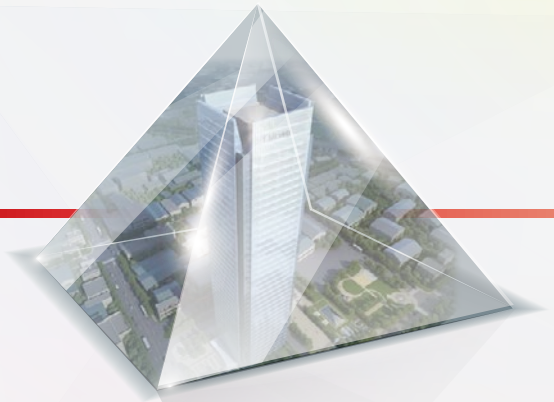
Chicony

2024 Sustainability Report



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About the Report

Chicony Electronics Corporation publishes an annual sustainability report every June, which discloses the Company's sustainable management philosophy and objectives to stakeholders, along with its achievements in the areas of Environment, Social, and Governance (ESG). This report, published in June 2025, presents Chicony's sustainability performance from January 1 to December 31, 2024.

Scope of Disclosure

Covers 99% of Chicony Electronics' consolidated operating revenue.

● Scope and Boundaries of the Chicony Electronics Corporation Sustainability Report for 2024

Performance Disclosure		Unit Name		Abbreviation
Financial Performance	Sustainability Performance			
-		Chicony Electronics Corporation and its various locations; Chicony Power Technology Co., Ltd. and its various locations; and XAVI Technologies Corporation and its various locations		Chicony Group
✓	✓	Chicony Electronics Corporation and its various locations		Chicony, Chicony Electronics, CEC, the Company
		Taipei Headquarters		HQ
		Chicony Electronics (Dongguan) Co., Ltd. (Area: 569,367 ft²)	Primary Manufacturing Site	CEM2
		Maorui Electronics (Dongguan) Co., Ltd. (Area: 731,773 ft²)	Primary Manufacturing Site	MR
		Chicony Electronics (Suzhou) Co., Ltd. (Area: 1,517,107 ft²)	Primary Manufacturing Site	CEM3
		Chicony Electronics (Chongqing) Co., Ltd. (Area: 419,515 ft²)	Primary Manufacturing Site	CEM5
		Chicony Electronics (Thailand) Co., Ltd. (Area: 1,062,570 ft²)	Primary Manufacturing Site	CET
		Chicony Electronics CEZ s.r.o. (Area: 31,463 ft²)		Other Locations
	✓ (Note)	Yangmei Warehouse, Taichung Office, and Kaohsiung Office		Other Locations
		Chicony Power Technology Co., Ltd. and its various locations		Chicony Power, CP
		XAVI Technologies Corporation and its various locations		XAVI

Note: For the complete sustainability performance of the subsidiaries, Chicony Power Technology Co., Ltd. and XAVI Technologies Corporation, please refer to their sustainability reports. Some sustainability performance metrics are disclosed in this report.

Principles of Disclosure

1. Sustainability Performan

- The 2021 edition of the Global Reporting Initiative (GRI) Sustainability Reporting Standards was adopted in accordance with the relevant option. The report has undergone third-party verification in accordance with Type 1 moderate assurance under the AA1000 AS v3 Assurance Standard. (Refer to Section 5.6 “Assurance Statement .”)
- Sustainability Accounting Standards Board (SASB) - Hardware
- Sustainable Development Best Practice Principles for TWSE/TPEx Listed Companies, ISO 26000 Guidance on Social Responsibility
- Task Force on Climate-related Financial Disclosures (TCFD) framework
- Task Force on Nature-related Financial Disclosure (TNFD) framework

2. Financial Performance

According to the public information certified by PricewaterhouseCoopers Taiwan, unless otherwise specified, all monetary units are expressed in New Taiwan Dollars (NTD).

Currency/Year	2021	2022	2023	2024
RMB	4.3315	4.4228	4.3939	4.4566
THB	0.8735	0.8507	0.8954	0.9117
USD	27.9394	29.8512	31.1765	32.1265

Explanation of Data Discrepancies

Chapter 1	Corrections to 2023 Chicony Sustainability Report: Financial Data
Chapter 3	Corrections to 2023 Chicony Sustainability Report: GHG Emissions, Waste, Energy
Chapter 4	Corrections to 2023 Chicony Sustainability Report: Parental Leave

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Corporate Official Website:

https://www.chicony.com/chicony/tw/

Corporate Sustainability Website:

https://www.chicony.com/chicony/tw/csr

Message from the President

The year 2024 was marked by global turbulence, with geopolitical developments having far-reaching impacts. Major countries such as the USA, the UK, Japan, and Korea experienced shifts in political leadership and policy direction. Notably, the election of Donald Trump as President of the United States has resulted in actions such as trade wars and withdrawal from significant international organizations. Whether it involves the decision to exit the Paris Agreement once again or the repeal of a series of policies promoting diversity and equity, these developments have rendered the advancement of ESG issues increasingly challenging.

Despite these global headwinds, Chicony remained steadfast in driving ESG initiatives throughout 2024. After years of continuous effort, we recognized the need for a dedicated department to lead and coordinate sustainability strategies. In May, we established the ESG Sustainability Office, appointing senior executives to serve as Chief Sustainability Officer (CSO) and Vice Chief Sustainability Officer, underscoring our strong commitment to sustainability.

Our initiatives in 2024 centered on a Twin Transformation strategy:

Sustainability Transformation: As 2024 became the hottest year on record, we carried forward our climate goals set in 2023, achieving “Chicony 2050 Net-Zero” and “2030 RE100,” and launched multiple supporting projects.

First, we strengthened internal awareness of the Company’s net-zero commitment by partnering with the Industrial Technology Research Institute (ITRI) to launch a “Corporate Sustainability and Net Zero Program.” This 47-hour course laid the foundation for embedding net-zero thinking within the organization, planting seeds we hope will bear fruit in the future. At the same time, we also completed our first comprehensive greenhouse gas (GHG) inventory and third-party verification covering 100% of our consolidated revenue-generating sites. We reset our baseline year, formally extending our net-zero target across the entire organization. Furthermore, we achieved a strong result in renewable electricity usage, reaching a 44% renewable energy share (RE44) across our global production and operational sites. These outstanding achievements enabled us to receive an “A-” rating and “Leadership Level” for the second time in the global CDP Climate Change questionnaire, reflecting our commitment to addressing key climate issues.

In 2024, we also launched a project aligned with IFRS Sustainability Disclosure Standards S1 and S2 (IFRS S1/S2). We completed the TCFD Quantification Project and advanced the TNFD initiative to the Assess phase. In 2025, we plan to publish our second TCFD Report and our first TNFD Report. This demonstrates our commitment to integrating financial data with sustainability issues in response to the expectations of both government authorities and investors.

To disseminate sustainability awareness throughout the entire value chain, we have integrated supply chain documentation from various manufacturing sites and conducted multiple supplier conferences. These initiatives aim to identify key suppliers and assess their sustainability risks. This approach not only encourages suppliers to collaboratively discuss a sustainable future but also mitigates the sustainability risks we may encounter from our suppliers.

Digital Transformation: Beginning in 2023, we have been gradually developing the ISO 14064 Carbon Emission Management System and the ISO 14067 Product Carbon Footprint System. By 2024, both systems were fully implemented and operational. The former has already been used for this year’s GHG verification, while the latter is being progressively integrated with internal company systems, with the goal of achieving automation. Looking ahead, we plan to continue introducing various sustainability-related systems to reduce manual workload and improve efficiency.

We continue to operate with a spirit of integrity, engaging with internal stakeholders to create a high-quality workplace environment and offering salaries that exceed the industry average. In relation to external stakeholders, we project a consolidated revenue of NT$101.478 billion for 2024, with both net profit after tax and earnings per share reaching historic records of NT$9.045 billion and NT$12.43, respectively. Our overall sustainability performance gradually gained recognition and affirmation from various external evaluations, including inclusion in the Taiwan Stock Exchange's Taiwan Mid-Cap 100 Index, the Taiwan Sustainability Index, the Corporate Governance 100 Index, the FTSE4Good Emerging Markets Index, selection in Business Weekly's Top 100 Carbon Competitiveness List, and a ranking of 29th in CommonWealth Magazine's Excellence in Corporate Social Responsibility Award. In 2025, we will maintain a proactive commitment to long-term sustainability by collaborating with both internal and external stakeholders to shine together and shape a better future.



President

Roger Lu

Chicony Sustainable Strategy Blueprint

Become a global sustainability leader in the electronics manufacturing industry.

Transparent Governance: Brightening the Future

Refining our corporate governance framework to ensure decision-making transparency and foster proactive stakeholder engagement, we actively participate in sustainability initiatives, openly report our ESG performance, and build a reputation as a responsible and sustainable enterprise.

Smart and Green Manufacturing: Forging a Low-Carbon Future

Integrating AI and IoT technologies enables us to optimize production, achieve precise energy efficiency through data insights, and drive carbon reduction projects. Our commitment, guided by a lifecycle perspective, is to innovate and manufacture greener, energy-efficient products that lessen our environmental burden.

Value Chian Integration: Creating a Shared Future

Integrating value co-creation and circular economy development into our strategy through cross-departmental collaboration and close engagement with our supply chain, customers, and society, we are committed to enhancing overall sustainability capabilities, jointly creating long-term benefits, and realizing our sustainable development vision.

Sustainability Mission

Create a win-win-win situation for the company, employees, and society through smart and green manufacturing, value chain integration, Sustainable talent development, and transparent governance.

Sustainable Talent Development: Shaping the Future

Valuing human rights, we strive to improve employee workplace happiness, create a healthy and balanced work environment, and develop key talent to address future challenges and drive the Company's sustainability objectives.

2024 Key Sustainability Performance

Transparent Governance: Brightening the Future

1. Establishment of the ESG Sustainability Office.
2. Appointed Chief Sustainability Officer and Vice Chief Sustainability Officer.
3. Recorded zero legal cases related to integrity and ethical conduct.
4. Developed a climate and nature governance framework.

Smart and Green Manufacturing: Forging a Low-Carbon Future

1. Scope 1 and 2 GHG emissions have decreased by 51% compared to 2020 and by 26% compared to 2023.
2. The renewable electricity share reached 44% (RE44).
3. Completed GHG inventory and third-party verification covering 100% of entities within the consolidated financial reporting scope.
4. Obtained ISO 14067 verification certificates for three products.
5. Over 70% of products use eco-friendly packaging materials.

Sustainable talent development: Shaping the Future

1. Achieved a 100% return-to-work rate following parental leave.
2. Increased the scale of childbirth incentive subsidies.
3. Increased average employee training hours by 14% and training expenses by 22%.
4. Promoted a 53-hour Net Zero course, resulting in 43 group members obtaining the Ministry of Economic Affairs' "Net-Zero Carbon Emission Planning Administrator" certification.

Value Chian Integration: Creating a Shared Future

1. Integrate sustainable supply chain mechanisms throughout the organization and establish a methodology for assessing sustainability risks associated with suppliers.
2. Held 22 supplier conferences with a total of 1,345 participants.
3. Completed 367 document-based audits and 391 on-site audits.
4. The proportion of locally sourced suppliers exceeded 60%.

Sustainability Recognition

2024 CommonWealth Magazine Excellence in Corporate Scoial Responsibility- No.29 in Group of Large Scale-Manufacturing Company

2024 Taiwan Corporate Sustainability Award, TCSA Sustainability Report – Electronics & ICT Manufacturing – Bronze Award
Overall Performance – Excellence Award

2024 Business Weekly Carbon Competitiveness Top100

2024 1111 Employee-friendly company Golden Award

2024 CDP Leadership Level in Climate Category

Financial Times - Asia-Pacific Climate Leaders 2024

FTSE4Good TIP Taiwan ESG Index

Constituent of FTSE4Good/ TIP Taiwan ESG Index

FTSE4Good

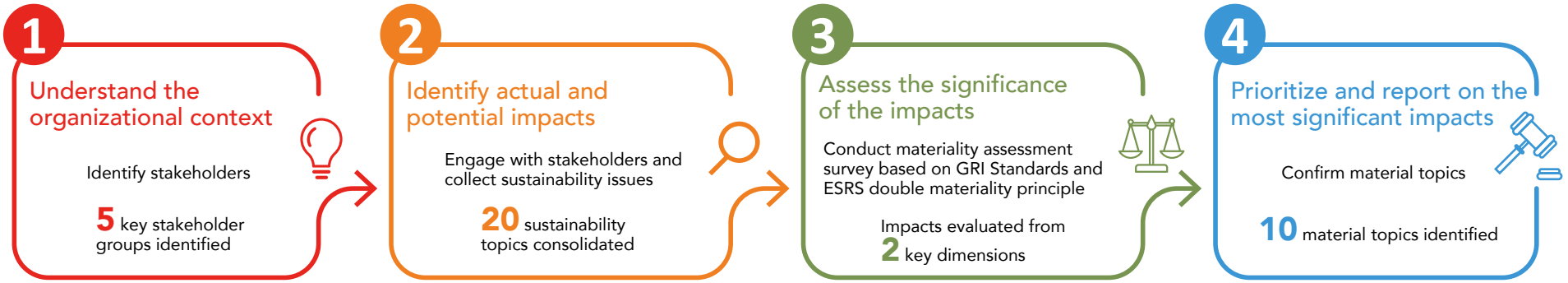
Constituent of FTSE4Good Emerging Market Index FTSE Emerging Market ESG Index

Stakeholders and Material Topics

Stakeholder expectations of the Company significantly influence the organization's ability to achieve sustainability goals. Therefore, effective communication with stakeholders, obtaining their feedback, and promptly adjusting sustainability practices to meet stakeholder expectations are our key priorities.

In 2024, Chicony launched a project to align with IFRS Sustainability Disclosure Standard S1, “General Requirements for Disclosure of Sustainability-related Financial Information” (IFRS S1). For the first time, we identified stakeholders and material topics based on the consolidated financial reporting scope (covering Chicony, Chicony Power, and XAVI), and used this as the basis for our disclosures.

2024 Material Topic Identification Process



Stakeholder Identification (Steps 1 & 2)

In accordance with the AA1000 Stakeholder Engagement Standard (AA1000SES), which encompasses five key principles—Responsibility, Influence, Tension, Diverse Perspectives, and Dependency—we distributed identification questionnaires to colleagues across various units of the Chicony Group in 2024. A total of 96 questionnaires were issued, comprising 32 from Chicony, 33 from Chicony Power, and 31 from XAVI. From 11 categories of stakeholders, we identified five primary stakeholders: Customers, Employees/Unions (referred to as “Employees” in 2023), Regulatory Authorities, Shareholders/Investors, and Suppliers/Distributors/Retailers (referred to as “Supply Chain” in 2023). The five primary stakeholders remain consistent with the scope covered in 2023, with only improved clarification of their titles and coverage.

We conduct a stakeholder concern survey every two years. Following the 2023 survey, we compiled that year's results. In 2024, we reaffirmed and consolidated stakeholder concerns and expectations regarding various sustainability topics based on the outcomes of ongoing communication throughout the year. These insights served as a key input for assessing sustainability topics and their related impacts:

Customers

Chicony adheres to a customer-first principle by delivering high-quality products and services, building trust in the brand among distributors and consumers.

Issues of Concern

- Climate and Natural Strategy
- Energy and Carbon Emission Management
- Green Innovative Products
- Human Rights and Labor Relations
- Occupational Safety and Health
- Sustainable Supply Chain
- Information and Privacy Security
- Customer Relationship Management

Regular

Supplier annual/quarterly evaluations, RBA audits, Sustainability Report

Ad hoc

Customer audits, various business meetings, technical seminars, customer satisfaction surveys

- Recognized with Lenovo's "Quality Benchmark Award"
- Named a "Perfect Quality Supplier " by Lenovo "
- Recognized as an "Outstanding Supplier" by Huaqin Technology

Employees/ Unions

Employees and unions are Chicony's most important stakeholders. We prioritize employee well-being, foster a friendly work environment, build team cohesion, and protect employee rights.

Issues of Concern

- Human Rights and Labor Relations
- Occupational Safety and Health
- Talent Cultivation and Development
- Diverse and Inclusive Workplace

Regular

Annual employee forums, quarterly labor-management meetings, monthly/weekly meetings and labor representative congresses at each site

Ad hoc

Bulletin boards, suggestion boxes, grievance channels, training sessions, and policy briefings

- Achieved a 100% return-to-work rate following parental leave.
- Increased the scale of childbirth incentive subsidies.
- Increased average employee training hours by 14% and training expenses by 22%.

Regulatory Authorities

Chicony complies with laws and regulations, aligns with government policies, and responds to regulatory authorities' high expectations to jointly drive industrial advancement.

Issues of Concern

- Climate and Natural Strategy
- Energy and Carbon Emission Management
- Air Polution Management
- Water Resource Management
- Waste Management
- Information and Privacy Security
- Human Rights and Labor Relations
- Occupational Safety and Health
- Government Policies and Social Engagement
- Sustainable Governance

Ad hoc

Official correspondence, policy briefing sessions, on-site inspections

- No legal cases related to unethical conduct (e.g., bribery, corruption, collusion) occurred in 2024.
- Participated in three public investor conferences.
- Held one shareholders' meeting and 16 investor conferences.

Shareholders/ Investors

Chicony actively fosters sustained growth in profitability and return on investment while demonstrating excellence in sustainable governance, thereby enhancing long-term benefits for shareholders and investors.

Issues of Concern

- Climate and Natural Strategy
- Energy and Carbon Emission Management
- Green Innovative Products
- Operational Performance
- Sustainable Governance
- Risk Management

Regular

Shareholders' meeting (annually), quarterly board meetings (4 times/year), annual report (annually), sustainability report (shared during investor conferences), quarterly financial reports

Ad hoc

Market Observation Post System (MOPS), company official website

- Included in the TWSE Taiwan Mid-Cap 100 Index, Taiwan Sustainability Index, and Corporate Governance 100 Index in 2024.
- 2024 consolidated revenue reached NT$101.478 billion; net income after tax was NT$9.045 billion; EPS was NT$12.43.
- Selected for Business Weekly's "Top 100 Carbon Competitiveness Companies."
- Ranked 29th in CommonWealth Magazine's "Top Corporate Citizens – Large Enterprise Category"

Suppliers/ Distributors/ Retailers

Building a mutually beneficial value chain is the foundation for our continuous innovation in products and services, achieving sustainable development, and creating a win-win situation.

Issues of Concern

- Climate and Natural Strategy
- Energy and Carbon Emission Management
- Green Innovative Product
- Occupational Safety and Health
- Sustainable Supply Chain
- Ethical Management and Compliance

Regular

Annual supplier conference, annual supplier audits

Ad hoc

Supplier grievance channels, supplier guidance, technical seminars

- Held 22 in-person and online supplier conferences, with 1,345 participants.
- Completed 367 document-based audits and 391 on-site audits.
- The proportion of local suppliers exceeded 60%.

Material Topic Identification (Step 2, 3, and 4)

We adhere to the GRI 2021 Sustainability Reporting Standards and reference the European Sustainability Reporting Standards (ESRS) published under the European Union's Corporate Sustainability Reporting Directive (CSRD), applying the principle of Double Materiality. Through a three-step process of "identification, assessment, and confirmation," we identify material topics, thereby determining the scope of disclosures in our sustainability report. This process also enables us to respond to and review the sustainability performance of Chicony. In accordance with the recommendations of IFRS S1, we will reassess our significant topics in the event of major changes or developments, including significant changes in the value chain, operational activities, or corporate structure, as well as substantial changes in exposure to sustainability-related risks and opportunities. If no such changes occur, we will evaluate annually whether any special adjustments are necessary.

1. Identification

Based on the “Chicony Sustainable Strategy Blueprint,” as well as internal management goals, stakeholder communication, external sustainability regulations and standards (detailed below), legal requirements, value chain considerations, and industry characteristics, a total of 20 sustainability topics have been identified.

(1) International sustainability standards: GRI, SASB, TCFD, TNFD, IFRS

(2) International initiatives: SDGs, RBA, RE100

(3) International rankings: CDP, S&P Global, MSCI, Sustainalytics, FTSE4Good



2. Assessment

(1) Impact on Chicony's Operations

Positive impacts were assessed based on "increased revenue and enhanced brand reputation," while negative impacts were assessed based on "increased costs and diminished brand reputation." A total of 13 questionnaires were distributed to key ESG members within the Group.

(2) Impact on Sustainable Development

A comprehensive list of potential positive and negative impacts of sustainability issues on the economy, environment, and human rights was compiled. A total of 363 questionnaires were distributed among five major stakeholders, including 174 questionnaires to Chicony, 100 questionnaires to Chicony Power, and 74 questionnaires to XAVI.



3. Confirmation

To concentrate resources and more precisely address sustainability risks, we have identified ten material sustainability issues this year through analysis, representing a reduction of two material topics compared to last year. These issues were approved by the Corporate Sustainable Development Committee in May 2025 and confirmed in a report to the Board of Directors (BOD) as material topics for Chicony. This will serve as the foundation for the sustainability report and will also inform the IFRS analysis of financial impacts. Furthermore, based on the significance and strategy of these major topics, we will articulate our management policies and objectives, using this framework for long-term tracking.

Environment: "Energy and Carbon Emission Management" increased in materiality compared to the previous year, reflecting rising expectations from stakeholders; "Climate and Nature Strategy" saw a slight decrease in materiality due to the integration of last year's non-material topic Biodiversity; "Green and Innovative Products" rose in importance as it remains a key concern for customers.

Social: "Career Development" was renamed to "Talent Cultivation and Development;" "Diversity and Inclusion" was renamed to "Diverse and Inclusive Workplace;" "Social Engagement" was renamed to "Government Policies and Social Engagement." "Occupational Safety and Health" and "Talent Cultivation and Development" were not designated as material topics this year.

Governance: The concepts of "Ethical Corporate Management" and "Regulatory Compliance" have been consolidated into "Ethical Management and Compliance." No other material topics have been altered.

20 Sustainability Issues and 10 Material Topics

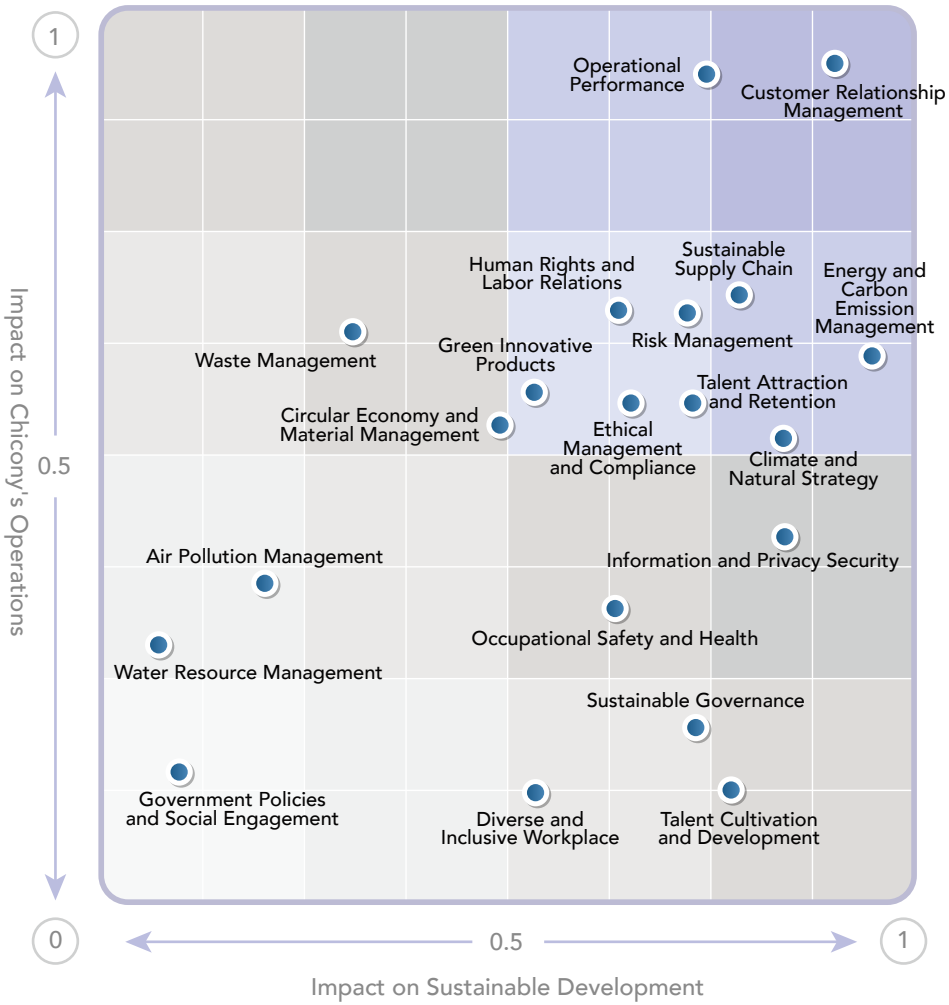
★ Material Topics ● The Others

Environmental (E)
- ★ Energy and Carbon Emission Management
- ★ Climate and Natural Strategy
- ★ Green Innovative Products
- ● Circular Economy and Material Management
- ● Waste Management
- ● Air Pollution Management
- ● Water Resource Management

Social (S)
- ★ Talent Attraction and Retention
- ★ Human Rights and Labor Relations
- ● Occupational Safety and Health
- ● Talent Cultivation and Development
- ● Diverse and Inclusive Workplace
- ● Government Policies and Social Engagement

Governance (G)
- ★ Sustainable Supply Chain
- ★ Risk Management
- ★ Customer Relationship Management
- ★ Ethical Management and Compliance
- ★ Operational Performance
- ● Information and Privacy Security

Material Topic Matrix



Contact and Whistleblowing Channels

The Company offers channels for reporting a range of issues. Any illegal activities or actions that contravene the principles of ethical corporate management may be reported either anonymously or with identification. All related reports will be treated with strict confidentiality to prevent any unfair treatment, retaliation, or threats against the whistleblower. If a report is confirmed to be valid and meets the criteria for reward distribution, appropriate compensation will be provided.

Grievance Channels and Handling for Various Issues

	Legal Compliance & Anti-Corruption	Labor & Human Rights	Customers & Products	Environment
Grievance Channels	1. CEO Mailbox 2. Prevention Management Procedures for Illegal Infringement of Duties 3. Annual Employee Forums	1. CEO Mailbox 2. Prevention Management Procedures for Illegal Infringement of Duties 3. Measures for the Prevention of Sexual Harassment in the Workplace, Grievance Procedures, and Disciplinary Management Regulations 4. Annual Employee Forums	1. CEO Mailbox 2. Annual Employee Forums	1. CEO Mailbox 2. Annual Employee Forums
Handling Procedure	Upon receiving a report, the accepting unit will forward it to the appropriate department based on the content of the grievance. For instance, corruption cases will be referred to the Audit Office, sexual harassment cases will be directed to the Human Resources Department, product issues will be handled by the Sales Department, and environmental pollution cases will be sent to the Plant Administrative Management Department.	Personnel responsible for handling cases are obligated to maintain confidentiality. Complainants and relevant personnel have a duty to provide truthful responses and relevant information. The acceptance of reports, the investigation process, and the investigation results must be preserved in written or electronic documents.	In the event of a violation of internal company regulations, disciplinary actions will be determined based on the nature of the violation. If the matter involves illegal activities, the Legal Affairs Division will provide professional legal advice for subsequent handling.	For confirmed cases, the relevant unit must review and propose corrective measures.
2024 CEO Mailbox–Summary of Cases	• A total of 5 employee corruption-related grievance cases and 5 non-employee corruption-related grievance cases were received. Among these, one employee corruption-related grievance case was substantiated with evidence, and the investigation will be completed by 2025. After investigation, it was found that the employee had installed equipment without approval and misappropriated company energy for personal gain. In accordance with company regulations, the employment contract has been terminated. We will continue to strengthen internal control mechanisms to reduce the likelihood of such incidents occurring in the future. This incident has not escalated to the level of legal litigation. • A total of 3 non-corruption grievances involving employees and 1 non-employee, non-corruption-related complaint were received. All were found to be non-actionable cases after investigation. For the employee-related cases, the responsible departments were instructed to make improvements. • All findings were reported regularly to the President and the BOD in accordance with company policy.			

Note: The CEO Mailbox is applicable to all vendors engaged in transactions with the Company, including their directors, supervisors, shareholders, managers, employees, individuals with substantial control, and other stakeholders.

Chicony Driving Net-Zero: Building Carbon Reduction Leadership in the ESG Era

To accelerate ESG implementation, advance carbon reduction efforts, and expand sustainable business opportunities, global electronic component leader Chicony Electronics launched a Net-Zero Talent Development Program in 2024. This initiative integrates professional talent training with digital carbon management, laying a solid foundation for the company's path toward its 2050 net-zero target.

Cultivating Professional Talent to Forge Net-Zero Competitiveness

Climate change is not solely an issue for factory operations or sustainability personnel. Through interactions with various stakeholders, Chicony understands that cultivating professionals with knowledge of net-zero practices across all companies is key to achieving net-zero goals. In 2024, Chicony officially launched the "Chicony Net-Zero Talent Development Program" in collaboration with the Industrial Technology Research Institute (ITRI) College. The program featured an 18-week structured curriculum totaling 53 hours, with over a dozen experts from the Net-zero field invited to teach. It successfully trained 61 internal net-zero ambassadors, accumulating a total of 3,351 training hours.

The curriculum covered four core topics: net-zero diagnostics, carbon reduction practices, sustainable management, and carbon neutrality implementation, aiming to enhance employees' carbon inventory skills and technical capabilities in emissions reduction. Participants who completed the training received the ITRI Sustainable Development Practitioner Certificate. Employees were also encouraged to take the Ministry of Economic Affairs' "Net-zero Carbon Emission Planning Administrator" certification exam, with 43 employees successfully earning the qualification in 2024.

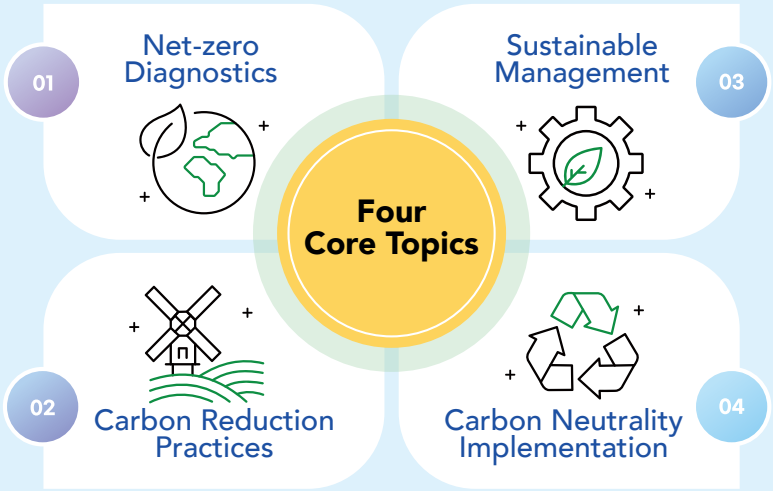
18 week
Curriculum

Totaling
53 hours

Total training
3,351 hours

61 Internal
net-zero ambassadors

43 Employees
successfully earning the qualification



Digital Transformation: Enhancing Carbon Management Efficiency

To further improve carbon management efficiency, Chicony began in 2024 to display a specialized dashboard on office TV walls, showing real-time carbon reduction data from its production sites in the Czech Republic, various locations in China, and Thailand. This initiative demonstrates Chicony's strong commitment to its net-zero goals.

As early as 2018, Chicony had completed GHG inventories at its major production sites, with verification by certified third-party agencies. However, due to differences in verification methods, emission factors, and scope definitions across regions, consolidating the data became complex and posed a management challenge.

To address this, Chicony launched a three-year digital carbon management system project in 2023. Through cross-departmental and international collaboration, the Company has been gradually building its internal system. Now, employees only need to input raw data such as water, electricity, and fuel usage. The system then automatically applies the appropriate methodologies and emission factors for each region, rapidly completing the inventory. With visualized data analysis, emission hotspots can be identified, supporting management in formulating carbon reduction strategies.

Chicony aims to further advance the automation of GHG inventory processes. By integrating data through API connections, information from systems such as supplier management and employee attendance can be automatically imported and calculated, significantly improving data timeliness. Previously, compiling an emissions inventory would take two weeks—now, it can be completed in just one week. This allows employees to focus their time on more value-added carbon reduction initiatives.

> "Net-zero is an inevitable trend. The Chicony Group aims to become a sustainable enterprise, fulfilling its sustainability responsibilities while also uncovering limitless business opportunities. That's why we are cultivating internal talent to strengthen the Group's core competitiveness in sustainability," said Chicony Electronics Group Chief Human Resources Officer, Michael Hsiao.

Chicony Partners with ITRI College to Cultivate ESG Talent Across the Group (Chinese Version)

Expanding Impact: Co-Creating Net-Zero Value with the Supply Chain

Chicony's net-zero efforts extend beyond internal operations. The Company plans to expand its carbon management system to include specific suppliers, incorporating carbon performance management into the supply chain to drive collaborative emissions reduction across upstream and downstream partners.

Through the dual approach of talent development and digital transformation, Chicony has firmly embarked on the path toward net zero. The Company hopes this initiative not only cultivates internal carbon-reduction experts but also creates a far-reaching impact on global ESG development—planting the seeds of sustainability for the future.











1 TRANSPARENT GOVERNANCE

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Target and Progress

Ethical Management and Compliance Risk Management

Action Plan

- Identify sustainable risks, establish responsible units, and regularly monitor execution results.
- Conduct ethical corporate management training, facilitate smooth whistleblower channels, and establish anti-corruption.
- Continue to promote information security initiatives and enhance information security protection measures.
- Establish management procedures that comply with international information security standards to verify various information security projects and their outcomes.

Key Metrics	Information Security Incidents	Social Engineering Drills	ISO27001	Corporate Governance Evaluation
2024 Target	0	< 10 %	Maintain the HQ certificate	Top 20 %
2024 Implement Status	1	Achievement 7 %	Achievement Maintain the HQ certificate	Achievement Top 20 %
Mid-/ Long-Term Goal	0	< 5 %	All new production sites have obtained ISO 27001	Top 5 % Become a model for sustainable performance in the industry
2025 Target	0	< 7 %	Maintain the HQ certificate	Top 20 %

Policy/ Commitment

- Continuously improve the corporate governance system
- Establish a comprehensive three-line defense for risk governance
- Uphold integrity as the highest standard of business ethics
- Strengthen the Company's information security to protect the confidentiality of information related to customers, employees, and suppliers

Responsible Units

- Auditing Office
- President's Office
- Computer Center
- Administration Department
- ESG Sustainability Office

Operational Performance

Action Plan

- Continue to expand production capacity and invest in high-value-added products.
- Hold investor conferences and shareholder meetings on a regular basis.

Key Metrics	Product Status
2024 Target	Maintain leadership in key products
2024 Implement Status	Achievement Maintain leadership in key products
Mid-/ Long-Term Goal	Maintain leadership in key products
2025 Target	Maintain leadership in key products

Policy/ Commitment

- Continue to expand production capacity and invest in high-value-added products.
- Actively communicate operational performance with external stakeholders.

Responsible Units

- Sales Department
- Investor Relations Division
- Financial and Administrative Department

1.1 Business Overview

Chicony was founded in February 1983, and was listed on the Taiwan Stock Exchange in 1999 (stock code: 2385). With over 40 years of experience, the Company has established a presence across Asia (Taiwan, Mainland China, Thailand, Japan), Europe (Czech Republic), and the Americas (United States). Its subsidiaries, Chicony Power and XAVI, are also publicly listed companies in Taiwan. We adhere to the business principle of “No Quality, No Sales,” providing our customers with the highest quality service while continuously generating revenue growth to meet the expectations of our stakeholders.

We base our business development on computer peripheral products and consumer video imaging products. Our four major product lines include input devices, portable keyboard modules, video imaging products, and camera lens modules. Among these, keyboards, webcams, and laptop camera modules have emerged as leading products in global manufacturing. We sell our finished products to downstream assembly plants or brand manufacturers that are leaders in the technology industry.

Operational Sites





HQ
Chicony Electronics Corporation

Subsidiary
CAI, CEJ

Site
Yangmei Warehouse, Taichung Office, and Kaohsiung Office

Factory


Chicony Electronics (Dongguan) Co., Ltd.


Chicony Electronics (Suzhou) Co., Ltd.


Maorui Electronics (Dongguan) Co., Ltd.


Chicony Electronics (Chongqing) Co., Ltd.


Chicony Electronics (Thailand) Co., Ltd.


Chicony Electronics CEZ s.r.o.

Management Philosophy



- Continuously providing customer satisfaction
- Continuously driving the development of the Company
- Continuously seeking the welfare of employees
- Continuously shaping the happiness of humanity

Corporate Culture



- Client First
- Respect for individuals
- Pursuit of excellence
- Benefiting the community

Management Approach



- Client -oriented
- Humanistic management
- Goal management
- Quality innovation

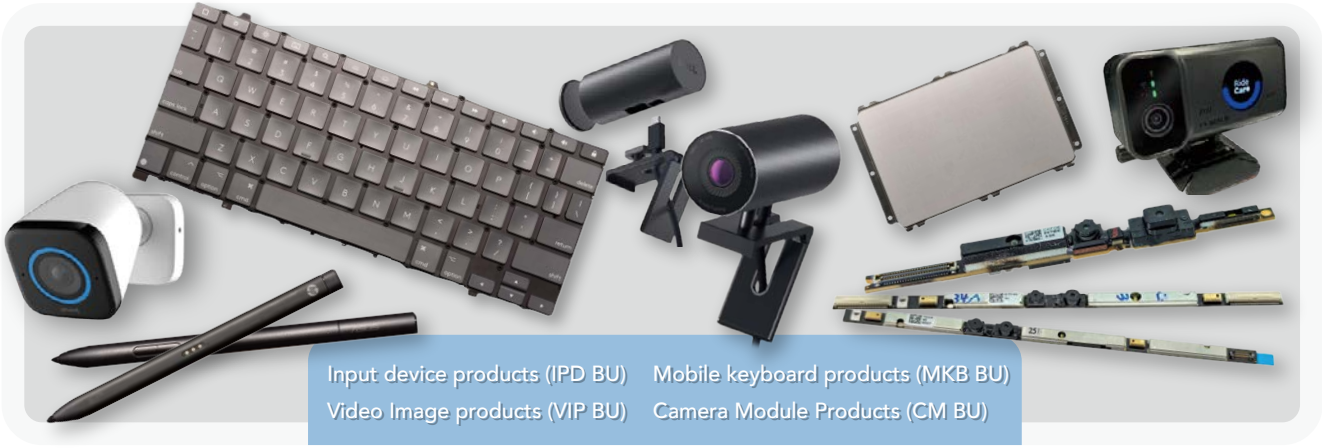
Operational Overview

Chicony has long operated three major divisions: keyboards, imaging, and power supplies, boasting a diversified product portfolio. With Microsoft ceasing support for the Windows 10 operating system and the gradual introduction of AI PCs, the penetration rate of LED backlit keyboards has increased. Laptops equipped with keyboards featuring Copilot keys have achieved a market share of 20%. Furthermore, the integration of additional sensors in video conferencing functions and camera modules for HPD applications, along with the increase in wattage of power supplies, positively contributes to the Company's product pricing and profitability.

In response to the rapid changes in the industry and external challenges in 2024, the Company is integrating group resources to focus on research, development, and sales of its established products, including keyboards, power supplies, and digital imaging. At the same time, non-PC product areas such as gaming, servers, smart homes, and satellite communications continue to develop steadily. The Company is investing resources in potential markets and high-value applications, which is expected to bring stable growth in revenue and profitability.

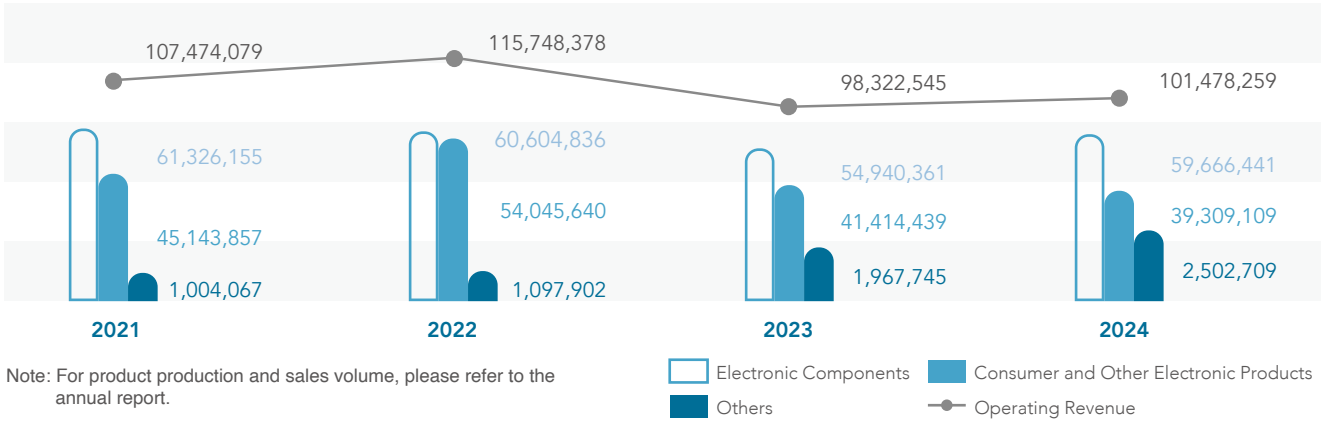
It is projected that by 2025, Chicony's sales in computer peripherals, digital imaging, consumer electronics, and other electronic products will total approximately 181.8 million units, while its subsidiaries, Chicony Power and XAVI, are expected to sell around 132.3 million units and 3.5 million units in computer peripherals, gaming products, networking, and other electronics, respectively.

Main Products



Main Product Revenue

Unit: NT$1,000



Note: For product production and sales volume, please refer to the annual report.

Economic Value Distribution

Unit: NT$1,000

	2021	2022	2023	2024
Direct Economic Value (Operating Revenue)	107,474,079	115,748,378	98,322,545	101,478,259
Distributed Economic Value (Sum of 1-5)	99,577,875	108,985,013	94,558,374	96,413,010
• Payments to Capital Providers (Interest Expenses and Cash Dividends)	4,746,135	5,536,684	6,779,534	6,962,712
• Operating Costs	88,571,844	95,172,451	79,294,233	81,008,683
• Employee Salaries and Benefits	5,215,211	5,701,773	5,544,408	5,924,956
• Payments to Governments	1,029,554	2,564,839	2,932,310	2,504,657
(1) Taiwan	871,819	1,298,220	1,417,737	1,328,094
(2) Mainland China (RMB1,000)	170,214	261,788	322,195	242,444
(3) Thailand (THB1,000)	7,631	2,399	2,682	37,924
(4) Other Regions	76,507	106,742	96,479	61,512
• Community Investment	15,131	9,266	7,889	12,002
Retained Economic Value (Retained Earnings)	7,896,204	6,763,365	3,764,171	5,065,249

Note:
1. Consolidated Financial Statement Data
2. In accordance with GRI standards, payments to the government include various types of taxes and fines but exclude deferred taxes.
3. Other regions include Hong Kong, the Czech Republic, Japan, and the USA.

