goals.

○ 3.5 Air Quality Management

To maintain air quality management inside and outside the factories, we keep track of the sources of air pollutant emissions and continue to improve raw materials, processes, and production technology to promote air pollution reduction. Air pollution from the production of FPCs is composed of acid, alkali, and volatile organic waste gas. Each factory is equipped with high-efficiency equipment and air pollution scrubbers for treatment before discharge. The Company continues to improve air emissions quality in three major aspects: source management, process improvement, and back-end treatment.

Table 3.10 Non-GHG Emissions Statistics Unit: kg

Pollutant	Linkou Factory	Suzhou Factory	Zhongshan Factory
	2021~2024	2024	2024
Nitrogen oxides (NOx)	864 / year	600.9	5
Sulfur oxides (SOx)	4,570 / year	24.99	0
Total suspended particulates (TSP)	42 / year	154.98	0
Volatile organic compounds (VOCs)	1,536 / year	2,676.99	61,043
Other non-GHG emissions	1,790 / year	717.99	0
Total	8,802 / year	4,175.85	61,048

Source: The emissions reported by each production site to the local government have met the specified testing and reporting standards according to local regulations.

Note: 1. Non-GHG emissions from the Linkou headquarters are tested every five years, so the data above is not from the current year.

2. Other air pollutants include lead, cadmium, mercury, hexavalent chromium, and HAPs from their compounds whose emissions are extremely low.

○ 3.6 Chemical Safety

ICHIA highly values chemical safety management. To ensure the safety of all employees and the work environment, it has established a series of management regulations in accordance with relevant laws, regulations, and industry standards, including the Chemical Management System, Hazardous Waste Management Procedures, and Regulations for the Management of Controlled and Explosive Chemicals. These systems cover the entire process of chemical procurement, storage, labeling, use, transportation, emergency response, and final waste disposal, ensuring systematic and traceable management of hazardous substances in the Company’s daily operations.

In practice, ICHIA establishes dedicated storage spaces based on the properties, hazard levels, and usage frequency of chemicals, clearly distinguishing between categories such as flammable liquids, strong acids and bases, and organic solvents. All storage areas are equipped with prominent labels and material safety data sheets (SDS) to ensure personnel can quickly identify and access necessary information. To enhance the transparency of chemical information, relevant user departments also have a digital SDS search system and an emergency contact list to facilitate more timely hazard communication.

For high-risk chemicals, ICHIA promotes phased substitution assessments and prioritizes the adoption of lower-toxicity, lower-pollution raw materials to mitigate environmental and human health risks. The Company also organizes chemical handling education and training and spill response drills regularly to enhance the risk awareness and response capabilities of on-site personnel. In the past year, each factory completed at least two on-site audits and optimized hazard protection equipment configuration through external audits and internal improvements. In the future, ICHIA will continue to adopt digital management tools, build a real-time hazardous material monitoring and risk hotspot visualization system, and integrate IoT technology to strengthen monitoring capabilities, comprehensively reducing chemical management risks and ensuring personnel safety and operational sustainability.

○ 3.7 Biodiversity

With the increasing global attention to climate change and the depletion of natural capital, biodiversity loss is considered one of the major risks. As a key member of the electronic component supply chain, ICHIA understands that natural capital is not only fundamental to corporate sustainability but also closely linked to supply chain resilience, operational risks, and future financial stability.

In 2024, ICHIA officially commenced the process of identifying and preliminarily assessing natural risks, in alignment with the TNFD (Task Force on Nature-related Financial Disclosures) framework. We follow the LEAP methodology proposed by TNFD, and gradually build internal capabilities for identifying and managing natural risks through its four stages: “Locate”, “Evaluate”, “Assess”, and “Prepare”.

● Site Identification

In 2024, ICHIA conducted a preliminary inventory of the geographical location and natural risks at our main operating sites, including the Linkou Factory, the Suzhou Factory, and the Zhongshan Factory. We compare the national ecological green network and ENCORE to assess whether the factory site is adjacent to key ecological areas (e.g., nature reserves, wildlife habitats, wetlands). The preliminary results showed that all three sites were not located in internationally or regionally recognized areas of high ecological sensitivity. In the future, ICHIA will further integrate satellite spatial data with recommendations from local environmental units to implement more refined landscape and ecological management.

● Ecological dependency and impact assessment

Inventory the reliance of operations and supply chains on natural capital, and specifically investigate the following aspects:

- Water dependency: The factory’s water supply relies heavily on local tap water or pumping systems, and pumping pressure may increase in some areas during the dry season.
- Resource impact: Wastewater and waste from chemical and electronic manufacturing processes can indirectly harm aquatic ecosystems if not properly managed.
- Changes in land use: Alterations to topography and the surrounding environment during the construction of new facilities or expansion of existing ones can also pose potential ecological risks.

● Evaluation of Nature-related Risks and Opportunities

In the assessment results, we identified the following potential risks and opportunities:

■ Risks:

- Competition for water resources and rising water prices may affect operating costs
- Upstream raw material sourcing in the supply chain involves habitat destruction or human rights concerns, increasing reputational risks.
- Customers are increasingly demanding transparency regarding natural disclosure and supply chain biodiversity management.

■ Opportunities :

- Investing in water circulation and reuse systems can help reduce reliance on water resources and enhance ESG performance.
- Introducing natural capital accounting and eco-design concepts can strengthen product lifecycle management.
- Taking the lead in building a TNFD-aligned management framework will help address future international integrated disclosure requirements.

● Response strategies and subsequent actions

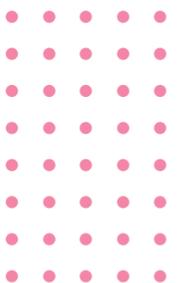
To strengthen natural risk governance, ICHIA will take the following actions in 2025:

1. Introduce the TNFD pilot disclosure metrics and gradually integrate them into sustainability reporting and climate-related disclosure frameworks.
2. Established a cross-departmental natural risk team, integrating environmental, health, and safety, procurement, and risk management units.
3. Formulate a natural risk monitoring plan for operational sites and establish an annual risk reporting and response system.
4. Evaluate the disclosure of ecological impact data for supply chain raw materials and strengthen risk collaboration with key suppliers.



04

**Employee Care
and Social Engagement**



4. Employee Care and Social Engagement

Aspect	Material Issue	Management Approach and Its Elements	Management Approach Evaluation
Social	Employee Rights and Diversity, Equity, and Inclusion	We are committed to protecting employees' basic rights and promoting diversity, equity, and inclusion in the workplace. Create a safe and inclusive work environment by establishing clear anti-discrimination policies, building gender-friendly systems, offering flexible work arrangements, and providing family support measures. We regularly review the fairness of our compensation and promotion systems, and we have established grievance and communication channels. We also provide diversity and inclusion training, as well as education on labor rights, to ensure employees have equal opportunities for career development and to promote the organization's sustainability and shared prosperity.	<ol style="list-style-type: none"> 1. Assess employees' perceptions of rights and fairness through the annual employee satisfaction survey. 2. Analyze internal promotion, mobility, and salary data to audit for gender and ethnic equality. 3. Assess education and training participation and post-training feedback to improve the effectiveness of diversity and inclusion initiatives. 4. Calculate and track the number of labor disputes and the effectiveness of grievance resolution, and continuously improve communication mechanisms.
	Occupational safety and health management	Standard operating procedures have been established for workplace safety and employee health management, and all new employees are required to receive relevant knowledge training and pass tests. The Company organizes employee safety and health education and training and simulation drills every year on a regular basis to promote education and training on working environment, equipment and hazardous substance management in order to ensure the safety and health of employees.	Every year, reviews, audits, and related management procedures are conducted in accordance with ISO 45001 and ISO 14001. Preventive and other necessary measures are also implemented in advance through regular and continuous hazard source assessment and identification, as well as risk assessment. We also regularly organize education and training on occupational health and safety to provide employees with the knowledge of laws for self-protection and allow them to understand the Company's management procedures, thereby maintaining high occupational safety and health standards in each factory.

Employee Care Performance

1. In 2024, the number of employees eligible for unpaid parental leave was 50, and the number of employees actually applying for such leave was 39, with an application rate of 78%, and the reinstatement rate was 100%.
2. In 2024, the number of total training hours of our employees was 71,573, and the average training hours per employee were over 29 hours.
3. In 2024, 43.7% of employees were women, 3% had disabilities, and 13% were foreign employees.

Future Strategic Goals

1. Regarding employee education and training, in the short term, we will organize training programs to enhance company cohesion, thereby reducing turnover and improving retention. We will also continuously expand the scope of education and training to include entry-level supervisors, middle supervisors, and senior supervisors to narrow the gap in the Company’s management roles.
2. For employee care, our short-term goal is to facilitate the adaptation of new employees to the Company, hoping to enhance their sense of security in the Company. Our long-term goal is to establish an employee care system to strengthen employees’ sense of identification with the Company.
3. The Company is committed to creating a diverse, equitable, and inclusive workplace culture that respects employees’ differences in gender, age, ethnicity, religion, and background. We continue to optimize our recruitment and promotion processes to ensure equal opportunities and promote related training to enhance employees’ understanding of diversity and inclusion. Through the integration of systems and culture, we aim to maximize employee potential and achieve the organization’s sustainable development.