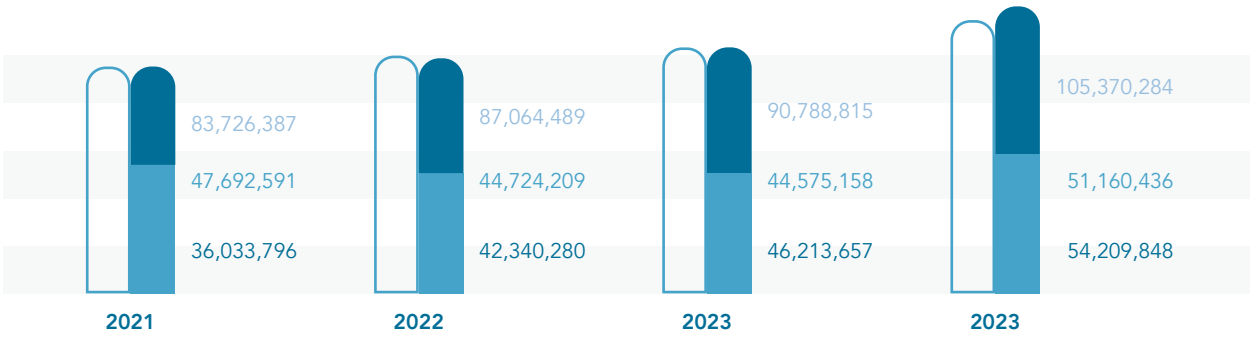
Operational and Financial Performance

A sound financial structure is key to the sustainable operation of the Company and serves as a strong support for the ongoing implementation of various sustainability projects. Each department prepares its operating budget and capital expenditure budget annually. Following approval from the highest level of management, the operational status is reported during board meetings and various operational review meetings. This process facilitates real-time monitoring of operational performance and the progress and results of budget execution.

The Company hires an independent certified public accountant (CPA) to regularly audit the Company's financial status and internal controls. Furthermore, in accordance with the Corporate Governance Best Practice Principles, we evaluate the independence and suitability of the appointed CPAs annually by referencing the Audit Quality Indicators (AQIs). Each year, the accounting firm issues a “Communication Letter with Governance Body,” which includes the statement of roles and responsibilities of the lead accountant and the independence declaration of the auditing accountant. Chicony regularly conducts inspections through its shareholder services unit to confirm that the CPA does not hold any shares in the Company and is not concurrently serving in any position within the organization. The independence of the CPA is assessed, and the results of this assessment are reported to the Board of Directors (BOD).

Financial Summary

Unit: NT$1,000

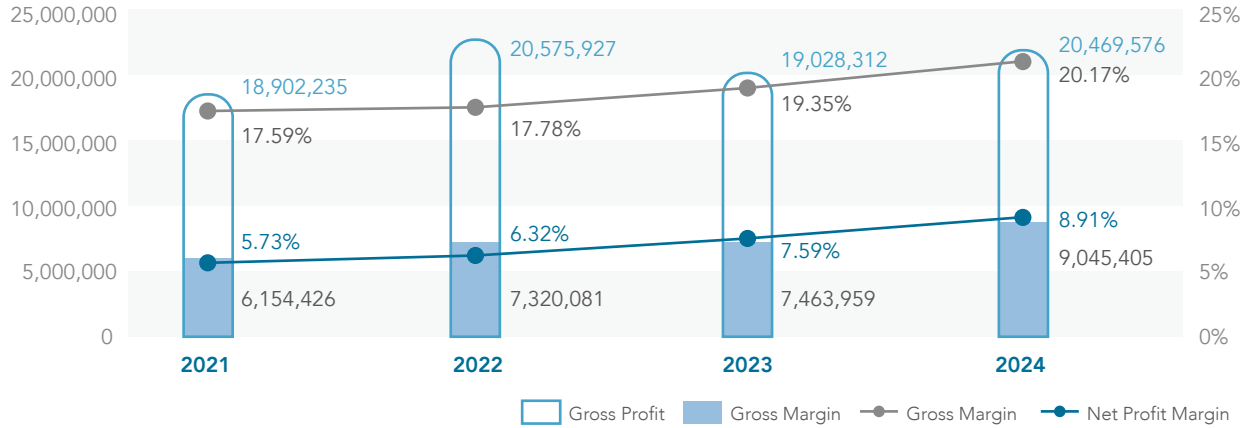


Note: Consolidated Financial Statement Data.

Annual Report | Financial Report

Operational Performance

Unit: NT$1,000



Note: Consolidated financial statement data; net income after tax attributable to the owners of the parent company.

Tax Governance

The tax governance unit of the Company is coordinated and planned by the Finance Management Department of HQ. In response to the trends in tax governance, we adhere to relevant internal promotion regulations, transparently disclose information as required, and implement the principles of corporate tax management. All relevant tax payment situations are verified by an accounting firm and reflected in the financial statements.

1.Tax Policy

The tax governance unit of the Company is coordinated and planned by the Finance Management Department of HQ. In response to the trends in tax governance, we adhere to relevant internal promotion regulations, transparently disclose information as required, and implement the principles of corporate tax management. All relevant tax payment situations are verified by an accounting firm and reflected in the financial statements.

2.Tax Management Principles



1. **Compliance with Laws:**
   Adhere to the tax laws of various countries, including, but not limited to, regulations concerning tax reporting, payment, documentation management, and information disclosure.
2. **Honest Tax Practices:**
   Uphold the principles of honesty and integrity, accurately calculate and timely pay all taxes owed, and refrain from any form of tax evasion or avoidance.
3. **Risk Management:**
   Regularly assess tax-related risks, and proactively identify, evaluate, and respond to potential tax risks.
4. **Professional Services:**
   Engage qualified tax consultants to provide advisory and filing services to ensure accuracy and compliance in the Group's tax matters.
5. **Transparency of Information:**
   Maintain transparency in tax-related information, foster good communication with tax authorities in various countries, and actively cooperate with tax audits.

1.2 Corporate Governance Structure and Operations

The highest governance body of the Company is the Board of Directors (BOD), which oversees three functional committees: the Audit Committee, the Remuneration Committee, and the Corporate Sustainable Development Committee. The BOD is supported by a comprehensive governance structure that enables the Company to effectively manage its business strategies and operational performance, respond to various risk changes, and create sustainable value.

Tax Information

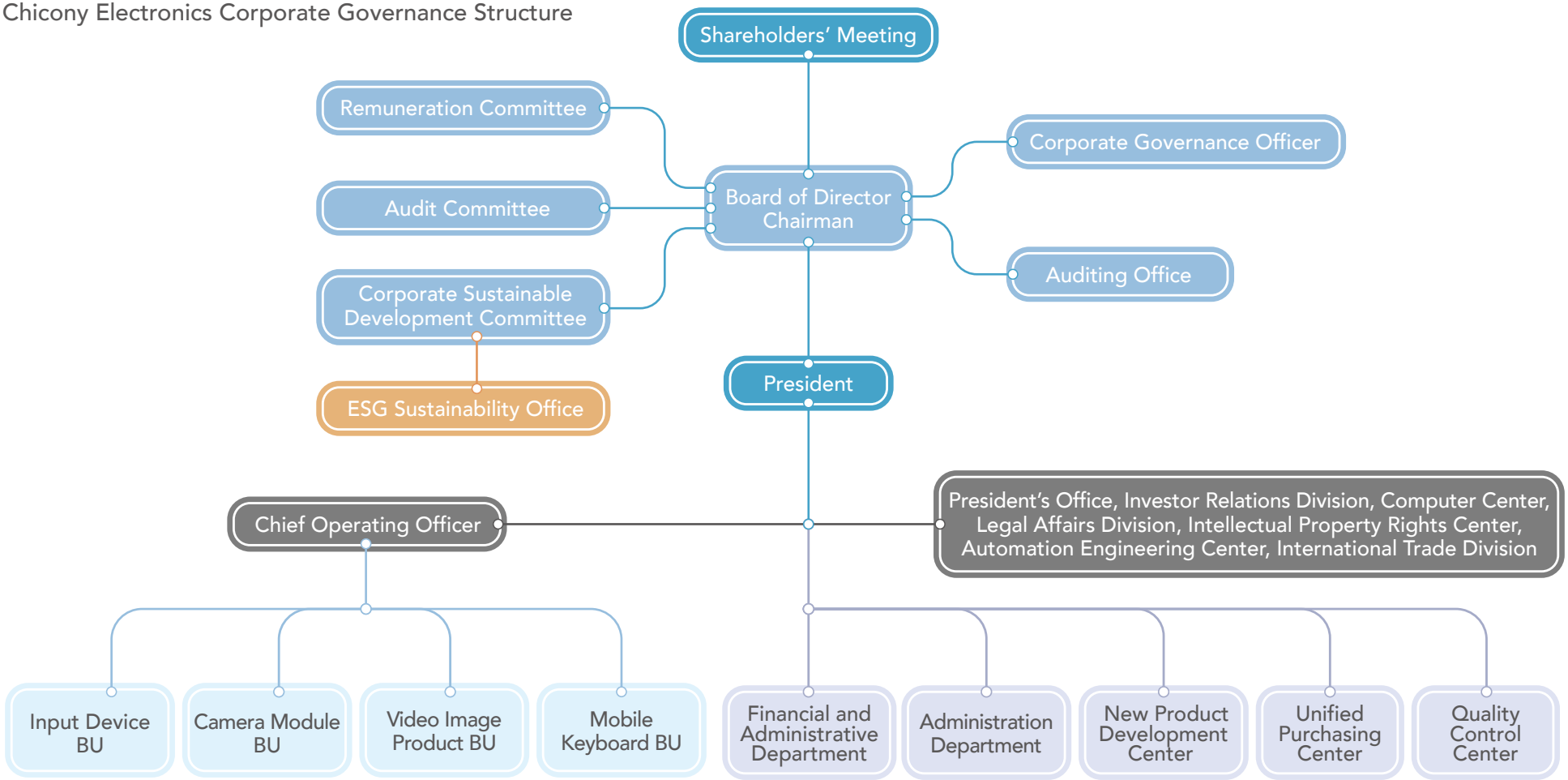
	2021	2022	2023	2024
Net Profit Before Tax (NT$ million)	9,452	11,197	11,273	13,296
Income Tax Expense (NT$ million)	1,879	2,181	2,273	2,592
Income Taxes Paid (NT$ million)	1,134	2,014	2,522	2,140
Effective Tax Rate (%)	19.9	19.5	20.2	19.5
Cash Tax Rate (%)	12.0	18.0	22.4	16.1

Notes:
1. Effective Tax Rate = Income Tax Expense ÷ Net Profit Before Tax x 100%
2. Cash Tax Rate = Income Taxes Paid ÷ Net Profit Before Tax x 100%

Historical Corporate Governance Evaluation Results

2021	2022	2023	2024
7th Term	8th Term	9th Term	10th Term
6-20%	6-20%	6-20%	6-20%

Chicony Electronics Corporate Governance Structure



Notes
1. Data as of March 31, 2025
2. For the scope of each department's responsibilities, please refer to the Company's annual report.

Board Composition and Selection

Chicony's Board election system complies with legal requirements. In accordance with the Company's Articles of Incorporation, it adopts a candidate nomination system. Candidate qualifications are evaluated based on the Corporate Governance Best Practice Principles, considering core values, professional knowledge, and skills, to ensure the board possesses eight key competencies. Directors are elected at the shareholders' meeting in accordance with the Rules for Election of Directors, while also aligning with the Company's Board Diversity Policy.

In 2024, the Company's BOD consisted of a total of 8 directors, including one female director, accounting for 12.5%. All directors were aged over 50. The board included one director with employee status (executive director), four non-executive directors without employee status, and three independent directors. The Chairman of the Board is a non-executive director who is not the same individual as the President, nor are they spouses or relatives within the first degree of kinship. (For further details, please refer to the Company's annual report.) In 2025, the Company will hold an election for the BOD. Please refer to MOPS for the relevant election results.

Functional Committee



Audit Committee

Composed of three independent directors, this committee assists the BOD in overseeing the quality and integrity of the Company's processes related to accounting, auditing, financial reporting, and financial controls.

Audit Committee Organization Charter



Remuneration Committee

Composed of three independent directors, responsible for evaluating and auditing the Company's internal compensation system to ensure compliance with relevant regulations and its effectiveness in attracting and retaining outstanding talent.

Remuneration Committee Organization Charter



Corporate Sustainable Development Committee

The Chairman serves as the convener, accompanied by five other committee members, who are committed to addressing various sustainability issues that concern stakeholders and ensuring the Company's consistent compliance with relevant international standards.

Corporate Sustainable Development Organizaion Charter

Note: For detailed execution status of each functional committee, please refer to the Company's annual report.

Composition of the BOD and Functional Committees

	Board	Audit Committee	Remuneration Committee	Corporate Sustainable Development Committee
Non-Executive Director	4	0	0	1
Executive Director	1	0	0	1
Independent Director	3	3	3	3
Others	0	0	0	1

Note: “Others” refers to the Company's Corporate Governance Officers.

	Board	Audit Committee	Remuneration Committee	Corporate Sustainable Development Committee
Male	7	3	3	5
Female	1	0	0	1

	Board	Audit Committee	Remuneration Committee	Corporate Sustainable Development Committee
51-60	1	1	1	2
61-70	3	0	0	2
71-75	4	2	2	2

Attendance Rate of the BOD and Functional Committees

	Board	Audit Committee	Remuneration Committee	Corporate Sustainable Development Committee
Number of Meetings	5	5	4	2
Average Attendance Rate	100%	100%	100%	100%

Note: The average attendance rate includes actual attendance and proxy attendance. For detailed information, please refer to the Company's annual report.

Operation of the BOD

In 2024, a total of five board meetings were held, with an average attendance rate of 100% among the directors. All proposals for voting are governed by the Board Meeting Rules of Procedure, which include provisions to avoid conflicts of interest. If a proposal pertains to the interests of a director or the corporation they represent, the director must disclose the significant details of their interest during the board meeting. If there is a risk that the proposal may adversely affect the interests of the Company, the director must refrain from participating in the discussion and voting. Furthermore, they are prohibited from delegating their voting rights to other directors to ensure maximum benefit for stakeholders.

Continuing Education for the BOD

To ensure that the functions of the BOD align with the Company's development needs and respond to external trends, all directors enhance their overall knowledge annually through various professional development channels. In 2024, the total number of continuing education hours for all board members reached 48 hours, averaging 6 hours per member, thereby complying with the recommended standards established by regulations.

Board Performance Evaluation System

To effectively assess the operational efficiency of the BOD, the Company has established the Board Performance Evaluation Guidelines. Each year, evaluations are conducted for the BOD and various functional committees across five major dimensions, as well as for individual directors across six major dimensions. This includes an assessment of the directors' performance concerning sustainability risks and climate risk issues, and we will continue to plan for the execution of external performance evaluations. (For detailed assessment results, please consult the Company's annual report.)

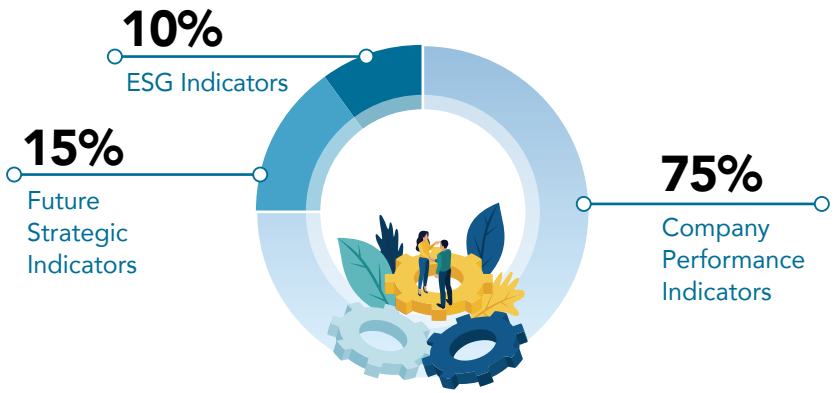
Compensation Policy for Directors and Managers

The compensation policy for the Company's directors and managers is grounded in the principles of corporate governance. In accordance with the Remuneration Committee Charter, the Remuneration Committee conducts quarterly reviews, considering the compensation levels of industry peers in the market. This process ensures that compensation accurately reflects the contributions of the directors and managers to the Company, as well as the Company's performance, risk management, and the achievement of its objectives. The results are subsequently submitted to the BOD for resolution and reported at the shareholders' meeting.

The Company's pre-tax profit for the current period, after deducting employee and director compensation, shall allocate no less than 11% for employee compensation and no more than 1% for director compensation. In 2024, the pre-tax profit for director compensation, employee, and director remuneration is 0.73%.

The salary structure of managers is highly correlated with both company performance and individual performance indicators. Compensation comprises fixed cash remuneration, variable stock options, and incentive measures such as profit-sharing and equity participation. Managers do not receive recruitment bonuses; however, employees below the level of department head are eligible for varying recruitment bonuses based on the circumstances surrounding their recommendations for new hires. If there are no violations of the law, there is no mechanism for recovering salary compensation. Retirement benefits for managers are the same as those for general employees. Since 2022, the Company has incorporated ESG indicators into the performance evaluations of directors, managers, and all employees to encourage active participation in advancing ESG initiatives.

Managerial Performance Evaluation Dimensions



Note: The Company's "managers" refer to the President, Vice President, and Assistant Vice Presidents or equivalent managerial level.

Chicony ensures that all shareholders are treated equally, with one share corresponding to one vote. We adopt a cumulative voting system favorable to minority shareholders. Each proposal is voted on individually, and the voting results are disclosed immediately. Shareholders may exercise their voting rights and participate in corporate decision-making through the shareholders' meeting. Chicony has also established an Investor Relations Division to enhance communication with shareholders.

1.3 Sustainable Governance

In 2021, in accordance with the Company's Corporate Governance Best Practice Principles, we established a functional committee under the BOD, named the "Corporate Sustainable Development Committee." Subsequently, we developed the Organizational Regulations of the Corporate Sustainable Development Committee, the Sustainable Development Best Practice Principles, the Sustainability Report Preparation and Reporting Management Guidelines, and the Corporate Sustainable Development Committee Performance Self-Assessment Questionnaire.

Key Reinforcements in the Company's Sustainable Governance in 2024

01 Established the "ESG Sustainability Office," led by the Chief Sustainability Officer (who concurrently serves as the Chief Financial Officer) and the Deputy Sustainability Officer (who concurrently serves as the highest-ranking official of the Administrative Management Department, the Chief Human Resources Officer).

02 Formulated the Internal Control Procedure for Sustainability Information Management to strengthen internal control over sustainability information. This serves as a foundational step for short-term alignment with IFRS S1 and was approved by the Audit Committee, Corporate Sustainable Development Committee, and the BOD on November 6.

03 Established the Corporate Sustainability Strategy Blueprint to outline Chicony's long-term sustainability roadmap and enhance overall strategic planning. Please refer to the Chicony Sustainability Strategy Blueprint for details.

Sustainable Management Framework

1. Board of Directors

The highest level of sustainable governance within the Company encompasses multiple functional committees and business units that report on various ESG issues at each board meeting. These issues include corporate governance, financial management, industry strategy, greenhouse gas emissions, climate change, ethical corporate management, information security, and employee compensation.

2. Corporate Sustainable Development Committee

Since its establishment in 2021, the committee has convened once a year. Starting from 2024, to strengthen the operation of sustainability issues, it met twice a year. The content and results of the meetings are reported to the BOD. The content of the 2024 report encompasses the progress of various sustainability projects. The discussion items include:

	First Meeting on May 6	Second Meeting on November 6
Proposal	A Revision of the "Corporate Sustainable Development Committee Organizational Charter" B Establishment of the "ESG Sustainability Office," Chief Sustainability Officer, and Vice Chief Sustainability Officer C Revision of the "Sustainability Report Preparation and Submission Management Measures" D Presentation of the Company's Sustainability Report E Presentation of the "Chicony Octagon Green" Project	A Establishment of the "Corporate Sustainability Strategy Blueprint" B Promotion of the Chicony Corporate Image Project C Participation in Government Cooperation Projects D Planning of Sustainability Education and Training

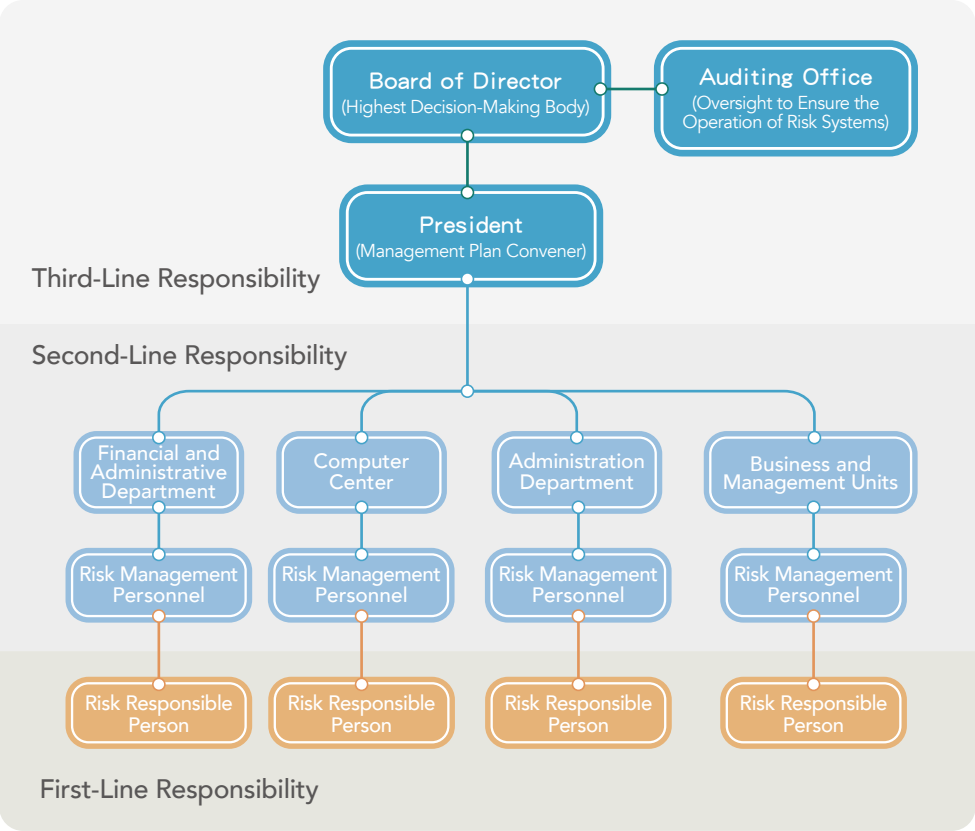
3. ESG Sustainability Office

In 2024, the "ESG Sustainability Office" was established as the dedicated unit responsible for promoting sustainability issues, directly reporting to the Corporate Sustainable Development Committee. The Chief Governance Officer serves as the Chief Sustainability Officer, and the Executive of the Administration Department serves as the Vice Chief Sustainability Officer. Every six months, the office reports the progress of various sustainability projects and future plans to the Corporate Sustainable Development Committee. Starting from 2023, it also reports quarterly on GHG, climate change, and nature-related issues to the BOD. The proposals are consolidated and reviewed by the Corporate Sustainable Development Committee, and the annual sustainability report is presented at the first Corporate Sustainability Development Committee meeting.

1.4 Risk Management

Chicony has established a "Risk Management Policy", which was approved by the Audit Committee and the BOD in 2021. In accordance with the three lines of defense in risk management, the Company has established a risk management division framework. The BOD serves as the highest decision-making body, while the President acts as the convener of the risk management plan. The operational status of risk management is reported to the BOD regularly, with the 2024 operational status presented to the Board in November 2024.

Risk Management Division Framework



Major Risk Identification and Response Measures for 2024

Responsible Unit	Risk Category	Potential Risks	Control Strategy and Response Measuresfor 2024
Financial and Administrative Department	Financial Risk	Exchange Rate Fluctuation Risk	To hedge the risk of holding foreign currency, forward foreign exchange transactions are used to reduce foreign currency exposure.
Computer Center	Information Risk	Risk of Data Encryption Ransomware	(Please refer to Chapter 1.6 Information and Privacy Security)
Administration Department	Man-made Disaster	Fire	Conduct annual fire prevention awareness and training; regularly report inspection results of fire safety equipment; conduct fire drills and training; perform quarterly infrared scans and improvements on electrical panels at all sites to ensure electrical, construction, and operational safety, thereby reducing the likelihood of fire incidents.
	Natural Disaster	Earthquakes, Heavy Rain, Typhoons	Continue conducting earthquake preparedness and drills; implement preparations and preventive measures for heavy rain and typhoons; strengthen earthquake, flood, typhoon, and power outage countermeasures; establish a response team and operate according to emergency response SOPs.
	Environmental Risk	Environmental Burden	(Refer to Chapter 2: Smart and Green Manufacturing)
	Occupational Safety and Health Risks	Implementation of a Risk Management System	(Please refer to Section 4.5 on Workplace Safety and Health.)
Business and Management Units	Operational Risk	(Refer to the Company's annual report)	

1.5 Ethical Management and Compliance

Ethical corporate management is the foundation of sustainable corporate operations. Chicony has established the Ethical Corporate Management Best Practice Principles and Code of Ethical Conduct based on the Responsible Business Alliance (RBA) standards, ISO 37001 Anti-Bribery Management System, and the Chicony Electronics Sustainable Development Best Practice Principles. These serve as guiding principles to promote ethical corporate management and the Core Value of Honesty. Related management regulations and systems have also been formulated, including the Anti-Collusion and Conflict of Interest Management Guidelines, Chicony Electronics Corporation Integrity Declaration and Undertaking, and a whistleblower system for ethical corporate management, all of which apply to the entire Chicony Group.

Chicony's ethical corporate management is led by the Human Resources Department at HQ, which is responsible for policy formulation, promotion, and communication, as well as assessing potential corruption risks. The Plant Administration Department supports implementation and audits at factory sites, while the Audit Office acts as the lead investigation unit. In both 2023 and 2024, Chicony reported no incidents of corruption, anti-competitive behavior, antitrust violations, or monopolistic litigation. Furthermore, no significant corruption risks were identified at any of Chicony's global locations.

Scope of the Ethical Corporate Management Best Practice Principles and Code of Ethical Conduct

- Prohibition of Corruption and Bribery (Anti-Corruption)
- Prohibition of Kickbacks and Commissions
- Prohibition of Illegal Political Donations
- Prohibition of Improper Charitable Donations or Unreasonable Gifts
- Prohibition of Improper Benefits
- Prohibition of Unfair Competition
- Prohibition of Infringement of Intellectual Property Rights
- Prevention of Harm to Stakeholders from Products or Services

To effectively implement ethical corporate management and governance, and to enhance employee awareness for controlling fraud risks and preventing related illegal activities, we require external suppliers to sign the Chicony Electronics Corporation Integrity Declaration and Undertaking. Internally, we mandate that all employees sign the same declaration and complete a Conflict of Interest Disclosure Form. Both the control and signing rates reached 100%, and effectiveness assessments and self-checks were conducted.

In 2024, we launched a sustainable supply chain project, in which ethical corporate management guidelines were designated as mandatory reading for raw material suppliers. Confirmation is carried out through the signing of the Chicony Electronics Corporation Supplier ESG Agreement.

2024 Ethical Corporate Management Education and Training Status

Employees			Suppliers		
Sessions	Participants	Hours	Sessions	Participants	Hours
88	4,362	131	13	327	13

Note:
1. The data scope covers all global locations of Chicony.
2. Integrity management promotion is carried out through training, with no additional promotional methods; therefore, the promotion situation is the same as the training situation.

Legal Compliance

Each risk management unit closely monitors relevant laws and regulations in accordance with its respective responsibilities and has established a legal affairs office. Collectively, they have developed a compliance assessment system for regulations and policies to facilitate the implementation of various standards. The Company follows the Robeco Sam Dow Jones Sustainability Index standards. Penalty events are disclosed when the fine exceeds US$10,000. In both 2023 and 2024, there were no significant violations. Additionally, there were two and one minor penalty incidents, respectively, each below this threshold, and these incidents were adjusted in accordance with regulations and in compliance with legal requirements.

1.6 Information and Privacy Security

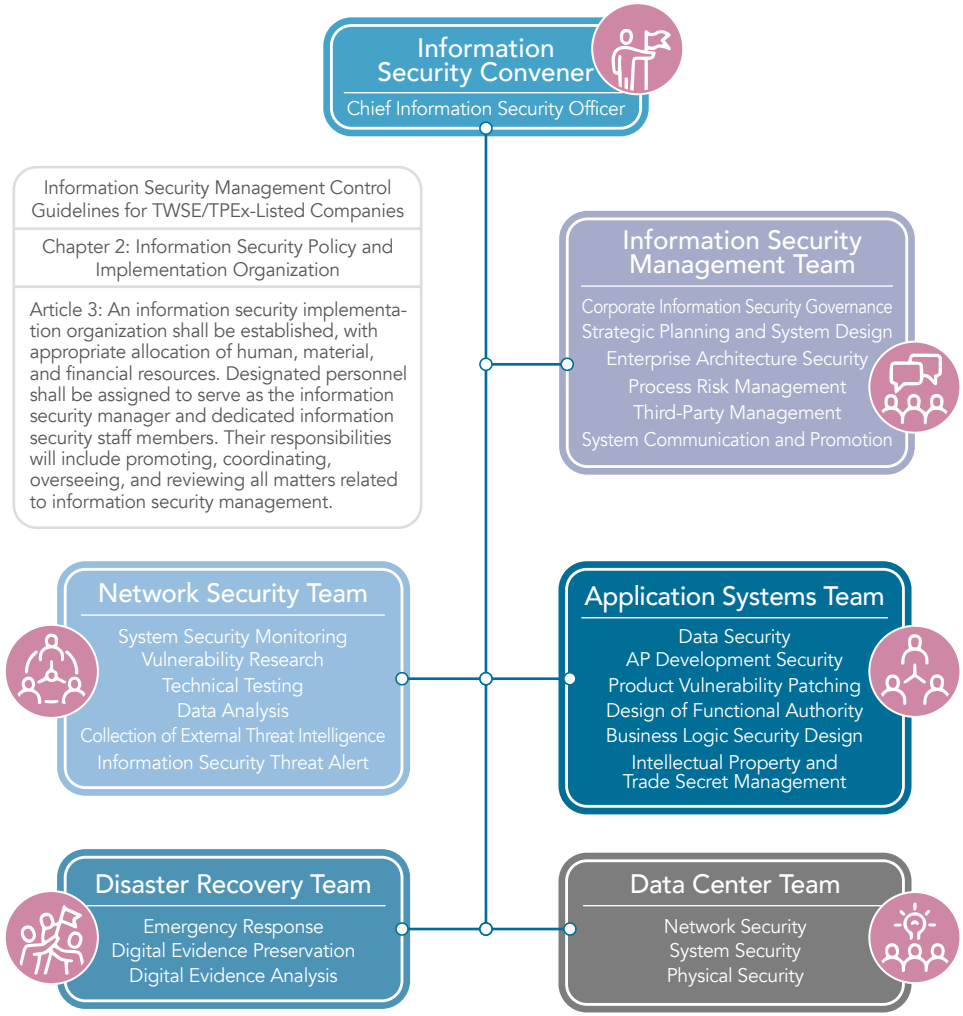
As cybersecurity threats become increasingly complex, enterprises must continuously enhance their protective mechanisms to ensure the security and stability of their business operations. In 2017, the Group's IT Center implemented and obtained certification for the "ISO 27001 Information Security Management System." This achievement established the Plan-Do-Check-Act (PDCA) management process to fulfill the objectives and requirements of the management system. After the expiration of the original certificate in 2023, a new certificate was obtained, valid until October 31, 2025.

In 2024, information security management will continue to evolve towards a "Zero Trust" framework, which enhances identity verification, device security, and network isolation. By utilizing the People, Processes, Technology (PPT) model, we will enhance information security maturity and strengthen resilience through key measures, thereby ensuring the sustainable development of digital transformation and business operations.

1.6.1 Information Security Organizational Structure

Chicony Electronics has established an "Information Security Management Committee," chaired by the Chief Information Security Officer. The committee comprises unit supervisors and includes a total of 35 information security personnel. Regular meetings are held to review and assess the implementation status, with annual reports presented to the Board of Directors. The primary focus for 2024 was on strengthening system management regulations, upgrading network security, optimizing access control, and enhancing cloud applications. This ensures that information security aligns with both internal corporate requirements and international standards.

● Information Security Organizational Structure



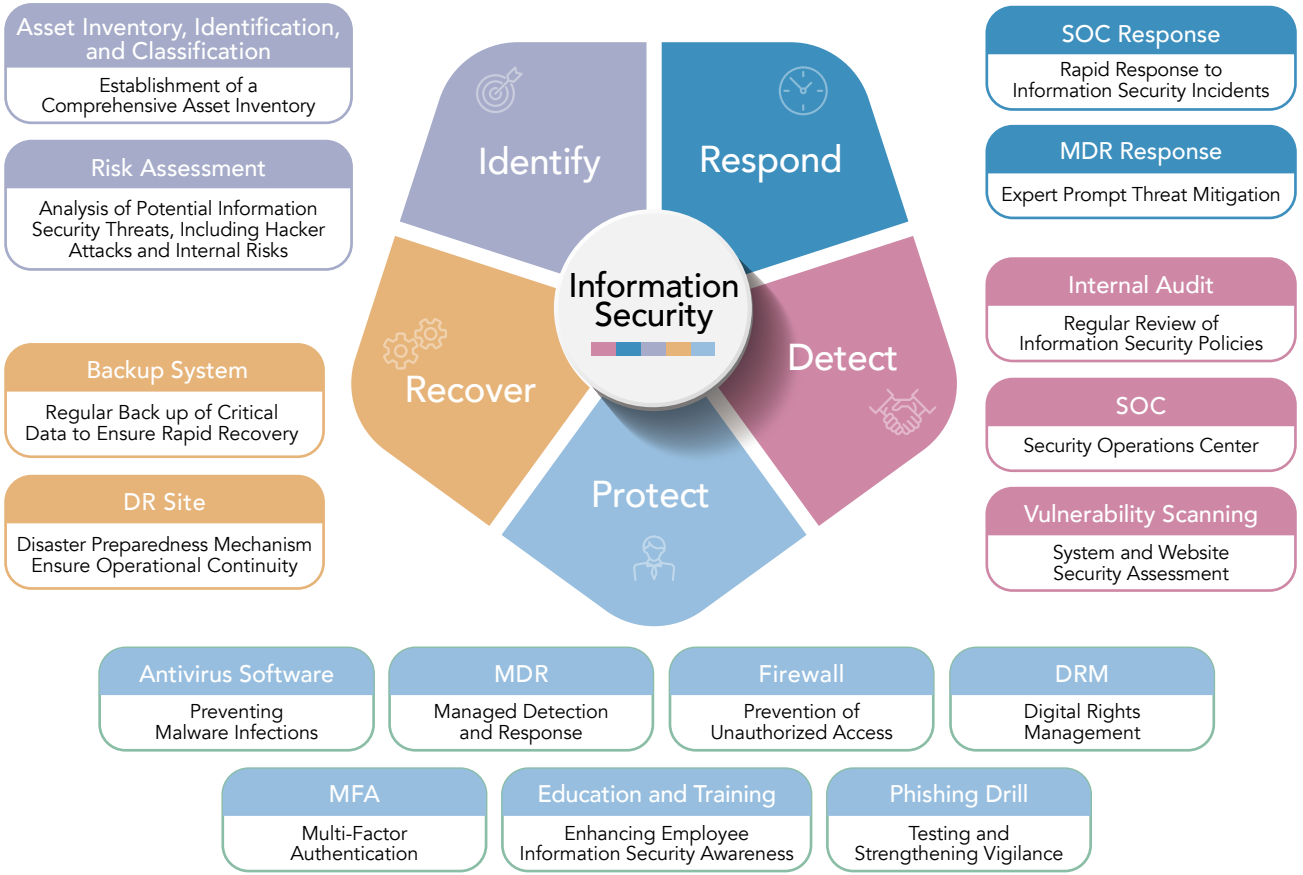
1.6.2 Information Security Management

To ensure the Company's information security and to mitigate potential associated risks, we have established a comprehensive information security management framework in accordance with international standards and best practices. This framework is based on the ISO 27001 Information Security Management System (ISMS) and the five core areas of the National Institute of Standards and Technology (NIST) Cybersecurity Framework, thereby ensuring effective management of cybersecurity risks both internally and externally within the organization.

The Company conducts social engineering and recovery drills biannually, along with information security awareness training on a quarterly basis. Starting in June 2023, it has been further emphasized that all new employees are required to participate in online information security training and to sign a confidentiality agreement. In addition to certification training, information security personnel will also receive regular professional development training.

Furthermore, to understand industry dynamics, the Company has joined the Taiwan Computer Emergency Response Team and Coordination Center (TWCERT/CC), the Information Security Officer Alliance, and the Taiwan Chief Information Security Officer Alliance. This collaboration enables us to share information security intelligence and strengthen our overall information security defense and response capabilities.

● Five Major Areas of Information Security and Key Measures



1.6.3 Results of Information Security Promotion

◆ Revision of the Regulations for the Management of Computer Operation Cycles

- ✓ Optimize processes related to information system development, maintenance, operation, and access management to improve management transparency.
- ✓ Ensure that information security strategies align with ISO 27001 and the NIST cybersecurity framework to reduce operational risks.

◆ Update the VPN System to Incorporate Multi-Factor Authentication (MFA)

- ✓ Enhance the security of remote work and access, preventing account theft and unauthorized access risks.
- ✓ MFA effectively reduces cybersecurity risks associated with password leaks and improves user authentication security.

◆ Update Firewalls and Strengthen Cloud Application and Email Security

- ✓ Deploy next-generation firewalls (NGFW) to enhance intrusion detection and prevention (IDS/IPS), improving real-time response capabilities to network attacks.
- ✓ Enhance the integration and management of the cloud service platform while strengthening data protection mechanisms.
- ✓ Provide advanced threat protection to effectively guard against malicious emails, phishing attacks, and ransomware, ensuring secure corporate communications.

◆ Continuous Improvement of Employee Information Security Literacy

- ✓ In 2024, all employees participated in a 1-hour basic information security training session.
- ✓ Two phishing social engineering drills were conducted, with a click rate of 7%. Employees who clicked were required to attend additional training and pass a test to ensure understanding of the Company's information security policies. The goal for 2025 is to further improve and reduce the overall click rate to below 7%.

◆ Information Security Protection and Offsite Backup Drills

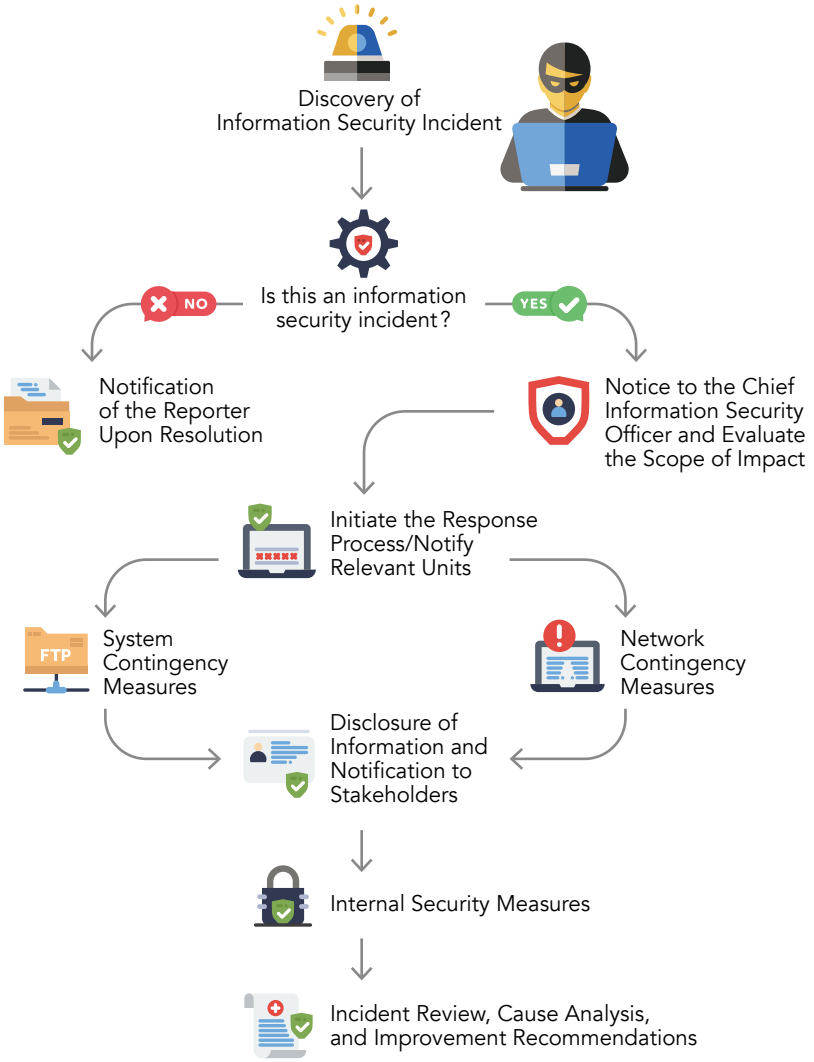
- ✓ The establishment of backup and monitoring mechanisms for critical information systems will be conducted annually. Regular vulnerability scans will be performed, and remediation efforts will address medium to high-risk vulnerabilities. In 2024, all key systems completed a minimum of two disaster recovery drills.

1.6.4 Response and Management

Chicony prioritizes information security incidents, ensuring immediate response and damage control while actively implementing management framework to maintain customer trust and stabilize business operations.

When an incident occurs, the response mechanism is promptly activated. The handling process includes response measures at both the network and system levels, while concurrently conducting forensics and preserving evidence. We place high value on information transparency and legal compliance. Upon an incident, stakeholders and the legal department are promptly notified for risk assessment, and material disclosures are made in accordance with government regulations. Internally, employee awareness is continuously reinforced. In case of anomalies, staff are instructed to disconnect from the network and shut down their devices immediately, and to seek assistance from the Group's IT Center to prevent further damage.

Information Security Incident Notification Process



In 2024, Chicony experienced one serious information security incident, primarily caused by external hackers. After the incident, the Company conducted a comprehensive review, analyzed the root cause, and implemented an improvement plan to strengthen future protection capabilities.

Response to Material Information Security Incident in 2024

Cause of Incident

On April 7, 2024, Chicony detected abnormal cybersecurity activity. A hacker group accessed the internal system using a leaked VPN account and attempted lateral movement within the network environment, affecting certain servers at our facilities. Upon discovery, the company immediately activated its cybersecurity incident response mechanism and launched a thorough investigation and containment effort. Following an internal risk assessment, it was determined that certain internal data had been accessed and encrypted without authorization. However, this incident does not impact the Company's core operations or confidential customer information. Chicony promptly issued a material information announcement and proactively communicated with stakeholders, providing a transparent explanation of the incident and updates on the handling progress, ensuring stakeholder rights were protected.

Subsequent Handling

- Comprehensive deployment of Managed Detection and Response (MDR) services to enhance real-time monitoring and proactive threat detection, thereby improving information security defense capabilities.
- Upgraded the VPN system and implemented Multi-Factor Authentication (MFA) to ensure more secure remote access and reduce the risk of account leakage.
- Enhanced access control to further restrict the access scope of high-privilege accounts, ensuring that critical system permissions are minimized.
- Optimized network segmentation by strengthening the firewall rules between factory areas to prevent unauthorized internal lateral movement and ensure regional security.



2

SMART AND GREEN MANUFACTURING

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Target and Progress

Energy and Carbon Emission Management
Climate and Natural Strategy

Action Plan

- Promoting ISO management systems and operational mechanisms
- Promotion of the Chicony Green Octagon
- TCFD/TNFD Management Mechanisms Implementation

Key Metrics	Scope 1+2 GHG emissions (based on 2020)	Scope 3 GHG emissions (based on 2020)	Renewable electricity usage	Energy savings	Energy savings cases	Waste diversion rate	Water withdrawal intensity (based on 2021)
2024 Target	Reduce 26 %	Reduce 12 %	37.5 %	65,000 GJ	60	CET reached 90 %	Reduce 20 %
2024 Implement Status	Achievement Reduce 51 %	Note1 Reduce 6 %	Achievement 44 %	Achievement 68,054 GJ	Achievement 64	Achievement CEM5, CET reached 100 %	Note2 Reduce 1 %
Mid-/ Long-Term Goal	Reduce 96 % by 2030	Reduce 30 % by 2030	100 % by 2030	120,000 GJ by 2030	120 in 2030	Each major production site reaches 90 %	Reduce 50 % by 2030
2025 Target	Reduce 37 %	Reduce 15 %	50 %	90,000 GJ	80	Each major production site reaches 90 %	Reduce 20 %

Policy/ Commitment

- 2030 RE100
- 2050 Net Zero
- Chicony Envrionmental Policy
- ISO 50001
- Chicony Envrionmental Policy
- UL2799
- Chicony Envrionmental Policy

Responsible Units

- ESG Sustainability Office
- Administrative Department

Green Innovative Products

- Comprehensively adopting Environmentally Friendly/ Recyclable Packaging Materials
- Increasing the Use of Recycled Materials
- Set up an innovation R&D reward and protection mechanism

Cumulative Patents numbers
1,100
Achievement 1,100
1,750
1,200

- Use of low-carbon materials (packaging materials, plastic components, metal components)
- Establishment of an Innovation Research and Development Reward and Protection Mechanism

- BU R&D Department
- Intellectual Property Rights Center

Notes: 1. Due to the expansion of CET and the change in procurement strategy in response to international trends, emissions have increased. We'll optimize inventory management from a holistic perspective and continue to optimize supply chain carbon management.
2. Due to changes in production capacity and adjustments to product mix, water consumption intensity has increased. We will subsequently optimize process water efficiency through R&D and production processes and strengthen back-end water conservation management.

2.1 Environmental Management System and Historical Overview

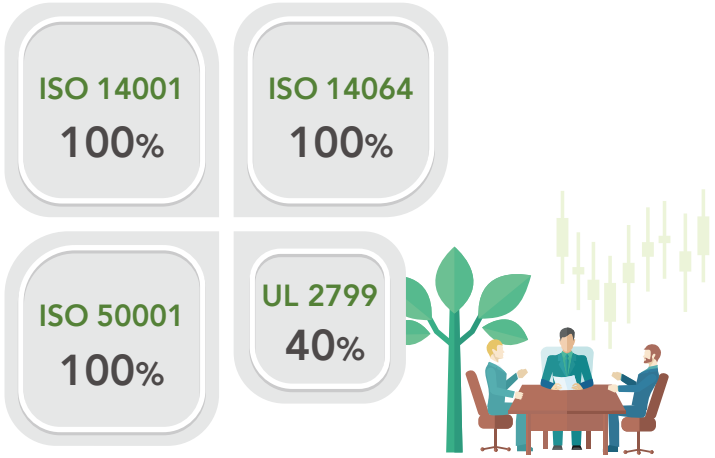
2.1.1 Environmental Management System (EMS)

CEC is committed to strictly complying with environmental and energy-related regulations and customer requirements applicable to its activities, products, and services, with the goal of meeting or exceeding relevant standards. We actively support government environmental policies, continuously improve and prevent pollution, and are committed to implementing sustainable development. To ensure the effective implementation of environmental management policies, CEC promotes relevant initiatives through joint efforts by the ESG Sustainability Office, the Administrative Department, and the administrative departments of each factory, ensuring the execution and continuous improvement of the management system.

Environmental Management Policy

1. **Implementation of International Management Systems**
   CEC has implemented and obtained certification for international standards across its global operations, including ISO 14001 Environmental Management System, ISO 14064 Greenhouse Gas Inventory, ISO 50001 Energy Management System, and UL 2799 Zero Waste to Landfill validation. These efforts aim to ensure the effectiveness of environmental and energy management and to minimize the environmental impact of business operations.
2. **Promotion of the Chicony Green Octagon**
   In 2023, the "Chicony Green Octagon" project was proposed, which encompasses eight pathways, totaling eight major objectives and thirty-six minor objectives. This initiative covers all aspects of Chicony Electronics' operations, aiming to reduce environmental impact.
3. **Regulatory and Standards Compliance**
   Regular legal compliance audits are conducted to ensure that current practices align with the latest environmental and energy regulations, as well as customer requirements.
4. **Internal and External Audits and Verification**
   Annual internal audits and external third-party verifications are conducted to ensure the effective operation and continuous improvement of the management systems.
5. **Monitoring Global Environmental Trends**
   Chicony continuously monitors international environmental issues and trends, and strengthens its management systems to enhance environmental performance and achieve corporate sustainability goals.
6. **Supervisory Mechanisms**
   Regular oversight is conducted through meetings of the Board of Directors, the Corporate Sustainable Development Committee, the ESG Sustainability Office's monthly environmental meetings, and monthly meetings of the Administrative Department.

● Coverage of the Certification System



CEC values communication with stakeholders and has established a dedicated stakeholder section on its official website to provide appropriate communication channels. Any environmental-related issues received are processed and addressed according to established procedures to ensure that the issues are appropriately resolved.

2.1.2 Chicony's Climate and Nature Evolution

2016

CEC Headquarters Building obtained the "Diamond-grade" Green Building Label Certificate issued by the Ministry of the Interior



2018

Major sites introduced the ISO 14064-1 GHG Inventory Standards and completed associated verification

2020

The TCFD (Task Force on Climate-related Financial Disclosures) Framework was introduced

2021

- Set up the Corporate Sustainable Development Committee to supervise climate governance progress
- Major sites completed ISO 14064-1: 2018 GHG inventory and verification

2022

Made a commitment to 2030 decarbonization goals and passed SBTi 1.5℃ GHG reduction review

2023

- Joined the RE100 initiative and made a commitment to achieve 100% renewable electricity (RE100) by 2030
- Made a commitment to 2050 Net Zero goals
- Launched the "Chicony Green Octagon" decarbonization project by taking 2023 as the base year and 2033 as the target year to achieve goals through eight major aspects
- Published the first TCFD Report, and continued to promote the TCFD project to quantify climate-related impacts on CEC's finances
- Introduced the TNFD (Taskforce on Nature-related Financial Disclosures) Framework
- Introduced carbon management platforms to carry out digitalized carbon emission management



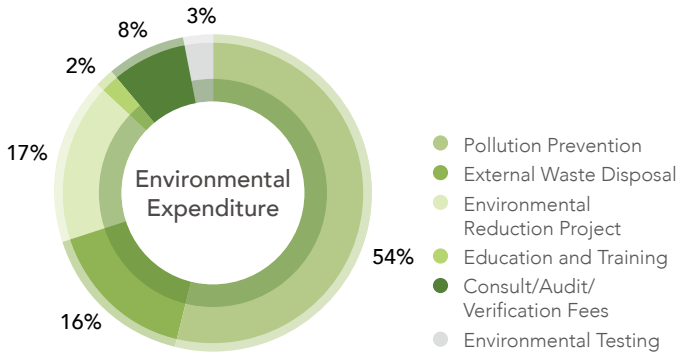
2024

- Set up the ESG Sustainability Office, and appointed Chief/ Deputy Chief Sustainability Officer to accelerate the promotion of enterprise sustainability
- CEC Headquarters Building obtained the "Near Zero Building" Label from Ministry of Interior
- Became a member of the TNFD Forum and TNFD Adopters
- 100% completed ISO 14064-1: 2018 GHG inventory and third-party verification covering 100% of entities within the consolidated financial reporting scope
- CEM5 and CET have achieved UL2799 Platinum Certification for the first time

2.1.3 Environmental Expenditure

The Company is actively engaged in environmental management. In 2024, total environmental expenditures amounted to NT$33,376 thousand, covering areas such as pollution prevention, waste treatment, environmental impact reduction, and environmental monitoring. Over 50% of the expenditure was allocated to pollution prevention, reflecting our strong commitment to protecting air, water, and soil quality. External waste disposal accounted for 16% of the expenditure, ensuring compliance with regulations and proper disposal. Environmental reduction projects accounted for 17%, focusing on reducing resource consumption and environmental impact. Consulting, auditing, and verification expenses were incurred to ensure the effective operation of the environmental management system. Environmental monitoring was conducted to track and improve environmental performance. We are also committed to education and training to enhance employees' environmental awareness. Through these efforts, we continuously optimize environmental management and move towards sustainable development.

● 2024 Chicony Environmental Expenditure



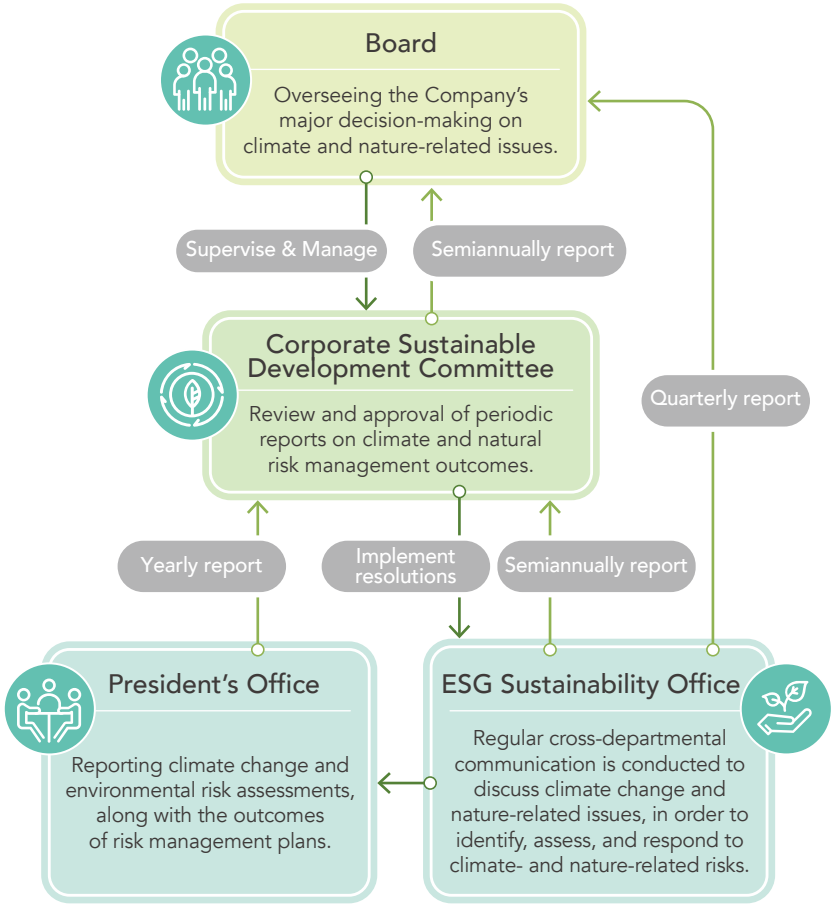
2.2 Climate- and Nature-related Financial Disclosures

The World Economic Forum (WEF) published its Global Risks Report 2025 in January 2025. The report highlights that environmental challenges dominate the long-term risk outlook for the next decade, including extreme weather events, biodiversity loss and ecosystem collapse, critical changes in Earth systems, and natural resource shortages. This reflects the increasingly severe global challenges posed by climate change and the loss of natural capital, underscoring the growing urgency for a sustainable transition. In response to these long-term risks and potential opportunities, Chicony Electronics continues to reference the TCFD framework, utilizing dynamic scenario analysis to assess climate-related risks and opportunities. In alignment with emerging trends from the TNFD, the Company is also incorporating biodiversity and natural capital into its strategic considerations, formulating adaptation and mitigation measures to strengthen its capacity for environmental sustainability and climate resilience.

2.2.1 Climate- and Nature-related Governance Framework

Chicony Electronics' climate and nature governance framework designates the Board of Directors as the highest governing body for climate-related matters, overseeing the Company's overall decision-making on climate change and nature-related issues. The Corporate Sustainable Development Committee serves as the primary management level, with the ESG Sustainability Office reporting directly to the committee members. The Corporate Governance Officer also serves as the Chief Sustainability Officer, and the Head of Administrative Management is appointed as the Vice Chief Sustainability Officer. The ESG Sustainability Office regularly convenes various business units to hold workshops aimed at comprehensively assessing and analyzing the climate change and nature-related issues and trends faced by the Company. We continue to promote cross-departmental collaboration through project-based initiatives and report progress and response measures to the Board of Directors on a quarterly basis, ensuring that relevant risks and opportunities are effectively managed and supervised.

Chicony Electronics Climate- and Nature-Related Governance Framework



Note: The Company's various types of environmental issues are also incorporated into the climate governance framework for management and reporting.

2.2.2 Climate- and Nature-related Risk Management Process

CEC has followed TCFD and TNFD recommendations to identify various departments' climate change and natural risks and opportunities; moreover, it has taken effective measures to respond to the extensive issues derived from climate change and natural capital loss. The TNFD's approach—including scoping analysis, as well as dependency and impact assessments—is detailed in 2.3.2 Management of Biodiversity Sensitive Areas and Significant Dependencies & Impacts in the Value Chain. Identified material risks and opportunities are incorporated into the Company's overall risk management framework in accordance with the Risk Management Policies and Procedures.

Climate-and Nature-related Risk Management Process

1 Risk Identification
2.2.3 Climate-and Nature-related Risk Identification
Based on the industry value chain, a comprehensive assessment is conducted of potential climate- and nature-related risks and opportunities, identifying the transmission pathways through which these risks and opportunities may impact the Company.

2 Scenario Analysis
2.2.4 Climate-and Natural-related Scenario Analysis
The analysis results derived from material transition and physical risks, along with corresponding opportunities, are incorporated into existing response strategies to enhance operational resilience.

3 Risk Assessment
2.2.5 Material Climate-and Nature-related Risks and Opportunities
Considering the time horizons of each issue, and with reference to ISO 31000, the likelihood and impact of each issue are assessed to identify material risks and opportunities.

4 Risk Mitigation Measures
2.2.5 Material Climate-and Nature-related Risks and Opportunities
Risk management measures are established for material risks and opportunities, with progress tracked through defined indicators and targets.

2.2.3 Climate- and Nature-related Risk Identification

We conduct an in-depth analysis of the potential transition risks, physical risks, and related opportunities arising from climate change and natural capital loss, based on scientific reports published by the Intergovernmental Panel on Climate Change (IPCC), the International Energy Agency (IEA), and the Intergovernmental Science-Policy Platform on Biodiversity and Ecosystem Services (IPBES). This enables us to gain a comprehensive understanding of the potential impacts on future operations and strategy.

In 2024, we expanded the scope of climate risk and opportunity assessment to the entire value chain. A preliminary list of risk and opportunity topics was developed based on industry characteristics, enhancing transparency for stakeholders regarding the impact of climate-related risks and opportunities on the Company's business model.

● Climate-and Nature-Related Risk Identification

Category		Relevant Value Chain				Impact on Chicony Electronics
		Energy Supply	Upstream Suppliers	CEC Manufacturing Stage	Downstream Customers	
Transition Risks	Policy and Legal			√	√	• We continuously monitor climate regulations and environmental policies across our global production and operational sites, while also considering the increasingly stringent standards that downstream customers and end consumers must comply with—such as the European Commission's Ecodesign requirements, carbon pricing mechanisms, and environment-related regulations enforced by various governments.
	Technology			√		• In response to climate change, we have initiated investments in low-carbon technology development, aiming to mitigate its impacts through more efficient production processes and the manufacturing of low-carbon products. • As brand customers commit to circular economy practices, products are required to enhance recyclability, leading to adjustments in product design.
	Market		√	√	√	• As a downstream player in the consumer electronics sector, CEC must continuously develop products that meet low-carbon standards and align with customers' energy-saving, carbon reduction, and environmental requirements. • The price uncertainty of upstream raw materials is subject to fluctuations driven by policy trends.
	Reputation			√		• CEC actively engages in international initiatives, such as SBTi, RE100, TNFD Forum, etc. and communicates its risk response outcomes with a diverse range of stakeholders.
Physical Risks	Acute	√	√	√		• Production and operation sites may face shutdowns or supply chain disruptions in the event of acute climate-related incidents • If key water sources for operation sites are affected by other stakeholders, it may be necessary to install additional equipment.
	Chronic			√		• Changes in precipitation patterns or the increasing occurrence of extreme heat may potentially affect water usage and energy consumption at operation sites.

Category		Relevant Value Chain				Impact on Chicony Electronics
		Energy Supply	Upstream Suppliers	CEC Manufacturing Stage	Downstream Customers	
Opportunities	Resource Efficiency			√		• By enhancing recycling, reusing, optimizing, or introducing automated production processes, we aim to reduce resource extraction and mitigate the risks associated with excessive water and energy consumption.
	Markets	√		√		• Actively responding to climate- and nature-related policies, the Company secures specific subsidies to enhance its competitiveness during the transition process.
	Products/ Services	√		√	√	• The reduction in green technology costs enhances the competitiveness of green products. By increasing the use of recycled and regenerative materials, we reduce resource dependency while creating new revenue opportunities in the green market.
	Sustainable Use of Natural Resources			√	√	• Collaborating with downstream customers or assembly plants to implement recycling or recall programs, reducing the reliance on resource extraction.
	Ecosystem Protection, Restoration and Regeneration			√		• Governments and non-governmental organizations are increasingly demanding biodiversity monitoring for the sustainable use of natural resources, requiring companies to monitor the status of species around their development sites. This presents an opportunity for the development of CEC's lens module-related products.

2.2.4 Climate- and Natural-related Scenario Analysis

To enhance Chicony Electronics' operational resilience and address the high uncertainty brought about by climate-related issues, we have adopted the widely recognized climate risk analysis method—Scenario Analysis—to comprehensively understand response strategies under extreme risks, as well as potential maximum opportunities and business potential.

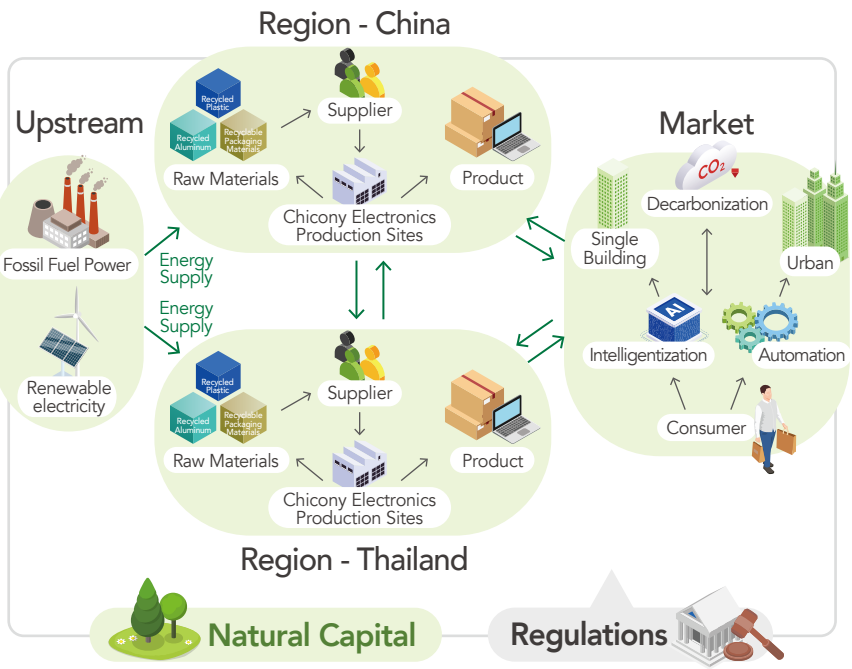
This year, we have referenced the official version of the TNFD recommendations and selected four scenarios for analysis. The core factors are physical risks (ecosystem services) and transition risks (market drivers), and the scenarios are divided into four categories: Ahead of The Game, Go Fast or Go Home, Sand in The Gears, and Back of The List. At the same time, we assess the potential impact on operations based on the background assumptions of each scenario.

After in-depth internal discussions, we have determined that our climate and natural capital strategy will align with the background of the Ahead of The Game scenario. However, if the overall economic environment and policy planning turn conservative or passive, it may develop toward the Sand in The Gears scenario. To this end, we have constructed appropriate scenario assumptions to simulate the impacts of the significant risks and opportunities identified in the previous section under the corresponding scenarios.

After constructing the background assumptions, we incorporate socio-economic pathways that align with the scenario assumptions, strengthening the reference to background parameters such as population, economic growth, globalization, and other relevant macroeconomic factors. Additionally, specific impact drivers (e.g., climate change) are addressed using the corresponding scenarios.

Climate- and Nature-related Risk Scenario

Background Scenario	Social/ Economic Pathway	Climate Scenario Reference	Other Scenario Reference
Ahead of the game	SSP1	IEA NZE	PRI FPS+Nature



Changes in product dependency

- Increased use of alternative and recycled materials in products
- Product standards emphasize environmental friendliness and harmonization

Market changes in products and services

- Economic growth is driving an increase in per capita purchasing power
- Market transformation leads to resource scarcity
- The market is shifting toward the development of green technologies

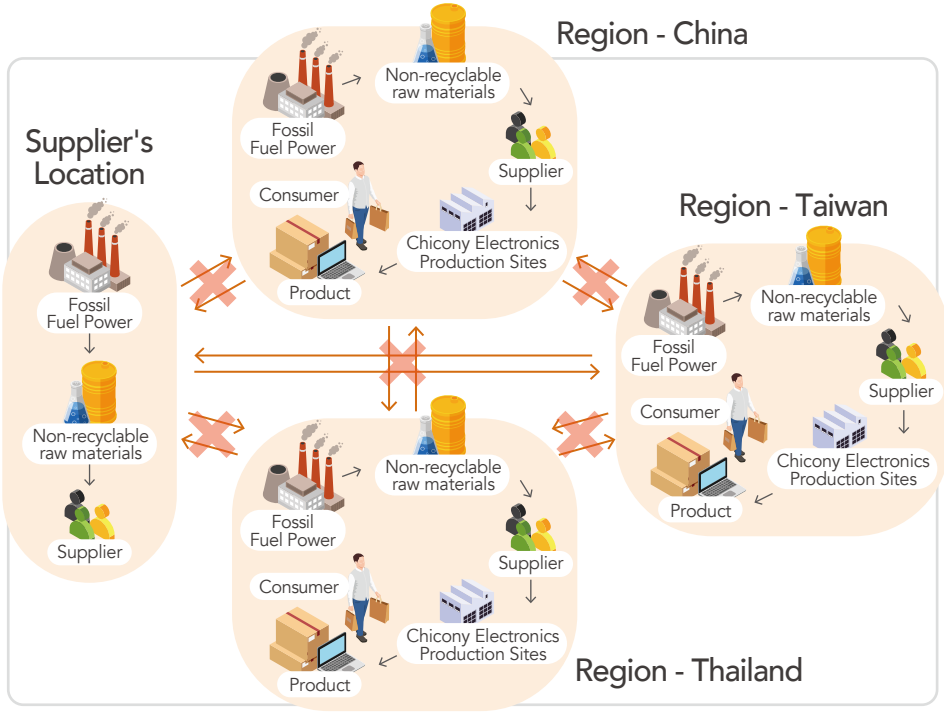
Changes in industry concentration

- Reducing costs through decentralization

Changes in regional impact

- Launching high transition risk policy

Background Scenario	Social/ Economic Pathway	Climate Scenario Reference	Other Scenario Reference
Sand in the gear	SSP3	SSP3-7.0/SSP5-8.5	-



Changes in product dependency

- Limited alternative materials
- Market isolation has led to an increase in product types

Market changes in products and services

- Trade barriers have driven up the prices of imported products, leading to the expansion of the local market

Changes in supply chain concentration

- Decentralization leads to larger scales within each country

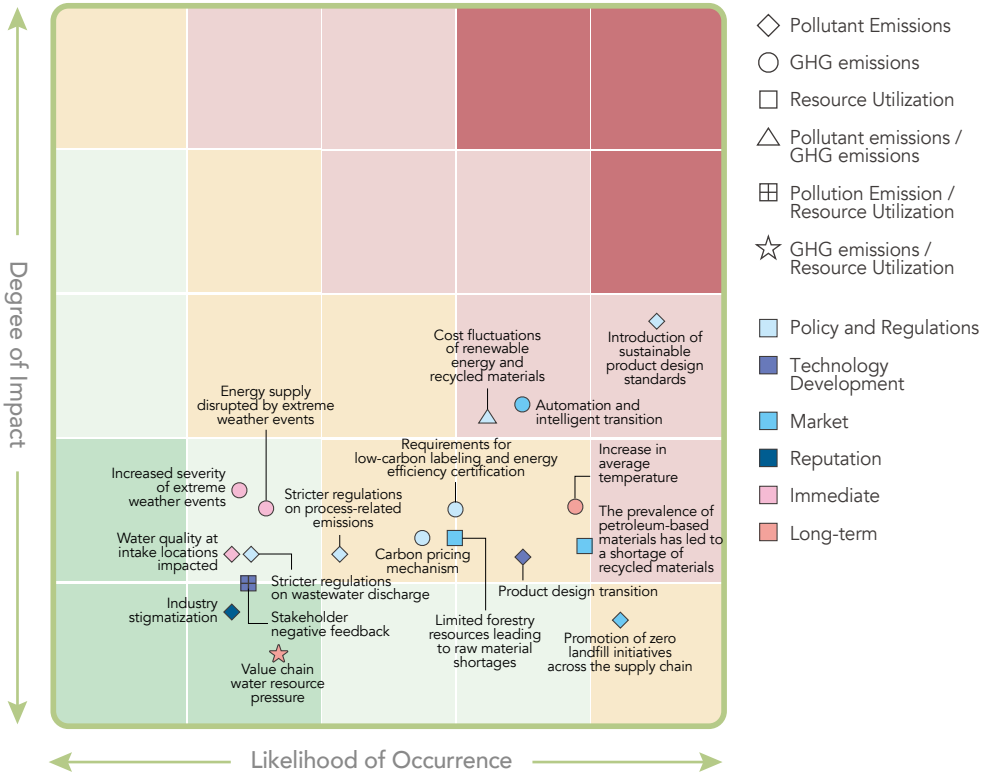
Changes in regional impact

- Environmental degradation faces more severe physical risks

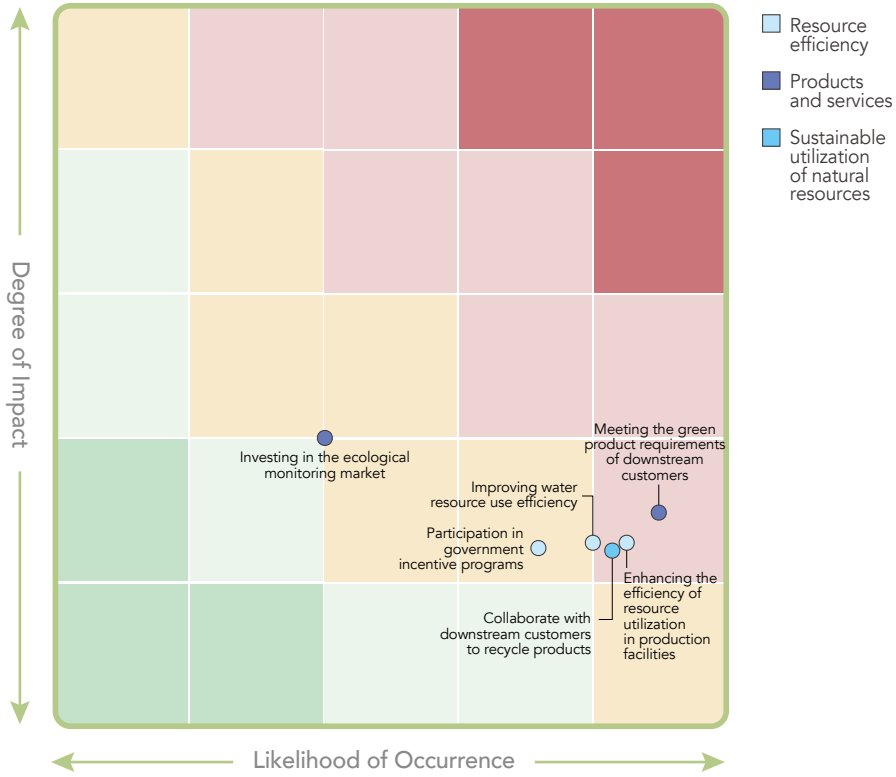
2.2.5 Material Climate-and Nature-related Risks and Opportunities

Based on the prioritization of climate- and nature-related risks and opportunities, we have identified three material risks and three material opportunities. These were assessed for their potential impact on Chicony Electronics' value chain within specific time horizons, serving as the foundation for subsequent response strategies and risk management measures.

Climate- and Nature-elated Risk Matrix



Climate- and Nature-related Opportunity Matrix



Material Climate and Nature Risk

Climate-and Nature-Related Risk	Impact Driving Factors	Scenario Analysis Event	Impact on CEC's Operations	Value Chain	Impact Time Frame	Financial Impact Factors
T3 Policy and Legal-Introduction of sustainable product design standards	Pollutant Emissions	Ahead of the game: • Product standards becoming more unified • Stricter regulatory policies to be implemented across regions	• CEC's products must comply with global sustainability regulations, such as the EU Ecodesign Directive. As an OEM for clients, CEC may face potential impacts on its bargaining power if it fails to respond to customer specifications in a timely manner.	• Maufacturing stage • Downstream customers	Short-term	Decrease in operating revenue
T6 Technology-Automation and intelligent transition	GHG emissions	Ahead of the game: • The reduction in the cost of green technology has made green products competitive.	• To reduce carbon emissions and improve energy and resource efficiency, Chicony Electronics promotes process automation and intelligent transition across its production sites, which requires investment in equipment procurement and increases short-term capital expenditure pressure.	• Maufacturing stage	Mid-term	Increase in R&D expenses Increase in equipment expenditure costs
T9 Market-Cost fluctuations of renewable energy and recycled materials	Pollutant emissions/ GHG emissions	Ahead of the game: • Increase in scarcity of specific resources leads to price fluctuations. • Consumers show stronger willingness to pay for environmental value.	• In the future, if CEC increases the use of recycled materials, it will be subject to fluctuations in recycled material prices; additionally, increasing the purchase of renewable energy certificates will also lead to higher electricity expenditures.	• Upstream value chain • Maufacturing stage	Mid-term	Increase in operating costs

Note: An asterisk indicates that the impact has already occurred in the current year.

Material Climate and Nature Opportunity

Climate-and Nature-Related Risk	Scenario Analysis Event	Impact on CEC's Operations	Value Chain	Impact Time Frame	Financial Impact Factors
O4 Products/ Services-Meeting the green product requirements of downstream customers	Ahead of the game: • Increase in demand for low-resource consumption materials	• The reduction in green technology costs enhances the competitiveness of green products. By increasing the use of recycled and regenerative materials, CEC reduces resource dependency while creating new revenue opportunities in the green market.	• Upstream value chain • Manufacturing stage • Downstream customers	Short-term	Increase in operating revenue
O2 Resource Efficiency-Enhancing the efficiency of resource utilization in production facilities	Ahead of the game: • The reduction in the cost of green technology has made green products competitive.	• CEC enhances energy and resource efficiency through the adoption of automated facilities, which not only reduces operating costs but also improves production processes and promotes resource recycling and reuse, thereby helping to reduce resource dependency.	• Manufacturing stage	Short-term	Decrease in operating costs
O6 Sustainable Use of Natural Resources-Collaborate with downstream customers to recycle products	Ahead of the game: • Product standards have become more unified, reducing dependency on resources from specific regions.	• CEC collaborates with value chain partners to promote recycling programs for end-of-life electronic products (such as computers) and defective product recall initiatives. Recovered components from these programs help reduce manufacturing costs by enabling the reuse of parts.	• Manufacturing stage • Downstream customers	Short-term	Increase in operating revenue

Notes:
1. Short-term: 2025-2026; Mid-term: 2027-2030; Long-term: 2031-2050.
2. An asterisk indicates that the impact has already occurred in the current year.

Material Climate and Nature Risk and Opportunity Measures

Material Climate Risk and Opportunity Issue	Measure	Management Indicators and Objectives
T3 Policy and Legal- Introduction of sustainable product design standards O4 Products/ Services- Meeting the green product requirements of downstream customers	• Business and R&D units across divisions continuously monitor policy developments and implementation progress in key markets where major customers operate. In addition, regular meetings between the company and its customers help keep track of market trends and dynamics. • R&D units across business divisions continue to invest in the development and durability testing of environmentally friendly materials to proactively address potential customer requirements. In addition, the company is actively planning collaborations with suppliers to develop sustainable raw materials, driving product transformation through innovation. • A product carbon footprint platform has been established to support real-time carbon calculations for products across business groups, enabling compliance with customer requirements for carbon-related product information.	• By 2033, the Company aims to complete carbon footprint assessments for 90% of its products and ensure that 35% of its products are transitioned to low-carbon or carbon-neutral alternatives. • We are committed to increasing the use of recycled materials and sustainable packaging. By 2033, we plan to adopt recycled or environmentally friendly materials for over 50% of product raw materials and over 70% of packaging materials.
T6 Technology- Automation and intelligent transition O2 Resource Efficiency- Enhancing the efficiency of resource utilization in production facilities	• R&D units across business divisions and the Automation Engineering Center continue to collaborate annually with various manufacturing sites to evaluate and discuss the feasibility of expanding automation across different production processes. • Manufacturing units continue to increase the level of automation and advance new process development, not only to meet customer expectations but also to enhance production efficiency and improve cost control.	• Starting in 2024, at least one innovative low- or zero-carbon process will be introduced each year to reduce production energy consumption and carbon emissions.
T9 Markets- Cost fluctuations of renewable energy and recycled materials	• Production sites develop annual energy-saving plans through the implementation of energy management systems, aiming to reduce total electricity consumption and mitigate the impact of high electricity costs. • HQ has expanded the purchase of renewable energy certificates and adopted a rolling approach to adjust its procurement strategy. • The procurement team has expanded alternative material sources as a response strategy and initiated early planning for the adoption of new materials.	• Using RE100 progress as a management benchmark, the Company has set 2023 as the base year, with a target of achieving 50% renewable electricity by 2026 and 100% by 2030.
O6 Resource Efficiency- Collaborate with downstream customers to recycle products	• Production sites collaborate with downstream customers to recycle or recover electronic waste from defective products or those that have reached the end of their life cycle through resource regeneration or disassembly.	• Continuously collaborate with clients regarding the disposal of obsolete products and the recycling of electronic waste, to extend producer responsibility and advance towards the goal of resource recovery from electronic waste.

2.3 Biodiversity

2.3.1 Biodiversity Policies and Initiatives

"Biodiversity" not only reflects the richness of life on Earth but also maintains the balance of ecosystems, influencing key ecological services such as climate regulation, water resource cycling, soil fertility, agricultural production, and human health. In 2022, countries around the world reached a consensus at the 15th Conference of the Parties to the Convention on Biological Diversity (COP15) to provide goals and management guidance for global biodiversity policies and actions before 2030 through a new Global Biodiversity Framework (GBF).

Due to the impacts of climate change and the loss of biodiversity, global natural resources are rapidly diminishing. Chicony Electronics recognizes the importance of restoring and conserving biodiversity. The Company firmly believes that, in addition to pursuing operational development and revenue growth, continuous innovation, ongoing improvement, gradual implementation, and actively exerting a positive influence are the keys to sustainable business management. As a member of the TNFD Forum, Chicony Electronics has taken its first step in adopting the Taskforce on Nature-related Financial Disclosures (TNFD) framework. While formulating its Biodiversity and No Deforestation Policy, the Company aligns with international conventions and initiatives such as the UN Convention on Biological Diversity, the Kunming-Montreal Global Biodiversity Framework, and the United Nations Sustainable Development Goals (SDGs). In collaboration with upstream suppliers and key business partners, Chicony is working toward a sustainable future by pursuing No Net Loss and gradually advancing toward a Net Positive Impact on nature.

> Chicony Electronics has introduced a framework for natural-related financial disclosures to stay abreast of international dynamics and biodiversity trends. In 2024, the company will sign on as a member of the TNFD Forum, becoming a TNFD Adopter, and commits to publishing a TNFD report in accordance with the TNFD framework by 2025.
>
> In 2025, the Company will integrate the TCFD and TNFD frameworks and publish the TCFD and TNFD report.

2.3.2 Management of Biodiversity Sensitive Areas and Significant Dependencies & Impacts in the Value Chain

Based on the TNFD LEAP approach proposed in September 2023, Chicony Electronics has assessed nature-related risks and opportunities (for details on nature-related risk assessment, please refer to 2.2 Climate- and Nature-Related Financial Disclosures). The Company recognizes the strong interconnection between the state of natural capital and business operations, which is largely influenced by the location and dependency of the subject analysis. Whether in its own operations or in the upstream production of raw materials in the electronics industry, potential impacts on ecosystems may occur. The following outlines the specific actions taken.

Identification of TNFD Priority Locations and Management of Dependencies and Impacts

LEAP	Evaluation Results
L1: Span of the business model and value chain	• CEC operates in the downstream segment of the consumer electronics industry value chain. Its upstream suppliers include manufacturers of electronic components, metal parts, packaging materials, and plastic components, while its downstream partners consist of consumer electronics product assemblers and end-use customers. • Chicony has planned buffer zones with radii of 2.5 kilometers and 5 kilometers for the purpose of assessment. These zones represent indirect impact and potential impact areas, respectively, ensuring that Chicony Electronics delineates a comprehensive scope of natural capital impacts.
L2: Dependency and impact screening	• Using the ENCORE database recommended by the TNFD, CEC has compiled ecosystem services and impact drivers that are associated with dependencies relevant to its value chain sectors. The identification results are as follows: (1)Dependency: Surface water, groundwater, flow maintenance, quality stability and corrosion control, flood and wind protection, atmospheric and ecosystem dilution, mitigation of sensory impacts, water quality, climate regulation. (2)Impact: Water Pollutants, Soil Pollutants, Solid Waste, Air Pollutants, GHG, Land Use, Water Resource Utilization
L3: Interface with nature	• By utilizing global and regional biodiversity spatial data, along with the buffer zones defined in Step L1, this report identifies the spatial relationships between various points and ecosystems. It assesses whether the buffer zones intersect with biologically sensitive areas through indicators such as biodiversity hotspots, water resource stress, and ecological integrity.
L4: Interface with sensitive locations	• We conducted value chain priority location screening based on two key factors: identification of high-dependency and high-impact operational sites, and ecological sensitivity assessment. After accounting for buffer zones around each site, a total of 10 sites—including CEC's operational locations and its top 50 suppliers in 2023—were found to be located within 2.5 km buffer zones of key biodiversity areas (KBAs), representing 14.7% of the assessed sites. Additionally, 15 sites, or 22%, were located within 5 km buffer zones of KBAs.
E1: Identification of environmental assets, ecosystem services and impact drivers	• Using remote sensing technology, we identified surrounding biomes and referenced literature on ecosystem services typically provided by these specific biomes. This approach allowed us to further narrow down the potential ecosystem services relevant to each location.

LEAP	Evaluation Results
E2: Identification of dependencies and impacts	• To better understand our dependencies and impacts on nature, we referred to the Natural Capital Protocol and TNFD guidance to establish dependency pathways and impact pathways for operational activities at each site. The relevant explanations are as follows: (1)Dependency Path: Potential external environmental or social changes may impact the natural state, leading to alterations in the ecosystem services we rely on, which in turn affects the operational activities of Chicony. (2)Impact Pathway: The driving factors of operational activities lead to changes in natural conditions, resulting in a reduction or loss of ecosystem services, which in turn triggers external environmental or social changes.
E3: Dependency and impact measurement	• Based on the importance of ecosystem services and the level of external impact, we assessed nature-related risks with a focus on the potential material impacts to operations arising from the loss or disruption of these services. (1)High Dependency on Services: Establish indicators to mitigate risks, based on the operational critical dependency matrix. This will assess the weakening of service-driving factors and their impact on society and business. By integrating stakeholder perspectives and ENCORE data, we'll identify significant driving factors. (2)Moderate-to-High Level Impact: Establish indicators/baselines to monitor the reduction of natural capital impacts.
E4: Impact materiality assessment	• The results of the ecosystem services analysis are as follows: (1)High: Flood and Wind Protection, climate regulation (2)Moderate: Water quality, atmospheric and ecosystem dilution (3)Low Level: Water flow maintenance, surface water quality & quantity stabilization and corrosion prevention & control and mitigation of sensory impacts • The results of the analysis of significant impact driving factors are as follows: (1)High: Water pollutants, solid waste (2)Moderate: GHG emissions (3)Low: Air pollutants, land use, water resource utilization
A: Assess risk & opportunities	• In accordance with the TNFD risk and opportunity framework and international reporting analyses, we have identified and preliminarily assessed potential risk and opportunity issues within our value chain. For detailed information, please refer to 2.2.3 Climate- and Nature-related Risk Identification. • In line with the TNFD scenario analysis guidance, and considering nature and environmental changes, macroeconomic trends, and regulatory developments relevant to the company, we have developed scenario assumptions aligned with our long-term business trajectory. For further details, please refer to 2.2.4 Climate and Natural Scenario Analysis. • According to our risk and opportunity assessment process, risks and opportunities identified as high or above are prioritized for active monitoring and management. For detailed information, please refer to 2.2.5 Material Climate- and Nature-related Risks and Opportunities.
P: Prepare to respond & report	• For high risks and opportunities, we have formulated corresponding response strategies to address potential impacts. We regularly follow up with responsible units to monitor implementation progress and evaluate the effectiveness of these strategies. For detailed information, please refer to 2.2.5 Material Climate-and Nature-related Risks and Opportunities. • Regarding nature-related indicators and targets, we are currently focusing on climate change as a key impact driver and have established ambitious climate-related targets accordingly. For other impact drivers, we have also taken initial steps to respond through the implementation of Green Production and Green Regeneration measures under Chicony Green Octagon framework. • To provide a comprehensive disclosure aligned with the TNFD recommendations, the Company will integrate the TCFD and TNFD frameworks and publish the TCFD and TNFD report.