○ 4.1 Workforce Overview

◎ 4.1.1 Diverse Workforce Structure and Distribution GRI 2-7

ICHIA has nearly 3,000 employees all over the world, working together as part of the ICHIA family. In compliance with the “Labor Standards Act,” the “Labor Law,” “Labor Contract Law,” “Social Insurance Law,” and “Provisions on the Prohibition of Using Child Labor” of the People’s Republic of China, and other relevant national laws and regulations, we have established a human resource management system for our locations in Taiwan, Suzhou and Zhongshan to ensure that our employees enjoy reasonable working conditions and a safe and healthy working environment.

In 2024, in response to the ESG development trend, we valued “diversity, equity, and inclusion,” strengthened the culture of diversity and inclusion, and paid attention to the issue of gender equality. The proportion of our female employees worldwide was about 44%, and the proportion of our female senior managers (deputy directors, deputy factory directors, and above) was 30%. In the future, we will continue to prohibit the use of race, gender, age, religion, political stance, sexual orientation, physical or mental disability, or nationality as criteria for employee retention, working hours, salary and benefits, performance evaluation, and promotion in accordance with the RBA (Responsible Business Alliance) Code of Conduct, the International Labor Convention, and the Global Sullivan Principles, and we will also ensure accurate compliance with local laws and standards in different regions.



ICHIA remains committed to upholding labor rights by strictly adhering to all labor regulations. We confirm that there were no violations of labor laws or cases of child labor in 2024.

Overview and Distribution of ICHIA’s Global Workforce in 2024

Factory		Linkou Factory		Suzhou Factory		Zhongshan Factory	
Year		2024		2024		2024	
Number of employees / percentage		Number of employees	Percentage	Number of employees	Percentage	Number of employees	Percentage
Total number of employees at the end of the year	Total	186	100.00%	2,722	100.00%	481	100.00%
	Male	70	37.63%	1,627	59.77%	211	43.87%
	Female	116	62.37%	1,095	40.23%	270	56.13%
	Others	0	0.00%	0	0.00%	0	0.00%
Percentage of permanent employees under indefinite-term contracts (%)	Total	182	100.00%	961	100.00%	363	100.00%
	Male	69	37.91%	590	61.39%	151	41.60%
	Female	113	62.09%	371	38.61%	212	58.40%
	Others	0	0.00%	0	0.00%	0	0.00%
Percentage of employees with fixed-term contracts (%)	Total	1	100.00%	1,761	100.00%	118	100.00%
	Male	1	100.00%	1,040	59.06%	60	50.85%
	Female	0	0.00%	721	40.94%	58	49.15%
	Others	0	0.00%	0	0.00%	0	0.00%
Age and percentage (%)	< 16 years old	0	0.00%	0	0.00%	0	0.00%
	17-30 years old	30	16.13%	1,362	50.04%	86	17.88%
	31-50 years old	133	71.51%	1,344	49.38%	337	70.06%
	> 50 years old	23	12.37%	16	0.59%	58	12.06%
	Others	0	0.00%	0	0.00%	0	0.00%
Percentage of female senior managers		30.00%					
Percentage of indigenous and minority employees		3.00%					
Percentage of people with disabilities		2.00%					

* Employees with indefinite-term contracts: Defined as “regular employees” at the headquarters, and employees at the Suzhou and Zhongshan Factory excluding “fixed-term employees”.
 * Employees with fixed-term contracts: The “dispatched workers” of the headquarters and the “contract workers” and other indirect employees who have not signed an indefinite contract of the Suzhou Factory and Zhongshan Factory.
 * Indigenous peoples and ethnic minorities are as defined by local governments.

◎ 4.1.2 Recruitment GRI 401- 1

Based on employees’ career development and the Company’s business strategy, ICHIA recruits outstanding talent from all over Taiwan through various channels, including collaborating with colleges and universities for industry-academia training courses and cooperating with the government’s employment promotion plan.

Recruitment Mechanism	<ol style="list-style-type: none"> 1. According to the Employee Recruitment and Selection Regulations. 2. Applicable to: Linkou Headquarters, and employees sent to the Suzhou Factory and Zhongshan Factory. The HR department coordinates talent needs and formulates an annual human resources plan. Post vacancy information through diverse recruitment channels. 3. Recruit and review in accordance with local regulations and based on the needs of each unit.
Transfer	<ol style="list-style-type: none"> 1. As suggested by the unit head and the HR department. The unit head will first ask the employee for consent. 2. After consent is obtained, the HR unit fills out a personnel change application form and has it signed by the head of the unit that the employee will be transferred from and the head of the unit that the employees will be transferred to.
Resignation / unpaid leave mechanism	<ol style="list-style-type: none"> 1. Give notice of resignation/unpaid leave within the notice period required by local laws and regulations. 2. The HR department assists in conducting exit interviews to understand the reasons and try to retain the employee. 3. Designate deputies for each position to manage turnover and avoid operational disruptions caused by resignations or unpaid leave.

Total employee new hire rate

Unit: %

Factory		Linkou Factory	Suzhou Factory	Zhongshan Factory
Total number of employees at the end of the year		182	1,742	363
Number of new hires		110	1,430	94
Gender	Male	29 26.36%	920 64.34%	39 41.49%
	Female	81 73.64%	510 35.66%	55 58.51%
Age	< 16 years old	0 0.00%	0 0.00%	0 0.00%
	17-30 years old	31 28.18%	880 61.54%	37 39.36%
	31-50 years old	75 68.18%	549 38.39%	57 60.64%
	> 50 years old	4 3.64%	1 0.07%	0 0.00%
New hire rate (%)		60.44%	82.09%	25.90%

* New hire rate = Total number of new hires during the year (indefinite-term contract employees) / Total number of employees as of December 31 of the year (indefinite-term contract employees).

Total employee turnover rate

Unit: %

Factory		Linkou Factory	Suzhou Factory	Zhongshan Factory
Total number of employees at the end of the year		182	1,742	363
Number of employee separations		73	1,232	116
Gender	Male	38	794	45
		52.05%	64.45%	38.79%
Female		35	438	71
		47.95%	35.55%	61.21%
Age	< 16 years old	0.00%	0	0
		0.00%	0.00%	0.00%
	17-30 years old	14	815	37
		19.18%	66.15%	31.90%
	31-50 years old	53	417	64
		72.60%	33.85%	55.17%
> 50 years old	6	0	15	
	8.22%	0.00%	12.93%	
Turnover rate (%)		40.11%	70.72%	31.96%

* Turnover rate = Total number of employee separations (indefinite-term contract employees) in the year / Total number of employees (indefinite-term contract employees) at year-end (December 31).

◎ 4.1.3 Unpaid Parental Leave GRI 401- 3

We value the family care needs of our employees and provide practical support and a supportive work environment for colleagues with infant care needs, including unpaid leave and related benefit subsidies. In 2024, of the 50 employees eligible for unpaid parental leave, 39 applied, resulting in a 78% application rate. All employees who took leave later returned to work. The Company has been committed to building a comprehensive employee care system to help employees balance family and career during parenthood.

Statistics on the Number of Employees on Unpaid Parental Leave in 2024

Factory	Linkou Factory		Suzhou Factory		Zhongshan Factory		Total 2024
	Male	Female	Male	Female	Male	Female	
Number of employees eligible for unpaid parental leave	NA	5	17	17	7	4	50
Number of employees applying for unpaid parental leave in the current year	NA	5	17	17	0	0	39
Number of employees who should be reinstated (A)	NA	3	17	13	0	0	33
Number of people actually reinstated in the current year (B)	NA	3	17	13	0	0	33
Reinstatement rate (B/A) %	NA	100.00%	100.00%	100.00%	NA	NA	100.00%
Number of employees reinstated from unpaid parental leave in the previous year (C)	NA	2	15	12	0	0	29
No. of employees who was reinstated from unpaid parental leave in the previous year and had served for one year in the current year (D)	NA	0	11	7	0	0	18
Retention rate (D/C) %	NA	0	73.33%	58.33%	NA	NA	62.07%

○ 4.2 Employee Remuneration and Benefits GRI 401-2, GRI 2-21

◎ 4.2.1 Employee Remuneration

For the salary of ICHIA Group’s employees, the HR unit determines reasonable and competitive salary standards based on the market salary level and the Company’s operation status and organizational structure. The actual remuneration of employees is determined based on a comprehensive assessment of their professional capabilities, job responsibilities, performance, and target achievement. Upholding fairness and diversity, the Group ensures equal pay for new employees, regardless of their gender, race, political tendency, religious belief, sexual orientation, or marital status.

Following the guidelines of the ICHIA Corporate Social Responsibility Policy, we guarantee that all employees worldwide receive wages above the local government's minimum standard. Pay is determined primarily by the employee's expertise and role, demonstrating our commitment to human rights and equitable compensation.

◎ 4.2.2 Performance Evaluation System

ICHIA has created a sound performance management framework defined by objective criteria, consistent evaluation processes, and equitable outcomes. We are committed to the ongoing optimization of this system. Managers at all levels regularly evaluate and provide feedback on their employees' work performance. This process not only recognizes outstanding performers to boost team morale but also identifies high-potential talent for individual development planning, thereby assisting employees' career and skill development.

To encourage employees to continue striving for excellence, annual performance reviews serve as a key basis for human resources decisions including salary adjustments, bonus payouts, job transfers, training and development opportunities, and improvements to the workplace.

Through a comprehensive and strategic performance management system, we align organizational and individual goals, further enhancing talent development and overall business performance.

Employee Salary and Benefit Expenses

Unit: NTD (thousand)

Factory	Linkou Headquarters		
	2023	2024	Rate of change
Average salary of non-managerial employees	592	632	+ 6.76%
Median salary of non-managerial employees	493	530	+ 7.51%
Average employee salary expense across all factories	884	1,003	+ 13.46%
Average employee benefit expense	1,012	1,137	+ 12.35%

Note: · The salary information is company confidential. However, as the Linkou Headquarters is a TWSE listed company in Taiwan, it is legally required to disclose the figures in the above table.
 · The ratio of the “highest-paid individual's annual salary” to the “median annual salary of other employees” in 2024 is 41.22%; the median ratio of the percentage increase in the “highest-paid individual's annual salary” to the percentage increase in the “average annual salary of other employees” is 805%.

Employee Performance Evaluation Items (as shown in the figure below)



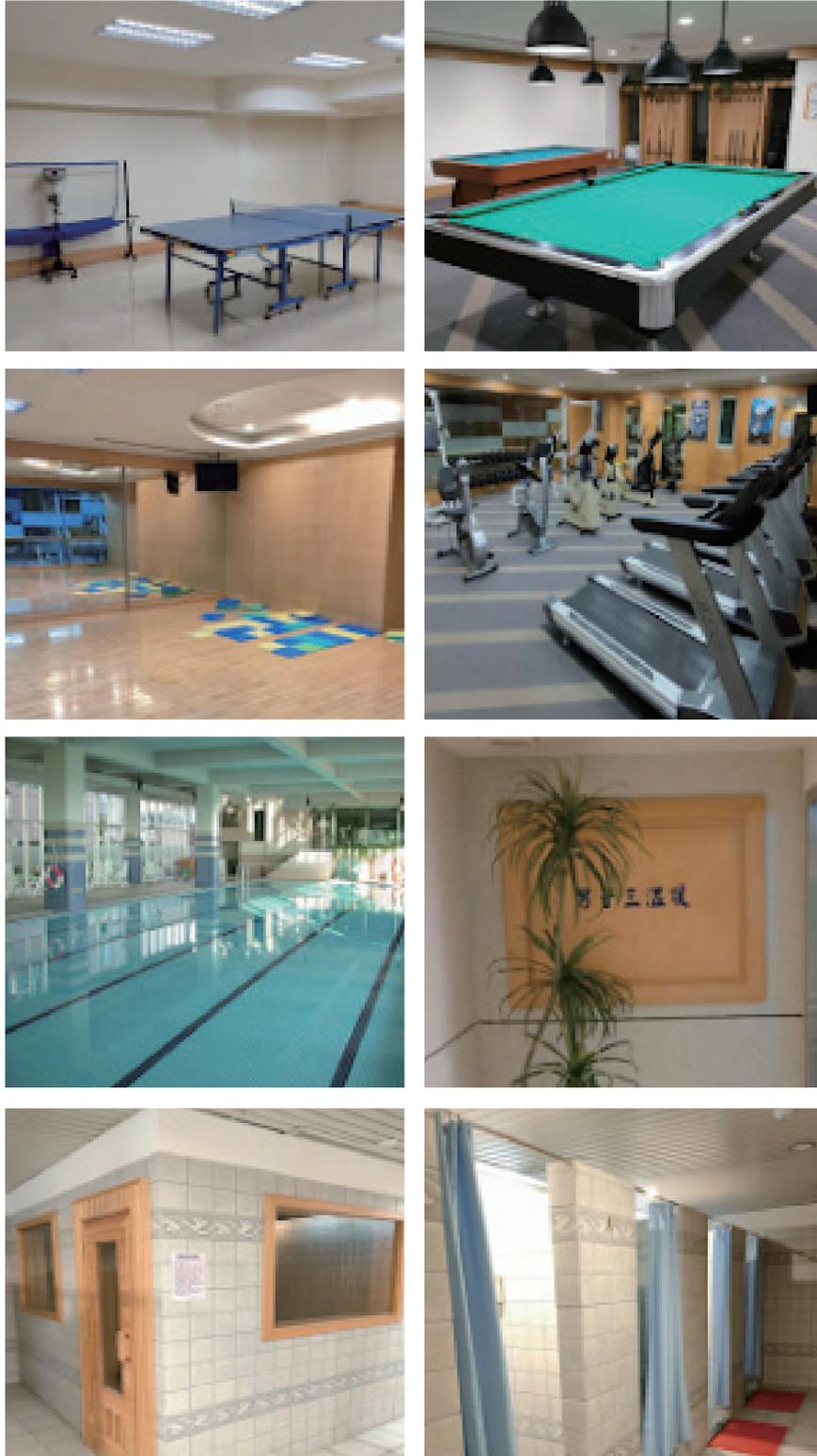
• In 2024, 100% of employees completed the evaluation.

◎ 4.2.3 Employee Benefits

We offer diverse benefits and services to employees in an effort to provide every one of them with comprehensive care and convey our care and concern. The basic employee benefits of each factory are as follows:

Factory	Linkou Headquarters	Suzhou Factory, Zhongshan Factory
Festival activities	Vouchers/gift boxes for the three major festivals, as well as Labor Day, Women's Day, Father's Day gifts. Christmas buffet, and annual parties, etc.	Gift distribution on major festivals, mountain climbing activities on May 1st, plum-picking events, Mid-Autumn Festival fairs, annual parties, etc.
Recreational venues	Employee dormitory, swimming pool, sauna, gym, table tennis room, billiard room	Employee dormitory, basketball court, table tennis room, billiard room, e-sports room
Employee insurance	Labor insurance, employment insurance, and national health insurance Group insurance: All employees are covered by the insurance, and the premiums are paid by the Company	Medical insurance, unemployment insurance, work-related injury insurance, maternity insurance, housing provident fund
Retirement system	Pension contributions are made to the Central Trust of China or the employee's personal pension account in accordance with the Labor Standards Act, the Labor Pension Act, and the Regulations Governing the Early Retirement of Employees. Employee stock ownership trust - After full-time employees have served for six months, they can determine their monthly contribution amount to purchase the Company's shares in a fixed amount on a regular basis, and the Company gives an incentive 100% equivalent to the monthly contribution to purchase the Company's shares every month.	Contributions to the endowment insurance scheme are made based on the statutory contribution rate
Employee assistance program	Employee wedding and funeral/emergency relief and condolence program	Employee wedding and funeral/emergency relief and condolence program
Others	Birthday gifts, company trip subsidies, meal subsidies, parking spaces for cars and motorcycles, club activity subsidies, discounts at designated stores, Family Day, fairs, flea markets, etc.	

Recreational facilities



Employee activities for the three major holidays

Dragon Boat Festival



▲ Zhong Shan Factory Dragon Boat Festival Family Activities

Mid-Autumn Festival



▲ Zhong Shan Factory Moon Festival Activities

Lantern Festival



▲ Zhong Shan Factory Lantern Festival Riddle Guessing Activities



▲ Suzhou Factory Lantern Festival Riddle Guessing Activities

Care for Foreign Employees

There are 26 Filipino colleagues in the Linkou Factory. The daily communication channels are smooth, and interpreters or employees with English skills are appointed to communicate with them to ensure smooth communication. Considering the differences in dietary habits, ICHIA remodeled the staff canteen to create a new cooking section and add a refrigerator, so that foreign employees can cook hometown dishes to relieve homesickness, establishing a “Happy Migrant Kitchen”.



To build core competitive advantages, implement organizational strategies, and foster personal performance development, the Company has established the "ICHIA Training Academy". Five academies – the Leadership Academy, Professional Competency Academy, Sustainable Innovation Academy, Technology Academy, and Diversified Academy – have been established to develop professional core competencies and cultivate the next generation of talent. Customized competency dictionaries and learning roadmaps have been created for different departments, job bands, and positions, and are supported by on-the-job training (OJT), job rotation, a digital training platform, and soft skills development. A diverse range of high-quality courses are being rolled out to inspire employees to reach their full potential and unlock limitless possibilities.

The curriculum structure is described below:

1. Orientation training

In order for new hires to quickly get to know ICHIA, orientation training is arranged on their first day of reporting at work. In addition to the traditional oral teaching method, the “E-Learning” video teaching method is also used to allow new hires to quickly fit in the unfamiliar environment and familiarize themselves with the Company’s workplace culture through three aspects.