2.3.3 Harnessing Nature for a Nature-Positive Transformation

At the end of 2023, CEC initiated a TNFD project. Over the course of one and a half years, we have progressively implemented the TNFD-recommended LEAP steps to identify the Company's nature-related risks and opportunities, as well as their scenarios and outcomes. We have also gradually integrated the identification process and methodologies into the Company's overall risk management system and procedures.

To continuously mitigate natural impacts, we are exploring collaborative initiatives with value chain partners and stakeholders surrounding our sites, aiming to achieve our established goals of "No Net Loss" and "Net Positive Impact."



Discussion on the Current Status of the Plant Site with Neighboring Power Plants

In 2024, we developed an environmental and social checklist for renewable energy projects and, for the first time, issued it to a renewable power plant near CET. The checklist assesses factors such as project type, location within biodiversity-rich areas, compliance with local regulations, and operation and maintenance practices. Through this preliminary analysis, we aim to better understand whether the renewable electricity we use is sourced from power plants with lower impacts on the natural environment.

In addition, in 2024, we mobilized 10 colleagues from CET to collaborate with nearby nonprofit organizations and government agencies in a mangrove restoration activity near the coastal area adjacent to the plant. Seedlings were planted in the estuarine wetlands, with the aim of reducing natural risks near the facility over the long term and fostering good community relations.



Mangrove Restoration Activities

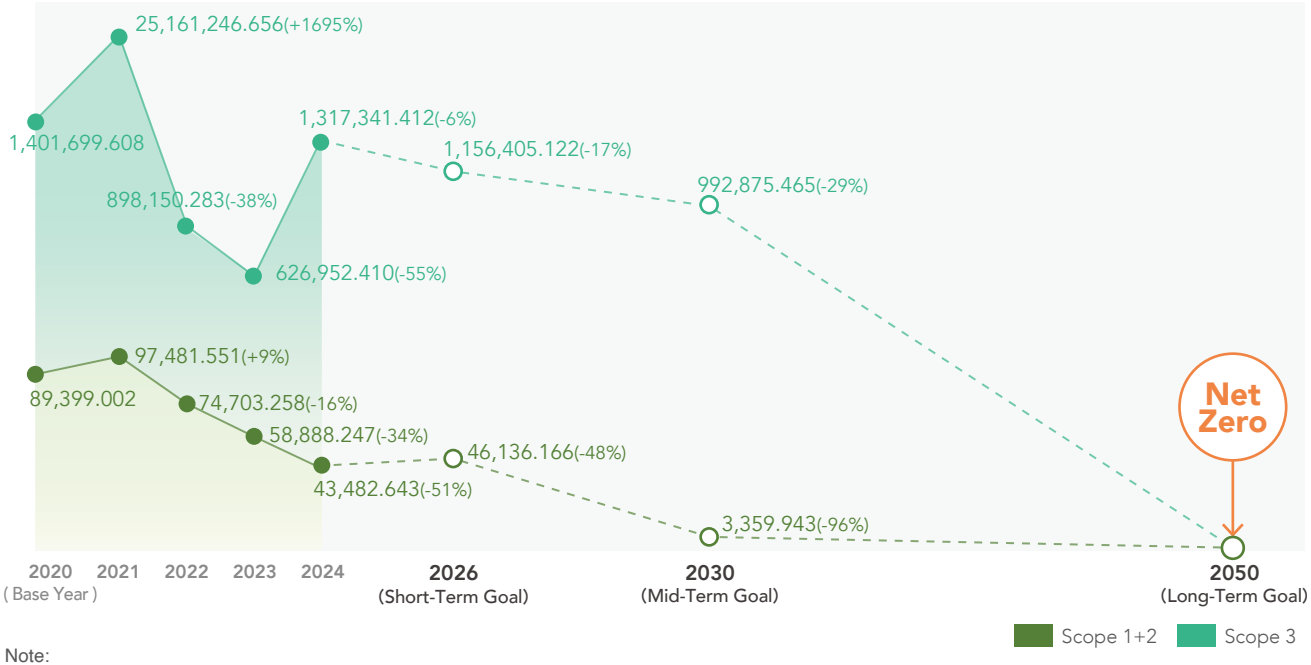
2.4 Greenhouse Gas and Energy Management

2.4.1 Net Zero Emission Action Strategy

The Company obtained SBTi certification for its carbon reduction targets in 2022, and in 2023 committed to achieving RE100 by 2030 and net zero by 2050. Integrating these three commitments and referencing the SBTi methodology, we have planned a mid-term carbon reduction pathway under the 1.5°C GHG reduction scenario, selecting 2020 as the base year.

● Chicony Net Zero Pathway

Unit: tCO_2e



Note:
1. The difference compared to the base year is indicated in parentheses.
2. Scope of Data: HQ, Major Production Bases. Excluding subsidiaries Chicony Power and XAVI, and integrating the Company's SBTi, RE100, and net zero targets.

2.4.2 GHG Management Performance

The Company conducts an annual inventory of GHG emissions at each site in accordance with the ISO 14064-1 standard and the GHG Protocol methodology. This process is verified by a third-party independent verification unit.

In 2024, office locations were included in the inventory for the first time, covering the Chicony Electronics CEZ s.r.o., Yangmei warehouse, Taichung office, Kaohsiung office, Chicony America Group Inc., and Chicony Electronics Japan, Inc. The data scope now fully aligns with the 100% consolidation scope of CEC's financial reporting. A group-wide verification approach was adopted to standardize inventory methodologies and verification procedures across all sites.

The Company's Scope 1 GHG emissions primarily arise from the combustion of natural gas in factory boilers, as well as from the fugitive emissions associated with the use of company vehicles and refrigerants. Scope 2 emissions are derived from purchased electricity. Considering the operational characteristics of each plant and the demands of the industry, there are a total of 10 items for Scope 3 inventory and verification, mainly related to the procurement of products and services, as well as the use of sold products. There are no biogenic emissions within the scope of the inventory.

In 2024, the total GHG emissions for Chicony Electronics (Scope 1, 2, and 3) amounted to 1,318,969.404 tCO_2e, representing an increase from 624,683.596 tCO_2e in 2023.

Direct and energy indirect (Scope 1 and 2) GHG emissions totaled 43,150.908 tCO2e, representing a 21% reduction (15,137.247 tCO_2e) compared to 58,888.247 tCO_2e in 2023. The decrease was primarily attributed to the Company's commitment to the RE100 initiative and active efforts toward the 2030 RE100 target. In 2024, the Company used a total of 59,301 MWh of renewable electricity, an increase of 13,692 MWh from 2023, resulting in approximately 7,119.84 tCO_2e of emission reductions. In parallel, continued implementation of energy-saving, carbon-reduction initiatives and fossil fuel replacement projects further improved energy efficiency in the production process.

In 2024, Scope 3 GHG emissions significantly rose to 1,317,341.412 tCO2e from 2023. This increase was primarily driven by a surge in the "Purchased Goods and Services" category, which grew from 283,407 tCO2e in 2023 to 1,005,690 tCO2e. This stemmed from expanding operations and adjusting procurement strategies due to supply chain relocation, leading to increased purchasing activities. Conversely, "Use of Sold Products" emissions continued to decrease, dropping from 299,246 tCO2e in 2023 to 255,154 tCO2e. This reduction reflects improved camera module energy efficiency, which lowered electricity demand and indirect emissions during product use, highlighting our efforts in product design for source reduction.

Moving forward, we will optimize product design to enhance energy efficiency and further reduce downstream emissions. Concurrently, we will strengthen procurement carbon management by implementing supplier carbon disclosure, evaluating low-carbon materials, and leveraging regional procurement strategies to minimize transportation and supply chain carbon footprints, fostering a more sustainable supply chain.

GHG Emissions (Scope 1 Category)

Unit: tCO_2e

	CO_2	CH_4	N_2O	HFCs	NF_3	PFCs	SF_6	Total
2023	2,399.038	1,578.306	13.718	2,836.826	0	0	0	6,827.888
2024	2,555.482	2,828.188	15.155	11.467	0	0	0	5,957.669

Note: In 2024, due to unified operations across all plants, the statistical method has been changed. The statistics for refrigerant leakage emissions will use the actual filling amount as the activity data, resulting in a significant decrease in HFCs.

GHG Emissions (Scope 1 & 2)

Unit: tCO_2e

	2021	2022	2023	2024
Scope 1 (Cat.1) Direct GHG Emission	7,273.251	7,555.208	6,827.888	5,957.669
Scope2 (Cat.2) Market Base Indirect emissions from the generation of purchased energy	90,208.300	67,148.049	52,060.360	37,524.974
Scope2 (Cat.2) Location Base Indirect emissions from the generation of purchased energy		N/A		66,842.061
Scope1+2 Market Base	97,481.551	74,703.258	58,888.247	43,482.643
Scope1+2 Location Base		N/A		72,799.730
Emission Intensity-Market Base	1.53	1.09	1.00	0.70

Note:
1.The statistical method employed is the operational control method, and the GWP value is based on the 2023 IPCC AR6 report.
2.The source of the power coefficient is based on the publicly announced power emission coefficients from various locations. Other relevant coefficients are derived from local operators, government sources, and data published by the Intergovernmental Panel on Climate Change (IPCC).
3.Scope of Data: All Production and Operation Bases. The subsidiary companies, Chicony Power and XAVI, can refer to the sustainability reports of the two subsidiaries for their data. The coverage of the disclosed data based on consolidated revenue calculations is 100%. The coverage rate of the verification is 100%.
4.In 2024, due to the unified operations across all plants, the statistical method has been changed. The statistics for refrigerant leakage emissions will use the actual filling amount as the activity data, resulting in a significant decrease in Scope 1.
5.Emission intensity = total emissions ÷ consolidated revenue, unit: tCO2e/NT$ million.

Other indirect emissions (Scope3)

Unit: tCO_2e

		2021	2022	2023	2024
Category 3 Indirect GHG Emissions from Transportation	Upstream Transportation and Distribution (4)	206,392.444	9,541.072	10,617.751	13,915.497
	Business Travel (6)	200.596	190.408	603.027	980.305
	Employee Commuting(7)	2,941.048	2,605.204	1,420.538	2,247.233
	Downstream Transportation and Distribution (9)	63,001.517	22,441.985	11,001.680	17,108.972
Category 4 Indirect GHG Emissions from Products Used by Organization	Purchased Goods and Services (1)	767,998.037	449,068.360	283,407.128	1,005,689.865
	Capital Goods (2)	23,556,357.210	6,920.226	3,601.773	2,864.387
	Fuel- and Energy-related Activities (3)	9,331.629	6,397.792	5,775.200	11,983.628
	Waste Generated in Operations (5)	729.212	935.381	688.161	804.810
	Upstream Leased Assets (8)	1,668.670	1,111.309	955.604	822.485
Category 5 Indirect GHG Emissions Associated with the Use of Products from the Organization	Use of Sold Products (11)	534,864.362	389,194.337	299,245.820	255,154.305
	Downstream Leased Assets (13)	9,005.330	9,559.131	7,366.914	5,769.925
Total		25,152,522.507	897,965.205	624,683.596	1,317,341.412

Note:
1. The statistical method employed is the operational control method, and the GWP value is based on the 2023 IPCC AR6.
2. 2021-2023 Scope of Data: HQ, Major Production Bases. The coverage of the disclosed data based on consolidated revenue calculations is 99%. The coverage rate of the verification is 99%.
3. 2024 Scope of Data: All Production and Operation Bases. The subsidiary companies, Chicony Power and XAVI, can refer to the sustainability reports of the two subsidiaries for their data. The coverage of the disclosed data based on consolidated revenue calculations is 100%. The coverage rate of the verification is 100%.
4. The numbers in parentheses are categorized based on the Scope 3 evaluation tool of the GHG Protocol.
5. In 2024, categories 10 (processing of sold products) and 12 (end-of-life treatment of sold products) were excluded, as CEC is not a seller of end-user products and the materiality assessment did not meet the significance threshold.

ISO 14064 Carbon Management System



To support Chicony's net-zero goal, we began collaborating with external vendors in 2023 to establish the CEC ISO 14064 Carbon Management System and ISO 14067 Product Carbon Footprint System. These systems streamline management procedures and data collection processes. In 2024, the ISO 14064 Carbon Management System was officially launched and applied to the current year's GHG inventory. At the same time, to enhance employees' environmental awareness, the Company utilizes its internal digital signage platform to display real-time dashboards, enabling all employees to stay informed about each site's GHG emissions and environmental performance.

Carbon pricing

Chicony adopts a pragmatic approach by following a scientific carbon reduction pathway, executing three major steps: assessment, reduction, and offsetting, in order to gradually achieve the goal of net zero emissions by 2050. In addition to the three steps, we have also gradually introduced an internal carbon pricing mechanism. In 2023, the Company conducted future carbon price prediction for the first time by referencing the Network for Greening the Financial System (NGFS). According to the "orderly scenarios" provided in the Integrated Assessments Models (IAMs), the estimated carbon cost is NTD 4,722.97 (US$154.64/tCO2e). This internal carbon price is used to assess the impact of external regulatory policies and to support financial evaluations of emission reduction activities. Moving forward, we will continue to assess appropriate pricing based on international trends and methodologies, with the next update scheduled by the end of 2025.

2.4.3 Energy Management Performance

Since 2022, Chicony has been promoting the ISO 50001 Energy Management System, and by 2023 and 2024, both the headquarters and major production bases have completed third-party verification. The major constituent of Chicony's energy consumption is purchased electricity. Fossil fuels are mainly used for emergency generators, forklifts, company vehicles, dormitory boilers, etc. The total energy consumption in 2024 was 533,708.45 GJ, representing a 23.9% increase compared with 2023. Energy intensity also rose by 18.6% year-on-year. This increase was primarily driven by business growth, adjustments in production line layout in response to global trends, the reliance of imaging product manufacturing on tightly controlled cleanroom environments, and the continued advancement of production line automation.

2024 Energy Consumption

Unit: GJ

	Taiwan	Mainland China	Thailand	Others	Total	Percentage
Non-renewable Electricity	12,243	146,091	113,251	272	271,857	50.9%
Renewable Electricity	0	193,650	19,798	0	213,448	40.0%
Purchased Steam	0	0	0	907	907	0.1%
Natural Gas	0	38,916	0	0	38,916	7.3%
Gasoline	240	4,503	0	0	4,743	0.9%
Diesel	51	2,782	896	108	3,837	0.7%
Total Energy Consumption	12,534	385,942	133,946	1,287	533,708	100%

2024 Energy Consumption

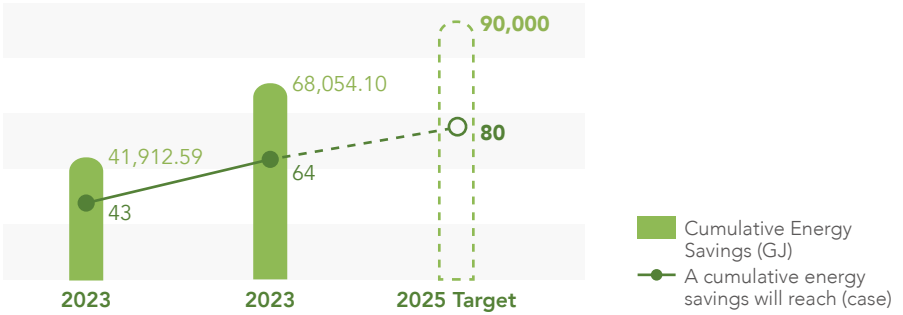
Unit: GJ

	2021	2022	2023	2024
Total Electricity Consumption	470,307.95	428,994.17	391,807.66	485,305.14
Purchased non-renewable Electricity	433,948.35	370,883.47	222,821.34	271,856.66
Purchased Renewable Electricity (Certificates)	36,359.60	57,923.36	164,190.58	201,371.71
Self-generated Renewable Electricity	38.67	187.34	4,795.74	12,076.77
Purchased Steam	0	0	0	906.83
Liquefied Petroleum Gas (LPG)	164.28	830.62	0	0
Natural Gas	31,964.51	36,038.18	32,031.49	38,915.69
Gasoline	4,070.00	3,020.83	3,981.25	4,743.95
Diesel	3,718.83	3,331.50	3,097.71	3,836.54
Total	510,225.64	472,215.44	430,918.53	533,708.15
Energy Intensity (GJ/M NTD)	8.02	6.88	7.29	8.64

Note:
1. 2021-2023 Scope of Data: HQ, Major Production Bases.
2. 2024 Scope of Data: All Production and Operation Bases. Energy consumption outside of the organization was not calculated.
3. The heating values were determined by referencing figures announced by the Bureau of Energy.
4. Energy consumption intensity = Total energy consumption ÷ Consolidated revenue (Consolidated group revenue excluding revenues from CP and XAVI); Unit: GJ/NT$ million.

In 2024, Chicony continued to enhance energy efficiency through optimization of energy management systems, achieving its energy-saving goals. A total of 21 energy management projects were implemented, resulting in energy savings of 26,141.51 GJ. The total investment amounted to NT$3,546 thousand, generating benefits of approximately NT$19,617 thousand and reducing GHG by 3,967 tCO_2e. Since the launch of Chicony Green Octagon in 2023, a total of 64 energy management projects have been completed, achieving cumulative energy savings of 68,054.1 GJ compared to 2022. We aims to complete 80 energy management projects by the end of 2025, with estimated cumulative energy savings of 90,000 GJ. All of the Company's sites have long been committed to implementing various energy saving and carbon-reduction measures, effectively reducing energy consumption, lowering GHG emissions, and saving on energy costs.

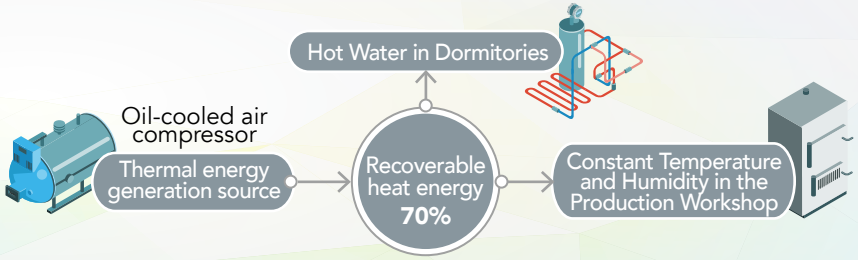
Energy Conservation Projects



Energy Conservation Highlights Case Study of CEM3

The centrifugal compressor and production lines adopted compressed air heat recovery technology to reduce the demand of natural gas used for hot water in production areas and living quarters. A highlight of this project is the collaboration with an ESCO under a performance-based contract, which reduced the initial investment cost by compensating the service provider based on the agreed energy savings.

✓Annual energy savings: 16,126 GJ ✓Carbon reduction benefits: 904.31 tCO_2e



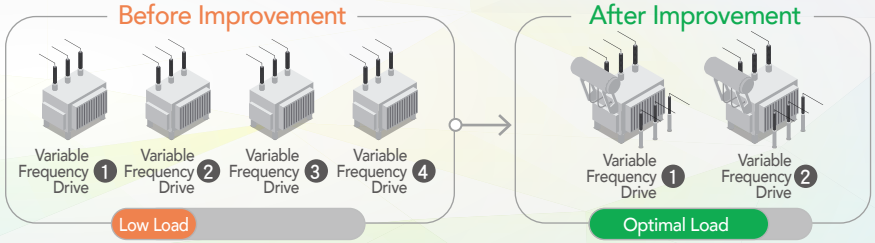
Recoverable heat energy from air compressors **70%**

Annual reduction in natural gas consumption: 428,381m³

Energy Conservation Highlights Case Study of CEM2

Due to capacity adjustments at the CEM2, the overall power load decreased, causing the transformer system to operate below its optimal efficiency range. By reconfiguring the substation, the number of operating transformers was reduced from four to two, allowing them to maintain optimal load levels.

✓Annual energy savings: 112,319 kWh ✓Carbon reduction benefits: 50.21 tCO_2e



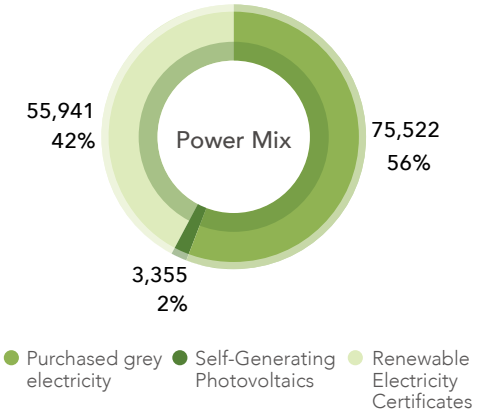
2.4.4 Electricity Usage and RE100 Progress

In 2023, the Chicony Group announced its membership in the global renewable energy initiative RE100, committing to achieve 100% renewable energy usage across the entire Group by 2030. We primarily increase the use of renewable energy through the construction of our own solar panels, Power Purchase Agreements (PPA), and the purchase of Energy Attribute Certificates (EAC).

In 2024, the total electricity consumption of Chicony Electronics was 134,817.77 MWh, of which the usage of renewable energy amounted to 59,295.99 MWh, representing 44%. This marks a significant increase of 26.32% compared to the 46,941.16 MWh recorded in 2023. The renewable energy sources of Chicony Group include self-built solar panels generating 3,354.93 MWh (3%) and renewable energy certificates (I-REC & GEC) amounting to 55,941.06 MWh (42%). To ensure the traceability and quality of renewable energy sources, CEC is also actively engaged in signing CPPA. However, due to the electricity trading regulations in mainland China, these can only be presented in the form of certificates.

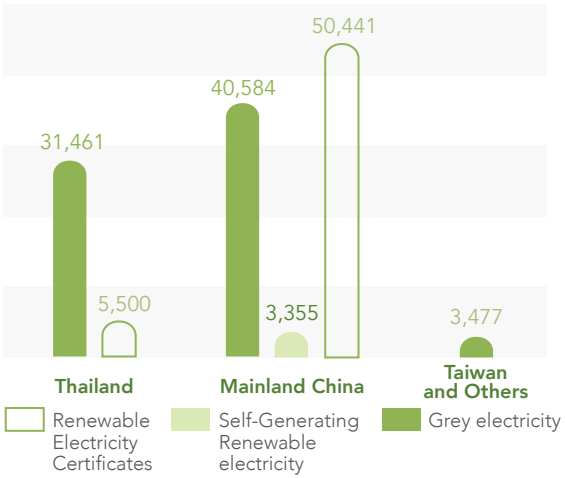
2024 Power Mix

Unit: MWh

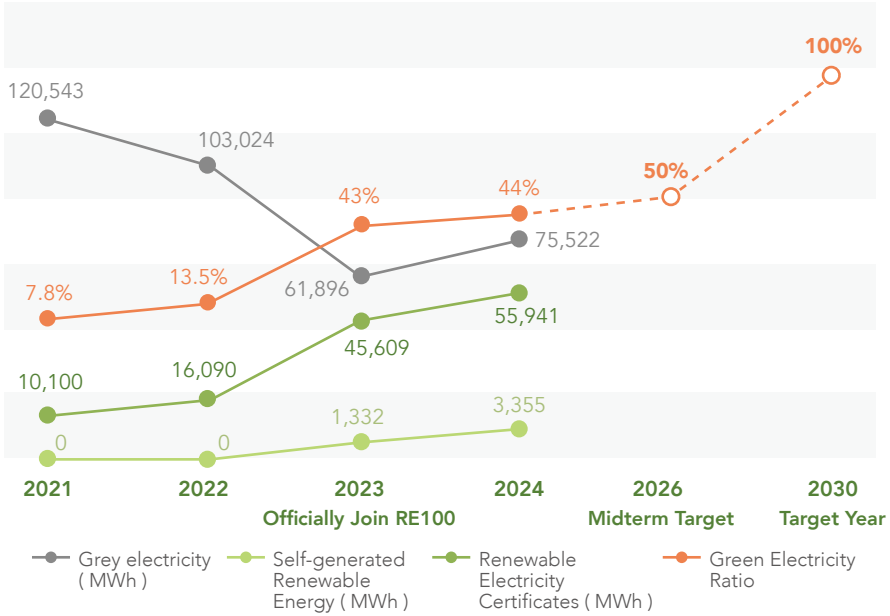


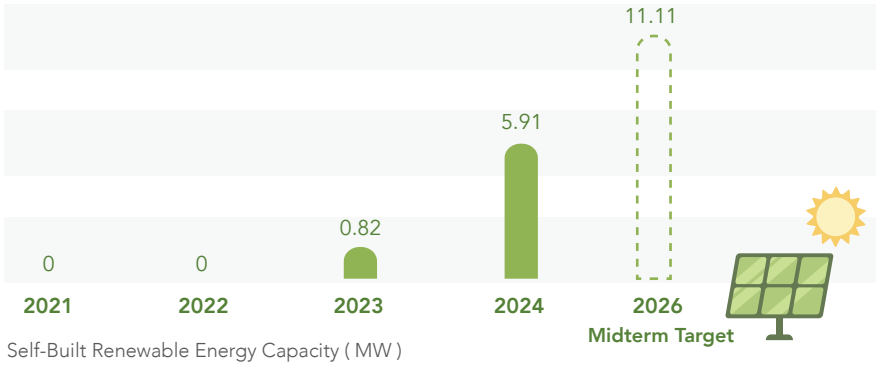
2024 Distribution of Electricity Usage

Unit: MWh



Chicony Group's Renewable Electricity Consumption Roadmap





Self-Built Renewable Energy Capacity (MW)

In response to Chicony's RE100 commitment, since 2023, the Company has progressively collaborated with external partners through various models to install rooftop solar panels on facilities such as factory rooftops and parking areas. Rooftop solar systems have been planned for the headquarters building and all major production bases. As of the end of 2024, the total installed capacity has reached 5.91 MW, representing a significant increase compared to 2023. The capacity is expected to reach 11.11 MW by the end of 2025.

● Rooftops of Solar Panels at Each Factory



CEM2



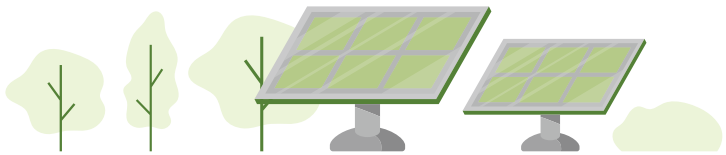
CEM3



CEM5



CET



2.5 Minimize Environmental Impact

2.5.1 Water Resource Management

CEC HQ and major production bases have all obtained ISO 14001 environment management system certification, and established a water resource management system, water resources risk identification, goal setting, and water conservation actions in accordance with the TCFD/TNFD framework.

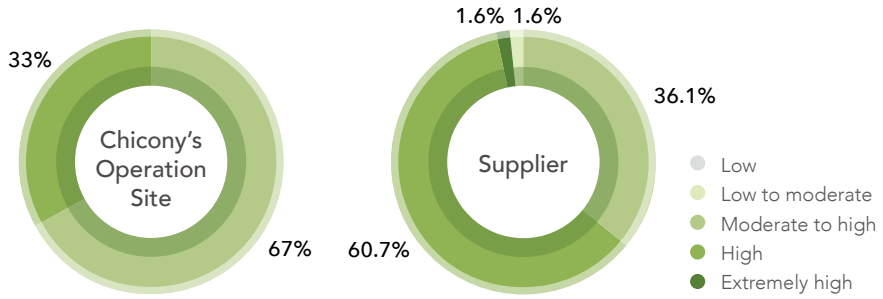
Water Security Policy

- During the period from the base year of 2021 until the target year of 2024, the Company will annually reduce water consumption per NT$1,000,000 production value by 5%.
- Carry out good water management to provide a safe, clean, compliant water supply and drinking water.
- Promote environmental and ecological safety/security, pay attention to climate change issues, and commit to preventing the occurrence of water-security-related accidents and hazardous incidents.

Water Risk Identification

Chicony Electronics is active in improving water efficiency and value, reducing environmental impacts on water resources, and increasing the use of recycled water. With the aim of precisely grasping the water risk levels at Chicony Electronics' factories located in different parts of the world, the Company has adopted the water risk assessment tools provided by the World Resources Institute (WRI) to identify the possible water risks faced by its factories and the production sites of its top 50 major suppliers prior to 2023. The water risk identification was conducted by referencing the water-related physical risks recommended in the TNFD framework, including the five major water resources indicators—water stress level, riverine flooding risk, coastal flooding risk, untreated connected wastewater, and coastal eutrophication potential (CEP).

Water risk identification for CEC bases and the top 50 major suppliers



Note:
1. CEC's operation sites/bases includes HQ, CEM2, MR, CEM3, CEM5, CET and CEZ.
2. The top 50 major suppliers were determined by sequencing the Company's 84 Significant Suppliers from 2023 according to total procurement amount.

In terms of the water stress level indicator, the Company's CEM3 and CET have been assessed as being located in high water stress areas. However, as water stress is defined as "the ratio of overall water demand to water supply in the area", water resources risks are only more likely to occur when a factory is located in a high-water-stress area and belongs to a higher water-consumption industry, which causes the factory to compete with local ecosystems for water resources.

Therefore, further scenario analysis of local water supply changes in the river basins where the factories are located has been conducted based on the Weathernews database, and assessments linked with water consumption indicators of CEM3 and CET have also been performed. Since the water consumption by both CEM3 and CET constitutes far less than 1% of the overall water consumption in the areas where they are located, the likelihood that the two factories will be impacted by local water resources conditions is not high. Chicony Electronics will continue to promote various water conservation measures, including internal water saving practices, reinforced wastewater classification systems, process water consumption reduction, and reuse of recycled/reclaimed water to cope with possible water risks.

Water Supply in CEM3 and CET Areas

	Area's water supply under SSP5-8.5 scenario (10,000 tons/day)	Factory's annual water withdrawal (10,000 tons/day)	Percentage of area's overall water supply
CEM3	1,099.79	0.227	0.021%
CET	4,508.09	0.042	0.001%

Water Resources Management Performance

The major source for Chicony Electronics' water withdrawal is tap water, with a small portion coming from recovered rainwater. The water consumption is mainly for employees' daily needs, air-conditioning facilities, and factory equipment. With the exception of a very small proportion of the equipment that needs to use purified water, most of the equipment uses tap water directly. The domestic sewage produced is treated through proper sewage treatment facilities, and then discharged to the sewage system. The total water withdrawal in 2024 was 1,335.354 ML, representing a 3.64% increase compared with 2023; the water withdrawal intensity was 0.0216 ML/NT$ million, representing a 0.7% reduction compared with 2023 and did not achieve the goal stated in the Company's Water Security Policy. The main reason for the continued increase in tap water consumption is the company's business expansion, production line reconfiguration, and product portfolio adjustment.

However, the Company continues to inspect for pipe leaks, promote water conservation, and implement water-saving measures and wastewater recycling in its processes. In addition, the commissioning of water recycling systems at the CEM2, CEM3, and CET has contributed to a steady increase in both the volume and rate of water reuse. Purified rainwater is used for irrigation and cooling towers, while process-recycled water is reused within the production process itself.

Water Withdrawal and Water Consumption

Unit: Megaliters

	2021	2022	2023	2024
Surface Water	0	0	0	0
Municipal Water	1,632.817	1,586.066	1,288.394	1,335.354
Groundwater	0	0	0	0
Rainwater	0.006	0.009	0.116	0.653
Renewable Water	0	0	0	0
Total Water Withdrawal	1,632.822	1,586.074	1,288.510	1,336.007
Total Water Discharge	1,412.523	1,366.173	1,038.962	1,015.230
Total Water Consumption	220.293	219.893	249.548	326.650
Recycled Water	0.006	0.009	38.745	61.067
Water Recovery Rate	0.0004%	0.0006%	3.01%	4.37%
Water Withdrawal Intensity	0.0257	0.0231	0.0218	0.0216

Note:
1. Scope of Data: HQ, Major Production Bases. The subsidiary companies, Chicony Power and XAVI, can refer to the sustainability reports of the two subsidiaries for their data. The coverage of the disclosed data based on consolidated revenue calculations is 99%.
2. A factory's water discharge is estimated to be 80-90% of its water withdrawal.
3. Sources for water recovery include rainwater and swimming pool water. Water recovery rate = recovered water ÷ (total water withdrawal ÷ Total recycled water).
4. Water withdrawal intensity = Total municipal water ÷ Consolidated revenue (Consolidated group revenue excluding revenues from CP and XAVI); Unit: Megaliters/NT$1,000,000.
5. CEM3 is the Company's only base located in a high-water-stress area. Its total water withdrawal in 2024 was 830.162 megaliters, and total water consumption was 13.67 megaliters.

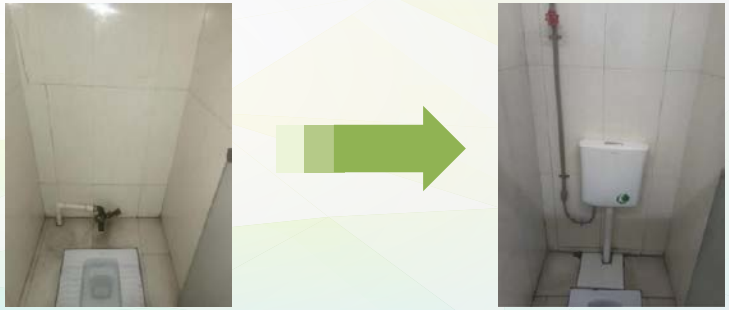
Water Resources Reduction Performance

CEC actively promotes water-saving measures across its facilities through regular meetings and the implementation of environmental management systems. In 2024, a total of six water-saving initiatives were completed, resulting in a reduction of 40,882 cubic meters in water consumption compared to 2023. The total investment amounted to NT$856,289, generating annual water-saving benefits valued at NT$829,587. In 2025, it is projected that six new projects will be completed, resulting in a cumulative water savings of 52,000 cubic meters.

Water Conservation Highlights Case Study of CEM5

This project replaced foot-operated flush valves with flush tanks to effectively control the amount of water used per flush and prevent continuous leakage caused by valve malfunctions. In addition, the replacement of concealed PVC water supply pipes with exposed PPR pipes not only reduces the risk of leakage but also facilitates maintenance, ensuring the stable operation of the water supply system. This improvement enhances water use efficiency and contributes to achieving water conservation goals.

✓ Annual water savings: 17,152 Cubic Meters



Wastewater Discharge Control

CEC takes a rigorous approach to managing the environmental impact of its water usage at all sites. The majority of wastewater discharged from facilities consists of domestic sewage, which is collected via dedicated pipelines and sent to nearby wastewater treatment plants for secondary treatment before discharge. All operations strictly comply with local environmental regulations, with regular monitoring and testing conducted at factory discharge outlets. In 2024, there were no instances of exceeding regulatory discharge limits.

● Wastewater Discharge

	CEM2	MR	CEM3	CEM5	Standards in Mainland China	CET	Standards in Thailand
Water Discharge Volume (ML)	47.451	185.476	663.191	54.896	-	48.697	
PH	7.4	7.1	7.5	7.4	6-9	7.3	5.5-9
COD(mg/l)	163	419	234	83	500	40.2	120
BOD(mg/l)	90	0	103	24.1	300	7.9	20
SS(mg/l)	46	143	63	49	400	< 5	50
Treatment plants	XiaNi Sewage Works	Niushan Sewage Works	Wujiang Sewage Works	Jiangjin District Shuangfu Street Sewage Works	-	Tontine Environment Engineering Co., Ltd	-
Discharge Water	Shek Sheung River (Pearl River)	Lo Wai River (Pearl River)	Xu River (Long River)	Yangtze River	-	Khlong Samnga.	-

Note: wastewater standards for the mainland China sites follow the Integrated Wastewater Discharge Standard (GB8978), while the CET complies with the Notification of Ministry of Industry regarding Industrial Effluent Standards B.E. 2560.

2.5.2 Waste Management

Waste Management

Waste Reduction Policy

- Target a 5% annual reduction in hazardous and solid waste generation per NT$1 million output value from 2021 to 2024.
- Ensure 100% legal handling and disposal of all hazardous and solid waste.
- Meet environmental and customer demands through clean production and green product development.

Each of our sites follows the ISO 14001 framework to manage waste from source to disposal. Since 2022, we have implemented a Waste Reduction Policy to drive ongoing reduction efforts. From the design stage, we prioritize material selection and minimalism to reduce waste generation. During production, we optimize processes to improve material efficiency, reduce scraps and defects, and minimize hazardous substances. We ensure legal waste handling through qualified vendors and actively promote recycling and resale to extend material lifespan and maximize resource circulation.

In 2024, our total waste amounted to 6,228.49 metric tons, a 6.48% increase from 2023. Waste intensity reached 0.101 tons per NT$1 million revenue, up 2.02%. The rise was mainly due to business expansion and product mix changes, leading to an increase of about 370 tons of hazardous waste. We continue to strengthen waste control and minimize negative impacts from operations. All sites strictly manage hazardous waste and audit each disposal vendor at least once. No violations were found, aligning with our Waste Reduction Policy.

2024 Total Waste Statistics

Unit: Metric Tons

		2024
Non-Hazardous Waste	Reuse	0.00
	Recycle	2,000.18
	Landfill	0.00
	Incineration (with Energy Recovery)	2,554.12
	Incineration (without Energy Recovery)	1,214.13
	Subtotal	5,768.43
Hazardous Waste	Temporary Storage	2.25
	Recycle and Reuse	106.50
	Off-site Treatment	351.31
	Subtotal	460.06
Total Waste		6,228.49
Total Recyclable / Reusable Waste		2,053.43（33.0%）
Waste Density		0.101
Hazardous Waste Intensity		0.093
Non-Hazardous Waste Intensity		0.007

Note:
1. Scope of Data: HQ, Major Production Bases. The subsidiary companies, Chicony Power and XAVI, can refer to the sustainability reports of the two subsidiaries for their data. The coverage of the disclosed data based on consolidated revenue calculations is 99%.
2. This table adopts a disclosure framework different from that used in 2023, in alignment with the company's implementation of UL 2799A certification procedures.
3. Total Recyclable / Reusable Waste = Reuse + Recycle + Recyclable and Reusable
4. Total Recyclable / Reusable Waste (Rate) = (Reuse + Recycle + Recyclable and Reusable) ÷ Total Waste
5. (Hazardous and Non-Hazardous) Waste intensity = (Hazardous and Non-Hazardous) Total Waste ÷ Consolidated revenue (Consolidated group revenue excluding revenues from CP and XAVI); Unit: Metric tons/NT$1,000,000.

2024 Electronic Waste and Scraps Statistics

Unit: Metric Tons

Scrap	Non-recyclable / Non-reusable	103.93
	Recyclable / Reusable	7.98
	Total weight	111.91
Electronic Waste	Non-recyclable / Non-reusable	68.92
	Recyclable / Reusable	3.49
	Total weight	72.41

Note:
1.Scope of Data Covers Major Production Bases.
2. Due to data incompleteness, the recirculation percentage cannot be disclosed for the time being.

Since 2022, the Company has adopted its CET as a demonstration site for the first-time implementation of the UL 2799A Environmental Claim Validation Procedure (ECVP) for Zero Waste Classification. By 2024, both the CET and CEM5 have obtained UL 2799A Platinum certification with a diversion rate of 100%. Other major production bases are expected to obtain certification by 2025, with an anticipated diversion rate of over 90% across all production bases, meeting the Silver level standard.

In addition, we continuously promote awareness among plant employees through education and training to ensure proper waste sorting and reduce the generation of domestic waste. We also collaborate with our value chain partners to effectively utilize valuable waste and discarded materials, achieving a total recycling value of NT$11.08 million. We also make good use of factory resources by reusing discarded uniforms from the factories. After cleaning and organizing them, the uniforms are distributed to employees in need, promoting both sustainable resource circulation and a cycle of goodwill.





Factory personnel provide guidance on waste sorting.

2.5.3 Air Pollution Management

The gas emissions generated during CEC's production processes primarily originate from ink printing, dispensing, injection molding, and SMT operations. The main emissions include heat, solder fumes, and a portion of volatile organic compounds (VOCs). In accordance with internal standard procedures, all gases are centrally collected through pipelines and treated using exhaust gas treatment equipment before being discharged into the external environment. CEC's facilities are equipped with air pollution control systems with removal efficiency exceeding 90%, including activated carbon adsorption and electrostatic precipitation technologies. These systems effectively reduce pollutant emissions and ensure compliance with environmental regulations.

In addition, CEC conducts thorough inventories and implements strict controls over substances containing VOCs. The company ensures that all relevant personnel are equipped with appropriate personal protective equipment (PPE) and that proper exhaust systems are in place during usage and storage, safeguarding operational safety and minimizing the environmental impact of VOCs.

All CEC manufacturing factories comply with local environmental regulations and have obtained the required air pollutant emission permits. Regular air pollution monitoring is conducted at each site. In 2024, the estimated total air pollutant emissions included 4.84 metric tons of volatile organic compounds (VOCs) and 0.28 metric tons of particulate matter (PM), which remained roughly consistent with 2023 levels.

Note:
1. The emissions of hazardous air pollutants (HAP), perfluorocarbons (PFC), persistent organic pollutants (POP), and ozone-depleting substances (ODS) are all 0 metric tons.
2. Nitrogen oxides (NOx) and sulfur oxides (SOx) primarily originate from the combustion of diesel in generators. However, generators are only activated in emergency situations, such as during power outages, and are considered non-routine emission sources; therefore, they are not classified as major sources of emissions.