- (1) Basic understanding: Courses such as “Group Profile”, “Introduction to the Personnel System”, and “Introduction to the Company’s Benefit Policy” are provided to assist new hires in fitting in and adapting to ICHIA’s environment.
- (2) Environment introduction: Courses such as “System Description” and “Internal Environment Introduction” are provided to help new hires become familiar with the new environment.
- (3) Corporate governance: Courses such as “Ethical Business Best Practice Principles (including Anti-collusion and Prevention of Conflicts of Interest)”, “Human Rights Commitment Promotion,” and “Personal Data Protection Policy” are provided to help new hires understand the Company’s regulations.

○ 4.3 Talent Development GRI 404-1

We value employee development, and regard talent cultivation and development as a competitive advantage. We have planned a complete education and training system and development training courses to help employees improve their professional capabilities, management capabilities, and growth.

2. Professional skill training

With the focus on strengthening the professional skills of colleagues in each department, the Company plans professional courses and relevant certification training in various fields, supplemented by various general courses and seminars, to improve the Company's overall knowledge production capability and core competitiveness.

- (1) Professional courses: We design and conduct on-the-job education and training for each field, such as "Stimulation of R&D Creativity" for R&D personnel, "Sales Presentation Skills" for sales personnel, and "Project Management" for project managers. 4 to 7 professional courses are designed for each field, allowing colleagues to further improve their professional capabilities and give full play to their strengths in their positions. In addition, for the "ICHIA Management Course," one session is held in the first and second half of each year. The course focuses on training within industry (TWI) to enhance the management capabilities of manufacturing site supervisors in three aspects: job instruction, job improvement, and job relations. The management trainees recruited in the spring and autumn each year are trained through the "ICHIA Excellence Course" given by internal lecturers, hoping to continuously inject more talent into the Company.
- (2) General courses: Various general courses are offered every year according to the goals of the Company and the Group, so that colleagues can improve their hard skills and soft skills at the same time, such as "Language Training", "Communication Skills", and "Emotions and EQ management" etc. The "Health Seminar", "Firefighting Training", "First Aid Training", "Sexual Harassment Prevention Seminar", "Anti-Workplace Bullying", etc. are also held regularly every year to enhance employees' awareness of environmental hygiene, safety, and health. In recent years, as the awareness of environmental sustainability has been on the rise, the Group has introduced "Sustainability Courses" and "RBA 8.0," and actively cultivated seed personnel for "ISO14064-1 Carbon Inventory."

In addition, through the establishment of the "Knowledge Management (KM)" and "e+ Toolbox" systems, employees are also prompted to learn and share new knowledge and regulatory updates in the sustainable supply chain. We have designed an online learning path for various internal education and training and the supplier training seminars organized by customers to not only improve the professional capabilities of corporate social responsibility team members, but also even teach or share relevant requirements and regulations with supply chain partners, hoping to take this opportunity to reinforce sustainable education and lifelong learning.

3. Management skill training

Supervisors are divided into entry-level supervisors, middle supervisors, and senior supervisors according to their job grade. Supervisors at each level have their necessary capabilities according to their management scope and level of participation in the Company's decision-making. Hence, we have developed on-the-job education and training based on the necessary capabilities.

- (1) Senior supervisors: Develop their leadership, decision-making, and innovation skills, and launch the "Leadership and Command", "Systematic Thinking and Decision-making", "Innovative Thinking and Creative Management" courses.
- (2) Middle supervisors: Develop their team management, staff development, and planning capabilities, and launch the "Talent Selection and Interview Skills", "Staff Guidance and Motivation", and "Employee Problem Discovery and Solving" courses.
- (3) Entry-level supervisors: Develop their problem-solving, presentation, and guidance skills, and launch the "Problem Analysis and Solving", "Expression and Presentation Skills", and "Work Guidance Skills" courses.

Implementation of Education and Training

Factory	Linkou Factory				Suzhou Factory				Zhongshan Factory			
Year	2023		2024		2023		2024		2023		2024	
Gender	Male	Female	Male	Female	Male	Female	Male	Female	Male	Female	Male	Female
Average training hours for management roles (per person)	30.7	18.5	35.6	21.4	170	167	285.6	280.5	16	22	74	77
Average training hours for general roles (per person)	14.5	5.5	16.8	6.3	28	26	47	43.6	18	18	25	27
Average training hours for dedicated personnel (per person)	19.2	6.8	22.2	7.6	25	22	42	36.9	8	0	15	8
Total training hours of all employees	1,285		7,855		43,651		63,718		2,781		9,532	

○ 4.4 Employee Communication and Engagement

ICHIA Group values and respects the voices of employees, and establishes various communication channels so that employees can keep abreast of the Company's dynamics and express any opinions or concerns on workplace-related matters:



The Suzhou Factory and Zhongshan Factory of the Company promote employee communication and care through labor unions. Member representatives are elected according to the “Provisions on the Work of Election of Entry-level Labor Union Organizations” of China, and internal meetings are held from time to time to achieve sound communication. The operation of the labor union of each factory is detailed in the table below.

Operation of Labor-Management Committees / Enterprise Unions

Factory	Linkou Headquarters		Suzhou Factory		Zhongshan Factory	
	2023	2024	2023	2024	2023	2024
Total number of employees	225	192	2,173	2,722	432	445
Member representatives	Held in the form of labor-management meetings (5 management representatives and 5 labor representatives)		20	19	31	9
Percentage of representatives	4.44%	5.26%	0.46%	0.69%	2.31%	2.02%

An Employee Welfare Committee has been formed at the Linkou Headquarters. The benefits and rights of employees are explained in the Company’s management regulations and resolved at quarterly labor-management meetings. In addition, we have also set up an employee care mailbox in line with the philosophy of “fairness, integrity, trustworthiness and transparency”, so that all unethical conduct can be anonymously disclosed and managed. The employee care mailbox is a disclosure channel not only for employees of ICHIA Group, but also for all upstream and downstream stakeholders, directors, managerial officers, and shareholders of ICHIA Group, through which they can directly report relevant information to the management team and CEO.

In order for every stakeholder to understand how to use the employee care mailbox, ICHIA Group holds at least one briefing for various stakeholders every year separately or together with the supplier conference, and publicizes the information to colleagues in each factory. For our supplier partners, responsible persons attending the supplier conference must bring their company seal to sign the Sustainable Supplier Principles to demonstrate their commitment to integrity, anti-corruption, and compliance with corporate social responsibilities.

Labor-management agreements and their implementation: The Company has established good communication channels and an employee suggestion mailbox, and formulated comprehensive relevant regulations for employee incentives, training benefits, and retirement. Our labor-management relations have always been harmonious.

○ 4.5 Comprehensive Employee Health Management GRI 403-1, GRI 403-3, GRI 403-6

ICHIA has always been guided by the core belief that “Employees are the Company’s most valuable asset,” and prioritizes the physical and mental well-being and workplace safety of all its staff. We firmly believe that “work ability=health=corporate competitiveness.” Only healthy employees can sustain the stable operation and continuous innovation of the enterprise.

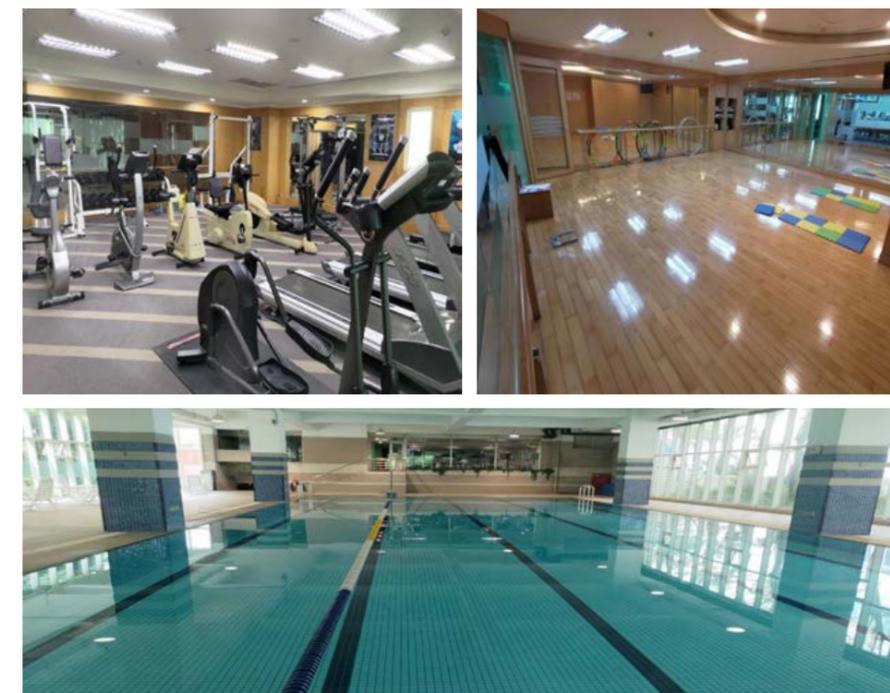
In order to build a safe, healthy, and productive work environment, all plants within the Group have implemented and passed ISO 45001 certification for Occupational Health and Safety Management Systems. This systematic management and risk control approach effectively prevents workplace accidents and protects employee health, ensuring all safety procedures and training programs align with international standards. Through institutionalization, ICHIA is dedicated to embedding a culture of health and safety into its corporate culture, making it a vital foundation for long-term competitiveness.