2.6 Promotion of Green Research, Development, and Innovation

CEC recognizes that innovation is the key to sustainable corporate development. We continuously invest in research and development to maintain industry competitiveness through technological innovation, while incorporating ESG principles to drive sustainable product transformation. In product development and production processes, CEC adopts a Product Life Cycle (PLC) approach—starting from product design to end-of-life disposal—striving to meet fundamental customer requirements such as functionality, quality, and durability, while also upholding environmentally friendly principles.

We adhere to the KISS (Keep It Simple, Stupid) principle by optimizing mechanical structures at the design stage, reducing unnecessary components and overly complex designs. This approach not only enhances product performance and durability but also minimizes material and energy consumption during manufacturing. Additionally, we actively adopt high-performance materials and low-environmental-impact manufacturing technologies to ensure our products are both eco-friendly and competitive. This approach enables innovation to not only drive CEC's growth but also create greater value for the environment and society.

2.6.1 Green Product Design and Manufacturing Process

CEC actively promotes innovative research and development, integrating ESG principles to optimize product design and enhance added value. The keyboard module and input devices reduce manufacturing complexity through modular design, decreasing the amount of plastic used and the number of components. They utilize recycled metals and PCR plastics to lower carbon emissions. The continuous implementation of low-power backlighting technology enhances energy efficiency. Input devices are also being developed with energy-saving wireless technology to extend battery life. The Imaging Input Device Division and the Lens Module Division employ AI image processing technology to improve image quality and provide diverse services. They also optimize image sensing and processing technologies to reduce high-power operational demands, while emphasizing lightweight design to minimize material usage and enhance transportation efficiency. Additionally, halogen-free materials and environmentally friendly coatings are introduced to reduce environmental impact.

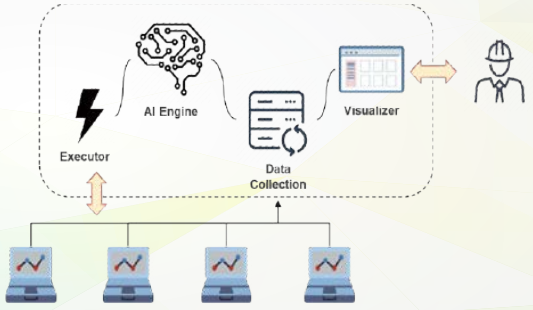
Product Design Process and Result

Stage	Qualitative Results	Quantitative Results
Analysis and Design	In the initial design phase, energy-saving design principles were introduced to reduce carbon footprint and material usage, while optimizing component configuration to enhance product lifespan. Utilizing higher-grade driver ICs to reduce power consumption.	• 100% of the products have completed evaluation, optimizing design to reduce material usage. • Continuing to Promote USB 4.0
Material Selection	Utilizing halogen-free and recycled materials, such as PCR plastics and recycled aluminum, to reduce the demand for new materials and minimize the environmental impact of the supply chain.	• 100% of products meet the standards. • The proportion of recycled plastic from input device models reaches 25%
Manufacturing Process	Optimize production processes, enhance production efficiency, implement lead-free soldering technology, reduce harmful substance emissions, and decrease process energy consumption while utilizing clean electricity.	• The imaging products have achieved 100% automation in production, enhancing process control accuracy and product yield. • The renewable electricity usage rate of all factories reached 44%
Product design	Semi-automated and fully automated testing reduces human error, enhances product quality, and incorporates durability and environmental adaptability testing to ensure product lifespan and stability.	• Automated testing enhances inspection efficiency and reduces the return rate by 3%
Packaging and Distribution	Select FSC-certified paper and other environmentally friendly materials, use eco-friendly printing inks, reduce the use of plastics and chemicals, design recyclable labels, and enhance the recycling rate of packaging materials.	• Over 90% of packaging materials are sourced from FSC-certified materials.
Recycling / External Waste Disposal	Enhancing recycling rates and resource recovery, classifying and processing waste, ensuring compliant handling of electronic waste, and reducing environmental impact.	• The product recycling rate has reached 87%, resulting in a reduction of general waste generation.
Process Management and Monitoring	Continuously implement the TPMS intelligent monitoring system to accurately grasp energy consumption and environmental data, ensure compliance with green standards, and regularly optimize production conditions.	• Regularly monitor and optimize the production environment on a weekly basis to reduce carbon emissions.

Production Line Highlight Case Study

In response to the maturity of production line automation and in alignment with the product's requirements for yield rate and precision in machine operation, the production line has implemented a cloud-based and AI data analysis platform. By integrating data visualization with statistical analysis, the system supports a multi-window mode for real-time monitoring of production line status, yield, and efficiency changes.

The AI decision-making engine automatically analyzes production data, providing intelligent scheduling and alert notifications, which assist managers in quickly identifying issues and optimizing processes. The integration of IoT devices with real-time video monitoring enhances management accuracy and includes features for historical data inquiry and comparison. It supports daily and weekly reports, assisting plant supervisors in continuously improving production efficiency.





Product Highlight Case Study- Smart Camera

In 2024, CEC will collaborate with clients to jointly develop a new type of network camera, incorporating the concept of sustainable products. Efforts will be made to achieve a balance between environmental protection and performance through aspects such as recyclability, enhanced durability, and energy-efficient design, thereby promoting green innovation.

- ✓ The certification recycling rate can reach 87%, and the regeneration rate can reach 90%.
- ✓ The circular body and metal casing reduce wear and extend the service life.
- ✓ AI Smart Hibernate Mode, Efficient Energy-Saving Design



Product Highlight Case Study - Keyboard Module

In 2024, the CEC Keyboard Module R&D Team is committed to environmental protection and innovation, overcoming challenges in material application by extensively utilizing recycled plastics and reclaimed metals, while ensuring quality and durability. The lightweight and integrated design not only reduces the use of raw materials but also optimizes the manufacturing process to enhance efficiency.

- ✓ Using environmentally friendly packaging materials that are easy to disassemble and recycle.
- ✓ The product line uses recycled plastics and reclaimed metals.
- ✓ Lightweight design reduces the use of raw materials.
- ✓ Integrated design reduces manufacturing processes.



2.6.2 Product Carbon Footprint

Since 2023, CEC has been actively promoting the concept of product carbon footprint across the company. We have launched carbon footprint inventory projects for five products, with each business unit designating at least one representative product. In 2024, all 5 projects were successfully completed, with 3 products obtaining ISO 14067 product carbon footprint verification certificates.

In 2023, we collaborated with external vendors to establish the CEC ISO 14064 Carbon Management System and the ISO 14067 Product Carbon Footprint System. The ISO 14067 Product Carbon Footprint System has been completed and will continue to be optimized and automated. In the future, it is expected to effectively reduce the complexity of calculating product carbon footprints, while continuously integrating with the company's internal systems to achieve automation and reduce manual inventory costs.

Based on the results of the carbon footprint assessments, we found that for the core products analyzed, the "raw materials" stage is the primary source of environmental impact, followed by the "manufacturing" stage. This indicates that our products are generally low-power and energy-efficient. These findings will serve as a valuable reference for our future carbon reduction planning. CEC continues to integrate sustainability concepts into product development and, in response to the assessment results, is actively enhancing the sustainability of raw materials. We are making ongoing improvements in packaging, metals, and plastics to reduce the overall carbon footprint.

● 5 products have completed carbon footprint assessments, and 3 have obtained carbon footprint certification.

Product	Carbon Footprint	Description
Computer Camera Module C7FME28 (Gained ISO 14067 Certification)	0.3663 $kgCO_2e$	• This product is a video camera module; therefore, an assessment was conducted from Cradle to Gate, and the ISO 14067:2018 verification certificate was obtained. • The primary source of the carbon footprint is in the "raw materials" stage, accounting for 99% of the overall carbon footprint.
Webcam CZAK815 (Gained ISO 14067 Certification) 	27.3673 $kgCO_2e$	• This product is a complete product; therefore, it is subject to a Cradle to Grave assessment. • This product features low power consumption and a relatively simple manufacturing process; therefore, the majority of its carbon footprint—accounting for 87% of the total—originates from the "raw materials" stage.
Surveillance Camera Medusa (Gained ISO 14067 Certification) 	19.9614 $kgCO_2e$	• This product is a complete product, due to the inability to track its post-sale usage; therefore, it is subject to a Cradle to Gate a ssessment. • The primary source of the carbon footprint is in the "raw materials" stage, accounting for 99% of the overall carbon footprint.
Keyboard Module DLM20F73USJ698W 	1.5582 $kgCO_2e$	• This product is a complete keyboard module; therefore, it is subject to a Cradle to Gate assessment. • The carbon footprint during the raw material stage is approximately the same as that during the manufacturing stage, with the "raw material" stage accounting for 52% of the overall carbon footprint and the "manufacturing" stage accounting for 48%.
Keyboard KGR1568 	13.1170 $kgCO_2e$	• This product is a complete product; therefore, it is subject to a Cradle to Grave assessment. • This product features low power consumption and a relatively simple manufacturing process; therefore, the majority of its carbon footprint—accounting for 86% of the total—originates from the "raw materials"

Note: The difference in carbon footprint data compared to 2023 is primarily due to data adjustments made during the certification process. The figures for the current year shall prevail.

● Sustainability Initiatives for Products Across Business Divisions

Input Device (IPD)

1-**70%** of products use eco-friendly packaging materials.
2-**4%** of products use recycled metals.
3-**100%** of products are made from recycled plastic.

Keyboard Module (MKB)

1-**100%** of products use eco-friendly packaging materials.
2-**9%** of products use recycled metals.
3-**25%** of products are made from recycled plastic.

Video Imaging Product (VIP)

1-**90%** of products use eco-friendly packaging materials.

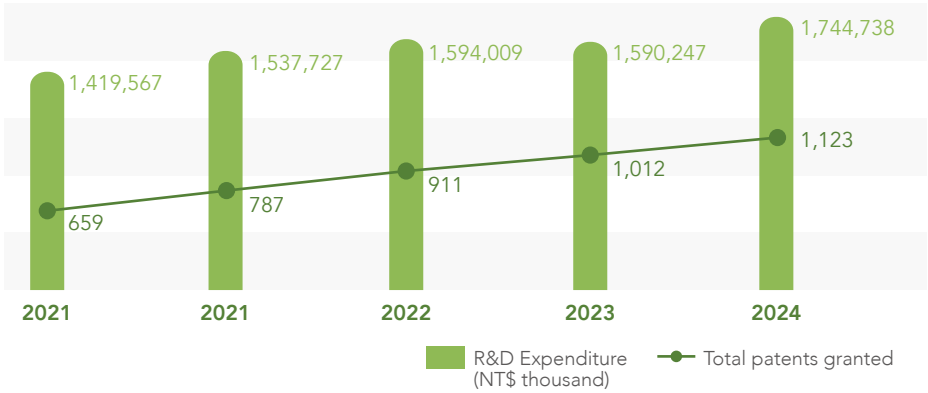
Camera Module/ Webcam (CM)

1-**100%** of products use eco-friendly packaging materials.
2-Initial Introduction of Recycled Plastics.

2.6.3 Investment in Research and Development and Patent Protection

To maintain market competitiveness, in addition to formulating R&D strategies, CEC continues to invest in research and development resources by providing a supportive work environment and competitive compensation for R&D personnel. The Company has steadily increased its R&D expenditure, which in 2024 has grown by approximately 22.5% compared to 2020. The cumulative number of granted patents has significantly increased by 70.4% over the past five years, securing CEC's continued inclusion among the top 100 institutions for patent grants and applications. In the future, CEC will continue to allocate resources to encourage internal innovation and external collaboration, aiming to optimize workflows and enhance product value-added.

Expenditures in Research and Development and Patent Investment



CEC focuses on technological innovation and intellectual property development. To protect the Company's R&D technologies and accumulate intellectual property achievements, CEC annually establishes "patent key performance indicators" and encourages employees to submit high-quality patent proposals to promote the conversion rate of internal patent proposals into external applications.

At the management level, a digitalized "intellectual property proposal system" has been implemented, enabling R&D personnel to efficiently submit patent ideas through the company's internal platform. Both proposers and R&D supervisors can complete submissions and approvals within this system, after which internal IP staff conduct patent searches, provide improvement suggestions, and finalize the proposal review process. Through systematic approaches and the proactive establishment of patent management procedures, the company ensures the effective implementation of patent operations.

To encourage employees' spirit of innovation and improvement, actively promote R&D and patent applications to enhance product value and generate company profits, in 2023, CEC established the "Chicony Electronics Corporation Patent Management and Reward Measures."

Intellectual Property Strategy

Enhancing Patent Quality	CEC initially filed more utility model patents, and since 2017 has shifted its focus primarily to higher-quality invention patents. The emphasis of various policies on innovation, research and development, and intellectual property protection has led to improvements in both the quality and quantity of patents.
Patent Inventory and Maintenance	In addition to increasing the number of patent applications based on key performance indicators, we will also conduct regular assessments of all authorized patents to provide each business unit with the necessary information to formulate patent offensive and defensive strategies.
Monitoring Industry Changes	We monitor industry trends in patent applications to actively capture key technology intelligence, regularly track competitors' application activities, and evaluate whether competitors' products fall within the scope of the Company's existing patent protection.

This policy grants each business unit the authority to set trade secret protection and issue trade secret rewards, encouraging innovation while safeguarding trade secrets. The company also created the "Best Inventor Award" to recognize outstanding employees with notable patent quantity and quality performance. In 2024, the Best Inventor Award was jointly awarded to two employees from the MKB and VIP business units and presented publicly at the year-end party.



2024 Annual Chicony Electronics "Best Inventor Award" Recipient with President Lu



3

VALUE CHAIN INTEGRATION

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3.4 PARTICIPATION IN INTERNATIONAL INITIATIVES AND INDUSTRY ASSOCIATIONS 81

3.5 CONTRIBUTING TO SOCIAL WELL-BEING 82

Target and Progress

Sustainabile supply chain

Action Plan

- Establish a digital system that integrates sustainable supply chain and responsible mineral sourcing requirements
- Host supplier conferences to strengthen supplier engagement
- Develop a sustainable supply chain management system
- Conduct sustainability risk assessments for suppliers
- Identify key suppliers and promote supplier risk assessments
- Implement green procurement

Key Metrics	Sustainable supply chain	New Suppliers Complete the Supplier ESG Risk Assessment Questionnaire	Raw Material Suppliers Complete the《Supplier ESG Risk Assessment Questionnaire》	Supply Chian Conference	Responsible Minerals Survey	Use of Conflict Minerals
2024 Target	All supplier documents updated	100 % Completed	New Target	5 events	100 % completed	None used
Achievement	Achievement			Achievement	Achievement	Achievement
2024 Implement Status	All supplier documents updated	89 % Completed	New Target	8 events	100 % completed	100 % completion of tracking and corrective actions
Mid-/ Long-Term Goal	· Establish a sustainable supply chain management system · Develop a sustainable supply chain platform covering carbon and risk issues · Integrate the conflict minerals platform with the sustainable supply chain platform					
2025 Target	• 100% of suppliers signed the Supplier ESG Commitment Letter • On-site audits completed for 55 key suppliers	• 100% completion expected • Risk assessment conducted	• 100% completion expected • Risk assessment conducted	8 events	• 100% completed • Conflict minerals platform established • First conflict minerals report published	None used

Policy/ Commitment

- Supplier Code of Conduct
- Procurement Management Procedure
- Supplier Nonconformance Management
- Conflict Minerals Policy
- Chicony Green Octagon

Responsible Units

- ESG Sustainability Office
- Procurement Center
- Procurement Units at Each Site
- Quality Assurance Center

Customer Relationship Management

Action Plan

- Cross-functional teams (CFTs) provide comprehensive and professional support
- Establish a customer satisfaction survey mechanism
- Strengthen information security measures to ensure the protection of customer data
- Develop a customer rights policy and grievance procedure

Key Metrics	Customer Recognition
2024 Target	2 items
Achievement	Achievement
2024 Implement Status	3 items
Mid-/ Long-Term Goal	Achieved 90 % customer satisfaction
2025 Target	Customer rights assurance policy and grievance mechanism established

Policy/ Commitment

- 137 Mechanisms
- Proper protection of transaction data is ensured

Responsible Units

- Business Units of Each Business Group
- ESG Sustainability Office
- General Administration Office

Social Participation (None material topic)

Action Plan

-

Key Metrics	Volunteer Event
2024 Target	1 event
Achievement	Achievement
2024 Implement Status	1 event
Mid-/ Long-Term Goal	Organized 4 company-wide employee volunteer activities each year
2025 Target	• Establish Volunteer Club • Promote 2 company-wide volunteer activities

Policy/ Commitment

-

Responsible Units

-

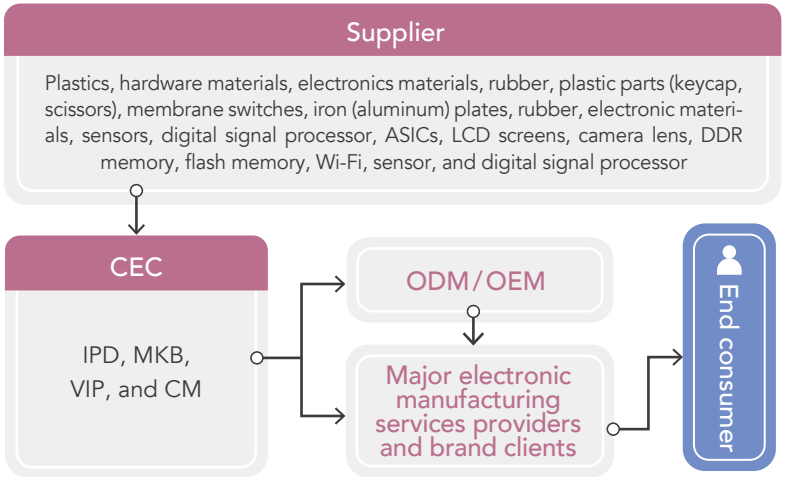
3.1 Sustainable Supply Chain Promotion Strategy

3.1.1 Sustainable Supply Chain Management Framework

The supply chain is one of CEC's most important strategic partners. The Company delivers high-value products and services to its customers while also emphasizing Environmental, Social, and Governance (ESG) initiatives. In alignment with the Company's internal supply chain management system, we collaboratively create sustainable supply chain management.

CEC is a leading global manufacturer of electronic components, committed to meeting customer requirements and integrating the upstream and downstream supply chain to deliver competitive products.

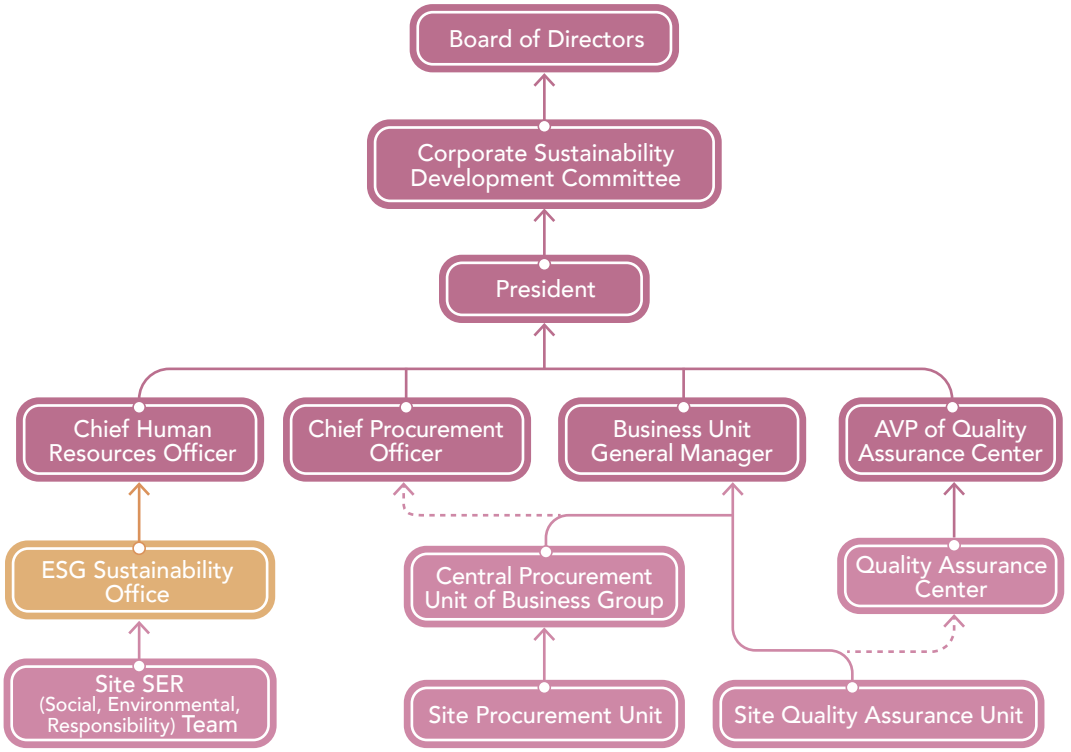
● CEC Value Chain



Organizational Structure

The CEC's Board of Directors serves as the top overseeing unit for sustainable supply chain promotion. Day-to-day operations are jointly managed by the Central Procurement Division of each Business Unit, the Quality Assurance Center, and the ESG Sustainability Office, while implementation is carried out by site-level teams or task-based units (SER Teams) to collaboratively promote a sustainable supply chain. Progress and performance are reported annually to the Corporate Sustainable Development Committee and subsequently to the Board of Directors.

● Sustainable Supply Chain Framework



3.1.2 Sustainable Supply Chain Management

When receiving procurement requests from BU, if the supplier is an existing one, the Unified Purchasing Center of the BU is responsible for supplier sourcing and procurement price negotiation. The procurement team then places the order with the supplier. For miscellaneous items, sourcing and price negotiation are handled directly by the individual factory. To mitigate the risk of material shortages or supply chain disruptions, each type of raw material is sourced from at least 2 suppliers. We also prioritizes long-term strategic partnerships with various suppliers to ensure stable and reliable relationships.

In 2024H2, to effectively promote sustainable supplier management, the ESG Sustainability Office will integrate relevant documents from various units and factories, updating existing documents including: "Supplier ESG Agreement," "Supplier Code of Conduct," "Conflict Minerals Policy," "Integrity Declaration and Undertaking," "Human Rights Policy," and "Supplier ESG Risk Assessment Questionnaire." These documents will serve as the foundation for promoting sustainable supply chain management in 2025. The progress for 2024 and the measures to be promoted starting in 2025 are described as follows.

Supplier Document Management Requirements

1. New Suppliers

When onboarding new suppliers, information such as company size and financial status is required. An integrity risk assessment is also conducted by reviewing public records and official government websites, covering operational status, risk profiles, legal disputes, and other relevant matters.

(1) Documents to be signed: "Supplier ESG Agreement," "Supplier Code of Conduct," "Chicony Electronics Corporation Conflict Minerals Policy," "Integrity Declaration and Undertaking," and "Supplier ESG Risk Assessment Questionnaire." Starting in 2025, new raw material suppliers will only be required to respond to the "Supplier ESG Risk Assessment Questionnaire".

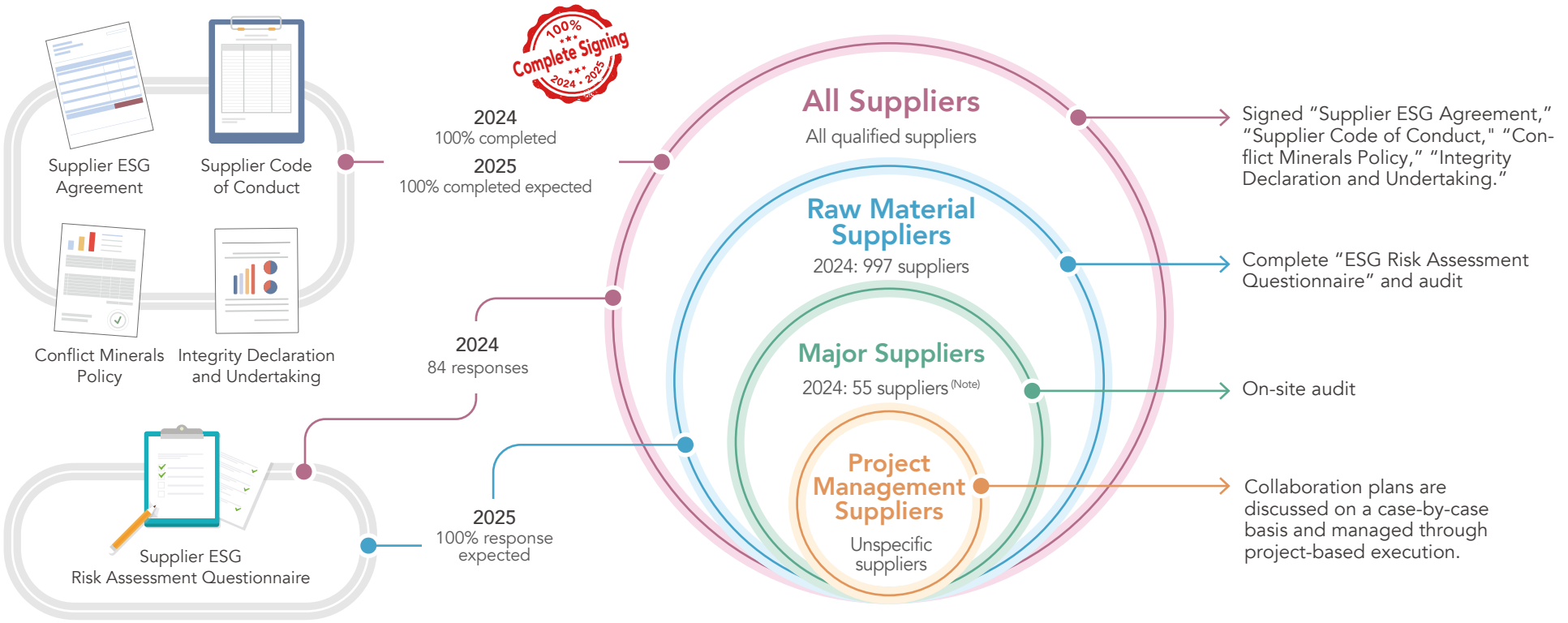
(2) In 2024, 100% of new suppliers are required to complete the signing and return of the aforementioned old version documents, with an actual achievement rate of 99%.

● Supply Chain Management Process



2. Current Suppliers

The retention of current suppliers supports the Company's continuous operations; however, associated supplier risks must also be carefully managed to minimize potential supply chain disruptions. To address this, we implement a four-tier supplier management approach.



Note: Major Suppliers: Key suppliers are defined based on all current raw material suppliers, totaling 997 vendors. After excluding transactions with related parties, suppliers are ranked by total procurement value in 2024. The final list of key suppliers is jointly determined through meetings held by the Unified Purchasing Center, Quality Assurance Center, and ESG Sustainability Office. For 2025, a total of 55 key suppliers were identified, representing 29% of the total procurement value—demonstrating significant representativeness. To ensure stable supply from key suppliers, this methodology will be applied annually, using the previous year's procurement data to define the key suppliers for the following year.

Supplier Risk Assessment Mechanism

1. Unified Purchasing Center in Business Units

In accordance with the internal supplier management regulations, the unified purchasing unit of each business department conducts regular annual evaluations of suppliers to ensure that quality, delivery, pricing, and cooperation levels meet the required standards, thereby achieving preventive risk control.

2. Quality Control Center

Regarding quality, the Quality Control Center and the on-site Quality Control Unit will jointly conduct relevant evaluations, performing either written audits or on-site audits based on the circumstances of the raw material suppliers. On-site audit results are categorized into three rating tiers: 0-64, 65-79, and 80-100. Suppliers receiving the lowest tier (0-64) will be disqualified. For suppliers in the other two tiers, follow-up actions are taken on identified deficiencies to ensure compliance with the Company's raw material quality standards.

If suppliers have any concerns regarding the routine management or audit results conducted by the Quality Control Unit, they may raise the issue with the designated factory personnel, the management department, or through the direct reporting mailbox.

2024 Quality Issues Audit Results

		BU A	BU B	BU C	BU D
Number of Written Audits		202	66	20	5
On-Site Audit	Number of Suppliers	156	112	20	47
	80-100 points	171	112	18	46
	65-79 points	10	0	2	0
	0-64 points	4	0	0	1
	Meets Standards	98%	100%	100%	98%
Overview of Major Deficiencies		Insufficient 5S management on-site has led to the cancellation of supplier qualifications, primarily due to significant discrepancies in the quality management system and standards.			

Note: Business Unit A conducted on-site audits at 156 supplier facilities. An additional 29 suppliers were audited remotely due to distance constraints; however, the same evaluation criteria as on-site audits were applied. As a result, discrepancies may exist in the reported figures.

3. ESG Sustainability Office

The Company has established Social, Environment and Responsible Teams (SER Teams) at each factory. These teams were previously managed by the Human Resources Department at HQ. Since the establishment of the ESG Office in 2024, overall coordination has been transferred to the ESG Office.

The SER Teams assist each factory in managing supplier-related issues concerning RBA compliance, BCP planning, and customer requirements. They also conduct both documentation reviews and on-site audits of suppliers. Since 2022, to strengthen the basis for audits, suppliers have been required to complete the "Chicony Electronics Corporation Supplier ESG Questionnaire" to self-assess. Based on the results and with reference to the RBA process, on-site or remote audits are conducted to verify the current status of suppliers. If specifically requested by customers, third-party audits may also be arranged, thereby promoting sustainable transition throughout the supply chain.

2024 Audit Methodology

	Provide RBA Report	Written Audit	On-Site Audit
Number of Suppliers	9	65	56

2024 Audit Results

	Significant Deficiency		Major Deficiencies		Minor Deficiencies	
Deficiency Status	Case Closed	Unresolved	Case Closed	Unresolved	Case Closed	Unresolved
Missing Items	24	27	230	161	122	22
Case Closure Rate	47%		59%		85%	
Total Missing Items	586					
Total Case Closed Rate	64%					
Overview of Major Deficiencies	Labor rights, occupational health protection, safety in the workplace environment, establishment of environmental management systems, and waste management.					



Chicony supplier's on-site audit

Case of promptly responding to abnormal suppliers to reduce supply chain risks

In 2024, dramatic shifts in the global political and economic landscape had a significant impact on the global electronics supply chain. In early 2024, due to poor operations, a supplier began experiencing delivery delays. CEC immediately initiated the transition to alternative suppliers. Subsequently, the supplier experienced delayed payroll issues due to cash flow problems, which led to employee protests. This situation impacted both CEC and its customers. The Company has since suspended transactions with the supplier.

In this case, CEC identified insufficient cross-departmental communication and a lack of cross-verification within audit systems across functional units, resulting in delayed information exchange. Consequently, we immediately planned to establish a cross-departmental notification platform and optimize the supplier risk assessment system as remedial measures. We also implemented an abnormal supplier tracking mechanism and case-based training to strengthen early warning and prevention capabilities, enhancing our emergency response readiness for the global supply chain.

If any negative impact is identified in a supplier's operations, the supplier is required to submit a Corrective Action Plan (CAP) immediately. The Company will continuously monitor the progress and effectiveness of the corrective actions. In cases involving zero-tolerance issues—such as child labor, forced labor, corporal punishment, bribery, underpayment of wages, or document falsification—if the supplier refuses to take immediate corrective action, the procurement department will be notified at once and advised to consider suspending or terminating business with the supplier.

● Amendment of the Supplier ESG Risk Assessment Questionnaire

The "Chicony Electronics Corporation Supplier ESG Risk Assessment Questionnaire" was amended in the second half of 2024 and is applicable starting in 2025. In 2024, a social and environmental impact assessment will be conducted in accordance with the "Chicony Electronics Corporation Supplier ESG Questionnaire," with no significant impacts identified for the suppliers.

	Old Version of the "Chicony Electronics Corporation Supplier ESG Assessment Questionnaire"	New Version of the "Chicony Electronics Corporation Supplier ESG Risk Assessment Questionnaire"
Applicable Year	2022-2024	After 2025
Applicable Supplier Categories	New Suppliers	New Raw Material Supplier Current Raw Material Supplier
Survey Items	Three Major Categories 1. ESG: Environment, Health, Safety, Ethical Integrity, Human Rights 2. RBA: Information Related to RBA 3. BCP: Business Continuity Plan	Three Major Categories 1. Environment: 41 points 2. Labor Practices, Human Rights, Society: 62 points 3. External Audit, Sustainable Operations: 20 points (Includes an additional 22 points for bonus items)
Key Discrepancies	1. A new scoring mechanism has been introduced as a standard for classifying suppliers by sustainability risk level. 0-45 points: High-risk suppliers, conduct on-site audits. 45-95 points: Medium-risk suppliers, conduct written audits. 95-145 points: Low-risk suppliers, maintain ongoing communication. 2. Incorporate integrity management advocacy to achieve 100% advocacy among raw material suppliers.	

3.1.3 RBA Factory of Choice

Chicony Electronics has been actively establishing a comprehensive corporate social responsibility management system. In 2011, the company joined the Electronic Industry Citizenship Coalition (EICC) in support of the core values of the Electronic Industry Citizenship Declaration. CEC is committed to establishing a work environment that respects workers' human rights, promotes labor rights, protects the environment, and values business ethics. With the advancement of global sustainability trends, the EICC was rebranded in 2017 as the Responsible Business Alliance (RBA), marking a more comprehensive phase in the industry's commitment to corporate social responsibility.

To demonstrate our commitment and determination toward sustainable corporate governance, CEC launched the "RBA Factory of Choice (RBA FOC)" certification project in 2021. Through a systematic assessment and improvement process, the Company aims to comprehensively enhance its corporate social responsibility management standards. Through continuous efforts, all five major production sites obtained RBA FOC certification in 2023, highlighting the Company's outstanding performance in responsible business practices.

At the end of 2024, we will once again initiate the FOC (Factory of Choice) project, with plans to complete this project by 2025. Through systematic management mechanisms and the adoption of international standards, CEC continues to strengthen its ESG competitiveness, respond to global sustainability trends, and realize its corporate vision of "responsible operations and value co-creation."

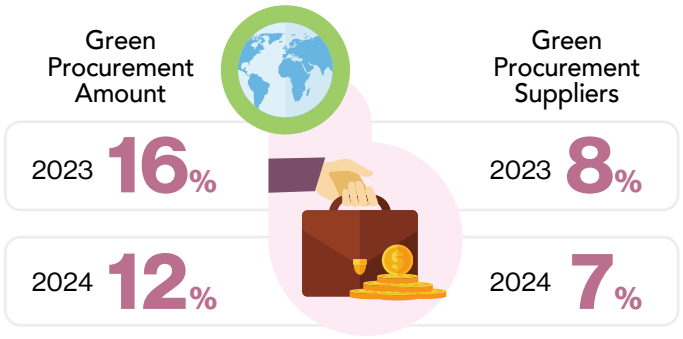
3.1.4 Low-Carbon Supply Chain

To achieve CEC's short-term 2030 target set under the Science Based Targets initiative (SBTi) and its self-defined long-term 2050 carbon reduction goal, managing Scope 3 procurement emissions remains the most challenging task. In response, CEC launched the "Chicony Green Octagon" project in 2023, within which the "Green Procurement" initiative focuses on reducing upstream raw material emissions. This initiative centers on three primary objectives: green procurement, local sourcing, and green suppliers.

Green Procurement

The Company has no relevant regulations regarding green procurement at its various factory locations. Therefore, in 2023, we referred to Taiwan's Green Procurement System for Private Enterprises and Organizations and required the Company's procurement department to implement green procurement and conduct the initial inventory. In 2024, due to the transfer of certain production lines from various business units to Thailand, the selectivity of green procurement has decreased, resulting in a decline in both the overall amount and the number of green procurement transactions.

● Contribution of Green Procurement Amount and Suppliers



Note:
1. Internal transfers were excluded when calculating the above percentages
2. Definition of green procurement: The procurement of PCR, PIR materials / packaging materials, PIR materials, water - based paints, environmental - protection - related consultations, renting instead of buying, renewable energy, LED tube lights, bicycles (including electric bicycles), electric vehicles, and various eco-labels.
3. % of green procurement amount = Total green procurement amount ÷ Total procurement amount x 100%
4. % of green procurement suppliers = Number of green procurement suppliers ÷ Total number of suppliers x 100%

Local Procurement

To reduce carbon emissions from upstream transportation and relevant delivery costs, promote local development, and efficiently obtain after-sales service, the Company is active in promoting its local procurement policy by deploying most of its suppliers in factories' neighboring areas.

Due to continuous product transformation and innovation in recent years, demand for the Company's eSports series and multifunctional video/imaging products has been growing, and the use of precision electronic materials has been increasing year by year. However, the impact of the pandemic and regional wars throughout the world has led to a shortage of metal components, resulting in constant price increases for electronic materials. Therefore, the Company will continue to search for partner suppliers to reduce relevant costs. Furthermore, in 2024, the transfer of production lines to Thailand by various business units has resulted in a decline in both the procurement amount and the number of suppliers locally, as some raw materials do not yet have suitable suppliers in Thailand.

● % of Local Procurement Amount and Suppliers

	% of Local Procurement Amount		% of Local Procurement Suppliers	
	2023	2024	2023	2024
BU A	80%	81%	90%	83%
BU B	90%	87%	92%	90%
BU C	9%	6%	28%	30%
BU D	32%	35%	76%	37%
Total	58%	49%	72%	61%

Note:
1. Internal transfers were excluded when calculating the above percentages
2. Local: Taiwan for Taiwan, Mainland China for Mainland China, and Thailand for Thailand.
3. % of local procurement amount = Total local procurement amount ÷ Total procurement amount x 100%
4. % of local procurement suppliers = Number of local procurement suppliers ÷ Total number of suppliers x 100%

Green Supplier

To achieve effective sustainable supply chain promotion, in the first stage, the Company focuses on its critical suppliers (please refer to 3.1.2 Sustainable Supply Chain Managemen for details) as the scope of promotion. Green supplier identification has been conducted, and the selected suppliers will be encouraged to make continuous efforts in developing “green” (eco-friendly) products.

To this end, CEC continuously holds both in-person and virtual supplier conferences at its various factories to communicate the Company’s organizational vision, the CEC Human Rights Policy (see Section 4.1.4 Chicony Electronics Corporation Human Rights Policy), and the CEC Whistleblowing Mailbox Policy, enabling suppliers to gain a deeper understanding of CEC. During these conferences, supplier expectations are also clearly communicated, including the implementation of the Responsible Business Alliance Code of Conduct (RBA COC) and due diligence under the Responsible Minerals Initiative (RMI). These efforts aim to engage suppliers in supporting and addressing various sustainability issues, thereby advancing the shared vision of a sustainable supply chain. In 2024, CEC held a total of 2 virtual supplier conferences and 20 in-person supplier conferences, with a cumulative attendance of 1,345 participants.

Over a thousand participants joined CEC's virtual supplier conference — Shine together, Co-create the future.

In 2024, CEC held its first-ever online "supplier conferences," with a total of 2 sessions and 905 participants.



The supplier conference was jointly held by the Taipei ESG Sustainability Office and the business unit procurement team. During the meeting, CEC’s current ESG initiatives were presented, including the ESG promotion strategy, various environmental sustainability goals, as well as the plans and timelines for advancing a sustainable supply chain. At the same time, we also conducted case study sharing, hoping to inspire suppliers’ imagination toward a low-carbon future through diverse examples.

During the conference, suppliers raised various ideas, suggestions, and questions, all of which CEC responded to individually. A summary of questions and answers from each session was shared with all suppliers, allowing those unable to attend to stay informed about CEC’s future directions. We look forward to promoting a sustainable supply chain and creating a green, low-carbon future through this kind of ongoing dialogue.

3.1.5 Responsible Mineral Management

CEC deeply recognizes the social responsibility associated with the use of metals in its products. In response to the Responsible Minerals Initiative (RMI), CEC commits to zero use of minerals sourced from illegal mining, human rights violations, or conflict financing. The Company has issued a Chicony Electronics Corporation Conflict Minerals Policy signed by the President and works closely with supply chain partners to continuously improve the responsible minerals management system.

Each year, we require raw material manufacturers and distributors to conduct responsible minerals due diligence using internationally recognized standard templates, including the Conflict Minerals Reporting Template (CMRT), the Extended Minerals Reporting Template (EMRT), and the Additional Minerals Reporting Template (AMRT). These standardized tools help trace the origin and smelter information of minerals to ensure compliance with the lists of qualified smelters provided by the RMI, thereby reducing human rights and environmental risks within the supply chain.

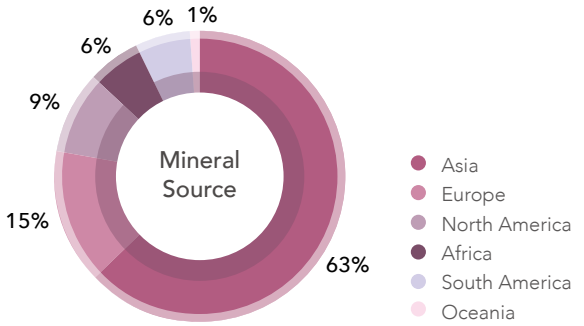
The results of the 2024 survey indicate:

1. 317 smelters were declared in CMRT information: 183 gold smelters, 68 tin smelters, 32 tungsten smelters, and 34 tantalum smelters.
2. 54 smelters were declared in EMRT information with the distribution of metals as follows: 4 cobalt smelters and 3 mica smelters.
3. The AMRT report includes 6 types of additional minerals: aluminum, copper, gallium, nickel, rare earth elements, and silicon.

In 2024, our investigation identified 63 smelters that did not meet the requirements lists of qualified smelters provided by the RMI. In response, we immediately launched an enhanced due diligence and risk mitigation mechanism. Suppliers were required to investigate the smelter usage status of their upstream original manufacturers and establish a clear timeline for smelter replacement. This ensured that all products comply with responsible mineral standards, achieving a 100% improvement rate.

We will continue to strengthen supply chain transparency and traceability by requiring suppliers to provide declarations on the sources of raw materials. This ensures that no minerals from conflict-affected regions are used, while complying with international environmental standards, respecting human rights, and responding to global sustainable procurement trends and regulatory requirements. Through these efforts, we fulfill our corporate commitment to "responsible sourcing and sustainable manufacturing."

● 2024 Mineral Source Distribution



3.2 Management of Hazardous Substances in Products

Chicony Electronics is committed to implementing comprehensive management of hazardous substances in its products, ensuring that its products comply with the latest international environmental regulations to minimize potential impacts on the environment and human health.

The Quality Assurance Center has established the "Environmental Substance Management Standard" and distributed it to all business units. When customer standards differ from the Company, the standards will be implemented by the engineering department of the overseas manufacturing facility or the unit responsible for Restricted Substance Control (RSC) after establishing specific regulations, ensuring compliance with both customer requirements and international regulations.

3.2.1 Compliance and Hazardous Substance Management

Assessment and Management Mechanism

1. Assessment Criteria

Assessments are conducted based on the latest international regulations and customer specifications. In cases of discrepancy, the higher standard shall prevail.

2. Material Control

The unit responsible for RSC will confirm that the products provided by the suppliers meet environmental protection requirements, and will conduct education, training, and audits.

3. Green Product Management (GPM) System Management

The GPM system is adopted for unified management of hazardous substances to ensure all materials comply with restricted substance requirements.

4. Compliance Verification

Established RoHS 2.0 and halogen-free laboratories to monitor process contamination and incoming material contamination risks in real time.

Full Material Declaration (FMD) Tracking and Management

Chicony Electronics has established an FMD tracking and management mechanism to enhance the transparency and compliance of product material composition. We implement centralized management through the GPM system, which is capable of tracking and managing up to 405 material standards. FMD items are regularly updated in accordance with the latest international standards and commonly accepted customer standards requirements. For specific customer requirements, dedicated project management is conducted by the respective business units at each factory. This mechanism enables us to comprehensively track the material composition of our products, effectively manage IEC 62474 declarable substances, and enhance the accuracy and efficiency of hazardous substance control.

● Regulatory Compliance Management

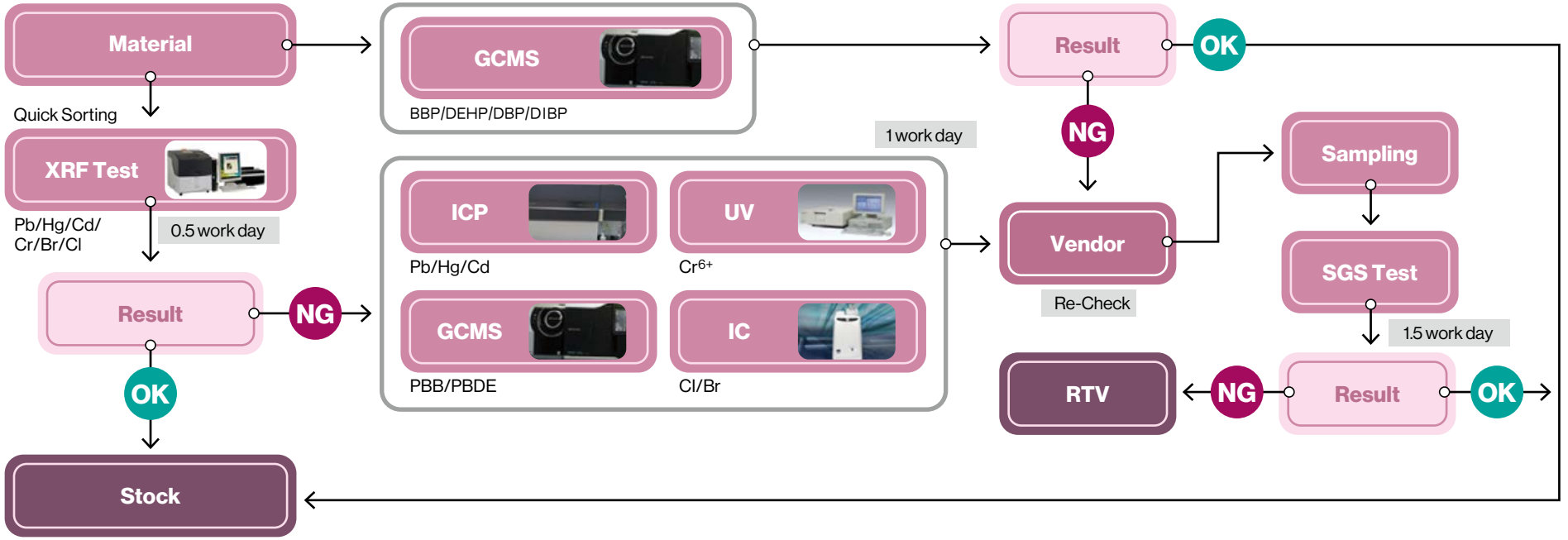
Regulations	Description
EU RoHS Directive 2011/65/EU	Directive on the Restriction of the Use of Certain Hazardous Substances in Electrical and Electronic Equipment
EU REACH Regulation (EC) No. 1907/2006	Regulations on the Registration, Evaluation, Authorization, and Restriction of Chemicals
Taiwan Toxic and Concerned Chemical Substances Control Act	Control of the manufacture, import, and use of toxic and concerned chemical substances
Mainland China's GB Standard System (including VOCs-related standards)	Chinese National Standard System, including Standards for the Control of Volatile Organic Compounds (GB 30981-2020, GB 33372-2020, GB 38507-2020, and GB 38508-2020)
Management of Prohibited Harmful Substances (Halogen HF)	International Environmental Regulations on Limiting Halogen Content in Products
Customer-specific environmental regulations	Comply with customer-defined environmental requirements and restriction standards (the GPM system manages customer-specific documents, currently covering 38 customers and 60 documents).

3.2.2 Inspection Processes and Data

CEC is committed to ensuring product safety and minimizing environmental impact through strict adherence to international standards and regulatory requirements. CEM2 and CEM3 facilities are equipped with professional testing laboratories that meet the qualifications of ISO 17025 and have successfully passed customer audit certifications. These laboratories feature advanced analytical equipment, including XRF, GC-MS, ICP-OES, UV-Vis, and IC systems, enabling comprehensive execution of RoHS 2.0 and Halogen-Free (HF) testing protocols while ensuring 100% regulatory compliance. Additionally, facilities without dedicated laboratories are equipped with XRF screening equipment. When retesting is required, samples are promptly forwarded to CEM2, CEM3, or accredited third-party laboratories to maintain testing timeliness and accuracy.

CEC has implemented a comprehensive product lifecycle assessment framework that integrates safety evaluation processes from the initial design stage through final production. This systematic approach ensures that all products achieve 100% third-party safety certification and maintain full compliance with RoHS 2.0, HF, and REACH regulatory standards. In 2024, CEC recorded zero violations related to product health and safety requirements.

● Chicony Electronics RoHS 2.0 and Halogen-Free Testing Process



3.2.3 Supplier Hazardous Substance Management

Supplier Evaluation and Management

1. Environmental Performance Assessment

Based on the characteristics of the supplier's products, it is required to obtain corresponding system certification and to conduct annual RSC self-assessments and on-site re-evaluations for key materials.

2. Supplier Commitment and Management

CEC requires suppliers to sign a Supplier Material Compliance Certificate, whereby suppliers commit to providing products that meet CEC's environmental requirements and assume full legal and financial liability for any losses resulting from non-compliance.

3. Supplier Inspection

Conduct irregular sampling inspections of materials provided by suppliers, with at least one external audit performed annually.

Supply Chain Hazardous Substance Control Mechanism

1. Information Systems Management

The Company has established the GPM system, requiring suppliers to regularly upload third-party certification reports to the system. Each business unit's RSC responsible team conducts strict reviews to ensure compliance with international environmental regulations and customer requirements.

2. Non-compliance Management

When environmental compliance issues are detected, the GPM system immediately flags them as "transaction suspended" status, ensuring that non-compliant materials can not enter the production line and effectively preventing hazardous substances from contaminating the final products.

3. Risk Management

For suppliers with recurring issues, we will implement order reductions and classify these suppliers as non-compliant to ensure the environmental performance of the supply chain Hazardous Substance Substitution Program

4. Hazardous Substance Substitution Program

The Company has established a conversion mechanism for existing materials, requiring suppliers to complete the transition to new environmental specifications before the stipulated timeframes. For environmentally friendly product materials designated by customers, replacements will be carried out according to the deadlines set by the customers. We clearly identify environmentally compliant materials through the BOM coding system, ensuring that products fully comply with international environmental regulations such as RoHS and REACH, thereby minimizing the product's environmental footprint.



3.3 Customer Relationship Management

The Company continuously monitors market trends across its business units to formulate forward-looking product development strategies while establishing diverse customer communication channels. These channels include regular meetings, an official website, a customer service hotline, and an email system to ensure timely and effective information sharing. To address customer concerns regarding production, quality, delivery, and SER (Social and Environmental Responsibility), the Company implements the "137 System" for a prompt response.

● 137 System

Within 1 day
Immediately confirm the content and scope of the issues raised by the client.

Within 3 days
Conduct an in-depth analysis of the issues raised by the client, identify key points, and propose specific handling processes and scheduling plans.

Within 7 days
Thoroughly address the core issues while incorporating relevant experiences into the risk management system to prevent similar problems from occurring in the future.

● Customer Recognition and Award

2024 Lenovo Quality Benchmark Award



2024 Perfect Quality Supplier

HUAQIN Outstanding Supplier



To enhance customer relationship management, we require our sales department to schedule regular monthly or weekly meetings with customers. These meetings serve not only to review existing collaborations but also to present and promote our latest R&D achievements, ensuring advance integration of necessary resources for future project success.

Customer-conducted Quarterly Business Reviews (QBRs) have become an essential foundation for advancing our technological development, optimizing system efficiency, and refining organizational structure. Through valuable insights gained from QBRs, we continuously improve our operational processes and remain committed to building long-term, stable, and mutually beneficial strategic partnerships with our customers.

3.3.1 Customer Service

Each business unit of the Company establishes Cross Function Teams (CFTs) dedicated to serving their respective customers, covering all operational aspects including business development, product R&D and manufacturing, quality assurance, delivery, cost management, and sustainability matters. For customer inquiries and feedback, we are committed to providing accurate and timely responses with appropriate solutions and strategic approaches.

According to specific requirement categories, different specialized teams handle tasks through systematic division of responsibilities. Following the Company's structured management framework, we apply standardized operating procedures and methodologies to process customer requirements. We further classify and prioritize issues to coordinate cross-departmental collaboration, conduct systematic assessment and data-driven management, and maintain continuous improvement with progress tracking.

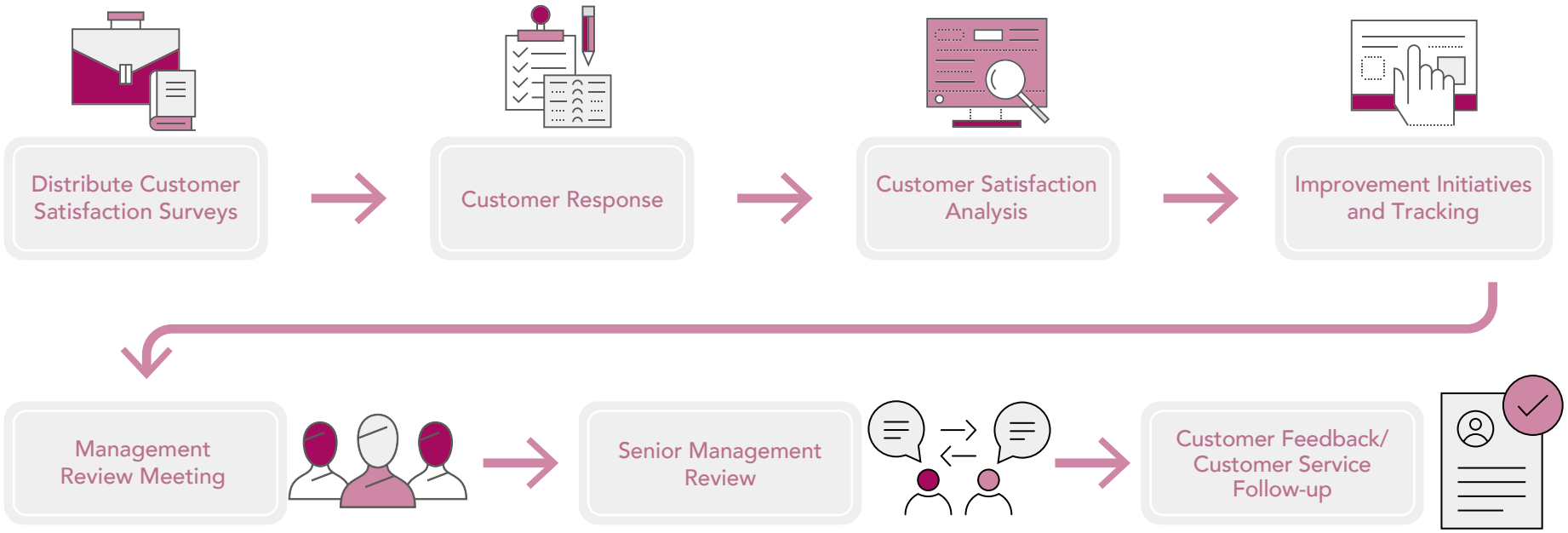
To address diverse customer requirements, we have established multiple service channels, including:

1. **Project Teams:** Dedicated project teams are formed to handle specific customer feedback, ensuring effective issue resolution.
2. **Solution Development:** Based on feedback, relevant departments propose improvements for product design and process optimization.
3. **Implementation and Monitoring:** Upon solution confirmation, systematic implementation is conducted with ongoing progress tracking.

3.3.2 Customer Satisfaction

Customer satisfaction provides the foundation for CEC's continuous improvement of products and services. CEC utilizes results from routine customer assessments, audit evaluations, and product management systems for customer feedback analysis. We also conduct customer satisfaction surveys for our primary customer portfolio. Survey findings are submitted by relevant departments to develop improvement plans. The sales department tracks implementation progress of these plans, monitoring completion within established timelines. These plans are reviewed by division management and incorporated into responsible departments' annual operational plans to improve customer satisfaction.

● Customer Satisfaction Investigation Procedure



3.4 Participation in International Initiatives and Industry Associations

In response to business growth, expanded areas of focus, regulatory compliance, industry collaboration, talent development, and deepening engagement in sustainability and climate change issues, Chicony Electronics continuously reviews relevant international standards and stakeholder concerns. The Company actively participates in industry associations as a member and has in recent years supported or joined international initiatives such as SBTi, TCFD, TNFD, and RE100, as well as climate-focused organizations like the Taiwan Climate Partnership.

We hope to participate through organizations or initiatives to promptly grasp information on sustainable industries and collaborate with organizational partners to jointly exert a positive influence, pursuing the sustainable coexistence of industry and the Earth

● 2024 CEC's Participation in Organization Public Association

Taiwan Electrical and Electronic Manufacturers' Association	TNFD Adopters
Taipei Computer Association	Electronics Information Industry Association Of DongGuan
Responsible Business Alliance (RBA)	The Hong Kong Enterprises Association of Dongguan QingXi
Taiwan Climate Alliance	The Hong Kong Enterprises Association of Dongguan DongCheng
RE100	Taiwanese Business Association of Wujiang District, Suzhou

Note: All forms of participation align with the GRI definition that “membership is considered strategically significant when the organization believes its involvement influences the association’s mission or objectives and is critical to the organization’s own activities.”

Joined the RE100 organization, 2024 RE100 Taiwan Members’ Meeting



In August 2023, CEC officially became a member of the RE100 initiative and committed to achieving 100% renewable electricity usage by 2030.

The RE100 initiative, launched by The Climate Group, aims to promote the goal of achieving 100% renewable electricity usage among businesses. As of the end of 2024, over 400 renowned companies worldwide have committed to and are advancing the use of renewable electricity.

The RE100 Taiwan Member' Meeting is held annually by the Chung-Hua Institution for Economic Research. During the conference, members share and discuss key trends in renewable energy for the year. In 2024, in addition to thematic presentations, the conference will feature, for the first time, group discussions based on members' expectations and their respective industries, focusing on four major themes: "Green Leases," "Overseas Bases," "Market Supply and Demand," and "Large Electricity Consumers." CEC will participate in the discussions on "Overseas Bases" and "Market Supply and Demand," sharing experiences on how to procure green electricity in regions outside of Taiwan, as well as the achievements in promoting renewable energy.

Through discussions with members, we have gained a more diverse range of information regarding renewable electricity and have collaboratively deliberated on methods for utilizing renewable energy, collectively advancing towards a low-carbon and green energy future.

3.5 Contributing to Social Well-being

3.5.1 Community Investment and Social Engagement

Chicony Electronics adheres to the spirit of "Taking from society, giving back to society" with a core focus on care, and actively fulfills its corporate social responsibility. We care about disadvantaged groups and actively engage in various charitable activities. We also encourage our employees to participate in social initiatives, giving back to society through concrete actions in the hope of benefiting communities and spreading love and care to every corner.

Chicony Electronics actively responds to social welfare and sustainability initiatives, exerting a positive social impact. In addition to effectively utilizing company events, the Company building, and the Company Family Day to invite charitable organizations and NGOs to set up booths, we are also actively expanding external connections. This includes supporting the 2024 National Chengchi University Campus Marathon, promoting sustainable sports events, and advocating for waste reduction and plastic reduction, thereby implementing environmental protection principles. At the same time, we responded to the call of the New Taipei City Government by signing the "Memorandum of Cooperation for Disaster Prevention in New Taipei City." This initiative aims to enhance the autonomous disaster prevention capabilities of enterprises, integrate disaster prevention and relief resources between businesses and public sectors, and leverage expertise in factory safety management and building asset management. We hope to promote cooperation and mutual assistance with the community, jointly enhancing disaster resilience and safeguarding social safety.

In 2024, Chicony Electronics will continue to support domestic cultural development, sports events, medical foundations, and disadvantaged groups, with the hope that public welfare can achieve its maximum effectiveness and demonstrate the company's profound commitment to society. We not only continue our collaboration with the AAEON Foundation by hosting the "CEC Art Gallery Exhibition," allowing employees to cultivate their temperament during their leisure time; we also donated to the Xianse Temple to support the preservation of local cultural heritage. Furthermore, we actively promote health and fitness as well as medical care by donating resources to support sports development and medical foundations. We also care for disadvantaged groups by providing necessary support and assistance, allowing the values of goodness to shine.

● Community Investment

Donation Organization	Total Donation (thousand NTD)
New Taipei Municipal New Taipei Special School	6,717
Xianse Temple, SanChong District, New Taipei City	
Taiwan Professional Golf Association	
Liver Diseases Prevention & Treatment Research Foundation	
Taiwan Health Foundation	
Tzu Guei Liver and Biliary Medical Research Foundation	
Tzih Huai Welfare Foundation	
AAEON Foundation	
Other Donations from Overseas Regions	

2024 New Taipei City Business Disaster Prevention Partnership

Jointly Responding and Signing with the New Taipei City Government and 6 Enterprises

CEC leverages its expertise in factory safety management and asset management to assist the community in disaster prevention. The Company regularly collaborates with the local fire department to conduct educational training and disaster response drills, ensuring overall disaster preparedness.

CEC has established disaster prevention cooperation with public sectors to build and enhance autonomous disaster prevention capabilities. This initiative aims to reduce the impact of disasters when they occur and to integrate the disaster response capabilities of both enterprises and public sectors for mutual support. Additionally, CEC has created channels for interaction and exchange with local enterprises and neighboring communities, enabling mutual assistance during disasters and establishing important partnerships in disaster prevention cooperation.





2024 National Chengchi University Campus Marathon

Collaborating with the social enterprise "Water Refill Action" to jointly promote a culture of reducing plastic in sports events.

Chicony Electronics provides participants with foldable sports water bottles made from TPU material, which is non-toxic and safe, making it convenient for repeated use during sports activities. Additionally, we assist National Chengchi University in establishing water stations to promote a culture of bringing personal water bottles on campus and reducing the use of bottled water.

This year's participants repeatedly used water cups during the competition, significantly reducing the originally estimated need for 5,800 paper cups to 1,400 cups (approximately a 75% reduction).

Due to participants bringing their own eco-friendly water cups, the water stations along the racecourse for this event will replace bottled water with bulk water, allowing participants to fill their own containers. This event utilized a total of 24 barrels of water, amounting to 480 liters, which is equivalent to 800 bottles of 600 cc. The total carbon reduction achieved was 122.4 kilograms.





3.5.2 Promotion of Corporate Volunteerism and Social Participation

Chicony Electronics upholds corporate social responsibility by encouraging employees to participate in public welfare and volunteer activities, with the hope of gathering resources to expand social impact.

In 2024, the Company will continue to organize blood donation events, calling on group colleagues and building leasing partners to contribute their blood. We also support the People Caring Club—an internal employee fundraising group—collaborating with external NGOs to jointly create a positive impact on society. The Company not only provides financial support to promote the group's operations but also expands its impact through concrete actions. Dedicated spaces are offered at the HQ building and during the annual Family Day, allowing the People Caring Club to sell fundraising products. This effort brings more resources and care to disadvantaged groups. In 2024, the People Caring Club collaborated with over 10 different NGOs and social welfare organizations to hold more than 30 fundraising sales events. Overseas factories continue to support local community development through material donations and public welfare sponsorship during important festivals.

In 2024, CEC will conduct a volunteer intention survey among its internal staff to respond to their needs. Looking ahead to 2025, CEC will further deepen its social participation. In addition to continuing its support for the People Caring Club, the company will establish a volunteer-oriented organization and plan a series of employee volunteer activities to encourage more partners to engage in public service, thereby giving back to society through concrete actions. We firmly believe that the power of enterprises extends beyond industrial development; it should also serve as a pillar of warmth for society. In the future, CEC will continue to leverage its corporate influence, working hand in hand with employees to create a more compassionate society, delivering care and hope to every corner in need.

Public Blood Donation Campaign

The CEC Taipei HQ Building will host two sessions in 2024, with 251 participants contributing a total of 387 bags of blood.





Community Donation Activity at CET

Colleagues at CET periodically engage in community donations during the Songkran Festival (Water Festival) and Children's Day.





Activities and Donations of the People Caring Club



Charity Sale 24 Events

Chung Yi Social Welfare Foundation's Charity Fair Booth, Children Are Us Foundation, Joyce Meredith McMillan Foundation, Taiwan Association for Visual Impaired People, The First Social Welfare Foundation's Ai-sing Development Center, Yu-Cheng Social Welfare Foundation Jixian Shelter Workshop, New Taipei Autism Association, and Orphan Welfare Foundation.

Donation Drive 3 Events

Tzih Huai Social Welfare Foundation Scholarship

Public Welfare EYE Island Tour by the Orphan Welfare Foundation

Angel Fund of the Orphan Welfare Foundation



In-kind Donation 12 Events

Taiwan Fund for Children and Families (TFCF) Penghu Center, Garden of Hope Foundation's Kaohsiung Resource Sharing Center, Chung Yi Social Welfare Foundation, National Yulin Special School's Diaper Club, Orphan Welfare Foundation's Joyful Kitchen Project, Mennonite Social Welfare Foundation's Eastern Taiwan Elder Care Project, Andrew Charity Association, Taitung Luanshan Classroom 530, Boyo Social Welfare Foundation, Garden of Mercy Foundation's club, and Peace Foundation.







4

SUSTAINABLE TALENT DEVELOPMENT

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Target and Progress

Talent Attraction and Retention
Human Rights and Labor Relations

Action Plan

- Enhance employee benefits to maintain salary competitiveness
- Identify human rights risks and monitor the effectiveness of mitigation and adaptation measures
- Conduct comprehensive training programs to boost the company's competitiveness

Key Metrics	Reported human rights violations and grievance cases	Salary competitiveness	Human rights du diligence coverage rate	Turnover rate	Employment rate of people with disabilities	Proportion of women in management positions
2024 Target	0 Event	Average and median employee salaries rank among the top 3 in the industry.	Newly established Target	Reduced	Enhanced	Newly established Target
2024 Implement Status	Achievement 0 Event	Note1 Not applicable	Newly established Target	Note2 41.74 % enhanced	Achievement 0.43 % enhanced	Newly established Target
Mid-/ Long-Term Goal	0 Event	Average and median employee salaries rank among the top 3 in the industry	Human rights awareness and due diligence assessments extended to Tier 1 suppliers	Enhanced training programs on sustainability-related topics	Foster a friendly and diverse workplace with increased health promotion activities and programs for employees	
2025 Target	0 Event	Enhanced	Employee human rights due diligence coverage reaches 100%	Reduced	Enhanced	Enhanced

Policy/ Commitment

- Ensure zero human rights complaints, and increase the number of women in management positions and the employment of people with disabilities
- Establish a competitive compensation and benefits system, along with a career development roadmap for the new generation of employees
- Implement a comprehensive training system to strengthen employees' career and professional development, thereby enhancing the company's overall competitiveness

Responsible Units

- Human Resources Department
- Health Center
- Industrial Safety and Health Department

Notes: 1. In 2024, the average annual salary for non-managerial positions was NT$2.269 million, and the median salary was NT$1.990 million, both showing growth compared to the previous year. The figures will be updated on the official website after the competent authority releases the 2024 industry statistics. In 2025, a key indicator of workplace diversity and equality will be the continued increase in the proportion of women in management positions.
2. In China's manufacturing sector, structural changes, the trade war, and supply chain shifts have altered production models. Meanwhile, employees under 30 are more mobile, reflecting new expectations for work and careers.

4.1 Diversity, Equity, and Inclusion

4.1.1 Human Resource Structure

Chicony Electronics upholds the fundamental principle of "talent diversity" and remains committed to fostering an inclusive and equitable workplace environment. As of December 31, 2024, our global workforce totaled 17,429 employees (including full-time and part-time personnel), with women comprising 56.63% of our total workforce. Female representation in management positions reached 16.23%, demonstrating our substantial progress in advancing gender equality and women's empowerment initiatives.

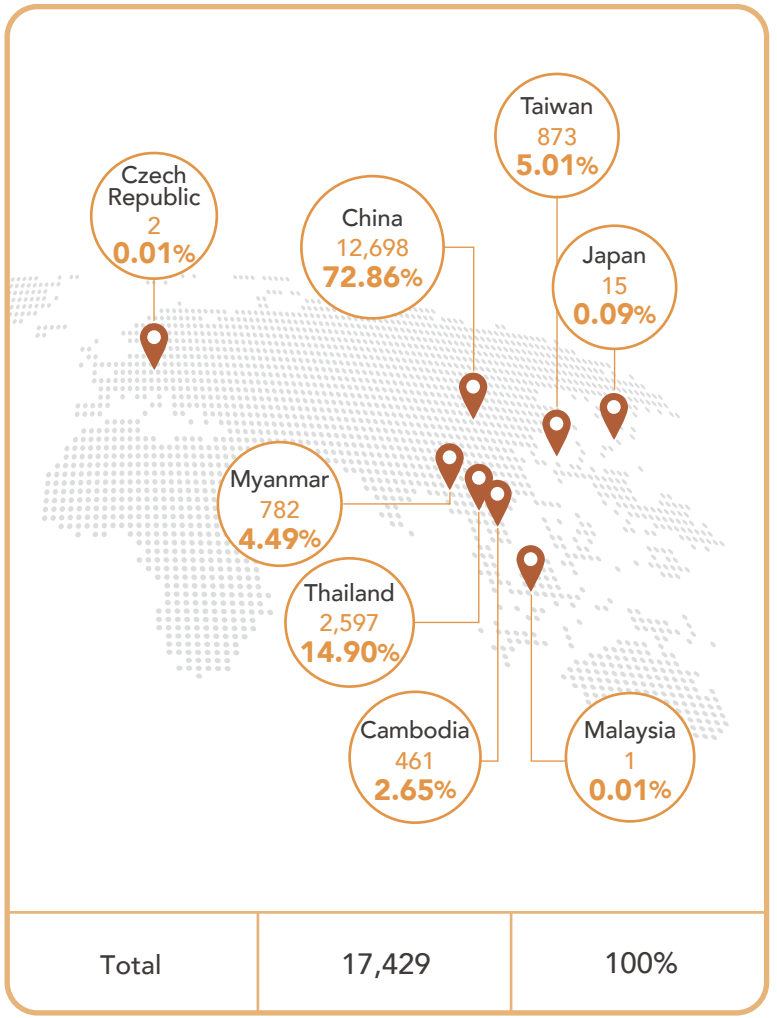
Given industry characteristics and functional specialization requirements, our headquarters primarily focuses on research and development talent and executive leadership, resulting in a higher proportion of male employees. Conversely, our manufacturing facilities maintain a higher percentage of female workforce due to production line operational requirements. Regarding age demographics, employees aged 30-50 represent 57.74% of our workforce. This demographic cohort constitutes our enterprise's core talent pool, providing critical support for strategic operational decision-making, facilitating organizational knowledge transfer, and continuously driving innovation capabilities. This group plays an essential role in sustaining our competitive advantages and advancing our sustainability transformation initiatives.

● 2021-2024 Human Resource Structure

	2021		2022		2023		2024	
Male	7,407	43.83%	7,030	42.77%	7,899	42.52%	7,558	43.36%
Female	9,509	56.27%	9,406	57.22%	10,675	57.47%	9,870	56.63%
Other	0	-	1	0.01%	1	0.01%	1	0.01%
Male: Female	0.78		0.75		0.74		0.77	
Total	16,899		16,437		18,575		17,429	

Note: Regarding the M:F ratio, F includes female and other gender identities.

● Employees' Nationalities in 2024



Employment Profile of People with Disabilities

	2021		2022		2023		2024	
Percentage of employees with disabilities (%)	33	0.19%	39	0.24%	119	0.64%	187	1.07%

Management Positions Structure

	2021		2022		2023		2024	
	Number	Percentage	Number	Percentage	Number	Percentage	Number	Percentage
Male	392	87.11%	393	85.43%	420	84%	413	83.77%
Female	58	12.89%	67	14.57%	80	16%	80	16.23%
Female:Male	0.15：1		0.17：1		0.19：1		0.19：1	
Total	450		460		500		493	

Note: In accordance with the Company's Articles of Incorporation, 'top management' is defined as supervisory personnel holding the position of Assistant General Manager or above, and managerial personnel holding the position of Deputy Manager or above.

Management Positions Structure in 2024

	Junior Management		Middle Management		Top Management	
	Number	Percentage	Number	Percentage	Number	Percentage
Male	298	81.6%	80	87.9%	35	92.1%
Female	66	18.4%	11	12.1%	3	7.9%
Total	364	73.8%	91	18.5%	38	7.7%

Note: Top management: assistant general manager or higher; Middle management: director-level managers; Junior management: manager- or deputy manager-level.

Human Resource Structure in 2024

		Taiwan		China		Thailand		Other		Total	
Non-fixed term contract personnel (Permanent employees)	Male	628	72.10%	1,268	9.99%	1,014	26.41%	12	38.71%	2,922	16.77%
	Female	238	27.32%	1,314	10.36%	2,826	73.59%	15	48.39%	4,393	25.21%
	Other	1	0.11%	0	-	0	-	0	-	1	0.01%
Fixed term contract personnel (Temporary employees)	Male	1	0.11%	4,622	36.43%	0	-	1	-	4,624	26.53%
	Female	0	-	5,468	43.10%	0	-	3	9.68%	5,471	31.39%
Casual employee	Male	1	0.11%	0	-	0	-	0	-	1	0.01%
	Female	2	0.23%	0	-	0	-	0	-	2	0.01%
Full-time employees (Formal employees)	Male	628	72.10%	5,901	46.51%	1,014	26.41%	12	38.71%	7,555	43.35%
	Female	238	27.32%	6,786	53.49%	2,826	73.59%	15	48.39%	9,865	56.60%
	Other	1	0.11%	0	-	0	-	0	-	1	0.01%
Part-time employees (Informal employees)	Male	2	0.23%	0	-	0	-	1	3.23%	3	0.02%
	Female	2	0.23%	0	-	0	-	3	9.68%	5	0.03%
Age structure	<30 years old	52	5.97%	4,040	31.84%	2,365	61.59%	5	16.13%	6,462	37.08%
	30-50 years old	584	67.05%	8,005	63.10%	1,458	37.97%	17	54.84%	10,064	57.74%
	>50 years old	235	26.98%	642	5.06%	17	0.44%	9	29.03%	903	5.18%
Total		871		12,687		3,840		31		17,429	

Note: Data as of the end of the year.

4.1.2 Personnel Recruitment

CEC has a systematic talent acquisition framework, leveraging multiple channels to recruit talent across all operational locations. The company engages in industry-academia partnerships, including vocational training, work-study, and internship programs to develop future talent for its strategic needs. Additionally, it supports government employment initiatives through various workforce development programs, fulfilling its corporate social responsibility.

Recruitment Approaches

Recruitment mechanisms

The Human Resources Department of the HQ takes full charge of global talent deployment and formulates annual human resources planning based on strategic objectives and business needs. Through various recruitment channels, job vacancy information is announced, including professional recruitment platforms such as 104 Job Bank and 1111 Job Bank, with the addition of the LinkedIn platform in 2025. A standardized talent assessment and selection process is implemented to ensure fairness and suitability in talent selection. The talent recruitment process strictly adheres to the regulations of the locations of each operational base, upholding the principle of equal opportunity and prohibiting any form of employment discrimination.

Job transfer/ reassignment mechanism

To promote internal talent mobility and career development, we have established a transparent job transfer/reassignment mechanism. Under the professional assessment of the unit supervisor and the Human Resources Department, and after obtaining employee consent, the Human Resources Office will coordinate the personnel transfer procedures. This process will be confirmed and signed off by the supervisors of both the transferring and receiving units to ensure smooth internal talent mobility that aligns with organizational and individual development needs.

Resignation/ unpaid leave mechanisms

1. Provide notice of resignation or unpaid leave within the required period set by local laws at each base to ensure regulatory compliance.
2. The Human Resources Departments at each location conduct professional exit interviews to gain a deeper understanding of the reasons for employee departures and to assess the potential for talent retention. This serves as an important reference for optimizing talent management strategies.
3. Establish a system for appointing acting personnel to ensure that the departure or temporary suspension of staff does not affect operations and service quality, thereby maintaining organizational stability.

Number and Percentage of New Employees in 2024

		Taiwan	China	Thailand	Other	Total
Gender	Male	55	14,973	489	2	15,519
	Female	14	13,184	1,536	4	14,738
Age	<30 years old	22	16,442	1,486	0	17,950
	30-50 years old	45	11,349	538	4	11,936
	>50 years old	2	366	1	2	371
Total		69	28,157	2,025	6	30,257
New Employee Hiring Rate		7.77%	211.69%	50.05%	18.18%	165.63%

Note:
1. The number of new employees refers to the number of the Company's newly recruited formal employees.
2. Percentage of new employees = Number of new employees ÷ Total number of employees.

New Employee Turnover in 2024

		Taiwan	China	Thailand	Other	Total
Number of New Employees		69	28,157	2,025	6	30,257
Number of New Employee Turnover	Male	9	11,114	64	1	11,188
	Female	1	8,304	253	1	8,559
	<30 years old	3	12,148	244	0	12,395
	30-50 years old	6	7,060	73	1	7,140
	>50 years old	1	210	0	1	212
	Total	10	19,418	317	2	19,747
New Employee Turnover		14.49%	68.96%	15.65%	33.33%	65.26%

Note: New employee turnover = The total number of job-leaving employees within three months of joining during the year ÷ the average number of job-leaving employees from January to December of the year.

Employee Turnover in 2024

		Taiwan	China	Thailand	Other	Taiwan
Gender	Male	51	15,284	457	4	15,796
	Female	18	13,566	1,541	1	15,126
Age	<30 years old	15	16,346	1,375	1	17,737
	30-50 years old	38	12,023	616	2	12,679
	>50 years old	16	481	7	2	506
Total		69	28,850	1,998	5	30,922
Turnover		7.77%	216.90%	49.38%	15.15%	169.27%

Note:
1.The number of job-leaving employees refers to the number of the Company's job-leaving formal employees.
2. Employee turnover = The total number of job-leaving employees during the year÷ the average number of job-leaving employees from January to December of the year.

Chicony's overall employee turnover rate rose to 169.27% in 2024 from 127.53% in 2023. This increase was primarily driven by a 113.03 percentage point rise in turnover for mainland China operations, due to local manufacturing sector adjustments. Contributing factors included labor dynamics, supply chain realignment, and U.S.-China trade tensions, which collectively reconfigured production models. Furthermore, higher mobility among employees under 30 reflects evolving expectations for work environment, compensation, and career advancement. Conversely, CET operations improved retention, with turnover decreasing from 59.49% to 49.38%, validating its localized strategies. Taiwan operations remained stable with a 7.77% turnover rate.

4.1.3 Parental Leave

Chicony Electronics provides substantive care and assistance including unpaid leave arrangements and relevant benefits/subsidies to employees who need to take care of their children. It is hoped that through comprehensive employee care mechanisms, employees who need to look after their children can take care of their family while keeping their jobs. In 2024, a total of 6 employees applied for unpaid parental leave, and the work resumption rate was 100%, demonstrating the Company's well-established mechanisms.

Statistics of 2021-2024 Employee Unpaid Parental Leave

	2021			2022			2023			2024		
	Male	Female	Total	Male	Female	Total	Male	Female	Total	Male	Female	Total
Entitled to Parental Leave	53	21	74	54	17	71	58	22	80	46	17	63
Number Applied	2	5	7	0	3	3	2	4	6	1	1	2
Number Should Return	3	6	9	0	1	1	1	4	5	1	3	4
Number Returned	2	5	7	0	1	1	1	4	5	1	3	4
Return Rate	67%	83%	78%	0%	100%	100%	100%	100%	100%	100%	100%	100%
The number of employees returning from parental leave in the previous year and remained employed for a full year during the current year.	0	4	4	1	4	5	0	1	1	1	4	5
Retention Rate	0%	100%	100%	50%	80%	71%	0%	100%	100%	100%	100%	100%

Note:
1.Return Rate = Number Returned ÷ Number Should Return × 100%
2. Retention Rate = The number of employees returning from parental leave in the previous year and remained employed for a full year during the current year ÷ Number Returned Last Year × 100%

4.1.4 Human Rights Policy

Chicony recognizes and respects human rights as fundamental to sustainable corporate development. We uphold the core principle of "people-oriented" operations and are committed to fostering an inclusive workplace environment where every employee can work with dignity and security. The Company strictly adheres to international human rights standards, including the Universal Declaration of Human Rights, the United Nations Global Compact, the UN Guiding Principles on Business and Human Rights, and the International Labour Organization (ILO) core conventions. In 2020, the Company established the Chicony Electronics Corporation Human Rights Policy, personally endorsed by the Chairman, demonstrating senior management's unwavering commitment to human rights protection. During fiscal year 2024, in response to enhanced human rights due diligence requirements and evolving supply chain management practices, CEC revised the Chicony Electronics Corporation Human Rights Policy to better address generational workforce transitions and contemporary human rights challenges.

The Chicony Electronics Corporation Human Rights Policy applies across all global operations and throughout the value chain of our products and services, explicitly prohibiting discrimination in hiring, compensation and benefits, performance evaluation, and promotion based on race, gender, age, religious beliefs, political affiliation, or other protected characteristics. We continuously monitor global human rights regulatory developments to ensure our Human Rights Policy and practices align with evolving international standards, thereby protecting the equality and dignity of all workers' rights.

The Company is committed to creating an equitable, non-discriminatory, and safe working environment through comprehensive implementation of the Chicony Electronics Corporation Human Rights Policy. All workers—including permanent employees, contract workers, trainees/interns, and vulnerable worker populations—are treated with dignity and respect, ensuring every CEC team member experiences equal treatment, workplace safety, and belonging. We have established multiple accessible communication channels to ensure effective operation of our human rights grievance mechanism. In 2024, no human rights-related complaints or disputes were reported, demonstrating the robustness and effective implementation of the Company's human rights management system.

In 2022, the Company completed its inaugural human rights due diligence assessment, with results detailed in the table below. At the end of 2024, the human rights due diligence program was relaunched, expanding scope to include supply chain and community stakeholders. Through continuous enhancement of our human rights management framework, we regularly review the Chicony Electronics Corporation Human Rights Policy and practices, respond to stakeholder expectations, promote inclusive enterprise and societal development, and advance our sustainable vision of "respecting human rights and creating shared value."

Human Rights Risk Identification Process

01 Identify Potential Risk Issues

In accordance with international human rights standards, identify potential human rights risk issues that the Company may face during its operations.



02 Risk Assessment and Prioritization

Conduct a self-assessment of risks to identify the severity and likelihood of occurrence for each issue.

03 Implement Risk Mitigation and Remedial Measures

Develop corresponding mitigation and remedial measures for identified risks, and establish Corrective Action Plans (CAPs) based on implementation results for continuous improvement and tracking.

Human Rights Risk Identification Results

	Mitigation Measures	Remedial Measures	Objectives	2024 Implementation Results
Diversity in employment and non-discrimination in the workplace	• Formulate Human Rights Policy and Employment Management Measures ensures the principles of DEI are upheld throughout the recruitment process. • Encourage business units to enhance talent diversity by recruiting individuals from varied backgrounds, ethnicities, and professions. • Improve employment and career advancement for people with disabilities.	• Strengthen the standard operating procedures for interviews at all levels of management, strictly prohibiting inquiries related to potential discrimination or sensitive topics that are not relevant to the job. • Diversification of Recruitment Channels: Expanding online and physical recruitment platforms to reach a broader range of job seekers.	• Strengthen a diverse and inclusive workplace culture • Ensure the implementation of equal employment opportunities • Increase the employment percentage of employees with disabilities year by year	• The female employment rate was roughly the same as that of the previous year. • The percentage of female managerial personnel increased by 0.23% compared with 2023. • The number of employees with disabilities constantly increased by 68.
Forced labor and child labor prohibition	• Strictly implement the identity verification procedures for new employees • Proactively communicate the Company's labor human rights standards and employment regulations to human resources partners (such as labor agencies and suppliers, etc.) • Strengthen employee human rights protection mechanisms and care for multinational employees	• New employees are required to provide valid and legal identification documents for thorough verification and identity confirmation. • The HR management system is equipped with an intelligent foolproof mechanism that automatically issues alerts and blocks the registration process for applicants who do not meet the legal minimum working age. • Implement annual human rights due diligence and audits for suppliers to ensure that supply chain partners fulfill their commitment to zero child labor and have effective control mechanisms in place. • Implement zero-fee recruitment: Optimize the entire talent acquisition process and management system and strictly prohibit the collection of any form of job application fees.	• Strict prohibition on the recruitment of child labor • Eliminate any form of involuntary or compulsory labor practices • Adherence to the principle of zero-fee recruitment	• No instances of child labor employment within the entire group in 2024. • In 2024, inadequate human rights management training for team leaders at the CEC factory led to the misuse of leave permits, resulting in a potential risk of forced labor. The instance has been fully rectified and improvement measures implemented within two weeks.
Working hours	• Make production order forecasts in advance to achieve rationalized overtime planning and workforce allocation. • Strengthen the effectiveness of material supply chain management and inventory control to effectively reduce the need for unplanned overtime.	• The attendance system's alert mechanism provides early warnings and proactive notifications regarding overtime risks. • Regularly analyze work hour data reports to review the compliance of overtime hours and working days. • Cultivate employees' multitasking skills to enhance workforce flexibility and balance the workload across various positions.	• Promote work-life balance and comprehensively safeguard employees' physical and mental health and well-being.	• The system automatically sends out "late departure reminder" emails. • Abnormal workload: The tracking rate of employees at potential risk of working overtime reached 88%.
Employee Health Management	• Establish a flexible work schedule to promote work-life balance. • Strengthen mechanisms for preventing unlawful conduct in the workplace. • Promote mental health initiatives to strengthen employees' psychological resilience.	• The system identifies high-risk health factors to monitor employees' current health status. • Conduct regular health assessments and follow up employees with abnormal health conditions.	• Create a safe and healthy workplace environment • Enhance employee health literacy and self-management	• The care and tracking rate of employees with high-risk health problems reached 83%. • The employee participation rate in health examinations reached 98%. • In the year 2024, six health promotion activities will be held, with a total of 445 participants.