All factories of the Group have been certified to the ISO 45001 occupational health and safety management system



To create a high-quality work-life environment, we continuously enhance employee wellbeing by providing a variety of sports and recreational facilities within the industrial park, including a clinic and a swimming pool. We also support the development of employee clubs and offer comfortable childcare facilities alongside a parental leave without pay policy. In addition, we have established an on-site medical care space staffed by a professional healthcare team, and regularly schedule health checkups and health talks to provide comprehensive care for employees’ physical and mental well-being, and to foster a safe, healthy, and growth-oriented work environment.

In terms of promoting a workplace health culture, ICHIA encourages employees to develop a habit of regular exercise by organizing body-shaping challenges, weight-loss competitions, and physical training courses. The company also actively participates in the Sports for All Agency’s "Sports Enterprise Certification" program, introducing physical fitness testing and sports seminars to improve employees’ overall health and well-being. In 2023, the Linkou Headquarters was awarded the "Healthy Workplace Certification" from the Health Promotion Administration of the Ministry of Health and Welfare, in recognition of the Company’s ongoing commitment to employee health and a positive work environment.



◀ A diverse range of sports and recreational facilities.

日期	6月16日		6月17日		6月18日		6月19日		6月20日	
	(一)		(二)		(三)		(四)		(五)	
	菜名	卡路里								
	梅干爌肉	220	糖醋排骨	215	黑胡椒豬肉	230	多樂炸排骨	220	蒜苗鹹豬肉	225
	卡拉雞腿	230	香酥棒翅	220	白斬雞	215	宮保雞丁	220	香酥棒腿	220
副菜	菜脯豆豉乾丁	120	韭菜炒豆包	130	桂竹筍麵輪	125	麻婆豆腐	125	咖哩魚蛋	130
副菜	玉米可樂餅	130	柳葉魚	115	海苔丸	130	蒜味香腸	125	魚香粉絲	120
時蔬	時節蔬菜	約60								
時菜	時節蔬菜	約60								
主食	白飯	280								
鹹湯	榨菜金菇湯	70	酸辣湯	75	味噌豆腐湯	75	海帶芽蛋花湯	65	冬瓜薑絲湯	75
甜湯	綠豆湯	75	仙草蜜	70	紅茶山粉圓	65	黑糖豆花	75	檸檬愛玉	70
總熱量	約1025仟卡		約1010仟卡		約1025仟卡		約1010仟卡		約1020仟卡	



▲ Calculation of meal caloric content to safeguard employees' individual nutritional health.



▲ Awarded the “Badge of Accredited Healthy Workplace” by the Health Promotion Administration, Ministry of Health and Welfare

○ 4.6 Occupational Safety GRI 403-2, GRI 403-5, GRI 403-7, GRI 403-9, GRI 403-10

In order to strengthen occupational safety and health management, ICHIA has implemented a people-oriented management philosophy across all its plants, and is dedicated to eliminating potential hazards in the workplace and preventing occupational accidents and injuries. The Company identifies and controls potential hazards in work processes, activities, equipment, facilities, and product services that may harm workers through standardized management processes, and implements preventive measures.

All plants undergo annual re-inspection audits and internal reviews in accordance with the ISO 45001 Occupational Health and Safety Management System standard, along with continuous hazard identification and risk assessment. We proactively implement safety engineering improvements and optimize operating procedures to prevent potential accidents and health risks. In addition, the Company also conducts regular safety and health education and training, including onboarding for new hires, safety briefings for contractors, and fire drills and emergency evacuation exercises, to enhance the risk awareness and response abilities of all employees and relevant personnel.

Through systematic management and personnel development, we consistently maintain high standards of occupational safety and health management effectiveness, and prioritize a healthy and safe working environment as a key pillar for enhancing operational stability and production efficiency.

作業流程圖			作業說明	參考文件/運用表單
各事業群 執行幹事	各事業群 所屬部門	專案 召集人		
<pre> graph TD A[危險源辨識] --> B[危險源辨識] B --> C{審核?} C -- YES --> D[彙整] C -- NO --> B D --> E[協助評估] </pre>			1.各事業群執行幹事於每年至少一次實施危險源辨識作業 2.各事業群所屬部門單位進行危險源辨識步驟： 2.1.各部門單位得依據【環境考量面切割表】進行並決定危險源辨識範圍 2.2.再依據【考量面範圍－作業對應表】中所載之作業內容填寫於【作業清冊】中之作業名稱欄位 2.3.依據【作業清冊】細分記錄於【危險辨識表】 2.4.進行危害評估作業，並記錄於【危害評估表】，評估作業標準請參照軟體評估方式 2.5.進行危害控制作業，並記錄於【危害評估表】，以決定重大危險源，其中重大危險源辨識標準請參照5.3.節所示 2.6.針對【危害控制表】中所決定之重大危險源填寫【改善建議彙整表】 2.7.各部門在完成上述步驟後，統一彙整至【改善建議審核表】及【改善建議追蹤表】，呈各事業群總經理予以核示 3.各事業群執行幹事將所屬各部門單位之【改善建議彙整表】、【改善建議審核表】、【改善建議追蹤表】彙整成一事業群一份、資料後，轉至專案召集人，進行協助評估作業	•環境考量面切割表 •考量面範圍－作業對應表 •作業清冊 •作業清冊 •危害辨識表 •危害評估表 •危害控制表 •危害控制表 •改善建議彙整表 •改善建議審核表 •改善建議追蹤表 •改善建議彙整表 •改善建議審核表 •改善建議追蹤表

▲ ICHIA's Hazard Source Assessment Process Flowchart



▲ Fire response and emergency evacuation drills

In addition to strengthening daily safety management, ICHIA has also fully implemented emergency response mechanisms. All of the Group's factories have established Emergency Preparation and Response Management Procedures in accordance with ISO 45001 Occupational Health and Safety Management System standards, covering fire, chemical leaks, air pollutant releases, natural disasters (such as earthquakes, typhoons, heavy rain, and epidemics), production anomalies, or occupational health and safety emergencies (such as public utility outages, major equipment failures, serious workplace accidents, collective strikes, mass food poisoning, and explosions), to ensure standardized response planning. In the event of an emergency, we must respond immediately according to the procedures outlined in the procedures, report the incident, and implement follow-up aggregation and review mechanisms to ensure continuous improvement of our response capabilities and reduce the risk of recurrence.

In addition, while the Group's overall number of occupational accidents and work injuries has risen slightly in the past two years, this is mainly due to increased total working hours and some operators not fully adhering to established standard operating procedures. In response, the Company has strengthened controls on high-risk operations through an internal review process and enhanced basic safety education and on-the-job safety training to ensure that personnel have sufficient risk awareness and protective measures in place. This aims to continuously reduce the likelihood of occupational safety incidents and progress towards a “zero workplace accidents” goal.

Statistics on Work-related Accidents and Injuries by Factory GRI 403-9, GRI 403-10

Factory	Linkou Headquarters		Suzhou Factory		Zhongshan Factory	
	2023	2024	2023	2024	2023	2024
Disabling injury frequency rate (FR)	0.19	0	0	3.81	3.65	2.52
Disabling injury severity rate (SR)	0	0	0	9.51	1,039.04	111.5
Frequency severity index	0	0	0	0.19	60.41	0.28
Number of days lost	1	0	180	40	854.06	133
Number of accidents	1	0	15	16	4	3
Total working hours	448,200	367,872	3,658,210	4,204,121	821,973	1,192,733
Percentage of fatalities due to work-related injuries	0	0	0	0	0	0
Occupational disease rate (ODR)	0%	0%	0%	0%	0%	0%

Note: The work-related injuries in the statistics refer to work-related injuries occurring within the factory premises.

Absence rate (AR) = Number of hours absent on sick leave/Total working hours × 100% (treated as sick leave, work-related injury leave, and menstrual leave)

Calculation method:

1. Disabling injury frequency rate (FR) = Number of disabling injuries*106/Total hours worked.
2. Disabling injury severity rate (SR) = Number of days lost due to disabling injuries*106/Total hours worked.
3. Frequency severity index = $\sqrt{FR*SR/1000}$.
4. Occupational disease rate (ODR) = Total number of people with occupational diseases x106/Total hours worked

To enhance awareness of production safety and enhance organizational governance, all plants within the ICHIA Group have institutionalized “ESG and Safety Production Weekly Meetings” and “ESG Monthly Meetings” to regularly review each plant’s safety management performance, track progress on key issues, and continuously optimize occupational safety and health measures. Through high-frequency internal communication and cross-departmental coordination, we enhance the identification of potential risks, the planning of response strategies, and the efficiency of resource allocation across all plants.