4.2 Compensation and Benefits

4.2.1 Employee Compensation

Chicony's compensation system balances external market competitiveness with internal pay equity, with strategies developed by the HR Department through rigorous market analysis. All employees are treated per the Chicony Electronics Human Rights Policy, ensuring non-discrimination based on gender, race, political affiliation, religion, sexual orientation, or marital status. Compensation decisions consider labor market dynamics and internal equity. Base salaries exceed statutory minimums at all locations to meet employees' fundamental living standards. Compensation levels are based on organizational level, professional competencies, job responsibilities, and individual and company performance. By offering competitive packages that exceed regulatory requirements, we attract, retain, and motivate talent, creating sustainable value for the Company and its employees.

Remuneration Average and Median of Non-managerial Employees

Unit: NT$

	2021	2022	2023	2024
Annual remuneration average	1,764	1,958	2,099	2,269
Annual remuneration median	1,482	1,676	1,808	1,990
Number of non-managerial full-time employees	788	773	821	847

Note: The scope of statistics is the data submitted in accordance with TWSE regulations. The term "non-managerial employees" adopted here refers to employees in Taiwan other than managers with a rank of Assistant Vice Presidents or higher.

2023-2024 Annual Total Remuneration Ratio

	2023	2024
Total Remuneration of the Highest-paid Individual: Median Total Remuneration for Other Employees	48.5:1	46.9:1
Percentage Increase in Total Remuneration of the Highest-paid Individual : Median Percentage Increase in Total Remuneration for Other Employees	0.56:1	0.69:1

The Company's compensation framework is overseen by the Remuneration Committee's independent directors. The compensation policy for directors and senior management (see Section 1.2 Corporate Governance Structure and Operations) is formulated per Committee guidelines and requires its approval. We conduct regular market analyses to ensure competitive positioning. Disclosure of key metrics-including average salary, median salary, and gender pay gap for non-managerial full-time employees-demonstrates our commitment to pay equity and transparency.

To implement pay equity, we adhere to the "equal pay for work of equal value" principle, basing compensation on job evaluation, competency, and performance to eliminate disparities related to gender, age, or ethnicity. The Company continuously monitors equity indicators and is committed to fostering a diverse, inclusive workplace. Future initiatives include optimizing our performance-based compensation, enhancing market analysis capabilities, and integrating ESG KPIs into senior executive compensation frameworks. This approach strengthens alignment with sustainability objectives and supports talent development goals valued by responsible investors.

Female-to-Male Pay Ratio

	Taiwan	China	Thailand	Other
Deputy Manager and Above (Female : Male)	1:1.08	0.95:1	0.74 : 1	0.55:1
Indirect Employees (Female : Male)	0.93:1	0.96:1	1.25 : 1	1.13:1
Direct Employees (Female : Male)	0.75:1	0.95:1	0.83 : 1	1:1

Note:
1. The ratios are obtained by comparing the basic salary of female employees with that of male employees of the same position and level, not including other bonuses or incentives.
2. Calculation criteria for female-to-male salary ratio and salary-to-market level comparison: Based on the monthly salary of employees on duty as of December 31, 2024.

Compensation Benchmarking Against Market Standards

	Taiwan	China	Thailand	Other
Male Entry-level Salary : Minimum Wage	1.64:1	1.88:1	1.55 : 1	1.59:1
Female Entry-level Salary : Minimum Wage	1.20:1	1.75:1	1.76 : 1	1:1

Note:
1. Average Employee Salary/Government-Published Minimum Wage
2. The Thai government does not set a statutory minimum monthly wage; therefore, the calculation is based on the statutory minimum daily wage* the average number of calendar days in a year.

4.2.2 Employee Benefits Programs

To promote employee well-being, organizational cohesion, and harmonious labor relations, Chicony established an Employee Welfare Committee to plan and implement comprehensive welfare programs. The committee advances employee care through systematic frameworks and diverse activities. We provide all statutory benefits, including social insurance, workers' compensation, pension contributions, and parental leave. Wellness benefits include health exams exceeding legal standards, Employee Assistance Programs (EAPs), and mental health counseling. Additionally, we offer workplace benefits such as on-site dining, transportation, performance bonuses, and recognition programs. These initiatives create a supportive environment that enhances well-being, improves job satisfaction and productivity, and advances our vision of becoming a 'Happy Enterprise.'

Employee Benefits

Festival Vouchers and Gifts	Vouchers and gifts are distributed based on the annual budget, and include Labor Day gift vouchers, Chinese New Year gift vouchers, Dragon Boat Festival gift vouchers or rice dumplings, Moon Festival gift vouchers or mooncakes, and birthday gift vouchers.
Employee Activities	1.Sports activities: Fitness, table tennis, billiards, Chinese chess, badminton, basketball games 2.Charitable activities: Liver Disease Prevention & Treatment Research Foundation activities, Orphan Welfare Foundation activities, and scholarship/guardian angel projects. 3.Activities encouraging communication and exchange: Work-commencement party after Chinese New Year, year-end banquet lucky prize draw activity, outdoor barbecue, and parent-child games/activities 4.Senior Employee Health Check Program 5.Employee Family Day Activities/Group Year-End Banquet Activities
Employee Assistance Programs	Employee retirement plan, emergency assistance and condolences plan, and employee travel allowances
Group Insurance	1.Term Life Insurance 2.Accidental injury insurance rider 3.Group health insurance with medical benefits 4.Cancer medical insurance 5.Accidental injury medical insurance rider
Incentive Measures for Having and Raising Children	For permanent employees who have worked at the Company for at least 1 year, a financial incentive is offered. This incentive program was launched in 2013; to date, the Company has received a total of 139 applications and distributed a total amount of NT$9,694,000. 1.First child: NT$66,000 2.Second child: NT$88,000 3.Third child: NT$128,000 4.The fourth child (and every child after the fourth): NT$168,000.
Seniors Employment/ Training and Planning for Retirees	In response to the government's Middle-aged and Elderly Employment Promotion Act, which aims to effectively enhance participation in the labor force by middle-aged and older adults, promote the re-employment of older adults, encourage intergenerational cooperation and experience transmission, and create a friendly workplace atmosphere for middle-aged and older adults, the Company has made plans for employees approaching retirement age to extend their work tenures. The application was first made available in February 2021. As of 2024, there have been 11 eligible applicants, and it is anticipated that they will apply for company subsidies totaling NT$4,128,000.

Note: This table consolidates benefits from various bases around the world.

Retirement Systems

All regular employees of the Company are covered by comprehensive insurance and retirement plans in accordance with local labor laws and social security systems at each operational location, achieving 100% employee coverage.

1. Taiwan Operations

Per the Labor Standards Act and Labor Pension Act, the Company maintains Employee Retirement Guidelines. Employees under the legacy system (pre-July 1, 2005) are in the Defined Benefit Plan, while all others are in the new Defined Contribution Plan. The Company contributes 6% of each employee's monthly salary to individual accounts with the Bureau of Labor Insurance. Employees may also voluntarily contribute an additional 0-6%. For details on the legacy plan, please refer to Section 5.5 of the Company's Annual Shareholders' Meeting Report.

2. China Operations

In accordance with the Social Insurance Law of the People's Republic of China, the Company participates in the basic pension insurance scheme and contributes basic pension insurance premiums based on locally prescribed contribution bases and rates. The scheme operates under a combined social pooling fund and individual account model.

3. Thailand Operations

In accordance with the Social Security Act B.E. 2533, the Company participates in the social security fund and makes statutory social insurance contributions for employees. Additionally, the Company ensures employee retirement benefits in compliance with severance pay provisions under the Labour Protection Act B.E. 2541.

All Company employees, including the Chief Executive Officer and senior management, are subject to uniform retirement benefit standards with no additional severance arrangements or special retirement benefit systems, reflecting our commitment to equitable and consistent talent management. Our retirement policy demonstrates long-term commitment to employee welfare, ensuring reasonable protection for each employee throughout their career lifecycle, enabling secure employment and dignified retirement.

Chicony is committed to a competitive, equitable, and transparent compensation and benefits framework designed to enhance employee well-being and commitment, maintain constructive labor relations, and create sustainable value. In 2025, we will launch Employee Satisfaction Surveys and Forums to optimize our compensation strategy, foster an inclusive environment with career opportunities, and implement our people-centric sustainability approach.

Employee Care and Family Harmony: Chicony Group Family Day Event

To fulfill our commitment to "Employee Care" within our corporate social responsibility framework, Chicony Group meticulously organized the annual Family Day event for 2024. Under the theme "Gathering Together in Joy, Sharing Wonderful Moments," the event was held on November 9, 2024, at the CEC Building, aimed at strengthening employee family relationships and promoting work-life balance.

The event centered on parent-child interactions and featured diverse recreational activities designed for various age groups, including AR dodgeball team competitions, water balloon launchers, carousel rides, and giant fishing games. These activities enhanced emotional connections between employees and their families through interactive play. The family gathering facilitated cross-departmental communication among employees while providing busy professionals with quality time to spend with their families, strengthening family bonds and cohesion.

The event featured special booths from charitable organizations, including guide dog experiences and the Orphans Welfare Foundation, enabling employees and their families to engage in social welfare activities while enjoying the festivities, demonstrating our commitment to corporate-social integration. To accommodate diverse family needs, we established accessible diaper changing facilities and nursing rooms. Additionally, we encouraged participants to bring personal eco-friendly utensils to minimize single-use waste generation.

Chicony Group's Family Day activities demonstrated its culture of comprehensive employee care, enhancing engagement and organizational identity. The initiative also underscored our commitment to family well-being, embodying people-centric principles and creating mutual value for the enterprise, its employees, and society. This focus on well-being and family provides a strategic advantage in talent acquisition and retention.



4.3 Talent Cultivation and Development

4.3.1 Campus Engagement - Industry-Academia Collaboration and Campus Recruitment

To cultivate potential talent, Chicony collaborates with Taipei University of Technology's Electronic Engineering department on a cooperative training program and with Ming Chi University of Technology's Mechanical Engineering department on an internship project. CEC regularly conducts campus visits to identify top students, offering them positions to deepen their technical expertise. Through these internships, participants gain the practical skills for R&D roles while understanding CEC's culture and work environment, preparing them for future employment.

The Taipei University of Technology Cooperative Training Program is a joint initiative of the Ministry of Labor's Workforce Development Agency, technical universities, and partner enterprises. It integrates diverse learning, including four years of academic education, first-year skills training and certification by the Ministry of Labor, and a three-year corporate internship (from sophomore year). This framework ensures participants build solid academic foundations while applying and enhancing professional skills in a real-world corporate setting.

The Ming Chi University of Technology internship program extends the university's 'sandwich teaching' model. Through these internships, students apply classroom knowledge practically, enhancing their problem-solving skills and adaptability while bridging the gap between academia and the workplace.

Each March, Chicony participates in major campus recruitment events. Beyond recruiting high-potential talent, these events allow for direct student engagement. This enables the Company to address career inquiries, bridge academia-industry gaps, assist with student career planning, and offer insights into industry roles and professional growth opportunities.



Personnel from the Department of Electronic Engineering at Taipei University of Technology visit interns at the Company

Taipei University of Technology Industry- Academia Collaboration Training Program - Interns' Study Plan

Freshman	Study at Taipei Tech Complete skills training and obtain certification through the Workforce Development Agency of the Ministry of Labor
Sophomore	Work placements at companies during the day (compulsory) Night and weekend classes at Taipei Tech
Junior	Work placements at companies during the day (compulsory) Night and weekend classes at Taipei Tech
Senior	In 2024, the internship system was updated to the Industry-Academia Collaboration 2.0 Program, extending the internship from two to three years. Consequently, interns are now required to continue mandatory daytime internships during their senior year, while attending university classes on evenings and weekends.

Ming Chi University of Technology Off-campus Interns' Study Plan

Freshman	Study at Taipei Tech
Sophomore	Study at Taipei Tech
Junior	Work placements at companies; no need to return to MCUT for study
Senior	Return to MCUT to complete credits

As of 2024, a total of **29** internship placements



Recorded from the two partner institutions

4.3.2 Diverse Training Programs

The Company regards talent cultivation and development as a core competitive advantage and has established the Education and Training Management Measures to build a comprehensive training framework. The HR Department annually plans and implements diverse training programs in accordance with these Measures, designed based on departmental requirements to help employees enhance professional skills, management capabilities, and personal development.

The Company has established a learning roadmap with specialized modules based on employees' areas of expertise and roles to align with the Company's operational objectives, Human Rights Policy, and sustainable development goals. Through integration of on-the-job training (OJT), job rotation, knowledge sharing, soft skills development, the Learning & Knowledge Network, and other strategic initiatives, we have established a competency academy for Chicony Electronics, ensuring all employees excel in both theoretical knowledge and practical application while growing alongside the Company.

External Education and Training Subsidy Mechanism

	Number of Training Participants	Training Subsidies
Taiwan	42	411,407
China	257	584,113
Thailand	3	41,951
Other	0	0
Total	302	1,037,471

In 2024, CEC recorded 539,722.1 total training hours globally, with each employee receiving an average of 31 training hours—representing a 13.95% increase compared to 2023. The average training investment per employee was NT$282, reflecting a 22% increase from the previous year. Beyond internal training, the Company encourages employee participation in external courses and provides training subsidies in accordance with the Overseas Training Management Measures and Continuing Education Management Measures. Employees submit applications based on course content, which undergo HR Department verification and supervisor approval before subsidy approval. In 2024, 302 employees applied for external training subsidies, totaling NT$1,037,471.

To encourage continuous learning, Chicony has established the "Diligent Learning Award" to recognize employees who achieve the highest annual training hours. This award acknowledges their commitment to learning while serving as motivation for professional growth and personal development. In 2024, 14 employees received this recognition, demonstrating their dedication to self-improvement and career advancement.



2024 Annual Chicony Electronics "Diligent Learning Award" Award Recipient with President Roger Lu

Various Education and Training Systems

1. New Employee Training

To help new employees quickly understand company culture and operational processes, reduce onboarding uncertainty, and ensure effective application of their professional skills, Chicony provides a comprehensive new hire training program.

Basic knowledge

Introduce the company profile, HR policies, and employee benefits to help new employees quickly integrate into the organization.



Environment introduction

Covers an office environment tour, an introduction to factory operations, and fire safety training to enhance employees' familiarity with the workplace and raise their awareness of safety practices.



Corporate governance

Ethical Corporate Management Best Practice Principles, Chicony Electronics Corporation Human Rights Policy, and Personal Data Protection regulations to ensure employees understand the fundamental standards of corporate operations.



2. Professional Competency Training

To enhance departmental employees' professional skills and core competitiveness, ensure employees possess the specialized knowledge required for their positions, and further improve work efficiency and enterprise competitiveness.

Professional courses

Training is offered based on job requirements, such as "Innovative R&D Techniques" for R&D personnel, "Business Presentation Skills" for sales staff, and "Practical Project Management" for project managers.

General courses

Hold regular training programs on language skills, communication techniques, and emotional intelligence to enhance employees' overall competencies.



Thematic lectures / workshops

Invite experts and scholars to hold seminars on regulatory compliance, health management, ESG sustainability, sexual harassment prevention, and anti-workplace bullying, in order to broaden employees' perspectives and strengthen awareness of workplace ethics.



Sustainable supply chain courses

Through the RBA On-line e-Learning Academy and supplier training, we aim to enhance the relevant employees' understanding of sustainable supply chains and promote this knowledge to our partners.

3. Management Capability Training

In response to the needs of various management levels, tailored training programs are offered to strengthen supervisors' leadership, decision-making, and team management skills.



Top Management

Focusing on strategic planning and innovation management, the company offers courses such as "Leadership Techniques", "Systematic Decision-making", "Innovative Management", etc.



Middle Management

Enhance team management and employee development skills through courses such as "Personnel Selection and Interview Skills", "Techniques to Guide and Motivate Subordinates", "Discover and Solve Employees' Problems", etc.



Junior Management

Develop execution and communication skills by offering courses such as "Problem Analysis and Resolution", "Presentation and Expression Techniques", and "Work Guidance Methods".

4. Succession Planning Training

To ensure robust development of corporate management, Chicony has established a comprehensive succession planning framework. Through systematic competency assessments and professional development programs, future management talent with leadership and decision-making capabilities is cultivated.

The Company applies data analytics to develop competency models, enabling precise identification and assessment of high-potential succession candidates. Based on evaluation results, customized development plans are designed to provide training in both technical skills and management capabilities. In 2024, 229 participants engaged in competency development training, accumulating 1,156 total training hours.

Beyond providing training programs, Chicony conducts regular competency evaluations and adjusts individual development plans based on progress outcomes. This ensures continuous growth of future management talent, strengthening organizational competitiveness and achieving mutual benefits for sustainable business development and employee career advancement.

5. Green Marketing

The Company launched the Chicony 8 Green project in 2023 to implement comprehensive decarbonization measures across eight key operational areas. We recognize that employees can only effectively promote Chicony and its products when they possess fundamental knowledge of environmental sustainability and decarbonization issues. Through the "Green Marketing" aspect of the 8 Greens, the Company requires every employee to receive a minimum of 0.5 hours of sustainability-related education and training annually. Headquarters is also mandated to conduct at least two sustainability-focused lectures each year. While the lecture requirement was met, the individual training target was not achieved. In 2025, we will enhance our approach by implementing mandatory sustainability courses for all employees to advance toward our green future.

Average Employee Training Hours

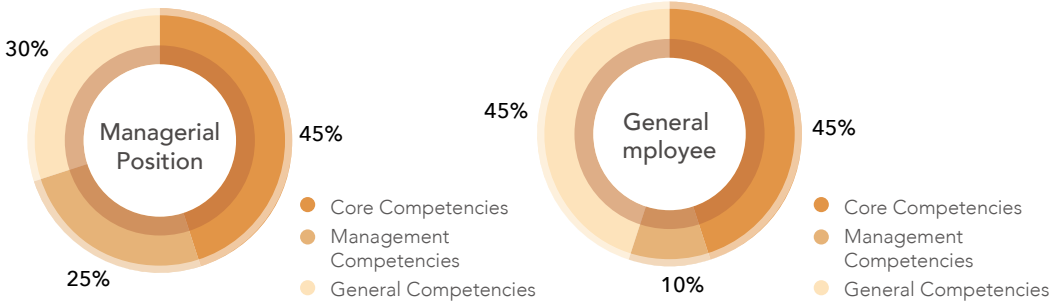
		Taiwan				China				Thailand				Other				Average	
		2023		2024		2023		2024		2023		2024		2023		2024		2023	2024
		Male	Female	Male	Female	Male	Female	Male	Female	Male	Female	Male	Female	Male	Female	Male	Female		
Management Position	Director-level and above	10.6	8.2	9.4	3.7	0.0	0.0	0.9	0.0	0.0	0.0	0.0	-	-	-	0.7	-	5.9	5.8
	Management-level and above	12.9	10.5	15.1	10.4	1.7	2.6	2.6	7.3	80.9	65.0	0.5	0.8	-	-	3.5	1.8	10.9	9.6
General position	Indirect personnel	6.0	7.0	5.7	5.1	54.7	65.5	38.5	48.1	1.1	1.5	4.8	4.7	-	-	0.9	10.7	41.8	29.7
	Direct personnel	-	-	-	-	36.6	29.3	48.4	34.0	4.0	4.4	5.8	5.6	-	-	167.0	6.2	25.3	32.0
Average training hours (hours)		8.5		8.2		35.6		40.1		4.3		5.5		-		9.9		27.2	31.0

4.3.3 Work Performance Appraisal System

Chicony Electronics upholds a "Performance-driven and Competency-based" talent management philosophy, establishing a comprehensive performance evaluation and development system. The Company is committed to providing employees with equitable promotion opportunities and clear career development pathways. Our performance management system adheres to core principles of objectivity, transparency, and developmental focus, ensuring fairness and effectiveness in the evaluation process. Through structured performance discussions, management regularly evaluates and provides feedback on employees' work outcomes. This process not only recognizes outstanding performance but also assists employees in identifying their development direction, facilitating systematic career planning and advancement for high-potential talent.

The Company's performance evaluation system is designed with differentiation based on employees' tenure, positions, and functional classifications. The evaluation content primarily encompasses common core competencies, managerial competencies, professional competencies, and general competencies, with varying assessment weightings allocated according to job roles.

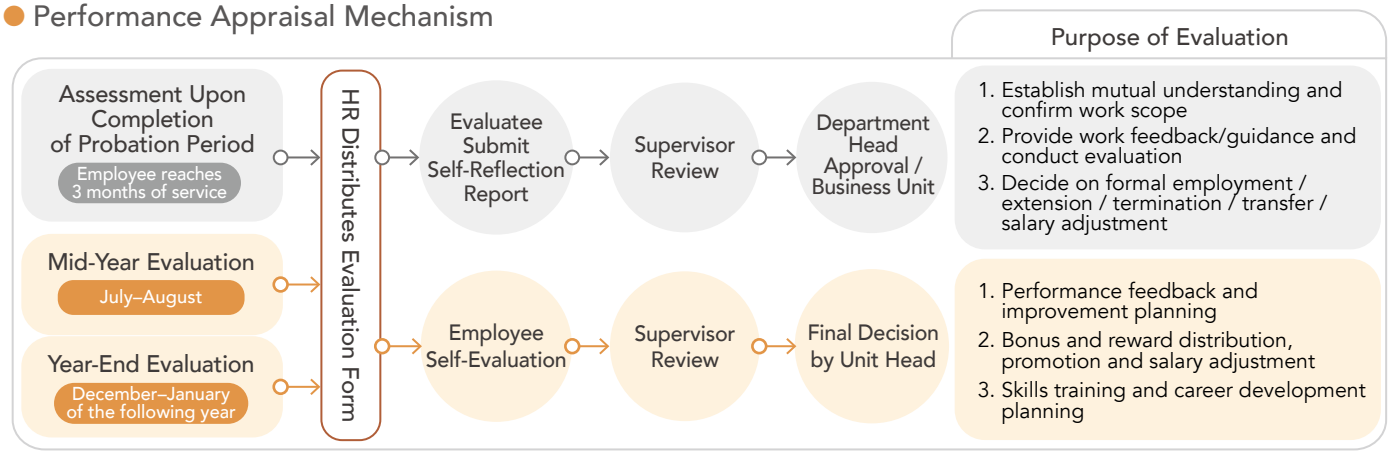
Performance Evaluation Coverage Percentage



A comprehensive assessment evaluates employee performance and capability development. Assessment results serve as key references for salary adjustments, performance bonus distribution, position transfers, training and development programs, and work improvement initiatives, establishing a clear performance-remuneration linkage mechanism. Each performance review utilizes a two-way communication model, encouraging supervisors and employees to engage in open dialogue and feedback while collaboratively establishing future development goals and action plans to promote continuous growth and skill enhancement.

The Company has formally integrated ESG key performance indicators into employee performance appraisals since 2022, demonstrating its commitment to sustainability issues and guiding employees to incorporate ESG factors into daily work decisions and practices. The completion rate for formal employees' performance appraisals reached 100% in 2023, ensuring comprehensive implementation and coverage of the performance management system. Under our digital transformation strategy, Chicony Electronics has fully deployed an electronic performance evaluation system, achieving multiple sustainable benefits including enhanced management efficiency, optimized human resource allocation, and paperless carbon reduction initiatives. This demonstrates the Company's integrated approach to talent management and environmental stewardship.

Performance Appraisal Mechanism



Performance Appraisal Items

Common core appraisal items	Management competency items	Professional competency items
・Creativity ・Work/design quality ・Goal setting and achievement ・Effective communication & teamwork ・Support for company policies ・Industrial health and safety, energy conservation and emission reduction (ESG) ・Moral integrity	・Planning and organizing ability ・Problem analysis and solving ability ・Ability for leadership development and successor plans	General position / Business / sales / R&D Professional knowledge / Customer relationship / Professional knowledge ・Work efficiency ・Willingness to work and attitude ・Self-growth and learning indicators

4.4 Employee Communication

Chicony adheres to a communication culture of "openness, transparency, and responsiveness," with comprehensive communication and grievance mechanisms ensuring seamless information flow and dialogue across all levels. Robust communication channels not only enhance labor-management trust but also drive organizational innovation and sustainable development. To this end, the Company has established diverse communication platforms, enabling employees to stay informed on company developments and freely express work-related opinions or concerns.

Globally, Chicony's mainland China factories elect employee representatives per the Regulations on the Fundamental Organizational Election Affairs of Labor Unions of the People's Republic of China. Effective communication is maintained through regular and ad-hoc meetings. In Taiwan, headquarters defines employee benefits and rights via management regulations. Quarterly labor-management meetings (four in 2024) confirm the implementation of benefits and related policies. For significant operational changes, the Company provides employees with advance notice per local legal requirements.

Communication Channels

1. **Employee Mailbox**
   Receives and responds to employee grievances and concerns.
2. **Email Notifications**
   Disseminates Group announcements and executive communications to all employees.
3. **Employee Communication Meetings**
   Organized by the Administrative Management Department in collaboration with relevant units, these sessions facilitate two-way dialogue between employees and senior management.
4. **Bulletin Boards**
   Display information regarding employee policies, health and safety protocols, and corporate
5. **Labor Union and Labor-Management Meetings**
   Management and labor representatives engage in quarterly dialogue sessions.
6. **Chicony Mailbox**
   Managed by the Audit Office for case investigation and review processes.
7. **Workplace Harm Prevention Procedures**
   The Human Resources Department oversees case review and resolution for workplace misconduct prevention.
8. **Sexual Harassment Prevention and Complaint Management**
   The Human Resources Department manages complaint acceptance, investigation, and review processes for workplace sexual harassment cases.



The "Chicony Mailbox" (formerly the CEO's Mailbox, renamed in 2022) serves as an important mechanism for implementing the Company's corporate culture of fairness, honesty, promise-keeping, and transparency. It provides all internal and external stakeholders—including employees, upstream and downstream suppliers, directors, and shareholders—the opportunity to anonymously report unethical behavior and receive appropriate resolution. The channel connects directly to senior management (including the President), ensuring complaints receive the highest level of attention and response. The Company conducts at least one advocacy session annually for internal employees and external suppliers to ensure colleagues across all facilities and supplier partners clearly understand the function and usage of Chicony's reporting system. Additionally, we distribute Chicony Mailbox information cards to employees at all production facilities and to new hires to enhance awareness and promote practical utilization.

Through diverse and systematic communication and grievance mechanisms, Chicony Electronics is committed to fostering an open and transparent organizational culture that protects employees' rights to expression and labor protections, promotes harmonious labor relations and sustainable development, and embodies the Company's people-oriented values.

Labor Union Operations in Various Factories

Factory	Taiwan	CME2	MR	CME3	CEM5	CET	Chicony Electronics CEZ s.r.o.
Total number of employees	The HQ has not established a labor union; however, labor-management meetings are convened and attended by five management representatives and five labor representatives.	762	2,835	8,072	2,366	No labor union has been set; however, Employee Welfare Committee meetings are regularly convened for employee communication	Chicony Electronics CEZ s.r.o. does not have a labor union; employees negotiate salary adjustments and terms with the management through the HR department and the Czech government.
Representative of the Committee or Union Chairperson		Union Chairperson: 1 person Chief Auditor: 1 person	15	11	Union Chairperson: 1 person		
Contact person for labor union in factories		Union Chairperson: 1 person	Union Chairperson: 1 person	Union Chairperson: 1 person	Union Chairperson: 1 person		

4.5 Workplace Safety and Health

4.5.1 Occupational Safety and Health Management System

To protect employees' operational safety, working environment, and health, we have established an Environmental Health and Safety Policy and implemented an occupational health and safety management system that prioritizes employee wellbeing. The policy aims to prevent occupational injuries and accidents, reduce workplace hazards and occupational diseases, and comprehensively examine and supervise work environment safety to comply with local government regulations and Company policy requirements.

Dedicated units with designated personnel at headquarters and all facilities implement ISO 45001, CNS 45001, and GB/T45001 Occupational Health and Safety (OH&S) Management Systems. Their responsibilities include developing certification plans, overseeing OH&S planning, and addressing related issues to foster a safety culture of continuous OH&S performance improvement. The objectives achieved through this system include:

1. Avoiding or minimizing risks from events that may cause physical, mental, or adverse health effects on personnel affected by organizational activities.
2. Ensuring that changes to the OH&S Management System, procedures, products, materials, or organizational structures do not create new hazards or OH&S risks.
3. Promoting safe operating practices and work habits.
4. Obtaining financial and operational benefits from OH&S performance improvements, such as reduced lost workdays due to occupational injuries and lower insurance premiums.

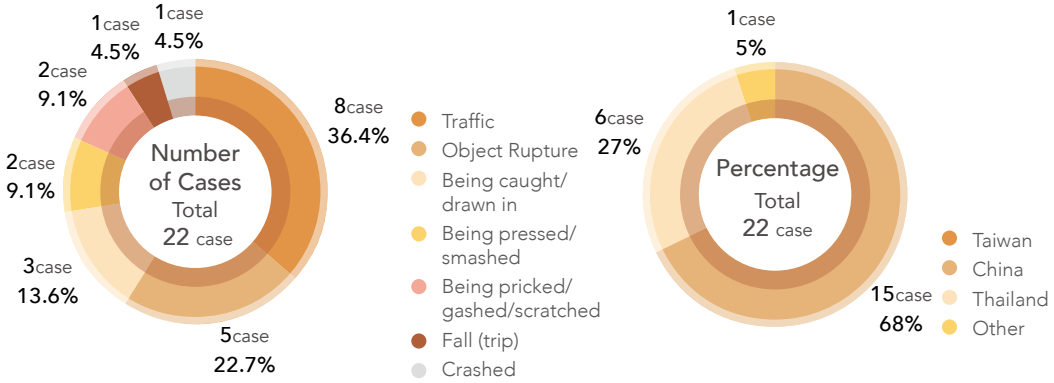
The OH&S Management System scope encompasses all employees, contractors, suppliers, and interns. All operations follow OH&S Management System standards, including workplace injury data collection and improvement, training and education, and emergency preparedness. In 2024, Chicony Electronics recorded zero work-related fatalities, confirmed occupational diseases, or severe occupational injuries. We remain committed to providing a safe and secure working environment for all employees, with "zero occupational injuries" as our ultimate objective.

Statistics and Improvement of Occupational Injuries and Accidents

Per incident reporting and investigation principles, all locations conduct workplace injury analyses to establish risk reduction targets. In 2024, the statistical scope expanded to all global facilities—including Japan and U.S. offices and Chicony Electronics CEZ s.r.o.—to foster a safety culture through comprehensive transparency. Major injuries in 2024, totaling 22 cases, included crush, impact, and caught-in incidents. The direct, indirect, and root causes of these accidents were remediated, and affected employees successfully returned to work with comprehensive support.

Through safety audits, training, and advocacy, Chicony Electronics' work-related injury performance in 2024 was comparable to 2023. Per the Ministry of Labor's 2023 Yearbook of Labour Inspection Statistics, the company's Disabling Frequency Rate (FR) and Disabling Severity Rate (SR) are significantly lower than industry and sector averages. The Company continues to pursue the goal of 'zero occupational injuries.'

● Statistics of Occupational Injuries and Accidents



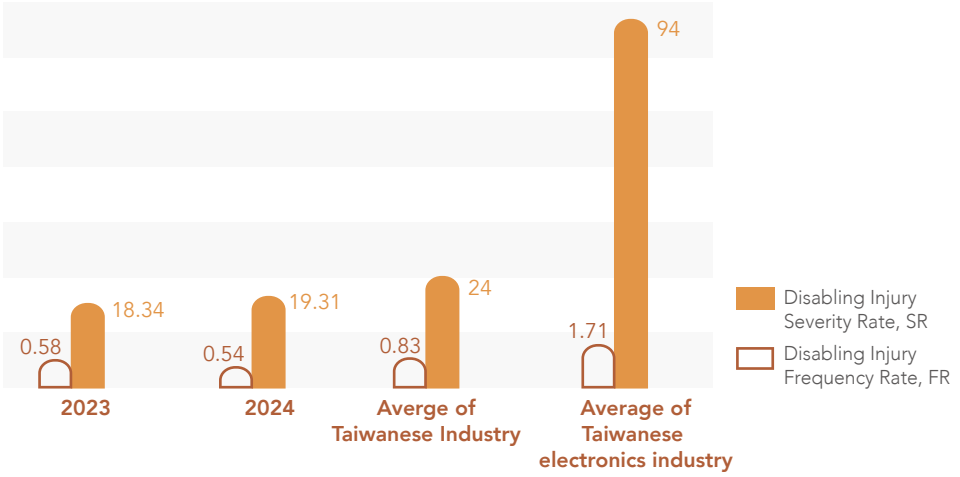
Note: The data scope covers global production and operational bases; non-employee workers are not counted.

Statistics of Occupational Injuries

	Taiwan			China			Thailand			Czech Republic	Company-wide		
	2022	2023	2024	2022	2023	2024	2022	2023	2024	2024	2022	2023	2024
Number of Cases of Occupational Injuries and Accidents	0	0	0	21	14	15	5	9	6	1	26	23	21
Lost Days	0	0	0	677	724.5	776.5	16	2	3	0	693	726.5	779.5
Disabling Frequency Rate (FR)	0	0	0	0.70	0.49	0.51	0.44	0.95	0.65	35.1302	0.61	0.58	0.54
Disabling Severity Rate (SR)	0	0	0	22.68	25.48	26.35	1.41	0.21	0.33	0	16.23	18.34	19.31
Total Injury Severity Score	0	0	0	0.13	0.11	0.12	0.025	0.014	0.014	0	0.099	0.10	0.10
Absentee Rate (%)	0.50%	0.58%	0.58%	0.53%	0.49%	0.14%	0.0011%	11.51%	1.09%	1.99%	0.39%	3.12%	0.15%
Occupational Injury/Disease Fatality Rate	0	0	0	0	0.035	0	0	0	0	0	0	0.025	0
Number of Occupational Diseases	0	0	0	0	0	0	0	0	0	0	0	0	0
Occupational Disease Rate (ODR)	0	0	0	0	0	0	0	0	0	0	0	0	0

Note:
1. Lost Day: Loss of work days caused by occupational injuries.
2. Disabling Frequency Rate (FR) = Occupational Injury Cases × 1,000,000 ÷ Total Work Hours.
3. Disabling Severity Rate (SR) = Lost Days × 1,000,000 ÷ Total Work Hours.
4. Total Injury Severity Score =(FR × SR/1000)^(0.5).
5. Absentee Rate (AR) = Absentee Days ÷ Total Work Days (including sick leave, occupational injury leave, and menstrual leave)
6. Occupational Injury/Disease Fatality Rate = Death Toll from Occupational Injuries/Diseases × 1,000,000 ÷ Total Work Hours.
7. Occupational Disease Rate (ODR) = Total Number of People with Occupational Diseases × 1,000,000 ÷ Total Work Hours.

● Comparison of Chicony's FR and SR with Taiwan's industry averages



Note: Data source: "2023 Labor Inspection Statistics, Table 8-1 Occupational Accident Statistics," Ministry of Labor. Comparison is based on CEC's global bases versus Taiwan's electronics manufacturing industry.

4.5.2 Occupational Health and Safety Training

The Safety Officer and Safety Staff System has been established at headquarters and major facilities. The headquarters' Industrial Health and Safety Division and each facility's management department conduct regular on-site audits and provide timely corrective recommendations. Audit results are reviewed at monthly meetings, with audit scope encompassing employees, contractors, suppliers, and interns.

Through control of high-risk safety factors in facilities and establishment of a safe production management framework that exceeds minimum regulatory requirements, the Company has enhanced five core safety production capabilities: Safety risk identification and assessment capability; Near-miss inspection, elimination, and prevention capability; Training, education, and advocacy capability; Daily protection and safeguarding capability; Incident response and investigation capability.

Occupational Health and Safety Training Items

In 2024, Chicony Electronics delivered comprehensive OH&S training items for both new and existing employees, totaling 401,650 training participants and 252,317 training hours. The training focused on three core areas: occupational injury prevention, emergency response, and personal safety awareness.

● 2024 Occupational Health and Safety Training Status

	Training Items	Participating Personnel	Number of Participants	Total Training Man-Hours
Occupational injury prevention training	General environmental health and safety education and training	New employees	198,131	164,590
	New employee education and training	New employees		
	Safety staff monthly meeting	Safety Officer		
	On-the-job safety education	All factory personnel		
	Professional personnel training: Including re-training for first-aid providers, forklift operators, supervisors in charge of organic solvent operations, and health and safety operation supervisors	Professional personnel		
	Education for outsourced contractors (concerning suppliers, chemicals, and canteen food)	Contractors		
Emergency Response Training	Fire drills (including evacuation, fire safety briefing, and review)	All factory personnel	48,884	28,957
	Focused area drill	Key personnel in important areas		
Personal safety training	Fraud prevention, road safety, and water safety training	All factory personnel	154,635	58,770
	Total		401,650	252,317

1. Occupational Injury Prevention Training

Chicony Electronics is advancing toward the strategic goal of "zero occupational injuries" with special emphasis on cultivating personnel safety awareness and culture. The Company actively conducts internal and external training for workplace accident prevention. Various training activities are organized across different locations, with dedicated safety officers and safety personnel assigned to each floor of the headquarters building and production areas of each facility. Monthly meetings are held to share occupational safety information, fostering safety concepts among officers and personnel, thereby enhancing frontline employee risk awareness.

2. Emergency Response Drills

Key focus areas for 2024 emergency response training included fire drills and critical area drills. Chicony Electronics has established comprehensive procedures for incident reporting, emergency response, accident investigation, and corrective action to reduce the impact and risk of emergencies on personnel, property, and the environment. These measures ensure employee safety and support the Company's sustainable operations. Various emergency response training sessions and drills are conducted annually to enhance the Company's capability to handle unexpected incidents, minimize potential losses, and prevent recurrence.

3. Personal Safety Training

To reduce risks of traffic accidents and water-related incidents during summer activities, and in response to evolving fraud schemes, Chicony Electronics strengthened employee self-protection awareness in 2024 by organizing anti-fraud education, traffic safety campaigns, and drowning prevention training. These initiatives ensure employees commute and take leave safely while mitigating potential disruptions such as workforce interruptions on production lines.

4.5.3 Comprehensive Employee Health Management

Employee health is regarded as one of the core element of a company’s success. We firmly believe that healthy employees can bring higher productivity and innovation to the company, while also creating a more positive work atmosphere.

Comprehensive Health Facilities and Activities

To ensure the physical and mental wellbeing of our employees, we provide comprehensive sports and recreational facilities and services at headquarters and major production facilities. These amenities include a health center, swimming pool, and spa, enabling employees to relax and enhance their wellness during busy work schedules. We encourage employees to participate in various club activities, including the Yoga Club, Basketball Club, and Jogging Club, to promote colleague interaction and collaboration while encouraging healthy lifestyles.

Supporting Visually Impaired Individuals and Social Responsibility

We partner with organizations serving the visually impaired to employ qualified massage therapists within the Company, providing professional massage services to employees. This initiative enables visually impaired individuals to utilize their professional expertise, supporting their workplace success while ensuring their livelihood and economic stability.



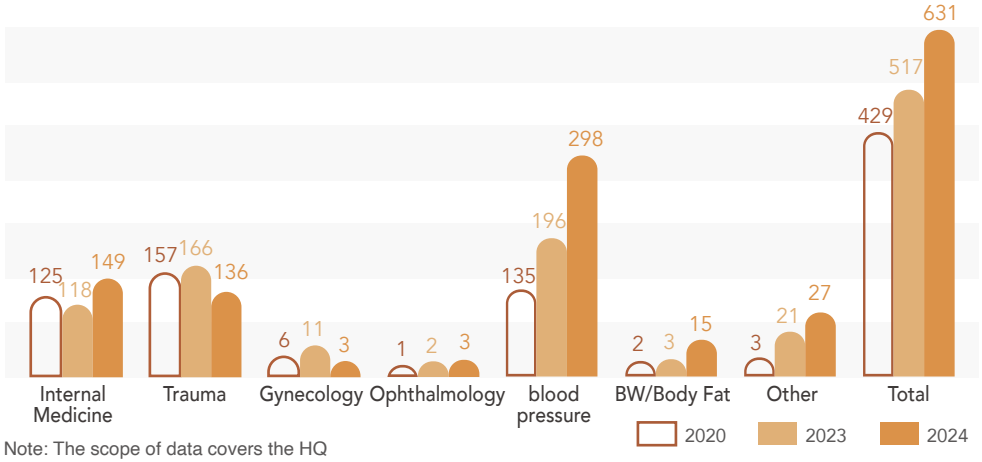


Employee Health Management and Emergency Care

At our HQ and major production bases, we have established on-site medical rooms, lactation rooms, and staffed nursing personnel. Regular on-site physician consultations are also provided to ensure comprehensive health care for our employees.

1. Statistics on Medical Office Services and Attendance

● 2022-2024 Statistics on medical room services and OH&S training status



Note: The scope of data covers the HQ

2. Maternity Protection Services

Maternal protection encompasses female employees who are pregnant, have given birth within the past year, or are currently breastfeeding. For these employees, we arrange physician consultations and health guidance. Effectiveness evaluations demonstrate that regular prenatal check-up rates reached 100%, and health guidance and promotion achievement rates also reached 100%. Additionally, we provide maternity care packages to all pregnant employees to further support their health and wellness needs.

● Female Protection Services

Assessment of Protected Subjects	1.Pregnant female workers: 2 people. 2.Female workers who have given birth within the past year: 12 people. 3.Female employees currently breastfeeding: 3 people.
Arrange physician consultations and health guidance	1.11 people require a consultation with a physician. 2.10 health instructors have been accepted.
Evaluation and Improvement of Implementation Effectiveness	1.Regular prenatal check-up rate: 100% 2.Health guidance or promotion achievement rate: 100%

Note: The scope of data covers the HQ.



Pregnant employees can receive a maternity package for free.

3. Employee Health Checkup Care

To ensure comprehensive employee healthcare, Taipei headquarters exceeds legal requirements by arranging biennial basic health exams, achieving a 98% completion rate. Senior employees receive more comprehensive examinations for proper health monitoring. Chicony also covers pre-employment check-up costs for all new hires at each facility, exceeding local regulations like China's Labor Law. In 2024, 41,130 new employees underwent these medical examinations.