In addition, each factory site regularly conducts a variety of occupational safety drills, including fire drills, chemical spill response training, and emergency evacuation exercises, to enhance employees’ practical skills and procedural knowledge for handling unexpected situations and improve initial response times on-site. Through drills and hands-on practice, ensure employees can make quick and correct decisions during disasters, effectively minimizing risk. When risks are properly controlled, it not only safeguards employee well-being and workplace stability, but also enhances overall production efficiency, product quality, and corporate reputation, ultimately achieving the operational goals of “peace of mind for employees and society.”

Occupational Safety and Health Education Meetings and Training Items for Factories

Training Item	Participants
1. General ESH education and training	New hires
2. Orientation training	New hires
3. Weekly ESG and Production Safety Meeting	Safety Director
4. Monthly ESG Meeting	Supervisors of each factory
5. On-the-job safety education (fire prevention, chemicals)	All employees of each factory
6. Fire drills in factories	All employees of each factory
7. Education for external contractors (suppliers, chemicals, canteen meals)	Contractors
8. Professional training: including retraining for first aid personnel, forklift operators, organic solvent operation supervisors, and safety and health operation supervisors	Professionals
9. Anti-fraud, traffic, and drowning safety training	Each factory

○ 4.7 Social Engagement

◎ 4.7.1 Arts, Culture, and Social Welfare

ICHIA remains committed to its founding principle of “giving back to society,” and views corporate social responsibility as a core value. The company continuously monitors social issues, actively addresses local needs through concrete actions, and strives to foster mutually beneficial development between businesses and the community. We firmly believe that corporate development should not be limited to economic considerations, but should also encompass cultural preservation, community engagement, and support for vulnerable populations, allowing positive impact to radiate outwards.

In terms of cultural support, ICHIA has long been dedicated to the development of local arts and culture, consistently sponsoring local cultural activities and performances. The Company also encourages employee participation in the performing arts and local revitalization initiatives, fostering an appreciation for and respect of cultural diversity. Through collaboration with community arts and cultural organizations and educational groups, we not only provide resource support but also create more opportunities and platforms for cultural engagement, enriching the cultural fabric of society.

In the field of social welfare, ICHIA promotes numerous volunteer service projects and material donations each year, with a focus on vulnerable groups such as low-income families, seniors living alone, and new immigrant families. It also tailors welfare projects to the specific needs of different regions. We encourage our colleagues to engage with the community through concrete actions, with the hope that every employee can be a positive agent of social change.

In the future, ICHIA will continue to invest in the social value chain, strengthen cross-departmental collaboration and partnerships with social organizations, and integrate the Sustainable Development Goals (SDGs) to fulfill its long-term commitment to fostering shared prosperity within local communities.

Support arts and cultural activities to foster employees’ cultural enrichment.

- Collaborated with Barry You, a ceramic artist, to exhibit his ceramic sculpture works at the “ICHIA Art Museum”
- Worked with AAEON Foundation to set up the “ICHIA Art Corridor,” with works on display changing regularly



◎ 4.7.2 Sustainability Actions

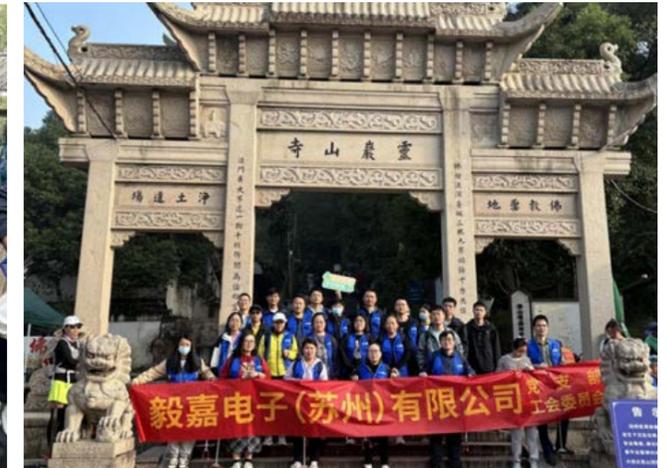
● Support the “Leave No Trace” movement

We understand that mountain and forest ecosystems are not only habitats for diverse species, but also valuable resources for water conservation, climate regulation, and human recreation and well-being. However, as mountain tourism has flourished, trails and areas with high human activity often suffer from litter and ecological damage. Long-term accumulation of these issues will cause irreversible harm to the environment. To this end, we actively respond to and drive mountain clean-up initiatives, demonstrating our corporate commitment to environmental stewardship.

In recent years, we have actively participated in initiatives such as the “I Love Guishan Mountain Clean-up Campaign,” the “Suzhou Gejiawu Mountain Clean-up,” and the “Torch Volunteer Activity for Environmental Health,” encouraging our colleagues to join us in practical efforts to remove trash from the mountains and forests and restore the natural scenery. The event also incorporates environmental education to guide participants to understand the concepts of waste reduction, leave no trace principles, and sustainable tourism, fostering a deeper respect and appreciation for nature.



▲ I Love Guishan Mountain Clean-up Campaign



▲ Suzhou Factory Mountain Clean-up Campaign



▲ Coffee Ground Repurposing DIY Projects



▲ Tree Planting Festival

● Promote Ecological Sustainability

ICHIA participated in a fish fry donation activity organized by the Suzhou New District, supporting the local government and community’s goals of aquatic ecological restoration and biodiversity conservation. Through the donation and release of fish fry into rivers, this initiative helps improve water quality, restore natural food chains, and stabilize aquatic ecosystems, ultimately contributing to long-term ecological balance.

The release of fish fry is not only a one-off environmental action, but also a key way to advance ecological sustainability. Through donations and participation, businesses not only fulfill their social responsibilities but also strengthen ties with local communities, fostering environmental education and public involvement. In the future, we will continue to support local ecological conservation work and collaborate with all stakeholders to build an environment where people and nature can thrive together.



▲ Enterprise Fish Fry Donation Campaign for Environmental Protection

● Supporting Rural Education

St. Joseph Technical Senior High School is a vocational school founded by the Bethlehem Mission Society (SMB). Most of the student body is comprised of Indigenous Taiwanese people from eastern Taiwan. Since its founding in 1960, St. Joseph Technical Senior High School has consistently contributed to vocational education in eastern Taiwan, nurturing countless skilled professionals across a wide range of industries. The impact of the declining birth rate has led to insufficient enrollment, resulting in financial constraints within the school and the inability to update facilities to improve environmental quality. The donation will help St. Joseph Technical Senior High School install air conditioners, creating a more comfortable learning environment for students to focus and contributing to education in the local rural community.

● Cultivate National-level Athletes

The Taiwan Ladies Golf Association (TLGA) has been dedicated to promoting women's golf, hosting experience activities, and developing national-level women golfers since its founding, showcasing its commitment to both public service and technical development. ICHIA has been a long-time sponsor of the Association, allowing the athletes to focus on their performance and further enhancing the visibility and competitiveness of Taiwan women's golf internationally. With steady resource support, we have seen many young female athletes continually push their limits and compete with confidence on the international stage, empowering women to excel in professional sports. In the future, we will continue to partner with TLGA to bolster Taiwan’s competitive strength in the international sports community and contribute positive momentum to the sustainability of sports.

● Promotion of Marine Conservation in Taiwan

Biodiversity comes from three aspects - 1. Ecological diversity 2. Species diversity 3. Genetic diversity. Coral reefs are known as "rain forests of the sea" and are an integral part of the marine ecosystem. Despite covering less than 1% of the global ocean area, coral reefs support over a quarter of all marine life, providing fish with habitats, nurseries, and food sources – a foundation essential for maintaining marine biodiversity. More importantly, healthy coral reefs effectively buffer wave action, acting as a natural coastal defense that helps prevent shoreline erosion and protect the safety of island communities.

Sponsor Penghu Coral Reef Restoration Project. Due to climate change and human activities, coral coverage in Penghu has significantly declined as sea temperatures have risen. This restoration action, jointly promoted by local governments, academic research institutions, and diving communities, has rebuilt coral communities in many harbors, restored fish populations, and encouraged public participation in marine education and volunteer monitoring.