In 2024, the Company launched the 'Senior Employee Health Promotion Program,' offering comprehensive health exams to employees aged 35+ with over 10 years of service. This program helps them understand personal health indicators and establish risk management strategies through professional examinations. Participants receive triennial advanced health assessments, balancing standardized core components with customized options. Employees can add optional tests at their own expense to strengthen autonomous health management.

Per OSH Health Prevention Regulations and China's Prevention and Control of Occupational Diseases Law, Chicony provides free annual occupational health exams for employees in high-risk environments (e.g., exposure to organic solvents and specific chemicals). This initiative ensures employees are not exposed to hazards that could lead to occupational diseases and supports our commitment to a 'zero occupational disease' record. In 2024, 3,179 employees underwent these examinations.

Statistics on the Number of New Employees and Occupational Disease Health Examinations

	China	Thailand	Czech Republic	Total
Number of new employees health check-ups	38,751	2,373	6	41,130
Occupational Disease Health Check-ups	874	2,305	0	3,179
Total	39,625	4,678	0	44,309

4. On-site Physician Service

In 2024, there were a total of 68 instances of on-site physician services provided to all employees. The services included health examination report consultations, assistance with job placement suitability, assessments and case management for high-risk employees, maternal health protection, and prevention of work-related illnesses.

Health Promotion Plans

1. Physical Fitness Assessment





To encourage employees to maintain physical health through exercise, the Company requires physical fitness assessments for personnel promotions. Assessment options include: 1,500-meter running, 500-meter swimming, push-ups, sit-ups, and 18-hole golf, with employees selecting two from these five activities. Employees who do not complete the assessment or fail to pass within the specified timeframe are encouraged to continue physical fitness training to maintain their health.

2. EVA Air Marathon



The Company actively promotes a comprehensive workplace fitness culture. To encourage employee participation in group exercise activities, the President invites accomplished runners to join the annual road running event, showcasing their abilities while strengthening team cohesion within Chicony.

3. Weight Management Challenge

During this year's general employee health examinations, over 50% of participants showed abnormal Body Mass Index (BMI) readings. In response, a health improvement initiative was launched involving 61 employees who collectively achieved a total weight loss of 192 kilograms. Health seminars were also conducted to enhance health awareness and promote healthy lifestyles among employees, further supporting the development of a healthier workplace environment.






4. Anti-Smoking Campaign

We partnered with physicians and health educators from Far Eastern Memorial Hospital's smoking cessation clinic to implement a corporate mobile smoking cessation program. A total of 16 employees participated, with 2 successfully quitting smoking and 50% of participants reducing their tobacco consumption. Through awareness and engagement activities, the Company supports employees who smoke in gradually reducing their tobacco dependence and taking progressive steps toward healthier lifestyles.






5. Flu Vaccine Administration Activity

The on-site health clinic arranges annual flu education sessions and vaccination services, providing comprehensive health protection for employees.




6. Sports Enterprise Certification

To promote healthy recreational activities, cultivate shared interests, and enhance interpersonal interactions among colleagues, Chicony encourages employee participation in club activities and provides club subsidies. CEC currently has multiple sports-oriented clubs, including running club, badminton club, aerobic dance club, basketball club, and others.





7. Cultivate Shared Interests

Chicony has been promoting workplace wellness activities and fostering corporate sports culture over the years, earning Sports Enterprise Certification from the Sports Administration in 2024. The Sports Enterprise Certification enables the Company to access technology-based fitness testing services provided by the Sports Administration, facilitating employee participation in fitness activities.





5

APPENDIX

5.1 MATERIAL TOPICS CORRESPONDING TABLE 111
5.2 GRI STANDARD INDEX 113
5.3 SASB INDEX 117
5.4 INDEX OF DOMESTIC AND INTERNATIONAL SUSTAINABILITY STANDARDS INDEX 118
5.5 GHG INVENTORY AND ASSURANCE STATUS 120
5.6 ASSURANCE STATEMENT 121

5.1 Material Topics Corresponding Table

Chicony Sustainable Strategy Blueprint	Material Topics	Positive Impact Assessment	Negative Impact Assessment	Value Chain Impact Assessment			Relevant GRI Standard	Management Approaches and Relevant Information
				Upstream	Chicony	Downstream		
Smart and Green Manufacturing	Climate and Natural Strategy	Chicony Electronics proactively addresses the impacts of climate and natural risks to reduce the potential disruptions caused by climate-related or natural disasters, while also exploring opportunities to transform and develop new business models.	Chicony Electronics may experience operational disruptions and supply chain breakdowns resulting in financial losses. Moreover, employees may face human rights risks due to infectious diseases caused by heatwaves, flooding, and water accumulation.	●	●	●	GRI 304: Biodiversity 2016 GRI 305: Emissions 2016	2.2 Climate- and Nature-related Financial Disclosures 2.3 Biodiversity
	Energy and Carbon Emission Management	Chicony Electronics can reduce actual operating costs while supporting the development of renewable energy policies that contribute to economic growth. Through air conditioning energy management, the company also ensures a comfortable working environment for employees.	Chicony Electronics may incur unnecessary energy costs and excessive energy consumption, which can negatively impact the environment and contribute to global warming.	●	●	●	GRI 302: Energy 2016	2.4 Greenhouse Gas and Energy Management
	Green Innovative Products	By managing materials and promoting a circular economy, Chicony Electronics can reduce environmental impact, lower costs, enhance resource efficiency, and align with environmental sustainability trends.	If Chicony Electronics does not implement material management or circular economy practices, it may face increased long-term costs and fail to meet customer requirements.	●	●	●	Custom: Green Innovative Products	2.6 Promotion of Green Research, Development, and Innovation
Sustainable talent development	Talent Attraction and Retention	Chicony Electronics can attract outstanding talent, reduce recruitment costs, enhance organizational vitality, and promote diversity.	Chicony Electronics faces challenges in recruitment, talent retention, insufficient salary competitiveness, and suboptimal working environments.		●		GRI 202: Market Presence 2016 GRI 401: Employment 2016 GRI 402: Labor/ Management Relations2016 GRI 404: Training and Education2016 GRI 405: Diversity and Equal Opportunity 2016 GRI 406: Non-discrimination 2016 GRI 408: Child Labor 2016 GRI 409: Forces or Compulsory Labor 2016	4.2 Compensation and Benefits 4.3 Talent Cultivation and Development
	Human Rights and Labor Relations	Strong relationships can improve labor conditions, enhance employee satisfaction, reduce labor disputes, and elevate Chicony Electronics' corporate image.	If Chicony Electronics fails to effectively maintain relationships, it may face violations of labor laws, discrimination, exploitation, occupational safety incidents, and social public opinion pressure.	●	●			4.1 Diversity, Equity, and Inclusion

Chicony Sustainable Strategy Blueprint	Material Topics	Positive Impact Assessment	Negative Impact Assessment	Value Chain Impact Assessment			Relevant GRI Standard	Management Approaches and Relevant Information
				Upstream	Chicony	Downstream		
Transparent Governance	Operational Performance	Chicony Electronics can reduce costs and increase profits. Enhance production efficiency. Expand the market and increase revenue. Attract talent and retain talent.	Chicony Electronics may sacrifice some short-term profits. It is necessary to adjust the existing operational model. May face pressure from competitors.	●	●	●	GRI 201: Economic Performance 2016 GRI 202: Market Presence 2016 GRI 207: Tax 2019	1.1 Business Overview
	Risk Management	The risk management mechanism helps Chicony Electronics identify various risk issues, plan early responses, and reduce risk impacts, while also creating opportunities for value generation.	An inadequate mechanism may prevent Chicony Electronics from anticipating potential risks, leading to direct financial losses for the company and even causing harm to the environment and human rights.	●	●	●	Custom: Risk Management Policy	1.4 Risk Management
	Ethical Management and Compliance	Chicony Electronics' comprehensive legal compliance system, grounded in principles of integrity, can enhance corporate reputation, reduce legal risks, attract investment, and stabilize the supply chain.	If Chicony Electronics engages in illegal activities, it may face fines, lawsuits, damage to its brand reputation, and loss of customer trust.	●	●	●	GRI 205: Anti-corruption 2016 GRI 206: Anti-competitive Behavior 2016	1.5 Ethical Management and Compliance
Value Chain Integration	Sustainable Supply Chain	Chicony Electronics ensures that products delivered to customers maintain high quality and punctual delivery, while also aiming to reduce management costs.	Chicony Electronics may face supply chain disruption risks and difficulty meeting customer requirements for product quality and delivery times, which could further impact revenue.	●	●	●	GRI 204: Procurement Purchases 2016 GRI 308: Supplier Environmental Assessment 2016 GRI 414: Supplier Social Assessment 2016	3.1 Sustainable Supply Chain Promotion Strategy
	Customer Relationship Management	Enhance Chicony Electronics' customer satisfaction, increase customer loyalty, boost revenue, and improve brand image.	Inadequate customer relationship management at Chicony Electronics may result in poor customer service quality, product or service defects, data breaches, and long-term customer attrition.		●	●	GRI 418: Customer Privacy 2016	3.3 Customer Relationship Management

5.2 GRI Standard Index

Statement of use	CEC has reported in accordance with the GRI Standards for the period January 1 to December 31, 2024.
GRI 1 used	GRI1: Foundation 2021
Applicable GRI Sector Standard	N/A

Disclosure		Chapters	Pages
GRI 2: General Disclosures 2021			
The organization and its reporting practices			
2-1	Organizational details	About The Report 1.1 Business Overview	4, 18
2-2	Entities included in the organization's sustainability reporting	About The Report	4
2-3	Reporting period, frequency and contact point	About The Report	4
2-4	Restatements of information	About The Report	4
2-5	External assurance	About The Report 5.6 Assurance Statement	4, 121
Activities and workers			
2-6	Activities, value chain and other business relationships	3.1 Sustainable Supply Chain Promotion Strategy	67
2-7	Employees	4.1.1 Human Resource Structure	88
2-8	Workers who are not employees	4.1.1 Human Resource Structure	88
Governance			
2-9	Governance structure and composition	1.2 Corporate Governance Structure and Operations	22
2-10	Nomination and selection of the highest governance body	1.2 Corporate Governance Structure and Operations	22
2-11	Chair of the highest governance body	1.2 Corporate Governance Structure and Operations	22
2-12	Role of the highest governance body in overseeing the management of impacts	1.4 Risk Management	28
2-13	Delegation of responsibility for managing impacts	1.4 Risk Management	28
2-14	Role of the highest governance body in sustainability reporting	1.3 Sustainable Governance	27
2-15	Conflicts of interest	1.2 Corporate Governance Structure and Operations	28
2-16	Communication of critical concerns	Stakeholders and Material Topics 1.5 Ethical Management and Compliance	9, 29
2-17	Collective knowledge of the highest governance body	1.2 Corporate Governance Structure and Operations	22
2-18	Evaluation of the performance of the highest governance body	1.2 Corporate Governance Structure and Operations	22
2-19	Remuneration policies	1.2 Corporate Governance Structure and Operations	22
2-20	Process to determine remuneration	1.2 Corporate Governance Structure and Operations	22
2-21	Annual total compensation ratio	4.2.1 Employee Compensation	94

Disclosure		Chapters	Pages
Strategy, policies and practices			
2-22	Statement on sustainable development strategy	Message from the President	6
2-23	Policy commitments	Message from the President Chicony Sustainable Strategy Blueprint 1.3 Sustainable Governance 4.1.4 Human Rights Policy	6, 7, 27, 92
2-24	Embedding policy commitments	Chicony Sustainable Strategy Blueprint 1.3 Sustainable Governance	7, 27
2-25	Processes to remediate negative impacts	Stakeholders and Material Topics 1.5 Ethical Management and Compliance	9, 29
2-26	Mechanisms for seeking advice and raising concerns	Stakeholders and Material Topics 1.5 Ethical Management and Compliance	9, 29
2-27	Compliance with laws and regulations	1.5 Ethical Management and Compliance 3.2.1 Compliance and Hazardous Substance Management	29, 78
2-28	Membership associations	There are 10 associations meeting the recommendations of the index.	
Stakeholder engagement			
2-29	Approach to stakeholder engagement	Stakeholders and Material Topics	9
2-30	Collective bargaining agreements	4.4 Employee Communication	101

Material Topics

Disclosure		Chapters	Pages
GRI 3: Material Topic 2021			
3-1	Process to determine material topics	Stakeholders and Material Topics	9
3-2	List of material topics	Stakeholders and Material Topics	9
3-3	Management of material topics	Stakeholders and Material Topics	9
Material Topic: Climate and Natural Strategy			
GRI 101: Biodiversity 2024			
101-1	Policies to halt and reverse biodiversity loss	2.3.1 Biodiversity Policies and Initiatives	46
101-2	Management of biodiversity impacts	(Expected to be stated in the 2025 TC/TNFD report)	
101-3	Access and benefit-sharing	(Expected to be stated in the 2025 TC/TNFD report)	
101-4	Identification of biodiversity impacts	2.2.2 Climate- and Nature-related Risk Management Process 2.3.2 Management of Biodiversity Sensitive Areas and Significant Dependencies & Impacts in the Value Chain	39, 46
101-5	Locations with biodiversity impacts	(Expected to be stated in the 2025 TC/TNFD report)	
101-6	Direct drivers of biodiversity loss	(Expected to be stated in the 2025 TC/TNFD report)	
101-7	Changes to the state of Biodiversity	(Expected to be stated in the 2025 TC/TNFD report)	
101-8	Ecosystem services	(Expected to be stated in the 2025 TC/TNFD report)	
GRI 305: Emissions 2016			
305-1	Direct (Scope 1) GHG emissions	2.4.2 GHG Management Performance	49
305-2	Energy indirect (Scope 2) GHG emissions	2.4.2 GHG Management Performance	49

Disclosure		Chapters	Pages
305-3	Other indirect (Scope 3) GHG emissions	2.4.2 GHG Management Performance	49
305-4	GHG emissions intensity	2.4.2 GHG Management Performance	49
305-5	Reduction of GHG emissions	2.4.2 GHG Management Performance	49
305-6	Emissions of ozone-depleting substances (ODS)	2.5.3 Air Pollution Management	60
305-7	Nitrogen oxides (NOx), sulfur oxides (SOx), and other significant air emissions	2.5.3 Air Pollution Management	60
Material Topic: Energy and Carbon Emission Management			
GRI 302: Energy 2016			
302-1	Energy consumption within the organization	2.4.3 Energy Management Performance	52
302-2	Energy consumption outside of the organization	2.4.3 Energy Management Performance	52
302-3	Energy intensity	2.4.3 Energy Management Performance	52
302-4	Reduction of energy consumption	2.4.3 Energy Management Performance	52
302-5	Reductions in energy requirements of products and services	2.4.3 Energy Management Performance	60
Material Topic: Green Innovative Products			
Custom			
Custom	Green product development mindset	2.6.1 Green Product Design and Manufacturing Process	60
Custom	Green product coverage	2.6.1 Green Product Design and Manufacturing Process	60
Custom	Reward innovation mechanism	2.6.3 Investment in Research and Development and Patent Protection	63
Material Topics: Talent Attraction and Retention, Human Rights and Labor Reltaions			
GRI 202: Market Presence 2016			
202-1	Ratios of standard entry level wage by gender compared to local minimum wage	4.2.1 Employee Compensation	94

Disclosure		Chapters	Pages
GRI 401: Employment 2016			
401-1	New employee hires and employee turnover	4.1.2 Personnel Recruitment 4.3.1 Campus Engagement - Industry-Academia Collaboration and Campus Recruitment	90, 97
401-2	Benefits provided to full-time employees that are not provided to temporary or parttime employees	4.2.2 Employee Benefits Programs	95
401-3	Parental leave	4.1.3 Parental Leave	91
GRI 402: Labor/Management Relations 2016			
402-1	Minimum notice periods regarding operational changes	The Company will make advance notices in accordance with the laws and regulations of each location.	
GRI 404: Training and Education 2016			
404-1	Average hours of training per year per employee	4.3.2 Diverse Training Programs	98
404-2	Programs for upgrading employee skills and transition assistance programs	4.3.2 Diverse Training Programs 4.2.2 Employee Benefits Programs	98, 95
404-3	Percentage of employees receiving regular performance and career development reviews	4.3.3 Work Performance Appraisal System	100
GRI 405: Diversity and Equal Opportunity 2016			
405-1	Diversity of governance bodies and employees	1.2 Corporate Governance Structure and Operations 4.1.1 Human Resource Structure	22, 88
405-2	Ratio of basic salary and remuneration of women to men	4.2.1 Employee Compensation	94
GRI 406: Non-discrimination 2016			
406-1	Incidents of discrimination and corrective actions taken	No relevant issue	

Disclosure		Chapters	Pages
GRI 408: Child Labor 2016			
408-1	Operations and suppliers at significant risk for incidents of child labor	4.1.4 Human Rights Policy	93
GRI 406: Non-discrimination 2016			
409-1	Operations and suppliers at significant risk for incidents of forced or compulsory labor	4.1.4 Human Rights Policy	93
Material Topic: Operational Performance			
GRI 201: Economic Performance2016			
201-1	Direct economic value generated and distributed	1.1 Business Overview	18
201-2	Financial implications and other risks and opportunities due to climate change	2.2.5 Material Climate- and Nature-related Risks and Opportunities	40
201-3	Defined benefit plan obligations and other retirement plans	4.2.2 Employee Benefits Programs	95
201-4	Financial assistance received from government		

	Taiwan (NTD)	Mainland China (RMB)	Thailand (THB)
Tax relief and tax credits	208,416,457	30,876,782	-
Subsidies	654,768	7,009,747	-
Investment grants, R&D grants, and other relevant types of grant	-	4,685,900	-
Awards	-	5,839,188	149,400
Total	209,071,225	48,411,617	149,400

Total subsidies are NT$ 424,959 thousand. Production sites in Japan, Czech and the USA are not subsidized by the government.

Disclosure		Chapters	Pages
GRI 202: Market Presence 2016			
202-2	Proportion of senior management hired from the local community	4.1.1 Human Resource Structure	88
GRI 207: Tax2019			
207-1	Approach to tax	1.1 Business Overview	21, 22
207-2	Tax governance, control, and risk management	1.1 Business Overview	21, 22
207-3	Stakeholder engagement and management of concerns related to tax	1.1 Business Overview	21, 22
207-4	Country-by-country reporting	1.1 Business Overview	21, 22
Material Topic: Risk Management			
Custom			
Custom	Identification and management of material risks	1.4 Risk Management	28
Custom	Risk management mechanism	1.4 Risk Management	28
Material Topic: Ethical Management and Compliance			
GRI 205: Anti-corruption 2016			
205-1	Operations assessed for risks related to corruption	1.5 Ethical Management and Compliance	29
205-2	Communication and training about anticorruption policies and procedures	1.5 Ethical Management and Compliance	29
205-3	Incidents of corruption and actions taken	Stakeholders and Material Topics	13
GRI 206: Anti-competitive Behavior 2016			
206-1	Legal actions for anti-competitive behavior, anti-trust, and monopoly practices	No relevant issue	
Material Topic: Sustainable Supply Chain			
GRI 204: Procurement Practices 2016			

Disclosure		Chapters	Pages
204-1	Proportion of spending on local suppliers	3.1.4 Low-carbon Supply Chain	73
GRI 308: Supplier Environmental Assessment 2016			
308-1	New suppliers that were screened using environmental criteria	3.1.2 Sustainable Supply Chain Management 3.2.3 Supplier Hazardous Substance Management	72, 78
308-2	Negative environmental impacts in the supply chain and actions taken	3.1.2 Sustainable Supply Chain Management	72
GRI 414: Supplier Social Assessment 2016			
414-1	New suppliers that were screened using social criteria	3.1.2 Sustainable Supply Chain Management	72
414-2	Negative social impacts in the supply chain and actions taken	3.1.2 Sustainable Supply Chain Management	72
GRI 416: Customer Health and Safety 2016			
416-1	Assessment of the health and safety impacts of product and service categories	3.2.1 Compliance and Hazardous Substance Management	76
416-2	Incidents of non-compliance concerning the health and safety impacts of products and services	No relevant issue	
Material Topic: Customer Relationship Management			
GRI 418: Customer Privacy 2016			
418-1	Substantiated complaints concerning breaches of customer privacy and losses of customer data	1.6 Information and Privacy Security	32

5.3 SASB Index

Code	Accounting Metric	Chapters	Pages
Sustainability Disclosure Topics & Accounting Metrics			
Product Security			
TC-HW-230a.1	Description of approach to identifying and addressing data security risks in products	1.6 Information and Privacy Security	30
Employee Diversity & Inclusion			
TC-HW-330a.1	Percentage of gender and racial/ethnic group representation for (1)management, (2)technical staff, and (3)all other employees	4.1.1 Human Resource Structure	89
Product Lifecycle Management			
TC-HW-410a.1	Percentage of products by revenue that contain IEC 62474 declarable substances	97%	
TC-HW-410a.2	Percentage of eligible products, by revenue, meeting the requirements for EPEAT registration or equivalent	0% Our products are not terminal products that do not meet the requirements of the labels. We cannot apply for its.	
TC-HW-410a.3	Percentage of eligible products, by revenue, meeting ENERGY STAR® criteria		
TC-HW-410a.4	Weight of end-of-life products and e-waste recovered, percentage recycled	2.5.2 Waste Management	59
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	3.1.2 Sustainable Supply Chain Management	70
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	3.1.2 Sustainable Supply Chain Management	71
Materials Sourcing			
TC-HW-440a.1	Description of the management of risks associated with the use of critical materials	3.1.2 Sustainable Supply Chain Management	68
Activity Metrics			
TC-HW-000.A	Number of units produced by product category	1.1 Business Overview	19
TC-HW-000.B	Area of manufacturing facilities	About the Report	4
TC-HW-000.C	Percentage of production from owned facilities	100%	4

5.4 Index of Domestic and International Sustainability Standards Index

Sustainable Development Best Practice Principles for TWSE/TPEx Listed Companies

Content	Chapters
Chapter 1. General Principles	1. Transparent Governance
Chapter 2. Exercising Corporate Governance	1. Transparent Governance
Chapter 3. Fostering a Sustainable Environment	2. Smart and Green Manufacturing
Chapter 4. Preserving Public Welfare	3. Value Chain Integration 4. Sustainable talent development
Chapter 5. Enhancing Disclosure of Sustainable Development Information	Stakeholders and Material Topics 1. Transparent Governance
Chapter 6. Supplementary Provisions	1. Transparent Governance

Appendix 1-14 Sustainability Disclosure Indicators - Other Electronic Industries

No.	Indicator	Indicator Type	Annual Disclosure	Unit
1	Total energy consumption, percentage of purchased electricity, utilization rate (renewable energy)	Quantitative	2.4.3 Energy Management Performance	Gigajoules (GJ), percentage (%)
2	Total water withdrawn, total water consumption	Quantitative	2.5.1 Water Resource Management	Thousand cubic meters (m^3)
3	Total hazardous waste generated and percentage recycled	Quantitative	2.5.2 Waste Management	Metric tons (t), percentage (%)
4	Types of, number of employees in and rate of occupational accidents	Quantitative	4.5.1 Occupational Safety and Health Management System	Percentage (%), quantity
5	Product Lifecycle Management Disclosure: including weights of scraps and electronic waste and percentage recycled (Note 1)	Quantitative	2.5.2 Waste Management	Metric tons (t), percentage (%)
6	Description of the management of risks associated with the use of critical materials	Qualitative description	3.1.2 Sustainable Supply Chain Management	Not applicable
7	Total amount of monetary losses as a result of legal proceedings associated with anti-competitive behavior regulations	Quantitative	No occurrence of relevant incidents.	Reporting currency
8	Production by product category	Quantitative	Please refer to the Company's Annual Shareholder Meeting Report.	Varies by product category

Appendix 2 Climate-Related Information of TWSE/TPEx Listed Company

Item	Implementation
1. Describe the board of directors' and management's oversight and governance of climate-related risks and opportunities.	1.3 Sustainable Governance 2.2.1 Climate- and Nature-related Governance Framework
2. Describe how the identified climate risks and opportunities affect the business, strategy, and finances of the business (short, medium, and long term).	2.2.5 Material Climate- and Nature-related Risks and Opportunities
3. Describe the financial impact of extreme weather events and transformative actions.	2.2.5 Material Climate- and Nature-related Risks and Opportunities
4. Describe how climate risk identification, assessment, and management processes are integrated into the overall risk management system.	2.2.1 Climate- and Nature-related Governance Framework 2.2.2 Climate- and Nature-related Risk Management Process
5. If scenario analysis is used to assess resilience to climate change risks, the scenarios, parameters, assumptions, analysis factors and major financial impacts used should be described.	2.2.4 Climate and Natural Scenario Analysis
6. If there is a transition plan for managing climate-related risks, describe the content of the plan, and the indicators and targets used to identify and manage physical risks and transition risks.	2.2.5 Material Climate- and Nature-related Risks and Opportunities
7. If internal carbon pricing is used as a planning tool, the basis for setting the price should be stated.	2.4.2 GHG Management Performance
8. If climate-related targets have been set, the activities covered, the scope of greenhouse gas emissions, the planning horizon, and the progress achieved each year should be specified. If carbon credits or renewable energy certificates (RECs) are used to achieve relevant targets, the source and quantity of carbon credits or RECs to be offset should be specified.	2.4.3 Energy Management Performance
9. Greenhouse gas inventory and assurance status.	5.5 GHG Inventory and Assurance Status

Guidance on Social Responsibility ISO 26000

	Disclosure	Chapters
Organizational Governance	Decision-making processes and structures	1. Transparent Governance
Human Rights	Due diligence	4. Sustainable talent development
	Human rights risk situations	
	Avoidance of complicity	
	Resolving grievances	
	Discrimination and vulnerable groups	
	Civil and political rights	
	Economic, social and cultural rights	
	Fundamental principles and rights at work	
Labor Practices	Employment and employment relationships	4. Sustainable talent development
	Conditions of work and social protection	
	Social dialogue	
	Health and safety at work	
	Human development and training in the workplace	
The Environment	Prevention of pollution	2. Smart and Green Manufacturing
	Sustainable resource use	
	Climate change mitigation and adaptation	
	Protection of the environment, biodiversity and restoration of natural habitats	

	Disclosure	Chapters
Fair Operating Practices	Anti-corruption	1. Transparent Governance
	Responsible political involvement	
	Fair competition	
	Promoting social responsibility in the value chain	
	Respect for property rights	
Consumer Issues	Fair marketing, factual and unbiased information and fair contractual practices	1. Transparent 3. Value Chain Integration
	Protecting consumers' health and safety	
	Sustainable consumption	
	Consumer service, support, and complaint and dispute resolution	
	Consumer data protection and privacy	
	Access to essential services	
	Education and awareness	
Community Involvement and Development	Community involvement	3. Value Chain Integration 4. Sustainable talent development
	Education and culture	
	Employment creation and skills development	
	Technology development and access	
	Wealth and income creation	
	Health	
	Social investment	

Task Force on Climate-related Financial Disclosures (TCFD)

Dimension	TCFD Recommended Disclosure	Chapters
Governance	Describe the board's oversight of climate-related risks and opportunities.	1.3 Sustainable Governance 2.2.1 Climate- and Nature-related Governance Framework
	Describe management's role in assessing and managing climate-related risks and opportunities.	1.3 Sustainable Governance 2.2.1 Climate- and Nature-related Governance Framework
Strategy	Describe the climate-related risks and opportunities the organization has identified over the short, medium, and long term.	2.2.3 Climate- and Nature-related Risk Identification 2.2.5 Material Climate- and Nature-related Risks and Opportunities
	Describe the impact of climate-related risks and opportunities on the organization's businesses, strategy, and financial planning.	2.2.5 Material Climate- and Nature-related Risks and Opportunities
	Describe the resilience of the organization's strategy, taking into consideration different climate-related scenarios, including a 2°C or lower scenario.	2.2.4 Climate and Natural Scenario Analysis
Risk Management	Describe the organization's processes for identifying and assessing climate-related risks.	2.2.2 Climate- and Nature-related Risk Management Process
	Describe the organization's processes for managing climate-related risks.	2.2.2 Climate- and Nature-related Risk Management Process
	Describe how processes for identifying, assessing, and managing climate-related risks are integrated into the organization's overall risk management.	2.2.2 Climate- and Nature-related Risk Management Process
Metrics and Targets	Disclose the metrics used by the organization to assess climaterelated risks and opportunities in line with its strategy and risk management process.	2.2.5 Material Climate- and Nature-related Risks and Opportunities
	Disclose Scope 1, Scope 2, and, if appropriate, Scope 3 greenhouse gas (GHG) emissions, and the related risks	2.4.2 GHG Management Performance
	Describe the targets used by the organization to manage climaterelated risks and opportunities and performance against targets.	2.4.2 GHG Management Performance 2.2.5 Material Climate- and Nature-related Risks and Opportunities 2.4.2 GHG Management Performance 2.4.3 Energy Management Performance

5.5 GHG Inventory and Assurance Status

Basic information of the company	Minimum required disclosure under the Sustainable Development Roadmap for TWSE/TPEx Listed Companies
⊙ Capital of NT$10 billion or more, iron and steel industry, or cement industry ● Capital of NT$5 billion or more but less than NT$10 billion ⊙ Capital of less than NT$5 billion	● Inventory for parent company only ● Verification for parent company only ● Inventory for all consolidated entities ● Verification for all consolidated entities

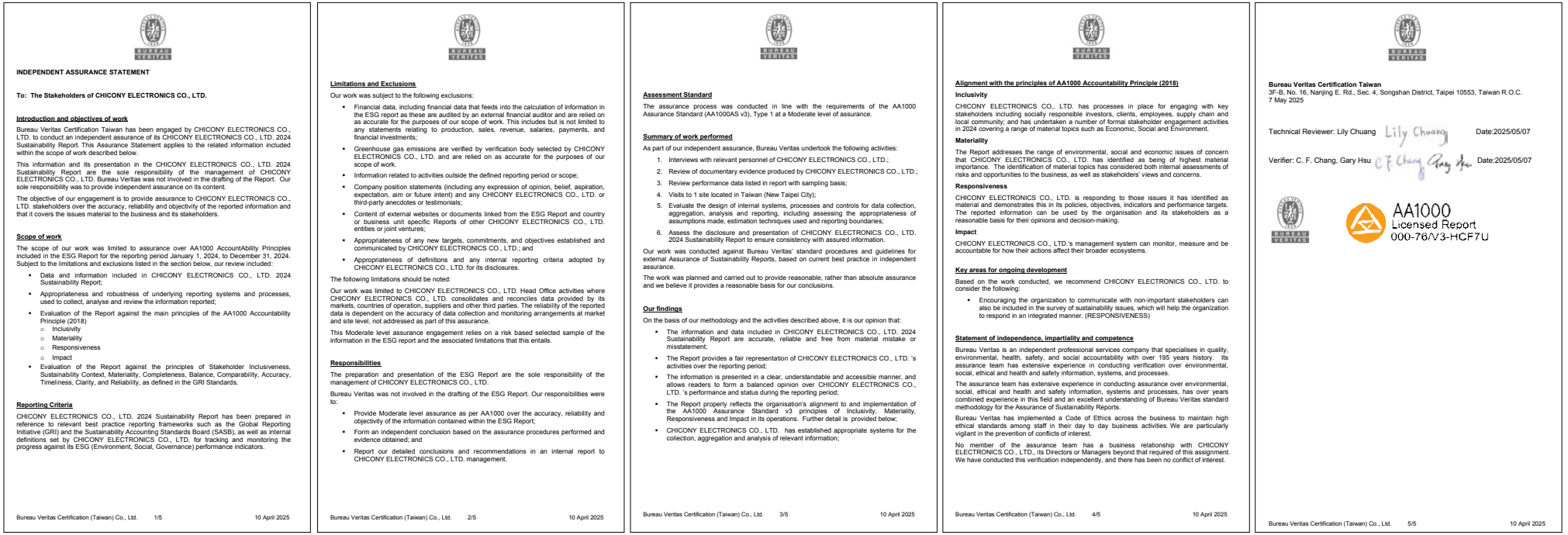
Scope 1	GHG Emission (tCO_2e)	GHG Intensity (tCO_2e/NT$1,000)	Assurance body	Description of assurance status
Parent Company	5,957.669	0.096	SGS	Verification is conducted based on the ISO 14064-1 standards - reasonable assurance.
Subsidiaries	2,361.361	0.059	SGS	Verification is conducted based on the ISO 14064-1 standards - reasonable assurance.
Total	8,319.030	0.082		

Scope 2	GHG Emission (tCO_2e)	GHG Intensity (tCO_2e/NT$1,000)	Assurance body	Description of assurance status
Parent Company	37,524.974	0.608	SGS	Verification is conducted based on the ISO 14064-1 standards - reasonable assurance.
Subsidiaries	24,008.794	0.604	SGS	Verification is conducted based on the ISO 14064-1 standards - reasonable assurance.
Total	61,533.768	0.606		

Scope 3	GHG Emission (tCO_2e)	GHG Intensity (tCO_2e/NT$1,000)	Assurance body	Description of assurance status
Parent Company	1,317,341.412	21.336	SGS	Verification is conducted based on the ISO 14064-1 standards - reasonable assurance.
Subsidiaries	19,689,468.615	495.523	SGS	Verification is conducted based on the ISO 14064-1 standards - reasonable assurance.
Total	21,006,810.027	207.008		

5.6 Assurance Statement

Chicony adopts the 2021 version of the Global Reporting Initiative (GRI) Sustainability Reporting Standards, following the “in accordance” option. The report has been verified by a third party—Bureau Veritas Certification (Taiwan) Co., Ltd.—in accordance with Type 1 moderate assurance under the AA1000 AS v3 assurance standard.



INDEPENDENT ASSURANCE STATEMENT

To: The Stakeholders of CHICONY ELECTRONICS CO., LTD.

Introduction and objectives of work

Bureau Veritas Certification Taiwan has been engaged by CHICONY ELECTRONICS CO., LTD. to conduct an independent assurance of its CHICONY ELECTRONICS CO., LTD. 2024 Sustainability Report. This Assurance Statement applies to the related information included within the scope of work described below.

This information and its presentation in the CHICONY ELECTRONICS CO., LTD. 2024 Sustainability Report are the sole responsibility of the management of CHICONY ELECTRONICS CO., LTD. Bureau Veritas was not involved in the drafting of the Report. Our sole responsibility was to provide independent assurance on its content.

The objective of our engagement is to provide assurance to CHICONY ELECTRONICS CO., LTD. stakeholders over the accuracy, reliability and objectivity of the reported information and that it covers the issues material to the business and its stakeholders.

Scope of work

The scope of our work was limited to assurance over AA1000 AccountAbility Principles included in the ESG Report for the reporting period January 1, 2024, to December 31, 2024. Subject to the limitations and exclusions listed in the section below, our review included:

- Data and information included in CHICONY ELECTRONICS CO., LTD. 2024 Sustainability Report;
- Appropriateness and robustness of underlying reporting systems and processes, used to collect, analyse and review the information reported;
- Evaluation of the Report against the main principles of the AA1000 Accountability Principle (2018)
  - Inclusivity
  - Materiality
  - Responsiveness
  - Impact
- Evaluation of the Report against the principles of Stakeholder Inclusiveness, Sustainability Context, Materiality, Completeness, Balance, Comparability, Accuracy, Timeliness, Clarity, and Reliability, as defined in the GRI Standards.

Reporting Criteria

CHICONY ELECTRONICS CO., LTD. 2024 Sustainability Report has been prepared in reference to relevant best practice reporting frameworks such as the Global Reporting Initiative (GRI) and the Sustainability Accounting Standards Board (SASB), as well as internal definitions set by CHICONY ELECTRONICS CO., LTD. for tracking and monitoring the progress against its ESG (Environment, Social, Governance) performance indicators.

Bureau Veritas Certification (Taiwan) Co., Ltd. 1/5 10 April 2025

Limitations and Exclusions

Our work was subject to the following exclusions:

- Financial data, including financial data that feeds into the calculation of information in the ESG report as these are audited by an external financial auditor and are relied on as accurate for the purposes of our scope of work. This includes but is not limited to any statements relating to production, sales, revenue, salaries, payments, and financial investments;
- Greenhouse gas emissions are verified by verification body selected by CHICONY ELECTRONICS CO., LTD. and are relied on as accurate for the purposes of our scope of work.
- Information related to activities outside the defined reporting period or scope;
- Company position statements (including any expression of opinion, belief, aspiration, expectation, aim or future intent) and any CHICONY ELECTRONICS CO., LTD. or third-party anecdotes or testimonials;
- Content of external websites or documents linked from the ESG Report and country or business unit specific Reports of other CHICONY ELECTRONICS CO., LTD. entities or joint ventures;
- Appropriateness of any new targets, commitments, and objectives established and communicated by CHICONY ELECTRONICS CO., LTD.; and
- Appropriateness of definitions and any internal reporting criteria adopted by CHICONY ELECTRONICS CO., LTD. for its disclosures.

The following limitations should be noted:

Our work was limited to CHICONY ELECTRONICS CO., LTD. Head Office activities where CHICONY ELECTRONICS CO., LTD. consolidates and reconciles data provided by its markets, countries of operation, suppliers and other third parties. The reliability of the reported data is dependent on the accuracy of data collection and monitoring arrangements at market and site level, not addressed as part of this assurance.

This Moderate level assurance engagement relies on a risk based selected sample of the information in the ESG report and the associated limitations that this entails.

Responsibilities

The preparation and presentation of the ESG Report are the sole responsibility of the management of CHICONY ELECTRONICS CO., LTD.

Bureau Veritas was not involved in the drafting of the ESG Report. Our responsibilities were to:

- Provide Moderate level assurance as per AA1000 over the accuracy, reliability and objectivity of the information contained within the ESG Report;
- Form an independent conclusion based on the assurance procedures performed and evidence obtained; and
- Report our detailed conclusions and recommendations in an internal report to CHICONY ELECTRONICS CO., LTD. management.

Bureau Veritas Certification (Taiwan) Co., Ltd. 2/5 10 April 2025

Assessment Standard

The assurance process was conducted in line with the requirements of the AA1000 Assurance Standard (AA1000AS v3), Type 1 at a Moderate level of assurance.

Summary of work performed

As part of our independent assurance, Bureau Veritas undertook the following activities:

1. Interviews with relevant personnel of CHICONY ELECTRONICS CO., LTD.;
2. Review of documentary evidence produced by CHICONY ELECTRONICS CO., LTD.;
3. Review performance data listed in report with sampling basis;
4. Visits to 1 site located in Taiwan (New Taipei City);
5. Evaluate the design of internal systems, processes and controls for data collection, aggregation, analysis and reporting, including assessing the appropriateness of assumptions made, estimation techniques used and reporting boundaries;
6. Assess the disclosure and presentation of CHICONY ELECTRONICS CO., LTD. 2024 Sustainability Report to ensure consistency with assured information.

Our work was conducted against Bureau Veritas’ standard procedures and guidelines for external Assurance of Sustainability Reports, based on current best practice in independent assurance.

The work was planned and carried out to provide reasonable, rather than absolute assurance and we believe it provides a reasonable basis for our conclusions.

Our findings

On the basis of our methodology and the activities described above, it is our opinion that:

- The information and data included in CHICONY ELECTRONICS CO., LTD. 2024 Sustainability Report are accurate, reliable and free from material mistake or misstatement;
- The Report provides a fair representation of CHICONY ELECTRONICS CO., LTD. ’s activities over the reporting period;
- The information is presented in a clear, understandable and accessible manner, and allows readers to form a balanced opinion over CHICONY ELECTRONICS CO., LTD. ’s performance and status during the reporting period;
- The Report properly reflects the organisation’s alignment to and implementation of the AA1000 Assurance Standard v3 principles of Inclusivity, Materiality, Responsiveness and Impact in its operations. Further detail is provided below;
- CHICONY ELECTRONICS CO., LTD. has established appropriate systems for the collection, aggregation and analysis of relevant information;

Bureau Veritas Certification (Taiwan) Co., Ltd. 3/5 10 April 2025

Alignment with the principles of AA1000 Accountability Principle (2018)

Inclusivity

CHICONY ELECTRONICS CO., LTD. has processes in place for engaging with key stakeholders including socially responsible investors, clients, employees, supply chain and local community; and has undertaken a number of formal stakeholder engagement activities in 2024 covering a range of material topics such as Economic, Social and Environment.

Materiality

The Report addresses the range of environmental, social and economic issues of concern that CHICONY ELECTRONICS CO., LTD. has identified as being of highest material importance. The identification of material topics has considered both internal assessments of risks and opportunities to the business, as well as stakeholders’ views and concerns.

Responsiveness

CHICONY ELECTRONICS CO., LTD. is responding to those issues it has identified as material and demonstrates this in its policies, objectives, indicators and performance targets. The reported information can be used by the organisation and its stakeholders as a reasonable basis for their opinions and decision-making.

Impact

CHICONY ELECTRONICS CO., LTD.’s management system can monitor, measure and be accountable for how their actions affect their broader ecosystems.

Key areas for ongoing development

Based on the work conducted, we recommend CHICONY ELECTRONICS CO., LTD. to consider the following:

- Encouraging the organization to communicate with non-important stakeholders can also be included in the survey of sustainability issues, which will help the organization to respond in an integrated manner. (RESPONSIVENESS)

Statement of independence, impartiality and competence

Bureau Veritas is an independent professional services company that specialises in quality, environmental, health, safety, and social accountability with over 195 years history. Its assurance team has extensive experience in conducting verification over environmental, social, ethical and health and safety information, systems, and processes.

The assurance team has extensive experience in conducting assurance over environmental, social, ethical and health and safety information, systems and processes, has over years combined experience in this field and an excellent understanding of Bureau Veritas standard methodology for the Assurance of Sustainability Reports.

Bureau Veritas has implemented a Code of Ethics across the business to maintain high ethical standards among staff in their day to day business activities. We are particularly vigilant in the prevention of conflicts of interest.

No member of the assurance team has a business relationship with CHICONY ELECTRONICS CO., LTD., its Directors or Managers beyond that required of this assignment. We have conducted this verification independently, and there has been no conflict of interest.

Bureau Veritas Certification (Taiwan) Co., Ltd. 4/5 10 April 2025

Bureau Veritas Certification Taiwan
3F-B, No. 16, Nanjing E. Rd., Sec. 4, Songshan District, Taipei 10553, Taiwan R.O.C.
7 May 2025

Technical Reviewer: Lily Chuang Lily Chuang Date:2025/05/07

Verifier: C. F. Chang, Gary Hsu C.F. Chang Gary Hsu Date:2025/05/07

AA1000 Licensed Report 000-76/V3-HCF7U

Bureau Veritas Certification (Taiwan) Co., Ltd. 5/5 10 April 2025

Chicony

2024 Sustainability Report