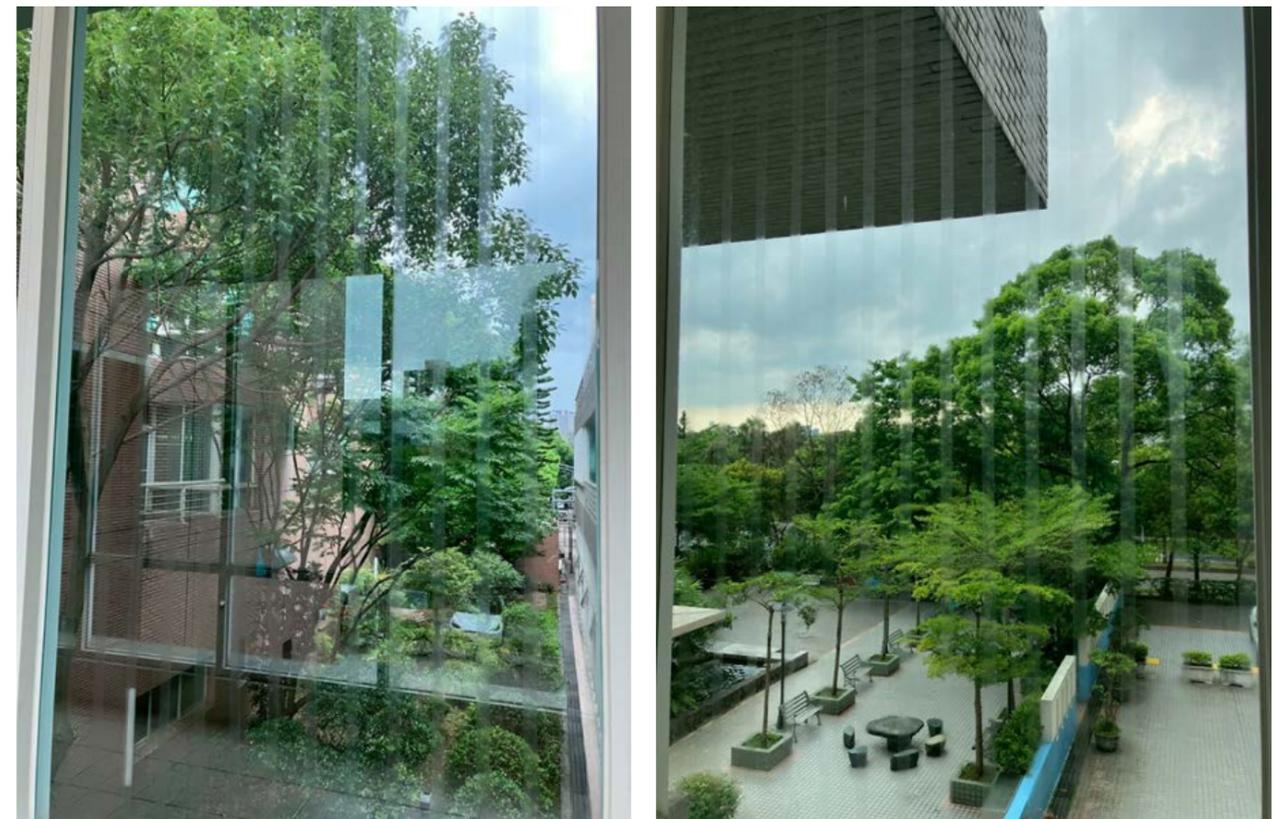
● Support and Care for Medical Staff

ICHIA is concerned about the physical and mental burden on front-line medical personnel working in high-pressure environments, and understands that a robust healthcare system depends on their stability and dedicated professionalism. To this end, we have been making long-term donations to the Cih Yue Charity Foundation, working together to promote initiatives centered on “supporting caregivers” and advocating for the well-being and rights of healthcare workers.

Since its establishment in 2009, the Cih Yue Charity Foundation has been consistently focused on the stress and turnover rate of medical personnel in Taiwan. By hosting care discussions, psychological support workshops, emergency assistance, and scholarship programs, the Foundation helps healthcare workers find respite and social support within a demanding system, and encourages businesses and the public to recognize the systemic issues they face.

● Create a Nature-friendly Environment

To reduce the risk of bird collisions with building glass (commonly known as “window strikes”), ICHIA has introduced window films with bird-friendly designs in specific areas. These films utilize scientifically proven visual markers, such as appropriately spaced patterns, to enhance bird recognition and prevent them from misinterpreting reflections, thereby reducing the risk of window strikes. Since implementation, there has been a significant reduction in bird deaths and injuries caused by glass collisions, and employees have responded positively. This initiative not only addresses the responsibility for biodiversity conservation but also demonstrates the Company's active efforts in incorporating nature-friendly design into its operational facilities.





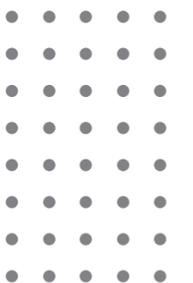
Attachment

Attachment 1. GRI Content Index

Attachment 2. SASB Content Index

Attachment 3. Sustainability Disclosure Indicators

**Attachment 4. Climate-related Risks and Opportunities
and the Company's Response Measures**



Attachment GRI Content Index

Statement of Use	ICHIA has published the 2024 Sustainability Report in accordance with the GRI Standards, and the data and information cover January 1, 2024 to December 31, 2024.
GRI Version Used	GRI 1:Foundation 2021
Statement of Use of GRI Industry Standards	None

GRI 2				
Indicator	Disclosure Requirements	Report Chapter or Description	Description Omitted	Page No.
1. Organization and reporting				
2-1	Organizational details	2.1 Company Profile		13
2-2	Entities included in the organization's sustainability reporting	Facts of Report		02
2-3	Reporting period, frequency and contact point	Facts of Report		02
2-4	Restatements of information	No restatement		
2-5	External assurance	Facts of Report		02
2. Activities and workers				
2-6	Activities, value chain and other business relationships	2.7 Supply Chain Management		29
2-7	Employees	4.1.1 Diverse Workforce Structure and Distribution		50
2-8	Workers who are not employees	(No statistics available)		
3. Governance				
2-9	Governance structure and composition	2.3.1 Organizational Structure		14
2-10	Nomination and selection of the highest governance body	2.3.2 Operations of the Board of Directors		15

GRI 2				
Indicator	Disclosure Requirements	Report Chapter or Description	Description Omitted	Page No.
2-11	Chair of the highest governance body	2.3.2 Operations of the Board of Directors		15
2-12	Role of the highest governance body in overseeing the management of impacts	2.3.2 Operations of the Board of Directors		15
2-13	Delegation of responsibility for managing impacts	2.3.2 Operations of the Board of Directors		15
2-14	Role of the highest governance body in sustainability reporting	2.3.5 ESG Sustainability Team		24
2-15	Conflicts of interest	2.3.2 Operations of the Board of Directors		15
2-16	Communication of critical concerns	2.5.1 Integrity as a Core Value		25
2-17	Collective knowledge of the highest governance body	2.3.2 Operations of the Board of Directors		15
2-18	Evaluation of the performance of the highest governance body	2.3.2 Operations of the Board of Directors		15
2-19	Remuneration policies	2.3.4 Remuneration Committee		23
2-20	Process to determine remuneration	2.3.4 Remuneration Committee		23
2-21	Annual total compensation ratio	4.2 Employee Remuneration and Benefits		54
4. Strategy, policies and practice				
2-22	Statement on sustainable development strategy	Letter from Our Management		03
2-23	Policy commitments	Letter from Our Management		03

GRI 2				
Indicator	Disclosure Requirements	Report Chapter or Description	Description Omitted	Page No.
2-24	Embedding policy commitments	Letter from Our Management		03
2-25	Processes to remediate negative impacts	2.5.1 Integrity as a Core Value		25
2-26	Mechanisms for seeking advice and raising concerns	2.5.1 Integrity as a Core Value		25
2-27	Legal Compliance	2.5.3 Legal Compliance		27
2-28	Membership associations	2.3.6 Association Membership and Initiatives		24
5. Stakeholder engagement				
2-29	Approach to stakeholder engagement	1. Materiality and Stakeholder Engagement		05
2-30	Collective bargaining agreements	4.4 Employee Communication and Engagement		59

GRI 3 Material Topics 2021				
Indicator	Disclosure Requirements	Report Chapter or Description	Description Omitted	Page No.
3-1	Process to determine material topics	1. Materiality and Stakeholder Engagement		05
3-2	List of material topics			05
3-3	Management of material topics			05

GRI Content Index Disclosure		Chapter	Remarks
Topic Standards 200/300/400			
GRI 200 Economic			
GRI 201 Economic Performance (2016)			
201-1 Direct economic value generated and distributed		2.4 Operational Performance	25
GRI 204 採購實務 (2016)			
204-1 Proportion of spending on local suppliers		2.7.1 Overview of Supply and Procurement	30
GRI 300 Environmental			
GRI 302 Energy (2016)			
302-1 Energy consumption within the organization		3.1.4 Energy Management	41
302-3 Energy intensity		3.1.4 Energy Management	41
302-4 Reduction of energy consumption		3.1.4 Energy Management	41
GRI 303 Water and Effluents (2018)			
303-3 Water withdrawal		3.3 Water Resources and Wastewater Management	43
303-4 Water discharge		3.3 Water Resources and Wastewater Management	43
303-5 Water consumption		3.3 Water Resources and Wastewater Management	43
GRI 305 Emissions (2016)			
305-1 Direct (Scope 1) GHG emissions		3.1.3 GHG Inventory	39
305-2 Energy indirect (Scope 2) GHG emissions		3.1.3 GHG Inventory	39
305-3 Other indirect (Scope 3) GHG emissions		3.1.3 GHG Inventory	39
305-4 GHG emission intensity		3.1.3 GHG Inventory	39
305-5 Reduction of GHG emissions		3.2 Plant Energy Efficiency Improvement Measures	42
305-7 Nitrogen oxides (NOx), sulfur oxides (SOx), and other significant air emissions		3.5 Air Quality Management	45

GRI Content Index Disclosure	Chapter	Remarks
Topic Standards 200/300/400		
GRI 306 Waste (2020)		
306-3 Waste generated	3.4 Waste Management	44
306-4 Waste diverted from disposal	3.4 Waste Management	44
306-5 Waste directed to disposal	3.4 Waste Management	4
GRI 308 Supplier Environmental Assessment (2016)		
308-1 New suppliers that were screened using environmental criteria	2.7.2 Supply Chain Management Mechanism	31
GRI 400 Social		
GRI 401 Employment (2016)		
401-1 New employee hires and employee turnover	4.1.2 Recruitment	52
401-2 Benefits provided to full-time employees that are not provided to temporary or part-time employees	4.2 Employee Remuneration and Benefits	54
401-3 Parental leave	4.1.3 Unpaid Parental Leave	53
GRI 403 Occupational Health and Safety (2018)		
403-1 Occupational health and safety management system	4.5 Comprehensive Employee Health Management	61
403-2 Hazard identification, risk assessment, and incident investigation	4.6 Occupational Safety	63
403-3 Occupational health services	4.5 Comprehensive Employee Health Management	61
403-4 Worker participation, consultation, and communication on occupational health and safety	4.4 Employee Communication and Engagement	59

GRI Content Index Disclosure	Chapter	Remarks
Topic Standards 200/300/400		
403-5 Worker training on occupational health and safety	4.6 Occupational Safety	63
403-6 Promotion of worker health	4.5 Comprehensive Employee Health Management	61
403-8 Workers covered by an occupational health and safety management system	4.6 Occupational Safety	63
403-9 Work-related injuries	4.6 Occupational Safety	63
403-10 Work-related ill health	4.6 Occupational Safety	63
GRI 404 Training and Education (2016)		
404-1 Average hours of training per year per employee	4.3 Talent Development	57
GRI 405 Diversity and Equal Opportunity		
405-1 Diversity of governance bodies and employees	4.1.1 Diverse Workforce Structure and Distribution	50
GRI 414 Supplier Social Assessment		
414-1 New suppliers that were screened using social criteria	2.7.2 Supply Chain Management Mechanism	31
GRI 418: Customer Privacy (2016)		
418-1 Substantiated complaints concerning breaches of customer privacy and losses of customer data	2.6 Information Security Management	28

Attachment 2. SASB Content Index

Indicator	No.	Indicator Description	Chapter	Page No.
Product Security	TC-HW-230a.1	Description of approach to identifying and addressing data security risks in products	N/A	
Employee Diversity and Inclusion	TC-HW-330a.1	Percentage of gender and racial/ethnic group representation for management and all other employees	4.1.1 Diverse Workforce Structure and Distribution	50
Product Lifecycle	TC-HW-410a.1	Percentage of products by revenue that contain IEC 62474 declarable substances	2.7 Supply Chain Management	29
	TC-HW-410a.2	Percentage of eligible products, by revenue, meeting the requirements for EPEAT registration or equivalent	N/A	
	TC-HW-410a.3	Percentage of eligible products, by revenue, meeting ENERGY STAR® criteria	N/A	
	TC-HW-410a.4	Weight of end-of-life products and e-waste recovered, percentage recycled	3.4 Waste Management	44
Supply Chain Management	TC-HW-430a.1	Percentage of Tier 1 supplier facilities audited in the RBA Validated Audit Process (VAP) or equivalent, by (a) all facilities and (b) high-risk facilities	2.7 Supply Chain Management	29
	TC-HW-430a.2	Tier 1 suppliers' (1) non-conformance rate with the RBA Validated Audit Process (VAP) or equivalent, and (2) associated corrective action rate for (a) priority non-conformances and (b) other non-conformances	2.7 Supply Chain Management	29
Materials Sourcing	TC-HW-440a.1	Description of the management of risks associated with the use of critical materials	2.7 Supply Chain Management	29
Industry Activities	TC-HW-000.A	Number of units by product category	2.2 Global Market Presence	14
	TC-HW-000.B	Area of manufacturing facilities	2.1 Company Profile	13
	TC-HW-000.C	Percentage of production from owned facilities	2.1 Company Profile	13

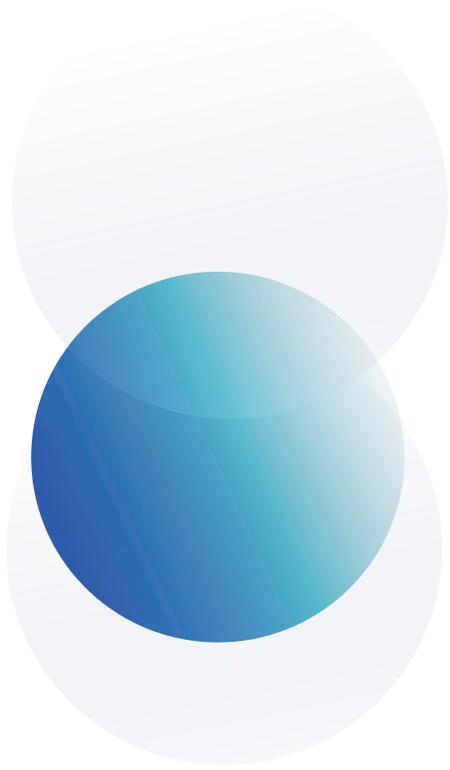
Attachment 3. Sustainability Disclosure Indicators

Taiwan Stock Exchange Corporation Rules Governing the Preparation and Filing of Sustainability Reports by TWSE Listed Companies (May 5, 2025)					
Table 1-14. Sustainability Disclosure Indicators - Other Electronic Industries					
No.	Indicator	Indicator Type	Annual Disclosure	Unit	Remarks
1	Total energy consumption, percentage of purchased electricity, renewable energy usage rate	Quantitative	3.1.4 Energy Management	Gigajoules (GJ), percentage (%)	41
2	Total water withdrawal, total water consumption	Quantitative	3.3.1 Water Resource Management and Recycling	Thousand cubic meters (m ³)	43
3	Total hazardous waste generated and percentage recycled	Quantitative	3.4 Waste Management	Metric tons (t) Percentage (%)	44
4	Types of, number of employees in and rate of occupational accidents	Quantitative	4.6 Occupational Safety	Percentage (%), quantity	63
5	Product Lifecycle Management Disclosure: including weights of scraps and electronic waste and percentage recycled (Note 1)	Quantitative	(No relevant statistics available)	Metric tons (t) Percentage (%)	
6	Description of the management of risks associated with the use of critical materials	Qualitative description	2.7 Sustainable Supply Chain Management	N/A	29
7	Total amount of monetary losses as a result of legal proceedings associated with anti-competitive behavior regulations	Quantitative	None	Reporting currency	
8	Production by product category	Quantitative	2.1 Company Overview	Varies by product category	13

Note 1: Descriptions including the sale of scraps and the recycling and processing of waste shall be provided.

● Attachment 4. Climate-related Risks and Opportunities and the Company’s Response Measures

Taiwan Stock Exchange Corporation Rules Governing the Preparation and Filing of Sustainability Reports by TWSE Listed Companies (May 5, 2025)	
Table 2. Climate-related Risks and Opportunities and the Company’s Response Measures	
Item	Implementation status
1 Describe the supervision and governance of climate-related risks and opportunities by the Board of Directors and management.	Please refer to the 2024 annual report page 20
2 Describe how the identified climate risks and opportunities affect the Company’s business, strategy, and finances (short-, medium-, and long-term).	Please refer to the 2024 annual report pages 20-21
3 Describe the financial impacts of extreme climate events and transition actions.	Please refer to the 2024 annual report page 21
4 Describe how climate risk identification, assessment, and management processes are integrated into the overall risk management system.	Please refer to the 2024 annual report page 21
5 If scenario analysis is used to assess resilience to climate change risks, describe the scenarios, parameters, assumptions, analysis factors, and major financial impacts used.	Scenario analysis is not used
6 If there is a transition plan in place to manage climate-related risks, describe the content of the plan, and the metrics and targets used to identify and manage physical and transition risks.	Please refer to the 2024 annual report pages 21-22
7 If internal carbon pricing is used as a planning tool, the basis for setting the price shall be described.	No internal carbon pricing is used
8 If climate-related targets are set, the activities covered, the scope of GHG emissions, the planned schedule, and the progress of each year shall be described; if carbon offsets or renewable energy certificates (RECs) are used to achieve the related targets, the source and quantity of the carbon reduction credits offset or the quantity of the RECs used shall be described.	Please refer to the 2024 annual report page 22
9 GHG inventory and assurance status, and reduction targets, strategies, and specific action plans	Please refer to the 2024 annual report pages 22-24



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